

FAYETTE SCHOOL DEPARTMENT AOS WITHDRAWAL PLAN

The Fayette School Department will withdraw from AOS # 97 with an effective date of July 1, 2014.

The Fayette School Department will operate its own Elementary School that will meet the provisions of the general laws associated with public school education by the State of Maine. As an independent municipality within AOS #97, the Fayette School Department operated and performed most of the core functions required of a public school under MRSA Title 20-A Education. Through AOS #97, the Fayette School Department has shared the following administrative services with the Winthrop School Department as outlined in the March 2010 Inter-local Agreement:

- Employment of Superintendent
- Performance of business manage functions
- Special Education administration

Fayette's Educational Withdrawal Plan

The following is an outline of the Fayette School Department's K-12 Educational Program Plan, and how the Fayette School Committee plans to replace these administrative functions after July 1, 2014.

Elementary Education:

Upon withdrawal, the Fayette School Department will operate a Pre-K through Grade 5 Elementary School as done for seventeen years prior to joining AOS #97. In addition to a principal, the Fayette Elementary School will be fully staffed with highly qualified teachers as needed: classroom teachers; Title I teacher; special education teacher; and part-time teachers in Art, Music, and Physical Education. The Fayette School Department will contract with area schools or qualified individuals for required support services including: psychological examiners, nurse, speech and language specialists, PT, OT and any other related special services.

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Food Services and Educational Technology Services are currently being provided by, and will continue to be contracted with, qualified third party entities. These services are available to every elementary Fayette student.

Fayette School Department will also employ a full time administrative assistant, a custodian/maintenance employee, a part-time business manager/bookkeeper, and will continue to operate two buses.

Transportation will be provided for students PreK – Grade 5 within the Town of Fayette to the Fayette Elementary School.

Middle School/High School Education:

Fayette School Department will continue to tuition all Grade 6-12 students to Maine State approved middle and high schools. The Fayette School Committee, on behalf of Fayette School Department, has tuition agreements with RSU #38/Maranacook, AOS #97/Winthrop, and RSU #73/Spruce Mountain School Departments for Grades 6-12 students, and Kents Hill School for Grades 9-12. Fayette students attending these schools are afforded the same rights and privileges as any local resident student. Transportation will be provided to Pre-K through 5th Grade students to Fayette Central School, and for Grades 6-12 Fayette students to RSU #38 and RSU #73.

In addition to the tuition rate, the Fayette School Department is billed on a fee-for-services basis for any additional special education costs. Fayette's Special Education Director will attend special education meetings (IEP/504) at these receiving schools to oversee caseloads and/or authorize any additional expenditure(s).

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Administrative Services:

As agreed upon in the Interlocal Agreement, the following administrative services have been provided by Winthrop and Fayette School Departments through AOS #97: Superintendent, Special Education Director, and business manage functions.

As required by this Withdrawal Plan and State statute, the Fayette School Department will provide these administrative functions as follows:

- Contract part-time Superintendent/Services
- Contract part-time Special Education Director/Services
- Employ a part-time business manager/bookkeeper
- Contract with Tyler Technologies software/ADS ProFund SeQuel for business management functions such as: accounting, payroll, financial management and auditing.

Additional Administrative Core Functions:

The Fayette School Department, through the Fayette School Committee, will continue to:

- Adopt a core curriculum
- Adopt an annual budget
- Complete State and Federal reports
- Establish a school calendar
- Develop school policies
- Employ school department personnel

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This document represents the negotiated Withdrawal Agreement between AOS #97 member units: Winthrop School Department and Fayette School Department, henceforth known as AOS #97.

As per Western Kennebec County Schools AOS Reorganizational Plan Exhibit A (Interlocal Agreement for Alternative Organizational Structure [30]-A M.R.S.A. Chapter 115):

Section 15 - Withdrawal of Member School Unit.

Any Member School Unit shall have the authority to withdraw from the AOS at the beginning of any fiscal year provided that such withdrawal is approved by the Commissioner of Education and at a public referendum conducted within the withdrawing Member School Unit more than sixty (60) days prior to the beginning of that fiscal year.

a) Prior to submitting a withdrawal vote to referendum, the Member School Unit must prepare a Plan of Withdrawal for approval by a 2/3 majority of the AOS School Board. This Plan of Withdrawal must include a plan for the distribution of the withdrawing Members School Unit's portion AOS assets and debts and will provide the basis for the referendum.

b) Upon approval of a Plan of Withdrawal at a referendum, the AOS shall make a distribution of property and/or provide compensation as called for in the Plan.

