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**YAVAPAI COUNTY EDUCATION SERVICE AGENCY
SHARED SERVICES/ UNIFICATION FEASIBILITY STUDY
FOR
CLARKDALE - JEROME SCHOOL DISTRICT #3
COTTONWOOD - OAK CREEK SCHOOL DISTRICT #6
MINGUS UNION HIGH SCHOOL DISTRICT #4**

YAVAPAI COUNTY FEASIBILITY STUDY

II. EXECUTIVE SUMMARY

EDUCATION SERVICES

Teaching and learning represent the core purpose of any school district. How teaching is done and how learning is assessed represent a school's most complex functions. In the case of the two elementary school districts and the one high school district that are the subjects of this Feasibility Study, the alignment of curriculum (in every aspect, from textbook selection to the delivery of special services) represents the most difficult challenge and is, in this case, the area where the districts are, as a whole, the farthest apart. A determination by the three governing boards that a focus on the alignment of curriculum between the two elementary districts and from the elementary districts to the high school district are priorities is "step one" in the curriculum/education services process. While difficult to achieve, it is a reasonable and essential challenge to accept as a positive step forward toward shared services and/or unification. However, a shared services model encompassing financial and management functions only, while deferring action on curriculum and instruction functions, is operationally feasible.

(This Section of the Feasibility Study Report addresses components 1.(i), (j), (k), (l) of the JLSC recommendations.)

TRANSPORTATION SERVICES

A three-district joint transportation program is a feasible shared services/unification option. A joint shared services/unification transportation program would provide better usage of buses and equipment and would also have the potential to bring about more efficient day-to-day transportation operations.

(This Section of the Feasibility Study Report addresses components 1.(h); 2.; and 3 of the JLSC recommendations.)

FOOD AND NUTRITION SERVICES

A central food service program is a feasible three-district shared services/unification model. A centralized food service program would have the potential to provide savings in both the operational and capital areas. Significant savings could also be realized through the joint procurement of related services and supplies.

(This Section of the Feasibility Study Report addresses component 1.(h) of the JLSC recommendations.)

FACILITIES IMPACT

Consideration of a shared services/unification model in the plant operations is feasible. Bulk buying and storage could effect an annual savings of \$80,000 to \$160,000. Through attrition, the districts could save on supervisory staff expenses. Sharing of services and/or the consolidation of maintenance, grounds, custodial, and facilities-related services could maximize the use of available resources.

(This Section of the Feasibility Study Report addresses component 1.(h) of the JLSC recommendations.)

FISCAL IMPACT

Under a three-district unification model, applying the existing state school finance formula would cause the funding for pupil transportation and the Teacher Experience Index (TEI) to be reduced by over \$300,000. There would be no impact on tax rates for existing outstanding bonds. Long term contractual obligations are limited. Average teacher salaries in FY 2011 vary from \$44,379 in Cottonwood - Oak Creek, \$48,031 in Clarkdale - Jerome, and \$47,384 in Minus Union. Average years of experience vary from 8.9 years in Mingus Union to 13.0 years in Clarkdale - Jerome.

(This Section of the Feasibility Study Report addresses components 1.(a), (b), (c), (d), (f), (g), (n); 5.(b); and 7. of the JLSC recommendations.)

FINANCIAL ANALYSIS

Under a three district shared services/unification model dollars could be redirected to other areas from the savings from centralized administration. Additional savings could also be generated from support areas such as transportation, facilities operations and food services.

(This Section of the Feasibility Study Report addresses component 1.(e) of the JLSC recommendations.)

GOVERNANCE

There are several Components of the Feasibility Study that speak, either directly or indirectly, to actions or policies of the governing board, ranging from the method of election in the event of unification/consolidation, to observations concerning feasibility of implementation of essentially every component of the Study in either a shared services model or by the governing board of a unified district.

As Components with governance implications are found throughout the Joint Legislative Study Committee Report (some of which do not pertain directly to the three Study districts and some of which do not impact on a shared services model), several of these Components are grouped together in this Section of the Study.

As an element of this Feasibility Study, we have examined the Policies of the Governing Board and administrative regulations of the Superintendent of the three participating school districts, as filed with the Arizona School Boards Association. There are differences among some of these policies, and others are identical. When considering shared services or unification, elements of which will be subject to the policies in these manuals, the governing boards may consider at that time the specific policies that may need to be amended and aligned.

(This Section of the Feasibility Study addresses all, or elements of, components 2, 3, 4, 5 (a), 6, and 8 of the JLSC recommendations.)

NEXT STEPS

There are no legal barriers to additional elements of shared services initiatives. Building upon existing shared services -- such as a phased sharing of administrative personnel and expenses -- and using combined purchasing power, significant savings can be realized, allowing available dollars to be redirected to other budget areas. As is true for all aspects of these undertakings, the Yavapai County Education Service Agency (YCESA) is available to provide consultative and technical assistance.

(Refer to Appendices D, E, and F for this Section of the Feasibility Study)

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The full report is on file in the school district office. If you wish to view the full report please contact:

Kristy Aston - Business Manager or Kathleen Fleenor – Superintendent.

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