

ALTERNATIVE PLAN SUBMITTAL SHEET

School Administrative Unit Submitting Alternative Plan:

- Biddeford - RSU 55

Contact Information:

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Date Plan Submitted by SAU: 11/28/07

Date Plan Re-Submitted by SAU, with corrections and additions: 3/26/08

The intent to submit an alternative plan has been approved by the Commissioner in the approval of the Notice of Intent?

YES NO

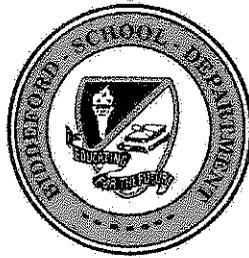
(If NO, please explain.)

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. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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"/> |

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.



BIDDEFORD SCHOOL DEPARTMENT

AN ALTERNATIVE PLAN FOR REORGANIZATION

Updated: March 26, 2008





BIDDEFORD SCHOOL DEPARTMENT

An Alternative Plan for Reorganization

November 27, 2007

Reorganization Committee Members:

Michael Ready, Committee Chair and City Councilor *

Sarah-Jane Poli, Superintendent*

Jeff Porter, Assistant Superintendent

Wallace Nutting, Mayor *

Deirdre Catlett, School Committee

Terry Gauvin, Business Manager*

Katie Rhames, BHS Student Representative*

Lynne Drapeau, Parent

Andy Michaud, Citizen and Retired CEO*

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***Members of the Writing Team**

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**BIDDEFORD SCHOOL DEPARTMENT
AN ALTERNATIVE PLAN FOR REORGANIZATION**

November 27, 2007

The year 2007 will become a memorable year in the history of all public schools in the State of Maine. This is due to the fact that the Governor of the State of Maine asked the Commissioner of Education and the state legislators to introduce a bill that would bring much change in four areas of education – System Administration, Transportation, Special Education, and Facilities and Maintenance. This bill was passed; but places like Biddeford with an enrollment of 2,781 students were exempt from forming a regional school unit with a partner. Instead, Biddeford was committed to reducing costs. In fact, Biddeford's citizens believe that it is important for their children to be educated. They also believe that they should not be overburdened with taxes. So for many years, the Biddeford School Department has worked with the City of Biddeford to find cost savings in a number of different ways. (See section on Economics and the Alternative Plan Table).

Geography, including physical proximity and the size of the current school administrative unit;

Another important year in the history of Biddeford public education is that Biddeford will become known as Regional School Unit 55 (RSU 55). Even though Biddeford will be experiencing a name change, the geography of the city will remain the same.

Biddeford is the principal city and service-center of York County. It is located in northern York County on the southwest bank of the Saco River and fronts directly on the Atlantic Ocean. With a population of approximately 22,072 inhabitants, Biddeford is Maine's sixth largest city. Biddeford is located along the I-95 highway and the AMTRAK railroad corridor. The city is conveniently situated some 15 miles south of Portland and 90 miles north of Boston. In terms of natural features, Biddeford's 30 square miles of land area is roughly 2 –3 miles wide by 14 miles long. It is as astoundingly beautiful as it is diverse.

As of October 1, 2007, Biddeford's 2,781 students are housed in six public schools that are centrally located. However, the school bus transportation service is complicated because of the city's elongated rectangular shape.

Demographics, including student enrollment trends and the composition and nature of communities in the regional school unit;

Based on the 2005 State of Maine data, Biddeford is Maine's sixth largest city with a population of 22,072. The average household size of this city is 2.42 with a median household income of \$40,981. Also, as of October 1, 2005, the State of Maine Data reported that Biddeford was the 16th largest school district in the state with a student population of 2,877.

Biddeford's population consists of 96.6% white and 3.4% African American, Asian and Hispanic. From this population, the school figures show an enrollment of 94.21% white students and 5.79% African American, Asian, and Hispanic students.

