

**Why aren't more municipalities joined in regional school educational delivery?**  
Summary of Factors Concerning Regional School District compiled by Dave Tobin

**Barriers to Regional School District Formation and Obstacles to Regional School District Harmony:**

- 1. Loss of local control:** Local Governance; distant administration; loss of direct budget control; regional schools viewed as an entity once removed; loss of local town capacity for municipal service functions when the school related functions of payroll, billing, accounting, auditing, human resource and insurance function are moved to a regional school district; loss of local elected school committee; one-person; one-vote complexity; loss of Chapter 70 aid from town control and use; control over local school(s) particularly elementary school(s); control over appropriating authority options. One or more towns, or resident groups identify themselves as a minority in decision-making as it is moved to another municipality's power base. This manifests itself in a two (2)-town region with the threat of having a budget impasse resolve at a joint Districtwide meeting. In a number of small towns the schools are often the town's largest employer. Jobs in the school and associated at town hall are important to the economic fabric of the community. If work were to move elsewhere, or to be controlled elsewhere, a change in the local workforce could occur. Finally, the move to a regional district is change that is resisted by some people and institutions that are comfortable with where they are, and also believe they are doing good things for kids much closer to their homes and families.
- 2. Small is "better":** Research supports small learning communities and small schools. People are concerned about school size and bureaucracy; children lost in the crowd; loss of voice; lack of attention to individual differences; perceived potential for larger class-sizes; and larger as a magnet for outside troubles. Charter schools are built upon this premise of small and are expanding, funded by a "take-away" of local state aid and federal grant support. Achievement outcomes for small districts are similar to larger districts, with small schools showing somewhat better attendance, dropout prevention, and graduation rates. Small schools are perceived as more nurturing, supportive, and staff collegial. In these discussions, there is confusion of terminology between small schools and small school districts with both being used interchangeably. Larger is viewed as more difficult for individual interests to penetrate.

The original foundation budget factors were conceived on what would be the minimum cost per pupil to educate students in a school district of 2,500 students. Only 129 school districts in the state have more than 2,500 students. So the amount of money being generated by the foundation budget declines for those districts with enrollment below the conceptualized district. The lower the enrollment the less capacity the smaller district has to required revenues for educational reform demanded programs and services. These smaller districts, some performing quite well, are heavily dependent on town resources feel that greater aid and assistance should be allocated by the state

- 3. Concern for location of school and grades:** Sending students to another town and loss of local identity for the school in the social, cultural fabric of the town. This is

strongest in a historic, smaller town, but also exists up and through high schools with histories of graduates, traditions, and athletic competitions. Host town proximity and advantage for use, coupled with costs of providing essential services to the schools by the host town. Host town has more access to the resources of the school. Some residents of host towns also are opposed to a regional school district in their backyard, changing the traffic, view, noise, light pollution, density of population, or character of the town. Elementary school stakeholders want school in town to the point where some regional district agreements prevent out-of-town elementary placements.

4. **Transportation:** Moving students out of town for their education and then added travel to all associated school events and activities. Safety, distance, length of bus routes, and costs are issues. In rural areas smaller buses may be required to access rural locations and for greater maneuverability. Regional transportation aid reimbursement mitigates these concerns to a large extent. Support for elementary students moving out of town often opposed.
5. **Capital/Debt Costs:** Regional school district agreements define how capital costs are to be assessed. New School Building Assistance reimbursement grants (Chapter 70B) are community specific. A literal interpretation of applying grants to specific municipalities to lower debt assessments is contrary to the cost sharing in the district agreement causing contention among member towns. Again, for greater equity in new construction falls more heavily on the municipality with greater fiscal capacity.
6. **Enrollment Issues:** Enrollment grows differently in member towns. When growth is greater in one member then costs also shift to that member. Since assessments of cost are made after the credit of state aid the assessment increase will often be at a higher percentage than the growth percentage. Enrollment growth also brings pressure for facilities and needed capital expenditures may also fall on less robust community's resources as a member.
7. **Economic differences:** No two towns have the same fiscal capacity to raise funds and support education. Often adjacent towns do not have the same will to invest in education. State aid in its equity attempts to overcome these disparities, but in this correction the result is that one town is paying more than the other(s) through assessment for the same education for their students.

When forming a regional district, employees from districts absorbed into the regional district, by law, do so "without loss of benefit". Difference in insurances and benefit costs, "level-up" to the most generous benefits for employees of the new region. The result is increased costs.

