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99 Town Farm Rd. Westminster, MA 01441

Quabbin Regional School District

Explore Further Regionalization and/or Shared Services

The Issue

The Quabbin Regional School District has conducted several studies over the last four or five years to learn about challenges to the district’s educational and financial sustainability. The District faces a history of significant declining enrollment, excess capacity in the District’s school buildings, and an increased reliance on assessments to the member towns, who are struggling to manage those costs. There are many districts and communities in central and western Massachusetts facing these same issues. The Quabbin District has been and continues to be proactive, evidenced by the information shared with the member towns in an effort to find solutions. The Massachusetts Association of Regional Schools Consulting Group was asked to complete this study of Shared Services and Regionalization in light these same persistent factors.

Original Scope of Services

- I. Initiate outreach to area school districts to explore opportunities to share services or further regionalize with surrounding school districts.
- II. Facilitate two formal discussions with members of the Select Boards in each of the five member towns: Barre, Hardwick, Hubbardston, Oakham and New Braintree. The Select Boards would be kept informed of the progress of the grant-funded work and of possible next steps that might involve the member municipalities.
- III. Should one or more of the surrounding towns be interested in an in-depth study of regionalization, the MCG will develop the goals, objectives, action plans and timelines necessary for the analysis.
- IV. Facilitate meetings with the District’s shared services steering committee as needed.

V. Draft formal agreements, if needed, for further regionalization and/or shared services between the District and one or more of the surrounding school districts.

This Regionalization and Efficiency Grant, awarded to the MARS Consulting Group was impacted by some obvious limitations. Given the public health crisis that began in early March, person-to-person meetings, interviews, and school visits to discuss the possibility of shared services with neighboring districts were not possible. Also, this prevented us from participating in face-to-face meetings with the member Select Boards to provide updates and to ultimately share recommendations. Most of the work we managed to complete was done remotely. Secondly, the financial context has changed and the DESE (Massachusetts Department of Elementary and Secondary Education) could not extend the deadline for the grant past the close of the FY20 fiscal year. Because of these factors, the MARS Consulting Group and the District revised the scope of services and these deliverables follow.

Revised Scope of Services

I. MARS initiated conversations with surrounding districts about the possibility of sharing services in a number of different areas. The suggestions and potential ideas from these initial conversations can be pursued when the public health crisis has abated.

II. Grant funds were allocated to obtain a financial report from The Abrahams Group, focused on past financial history and a view of District finances in the next five years assuming that there is no implementation of operational changes.

III. When public health circumstances allow, MARS will share with stakeholders and Select Boards a summary of the shared services report, the updated enrollment report and the projections for future years. MARS will share a financial report documenting the past few budget years and from these trends, project what the District and the member towns might expect in future years regarding state aid and town assessments. The intent is to begin a conversation with stakeholders about the need to achieve efficiencies within the District.

This report summarizes some of the important data from previous studies, describes the work on shared services that has been completed, references updated demographic/enrollment studies, and summarizes a financial report that shows past history and what the District is facing in future years if there is no change to District operations. Finally, the report will describe next steps that are most effectively completed when the public health circumstances have improved. It is necessary to state that the context of this report does not consider the current public health

crisis. The observations and recommendations are intended for a virus-free school and community environment.

Previous Studies/Background

As previously mentioned, the Quabbin District has been remarkably proactive regarding analysis of the sustainability issue and has done this work with the involvement of stakeholders and community representatives. Three reports were commissioned over the last few years:

“Values Analysis for School District Re-Design,” by the Collins Center for Public Management

“Community and School Trends Report,” by the Collins Center for Public Management

“Quabbin Educational and Municipal Partnerships,” by the Central Massachusetts Planning Commission

For the purposes of this report, the extensive data and community input that comprises these studies is not repeated here. These reports are available from the District and may be fully reviewed in the future should the need arise. Rather, these studies were read and several ideas and recommendations are mentioned here that continue to have relevance for the District as it continues to address shared services, regionalization and overall sustainability. It should also be noted that throughout the report there are positive and supportive comments demonstrating that the District is valued by the communities and is providing for students and families of the member towns.

The Collins study acknowledges that change needs to occur (District operations), that space needs to be used efficiently and that the best space should be used first. The report recommends collaboration rather than autonomy relative to how the member municipalities manage themselves. The report also recommends three classrooms per grade, per school, and finding shared services with surrounding towns.

