

REC'D MAR 3 2009

REORGANIZATION PLAN SUBMITTAL SHEET

(Each municipality in a School Union must be indicated separately.)

School Administrative Units Included in APPROVED Notice of Intent	School Administrative Units Submitting Reorganization Plan
SAD 67	SAD67

Contact Information:

RPC Chair

Name: Michael F. Marcinkus, Superintendent of Schools

Address: 57 Main Street

Lincoln, Maine 04457

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Date Plan Submitted: 2-17-09

Proposed RSU Operational Date: 7-1-09

Michelle Perkins, Chair 2/26/09 MSAD #67
Signature/Title Date SAU

Jessica Worster 2/26/09 MSAD #67
Signature/Title Date SAU

Rebecca Albert Hanson 2/26/09 MSAD #67
Signature/Title Date SAU

[Signature] 2/26/09 MSAD #67
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Michelle Morrison 2/26/09 MSAD #67
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Carolyn T. Smith 2-26-09 MSAD #67
Signature/Title Date SAU

Sarah M. Crockett 2-26-09 MSAD #67
Signature/Title Date SAU

Signature/Title Date SAU

Signature/Title Date SAU

Signature/Title Date SAU

Reorganization Plan Cover Sheet

(Please attach Reorganization Plan as Exhibit A)

Required Elements							
Law Reference Item Number Sub-Chapter 2	Item	N/A	Complete	In Progress	Not Yet Started	Identified Barrier ¹	Need Assistance ²
3.A(1)	SAUs included in RSU		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(2)	Size of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Composition of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Apportionment of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(3)	Method of voting of the governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(4)	Composition of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Powers of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Duties of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(5)	Disposition of real & personal school property		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(6)	Disposition of existing school indebtedness (if not using provisions of section 1506)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disposition of lease-purchase obligations (if not using provisions of section 1506)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(7)	Assignment of school personnel contracts		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Assignment of school collective bargaining agreements		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Assignment of other school contractual obligations		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(8)	Disposition of existing school funds and existing financial obligations		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(9)	Transition plan that addresses the development of a budget for the first school year		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Transition plan that addresses interim personnel policies		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(10)	Documentation of the public meeting(s) held to prepare or review reorganization plan		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(11)	Explanation of how units that approve reorganization plan will proceed if one or more units do not approve the plan		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(12)	Estimate of cost savings to be achieved		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(13)	Such other matters as the governing bodies of the school administrative units in existence on the effective date of this chapter may determine to be necessary		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ Please explain why this is a barrier and what assistance you need to remove this barrier on the next page.

² Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on page 3.

Parameters for Plan Development

Law Reference Item Number Sub-Chapter 2	Item	N/A	Complete	In Progress	Not Yet Started	Identified Barrier ³	Need Assistance ⁴
3.B(1)	Enrollment meets requirements (2,500 except where circumstances justify an exception ⁵)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sec. XXXX-36, Parameter B	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"/>	<input type="checkbox"/>
3.B(2)	Comprehensive programming for all students grades K - 12.		<input checked="" type="checkbox"/>	<input 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"/>	<input type="checkbox"/>
3.B(3)	Consistent with policies set forth in section 1451		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(4)	No displacement of teachers		<input checked="" type="checkbox"/>	<input 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"/>	<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"/>	<input type="checkbox"/>
Sec. XXXX-26, Parameter F	The plan must address how the school administrative unit will reorganize administrative functions, duties and noninstructional personnel so that the projected expenditures of the reorganized school unit in fiscal year 2008-2009 for system administration, transportation, special education and facilities and maintenance will not have an adverse impact on the instructional program ⁶		<input checked="" type="checkbox"/>	<input 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)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Exceptions to 2,500 minimum

Actual number of students for which the SAU is fiscally responsible: **1225**

Exception	Exception Claimed in Plan	Documentation Provided? (Please attach as Exhibit B)	
		Yes	No
Geography	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demographics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Population Density	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Unique Circumstances	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

³ Please explain why this is a barrier and what assistance you need to remove this barrier on the next page.

⁴ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on page 3.