Biddeford is a service center and provides a large variety of services to all segments of the population. Biddeford is home to a community hospital, which is the largest in York County. The Department of Health and Human Services also has a large satellite office located in Biddeford. Counseling Services Inc. is an agency that provides a full range of mental health services. It has just recently opened a large complex in Biddeford. The City of Biddeford also operates a very active General Assistance Office providing a wide variety of services including, but not limited to, financial aid. There are several private groups and agencies that operate several food and non-food pantries. There is also a very busy Free Clinic, which provides medical and pharmaceutical services to the uninsured.

As of October 1, 2006, the Biddeford School Department had a total enrollment of ~~2,781~~ **2,782** students for the school year 2006-2007. Of this number, 1,221 were eligible for the free and reduced lunch program. This accounts for ~~44.1%~~ **43.9%** of the total student enrollment. In 2005-2006, the free and reduced lunch population stood at 1,193 students or 41.0% and increased to 1,221 students in 2006-2007 or 44.1%. This was an increase of 28 students or 2.43%.

Currently, Biddeford has 547 students or 19.66% of the total student population participating in special education programs. Biddeford also has 40 students participating in English as a Second Language. They represent 15 different language groups.

The student enrollment over the last 10 years using October 1 enrollment numbers shows a decline of 4.23% or a loss of 122 students. In the elementary grades from 1997-1998 through 2006-2007, the enrollment dropped by 187 students or a 9.15% decrease. At the same time, the secondary enrollment increased by 65 students for an increase of 7.71%.

In order to get a complete picture, it is necessary to break down the 10-year enrollment data into two segments. For example, from 1997-1998 through 2002-2003, Biddeford actually saw an increase in student population. It went from 2,884 to 2,975 for an increase of 91 students or 3.15%. The elementary enrollment increased by 3 students or 0.146%. The high school enrollment increased by 88 students or 10.45%.

The enrollment trend from 2002-2003 through 2006-2007 shows a total student decrease of 213 students or a 7.15% loss. The elementary enrollment decreased by 156 students or 7.75% while the high school enrollment increased by 23 students or 2.47%.

Economics, including existing collaborations to be preserved or enhanced and opportunities to deliver commodities and services to be maximized;

As you know, Biddeford is a diversified city with a rich history that includes its position of having been one of the leading textile centers of the world. Today, Biddeford is a diversified mix of manufacturing, technology and service based companies. These include business

establishments, industrial parks and several dynamic institutions such as Southern Maine Medical Center and University of New England.

The following statistics will give you a bird's eye view of the economic status of its people in the City of Biddeford.

Biddeford's total cost of living is 2.95% higher than the United States average. Biddeford's transportation index (representing expenditures for gasoline, car insurance, maintenance, etc.) is 7% higher. Health care expenses are also 7% higher than the national average.

Biddeford's per capita income is \$21,212 versus the United States average, which is \$24,020. Biddeford's figure is \$2,808 or 11.7% less than the United States average.

The median household income is \$40,981 for Biddeford. The United States median household income is \$44,684. Biddeford's is less than the United States average by \$3,703 or 8.3%.

The percentage of Biddeford households with income less than \$15,000 is 17.54%, compared to the United States average of 13.64%. Similarly in Biddeford, 44.47% of the households have an annual income of less than \$35,000 compared to 35.31% nationwide.

Renters make up 44.26% of Biddeford's occupied housing while the United States average is 21.45%. Home ownership in Biddeford is at 46.94% and the United States average is 64.07%. Biddeford's rental expense as a percent of household revenue is at 27% while the United States average is at 25%.

Biddeford has a proportionately large senior citizen population compared to the State of Maine and the United States. For example, seniors comprise 15.5% of Biddeford's population while the State of Maine is at 14.4% and the United States at 12.4%. Biddeford has a smaller percentage of students that are 15 or under (18.7%) than the State of Maine (19.3%) and the United States (21.4%).

Only 16.77% of Biddeford's citizens hold a Bachelor's Degree or one that is higher. The ratio for the State of Maine is at 22.8% and the United States is at 24.4%.

