

TESTIMONY
of the
PENNSYLVANIA STATE EDUCATION ASSOCIATION
to the
HOUSE OF REPRESENTATIVES EDUCATION SUBCOMMITTEE
in reaction to the
REPORT ON THE PENNSYLVANIA INTERMEDIATE UNIT SYSTEM

by
JOSEPH F. D'ANDREA, PRESIDENT
PENNSYLVANIA STATE EDUCATION ASSOCIATION

AUGUST 10, 1976

Allenberry Inn
Boiling Springs, Pennsylvania

My name is Joseph F. D'Andrea, President of the Pennsylvania State Education Association (PSEA).

The Pennsylvania State Education Association recognizes the subject of this hearing to be of great importance toward the understanding of the needs of the intermediate units in Pennsylvania. This subcommittee is to be commended for providing the opportunity to present the views of PSEA, an association which represents among its 140,000 members a significant number of professional employees in the intermediate units across the state.

General Comments Regarding the Report:

The report is to be commended for a brief but largely accurate historical background on the creation, development, and intent of the intermediate units in Pennsylvania. However, we are disturbed at the lack of apparent involvement from intermediate unit program practitioners and the consumers, namely educators and parents. The sampling techniques described in the report and our first-hand observations as to how the sampling was actually conducted in the field was haphazard at best, involving far too few people in the sample.

The final general comment concerns itself with the original House resolution which created this study. It is our opinion that the report, to a large extent, does not fulfill the mandate created by your resolution.

Specific Reactions to the Report:

A. Program

(1) Duplication of Services;

While we support the concept of local control of education, we have a deep concern that there be some guarantee of the quality of educational services being offered. We feel that the district-operated special education programs should be required

to offer, at a minimum, the same type and quality of service offered by the local intermediate units in keeping with the mandate of the Right to Education. Transfers of exceptional programs between entities should be made on this basis alone. Currently, program continuity is further jeopardized by the lack of guidelines for the transfer of professional personnel in these cases.

(2) Transportation:

Transportation poses a threat to the existence and/or expansion of many programs due to the vast geographical areas serviced by many I.U.'s. The cost of contracting transportation services becomes prohibitive. In many cases, handicapped children must travel great distances for many hours to reach their destination. This creates not only an emotional/physical strain, but an educational deficit for these exceptional students. Many exceptional students must be picked up very early in the morning (6:15 a.m., for example), and because of the type of medication they normally take it is not unusual to find them asleep at bus stops, or, once picked up, in their seats on the bus. These children are frequently the victims of inadequate bus scheduling where I.U.'s are restricted to the use of only a few vehicles or perhaps only one vehicle for the small population for each exceptionality, resulting in the situation described above. We do not have exact data as to how many students are found asleep at stops, or on the vehicle, or become hyperactive because the medication has worn off, but we can say that the group of professionals consulted in the preparation of this testimony consider this problem all too common.

(3) Supportive Services:

The information on psychological services we have gathered from educators employed by school districts, indicates that their greatest frustration results from the long time lag between psychological referral and the results of that referral (testing, analysis and reporting). The time lag on case load problems has always been with us; however, with the increased strain placed on the pupil personnel departments by the due process mandate for the gifted, it is unlikely that the situation will improve within the foreseeable future. Therefore, prospects for adequate psychological services without additional staff seems remote.

Other supportive services, such as music, art, and physical education, especially physical therapy by qualified personnel, are both inconsistent or lacking in too many cases. These services are neither standard across the state nor within one particular intermediate unit. We are also concerned with the lack of nursing care on a regular, continuing, or should I say dependable basis, for exceptional children. As you know, most exceptional children are required to take a variety of medication or have other medical needs for which teachers are neither trained nor legally qualified to administer. Our nursing support is definitely lacking across the state.

(4) Facilities:

We question the logic of renting classroom in school district buildings. A change in the present approach to space utilization is definitely in order. Not only is the space rented, but is often the least desirable space available in the building.