Other recommendations included achieving internet connectivity, improving the quality of life in the region, supporting economic development, regionalizing municipal services, re-purposing facilities, increasing enrollment and amending the regional agreement.

Enrollment was also addressed by these studies. The District experienced significant growth between 1980 and 2010, but since then the enrollment circumstances changed. The Collins study in 2016 states that out to 2035 the

overall population will increase by 17%, but the student enrollment will decrease by 20%. The population/enrollment issue is central to the challenges the District faces and this is updated and addressed in a subsequent section of this report.

A sample of some research literature on the ERIC data base was reviewed as it relates to some of the issues facing the Quabbin District and is briefly noted here as it also provides a segue to the discussion of shared services.

Even though costs can be high in large districts, there is usually an inverse relationship between size and per unit costs. The smaller the educational organization, the higher the per unit costs. In the context of this District, the overall size of the district continues to make it one of the larger school districts in the area. But when considering the individual school as the educational organization, there are costs that may not be efficient.

Some literature, reinforcing an idea from the reports summarized above, cite enrollment levels of 100 to 120 students per grade level as a point where scale economies can be realized. Smaller schools carry costs for secretaries, nurses, custodial staff and even teachers with small caseloads. Short of consolidation, shared services are often cited as another possible avenue for reducing costs. The most common areas for consideration include professional development, equipment, athletics, administrative services, pre-schools, and distance learning. It is noted that Quabbin has participated in a regional educational collaborative for many years. Implementation of shared services needs to be a thoughtful process that clearly defines job responsibilities, financial responsibilities and a method for evaluation of effectiveness.

Shared Services Outreach

The following narrative represents the initial efforts to reach out to neighboring districts regarding the possibility of shared services.

A meeting was held on May 12, 2020 with four school districts in the area participating: Spencer-East Brookfield RSD, Quabbin RSD, Quaboag RSD and the North Brookfield Public Schools. This is the record of that meeting.

Collaborative Efforts that are currently in place:

Conversations/meetings are already occurring between Curriculum Directors and Assistant Superintendents but these meetings are not regular and it is not known how focused they are on the possibility of shared services and collaboration among districts in the area.

Similarly, conversations/meetings are already occurring between Special Education Directors but these meetings also are not regular and it is not known how focused they are on the possibility of shared services and collaboration among districts in the area.

There are on-going discussions between Quaboag and Spencer-East Brookfield regarding a shared financial clerk position. It is likely this will be implemented for next year.

There is currently a study in North Brookfield to determine if the town should pursue regionalization with a neighboring district. This initiative will be monitored for any possible relevance for the Quabbin District.

All of the districts use an educational collaborative for high need special education placements.

All the districts use this same collaborative for annual purchases of large-scale school supplies.

There was general consensus that in the **near term** the following steps be considered:

- Support SPED Directors to organize regular meetings with a focus on shared services.
- Support Curriculum Directors/ Assistant Superintendents to organize regular meetings with a focus on shared services (particularly when budgets are being prepared).
- Support Superintendents in sharing concerns and practices during the COVID-19 restrictions.
- Develop an inter-municipal agreement which can be tailored to fit a specific need for shared services.

There was general consensus that in the **long term**, the following steps should be considered:

- There is interest in expanding collaborative extra-curricular activities and co-op athletics.
- There is interest in sharing courses but difficulties were noted regarding technology, schedules and distance.
- There is interest in sharing prominent speakers related to professional development.
- There is interest in sharing a grant-writing position although this is already in place for one of the districts.

- Spencer-East Brookfield and Quaboag both need to hire a facilities director but not in the same year. One in 2020 and one after 2021.

The four superintendents stated their district priorities:

- North Brookfield – To complete a study on whether the community supports regionalization.
- Quaboag RSD – To find areas where the district can save money.
- Spencer East-Brookfield RSD – To move forward with the MSBA High School project and to find efficiencies that work.
- Quabbin RSD – Find districts interested in sharing services for financial efficiencies, but also find opportunities to add and enhance educational programs.