⁵ Please note in the *Exceptions to 2500 minimum* section on next page

⁶ This requirement is only for those who plan to be operational as an RSU in fiscal year 2008-2009, in accordance with a Reorganization Plan that is approved by the Commissioner and by the voters.

Explanation of Barriers –

Please use this section to explain any/all barriers identified on the previous page as a barrier in completing your Reorganization Plan.

Law Reference/Required Element	Explanation of the barrier
	Not Applicable

Assistance Needs –

Please use this section to describe your needs for assistance and from whom you need assistance.

Law Reference/Required Element	Explanation of your assistance need	Assistance needed from whom?
	Not Applicable	

REORGANIZATION PLAN- RSU

SAU Submitting: SAD 67

Contact Information: Michael F. Marcinkus
Superintendent of Schools
SAD 67
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Date Submitted by SAU: February 27, 2009

Proposed RSU Operational Date: July 1, 2009

This Plan to reorganize this school administrative unit into the new RSU is intended to comply with State statutory requirements to reduce school administrative costs. It is also intended to serve as a means for deeper, broader, and more creative educational opportunities for the students of the RSU. Further, it is intended to provide for equity and fairness for its member municipalities.

MISSION

The RSU will provide a safe, caring environment for all students to learn for the future, by providing the necessary resources that foster learning within and across local and worldwide communities.

VISION

We believe the students in the RSU will

1. Follow accepted behavior that fosters a safe, caring learning environment,
2. Become responsible, well rounded, life- long learners,
3. Actively participate in learning,
4. Aspire to become model citizens and community members,
5. Turn challenges into positive learning experiences, and
6. Strive to reach their individual potential.

1. The units of school administration to be included in the proposed reorganized regional school unit.

The proposed regional school unit includes the following school administrative unit and municipalities:

- SAD 67 (Including the towns of Chester, Lincoln and Mattawamkeag)

The regional school unit proposed to be organized pursuant to this plan shall be referred to in this plan as the RSU.

2. The size, composition and appointment of the governing body.

The governing body shall be known as the RSU board and shall be composed of 12 members. The above mentioned administrative unit and municipalities will be separated into three electoral districts:

- Electoral District 1: Chester (will have 2 board members)
- Electoral District 2: Lincoln (will have 8 board members)
- Electoral District 3: Mattawamkeag (will have 2 board members)
- The newly formed RSU board will have one high school student from the high school in the RSU. This student will have no voting authority on the board, but instead will be used to voice student concerns and issues to the elected board members.
- The RSU Board for the RSU shall hold at least one meeting per year among the three Electoral Districts of the RSU.

Each board member shall serve a 3-year term, except that the initial terms of the RSU board shall be staggered as provided by Title 20-A M.R.S.A. Section 1472-B. At the first meeting of the RSU board, lots will be drawn for the initial term lengths for each elected member. The initial term lengths for each member of the three electoral districts shall be distributed as follows:

- Electoral District 1 (Chester): Shall have one member with a one-year term and one member with a two-year term.
- Electoral District 2 (Lincoln): Shall have two members with a one-year term, three members with a two-year term and three members with a three-year term.
- Electoral District 3 (Mattawamkeag): Shall have one member with a one-year term and one member with a three-year term.

3. The Method of Voting of the Governing Body.

Each electoral district in RSU shall elect the number of its residents to serve on the board as shown in the table below to meet the one person/one vote requirement of the Maine Constitution.

METHOD "D" WEIGHTED VOTING

Electoral District	Population	Total Votes	# of Board Directors	Number of Votes per Director	% of Voting power per Director	Total Votes by Municipality
1 Chester	509	509	2	255	3.9	510
2 Lincoln	5231	5231	8	654	10.0	5232
3 Mattawamkeag	802	802	2	401	6.1	802

4. The composition, powers and duties of any local school committees to be created.

No local school committees are proposed as part of this plan. The absence of local school committees from this plan does not restrict any resident from the RSU from approaching the RSU board in order to request the formation of a local school committee, nor does it restrict the RSU board from forming local school committees.

