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GOVERNOR

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

SUSAN A. GENDRON  
COMMISSIONER

June 28, 2007

Gail Marshall, Board Member  
School Union 98  
Superintendent's Office  
P.O. Box 60  
Mount Desert, ME 04660

Brian Hubbell, Board Member  
School Union 98  
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Paul Murphy, Board Member  
School Union 98  
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P.O. Box 60  
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Robert Liebow, Superintendent  
School Union 98  
P.O. Box 60  
Mount Desert, ME 04660

Dear Gail, Brian, Paul and Rob:

This is in reference to your letter of June 13, 2007 regarding a series of understandings you wish to confirm.

1. Membership in Reorganization Planning Committees. Communities may determine the composition and functioning of Reorganization Planning Committees; however, the law does require that the Committees include representatives of school administrative units included in the proposed RSU, as well as the members of municipalities, and members of the general public who are residents of the proposed RSU. If six SAUs participate, that would mean a minimum of 18 representatives. Please note that in a school union it is each municipal school unit that is an SAU; the union as a whole is not an SAU. The Department of Education will provide guidelines, as required under (Section 1461(2) (A), to further advise SAUs in this work.
2. Exception Based on Size. I cannot make a determination on such exceptions before receiving the Notice of Intent from all SAUs. I will need to review them all to determine the total number of proposed RSUs. I can say that our own preliminary analysis suggests that a unit made up of the current members of Union 98 plus Trenton would be likely to meet that standard, but no final determinations can be made until all the Notices of Intent have been received.

3. Powers of Municipalities and Local School Committees. A municipality within an RSU may raise additional funds for K-8 schools in its community. A local school committee formed by the RSU could administer the budget of that local school, if given that power by the RSU. However, the ultimate budgetary and accounting authority for all funds used by the RSU is the RSU board. The law specifies that the RSU board is responsible for preparation of the annual K-12 budget.
4. Ownership of School Facilities. My understanding is the same as that set forth in your letter of June 13, 2007.
5. 2 Mil Requirement. My understanding is the same as that set forth in your letter of June 13, 2007. Furthermore, I am committed to supporting legislation to address this issue, if needed.
6. Limits on Communities Raising and Spending Local Tax Revenues. An RSU or local school committee authorized by the RSU to raise revenues may raise and spend above EPS levels provided they follow the designated budget process which requires clarity in presentation of the budget so that voters are clearly informed about any additional expense on which they will be voting.

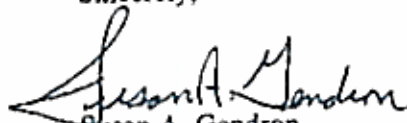
However, in my understanding, it is not the intent of the legislation that local communities would simply pick up the tab for any State reductions to EPS allocations in the areas of system administration, transportation, facilities and maintenance and special education. The SAUs who plan together must document in their plans that they have reorganized the way they operate so as to achieve those savings without adversely affecting the instructional program, or that the SAUs already meet the new Essential Program and Services targets. The total cost for education includes not only the State share but the local contribution for each of these areas. The defined costs to the district will reflect both the State reduction and the local share. The ultimate decision on the budget will be made by the voters.

In all other areas, the RSU could raise and spend above EPS allocations, but only through the revised budget approval process which includes the clear delineation of the expenditures in specified areas and how they compare to the State EPS allocation for those areas.

I hope this is helpful to you in the process of moving forward. I appreciate your efforts to work positively through the requirements of the law. I believe strongly that, with creativity and openness to all the possibilities ahead of us, we will achieve solutions that improve learning opportunities for students across the State, better promote equity in opportunity, and use our financial resources more wisely to enhance learning in the classroom.

Please do not hesitate to contact me or members of the reorganization team here at the department if you have additional questions.

Sincerely,



Susan A. Gendron  
Commissioner of Education

Cc: Senator Dennis Damon  
Representative Hannah Pingree  
Representative Theodore Koffman

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**FACSIMILE TRANSMITTAL SHEET**

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TO:	Superintendent Robert Liebow	FROM:	Commissioner Susan Gendron	
COMPANY:	School Union 98	DATE:	JUNE 28, 2007	
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RE:	June 13, 2007 Letter			

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☐ URGENT    ☐ FOR REVIEW    ☐ PER YOUR REQUEST    ☐ PLEASE COMMENT    ☐ PLEASE REPLY

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NOTES/COMMENTS:

Superintendent Liebow,

Please see the attached letter from Commissioner Susan Gendron.

Thank you,  
Mary Johnson – on behalf of Commissioner Gendron  
Commissioner's Office  
Maine Department of Education  
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