Study of the above statistics indicates that the people who live in Biddeford lack post secondary education and skills of a higher level. Biddeford's Adult Education Program offers over 200 courses in which over 2,500 students participate in order to improve their skills. The Biddeford Regional Center of Technology offers courses that high school students can specialize in to prepare them to join the workforce immediately after graduation. Both Biddeford Adult Education and the Biddeford Regional Center of Technology are open to any small business that wishes to have the school train their employees or future employees. These two programs are geared to keep young people in the community.

Existing collaborations to be preserved:

The Biddeford School Department continues to work with the City of Biddeford.

Collaborative efforts achieved include:

- purchase of fuel to heat all city and school buildings
- purchase of paper to be used in offices, schools, etc.
- the city's IT person maintains the school department's servers as well as the computers in the education department which are located at city hall
- the same workmen's compensation and liability insurance policies are available to both city and school employees
- the office space at city hall is made available to the school department at no charge
- Biddeford's Parks and Recreation Department uses school buildings and fields rent free
- the school department does not pay rent to the city for bus storage or office space
- the school department pays \$28.00 per hour to have the public work's mechanic maintain all school vehicles
- the city and school department share a facility manager
- in order to purchase food and paper goods at bid prices, the food service department is a member of the Southern Maine Cooperative

Existing collaborations that need to be enhanced:

The Biddeford School District is a member of Education 2020 –an alliance with Saco, Dayton, Old Orchard Beach, Arundel and Thornton Academy. It is hoped that this group will achieve cost savings in the four major areas by forming an education service district. This service district would promote sharing, purchasing of bulk materials, and transportation of out of district students as well as staff development. The alliance also hopes to provide the best possible education for students by sharing resources and educational opportunities.

Transportation;

The transportation budget in Biddeford for 2007-2008 is \$1,572,805. This figure does not include the purchasing of new buses.

During the 2003-2004 school year, Biddeford's buses ran a total of 281,827 miles with a per mile cost of \$0.67. Fuel consumption stood at 7.42 miles per gallon. In the 2006-2007 school year, approximately 39,000 gallons of fuel were consumed at the price of \$1.157 per gallon.

Due to procedures set in place by the Biddeford School Department, there have been significant benefits to the transportation budget since 1988. During that year, that the Biddeford School Department began the cooperative relationship with the City of Biddeford. The City of Biddeford Public Works Department assumed the responsibility for the

maintenance and recordkeeping of all school department vehicles. Currently, the Biddeford Public Works Department charges the school department \$28.00 per hour. This is significantly below the market rate of \$75.00 per hour. The Biddeford School Department also enforces the "no idling" policy. For example, they do not wait for the buses to warm up.

It is interesting to note that during the 2006-2007 school year the buses traveled a total of 298,332 miles, which is 16,505 more miles than in 2003-2004 for a 5.86% increase. Despite this increase, Biddeford's fuel usage dropped from 37,998 gallons in 2003-2004 to 34,279 gallons in 2006-2007. This was a decrease of 3,719 gallons used or a 9.78% decrease. Biddeford's miles per gallon were actually increased by 15.23%.

The largest impact to the transportation budget continues to be the increases in fuel costs. Biddeford has seen an increase of \$0.952 per gallon from 2003-2004 to 2006-2007, which accounts for an 82.3% per gallon increase. So, in spite of the increased fuel efficiency, Biddeford spent \$28,326 more in 2006-2007 than it did in 2003-2004 for fuel or 64.4%. This is due to the fact that in February 2006, the school department and the City of Biddeford changed from a regular diesel fuel to an ultra-low sulfur fuel. The ultra-low sulfur fuel is more costly. This fuel helps with emissions and increases Biddeford's average miles per gallon.

Since June 1996, Biddeford has been using the Versa Tran software system. This software helps to ensure the most efficient bus routes possible. It also helps with student bus population, bus stop assignments and route planning.

Close examination of the above information will reveal that the Biddeford School Department has over the years made significant changes in order to maximize savings in transportation.

Out of a budget of \$1,572,805, a projected reduction in EPS of \$19,759.23 will result in drastic service cuts that will affect all of Biddeford's bus students.

