

MSAD #72 ALTERNATIVE PLAN REVISIONS

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ALTERNATIVE PLAN SUBMITTAL SHEET

School Administrative Unit Submitting Alternative Plan:

- M.S.A.D. No. 72

Contact Information:

Name: Gary MacDonald, Superintendent

Address: 124 Portland Street

Fryeburg, Maine 04037

Telephone: (207) 935-2600

email: gmacdonald@msad72.k12.me.us

Date Plan Submitted by SAU: March 28, 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"/>	<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



DEC 18 2007
JOHN ELIAS BALDACCI
GOVERNOR

SUSAN A. GENDRON
COMMISSIONER

December 14, 2007

Gary MacDonald, Superintendent
MSAD 72
124 Portland Street
Fryeburg, ME 04037

Dear Superintendent MacDonald:

Thank you for the Alternative Plan that you submitted on behalf of MSAD 72 on December 4, 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 1,341. 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 "In Progress" or "Not Yet Started"

With respect to the items you checked as “in progress” or “not yet started”, we are unable to complete our review until the additional information is provided. However, based on our preliminary review we would ask you to please note the following:

** Required Items*

Each alternative plan must 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). Please provide these projected expenditures; and please consider using the guidance offered in the Drummond Woodsum workshop materials.

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.

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.

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,



Susan A. Gendron
Commissioner of Education

Enc.

Exhibit A

Maine Department of Education
Alternative Plan Financial Review

School Administrative Unit: MSAD 72

1. 100% Essential Programs and Services

10/1/2006 Enrollment	Required Local	Additional Local	ED 281 Line 60 Subsidy	Taxes and Subsidy	100% EPS	Amount Over (Under) EPS	Percent Over (Under) EPS
1513.57	\$ 7,578,787	\$ 2,475,778	\$ 5,202,676	\$ 15,257,242	\$ 13,241,672	\$ 2,015,570	15.22%

2. System Administration

FY '08 Budget*	K - 8	Assessment 9 - 12	Total	Less Revenues	Amount Over (Under) Assessment	Percent Over (Under) Assessment
\$ 495,170	\$ 337,462	\$ 204,187	\$ 541,649	\$ -	\$ (46,479)	-8.58%

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = \$ 308,767

3. Operations and Maintenance of Facilities

FY '08 Budget*	K - 8	Assessment 9 - 12	Total	Less Revenues	Amount Over (Under) Assessment	Percent Over (Under) Assessment
\$ 1,126,354	\$ 898,645	\$ 651,564	\$ 1,550,209	\$ -	\$ (423,855)	-27.34%

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = \$ 1,520,097

4. Special Education

FY '08 Budget*	Assessment	Less Revenues	Amount Over (Under) Assessment	Percent Over (Under) Assessment
\$ 2,551,847	\$ 2,083,258	\$ -	\$ 468,589	22.49%

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = Not Available

5. Transportation

FY '08 Budget*	Assessment	Less Revenues	Amount Over (Under) Assessment	Percent Over (Under) Assessment
\$ 1,252,299	\$ 844,677	\$ 42,700	\$ 364,922	43.20%

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = \$ 802,444

*FY '08 Budget information from MEDMS Financial Reporting.

MSAD #72 ALTERNATIVE PLAN REVISION NARRATIVE

Contact Information: Gary MacDonald - Superintendent of Schools

Date Submitted: March 27,2008

Since the submission of our Alternative Plan in December, the MSAD #72 Regionalization Citizens' Committee, in collaboration with the MSAD #72 Board of Directors and the district's administrative staff, have been reviewing all components of the district budget. The Citizen's Committee is made up of 16 members from all seven district towns and has spent several hundred hours volunteering their time to this effort. Particular emphasis has been focused on the four categories in accordance with P.L. 2207, chapter 240, Part XXXX-36(6)(F): system administration, transportation, special education and facilities and maintenance.

Through the efforts of these groups, the total budget increase for the 2008-09 school year is projected to be less than 1%. This includes the first year of a bond payment of \$327,000 for an air quality and roofing project at the New Suncook School locally approved through referendum last spring and supported with local dollars only. Without this additional bond payment, the total MSAD #72 budget next year would be 1% less than the 2007-08 school district budget. This marks the third consecutive year that the MSAD #72 budget has been significantly below the cost of living index.

MSAD # 72 School System has found that projected expenditures for FY2008-09 for system administration, transportation, special education, and facilities and maintenance will not have an adverse impact on the instructional programs for MSAD #72 students.

Attached in Exhibit B is specific budget information related to each of the four areas identified in law as requiring review for cost efficiencies and cost reductions. The budget numbers for FY2008-09 reflect both the cost reductions and increases in certain lines because of uncontrollable costs.

System Administration (Exhibit B.1.)

A total of \$ 70,034 in reductions were found. We have reduced the Central Office staff by 1.5 FTEs and reduced several lines. We are involved in ongoing discussions to identify further collaboration with SAD# 55, SAD# 61 and Fryeburg Academy that would further reduce costs.

In addition we, have, at the direction of the Regionalization Citizen's Committee, added \$ 6,000 to contract for an efficiency study of our central office. The intent of this study is to identify further ways to lower our system administration costs.

Transportation (Exhibit B.2.)

A total of \$ 81,686 in reductions were found. We have made reductions in personnel, reduced extra-curricular costs and reduced late bus services. We are awaiting the new state software system to determine how our bus routes can be made more efficient. Next year will be the final year of our bussing contract with our current vendor, so we will be investigating opportunities for further savings through a new contract.

Given the large anticipated fuel costs, further reductions in this area are not possible.

