MAINE SCHOOL MANAGEMENT ASSOCIATION

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Questions and Answers About the Governor's School Consolidation Proposal

The Governor has pointed to studies showing that Maine spends $2,000 more per pupil for education than the national average, but that Maine teachers are paid less than the national average. Is this discrepancy due primarily to high administrative costs in Maine's school systems?

No. Maine's school administrative costs are a relatively small factor in this discrepancy. Most of Maine's higher per pupil costs can be attributed to Maine's lower student/teacher ratios and smaller class sizes than the national average. School administrative costs in Maine are higher than the national average, but non-instructional support services in Maine are below the national average. A recent study by Gordon A. Donaldson, Jr., an education professor at the University of Maine in Orono, demonstrates that in 2003-04 Maine was second highest in the country in percentage of current expenditures spent on "instruction and instruction related activities" and that the 9.3% spent in Maine for "general" and "school" administration was the fourth lowest in the United States (9.3% in Maine vs. 11.3% nationally). Donaldson concludes that school administrators in Maine may be doing much of the work in Maine that is done by other lower level support staff in other states. The Donaldson study entitled "*Pursuing Administrative Efficiency for Maine's Schools. How Our Past Can Inform Our Current Decisions*" can be found at http://www.portfolio.umaine.edu/~edl.

Won't there be increased merger expenses in the first one or two years of operation of the new regions?

Yes. MSMA expects that there will be increased costs in the short term. The Governor's projected cost savings in FY 2008 seem to ignore the short-term costs of merging all of Maine's school units into 26 regions. The law requires that all superintendents' contracts and teacher contracts be assigned to the new regions so that most savings in these areas will be delayed until the contracts expire. At least initially, there will be increased costs as the new regions attempt to integrate their computer systems, to redesign their transportation systems, redesign their administration, hire new principals, staff new advisory councils and combine their collective bargaining agreements, all without adequate time for planning. The experience in other areas and in the private sector has been that mergers and consolidations rarely result in significant short-term costs savings. The Governor's projected savings seem to ignore this reality.

What Will Happen to the School Property Now Held by Maine's Municipalities, SADs and CSDs?

All school property now owned by Maine municipalities, SADs and CSDs will have to be turned over to the new regions at their request.

What Provision has Been Made for Assumption of the Debts and Liabilities of Existing School Units?

The Governor's proposed legislation states explicitly that a new region "is not required to assume the outstanding indebtedness of a school administrative unit . . . in its region." As the plan is now written, the existing SADs and CSDs will go out of existence on July 1, 2008. It appears that no provision has been made for paying off existing local school debt, lease purchase agreements, or other contractual obligations of municipal school units, SADs or CSDs. It appears that the Governor's plan has not been properly thought out with respect to existing school obligations and liabilities.

What Provision has Been Made in the Governor's Plan for the Legal Organization of the New Regions and the Election of their Governing Bodies?

Surprisingly, this is hardly addressed at all in the proposed legislation. The proposed legislation deals with this question in one sentence. It says:

> "The size shall be determined by a joint meeting of all the municipalities within the region . . . , but shall be not less than 5 or more than 15."

There is also language which says the existing school administrative units should collaborate in the creation of the new regions and that the Department will provide facilitators and transition teams. There are from 6 to 40 municipalities in the various proposed regions with an average of 20 municipalities per region. The Governor's proposed legislation contains no provisions as to how the joint meeting will be held, who can attend, how the voting districts will be established, who will call the elections, or who will tally the results. All of these issues are to be resolved through "collaboration" with the help of "transition teams" from the Department of Education. The proposed law contains no formal legal procedures for creating the new regions, for electing the new directors, or for resolution of disagreements.

What Provision has Been Made for School Employees Who do not Have Multi-Year Contracts?

This group of school employees typically includes non-unionized administrative assistants, educational technicians, school secretaries, maintenance workers, curriculum coordinators, special education directors, and others. Under the Governor's proposed legislation, no provision has been made for the transfer of these employees to the new regions. Unless they are hired by the new regions, their employment will end on June 30, 2008 with no severance pay. If they worked for a private company they would be entitled to one week of pay for each year of service under Maine's plant closing law, but that law does not apply to school employees. The Governor's budget has apparently

"booked" the projected savings to be achieved by laying off these school employees without severance.

What is going to happen with collective bargaining contracts?

It appears that the existing teacher collective bargaining contracts will all be assumed by the new regional districts under the Governor's plan. This means that each regional board will have to administer multiple collective bargaining agreements with widely varying pay rates and other terms, at least until the parties manage to negotiate a region-wide collective bargaining agreement. The job of negotiating combined agreements will be extremely complex, expensive, and time-consuming, and the combined agreements will inevitably tend to include all of the "best" from each of the previous contracts – highest pay, best benefits, most favorable working conditions, best job security. With regard to other employee collective bargaining agreements, such as those for educational technicians, custodians, secretaries, bus drivers and food service workers, the Governor's proposed legislation says nothing at all, leaving members of those bargaining units and the existing school boards with no direction.

How Will the Cost Sharing Formulas for the Regional Districts be Established?

The legislation proposed by the Governor does not include any legal procedure for adopting a cost-sharing method within each region. Under the proposed legislation, this will be done by "collaboration" with the help of "facilitators" from the Department of Education. No legal procedures are established in the proposed legislation for adoption of a regional cost sharing formula.

Who Will Coordinate Special Education Services, Transportation Services, Human Resources, Maintenance, Curriculum, Business Services, Guidance Programs, Food Service Programs and Student Assessment in the New Regional Districts?

The regional superintendent will have to hire sufficient mid-level management personnel to carry out these responsibilities. We anticipate that these additional costs for administration and support services will offset most, if not all, of the short-term savings projected by the Baldacci administration in the first years of the new plan.

Will Each Town in a Region Have its Own Director on the Regional Board?

No. The regional boards will have to be governed by one man/one vote principles. The maximum number of directors in a region is 15 but 16 of the 26 regions have more than 15 towns. Region #10 Dexter has 40 towns; Region #7 Ellsworth has 34 towns; Region 8 Bangor has 32 towns; Region 4 Houlton has 28 towns. In these regions, each director will have to represent multiple towns. In addition, since the voting power of directors must be allocated on the basis of population, larger municipalities will have a greater voting power, and Maine's smaller communities will lose their influence and control over the education of their children.