Distribution Plan for Fayette's portion of the Assets and Debts

To ensure an equitable separation, reimbursements made to either School Department will be made and accounted for from the FY 2014 (June 30, 2014) audited Undesignated Fund Balance in accordance with the 85%/15% share contributed by Winthrop and Fayette respectively. In the event the audited fund balance is insufficient to reimburse either party, the equitable payment of any additional debt will be accounted for similarly.

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Whereas the Member School Units share services with respect to system administration (Superintendent), Special Education, and business management functions (accounting, reporting, payroll, financial management, purchasing, insurance and auditing) the School Units agree to the following terms:

1. DEBTS:

a. Personnel

- i. System Administration: Upon Fayette's withdrawal from AOS #97 its financial and contractual obligations with the AOS #97 for all personnel services, including the Superintendent, will terminate at the end of the FY 2014 (June 30, 2014).
- ii. Special Education Director: Upon Fayette's withdrawal from AOS #97, its financial and contractual obligations with AOS #97 for Special Education services will terminate at the end of the contract FY 2015 (June 30, 2015). The Fayette School Committee leaves open the option to negotiate the purchase of Special Education services through AOS #97 beyond said contract.
- iii. Business Management Personnel: Upon Fayette's withdrawal from AOS #97, its financial and contractual obligations with AOS #97 for business management functions will terminate at the end of the FY 2014 (June 30, 2014). Fayette Assistant Business Manager/Bookkeeper position/employee, established prior to Interlocal Agreement 2010, will be reinstated into the Fayette School Department budget and personnel line to include accrued benefits, time, and seniority.

b. Pending legal matters

- i. Fayette will be responsible for 15% of AOS #97 liability insurance remaining deductible for any AOS #97 legal fees pending prior to withdrawal, minus any payments paid or due before June 30, 2014 from the line item for legal services. Following the results of the FY 2014 audit or at a future date if AOS legal issues remain in

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reconciliation or litigation, Fayette will be entitled to and reimbursed for 15% of any excess payments made over the AOS #97 insurance deductible. Said payments shall not be distributed to Fayette from the AOS #97's audited Undesignated Fund Balance.

2. ASSETS:

a. Purchases and Equipment

- i. Accounting software Tyler Technologies: Fayette will be reimbursed 15% of the original license fees that were paid to Tyler Technologies for the accounting software purchased by AOS #97 to manage business functions, minus the State's contribution. This reimbursement shall not come from Fayette's 15% share of the audited AOS #97 FY 2014 Undesignated Fund Balance.
- ii. Computers, printers and any other office equipment purchased for use by AOS #97: Fayette will be reimbursed from Winthrop's 85% of the audited FY 2014 Undesignated Fund Balance of the current value of any computers, printers, or office equipment purchased for use by AOS #97.
- iii. Office equipment: Fayette will not be responsible for any AOS #97 long-term contracts for leased equipment beyond June 30, 2014. No pre-payments will be credited against obligations beyond June 30, 2014.

b. Monetary Assets:

- i. Undesignated Fund Balance: 15% of the audited FY 2014 AOS #97 Undesignated Fund Balance will be returned to Fayette upon acceptance of the audit. None of the existing Undesignated Fund Balance will be used to offset any of the FY 2015 budget. To ensure an equitable separation, reimbursements made to either school department will be distributed and accounted for from the audited Undesignated Fund Balance in accordance with the 85%/15% share contributed by Winthrop and Fayette respectively.

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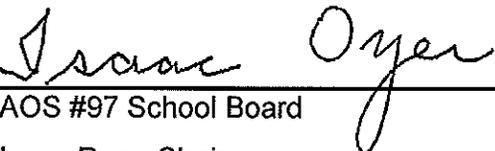
In the event the audited Undesignated Fund Balance is insufficient to reimburse either party, the equitable payment of any additional debt will be accounted for similarly.

The provisions of this agreement will become effective upon a positive Town of Fayette referendum vote to approve the withdrawal of Fayette from AOS #97 sixty (60) days prior to the 2013 – 2014 fiscal year end (June 30, 2014), as required in the Interlocal Agreement.

Approved by:

 January 16, 2014

Fayette School Committee Date
Richard Darling; Chair

 January 22, 2014

AOS #97 School Board Date
Isaac Dyer; Chair