

September 12, 2009

Hi June,

You asked for some feedback for your committee and I have put together the following comments.

First, whether it is the old Cate consolidation plan or the new Senator Bartlett Consolidation plan to increase the size of the education operating unit will not produce the savings that is required to maintain a sustainable, relevant, and high quality model. The above plans and many similar plans just rearrange the numbers of the existing education model that has been around for more than a hundred years.

I am just going to look at just one aspect of consolidation and that is financial. Improved education quality may be given lip service as the reason for consolidation but make no mistake, it's all about the money.

Let us look at the money paper trail and consolidation:

Funds flow by using some mathematical formulae that is often adjusted by political pressure from the Federal and State agencies to school districts where it may be reallocated to individual school programs. The revenue stream is appropriated, received, spent, accounted for, and audited using a financial software system. School districts have different financial software packages, versions, procedures, and varying degrees of accounting sophistication.

A consolidation plan that combines a number of school districts, high schools, and elementary schools managed by a Super Superintendent who must receive and evaluate financial information from different entities has big problems.

### **The Big Problems:**

**Financial Data-**there is no common financial data base with a standard chart of accounts and reporting programs to receive common data from all the educational units- Big up-front costs in selecting and implementing common financial software, training personnel, and transitioning to a common chart of accounts. There can be no effective central financial management until the above steps have been completed. Otherwise financial chaos!

**Procedures-** Medicaid funds, Special Ed funds, grants, etc- In some districts the procedure is that each school may work independently to obtain funds while other districts like my district, WCSU, works to obtain funds for the entire district and redistribute as needed to the individual schools. Putting 10 to 15 schools together would require many man hours to produce a common procedure. This transition would require experienced business and IT personnel to implement and maintain procedure discipline.

## **Other Areas:**

The same scenario would continue with bus contracts, fuel contracts, curriculum, and master agreements, labor contracts, and human resources.

## **Management:**

**Super Superintendent-** First it would be very difficult to find candidates in the \$100,000.00+ salary range that exists in Vermont today. Moreover, the pool of superintendents in Vermont that could put together a 10-15 school consolidation plan is slim to none.

**Staffing-** The Superintendent would have a large disconnect from the local schools making up the consolidated district. A middle management team would be required to keep everyone moving in the same direction, in the same boat, for a common goal. Leaving each Principal alone to manage their school will result in 10 to 15 different educational directions, curriculums, etc. within three years. Principals' education does not place a great deal of management emphasis on economics, personnel management, and financial planning.

How would the Speech/ Language, Special Educators, Music, Art, Phys. Ed, and Nurse Personnel be allocated and managed?

## **What will Consolidation Do?**

- Close schools
- Increase, not decrease operating costs
- Add middle education managers
- Have greater detachment between the Superintendent's office and the local school
- Increase educational beauracracy and inertia for educational change
- The last that should be first; will the children be better off? Possibly, but probably not.

**What is the problem?** The driving operating cost is having 80% of our operating costs in personnel. Massaging the number of districts will not substantially reduce this percentage. Removing a few superintendents and closing a few schools is not the answer. We must dramatically change our educational delivery model that goes back in years before the 20<sup>th</sup> century.

## **What is that model?**

It is an agrarian model that was adequate when our country was a manual labor society and most children did not go beyond grade school and even fewer children went to college. In 1940, 75% of the adults 25 years old and over were grade school or high school drop outs. Just 5% had four year college degrees. Individuals could make a living with limited education. Look at the school day and year. It was usually an 8-3 day and 175-180 day school year with one teacher per classroom. Children were expected to work on the farm or other employment sources after school and summers to help support their family. There was little or no expectation to go to school beyond the basic reading, writing, and arithmetic skills. The property tax could easily fund this type of education model.

**What is our model today?** It is still an 8 to 3 school day and 180 day school year with one teacher per classroom. What has changed; not much. Wage/hours and child labor laws have changed and children cannot be as easily exploited. Today we expect all children to graduate from high school and move on to higher education. By 2007 only 17% did not complete high school. We still have the same education delivery model for a childrens' base that has exploded after WWII. The property tax is still the basic tax used to support educating this large population with a **huge** increase in education expectations. It is no longer sustainable, and no consolidation plan is going to solve the problem of high educational expectations for **all the children with the current out-dated and no longer relevant model.**

**What is an answer?** In the late 80's and early 90's a development occurred that dramatically changed our world and that was the **internet**. The fallout from this communication tool is still being felt along with the many associated systems that have been invented. In addition we have had amazing capacity and miniaturization of computer chips. Education now has the tools and the opportunity to change the education delivery model from one teacher per class to using technology to produce model lessons and program with a master teaching core that can seen and interacted with a large number of students in an academic discipline. Every student should be using their personal computer in school and/or home for educational learning. The 8 to 3 day is obsolete just as is the 180 day school year and the 80% personnel operating costs. These are the changes the State should supporting to create change that will be financially sustainable and will be relevant to motivate the children in an environment that they are already using for information, communications, and education. Why do we continue to reinvent the same old out-dated ineffective plans such as consolidation in the name of saving money to perpetuate an outdated education delivery model?

June these comments just scratch the surface but hopefully you can use them to make the members of your committee step back and realize where the real change must occur.

John Fike