



SHREWSBURY PUBLIC SCHOOLS

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November 2, 2015

To: Representatives of the Executive Office for Administration & Finance
From: Joseph M. Sawyer, Ed.D., Superintendent
Patrick C. Collins, Assistant Superintendent for Finance & Operations
Re: State regulation impact

Thank you for the opportunity to participate in this "listening session" regarding state regulations.

Public education in the PK-12 sector is in itself a state mandate, and therefore it is understandable that state regulations will govern many aspects of our work. However, the sheer number of regulations and the unfunded or underfunded nature of many mandates have made our work ever more complex and demanding. As an illustration, I am attaching this year's "Superintendent's Checklist" that is provided by the Department of Elementary & Secondary Education. Please notice the amount of data management and reporting required of districts, which has required significant resources of both time and funds to address. There is also an opportunity cost when superintendents and other school administrators must spend significant time and energy on managing mandated tasks, which creates trade-offs between being bureaucrats and the educational leaders that we are expected to be.

The "piling on" of multiple new mandates and the lack of funding for mandates creates significant challenges for local school districts. Here are just a few examples that affect our district:

- 1) The mandate for all public school employees to be fingerprinted was billed as "no cost" to districts as the law requires the employee to pay; however, our district incurred significant clerical staff overtime to deal with the flood of new records that had to be reviewed and filed, and this task is now an "add on" to other responsibilities.
- 2) Funding for mandated transportation of non-resident vocational education students was eliminated in past budgets and is now funded at significantly lower than the requirements. As one of about 1/3 of municipalities that do not belong to a vocational/technical high school regional school district, Shrewsbury does not benefit from regional school transportation reimbursement, and must rely on non-resident vocational reimbursement. This cost our district \$177,327 in FY15 with zero reimbursement due to 9C cuts; it is estimated to cost \$180,165 this year with an expected reimbursement of \$106,300, or 59%.

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- 3) Out-of-district tuition for private special education providers is a major cost driver for district budgets. The Chapter 70 Foundation Budget is not adequate for most districts' actual costs, and the Circuit Breaker program provides significant relief but still leaves significant costs at the local level. The process by which private special education schools can "restructure" and increase tuition levels significantly is one that deserves scrutiny. The Operational Service Division reviews such requests and approves only in the sense that proposed costs are in line with approved rates (e.g., adding a teacher to the program should be within a certain cost range). Only after OSD gives approval does the DESE review as to whether these cost increases are actually educationally necessary. To our knowledge, no restructuring request has ever been reduced or denied based on an analysis of need. For example, right now, one provider is asking for a "modest" tuition increase of over 20%, from about \$49,000 per year to almost \$60,000 per year.

- 4) The charter school funding mechanism is not sensitive to economies of scale. The tuition paid by Shrewsbury was approximately \$1 million in net tuition last year for about 96 students out of a district of over 6,000. As we are a high performing district, and almost all of these students were performing at high levels prior to leaving our district (or never were a part of our district), so these funds essentially served as an additional \$1 million expenditure from mainly local resources to educate. However, the small percentage of students served does not allow our district to proportionally cut costs within the district. Another way to think of the economies of scale is that if all of these students returned to our district tomorrow, we would absorb them without any additional cost.