5. The disposition of real and personal school property.

A. REAL PROPERTY AND PERSONAL PROPERTY

All real property interest, including without limitation land, buildings, other improvements to realty easements, option rights and fixtures of MSAD 67, shall be transferred to the new RSU. The RSU board may require such deeds, assignments or other instruments of transfer as in its judgment is necessary to establish the RSU's rights, title and interest in such real property and fixtures.

All such real property and fixtures of MSAD 67 shall be transferred to the new RSU. The disposition of the non-transferred property, if any, shall become the property of the Municipality in which it is located, unless otherwise specified in this Plan.

B. PERSONAL PROPERTY

All other tangible school personal property, including movable equipment, furnishings, textbooks and other curriculum materials, supplies and inventories, shall become property of the RSU as successor of MSAD 67.

6. The disposition of existing school indebtedness and lease-purchase obligations if the parties elect not to use the provisions of Section 1506 regarding the disposition of debt obligations.

A. Bonds, Notes and Lease Purchase Agreements That the Region Will Assume.

The region will assume the bonds, notes, lease purchases agreements and leases as listed in Exhibit 6A.

B. Bonds, Notes and Lease Purchase Agreements That the Region Will Not Assume.

NONE

C. New Capital Project Debt that Region Will Issue and Assume.

NONE

D. New Capital Project Debt that the Region Will Issue But Will Not Assume.

NONE anticipated.

E. Defaulted Debt is Excluded from Being Assumed. Notwithstanding anything in this Plan to the contrary, except where legally required to do so, the region will not assume any bond, note or lease purchase agreement as to which the SAU is in breach or has defaulted.

F. Other Debt Not Assumed. Except as provided in this section of the Plan, the region will not assume liability for any bonds, notes or lease purchase agreements issued by an SAU prior to the operative date of the region.

7. The assignment of school personnel contracts, school collective bargaining agreements and other school contractual obligations.

A. School Personnel Contracts. A list of all written individual employment contracts to which the existing SAU is a party is attached as Exhibit 7-A/B. Pursuant to P.L. 2007, Chapter 240, Section XXXX-43(5), individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of the operational date, and their contracts shall be assumed by the RSU on the operational date. This provision does not prevent the existing SAU from terminating or non-renewing the contracts of employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

A list of all employees of the existing SAU who do not have written individual employment contracts is attached as Exhibit 7-A/B. Pursuant to Section XXXX-43(5), individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of the operational date. This provision does not prevent the existing SAU from terminating employment of the employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

The duties and assignments of all employees transferred to the RSU shall be determined by the Superintendent of the RSU or his/her designee.

B. School Collective Bargaining Agreements. The following collective bargaining agreements to which the SAU is a party shall be assumed by the regional school unit

board as of the operational date:

See Exhibit 7 A/B Bargaining Agreements/ Personal and Contract Data Information.

All of the employer's rights and responsibilities with respect to collective bargaining shall be fully assumed by the RSU board as of the operational date.

C. Other School Contractual Obligations. A list of all contracts to which the existing SAU is a party and that will be in effect as of the operational date is attached as Exhibit 7-C.

The RSU shall assume the following contracts as of the operational date, July 1, 2009.

(see attached contract exhibits)

8. The disposition of existing school funds and existing financial obligations, including undesignated fund balances, trust funds, reserve funds and other funds appropriated for school purposes.

A. Existing Financial Obligations. Pursuant to Section XXXX-36(5) the disposition of existing financial obligations is governed by this plan.

Existing financial obligations shall include the following:

- (i) all accounts payable;
- (ii) to the extent not included as accounts payable, any financial obligations which under generally accepted accounting principles would be considered expenses of the SAU for any year prior to the year the RSU becomes operational, whether or not such expenses were budgeted by the SAU in the year the obligations were incurred, excluding summer salaries and benefits owed to employees for work performed during the 2008-09 school year, including salary and compensation payable after June 30, 2009; and
- (iii) all other liabilities arising under generally accepted accounting principles that can be reasonably estimated and are probable.

