<u>DRAFT</u> <u>Barriers to Consolidation Working Group</u> <u>Recommendations for Renewal Commission</u> <u>April 26, 2004</u>

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Technical Issues Related to Consolidation That May Serve as Barriers

1. Lack of clarity in law with regards to consolidation of K-12 districts

Recommendation: Provisions for consolidation of one K-12 district with another K-12 district need to be included in statute wherever they are currently absent. Specifically, K-12 districts should be able to consolidate with another K-12 without having to first dissolve. The committee believes that the K-12 structure is the most efficient school district structure and does not recommend allowing K-12 districts to be dissolved to consolidate with a stand alone elementary district.

2. Lack of clarity in law about appointment of new school board for high school or K-12 consolidations

Recommendation: Immediately following voter approval of consolidation (elementary, high school, and K-12) a Joint Board, composed of the existing school boards of the separate districts, would be formed to deal with transition issues and would serve as the governing board of the newly consolidated district from the July 1 effective date of the consolidation until the next regular school trustee election. At that election the appropriate number of trustees for the new district would be elected by the voters of the new district, with the lengths of terms to be assigned by drawing of lots.

3. Lack of clarity in law about effective date of dissolution of existing districts and formation of new consolidated district

Recommendation: Consolidated Districts become official entities on July 1st following the successful vote on consolidation in each district.

4. Lack of clarity in law with regards to the duties and responsibilities of new and old boards of trustees during transition period

Recommendation: Existing District Boards continue duties and perform closeout duties until July 1st. The new Consolidated School Board (Joint Board) address all planning issues related to the operation of the new district effective July 1st. (Budgeting, contracting, staffing, etc.)

5. Lack of clarity in law about the status of building reserve and technology levies in the event of a consolidation

Recommendation: Any ongoing building reserve and technology depreciation levies would accrue to and become the responsibility of the newly formed district as a whole in the same dollar amounts that were originally approved.

6. Lack of clarity in law about tenure and bargaining status of successor district

Recommendation: Staff (certified and non-certified) are covered adequately in existing law. The committee does not recommend any statutory changes to address bargaining agreements for the successor district. Collective bargaining of a new agreement should be left to management and labor in the consolidated district under applicable labor laws and under the guidance of the Board of Personnel Appeals.

Possible Barriers to Consolidation Resulting from Current Structures of Governance, Taxation and Funding

1. Is the existence of two separate processes for combining districts (annexation and consolidation) a barrier?

Recommendation: Leave both Annexation and Consolidation processes available as they exist in current law. The separate processes are needed to address differences in district needs.

2. Is the option of consolidating or annexing with or without assumption of bonded indebtedness a barrier?

Recommendation: Consolidation and annexation should only be allowed with the assumption of bonded indebtedness. The question of with or with out assumption of bonded indebtedness can taint the process as the new consolidated district is being considered to serve all the students and the capital projects to be used should be decided by the new consolidated board.

3. Is the requirement for a vote a barrier to consolidation?

Recommendation: After much deliberation the committee feels a vote by each district is needed for consolidation or annexation.

4. Would it be a good idea to allow a period of time during which "deconsolidation" could occur?

Recommendation: Consolidations should be final. The technical issues involved with de-consolidating districts would be great. Current laws governing cooperative agreements between districts allow districts ample opportunity to experiment with the sharing of programs and staff prior to deciding to consolidate. Districts can share administration, staff, programs, etc. without consolidation. Cooperative sponsorships of athletic programs also allow districts to explore consolidation with out having to take the final binding step.

5. Does the phasing out of two basic entitlements over 6 years for a consolidated district work against consolidation?

Recommendation: Retain existing law.

6. Does the current school funding structure (especially the basic entitlement) constitute a disincentive for districts to combine?

Recommendation: The Renewal Commission as it examines school funding needs to make sure that there are not disincentives to consolidation built into any new funding system.

General Topic Area:

<u>Is it possible for an elementaryK-8 to become a K-12. Why prevent this idea? Would it be better for students?</u>

Discussion: The committee recommends that there be discussion of creating the statutory opportunity for larger K-8 districts to institute high school programs and become K-12 districts. Educational research indicates that high schools in the 400-700 student range may be the optimal size and the K-12 unit is clearly the most efficient unit in terms of budgeting and elementary/high school program coordination. Large K-8 districts exist in rapidly growing suburban areas and it is worth considering whether the best response to the demographic changes in these areas would be the creation of high school programs to serve large K-8 populations.