There are documentable cases of classes being held in abandoned rest rooms, or in hallways, or in ill-equipped basement rooms. There are also cases where vacated school buildings are leased to I.U.'s at a higher cost than facilities more suitable for the needs of special education. We feel that the space provided for itinerant personnel to conduct testing programs, to instruct normally difficult students or to provide therapy, would shock this committee. Boiler rooms, stairwells, hallways and rest rooms are hardly conducive to education, not to mention quality education.

(5) Budget:

In our opinion, current process for the approval of budget and programs for the special education function of the I.U. requires that for this year, the I.U.'s budget for fewer programs than necessary to fully implement both federal and state mandates for exceptional children. The appropriations are usually made subsequent to budget adoption and this requires many revised budgets to be produced and resubmitted, and, in some cases, a single I.U. has had to submit as many as five special education budgets during the year. This causes a waste of time, effort, money, and especially program insecurity.

Many I.U.'s will end the year with large surpluses that result, in some cases, from additional monies becoming available too late in the year for program implementation. Case in point: \$3.6 million became available for fiscal 1975-76 in June of 1976. This was the result of a gross underestimate by the Department of Education as to the school district contributions for special education, which is deducted from the school district subsidy during June of each year.

This payment, based upon the number of children in special education from the particular school district, apparently as a result of a PARC consent decree, was much larger than what was anticipated when the appropriation was approved. This sum was then belatedly returned, on a pro rata basis, to each I.U. at a time when it could not reasonably be expended. The further irony is that the surplus money would then have to be deducted from each I.U.'s allocation for the following year. One result of this is that I.U. #6 refused to accept the new money that became available because it would have produced a greater surplus for fiscal 1975-76 than the unit was already anticipating and the final process was to cause the I.U. to be forced to accept the additional reimbursement.

Each year it becomes more difficult for the I.U.'s to handle their financial situations. On one hand, the Intermediate Unit is directed to zero spend the special education budgets if necessary; and, on the other hand, they must have a sufficient surplus to carry them through the month of July, so the initial reimbursement due in August will be received before the I.U. runs out of money. This paradox, in many cases, creates a large surplus and a perception by state officials and legislators that additional funding is not necessary.

6. Funding:

It was the decision of this legislature, as shown in Section 2509 of the Public School Code, as amended, to fully fund the excess cost for exceptional children. In our opinion, this means that the state has an obligation to underwrite whatever funding is necessary to carry out the programs for each

exceptional child. However, the reality of constantly shifting priorities in mandated programs and services has only created the illusion of equal education for our children but not the substance.

STAFF SALARIES

Section 12, Subsection A, of the findings sets forth that the Intermediate Unit staff salaries are too high. Our initial reaction to this conclusion was that it could not be correct, based upon our knowledge of I.U. staff salaries as they relate to our members in the classroom.

An analysis of average salaries paid during the 1974-75 school year demonstrates that, for the 4,139 special education teachers in the I.U. programs, the average salary paid was \$10,380. This compares with an average salary paid of \$11,679 for classroom teachers in regular districts and \$11,544 for classroom teachers in vocational-technical districts. On the other hand, for central administration the I.U. average salary in 1974-75 was \$24,549 compared with an average of \$23,945 in school districts. Even this analysis demonstrates that when comparing central office administration of Intermediate Units to that of regular districts the variance of \$600, or 2%, is not sufficient in our opinion to conclude the staff salaries are too high.

Furthermore, the total professional staff average salary for Intermediate Units in 1974-75 was \$11,381 compared with \$12,257 in the basic education districts. At least on the basis of average salaries paid, it can not be concluded that the staff salaries in I.U.'s were too high. Because of certain factors involved with average salary comparisons, we also compared the salary schedules in effect during the 1975-76 school year in the Intermediate Units and those in some typical districts which are part of the Intermediate Unit.

Exhibit A is a comparison of salary schedules for the special education staff compared with the salary schedules of a typical school district within the I.U. In every case we have compared the step and degree level for the Intermediate Unit special education teacher with the same step and educational level for a teacher in the typical school district.