8. **Social differences:** People gravitate to the community they feel comfortable in and that they can afford to live in. Housing is reflected in the socio economic sorting that has occurred. Regional schooling disturbs that sorting, bringing together population from other communities. Some cherish diversity others do not.
9. **Finance Problems:** Town governments, local functionaries, state agencies, various town boards, or those who view regional representatives as competitors, often refer to the "regional school finance issue", to varying degrees, from the "regional problem" to "the regional mess". Its complexity is not understood. Assessments per-pupil, because of the equity corrections in required contribution, causes one town

to pay more, or less per pupil in their respective assessments that are appropriated at town/council meeting. These differences can be slight to the several thousands of dollars. One example: Freetown and Lakeville, a region considering K-12 expansion are only 2.4% apart on combined aggregate wealth capacity, but are nearly \$1,000 (20%) apart on assessed cost per pupil.

**The Case for Regional School District Model**

Despite the challenges we must recognize the perseverance and accomplishments of those who have crafted and sustained regional school districts. They envision regional school district as an opportunity to increase the Commonwealth’s capacity for delivering to student a comprehensive world-class education to meet the challenges of a more complex, diverse competitive global society, while consolidating the use of resources and measurement of outcomes.

Since the first Massachusetts regional school started in 1950 regional school districts have been negotiated, approved and carried out their mission with relative success for their students and graduates. With all the obstacles and barriers regional school districts face the number of regional school districts grew dramatically for forty-six years.

**FY08 Regional School District Summary**

<b>Regional School Districts:</b>	<b>Number</b>	<b>Students</b>
▪ <b>Academic Regions,</b>	<b>55</b>	<b>110,206</b>
▪ <b>Regional Vocational Districts</b>	<b>26</b>	<b>24,791</b>
▪ <b><u>County or Area Agricultural*</u></b>	<b>4</b>	<b>1,231</b>
<b>Total Regional Delivery</b>	<b>85</b>	<b>136,228 * or 14.3% of</b>
<b>all students enrolled</b>		

▪ Additional students attend some vocational and agricultural schools from non-member municipalities on a tuition basis and are not shown in the total. County agricultural schools and a few urban-based vocational schools provided regional services.

This voluntary expansion was part of a quest for greater equity of opportunity for students in smaller towns and rural areas and to meet suburban enrollment growth and their need for school buildings. All strategically played out in a state plan and policy priority that had the following ingredients:

- **Legislative, Administrative and State Board of Education Policy priority**
  - Policy assurance of equity in student opportunities
  - Meet growth in enrollment and demand for modern comprehensive facilities with more efficiency.
  - Provision of comprehensive educational programs and services to meet the “Sputnik” challenge.
  - Provide access to vocational technical programs to un-served students and meet local employment needs
  - Creation of enabling state laws (Chapter 71, sections 16)
    - Planning and approval processes created
    - Governance and representation models
    - Cost allocation model

- Local approval regional districts and budgets
    - Protection of existing employee rights/benefits
  - State management goal of having a lower number of school districts to deal with, support and collect information from.
- **Voluntary agreement of municipal parties** (not state imposed)
  - Creation of regional body politic and fiscal entity by agreement of parties
  - Contracted District Agreements crafted and approved by local authorities
  - Bonding support of municipalities for regional facilities.
- **Regional Finances:**
  - Chapter 70 aid to regional school district to lower assessed cost to municipalities.
  - Regional School Aid as additional incentive to lower assessed cost to municipalities. (no longer available)
  - Regional Transportation Aid (Chapter 71, S 16c) to lower the cost of transportation to regional schools up to 100%. (has fluctuated from 37% in 2004 to 85% in 2009).
  - School Building Assistance at larger percentage for regional school.

**Advantages of Regional School District:**

*Expansion of critical mass to gain economies of scale*

Create a larger pool of students to address their varying needs and diversity

Curriculum and instructor comprehensiveness: breath and depth

- Mathematics
- Science
- Foreign Languages
- Practical and applied arts, business and technology skills
- Music and fine arts
- Sports and activities
- Needed vocational-technical education programs
- Honors and advance placement
- Remedial and recovery programs
- Availability of specialists
- Curriculum analysis and accountability coordination
- Curriculum coordination throughout schooling
- Coordination of professional development and instructional strategies
- Consolidation of separate school districts, administration and governance
- Consolidation of central office support staff and reporting functions
- Consolidation of human resource and benefits management.
- Aggregated purchasing power of goods and services (textbooks, software, supplies, assessment services)
- Coordination of operation services including
  - Transportation
  - Maintenance and mechanical
  - Energy
- Technology acquisition, installation, maintenance, management,
- Consolidation and expansion of support services to students

Create common facilities and staffing for library, media and technology, performing and applied arts, recreation, athletics, and community use. Consolidated site location, environmental impact and development.