Next Steps and Takeaways

There were no possibilities or ideas from this meeting that were suitable for all four districts. While the four-district conversation in May was helpful in promoting the general issue of shared services, the format is not conducive to finding specific ideas that have potential, nor is it conducive to discussion of actual needs, services, costs and agreements. Secondly, the existing meetings that occur with Central Office Administrators should continue and may be more helpful in the future if they are scheduled in a timely manner and focused on the topic of shared services. For example, Special Education Directors need not meet throughout the year, but rather during the time when budgets are developed for the following year. Are specialists needed for new students who move to the District? Is there a program in a neighboring district that is appropriate and less costly than what may currently be offered? Outreach to other neighboring districts might be better explored with 1:1 meetings during the time that budgets are being prepared in order to pursue practical ideas that will work.

Further pursuing the scope of services, MARS reached out to the other neighboring school districts listed in the RFP. The superintendents of these districts were asked similar questions regarding the categories below. The results of these conversations are summarized here.

Gardner Public Schools	Gardner is currently working with a recently awarded
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<p>(Superintendent Mark Pelegrino)</p>	<p>Barr Grant and this is the focus of their professional development for the coming year.</p> <p>They would be interested in discussing possible curriculum coordination or sharing in the future.</p> <p>Training for special education teachers is another possible area for collaboration.</p> <p>The District already has a Grant/Compliance and Outreach Coordinator so this is not an area of immediate interest.</p> <p>Given that Quabbin students perform well on standards-based testing, there is an interest in discussing curriculum.</p> <p>They are concerned about the distance between the two districts.</p>
<p>Narragansett Regional School District</p> <p>(Superintendent Chris Cassavant)</p>	<p>They are currently working on some collaborative efforts with Winchendon.</p> <p>Remote trainings and professional development are possible areas of interest.</p> <p>Narragansett does not have a grant writer, nor do they have a communications or outreach coordinator and they need to be more active sharing positive information about their schools.</p>
<p>Wachusett Regional School District</p> <p>(Superintendent Darrell McCall)</p>	<p>Many areas could be explored, including curriculum collaboration, professional development and staff training and social emotional learning.</p> <p>The District does not have a Grant coordinator.</p> <p>Although they distribute a district newsletter, more could be done in this area.</p>

<p>Mahar Regional School District (Superintendent Elizabeth Zelinski)</p>	<p>The District needs to find ways to save money and manage programs with fewer staff.</p> <p>The District does not see any serious issue with sustainability in the near future.</p> <p>The District does not see the possibility of shared services in most areas: central office administration, special education and grants, technology support (they contract this work out with SHI).</p> <p>Nor do they see opportunities in professional developments since this is building based and planned by the principals and the Curriculum Director</p> <p>There is no interest in public relations or community outreach staff at this time.</p> <p>Most of their collaboration takes place within the elementary schools that comprise Union # 73</p> <p>The District was concerned with the adequacy of the budget for the upcoming year.</p>
<p>Ware Public Schools (Superintendent Marlene DiLeo)</p>	<p>The District was concerned that in order to share services at this point in time, they would need to have existing staff who are under-employed, or they would need additional funding to pay for a shared position with another district.</p> <p>Neither of these conditions exist at the present time.</p> <p>There was mention of some discussion among special education directors regarding shared services that was already in place.</p> <p>The distance between districts was a concern and it was also noted that Ware uses a different educational</p>

<p>Athol-Royalston Regional School District (Superintendent Darlene Fernandez)</p> <p>North Brookfield Public Schools (Superintendent Richard Lind)</p> <p>Quaboag Regional School District (Superintendent Brett Kustigian)</p> <p>Spencer-East Brookfield Regional School District (Superintendent Paul Haughey)</p>	<p>collaborative than Quabbin.</p> <p>The District did not respond to several requests for a meeting.</p> <p>The District has completed the data gathering aspects of their preliminary study of regionalization and were to work on conclusions and next steps at the time of this report.</p> <p>The interests and priorities of these two districts were described earlier.</p>

Summary of Shared Services Possibilities

Curriculum coordination was mentioned as a possible area of interest by six of the surrounding districts. To clarify, this would not mean working toward standardized curriculum among many districts. It would more likely mean working with one district at a time to work on innovative programs that could be offered either in person or remotely.

Common training in the area of special education was mentioned by almost all districts contacted. It should be noted that several Superintendents reported that Special Education Directors in the area already meet to discuss their programs and common concerns. This was not verified, but it is a practice that is worth encouraging and sustaining. As mentioned earlier, this need not be a year-round schedule of meetings, but rather, meetings that are held at strategic times in the year (e.g., prior to budget planning) to determine if there is common ground and interest in a concrete plan to share trainings and/or specialized staff.