As is demonstrated by the exhibit, 57% of the salary levels for the non-special education teachers exceeded the salary levels for the teachers in the I.U. When we consider the fact that Section 1142, Subsection D, of the Public School Code, as amended, recognizes that the special education teacher deserves \$200 more than a regular teacher, we find that 75% of the scheduled salaries in the typical school district selected exceeded the salary level for the I.U. teacher at the same experience and educational level. This analysis demonstrates that at least as far as salary schedules are concerned, the salary schedule for the I.U. special education teachers not only does not exceed the salary schedule for regular classroom teachers but, in fact, for the districts used in the comparison, demonstrates in 75% of the cases an inequity which was not anticipated when we began to research the findings of your report.

RECOMMENDATIONS

1. We recommend that, for all future studies of this type, parents and practitioners be involved with the study at its inception.
2. To insure that exceptional students are receiving the best quality education, we recommend that the Department of Education train qualified teams of practitioners to make spontaneous on-sight evaluations of both district and intermediate unit programs to determine the extent to which the State Board of Education regulations and standards are being implemented.

3. To alleviate the transportation problems, we recommend that intermediate units be allowed flexibility in arranging transportation so they can meet their program commitments and insure the safety, well being and learning readiness of exceptional children.
4. We recommend that procedures be established to insure the smooth transferral of programs between intermediate units and school districts and vice versa so that program quality is preserved. The procedures must establish and also guarantee the rights of professionals involved in the program transfer.
5. We recommend substantially lowering staff-pupil ratios for support personnel, such as psychologists, social workers, speech, hearing and vision teachers and therapists; the mandatory inclusion of music, art, and physical education, as well as the appropriate support personnel for exceptional classes not serviced by local school districts; and physical therapy staff should be employed by each intermediate unit.
6. We recommend the quality of the facilities for special education should be more originally aligned with the needs of exceptional children. The determining factor in the use of facilities should not be what is available or what portion of a room or hall can be partitioned off for use by I.U. staff, but rather a variety of options should be available to intermediate unit educators so that exceptional educationally healthy environments can be created for the unique needs of the child.
7. We support the concepts inherent in Senate Bill 958, P.N. 1109, to provide more stable, predictable and equitable funding and planning for the operational budget of intermediate units.

8. Program and staff limitations have not made it possible to consider the continuing educational program for exceptional children. We know that this area needs greater emphasis and we recommend that serious consideration be given to the movement for enabling legislation.
9. Career opportunities for educable mentally retarded students have been available for a number of years. We recommend that the same type of work experience program be made available for trainable, mentally retarded and learning disabled students.
10. We recommend that school nurse service guarantee be established for all districts and intermediate units special education students.
11. Since both the federal and state laws mandate that the exceptional child must have an individualized special education program, and the guarantee of this requires an ongoing and sufficient funding, we recommend that the increase in funding necessary to carry forth these mandates be automatic. This could be handled by basing the funding of special education on a system derived from the comparison between the amount necessary to provide a program for a normal child with that for the exceptional child. Based on our experience and reviewing the statutes of other states, we feel that this could best be accomplished by a weighting system which produces a ratio between the current spending for a normal child and the estimated current spending for a particular type of exceptional child. The amount of money necessary to fund this program above and beyond the cost of a normal child would be computed by taking that ratio times the current estimated expenditures for a normal child, and this total sum could be made

available on a pool basis for educating all exceptional children in the state. This particular concept for providing an automatic escalator to cover increased funding of exceptional children is presently the practice in New Jersey. In New Jersey they have 15 weightings based upon the current expenditures for a normal child as the demoninator in a ratio which has the estimated expenditures for the particular type of exceptional child as the numerator. We feel that not only does this provide for an automatic increase in funding, which is in tandem with the increase in funding necessary for a normal child, it also provides legislative control in that expenditures for the exceptional child will be based upon the expenditures for a normal child.

12. We recommend that the present budgeting system for the Intermediate Unit be brought in line with the accounting systems in use in the regular school districts and also with federal guidelines as contained in Handbook II on School Accounting as published by the National Institute of Education.
13. We recommend that if the Intermediate Units continue and expand, the dissemination of research in support of negotiations that this information, produced with public funds, be public information and available to all interested parties.

