1. **189:1-a Duty to Provide Education**

   "It shall be the duty of the school board to provide, at district expense, elementary and secondary education to all pupils who reside in the district until such time as the pupil has acquired a high school diploma or has reached age 21, whichever occurs first...".

   It is the School Board’s duty to provide education to the district’s students. Therefore, a School Board elected by the voters has the duty and the authority to solicit and evaluate proposals, as well as establish, manage, and terminate contracts for the purpose of providing that education. The Goshen School Board’s actions to terminate the Newport tuition contract and pursue an agreement with Unity/Claremont are supported by statute.

   Voters have a role in ratification of long term tuition contracts because it is they who approve the appropriations to fund such contracts. Therefore, the negotiated Unity/Claremont tuition contract will be part of a School Warrant presented to the voters for approval at the Goshen School District annual meeting, March 2021.

2. **What is an “Anchor School”?**

   To ensure the education of all pupils, each pupil must first be assigned to a school. An “Anchor School” is a school or schools that will enroll any and all students who reside in a district, even those who require specialized services.

   The Goshen School Board had to seek balance between meeting the need to have schools that will accept every student and being able to also offer families the option of public school choice. Unity/Claremont would provide that balance, whereas Newport would not. As described below, Newport declined to negotiate K-12 choice.

   As such Unity/Claremont would be the Anchor Schools for Goshen. The understanding is that Unity/Claremont would accept any and all Goshen students. However, with the choice option of grades K-12, families would be able to select another public school or district in NH that is willing to enter into an agreement with Goshen.

3. **How can Goshen offer choice?**

   A student can be reassigned to another school that is not the district’s anchor school via provisions in the statutes (**RSA 193:3 Change of School or Assignment**) and through policies adopted by the local school board.

   The Goshen School Board will implement k-12 public school choice through a written tuition policy. The current tuition policy enabling choice covers only grades 6-12 because the Newport contract requires all k-5 students be assigned to Newport.

4. **What schools and/or school districts are available for choice?**

   The Goshen School Board does not select choice schools. Any NH public school would be a choice option as long the school district agrees to enter into a contract with the Goshen School District. Currently, we have public school choice for grades 6-12 and we have contracts with Claremont, Fall
5. **When do choice decisions need to be made?**
The contract with Newport remains in effect through the 2020-2021 school year. The School Board plans to have a “School Fair” to provide families with information regarding choice options. Choice decisions would need to be made in time for the 2021-2022 school year.

6. **What grades are in each district in Unity/Claremont?**
Unity houses grades pre-K-8 and Claremont houses grades pre-K through 12.

7. **Was Sunapee School District considered as an “Anchor School”?**
Sunapee School District was approached some time before their design for a new campus building went to vote in 2019. They did not have room for all of our students in their current buildings nor had they designed new buildings with that capacity either. However, the Goshen School District currently has a tuition agreement with Sunapee. Goshen has no role in a choice school’s application process. At Sunapee students must apply and have an interview. It is possible not all students would be accepted by the selected choice school. If your student is not selected by a school of your choice, Goshen’s Anchor Schools will accept any and all of Goshen’s students.

8. **How is tuition paid by Goshen?**
Currently, Goshen pays tuition for all students up to the Newport tuition cost. Currently, there is only one high school that costs slightly more than Newport High School. Parents pay the difference. In the proposed agreement with Unity/Claremont, as the Anchor Schools, Goshen will pay the tuition cost up to that amount.

9. **How do the tuition rates compare?**
FY21 Budgeted tuition rates for Newport are:

- elementary grades K-5 $14,130 ($14,695 w/transportation),
- middle school grades 6-8 $14,130 ($14,695 w/transportation), and
- high school grades 9-12 $15,079 ($15,682 w/transportation)
- Goshen pays 4% of tuition for daily transportation.

FY21 Proposed tuition rates for Unity/Claremont are:

- elementary grades k-5 $14,100,
- middle school grades 6-8 $15,300, and
- high school grades 9-12 $15,300.
- Daily transportation is included in these rates (see below)

10. **What about transportation services and costs?**
Currently the Goshen School District pays to transport students in grades K-12 to our Newport Anchor Schools even though by law we are only required to transport students in grades K-8 to our
Anchor Schools. The proposed Unity/Claremont agreement would provide transportation to either district for grades K-12.

Newport’s tuition rate does not include daily transportation. Goshen pays 4% of tuition at Newport to cover transportation costs. The Claremont/Unity tuition rates include some transportation.

11. **How will we pay for special education services?**
Special education services are provided for through the IEP process and paid for as such. However, Claremont is expanding in-district programs to provide more opportunities to keep students in district which is beneficial to their education and saves costs. Goshen will also save money on case management costs.

12. **How will the change to Unity/Claremont impact our tax rate?**
Since the proposed Unity/Claremont tuition is similar to the current tuition, the cost of tuition alone will not have a major impact on the tax rate. Of course, there is no way to tell at this time what other impacts there will be on the tax rate. It is often difficult to predict Special Education costs that cause larger tax rate fluctuations. The budget for 2021-2022 will not be prepared and voted on until March 2021. The Goshen School Board has always prepared a budget that is fiscally responsible and meets the requirements by law for student services.