Population density;

Population density is a compared statistic for places around the world. It is the measure of the number per unit area commonly represented as people per square mile, which is derived by simply dividing. In this case, Biddeford has 22,072 people and 30 square miles of land area. This means that Biddeford's population density is 735.7 people per square mile.

Other Unique Circumstances including the need to preserve existing or developing relationships, meet the needs of students, maximize educational opportunities for students and ensure equitable access to rigorous programs for all students.

Examining the information that has been recorded so far makes it apparent that there are still some unique circumstances that must be considered in the development of Biddeford's alternative plan. These unique circumstances included happenings like the following:

Biddeford invited the Arundel Superintendent and members of the Arundel School Board to a meeting. The purpose of this meeting was to consider the possibility of joining forces to become a regional school unit. The guests were very pleasant and

told Biddeford that they wanted to join forces with Saco or SAD #71. This meeting was held on May 10.

On July 26, the mayor, a councilor, and the superintendent attended a meeting in Saco. They believed that this was an Education 2020 meeting. Instead, it was an RSU 56 meeting. Saco, Old Orchard Beach, Dayton and Arundel made it very clear that Biddeford was not a part of that group.

In conclusion, Biddeford is not a part of any nearby regional unit. However, Biddeford is still eager to find ways of working more collaboratively with its neighboring communities as well as the City of Biddeford.

BIDDEFORD SCHOOL DEPARTMENT

COST SAVINGS FOR REQUIRED AREAS

The alternative plan must address how the SAU will reorganize administrative functions, duties and non-instructional personnel so that the projected expenditures of the SAU in FY 2008-2009 for system administration, transportation, special education and facilities and maintenance will not have an adverse impact on the instructional program.

| Four Required Areas | Present Cost Savings | Potential Cost Savings |
|--|---|---|
| <p><u>System Administration</u></p> <p>➤ Biddeford currently spends below EPS for system administration. With the new EPS rate it will be difficult to meet the needs of the district without having an adverse impact on instructional programs.</p> | <p>➤ The city and school department purchase paper for schools, offices, etc. (Savings of \$1,075)</p> <p>➤ The city's IT person maintains the school department's servers and all computers which are located at city hall. (Savings of 67% per hour) (Or \$50 per hour or a minimum of \$1,300 a year)</p> <p>➤ The same workmen's compensation and liability insurance policies are available to both city and school employees. (Savings of 74% per hundred for workmen's compensation) (Savings of 26% per hundred for workers' comp district wide or \$58,491.56)</p> <p>➤ The office space at city hall is made available to the school department at no charge. (Savings per year of \$19,193)</p> <p>➤ The City's Parks and Recreation uses school buildings and fields rent-free. (Savings = \$0.00)</p> <p>➤ In order to purchase food and paper goods at bid prices, the food service department is a member of the Southern Maine Cooperative. (Savings of 17% to 20% annually) (Savings of 18% annually or \$3,775.60)</p> <p style="text-align: center;"><u>Total Savings = \$83,835.16</u></p> | <p>➤ Continue working with the city in all the areas listed in column two. (Savings = \$83,835.16)</p> <p>➤ Explore city's health insurance policy for all non-union school employees. (The City of Biddeford's plan was not comparable to their present plan. Therefore, there is not going to be a savings in the area.)</p> <p>➤ Hire an independent insurance evaluator to compare city and school health insurance policies. (N/A since there isn't a similar plan)</p> <p>➤ Explore sharing of personnel with the city or combining services within the education department. (The City of Biddeford is not interested in the sharing of personnel. Therefore, Biddeford School Department is working with the Education 2020 Collaborative.)</p> <p>➤ Review central office job descriptions to make sure they align with the new chart of accounts. (The Accounts Payable Administrative Assistant has taken on additional responsibility. She is serving as administrative assistant for the Maintenance Department and will be doing the same effective 7/1/08 for the Custodial Department. In addition, she is doing all the PO's for the Food</p> |