PENNSYLVANIA STATE EDUCATION ASSOCIATION
400 North Third Street, Harrisburg, Pennsylvania

Telephone (717) 236-9335

BUSINESS and
RESEARCH
SERVICES
DIVISION

STATEWIDE COMPARISON OF SALARY SCHEDULES
OF INTERMEDIATE UNITS AND SELECTED MEMBER DISTRICTS

Bachelor's

	Step One	Step Two	Step Five	Step Ten	Continuous Maximum	Steps	Average Increment	Scheduled Maximum
I.U. #1	\$ 8,000	\$ 8,850	\$10,500	\$12,500	\$13,700	13	\$ 475	\$13,700
Washington	9,400	9,700	10,600	12,100	13,300	14	300	13,300
Difference	(1,400)	(850)	(100)	400	400	(1)	175	400
I.U. #2	N O S C H E D U L E							
I.U. #3	9,575	10,390	11,590	13,590	15,190	14	431	15,190
North Hills	9,100	9,550	10,650	12,250	13,850	14	365	14,050
Difference	475	840	940	1,340	1,340	--	66	1,140
I.U. #4	8,875	9,275	10,475	12,475	14,875	16	400	14,875
Butler A.	--	10,125	11,025	12,525	14,325	16	300	14,325
Difference	--	(850)	(550)	(50)	550	--	100	550
I.U. #5	--	8,870	10,012	12,050	13,669	14	399	13,669
Erie City	8,650	9,350	10,850	12,475	13,800	13	429	13,800
Difference	--	(480)	(838)	(425)	(131)	1	(30)	(131)
I.U. #6	--	9,050	10,150	11,650	13,150	15	315	13,150
Cranberry	8,850	9,150	10,250	11,850	13,500	15	332	13,610
Difference	--	(100)	(100)	(200)	(350)	--	(17)	(460)
I.U. #7	9,400	9,800	11,000	13,000	15,400	16	400	15,400
New Kensington- Arnold	--	10,000	11,600	13,500	16,300	18	393	16,700
Difference	--	(200)	(600)	(500)	(900)	(2)	7	(1,300)
I.U. #8	7,950	8,250	9,150	10,650	13,650	20	300	13,650
Forest Hills	--	8,900	9,800	11,300	13,500	17	306	13,500
Difference	--	(650)	(650)	(650)	150	3	(6)	150
I.U. #9	8,275	8,725	9,875	11,700	13,500	16	348	13,500
Austin	8,400	8,904	10,248	12,600	13,020	11	462	13,020
Difference	(125)	(179)	(373)	(900)	480	5	(114)	480
I.U. #10	8,400	8,900	9,900	11,500	13,200	15	342	13,200
Keystone Central	8,300	8,700	9,600	11,300	12,500	13	350	13,300
Difference	100	200	300	200	700	2	(8)	(100)