13. **Was Newport asked to offer or negotiate K-12 choice?**
Yes, several times. Most notable:

In 2014 the Goshen School Board asked a series of questions of each district that submitted proposals. One question related to school choice.

**Question:** Goshen residents have expressed a strong interest in allowing school choice. Do you have any thoughts and suggestions on how this goal could be achieved while still allowing a strong “Anchor School” relationship to exist?

**Newport Response:** “Presently, Newport has this arrangement with the Croydon School District. Croydon students have school choice from grades 5-12, with Newport being the Anchor School. The Newport School District is able to accommodate all of the students from Croydon, and support the transitions to the Newport School through orientation activities for each new student…”

**Again...**: In October 2019 Newport Superintendent Minnihan informed Goshen that the Newport board will not entertain K-12 choice under the current contract (October 9, 2019 email Brendan Minnihan to Superintendent Gail Paludi).

**And again...**: In May 2020 Newport Board Chair Wadensten reiterated that Newport was not interested in expanding choice under the contract (May 7, 2020 letter from Newport Board Chair Wadensten to Goshen Board Chair Howe).

The Goshen School Board interpreted the above responses to indicate that Newport was disinterested in the idea of expanding public school choice. They declined to discuss what Goshen
was willing to offer in exchange for this expanded condition. All communication and interactions indicated K-12 public school choice was not an option at Newport.

14. **What was this tuition settlement with Newport about?**
The tuition contract that was written by Newport’s attorney included an item 4. Tuition and Costs. This section explained that capital costs should be excluded from the calculation. In addition a number of other items are excluded prior to calculating the percent change for tuition calculation each year.

Given Newport had been having difficulties early-on in the contract producing accurate Special Education invoices, and that the local newspapers were running stories revealing the Newport School District’s financial disarray, the Goshen Board thought it prudent to make a simple request based on contract provision 4e. Financial Records (“Goshen or its representative shall be provided with access to the accounting of all records, data, reports and all materials of any nature used to calculate or finalize costs billed to the School District under this agreement”).

That simple request was communicated to Newport in a December 16, 2018 email:

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From: Gail <gpaludi@goshenschooldistrictnh.org>
Date: Sun, Dec 16, 2018 at 6:21 PM
Subject: Information Needed
To: Cindy Gallagher <cgallagher@sau43.org>

“Cindy,

I have been asked to look at how you are calculating the tuition costs for Goshen. I am working with our BA and need the following information:

* MS-25 for the years ended 06/30/17 and 06/30/18.
* total cost for out-of-district SPED tuition, capital costs/projects and other non-Goshen contracted SPED services.

If you can provide me with the calculations used to determine our tuition rate, that would be helpful....”
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We expected a simple single page spreadsheet, since Newport had just given us new tuition rates in November 2018. We received no information. Despite our persistent efforts from 2018-2020 to get the answer or data, that original question was never answered.

By late May 2020 Newport offered a $139,015 settlement for overbilling Goshen for tuition. To arrive at this figure Goshen and Newport’s Business Administrators developed an agreed upon method to calculate proper billing. Goshen accepted the settlement and use of the formula.

Based on FY20-21 data gleaned from our last annual meeting budget report, a $724.31 addition to the budget would add $0.01 to Goshen’s local school tax rate. Thus the one-time impact of the $139,015 settlement would be a reduction to the local school tax rate by about $1.92 per $1000.

The following graph depicts how significant the cumulative total overbilling had become in just four years.
15. **Process & Decision to Terminate**

The board has properly noticed all meetings. There are limited reasons why a board may enter nonpublic session under **91-A:3 Nonpublic Sessions**. A board motion to enter nonpublic session must state the reason (i.e., cite the specific section of the RSA) for going into nonpublic session. A roll call vote is taken on such motions. The most common reasons why the Goshen Board would go into nonpublic session are c, k, and l. In simple terms these relate to matters of reputation, tuition contracts/negotiations, and legal advice.

The Goshen School District Annual Meeting was 3/7/2020. The board usually meets once per month. Following the annual meeting, the board met once in April, three times in May, and three times in June. School Board agendas are posted on the Town of Goshen web site, in the Town Office notice window, and on the Goshen Post Office bulletin board at least one week in advance of a regularly scheduled meeting or always within the legal requirements for a special meeting. The agenda for each of those meetings included a public and nonpublic session. For each of the meetings in April and May the board entered nonpublic session under c & k. For each of the meetings in June the board entered nonpublic session under c, k, l.

Not a single member of the public attended any of the seven Goshen School Board meetings held in April through June 2020.
The Goshen Board would not have met a total of six times in May and June when it normally would have met twice, if the decision to terminate the Newport contract was taken lightly. The many aspects of this decision were well considered by the Board.

The Board needed to maintain confidentiality because it was engaged in a negotiation with Newport related to overbilling, and it was reviewing tuition contract proposals that had been requested from other school districts. To have publicly solicited comments from Goshen residents about potential termination of the contract would have had a negative impact on both of the above negotiation efforts. Newport insisted in early May 2020 that they had calculated the tuition according to the contract. Even when a settlement for billing errors came from Newport in late May, Goshen still had no “check in hand” by June 17th, but it was time to decide.