| Four Required Areas | Present Cost Savings | Potential Cost Savings |
|--|--|--|
| | | <p>Service Department, which is self-supporting. The additional savings is below the state guideline of 20%. Therefore, her complete salary remains under System Administration. The Assistant Superintendent's position is mainly curriculum. A portion of his salary, \$80,000, has been moved to the instructional code.)</p> <ul style="list-style-type: none"> ➤ Continue to work with Education 2020 in order to share resources. (A facilitator has been hired to evaluate Central Office practices for the collaborative districts. The districts involved are hoping to find areas where resources will be shared. Recently, Biddeford offered Arundel to look for cost savings efficiencies – book keeping, purchasing of fuel, paper and cleaning products, etc. Biddeford's hope was to save approximately \$25,000) ➤ Explore sharing a Human Resource Person with the city to alleviate work for central office school personnel. (The City has had no discussion with the School Department. The City Council has hire a Personnel Director.) <p><u>Total Savings = \$190,825.16</u></p> |
| <p><u>Special Education</u></p> <ul style="list-style-type: none"> ➤ Biddeford has been spending more than the EPS allocation, as the special education population averages 17% to 20% each year. The new EPS calculations are now including special education transportation. | <ul style="list-style-type: none"> ➤ Biddeford offers many in-house educational programs for special education. ➤ Biddeford provides staff development for special education teachers in order to meet the needs of the students. (Savings = \$4,300) ➤ Biddeford offers a variety of special education programs, | <ul style="list-style-type: none"> ➤ The Special Education Director will explore cost saving areas when developing the 2008-2009 school budget. (Special Education Director has completed this task.) The Special Education Director will review all job descriptions to make sure |

| Four Required Areas | Present Cost Savings | Potential Cost Savings |
|---|--|--|
| | <p>such as Functional Life Skills, Speech and Language, Teacher of the Deaf, Learning Disabilities, Educational Technicians and etc. (Savings \$562,637)</p> <ul style="list-style-type: none"> ➤ Biddeford hires educational technicians to work with the teaching staff in order to keep class size down. ➤ The school department does not pay rent to the city for special education office space. (Savings per year of \$5,994) <p><u>Total Savings = \$572,931</u></p> | <p>they align with the new chart of accounts. Special Education Director has completed this task.)</p> <ul style="list-style-type: none"> ➤ The Special Education Director will complete a study to determine the best uses of staff and to make recommendations for cost savings. (Savings of \$18,260) ➤ The Special Education Director will review the PET Coordinator and the Department Head positions at the high school for potential cost savings. (Savings of \$29,000) <p><u>Total Savings = \$47,260</u></p> |
| <p>Transportation</p> <ul style="list-style-type: none"> ➤ Biddeford has been spending more than the EPS allocation for transportation. Field trips, athletics, special education, and etc., were included under the heading of transportation. This has changed as a result of the new chart of accounts, which means all forms of transportation will now have their own codes. | <ul style="list-style-type: none"> ➤ The Biddeford Public Works Department maintains all school vehicles at the rate of \$28.00 per hour. (Savings of 168% per hour) (or \$82,955) ➤ Biddeford School Department has a "no idling" policy for its vehicles. (Minimal savings) ➤ Since June 1996, Biddeford has been using the Versa Tran program for establishing bus routes in order to keep mileage down. ➤ In February 2006, Biddeford changed from using regular diesel fuel to an ultra low sulfur fuel to help control emissions and to increase Biddeford's average miles per gallon. (Biddeford lost 1 mile per gallon.) ➤ Biddeford provides transportation for out-of-district students from Arundel and Saco. They compensate Biddeford. (Arundel paid Biddeford \$19,785 for 06/07. Saco pays Biddeford \$6,305.60 for spring semester of 08) ➤ The Biddeford School Department and the City of Biddeford work collaboratively | <ul style="list-style-type: none"> ➤ Biddeford will continue to do all the things listed in column two. (Savings=\$195,824.60) ➤ Biddeford is reviewing the policy for walkers to possibly reduce the number of students on overcrowded buses. (The Transportation Supervisor is in the process of reviewing the policy for walkers.) ➤ Biddeford will do a study of current educational field trips as well as transportation of teams to athletic and co-curricular events. (Biddeford fund raises for field trips, which is an approximate savings of \$25,000) ➤ Biddeford will continue to collaborate with its neighboring schools for potential cost savings. (Biddeford is currently collaborating with Saco. This figure is included in total savings in column #2) <p><u>Total Savings = \$220,824.60</u></p> |

