



# Hamilton-Wenham BRC Report



HAMILTON-WENHAM BLUE RIBBON COMMITTEE

SUMMARY REPORT AND RECOMMENDATIONS

PRESENTED TO HAMILTON AND WENHAM BOARDS OF SELECTMEN  
AND HWRSD SCHOOL COMMITTEE

DATE: JUNE 17, 2009

## **I. Summary of findings:**

The BRC has been meeting twice monthly since October of 2008. Our efforts have been guided by the goals established by the Steering Committee last summer: to develop specific recommendations to reduce the rate of growth in the cost of providing a quality education to children in the school district, and/or to find ways to raise revenue, balancing cost savings with the impact on the quality of education.

We have analyzed significant amounts of publicly available data to gain a better understanding of the costs of our school district and how they compared to school districts that shared important characteristics to our own. The results of that data analysis were published in the Hamilton Wenham Chronicle on April 30, 2009, and a copy of that article was distributed prior to this meeting. In addition, the spreadsheet with details of the analysis is available on the Wenham town website.

Our four major findings were:

- Compared to its peer group and the state, the district has above average test scores and an above average total cost per student.
- A number of peer districts have achieved above average test scores while holding costs below the average of the peer group.
- The above average cost is primarily the result of a higher number of teachers and aides, resulting in a lower student/teacher ratio – and not the costs of administration, teacher benefits, facilities operation, maintenance or materials.
- The district's spending on special education, as a percentage of total spending, is at the top of the peer group for the school year analyzed (2007).

Our analysis of the data has shown us that the expertise and time required to make meaningful, specific recommendations on expense reductions (or revenue increases) is not within the scope of this committee. We recommend hiring a consultant with experience in assisting school districts to achieve cost effective and high quality education programs. Our Project Proposal follows.



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## II. Project Proposal

It is recommended by the Blue Ribbon Committee that the Towns of Hamilton and Wenham, and the Hamilton-Wenham Regional School District prepare a Request for Proposal (RFP) with the following scope:

**The Background:** The Hamilton Wenham Regional School District (HWRSD) is a highly ranked regional school system serving two affluent communities north of Boston. After over 10 years of gaining voter support for School District Operational Budget overrides, the current economic climate and the steadily rising residential property tax rate have shifted the nature of the annual discussions about the School District budget. In fact, for FY10, the School District did not request an Operating Budget override. However, a Capital Debt Exclusion request for \$1.241 million for repairs and maintenance projects was put forward and passed at the Wenham Town Meeting, but failed to gain the 2/3 majority required at the Hamilton Town Meeting to get a Debt Exclusion override placed on the Town Ballot.

**The Goal:** To engage a consultant to generate a detailed analysis of the educational programs of the Hamilton Wenham Regional School District, with particular attention to opportunities for cost savings, both in the short term and over the long term. We are committed to maintaining the quality of education programs, and seek to balance cost savings with our quality goals. Areas to be examined include instructional services at all grades and in all services, including class size policies, facility limitations and curriculum offerings. Special Education costs make up approximately 23% of total system spending, so analysis of the quality and cost-effectiveness of Special Education evaluation, development of IEPs and program delivery should be included in the report. In-depth comparative analyses with other school districts are highly desirable.

*Fundamental questions we are trying to answer include but are not limited to:*

1. Has the HWRSD maximized the educational quality given its budget (i.e., can the same level of quality be achieved at less cost, or can quality be increased without increasing costs)?
2. If not, what changes need to be made to achieve this?
3. Given the educational quality of the HWRSD, what would the change in quality be if the district had to reduce its budget by either 10% or 20% (assuming the district is currently operating at maximum efficiency, i.e., costs cannot be reduced without impacting quality)?
4. Is the current level of quality sustainable with 2.5% increases in funding?



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*Specific issues to be addressed include but are not limited to:*

1. Analyze the composition of the ratio of the number of students to the number of teachers/aides/assistants and compare to peer districts, particularly those considered to be high quality. Particularly focus on the following areas:
  - a. Class size policy (including physical space requirements)
  - b. Number of classes per teacher (middle and high schools)
  - c. Use of Aides and Assistant teachers
2. Identify metrics to measure the “quality” of the education being provided; specifically, the output (e.g., test scores), not the input (e.g., class size)
3. SpEd
  - a. Identify the best practices in SpEd and compare to HWRSD practices. In areas including, but not limited to:
    - i. Identification of SpEd students
    - ii. Development of IEPs
    - iii. Delivery of services
    - iv. Legal action for unilateral placements
  - b. Provide a summary of the current research/findings on the efficacy of early learning programs for both general education students and students with special needs, and compare to HWRSD practices.
  - c. Identify strategies to reduce costs in both the short and long term
4. Develop a 3 year financial plan for operating within 2.5% increase in funding from towns

We suggest a detailed project timeline be developed by school administration, providing for interviews, document reviews, interim reports and final reports. We believe this project could be completed in 3-4 months during the school year and cost between \$30,000 and \$50,000.