The goal of K-12 public school choice has been the focus of the Goshen School District since its formation. More recently, who in Goshen could forget that 2017 might have been labeled “the year of school choice”? Legislative actions lead to a broad movement to make public funds available to pay for private schools. Remember “The Croydon Bill”? Remember the meetings spent discussing whether or not the Goshen School Board should enter into a contract with a private school as an option for our students? Remember the March 2018 District Meeting with a petitioned warrant article to amend current policy to conform with RSA 193:3? The Goshen community came out firmly in support of public school choice not diversion of public funds to private schools. Even some supporters of public funds for private schools urged the Goshen School Board to do what it could: expand public school choice to all grades.

The unwritten K-12 public school choice goal became part of Goshen School District’s Strategic Plan 2018-2021, which was printed in full as part of the 2018 Goshen School District Annual Report. The Goal stated: “By July 1, 2021, the Goshen School District will provide public school choice options for all students in grades kindergarten-12”. Your School Board did not develop this Strategic Plan and Goals as a necessary exercise to have a document to put on the shelf somewhere and never implement. We were serious about these goals. Newport had been clear on multiple occasions that K-12 public choice was nonnegotiable under the tuition contract. If this goal was to be achieved, Newport had clearly told us not under their contract.

We had also been pressing Newport for answers for over three years related to suspected tuition overbilling. We were still trying to agree on a new method for tuition calculation. We had not clarified what special education services were included in base tuition and which were not. We had concerns about some case management charges. We had to evaluate whether or not Newport would continue to be Goshen’s partner in education going forward. We had to consider disruption for our students. And we had to assess alternative Anchor schools. And all of this had to be completed well before the June 30 deadline in the tuition agreement with Newport in order to notify Newport if Goshen’s decision was to terminate (see: 2. Term of Agreement).

The motion to terminate the contract was made in public session. If any members of the public had been present, they would have been given an opportunity to speak.

The following discussion of the motion to terminate the Newport tuition contract was extracted from the School Board’s June 17, 2020 public meeting minutes which can be read in their entirety on the Goshen School District’s web site.
“Allen Howe stated that he made the above motion based on numerous factors. This motion was not a spur of the moment decision and was made with a great deal of research and thought. Those factors include the following:

- the Goshen Board goal included in the Goshen School Board Strategic Plan to provide choice for Goshen students in grades k-12 by July 1, 2021. While we have achieved choice in grades 6-12, Newport was not willing to negotiate choice for grades k-5
- fiscal turmoil in Newport
- turnover in administration, faculty, and staff in Newport
- early in the agreement there was great concern regarding the special education invoices that could not be explained; however, this has improved in the past two years
- residency and registration procedures that have not been followed and lack of communication with these matters
- erroneous tuition calculations—starting in 2018 the Goshen Board asked for financial data, as allowed under the contract. Some data were finally provided in May 2020, but it was insufficient to replicate percent increases in tuition using the contract method. An alternative method agreed upon by both parties for the purpose of settlement showed a $139,015 over billing to Goshen and reimbursement of the funds to be made by June 30, 2020.
- although the above tuition calculations were done through June 30, 2021, there is still no resolution as to how the tuition will be calculated beyond that date
- inability to effectively communicate and get needed answers to guide the Goshen Board in decision making
- it appears, from budget meetings in Newport, that the district is losing community support resulting in lower budgets and decreased student services
- strained relations with the Newport School Board including rejection of volunteers from the Goshen Board to serve on the Superintendent Search Committee.

Christine Downing stated that Newport provided no opportunity to negotiate choice even though Goshen was willing to negotiate other items in the contract to achieve K-12 public school choice.

John Scranton agrees with all that was stated by other Board members and wanted it to be clear that there have been repeated efforts to achieve Goshen’s goals.”

16. Unity/Claremont Proposal
The proposal submitted by Unity/Claremont will be posted on the Goshen School District web site. As stated previously, registered voters in the town of Goshen will have the opportunity to vote on the final proposed contract at the Annual Meeting of the School Board in March 2021

https://sites.google.com/goshenschooldistrictnh.org/district/home
SAU #102 Goshen School District - Frequently Asked Questions Regarding Tuition Agreements

For additional information and records relating to the Newport tuition agreement and school choice please visit the SAU #102 School Board website at:

https://sites.google.com/goshenschooldistrictnh.org/district/school-board.

This website contains all archived meeting agendas and notes. In addition, we encourage all community members to review the annual reports for 2018 and 2019 as discussion of the Newport tuition agreement and school choice were also recorded in these documents. The Board has spent close to 3 years monitoring and analyzing this situation.

17. **Other Goshen School District or Goshen School Board Questions?**

Contact Superintendent Gail Paludi (gpaludi@goshenschooldistrictnh.org) or School Board Chair Allen Howe (ahowe@goshenschooldistrictnh.org) with other questions pertaining to the Goshen School District or Goshen School Board.