Grant writing and public relations was mentioned by only a small number of districts as some have staff in place or the task is taken on by someone with a combination of responsibilities.

Social/emotional learning programs were also mentioned by a small number of districts. The nature of this component of schooling seems directly tied to highly localized considerations, face-to-face interaction with staff and little potential for remote programming, but it was a matter of interest for two of the districts.

A future step might involve asking neighboring districts to indicate where they have a need for work to be done, but no position or person assigned to that task. This may help focus discussions on specific issues.

One of the districts was undergoing a change in the superintendency and while there was some initial interest, a remote meeting with the new administrative team indicated they were only interested in shared services within their region and their superintendency union.

Although mentioned earlier, the remote meeting format was not helpful in moving toward meaningful specific ideas about shared services – especially in the available time. It is recommended that follow up with several of the districts in the next year take place (during budget planning time) to determine if an actual service or position is suitable for sharing. Even with best case outcomes, however, it is difficult to imagine that shared services alone will positively impact the long-term sustainability of the Quabbin District.

Enrollment

The full NESDEC Enrollment Report is included in the appendices of this report. It is sixty pages of important information. Included here is a summary of the significant points in the report.

The overall population of Massachusetts projected out to 2027 is expected to decline by 2.3%. A decline is projected in all of the New England states.

Birth rates in the District towns since 2008 have been relatively stable and residential sales and building permits have been strong.

The 2019 population of the Quabbin regional towns was 16,445.

In terms of characteristics of these five communities, 25% of Quabbin students are economically disadvantaged compared to 33% state wide. The special education population at Quabbin is 19% compared to 18.5% state wide.

The report emphasizes demographic trends more than is typical. The report notes that people of retirement age are looking to sell or downsize regarding their homes and property. Further, people of 30 to 40 years of age are looking to purchase homes after years of delaying this decision. The report also notes that single family homes in the Quabbin area are affordable compared to many other towns in Massachusetts and often cost between \$225,000 to \$299,000.

Housing sales are projected in the five towns as follows: (the increase in Barre is the most significant)

- Barre housing sales will increase
- Hardwick housing sales will remain flat
- Hubbardston housing sales will increase
- New Braintree housing sales will remain flat
- Oakham housing sales will increase

It is also noted that building permits will increase particularly in Hubbardston, but the report also notes that buildable land is becoming scarce.

Historical enrollment for the District notes that there were 2,546 resident students in 2009 and there were 1806 resident students in 2020. This represents a 29% decline in school enrollment.

Projected enrollment from 2025 to 2030 is expected to rise 5.3% to 1902 resident students. And it is also reported that there were 89 home-schooled children and 120 students out-of-district

due to School Choice or Charter schools. There were 306 incoming School Choice students in 2019. This is an unusual number of incoming school choice students relative to most Massachusetts school districts and a brief note is included here about School Choice.

School Choice

The Quabbin Regional School District has participated in the “School Choice” program for many years. The numbers of students received by the District and the numbers of students leaving for another district are included in The Abrahams Group financial report because there is a substantial and advantageous financial impact.

Quabbin	2014	2015	2016	2017	2018	2019	2020
Receiving	330.9	345.9	325.3	309.2	294.0	288.5	306
Sending	94.6	95.4	110.2	101.4	95.5	111.4	98
Net School Choice							
Receiving	236.4	250.5	215.1	207.8	198.5	177.1	208

The number of receiving students has decreased since 2014 and the number of sending students has increased during this same time period. It is, however, important to keep in mind that the overall student population and general population has declined during this same period and that the percentage of School Choice students in the District has remained constant. Incoming school choice students and the revenue that accompanies them has been, and continues to be, an advantage for the District. The information is referenced here because School Choice students are not included in the NESDEC data.

Summary of NESDEC Enrollment Study

The NESDEC study confirms the significant historical decline in student enrollment that the District has experienced. In 2009 there were 2,546 resident students and ten years later there were 1,806. This is an enrollment decline of 29.4%. This report also projects small decreases in enrollment through 2025. The report includes enrollment projections by town and indicates that the population of the towns is growing but this does not mean student enrollment increases in all cases. The towns of Barre, Oakham and to a lesser degree Hubbardston are seen to have increased numbers of school-age children. The near term increase of 96 students is not significant enough to change the overall enrollment picture in the District. It also needs to be noted that this projection is not consistent with the earlier Collins Center report that calls for a 20% decline in student enrollment out to 2035. Further, the NESDEC report emphasizes real estate market and demographic trends that may well come to pass, but is not certain that they will. In the coming years, Quabbin's student enrollment will remain significantly lower than it was in earlier decades. Without changes to school district operations, the District will continue to expend funds for schools suited to a student population that no longer exists. Any small increase beyond 2025 does not mitigate the urgent need to find real efficiencies in school operations.