The SAU shall satisfy its existing financial obligations from all legally available funds. If the SAU has not satisfied all of its existing financial obligations, the SAU shall transfer sufficient funds to the RSU to satisfy its remaining existing financial obligations, and the RSU board shall be authorized to satisfy those existing financial obligations on behalf of the SAU. If the SAU does not transfer to the RSU sufficient funds to satisfy its existing financial obligations, then to the extent permitted by law, the RSU board may satisfy those obligations from balances that the SAU transfers to the RSU. If the available balances transferred are insufficient to satisfy the SAU's existing financial obligations, or are not legally available for that purpose, the RSU board may take any action permitted by law so that all of the municipalities of the RSU are treated equitably with respect to the unsatisfied existing financial obligations of an SAU. For example, to the extent permitted by law, the RSU board may satisfy the unpaid existing financial obligations of the SAU in the same manner and with the same authority as for un-assumed debt under the provisions of 20-A M.R.S.A. § 1506(4).

Additionally, to the extent permitted by law, if in the judgment of the RSU board, it must raise funds from all its members to satisfy existing financial obligations of the SAU, the RSU board also shall be authorized to raise additional amounts for the purpose of making equitable distributions (which may be made in the form of credits against assessed local shares of the RSU's approved budget) to those RSU members that would otherwise bear costs attributable to unsatisfied existing financial obligations of the SAU for which they had no financial responsibility. The intent of the preceding sentence is that financial responsibility for unsatisfied existing financial obligations of the SAU be borne by its members and not by the other members of the RSU.

B. Remaining Balances. The balance remaining in the SAU's school accounts, after the SAU has satisfied existing financial obligations in accordance with this plan, shall be paid to the treasurer of the RSU, verified by audit and used to reduce that SAU's contribution as provided by Section XXXX-43(4). Offsets in any one year are limited to a maximum of \$100,000.00 with the balance to be used for offsets in subsequent years. Unless the Legislature otherwise provides, in the case of a school administrative district, community school district or other regional school district (collectively, "district"), the school board of the district shall specify in writing to the RSU board how the RSU shall allocate transferred remaining balances between district members. Unless the Legislature otherwise provides, if the district board has not specified in writing to the RSU board how this allocation shall occur, then the transferred remaining balances shall be credited to the district's members in proportion to their respective shares of that portion of the total local costs of the RSU allocable to all of the district's members for the operational year.

Transfers of remaining balances may occur within the period specified by Section XXXX-43(4), or, as may be preferable in the case of a district, at any time before the district has closed its accounts and ceased normal operations.

C. Reserve Funds. The SAU shall transfer remaining balances of reserve funds to the RSU. Unless otherwise provided by applicable law, a transferred reserve fund shall be used in accordance with its original purpose to benefit a school or schools of the SAU. Transferred reserve funds shall be subject to Title 20-A M.R.S.A. § 1491, except that the transfer of funds in a reserve fund or a change in purpose of the fund may only occur in such manner that the funds continue to benefit the members of the SAU that transferred that reserve fund to the RSU. Notwithstanding the foregoing, reserve funds for summer salaries and benefits, if any, transferred by the SAU to the RSU shall be treated as “remaining balances” under section 8-B and used to reduce that SAU’s contribution as provided by Section XXXX-43(4).

D. Scholarship Funds. The SAU shall transfer remaining balances of scholarship funds to the RSU. Scholarships shall be limited to the original pool of potential recipients, unless otherwise provided by the donor or by applicable law.

E. Trust Funds. The SAU shall transfer trust funds to the RSU. The RSU board shall be deemed the successor trustee for all purposes, except as provided by the trust or by applicable law.

9. A transition plan that addresses the development of a budget for the first school year of the reorganized unit and interim personnel policies.

A. Transition Plan for Budget Development: The initial RSU Board shall have the transitional powers and duties provided by 20-A M.R.S.A. § 1461-A.