Bachelor's

	Step One	Step Two	Step Five	Step Ten	Continuous Maximum	Steps	Average Increment	Scheduled Maximum
I.U. #11	\$ 7,400	\$ 7,700	\$ 8,600	\$10,100	\$12,800	19	\$ 300	\$12,800
Huntingdon A	7,700	8,600	9,500	11,000	12,500	15	342	14,000
Difference	(300)	(900)	(900)	(900)	300	4	(42)	(1,200)
I.U. #12	8,175	8,650	9,975	12,175	14,825	16	443	14,825
York City	8,955	9,448	10,925	13,388	14,865	13	492	15,224
Difference	(780)	(798)	(950)	(1,213)	(40)	3	(49)	(399)
I.U. #13	8,450	8,800	9,950	12,050	14,850	17	400	14,850
Lebanon	--	9,450	10,350	11,850	14,250	18	300	14,250
Difference	--	(650)	(400)	200	600	(1)	100	600
I.U. #14	9,100	9,500	10,700	12,700	13,500	12	400	13,500
Brandywine Hgts.	9,200	9,520	10,480	12,080	14,320	17	320	14,320
Difference	(100)	(20)	220	620	(820)	(5)	80	(820)
I.U. #15	8,910	9,350	10,670	12,800	15,200	16	419	15,200
Mechanicsburg	8,900	9,200	10,100	11,600	13,800	17	306	13,800
Difference	10	150	570	1,200	1,400	(1)	113	1,400
I.U. #16	8,700	9,100	10,300	12,300	13,900	14	400	13,900
Milton	8,400	8,700	9,600	11,100	12,600	15	300	12,600
Difference	300	400	700	1,200	1,300	(1)	100	1,300
I.U. #17	8,800	9,300	10,200	11,700	13,200	15	314	13,200
Wellsboro	8,400	9,400	10,300	11,835	14,675	17	392	15,000
Difference	400	(100)	(100)	(135)	(1,475)	(2)	(78)	(1,800)
I.U. #18	8,500	9,000	10,800	13,200	15,000	14	500	15,000
Hazleton	8,100	9,400	10,300	12,000	13,600	15	392	13,900
Difference	400	(400)	500	1,200	1,400	(1)	108	1,100
I.U. #19				N O S C H E D U L E				
I.U. #20	9,260	9,620	10,760	12,640	14,460	15	371	14,460
Easton	9,700	10,000	10,900	12,400	15,100	19	300	15,100
Difference	(440)	(380)	(140)	240	(640)	(4)	71	(640)
I.U. #21	9,300	9,600	10,700	12,300	14,500	17	325	14,500
Allentown	9,400	9,700	10,750	12,700	15,000	16	373	15,000
Difference	(100)	(100)	(50)	(400)	(500)	1	(48)	(500)
I.U. #22				N O S C H E D U L E				
I.U. #23	8,400	9,000	10,850	13,860	15,595	13	599	15,880
Norristown	9,654	10,207	11,868	14,635	16,848	14	553	16,848
Difference	(1,254)	(1,207)	(1,018)	(775)	(1,253)	(1)	46	(968)

EXHIBIT A - 3

Bachelor's

	Step One	Step Two	Step Five	Step Ten	Continuous Maximum	Steps	Average Increment	Scheduled Maximum
I.U. #24	\$ 9,183	\$ 9,633	\$10,983	\$13,233	\$14,583	13	\$ 450	\$14,583
Phoenixville	8,976	9,681	\$10,954	13,237	14,384	12	491	14,384
Difference	207	(48)	29	(4)	199	1	(41)	199
I.U. #25	8,400	8,700	10,505	12,760	16,005	17	475	16,005
Garnet Valley	8,400	9,400	10,700	12,300	13,800	15	385	13,800
Difference	--	(700)	(195)	460	2,205	2	90	2,205
I. U. #26			N O S C H E D U L E					
I.U. #27	9,350	9,850	11,350	13,680	16,732	16	492	16,732
Beaver Falls	9,625	9,925	11,275	13,150	14,875	14	403	14,875
Difference	(275)	(75)	75	530	1,857	2	89	1,857
I.U. #28	7,800	8,200	9,400	11,400	12,600	13	400	12,600
Apollo Ridge	8,000	9,500	10,400	11,900	13,500	13	458	13,500
Difference	(200)	(1,300)	(1,000)	(500)	(900)	--	(58)	(900)
I.U. #29	7,600	8,900	10,300	12,300	13,900	14	484	14,100
Pottsville	9,000	9,500	10,600	12,300	15,500	20	342	15,500
Difference	(1,400)	(600)	(300)	-0-	(1,600)	(6)	142	(1,400)