### **Why has Regional School District formation stalled?**

**Regional School Aid Disappeared:** As the state folded regional incentive aid into Chapter 70, a window of opportunity to receive regional aid was made in the earliest days of school reform for those districts agreeing to move to K-12 regional delivery. A number of regional districts expanded with that opportunity before it would not be available. There was some concern on the number of regions making that move because it was drawing state resources away from increased spending goals to meet foundations particularly in poor urban center of high need. Fortunately state revenues were growing at the same time and by the year 2000, foundation spending was achieved.

**Policy Focus Change:** With the advent of school reform, the priority of regional delivery was supplanted by other more important priorities for the improvement of curriculum expectation, curriculum alignment, standard setting, and accountability. Assessment results focused on achievement gaps that are closing too slowly and remain as the highest priority

The expansion in the number of regional school districts stalled with the disappearance of identifiable regional school “bonus aid” aid and the short window of opportunity with its “sunset” of the mid 1990’s. The complexities of regional school finance also became more apparent, within the context of school finance reform. How regional school finances would be managed was not well understood with initial finance reforms. Many rigidities were instilled in its initial implementation, such as the assignment of aid by town, setting that aid level and local contribution based on the 1993 budget which was based on 1991 enrollment, and then adjusting for growth from that level each year. The growth in aid in the 1990’s masked some of the problems, but when aid stalled at the turn of the century, or lowered as it did in 2004, the differences between community costs became more apparent. Needed changes were made in equity between member towns, and the allocation of costs by foundation share added to a growing discontent causing a number of municipalities to question their membership in a regional school district. Though these noises have led to only Pembroke leaving the Silver Lake Region, it has dissuaded others from considering regions.

### **What is the policy direction of the Commonwealth for maintaining or advancing regional organization and delivery of educational programs and services?**

Regional school districts are one proven and effective school organizational model that could be utilized to reduce the number of separate school districts, their administration, and accountability in providing management of instruction, technology, facilities and services for the education of students. Geographical space is constant while student enrollments change and statewide are in decline. Consolidation of programs, facilities and services has to be considered where cost savings can occur while maintaining or improving the quality of education.

### **Recent School Finance Changes**

Regional school finances are somewhat complex, but are now more equitable and rational than the earlier years of school finance reform. The required local contribution funding for

all districts has just completed a five-year change of allocation and a shift to higher foundation cost of high schools with growing enrollments has occurred. Required local contribution is also in the third year of a five-year process of change to achieve a new definition of equity, using the “aggregate wealth method equally weighted on property wealth and income. The description below is written in the context that those transitions have been completed. If the foundation budget upon which school finance is based were more adequate, regional school districts and all school districts could better serve their purpose and reduce the demands on above foundation spending.

- A. Foundation Budget (Required Minimum Spending):** Each city and town has students who for the grade level and program they are in bring formula assigned amounts to a foundation budget. That foundation budget is allocated to each school district that the municipality belongs to; whether a single K-12 school district, a local elementary district and a region: a full K-12 regional school district; or like over 280 municipalities that also are members of a vocational-technical regional school districts or county agricultural schools.
- B. Local Contribution (Required revenue from the municipality to support the foundation budget):** From local appropriations each municipality funds the foundation budget at each school district of which they are member. The required minimum amount of local contribution is determined each year by the state’s measure of the municipalities fiscal capacity to pay based on their property values and income and what their local revenue growth is over a year. The state formula being used (administratively) sets a targeted percent that local contribution meets to fund the foundation budget at each district they are a member of, and attended by their resident students. This required amount is equity based, and in all likelihood different from what another community would pay. On average it is 59% local required effort, but those with the greatest capacity are capped at 85% of foundation and those with the least capacity are targeted to at least 15% of foundation. The school districts may request, and by local appropriation may receive, an amount greater than the minimum and most do receive an appropriation above required, averaging an average appropriation that is 119% of foundation. That discretionary amount above in a regional district is assessed by the regional agreement. The bulk of the assessment to the member municipalities is set by the state in the in the equity based required contribution.
- C. State Aid (to the school district):** Chapter 70 state educational aid goes to the school districts the municipality is a member of to make up the difference above the percentage that is required locally. The state target average for aid is 41% of foundation, with the municipalities paying the balance. Poorer communities receive more aid, up to 85% and those with higher local capacity receive less, but at least 15%. Aid is determined community specific not regionally.