When the region is formed to become operational as of July 1, 2009, and following the issuance of a certificate of organization by the State Board of Education, the school board and superintendent of the SAU within the region shall begin a process for developing a proposed budget for educational programs and services within the SAU for the fiscal year beginning July 1, 2009. In developing the proposed budget, the SAU shall consider potential cost savings and additional

costs that may result from reorganization. The SAU shall consider changes in operations that may be necessary in order to reduce costs of non-instructional areas without adversely affecting the educational program. During the months of February and March, the school board of the SAU and its superintendent shall consider budget workshops as necessary to develop a proposed budget for the first operational year of the RSU. Specific duties may be assigned to existing personnel with the approval of the employing SAU.

A proposed budget with supporting documentation shall be developed in time for its presentation to and consideration by the initial RSU Board. The RSU Board shall complete the budget development process and recommend a budget for consideration by the voters. The RSU Board shall propose and approve a recommended budget in accordance with 20-A M.R.S.A. § 1482 for the first operational year for submission to the voters of the region. The budget format, approval procedures and assessments for the RSU's first operational year budget shall be in accordance with 20-A M.R.S.A. § 1482-1489. The RSU Board shall have all necessary authority for those purposes. This shall be considered the first year of use of the budget validation referendum process for purposes of determining the continued use of the budget validation referendum process every three years pursuant to Section 1486(1).

- B. Transition Plan for Personnel Policies: All personnel policies existing in the previous school administrative unit shall continue to apply to the same employment positions after they become part of the RSU. After the operational date, the RSU board and superintendent will develop and adopt region-wide policies in accordance with applicable law.

10. Documentation of the public meeting or public meetings held to prepare or review the reorganization plan.

Minutes of the following public meeting(s) held to prepare or review the reorganization plan are attached as Exhibit 10A. Memos attached as Exhibit 10B

TABLE 10:

Date of Public Meeting	Time	Location
November 13, 2008	6:00	Region III, Lincoln
November 6, 2008	6:00	Region III, Lincoln
October 30, 2008	6:00	Region III, Lincoln
October 28, 2008	7:00	MSAD #31, Howland
October 23, 2008	6:00	Region III, Lincoln
October 16, 2008	6:00	Region III, Lincoln
October 9, 2008	6:00	Region III, Lincoln
October 2, 2008	6:00	Region III, Lincoln
September 25, 2008	6:00	Region III, Lincoln
September 18, 2008	6:00	Region III, Lincoln
September 11, 2008	6:00	Region III, Lincoln
September 4, 2008	6:00	Region III, Lincoln
August 5, 2008	6:00	Region III, Lincoln
July 29, 2008	6:00	Region III, Lincoln
July 22, 2008	6:00	Region III, Lincoln
July 8, 2008	6:00	Region III, Lincoln
January 28, 2008	6:00	East Millinocket
January 7, 2008	6:00	Region III, Lincoln
December 10, 2007	6:00	Region III, Lincoln
September 18, 2007	6:00	Region III, Lincoln

Date of Memo	Subject	Location
November 15, 2007	Subcommittees	Region III, Lincoln
November 15, 2007	Superintendent liaisons	Region III, Lincoln
September 20, 2007	Committee survey	Region III, Lincoln
August 20, 2007	Presentation	Region III, Lincoln
August 7, 2007	Workshop	East Millinocket
March 1, 2007	Board and town reps	Region III, Lincoln
January 7, 2008	RSU Property/debt	East Millinocket

11. An explanation of how units that approve the reorganization plan will proceed if one or more of the proposed members of the regional school unit fail to approve the plan.

If the plan is rejected by one or more SAUs listed in section one of this plan, but is accepted by SAUs listed in section one representing at least 1,200 resident pupils, as measured by the October 1, 2006 resident pupil count, then in such case the membership of the RSU shall include those SAUs that approved the plan. If the plan is approved by less than 100% of the SAU's, reapportionment of the board, board composition, voting method, and cost sharing method of the RSU shall be automatically amended to include only those SAUs that approved the plan using the same methods employed in this plan. This revised plan will be submitted to the Commissioner for approval.

12. An estimate of the cost savings to be achieved by the formation of a regional school unit and how these savings will be achieved.

