

AREA REVIEW COMMITTEE REPORT

Final – January 6, 2015

Pursuant to the passage of Warrant Article V at the March 8, 2014, School District Meeting, the AREA Review Committee was established with the following charge:

The AREA Review Committee shall conduct a comprehensive study of the benefits and costs of withdrawal from the AREA Tuition Agreement between Plainfield and Lebanon and Grantham. The Committee will present its findings to the School Board in January of 2015 along with a recommendation that Plainfield either continue participation in the AREA Tuition Agreement with Lebanon or that the School Board formally initiate the process of withdrawal from the AREA Tuition Agreement in accordance with RSA 195-A:14. In addition, the Committee will present its findings and recommendations to the Annual School District Meeting in March 2015 for voters' consideration.

The Review Committee shall assess:

- The potential educational impact of implementing a school choice model for Plainfield's high school students.
- The economic impact(s) of withdrawal – both the immediate tax impact and the potential long term impacts.
- The potential social or demographic impacts that high-school choice could have on the community.
- Such other issues that the Committee shall deem relevant.

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The AREA Review committee met seven times and gathered information from various sources including employees of the NH Department of Education, superintendents and board members of other districts, and community members. We found it difficult to get hard data about the impact that HS choice might have on the school and community. According to the NH DOE staff, only one other district in recent memory has left an AREA agreement to offer HS choice, and it is too early to have data about the effects of that decision. As a result, the conclusions we have reached about the impact of high school choice are based on the committee's best effort to make reasonable assumptions about the future.

Educational Impact:

First and foremost, the committee believes that providing alternative educational programs to our students is inherently beneficial. It allows parents and students to match their needs and aspirations to a program which will best support their future goals. Even for those students who follow a traditional path to Lebanon High School, as we believe that most of our students will, taking time to evaluate and make that choice will bring focus to their educational goals.

Second, we believe that giving our students the opportunity to make a choice will create a competitive environment for our area high schools which doesn't currently exist. All of the high schools in our area are losing enrollment, and PES students have an outstanding reputation for their academic and extracurricular skills. In particular, Plainfield students make up an important part of the Lebanon HS student body, and we believe that moving to a choice model

will positively impact the educational environment there. In addition, we believe that feedback about the strengths and weaknesses of our students from multiple high schools will strengthen our academic program, particularly in the middle-school grades.

Finally, anecdotal evidence suggests that offering high-school choice could bring new families to Plainfield. The dynamic nature of Dartmouth College and Dartmouth-Hitchcock Medical Center will continue to attract new families to the area, and offering high-school choice may be attractive to them. In addition, many young families expect to be actively involved in managing the education of their children, and high-school choice may be attractive to them. If the enrollment decline at PES slows as a result, it would be beneficial to the programs we offer.

Relationship with KUA:

According to NH Department of Education, KUA cannot be a choice school. Only those schools listed on the public school and academy list are eligible to receive tax supported tuition. It therefore seems that offering high school choice will not directly affect our students' or the community's relationship with KUA.

However, it is possible that individual families who would have chosen KUA would choose Hanover or another school if we offered tuition support. We don't anticipate that the number would be significant because the educational and social environment at KUA is unique in this area.

Economic impact:

The AREA agreement was initially negotiated at a time when high schools in the area were crowded, and the District wanted to insure that Plainfield students were guaranteed a high school placement. As an added benefit, the AREA agreement locked in a reduced tuition rate at LHS for our students. The demographic pressure has now reversed with area high schools facing declining enrollment; however, there is no way to offer high-school choice without incurring some additional costs for the District. Some of those costs are known and some have to be approximated, again using the best assumptions we can.

We know that leaving the AREA agreement will increase the tuition we pay to Lebanon. Historically, the savings to the district has been between \$450 and \$500 per student. Currently, the difference is \$430 where full tuition at LHS is \$14,425 and AREA tuition for LHS is \$13,994. Two years from now, which is the earliest that withdrawal from the AREA agreement could be completed, we are projected to have about 100 students at LHS. Consequently, we would add approximately \$45,000 to the LHS tuition budget at that time. We could also incur additional costs for students with IEPs or 504 plans as Lebanon holds non-AREA districts or parents liable for costs associated with an assigned para-educator and for services provided by specialists who are not employees of the Lebanon SAU. However, the incidence of these additional expenses is small (none in the last 3-4 years).