STATEWIDE COMPARISON OF SALARY SCHEDULES
OF INTERMEDIATE UNITS AND SELECTED MEMBER DISTRICTS

Master's

	Step One	Step Two	Step Five	Step Ten	Continuous Maximum	Steps	Average Increment	Scheduled Maximum
I.U. #1	\$ 8,400	\$ 9,250	\$10,900	\$12,900	\$14,500	14	\$ 469	\$14,500
Washington	10,000	10,300	11,200	12,700	14,200	15	300	14,200
Difference	(1,600)	(1,050)	(300)	200	300	(1)	169	300
I.U. #2	N O S C H E D U L E							
I.U. #3	10,175	10,990	12,190	14,190	16,590	15	458	16,590
North Hills	10,100	10,550	11,650	13,250	15,150	15	360	15,150
Difference	75	440	540	940	1,440	--	98	1,440
I.U. #4	9,375	9,775	10,975	12,975	15,375	16	400	15,375
Butler	--	10,725	11,625	13,125	15,525	18	300	15,525
Difference	--	(950)	(650)	(150)	(150)	(2)	100	(150)
I.U. #5	--	9,253	10,372	12,410	14,029	14	398	14,029
Erie City	9,450	10,150	11,800	13,425	15,350	15	421	15,350
Difference	--	(897)	(1,428)	(1,015)	(1,321)	(1)	(23)	(1,321)
I.U. #6	--	9,350	10,450	11,950	13,750	16	314	13,750
Cranberry	9,210	9,540	10,550	12,180	14,160	15	353	14,560
Difference	--	(190)	(100)	(230)	(410)	1	(39)	(810)
I.U. #7	10,200	10,600	11,800	13,800	16,200	16	400	16,200
New Kensington-								
Arnold	--	10,750	12,350	14,250	17,350	19	388	17,750
Difference	--	(150)	(550)	(450)	(1,150)	(3)	12	(1,550)
I.U. #8	8,550	8,850	9,750	11,250	14,250	20	300	14,250
Forest Hills	--	9,500	10,400	11,900	14,100	17	306	14,100
Difference	--	(650)	(650)	(650)	150	3	(6)	150
I.U. #9	8,875	9,325	10,475	12,300	14,100	16	348	14,100
Austin	9,660	10,164	11,508	13,860	14,784	12	465	14,784
Difference	(785)	(839)	(1,033)	(1,560)	(684)	4	(117)	(684)
I.U. #10	8,800	9,300	10,300	11,900	14,800	19	333	14,800
Keystone Central	8,900	9,300	10,200	11,800	14,500	16	373	14,500
Difference	(100)	--	100	100	300	3	(40)	300

Master's								
	Step One	Step Two	Step Five	Step Ten	Continuous Maximum	Steps	Average Increment	Scheduled Maximum
I.U. #11	\$ 7,700	\$ 8,000	\$ 8,900	\$10,400	\$13,100	19	\$ 300	\$13,100
Huntingdon	8,100	9,000	9,900	11,400	13,200	16	340	14,700
Difference	(400)	(1,000)	(1,000)	(1,000)	(100)	3	(40)	(600)
I.U. #12	8,675	9,150	10,475	12,675	15,325	16	443	15,325
York City	9,940	10,433	11,910	14,373	16,343	14	492	16,701
Difference	(1,265)	(1,283)	(1,435)	(1,698)	(1,018)	2	(49)	(1,376)
I.U. #13	9,250	9,600	10,750	12,850	15,650	17	400	15,650
Lebanon	--	9,950	10,850	12,350	15,050	19	300	15,050
Difference	--	(350)	(100)	500	600	(2)	100	600
I.U. #14	9,900	10,300	11,500	13,500	15,500	15	400	15,500
Brandywine Heights	9,450	9,770	10,730	12,330	14,570	17	320	14,570
Difference	450	530	770	1,170	930	(2)	80	930
I.U. #15	9,350	9,790	11,110	13,200	16,000	17	415	16,000
Mechanicsburg	9,500	9,800	10,700	12,200	14,700	18	305	14,700
Difference	(150)	(10)	410	1,000	1,300	(1)	110	1,300
I.U. #16	9,200	9,600	10,800	13,000	15,000	15	414	15,000
Milton	8,700	9,000	9,900	11,400	13,200	16	300	13,200
Difference	500	600	900	1,600	1,800	(1)	114	1,800
I.U. #17	9,200	9,700	10,600	12,100	14,200	17	312	14,200
Wellsboro	8,800	9,800	10,725	12,325	15,775	18	410	16,075
Difference	400	(100)	(125)	(225)	(1,575)	(1)	(98)	(1,875)
I.U. #18	8,800	9,600	11,600	14,000	15,800	14	538	15,800
Hazleton	8,700	10,000	10,900	12,600	14,200	15	392	14,500
Difference	100	(400)	700	1,400	1,600	(1)	146	1,300
I.U. #19	N O S C H E D U L E							
I.U. #20	10,070	10,370	11,510	13,410	15,890	17	363	15,890
Easton	10,300	10,600	11,500	13,000	15,700	19	300	15,700
Difference	(230)	(230)	10	410	190	(2)	63	190
I.U. #21	9,700	10,000	11,100	12,700	15,200	18	323	15,200
Allentown	10,200	10,500	11,550	13,500	16,500	17	393	16,500
Difference	(500)	(500)	(450)	(800)	(1,300)	1	(70)	(1,300)
I.U. #22	N O S C H E D U L E							
I.U. #23	9,100	9,700	11,910	14,880	17,390	14	637	17,390
Norristown	10,330	10,884	12,544	15,311	18,078	15	553	18,078
Difference	(1,230)	(1,184)	(634)	(431)	(688)	(1)	84	(688)