A. COST SAVINGS – CENTRAL OFFICE

Since this plan includes only one SAU it is anticipated that there will be no savings. The current central office administrative arrangement would continue. Therefore the cost savings would be \$0.00.

B. Possible savings after creation of the RSU that could be realized through collaboration with other SAUs:

- Shared instructional positions that will allow for expanded program opportunities while reducing overlapping positions.
- Special Education programs that may be created to serve the needs of students that are currently being addressed in out- of- district placements.
- Use of in- district talent to provide professional development to staff. Professional development costs should also be less as there will be one district rather than three providing these experiences.
- Combining service contracts.
- Combining technology hardware and software bidding and services, possible reduction of site and user licensing expenses with a single contract.
- Common commodity purchases.

- Aggregating KWH purchase for the RSU through Maine Power Options or other aggregators.
- Centralized provision of bus maintenance services.
- The hiring of individuals to work on heating/ventilating/boiler/electrical systems maintenance in place of contracting for those services.
- Use of the state provided transportation routing system to assure efficient and cost effective operation of the transportation system.
- Further savings may be realized through “economy of scale” within the RSU, such as in consulting services, contracted services, property and casualty insurance, legal services, dues and fees.

START UP COSTS AND ADDITIONAL EXPENSES

The reorganization will require direct start up costs, as well as unintended additional costs due to the formation of the RSU. Start up costs include, but are not limited to, the following:

- Legal costs, including deed and property transfers, policies, referenda and elections, collective bargaining, personnel issues. Once the RSU is operating and contracts are normalized, future legal costs should be reduced.
- Finance, audit and taxation costs, including a combined single audit, reissue of tax exempt certificates, banking and cash management, federal and state reporting for taxes and unemployment, state retirement.
- Transition costs related to organizing and starting up the new RSU (such as Board stipends, personnel search and hiring, (including the selection of a Superintendent for the new RSU), clerical assistance, additional personnel/consulting costs).

AVOIDANCE OF STATE PENALTIES

The RSU has been advised that the annual state penalty for failure to comply with reorganization law in the first year of non-compliance for each of the units will be:

MSAD 67	<u>186,866</u>
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The penalty will be adjusted and imposed each ensuing year. Loss of position on building assistance lists and other state aid will also be in jeopardy.

13. Such other matters as the governing body of the school administrative unit in existence on the effective date of this chapter may determine to be necessary.

13-A. Plans to reorganize administration, transportation, building and maintenance and special education.

N/A

13-B Cost Sharing in Regional School Unit

The RSU may raise money, in addition to the required local contribution pursuant to Title 20-A, Section 15690, subsection 1 for educational purposes. The additional local costs of operating the RSU, including special education costs, shall be shared among all the municipalities within the RSU on the basis of the following formula:

A. 50% shall be shared on the basis of the state mandated valuation of each member municipality; and

B. 50% shall be shared on the basis of the number of resident pupils in each member municipality.

The above formula will be phased in over a four (4) year period as follows:

1. The first year of the RSU (FY 2009-2010) each municipality shall be responsible for its share of the additional funds calculated as follows:

- a) 75% on the present method of financing, as defined below.
- b) 25% based on the newly adopted formula set forth above.

2. The second year of the RSU (FY 2010-2011) each municipality shall be responsible for its share of the additional funds calculated as follows:

- a) 50% based on the present method of financing, as defined below.
- b) 50% based on the newly adopted formula set forth above.

3. The third year of the RSU (FY 2011-2012) each municipality shall be responsible for its share of the additional funds calculated as follows:

- a) 25% based on the present method of financing, as defined below.
- b) 75% based on the newly adopted formula set forth above.

4. The fourth year of the RSU (FY 2012-2013), and each year thereafter, each municipality shall be responsible for its share of the additional funds calculated as follows:

- a) 50% shall be shared on the basis of the state mandated valuation of each member municipality.
- b) 50% shall be shared on the basis of the number of resident pupils in each member municipality.

This local cost sharing formula applies only to the amount, if any, of additional local funds and non-state funded debt service raised by the RSU. It does not apply to the required local contributions raised by each municipality pursuant to 20-A M.R.S.A 15688.