The Blue Ribbon Committee has reviewed several consultant reports for other districts and has interviewed 3 representatives of different consulting firms.

The Committee can provide feedback on specific firms as requested.



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### III. Further Recommendations

A. The economic challenges that face our communities are generating contentious discussions amongst our elected officials and our citizens. Some members of the community report that they feel that the School Committee and School Administration lack credibility. This is not a judgment of whether this lack of credibility is deserved or not, but a statement of what appears to be a public perception. The School Committee and Administration need to reflect on the possible causes of their apparent lack of credibility among some members of the community. It is not enough to lament a lack of public support for such a vital function as our schools. There is a familiar refrain, “The community can attend School Committee meetings”. However, except at budget time, attendance at School Committee meetings is low.

The Blue Ribbon Committee recommends a community outreach effort be undertaken by the members of the School Committee and Administration, beyond the efforts of the Budget Process Committee. Suggestions include:

- Revisiting an Adult Education Program to be offered at the schools
- Bolstering the school volunteer program to encourage more involvement from community members
- Publicizing the Tax Abatement Work-off Program and assigning participants to the schools
- Utilizing RSVP (a volunteer network for people age 55 and over) volunteers in the schools to tutor children in reading and writing
- Seeking out local businesses willing to offer internships to students to build stronger local business/school connections

B. The HWRSD has its most significant union contract negotiations coming up this next school year with the Hamilton-Wenham Education Association (the union representing the teachers). As our data analysis showed, salaries are the most significant driver of the rising costs of the School District, making up 66% of the 2010 budget. Total instructional salaries make up 54.2% of the 2010 budget. Under the current contract, teacher salary costs have increased an average of 5% per year, according to School Committee members and Dr. McGrath (without any staff reductions or increases). This alone would increase the total budget by 2.7%, and in our opinion, represents an unsustainable rate of cost increases, especially given that this is before any other increases in other salaries, and any other expense increases are factored into the budget. The BRC recommends that the School Committee take a strong stand in modifying the teacher’s contract to reduce this annual increase which essentially guarantees that the annual school budget increase will exceed 2.5%.



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Although the BRC has not done a similar analysis of the town budgets and salary cost increase burden, it is reasonable to recommend that the towns take similar stances in their upcoming union negotiations. The current state of our economy requires a hard look at automatic COLA and step increases for almost every employee of every entity, public and private. Our towns and schools are desirable employers, and we can be leaders in this area of union negotiations for other municipalities and school districts.

- C. Overall, the quality of the discussion about school budgets and how the towns develop their budgets and how revenues are allocated has declined over the past two budget cycles. The Budget Process Committee has served an important role in past years, given the need for the two towns to agree on the amounts allocated to the schools, and had success in changing the nature of the annual budget discussions. This year's efforts by the Budget Process Committee did not appear to bear the same fruit as in prior years. Questions have arisen about the ongoing commitment by various town officials to the goals of the Budget Process, per se. Decreased or degraded dialogue between the towns and the schools provides no benefit to the constituents served.

The BRC recommends that the Towns and the School Committee work with the Budget Process Committee to develop a joint Town – School Committee meeting or similar public forum early in the year (January-February) to allow voter input on budgetary issues earlier in the process. Although it is challenging to engage voters in this process, receiving timely and organized input from voters on the needs to fund town services and the schools should allow for a more transparent decision-making process.

The BRC urges a re-dedication by all involved parties, including citizen groups, to frequent, open and broadly civic-minded discussions regarding school and town budgets. For the past two budget cycles there has been a dysfunctional relationship between the three entities. The elected and appointed officials should accept responsibility for improving the nature of the ongoing discussions between the entities, using the Budget Process Committee to assist in those discussions. We do not feel that an additional ad hoc volunteer committee, such as the Blue Ribbon Committee, can substantively contribute to navigating these troubled waters of negotiations between Hamilton, Wenham and the HWRSD School Committee.

Lisa Kane - Chair, Dave Reid - Vice-Chair, Lynette Fallon - Secretary,  
Bob Bullivant, Margo Druschel, Betty Dunbar, Don Gallant, Roger Kuebel