

# Overview: Centralization Panama CSD and Clymer CSD

## Panama and Clymer Boards of Education Joint Meeting

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# Reorganization of Schools in NYS

- 1795 Establishment of Statewide system of support for public schools
- 1812 Establishment of common schools
- 1853 Establishment of union free schools
- 1914 Establishment of central schools
- 1925 Central Rural Schools Act Revised
- 1947 Statewide Master Plan for reorganization adopted
- 1958 State Plan revised
- 1989 Reorganization rules changed to require separate school ballots

# School Reorganizations in NYS 1870 – 2015

Year	Number of Districts	Decrease
1870....	11,372	
1890....	11,216	- 156
1910....	10,565	- 651
1930....	9,118	-1,447
1940....	6,397	-2,721
1950....	3,189	-3,208
1960....	1,293	-1,896
1970....	760	- 533
1980....	739	- 21
1990....	720	- 19
2000....	704	- 16
2015....	698	- 6

# Structures of NYS School Districts

- Common School Districts - 1812
- Union Free School Districts - 1853
- Central School Districts - 1925
- Central High School Districts - 1917
- City School Districts – 2 types -- serving students in cities with pop. over/under 125K

# Central School Districts

- Started in 1925 in NYS with enactment of financial incentives
- Now CSD is the most common organization of schools in NYS
- Created by combining two or more common, union free or central school districts.
- Governed by board of 5, 7 or 9 members, elected for 3 - 5 yr terms.

# Types of Reorganization Available to Central School Districts

- Centralization (often called “Merger”)
  - Annexation
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- Panama Central School District was centralized in 1938 and then annexed additional districts in 1956 – 17 total districts combined
  - Clymer Central School District was centralized from 13 schools in 1935 and then annexed additional districts in 1942-43 – 22 total districts combined

# Centralization: Central School Districts

- Education Law Section 1801-1804
- The districts must be contiguous
- A new school district is created encompassing the entire area of the school districts to be “merged.”
- Can be established through the merger of any types of school districts except city school districts

## Centralization: Central School Districts

- NYS Commissioner has power to order and “lay out” a centralization order to form a new Central School District.
- In practice this power has only been exercised after:
  1. A comprehensive study of the reorganization of the districts
  2. Evidence of support in the districts
  3. Upon recommendation of the respective boards of education and/or the District Superintendent
- After centralization order is approved by qualified voters in each school district, the new district begins operation July 1 following the vote
- If centralization order is defeated in either district, the new district is not created, and the question may not be voted on again for one year



# Annexation: Central School Districts

- Education Law Sections 1801 and 1803
- A new district is *\*not\** created
- The district to be annexed is dissolved and becomes part of the annexing central school district
- Districts must be contiguous
- A Commissioner's order is issued after:
  - Comprehensive study of the reorganized district
  - Evidence of local support
  - Upon request of boards of education and District Superintendent
- Commissioner's order must be approved in each district requesting a vote via petition. Ballots are counted separately by district.
- If the referendum is rejected by either district, the question may not be presented again for one year.

# Why Reorganize?

- Enhance pupil and financial base
- Provide a wider range of educational programs and opportunities for students, including several sections of a subject area, or new classes such as new languages, specialized content area classes, AP programs, co-curricular opportunities, etc.
- Incentive aid can support upgraded facilities and equipment to support programs
- Provide competitive salaries to employees
- Provide specially-equipped classrooms for specific subjects
- Can sometimes stabilize tax increases
- Better economy of scale, administrative and operational efficiency, elimination of redundant services and facilities, and consolidation of the transportation system

# Incentive Aid for Reorganized Central School Districts

- Reorganization provides the new district with additional operating aid and building aid provided over a period of 14 years.

## Incentive Operating Aid

- Incentive Aid – contained in statute
  - A separate aid
  - 40% of computed formula for 1<sup>st</sup> 5 years and then reduced by 4% each year for the next 9 years

•  $\underbrace{40, 40, 40, 40, 40}_{5 \text{ Years}} \quad \underbrace{36, 32, 28, \dots, 0}_{9 \text{ Years}}$

# Building Incentive Aid

- Apportionment additional 30% on approved costs for all capital projects undertaken within 10 years
- Total building aid cannot exceed 95% of approved annual expenditures for debt service on such projects
- Example:

Clymer currently at 83.8% building aid would go to 95% [max]. This would apply within 10 years following effective date of reorganization.

Panama would increase from 86.2% to 95%.

# Impacts of Reorganization – con't

## **Name of District**

- The Commissioner of Education must approve the name of a newly centralized school district

## **Property and Debts**

- The newly centralized school district assumes the property and debts of the former school district(s)

## **Employment Contracts**

- Individual employment contracts in former school districts must be honored by the new district

# Impacts of Reorganization – con't

## **Collective Bargaining Agreements**

- Collective bargaining agreements in the former districts may not have to be assumed by the new district

## **Superintendents**

- Superintendents have rights to employment in a newly-centralized district.

# Impact of Reorganization -- con't

## Teachers

- In centralization, teachers of the former school districts become employees of the new district. Excessing is done by seniority, and excessed teachers have preferred rights for future appointments.

## Non-certified Employees

- Civil service rules apply for most non-teaching personnel to determine employment rights



# Impacts of Reorganization -- con't

## **Boards of Education**

- If centralization is carried out, a new board of education is elected at a special meeting called by the Commissioner of Education.

# Why is reorganization so difficult to achieve?

- A fear of losing local identity
- Perception that communities are incompatible
- Perception that one community may benefit more than the other
- Potential for higher costs or increase in property tax
- Sometimes more time required for some transportation
- Sometimes there are concerns about job security for school district employees
- Natural tendency to resist change
- Letting go of “what we have now” for the potential of “what might be”

# Initiating the Reorganization

- Joint meeting or meetings between the affected boards of education to gather information to determine if there are sufficient benefits to warrant a formal study.
- District Superintendent acts as informed neutral party that provides information, support and assistance
- If there is potential benefit to a reorganization, the board undertakes a comprehensive feasibility study with guidance from SED

# Reorganization Feasibility Study: The Purpose

- Develop information which describes how a specific combination of districts would operate if reorganization were implemented
- Study serves several audiences
  - School district officials
  - Taxpayers and voters
  - Commissioner of Education
  - Potentially, in the future, the board of the reorganized district

# Feasibility Study: What it includes...

- current and projected enrollments
- current and projected professional staffing plans
- current and projected housing/building plans
- plan for education programs and curricula
- plan for transportation
- fiscal implications of the reorganization: state aid, incentive aid, expenditures and local tax effort

# Informing the Public

- Education Law provides for a referendum in the communities affected by reorganization
- Public needs to be informed throughout the process of the study and implementation
- Joint plan and calendar should be developed for community information process
- Goal is to reach every eligible voter so that informed decisions can be made at the time of the vote

# Assessment of Public Support

- Established practice by SED
- Evidence of support in each district before the Commissioner takes formal action to authorize reorganization
- Petitions or advisory referendums
- District Superintendent responsible for working with SED on transmitting information about the reorganization

# Legal Steps Toward Reorganization

- Legal steps are dependent on the statutory forms by which districts reorganize
- Outline of steps required are provided in “A Guide to the Reorganization of School Districts in New York State”
- Close cooperation among the DS, boards of education and SED staff is essential to ensure that each step is carried out correctly and in the proper sequence



Questions?