Amendments to this cost sharing formula may incorporate any factor or combination of factors permitted by law in addition to or in lieu of valuation and resident pupils.

Any amendment(s) to this funding formula requires:

1. 2/3 majority vote of the full RSU Board, i.e., in the case of the 12 member RSU Board presented in this Plan, any amendment(s) to the funding formula required 8 affirmative votes.
2. If an amendment(s) in the funding formula is approved by the RSU Board, as per #1 above, the change must be submitted to the voters at a referendum election. It becomes effective when approved by a majority vote of the RSU in which the referendum is called and held for that purpose.

The funding formula may also be amended if requested by a written petition of at least 10% of the number of voters voting in the last gubernatorial election within the RSU. Such petition must be presented to the RSU Board and the petition will be placed on a referendum for vote.

The RSU Board shall from time to time review the appropriateness of the cost sharing formula above and report the result of such review at the Budget Meeting. Reviews, with a report at the Budget Meeting, will be required as part of the budget development process for school years 2014-2015, and at least once every 5 years thereafter. Should the above formula be amended, reviews of any new formula will be required at least once every five years thereafter with a report made to the citizens at the Annual Budget Meeting.

Upon undertaking any review of the appropriateness of the cost sharing formula, the RSU Governing Board shall consider all factors it deems relevant, but must consider the following criteria:

1. The fairness of the cost sharing method in light of at least the following factors:
 - a) Relative state valuation, representing each member municipality's ability to raise revenue;
 - b) Relative populations, representing each member municipality's representation in the budgeting process; and
 - c) Student headcounts, representing each member municipality's student usage of RSU facilities and programs.
2. The effect of the cost sharing method on the RSU's ability to raise sufficient funds to sustain educational programs deemed to be in the best interest of RSU students.
3. Clarity of method, including ease with which the public can understand the method, ease of administration and implementation of the method, and avoidance of uncertainty over the method's application.
4. Effect of the method on stability of RSU revenue streams and local taxpayer obligations.

13-C. Election of initial board of directors.

The initial board of directors election will be in accordance with 20-A M.R.S.A. §1472-A of the state of Maine.

13-D. Tuition Contracts and School Choice.

1. Tuition Contracts

There are no tuition contracts in existence as of the date of this plan.

2. School Choice

The SAU does not offer school choice.

13-E. Claims and Insurance.

There are no lawsuits, administrative complaints, or notices of claims against the MSAD 67.

13-F. Vote to submit reorganization plan to Commissioner.

Before submitting a reorganization plan to the Commissioner of Education, the governing body of the school administrative unit shall adopt the following vote:

VOTED:

That the provisions included in the school reorganization plan prepared by the **RSU Reorganization Planning Committee** to reorganize **SAD 31, SAD 67, SAD 30, Carroll Plantation, Drew Plantation, Lakeville, Macwahoc Plantation, Reed Plantation, Glenwood Plantation, Seboeis Plantation, Medford, Lowell, Woodville** into a regional school unit with an operational date of July 1, 2009 are determined to be necessary within the meaning of Section XXXX-36(5)(M) and that the Superintendent of Schools be, and hereby is, authorized and directed to submit the school reorganization plan to the Commissioner of Education on behalf of this school administrative unit by November 14, 2008.

The referendum on the above mentioned plan (January 27, 2009) passed in SAD 67 only. There was a provision in the plan that a regional school unit would be formed if the vote was positive in school administrative units consisting of 1,200 students or more (October 1, 2006 enrollment). Therefore, SAD 67 is submitting this revised plan.

Vote was Adopted by the MSAD 67 Board of Directors to Submit the revised Reorganization Plan to Commissioner.

13-G. Section for RSUs with fewer than 2,500 students

Other Unique Circumstances

The Commissioner of Education has already approved the structure of the RSU and the plan that was submitted to referendum. Section 11 of the plan describes the procedure to be followed if the plan is approved at referendum by less than 100% of the SAUs, but is accepted by SAUs representing at least 1,200 resident pupils, as measured by the October 1, 2006 resident pupil count. This RSU had a resident student count of 1225, as measured by the October 1, 2006 resident pupil count.