Master's

	Step One	Step Two	Step Five	Step Ten	Continuous Maximum	Steps	Average Increment	Scheduled Maximum
I.U. #24	\$10,284	\$10,733	\$12,083	\$14,333	\$16,133	14	\$ 450	\$16,133
Phoenixville	9,649	10,363	11,823	14,325	17,022	14	567	17,022
Difference	635	370	260	8	(889)	--	(117)	(889)
I.U. #25	8,900	9,350	11,220	13,610	16,665	17	485	16,665
Garnet Valley	9,250	10,250	11,550	13,650	16,550	17	456	16,550
Difference	(350)	(900)	(330)	(40)	115	--	29	115
I.U. #26	N O S C H E D U L E							
I.U. #27	9,800	10,300	11,800	14,170	17,658	17	491	17,658
Beaver Falls	10,050	10,450	11,650	13,650	15,825	15	412	15,825
Difference	(250)	(150)	150	520	1,833	2	79	1,833
I.U. #28	8,200	8,600	9,800	11,800	13,400	14	400	13,400
Apollo Ridge	8,300	9,800	10,700	12,200	14,100	14	446	14,100
Difference	(100)	(1,200)	(900)	(400)	(700)	--	(46)	(700)
I.U. #29	8,000	9,300	11,100	13,100	15,500	16	500	15,500
Pottsville	9,500	10,000	11,100	12,800	15,700	19	344	15,800
Difference	(1,500)	(700)	--	300	(200)	(3)	156	(300)

John L. Carlson
Assistant Executive Director

William F. Hughes, Jr.
Research Director

Emory L. Eyster and William J. Scandone, Assistant Research Directors
Brenda J. MacKay, Labor Decision Analyst

August, 1976

TESTIMONY PRESENTED
TO
BASIC EDUCATION SUBCOMMITTEE
FOR
LINCOLN INTERMEDIATE UNIT NO. 12
Irvin A. Karam, Executive Director

By
Paul M. Ricker, Assistant Executive Director
Richard M. Campbell, Coordinator of Special Education
Kenneth G. Reinhart, Jr., Administrative Assistant For Management Services

August 10, 1976

Chairman Lincoln and distinguished members of the Subcommittee on Basic Education:

We appreciate this opportunity to appear before you and submit testimony concerning the status and operation of intermediate units within the system of public education in Pennsylvania.

First, we express our support and approval of the "Report On The Pennsylvania Intermediate Unit System" published by the Legislative Budget and Finance Committee. It was objectively done and provides a rather complete and accurate picture of intermediate units and their function. Although some news releases might suggest otherwise, we feel it reflects favorably on the services provided by intermediate units and the effectiveness with which they operate.