Special Education (Exhibit B.3.)

A total of \$ 166,068 in reductions were found. We have not had any increases in the Special Education budget in last 3 years. We are exploring the possibility of further staff reductions at Fryeburg Academy, as well as further collaborations with SAD# 55 and SAD# 61.

Facilities and Maintenance (Exhibit B.4.)

A total of \$ 67,482 in reductions were found. We have reduced personnel and reduced several lines. In addition, the Board of Directors has voted to "dispose" of the Brownfield School. Two years ago the Board of Directors voted to close the Brownfield School, and the citizens of Brownfield voted to support this closure.

Summary

Through this review process a total of \$385,270 in cost reductions were found in these four budget areas. This includes a total of \$ 318,284 of actual cost reductions, and a total of \$ 66,986 resulting from the shifting of costs to meet the new chart of accounts. The Regionalization Citizens' Committee is remaining intact with the intent of exploring more potential cost reductions.

Exhibit B. 1.

Alternative Plan
SYSTEM ADMINISTRATION

	2007-2008	2008-2009	
Board of Directors	Budget	Budget	Difference
	20,972	28,235	7,263

Superintendent's / Business Office

458,605	416,780	(41,825)
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Reductions:

Board of Directors:

Reduction in Miscellaneous Expenses	(1,000)
	<u>(1,000)</u>

Reductions:

Superintendent's / Business Office

Eliminated one secretarial position	(42,182)
Shifting of secretarial costs to accounts in line with the new chart of accounts	(20,469)
Reduced Advertising	(3,500)
Reduced Supplies	(1,365)
Reduced Electricity (using more efficient lighting)	(118)
Reduced Maintenance of Equipment	(1,200)
Reduced Miscellaneous	(200)
	<u>(69,034)</u>

Total System Administration (70,034)

Personnel Reductions:

- Reduction of 1.5 FTE F40secretarial positions from the Superintendent's Office

Collaborations and Considerations:

- Working with SAD 55 and SAD 61 on ways to combine business office functions.
- Collaborating with the business office at Fryeburg Academy to bid on heating fuel, and supplies.
- Sharing information to find efficiencies in purchased services and functions

Exhibit B. 2.

**Alternative Plan
Transportation**

Transportation	2007-2008	2008-2009	Difference
	<u>Budget</u>	<u>Budget</u>	
	1,232,026	1,221,557	(10,469)

Reductions:

Reduced late bus services by 30 days	(6,514)
Reduced extra-curricular costs	(13,835)
Transferred 0.3750 FTE of Bus Mechanic to Facilities	(22,093)
Transferred Special Ed. Bus Aide to Special Education	(16,424)
Transferred Bus Duty Aides to Regular Instruction	(8,000)
Reduced Cotracted Bus Service	(6,475)
Reduced Gasoline costs	(8,345)
	<u>(81,686)</u>

Considerations and Collaborations:

- Collaborating with SAD 55, and sad SAD 61 on bidding for gasoline and diesel fuel
- Working with SAD 61 for heavy duty repairs on busses versus taking busses to Portland
- Collaborating with SAD 61 on transporting students when students from the two districts are going to the same destination
- Make use of the transportation software when it becomes available from the state for possible savings in efficiencies found by changing bus routes
- Continue discussions with Fryeburg Academy to reduce extra curricular transportation

Exhibit B. 3.

Alternative Plan
Special Education

Special Education	2007-2008	2008-2009	Difference
	Budget	Budget	
	2,635,756	2,635,756	0

Reductions:

Reduction of .2 FTE social work services by one day per week	(7,017)
Reduction of 3.6 educational technicians	(72,000)
Reduction of .1 FTE Occupational Therapy Services by one-half day per week	(9,051)
Reduction in private out of district tuitions	(44,000)
Tuitioning 2 students to MSAD 55 instead of tuitioning to private school	(34,000)
	<u>(166,068)</u>

Personnel Reductions:

3.9 FTE in Special Education

Collaborations and Considerations:

- Exploring the possibility of reducing 1 teacher at Fryeburg Academy
- Restructuring support services to reduce unnecessary travel between schools (OT, speech/language, social work services)
- Coordinating professional development trainings and opportunities with MSAD 55, 61, and SAU 9 in New Hampshire
- Coordinating contracted services with neighboring districts (psychological services currently being shared with MSAD 55)
- Provide more professional development opportunities within the district opposed to travelling out of the district
- Restructuring educational technician support within each school to eliminate duplicated services

Exhibit B. 4.

Alternative Plan
Operations and Maintenance of Facilities

Operations/Maint.	2007-2008	2008-2009	Difference
	<u>Budget</u>	<u>Budget</u>	
	961,942	1,020,637	58,695

Reductions:

Reduction .5 FTE of grounds keeper position	(14,123.00)
Reduction .5 FTE of maintenance position	(20,924.00)
Closing the Brownfield Elementary School	(12,000.00)
Reduction of miscellaneous supplies	(3,310.00)
Reduction of costs in repair of Buildings and Equipment	(6,800.00)
Reduction in Conference and Travel	(625.00)
Reduction in electricity use	(9,700.00)
	<u>(67,482.00)</u>

Personnel Reductions:

1 FTE in Maintenance

Collaborations and Considerations:

- Working with Fryeburg Academy in sharing heavy equipment and maintenance staff for special projects
- Collaborating with SAD 55, 61, and Fryeburg Academy when bidding for heating fuels and maintenance supplies
- Collaborating with SAD 55, 61, and Fryeburg Academy on investigating energy efficiencies
- Sharing equipment between SAD 55, 61, and Fryeburg Academy