13-H. The relationship between the RSU board and the Career and Technical Education Program governing body.

The RSU Board shall appoint members in accordance with the Northern Penobscot Region III Cooperative Board.

The RSU shall be the successor to its members for purposes of a CTE region cooperative agreement. Costs of a CTE region budget allocated under the cooperative agreement to CTE region members that belong to the RSU shall be paid by the RSU and allocated pursuant to the RSU's cost sharing method. No cooperative agreement amendment shall be binding on the RSU without approval of the regional school unit board. Nothing contained in this plan shall confer rights on any creditors or bondholders of a CTE region or to extend liability for CTE region debts, liabilities or obligations to the RSU or RSU members that are not members of the CTE region.

Consideration of a budget of a CTE region that uses the "school administrative unit method" of budget approval provided by sections 8460(2)(A)(1) and 8461 of Title 20-A shall occur at the RSU budget meeting. The moderator shall instruct the voters on a voting method that includes only the CTE region members.

For purposes of this section, "CTE region members" are deemed to include municipalities that belong to school administrative district members of the CTE region.

14. Amendment to the RSU Plan.

At least a 2/3 majority of the RSU board of directors in number and voting power shall be needed to change or amend this plan with the exception of Section 13-B Cost sharing in Regional School Unit. Amendments to the cost sharing method within Section 13-B will be governed by the procedure in Section 13-B.

The plan may also be amended if requested by a written petition of at least 10% of the number of voters voting in the last gubernatorial election within the RSU. Such petition must be presented to the RSU board and the petition will be placed on a referendum for vote.

Future amendments to the plan will be submitted to the Commissioner for approval.

Exhibit 7-A					
Bargaining Agreement Contract Data Information					
All of the employers rights and responsibilities with respect to collective bargaining shall be fully assumed by the regional school unit board as of the operational date					
District	Type of contract Current Contr	Number of employees	Expiration dates	Labor Affiliation	Other
SAD 67	Administrator Agreement		2009-2010	local	Retirement clause for all but assistant principals
	Principals	3			6 people???
	Asst Prin	2			
	Dr of sp Services	1			
	Curriculum Coordinator	1			
	Social Worker	1	July 2, 2010	local	
	Facility Director	1	July 2, 2010	local	
	MSAD 67 Education Association Teachers			MEA	
	teachers	95.5	Aug 31 2009		
	Guidance counselor	4			
	Teamsters Labor Union Local 340 Janitors		July 2, 2008	Teamsters	
	Janitors	9			
	Groundskeeper	4			
	MSAD 67 Bus Drivers	12	July 2, 2010	MEA	
	MSAD 67 Support Staff		July 2, 2010	MEA	
	Ed Techs1	39			
	Ed Tech II	11			
	Ed Tech III	4			
	Computer Ed Techs 1-2-3 (3 employees)	3			
	School Secretaries	8			
	Office Secretaries	4			
	Administrative Sec	1			
	Health Aide	1			
	Library Ed Techs 1-2-3	4			
	School nurses	2			
	MSAD 67 Superintendent	1	July 1, 2010		
	Hourly Wage Employees w/o bargaining unit affiliation				
	Food Services	13	June 30, 2009	Local	
	Technology Director	1		Local	
	Food Service Director	1		Local	
	Central Office administrative Sec	1		Local	
		227.5			

Exhibit B				
Miscellaneous Contract Data Information				
Name of district	Type of contract Current Contr	Expiration dates	Company	Other
SAD 67	Uniform	2013	Unifirst	
	OT	August 1,2009		
	PT	August 1,2009		
	Vision	August 1,2009		
	Psychologist	August 1,2009		
	Hourly Wage Employees w/o bargaining unit affiliation			

MISCELLANEOUS CONTRACT DATA INFORMATION

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Exhibit 7C					
Name of district	Type of contract	Current Contr	Expiration dates	Company	Other
SAD 67	Uniform		2013	Unifirst	

LEASE PURCHASE AGREEMENT

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