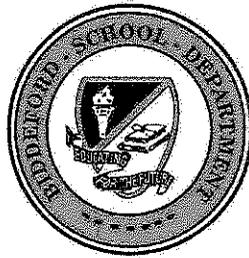
| Four Required Areas | Present Cost Savings | Potential Cost Savings |
|---------------------|--|------------------------|
| | <p>in the purchasing of fuel for vehicles. (Savings of \$19,972)</p> <p>➤ The same workmen's compensation (Savings of 3% per hundred) and liability insurance policies are available for city and school employees. (Combined under System Administration)</p> <p>➤ The school department does not pay rent to the city for bus storage or office space. (Savings per year of \$2,592 for office space and \$84,000 for bus storage. The \$84,000 is calculated at \$6 per sq. ft. at 14,000 sq. ft.)</p> <p><u>Total Savings = \$195,824.60</u></p> | |

| Four Required Areas | Present Cost Savings | Potential Cost Savings |
|--|---|--|
| <p>Facilities and Maintenance</p> <ul style="list-style-type: none"> ➤ Giving the Regional Center of Technology its own maintenance line under the new Chart of Accounts has made it difficult to determine Biddeford's expenses to EPS. | <ul style="list-style-type: none"> ➤ The Biddeford School Department and the city share a facility manager. (Savings = \$47,736) ➤ The Biddeford School Department collaborates with the City of Biddeford, City of Saco, and Old Orchard Beach in the purchasing of heating oil. (Savings = \$56,124) ➤ The Biddeford School Department and the City of Biddeford collaborates in the purchasing of natural gas. (It is difficult to calculate a savings amount, as the figure is based on units.) ➤ Biddeford has contracted with Honeywell for an energy audit, preventative maintenance, and controls. (Savings of \$1,232,584 over a ten year period) (or \$123,258.40) ➤ The same workmen's compensation (Savings of 3.33% per hundred) and liability insurance policies are available to city and school employees. (Combined under System Administration) <p>Total Savings = \$227,118.40</p> | <ul style="list-style-type: none"> ➤ Biddeford is reviewing its custodial contract with a private company to decide whether to go self-operational or to continue with the private company. (Savings = \$121,128) ➤ Biddeford is reviewing its snowplowing contract and will be going out to bid. (The Facilities Manager is in the bid process.) ➤ The school department and the city will explore bulk purchasing of cleaning and paper products. (Savings = \$9,000) <p>Total Savings = \$130,128</p> |

~~The above cost savings cannot compensate for the loss of EPS funds from the Department of Education. Taxpayers will not approve additional local dollars that go beyond the required allocation. Students will suffer and so will facilities.~~

~~Please find the enclosed chart, which shows potential results of the school consolidation law for Biddeford.~~

The above cost savings will not impact students. The Biddeford School Department has looked for savings in non-instructional areas for FY08/09 school budget.



BIDDEFORD SCHOOL DEPARTMENT

Potential Results of the School Consolidation Law

The following calculations assume that state valuations and student enrollments remain constant for the 2008-09 school year. The numbers also do not account for other changes that may be made by the state to the EPS formula. Biddeford has not taken into consideration any contractual obligations for the 2008-09 school year. Keep in mind that if Biddeford adds the contractual obligations to the 2007-08 budget, the estimated reduction amount in Chart 2 could be drastically increased.

