

SINGLE DISTRICT- ONE BOARD, ONE BUDGET

Preferred

Requirements	Transition Assistance	Timeline
<ul style="list-style-type: none"> • Single PK-12 district • Minimum of 900 students • <i>All member districts of a SU must agree to be part of the new district to be eligible for accelerated incentives</i> • Operates in one of the following governance models: <ul style="list-style-type: none"> ○ Operates all grades PreK-12; ○ Operates PreK-8 and tuitions 9-12; ○ Operates PreK-6 and tuitions 7-12; or ○ Pays tuition for all students grades PreK-12. 	<ul style="list-style-type: none"> u Homestead tax rate reduction of \$.10/\$.08/\$.06/\$.04/\$.02 in the first five years of operation, if accelerated. Every district can realize the full reduction (no 5% protection) in the first five years. u Homestead tax rate reduction of \$.08/\$.06/\$.04/\$.02 in the first four years of operation, if conventional. Homestead tax rate reduction shall not increase or decrease by more than 5% in a single year. u New district will keep any small schools grants currently received by any of the merging districts. u Transition facilitation grant of \$150,000, or 5% of the base education amount multiplied by the new district's ADM, whichever is less. u Keep the 3.5% hold-harmless protection for declining enrollment, which otherwise will be eliminated in FY 2021. u Exempt from the requirement to repay a portion of state construction aid upon sale of a school building. 	<p>Electorate must vote by July 1, 2016 to be eligible for accelerated transition assistance.</p> <p>New district must be operational by July 1, 2017.</p> <p>Must be approved by the electorate by July 1, 2017 for conventional transition assistance.</p>

SINGLE DISTRICT- ONE BOARD, ONE BUDGET

Regional Education District (RED)

Requirements	Transition Assistance	Timeline
<ul style="list-style-type: none"> • Single PK-12 district • Created by the merger of 4 districts <ul style="list-style-type: none"> ○ CAUTION: Be aware of the goals of the Act when proposing a merger that will result in a district serving significantly fewer students than the preferred structure; also be mindful of creating “stranded” districts • Do not need to be members of the same SU 	<ul style="list-style-type: none"> u Homestead tax rate reduction of \$.08/\$.06/\$.04/\$.02 in the first four years of operation. Homestead tax rate reduction shall not increase or decrease by more than 5% in a single year. u New district will keep any small schools grants currently received by any of the merging districts. u Transition facilitation grant of \$150,000, or 5% of the base education amount multiplied by the new district’s ADM, whichever is less. u Keep the 3.5% hold-harmless protection for declining enrollment, which otherwise will be eliminated in FY 2021. u Exempt from the requirement to repay a portion of state construction aid upon sale of a school building. 	<p>Must be approved by the electorate by July 1, 2017</p>

DISTRICTS WITHIN SUPERVISORY UNION STRUCTURE

Side by Side		
Requirements	Transition Assistance	Timeline
<ul style="list-style-type: none"> u Each new district (or “side”) is formed by the merger of at least two districts u One side operates, one side tuitions (some or all grades) u Each new district has same effective date of merger u The new districts jointly satisfy RED size criteria (1250 or 4 districts) 	<ul style="list-style-type: none"> u Homestead tax rate reduction of \$.08/\$.06/\$.04/\$.02 in the first four years of operation. Homestead tax rate reduction shall not increase or decrease by more than 5% in a single year. u New district will keep any small schools grants currently received by any of the merging districts. u Transition facilitation grant of \$150,000, or 5% of the base education amount multiplied by the new district’s ADM, whichever is less. u Keep the 3.5% hold-harmless protection for declining enrollment, which otherwise will be eliminated in FY 2021. u Exempt from the requirement to repay a portion of state construction aid upon sale of a school building. 	<p>Must be approved by the electorate by July 1, 2017</p>

DISTRICTS WITHIN SUPERVISORY UNION STRUCTURE

Modified Unified Union School District (MUUSD)

Requirements	Transition Assistance	Timeline
<ul style="list-style-type: none"> • If ALL local elementary school districts in the member towns of an existing union high school district vote whether to establish a unified union school district providing PK-12; and • If a majority but not all of the districts vote in favor of establishing the unified district; then • A new modified union school district shall be established that shall: (A) provide to the students residing in the member towns of the union high school district education in the grades provided by the union high school district; and (B) provide elementary education to the students residing in the current elementary school districts that voted in favor of the unified union school district. 	<ul style="list-style-type: none"> u Homestead tax rate reduction of \$.08/\$.06/\$.04/\$.02 in the first four years of operation. Homestead tax rate reduction shall not increase or decrease by more than 5% in a single year. u New district will keep any small schools grants currently received by any of the merging districts. u Transition facilitation grant of \$150,000, or 5% of the base education amount multiplied by the new district's ADM, whichever is less. u Keep the 3.5% hold-harmless protection for declining enrollment, which otherwise will be eliminated in FY 2021. u Exempt from the requirement to repay a portion of state construction aid upon sale of a school building. 	<p>Must be approved by the electorate by July 1, 2017</p>

DISTRICTS WITHIN SUPERVISORY UNION STRUCTURE

Alternative		
Requirements	Financial Consequences	Timeline
<ul style="list-style-type: none"> • Proposal submitted to the Secretary must demonstrate that the alternative structure will achieve the quality and cost goals established in Section 2 of Act 46. • That SU should be able to demonstrate: <ul style="list-style-type: none"> ○ ADM of 1,100 ○ Has the smallest number of districts practicable ○ Operates in a manner that maximizes efficiencies through economies of scale and the flexible management, transfer, and sharing of nonfinancial resources among the member districts ○ Member districts consider themselves to be collectively responsible for the education of all PReK-12 students in the SU 	<ul style="list-style-type: none"> u Districts that do not engage in voluntary structural changes will not be able to secure tax incentives. u After July 1, 2019 these districts will only be able to retain their small schools grants if the State Board determines they are geographically isolated or can demonstrate academic excellence and operational efficiency. u After July 1, 2020 these districts will also lose any 3.5% ADM hold-harmless protection. u July 1, 2017 supervisory unions found to be out of compliance with Act 153 centralization provisions will see a 5% tax penalty. 	<p>A group of districts may propose a plan to achieve quality and cost objectives through changes in the SU operation and configuration and submit a plan for consideration to the Secretary by November 30, 2017.</p> <p>Secretary to develop the plan in the spring of 2018.</p> <p>Statewide plan will be adopted by the State Board on November 30, 2018. Implementation of the transition effective July 1, 2019.</p>