**The Budget Problem for All School Districts:**

- A. The foundation budget is not adequate therefore; the targets of required support are not adequate. Target spending does not meet the challenges present. Rapidly escalating insurance, special education tuitions, energy, health costs draw away from instructional spending.
- B. Local required contributions are targeted to an inadequate foundation. Local contributions above minimum are strained for above required contributions because

of the limits of proposition 2 ½, increased residential property tax bills, and diminishing reserves and capacity in many communities.

- C. Compared to most other states, Massachusetts' school aid is targeted at too low a percentage of foundation spending. It is also subject to rescission when state revenues fall. Most districts experienced level aid in FY03, followed by 2/3rds of school districts losing up to 20% of their aid in 2004. Chapter 70 aid increased below inflation both FY05 2.3%; and FY06; 3.3%. With growth in revenues, some use of reserves and a renewed administration and legislative commitment aid has increased since: FY07 at 6.6%; FY08 at 6.3%; FY09; at 6%. Exiting revenue sources are now reflecting a decline and with growing challenges.

**The Budget Problem for Regional School District:**

- A. Allocation of the foundation budget to the district, though inadequate is rational and explainable.
- B. Local contribution from member is equity based. "The beauty of equity is in the eye of the beholder". One town is expected to pay more per pupil than another. When the region was formed the members agreed to share resources on a per-pupil basis. Despite one member having more or less capacity the revenue resources were pooled, and costs were determined regionally. Today that agreement method of assessing costs applies only to amounts above what the state requires and for transportation and capital costs.
- C. State aid comes to the regional school district. State aid is largely generated by the amount to make up the difference between required contribution from each town and the foundation budget. Total state aid is applied to lower total required spending and the remaining is assessed to member town. Implicit in this is that at the regional level; more state aid gravitates to the foundation spending of relatively poorer members of the regional district who have relatively lower share of required contributions.

These differences are very apparent at the time of annual budget appropriations and consume much of the discussion and tensions, as the amounts requested are also seen as a draw away from any other school districts the town has or for the town's needs.

While the member municipal differences in cost per pupil are very apparent in a region, they would exist if the town were a stand-alone district. The question being asked, whether in a regional district or considering joining a regional district, would the town and students be better off and the town and residents be more in control by having their own school district?

**Beyond the logic of consolidation’s expansion of critical mass, access to expanded programs and opportunity for more efficient management does there continue to be a need for continued support and expansion of regional school district delivery?**

**Suggested Consideration for Regional Policy Direction: *Use What Works***

1. Regional school districts have been and continue to be an effective delivery system for the provision of an adequate, equitable, educationally robust opportunity for student success.
2. Regional school districts are one of several models for delivery and management of educational programs and services. One size shoe does not fit all.
3. The Commonwealth should reinvigorate its commitment in policy and planning for Regional School Districts delivery in voluntary agreements between municipalities to meet the educational needs of their residents
4. Regional Aid that is apparent has been an incentive for all member communities to join, or remain in a regional educational delivery system and should be reintroduced to demonstrate the state’s interest and support, and overcome the financial attraction of going it alone with more local control.
  - a. Require and designate its use to lower assessment to member municipalities
  - b. Provide greater incentive to full PK-12 delivery
  - c. Regional incentive could be based on a percentage of foundations budget or percentage increment to state aid.
  - d. The size of the incentive is less important than its visibility and the stability of its availability.

If a town leaves a regional school district its Chapter 70 should follow back to the town, but the town should not retain any regional school aid generated by the town’s membership in the region.
5. Continue Regional School Transportation Aid to lower the cost of wider areas of service.
6. School Building Assistance set a priority regional construction needs with regional percentage incentives for reimbursement of joined construction costs.

Urban areas have only used the regional model for the provision of student access to expand distinctive vocational technical programming to meet the needs of their youth and local economy. They do not lack critical mass or the economies of scale of smaller municipalities. They are however, harbingers of cultural resources that can be shared for educational purposes with neighboring towns. Their demography is often different from neighbors, and often each is isolated from the other. Consideration could be given to partnering through the regional model to offer educational programs and services to students from cooperating communities by capitalizing on the urban center resources in population diversity, business, social, economic, cultural and educational institutions in regional educational delivery.