Financial Report – The Abrahams Group

The revised scope of services includes a financial report from The Abrahams Group. The intention was to develop a presentation that describes the recent financial history of the Quabbin Regional School District, and to then project what the financial scenario is for the District and the member towns assuming there is no significant change in District operations and service delivery. This report is included in its entirety in this report, but the salient points are summarized here. The enrollment data from the NESDEC report is used for this analysis.

- As noted in the NESDEC report, enrollment has declined significantly in the past 11 years and enrollment is projected to continue to decline to 2025 resulting in 1,630 resident students. Relative to Worcester County, Quabbin has lower proportions of EL students, slightly higher proportion of special education students and an average proportion of economically disadvantaged students.
- Quabbin's staffing has decreased by 4.1% over the past 5 years, which speaks to the District's efforts to contain costs.
- Maintaining seven schools requires minimum staffing levels in administration, nursing and support services.

- From 2014 to 2018, District expenditures increased by \$1,517,089. During these same years, Ch. 70 aid increased by \$282,991.
- From 2002 to 2020, the budget increased by \$8,660,228 but Ch. 70 aid increased by \$2,586,132.
- Foundation enrollment since 2008 has decreased 32.9% and the foundation budget has decreased by 7.6%
- Ch. 70 aid has decreased by 1.5% and required local contributions have increased 53.1%
- Quabbin will receive only minimum Ch. 70 aid during the next five years while expenditures are trending modestly upward in the 3% range.
- In the next five years, expenditures will grow faster than revenue resulting in a deficiency of revenue that could grow from \$719,580 in FY22 to \$2,758,442 in FY26.

Summary of The Abrahams Group Report

This financial report from the Abrahams Group further confirms the District's concern about educational and financial sustainability. Student enrollment has declined precipitously in the recent past and is expected to decline further to 2025 as previously cited in the NESDEC report. As mentioned earlier, a small increase in enrollment has been forecasted by NESDEC after 2025 but this increase is not nearly large enough to represent a positive change to the financial picture. Moreover, the District is operating too many school buildings for the student population they serve and this is not cost efficient.

The District is conscientiously managed and is responsive to the concerns of the member towns and this is reflected in modest, thoughtful budget proposals. However, the District must maintain breadth, depth and quality of educational programs and this will require future budget increases. These increases, together with very limited growth in Ch. 70 aid, will result in a deficiency of revenue.

The member towns have seen their local contributions increase and this will likely continue in order to sustain education programs. In a financial sense, the five-town region must find cost efficiencies in the future whether that be fewer schools with 100 to 120 students per school per grade, or future exploration of shared services or additional regionalization initiatives.

Next Steps

This report has outlined historical and projected data, summarized shared services efforts and, like previous reports, spoken to the need for change so that the Quabbin District provides quality schooling and is also affordable for the member towns. The issue of sustainability will not go away. To that end, the MARS Group and the District administrators have agreed to pursue the following tasks as time and public health circumstances allow.

- Revise the reports from The Abrahams Group and from NESDEC, changing them to an abridged version that would highlight the critical issues and be more suitable for public presentation.
- In cooperation with District administration, the theme of the presentations will be developed and meetings scheduled with the member town boards. It is hoped that this could be done in a face-to-face, virus-free environment given the serious nature of the sustainability issue. The Select Boards of the member towns should be updated as to the content of this report and the issues presented. Difficult decisions need to be faced and discussed in order to achieve both quality schools and financially sustainable schools.
- The District should continue to pursue shared services when it represents an improvement to the educational program, in spite of the fact that shared services will not likely generate the kind of financial efficiencies that are needed in the long term.
- The District and member communities need to address the excess capacity that currently exists in the seven district schools. They are costly to operate and not necessary for the existing or projected student enrollment.
- If regionalization with other communities becomes a possibility, it should be studied and seriously considered for the same reasons. Could further regionalization result in financial savings and improve education?