The District would also incur additional tuition expense for students who attend 'choice' high schools other than Lebanon. While we know that some districts have chosen to pay a fixed tuition with parents making up any difference, both

Lyme SAU and Haverhill Cooperative SAU have received legal opinions that requiring parents to pay additional tuition would be discriminatory and, therefore, illegal. The committee agrees with that opinion. For example, it would be unfair if a family chose Hanover or Hartford as the school which best met their child's needs and then was unable to send him/her because of the extra cost. Current tuition for potential choice schools are as follows: Hanover - \$19,327; Stevens - \$17,157; Windsor - \$15,800; and Hartford - \$14,900; Lebanon - \$14,425. While there is no guarantee of reductions, final tuition rates would be set in the tuition agreements established with each school.

Finally, it is possible that a family which would otherwise send a child to KUA would choose one of the 'choice' schools because of the economic support offered. We believe that the number would be very small, but each family making this decision would add a full tuition to District obligations. Currently we have 26 students at KUA.

Overall, with known and estimated costs, we project that the District tuition costs would increase between \$60,000 and \$85,000 the first year (FY18). It would increase \$15,000 to \$40,000 each of the subsequent three years as we added to the total number of students who choose schools other than Lebanon. In the fourth year, as student cohorts at each of the choice schools include grades 9-12, HS choice would result in added tuition costs between \$105,000 and \$205,000 using these estimates, a 9% to 18% increase over current tuition costs. In subsequent years, the total tuition amount would vary up and down depending on the number of high school students we have and the choices parents make for their children but would not vary significantly because of the move to HS choice.

Social and Demographic impact:

Based on the anecdotal evidence we have found, we believe that offering high-school choice to the community would bring new families to town. Plainfield has a number of homes for sale which are quite modest and would be financially feasible for many families. However, our taxes are relatively high (Plainfield ranks 170 of 227 on a state-wide basis), and the economic draw for the area centers around Dartmouth College and Dartmouth-Hitchcock Medical Center. Again anecdotally, we believe that Hanover HS would be the major draw. The current Plainfield Master Plan states that "*...between 1979 and 2010 median family income in Plainfield rose faster than those for either Sullivan or Grafton Counties.*" We believe that offering choice would likely support this trend.

Our Recommendation:

The committee recommends that the School Board place an article on the 2015 warrant which initiates, in accordance with RSA 195-A:14, the formal processⁱ of Plainfield's (SAU 32) withdrawal from the AREA agreement with Lebanon (SAU 88) and Grantham (SAU 75). While the committee members unanimously believe that "providing alternative educational programs to our students is inherently beneficial", the vote to proceed was not unanimous. Two members voted against withdrawal from the AREA agreement, noting concerns over rising property taxes and a lack of hard evidence that Lebanon High School's program is inadequate for our students' needs or that other conditions have changed substantially since the ratification of the current agreement just three

years ago. However, the committee recognized and discussed the lack of certainty about the economic cost of offering HS choice and the resulting impact on the taxpayers. We also explored the quality of the Lebanon HS program and the requirements of the AREA agreement. Ultimately, a majority of the committee members felt that leaving the AREA agreement would result in educational and competitive benefits for our students and community that outweighed the probable costs.

Respectfully Submitted,
Randy Budner
Brandon Feid
Evelyn Fleming
Stephen Halleran
Mike Sutherland, Chair
Gregory Vogt (Non-voting)
Kate Whybrow

ⁱ Initiating the withdrawal process would result in the convening of a formal, three-district, study committee as outlined in RSA 195-A:14. That committee would determine that withdrawal was not feasible or submit a withdrawal plan, including specific tuition agreements with choice schools and a withdrawal timeline, and make a recommendation to the State Board of Education. Following review and approval by the NH BOE, the withdrawal plan would be presented to the Plainfield School District Meeting for approval. A District Meeting vote to approve the plan would be final.