CHART 1

| | Present EPS | Future EPS** | Difference in EPS |
|--------------------------|------------------------------------|----------------|-------------------|
| System Admin | \$1,012,603.00 | \$ 577,014.00 | \$ (435,589.00) |
| Special Education | \$3,419,278.73 | \$3,345,764.24 | \$ (73,514.49) |
| Transportation*** | \$ 919,033.82 | \$ 899,274.59 | \$ (19,759.23) |
| Facilities & Maintenance | \$2,873,786.00 | \$2,811,999.61 | \$ (61,786.39) |
| | Estimated Subsidy lost for 2008-09 | | \$ (590,649.11) |

CHART 2

| | 07-08 Budget | Future EPS** | Potential Budget Adjustment |
|--------------------------|---------------------|----------------|-----------------------------|
| System Admin | \$ 657,342.00 | \$ 577,014.00 | \$ (80,328.00) |
| Special Education | \$5,473,482.00 | \$3,345,764.24 | \$(2,127,717.76) |
| Transportation*** | \$1,572,805.00 | \$ 899,274.59 | \$ (673,530.41) |
| Facilities & Maintenance | \$3,663,681.00 | \$2,811,999.61 | \$ (851,681.39) |
| | Estimated Reduction | | \$(3,733,257.56) |

Based on \$204 per pupil

**Increased present EPS by 3% and then deducted 5%

***Excludes Bus Purchases



JOHN ELIAS BALDACCI

GOVERNOR

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

DEC 18 2007

SUSAN A. GENDRON

COMMISSIONER

December 14, 2007

Sarah-Jane Poli, Superintendent
Biddeford School Department
PO Box 1865
Biddeford, ME 04005

Dear Superintendent Poli:

Thank you for the Alternative Plan that you submitted on behalf of Biddeford School Department on November 29, 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 2,782. 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 "Complete"

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

** Required Items*

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. In your revisions, please submit a plan that will not have an adverse impact on instructional programs.

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.

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.

cc: Ray Hardy

Exhibit A

Maine Department of Education
Alternative Plan Financial Review

School Administrative Unit: Biddeford

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 |
|-------------------------|-------------------|---------------------|------------------------------|----------------------|---------------|-------------------------------|--------------------------------|
| 3181.37 | \$ 16,695,732 | \$ 5,206 | \$ 10,817,985 | \$ 27,518,923 | \$ 28,519,256 | \$ (1,000,332) | -3.51% |

2. System Administration

| FY '08 Budget* | Assessment | | 100% EPS Total | Less Revenues | Amount Over (Under) Assessment | Percent Over (Under) Assessment |
|-------------------|------------|------------|-------------------|------------------|--------------------------------------|---------------------------------------|
| | K - 8 | 9 - 12 | | | | |
| \$ 657,342 | \$ 767,181 | \$ 371,796 | \$ 1,138,977 | \$ - | \$ (481,635) | -42.29% |

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = \$ 648,998

3. Operations and Maintenance of Facilities

| FY '08 Budget* | Assessment | | 100% EPS Total | Less Revenues | Amount Over (Under) Assessment | Percent Over (Under) Assessment |
|-------------------|--------------|--------------|-------------------|------------------|--------------------------------------|---------------------------------------|
| | K - 8 | 9 - 12 | | | | |
| \$ 3,663,681 | \$ 2,042,967 | \$ 1,186,404 | \$ 3,229,372 | \$ - | \$ 434,309 | 13.45% |

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = \$ 3,166,885

4. Special Education

| FY '08 Budget* | 100% EPS Assessment | Less Revenues | Amount Over (Under) Assessment | Percent Over (Under) Assessment |
|-------------------|------------------------|------------------|--------------------------------------|---------------------------------------|
| \$ 5,248,804 | \$ 3,419,279 | \$ 775,000 | \$ 1,054,525 | 30.84% |

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

5. Transportation

| FY '08 Budget* | 100% EPS Assessment | Less Revenues | Amount Over (Under) Assessment | Percent Over (Under) Assessment |
|-------------------|------------------------|------------------|--------------------------------------|---------------------------------------|
| \$ 1,690,483 | \$ 919,034 | \$ 80,000 | \$ 691,449 | 75.24% |

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = \$ 873,082

*FY '08 Budget information from MEDMS Financial Reporting.