The following recommendations are submitted as ways of improving the services provided by intermediate units:

Conceptually, the intermediate unit must remain district oriented. As the middle organization in Pennsylvania's educational system, the direction of intermediate units has been largely set by the I. U. Board and member superintendents in the intermediate unit council. Continued vigilance is necessary to insure

that this local control remains the primary influence. This can be accomplished by maintaining the service agency concept of the I. U. Situations in which the I. U. is expected to implement State directives should be carefully screened. Continuing and expanding the variety of services which intermediate units can provide promotes local rather than State control. The success of intermediate units is measured largely by their effectiveness in satisfying the needs of member districts. A reasonable amount of local control is necessary to achieve this success.

The fiscal problems of intermediate units are most perplexing. Accurate information concerning state funding is needed during the budget building process. This is true both in the general operation and the special education budgets. Present procedures require intermediate units to build their budgets with very limited and changing information concerning the amount of financial support to be expected from the State. Knowledge as to the actual amount of money to be allocated to intermediate units usually arrives too late to be of assistance in the budget development process.

Limitation on ownership of vehicles should be eliminated or drastically modified. Intermediate units are currently required to lease vehicles for delivery of supplies and/or for instructional use at a greater expense than would be incurred if ownership would be permitted.

Just as increased options improve services offered to member districts, so increased options in district financing of I. U. programs would be helpful. How districts pay for I. U. services should be decided by the intermediate unit board. In some cases, proration as prescribed in the Code is desirable. In other situations, a market approach, where districts pay for services received, would be much more appropriate. The nature of the service in light of local

circumstances should determine the method of funding.

In summary, we urge that the Legislature (1) continue and expand the latitude permitted intermediate units and their member districts in determining what services are needed and how they should be financed, (2) revise the funding procedure so that advance planning and budget development can be more realistically accomplished and, (3) continue to periodically evaluate the effectiveness with which intermediate units are functioning.

Thank you again for this opportunity to appear before you. Mr. Campbell, Mr. Reinhart and I will attempt to respond to any questions you might have for us.

BASIC EDUCATION SUB-COMMITTEE HEARING
ON
LEGISLATIVE AND FINANCE COMMITTEE REPORT
PENNSYLVANIA INTERMEDIATE UNITS

Presented by:

L. Lloyd Ruoss, Ed.D.
Executive Director
Lancaster-Lebanon Intermediate Unit #13

August 10, 1976

INTRODUCTION

On behalf of the Board and staff of the Lancaster-Lebanon Intermediate Unit #13, it is my pleasure to appear before this committee and present testimony concerning the findings of the Study of the Intermediate Units as prepared by the Legislative and Finance Committee.

My congratulations to the Legislative and Finance Committee and their Executive Director for initiating and completing a very objective and indepth study. When first hearing of the proposed study some months ago my reaction was somewhat negative, since it seems that we spend a disproportionate amount of time in completing forms and gathering data; however, the report more than justifies the time in providing information and the writers obviously show an excellent grasp of the intermediate unit operation, it's weaknesses and needs.

THE LOCAL CONTROL ISSUE

We ofttimes describe the State of Pennsylvania as having established a system of Intermediate Units. Though this of course is true, we must also consider that if those units are truly service organizations, then they will be individualized to a large extent by the needs of the school districts they serve. In providing any of the seven basic services as listed in Act 102, the Intermediate Unit is a locally controlled organization. School district representatives, their District Superintendents and Boards actually participate in determining the need for the service and have great input in designing the model or system for providing the service, establishing budgets and holding the Intermediate Unit Board and staff accountable for quality.

THE LOCAL CONTROL ISSUE (Continued)

In providing Special Education services, the Intermediate Unit operates under a detailed set of laws, regulations and standards issued by the Legislature, the State Board or Department of Education. This of course leads to some loss of local control, but that same State involvement takes place if a district operates the programs; therefore, however we judge this close involvement by the State in providing services for exceptional children, it is not unique to the Intermediate Unit alone.

The local control issue is probably raised most often in connection with the Intermediate Units working cooperatively with the Department of Education on a wide range of logistical problems that affect the states school districts (energy crisis, meetings to discuss regulations, etc.) or receiving grants for operation of federal programs which extend beyond the individual Intermediate Unit boundaries. Intermediate Unit 13's position has been that if working closely with the Department of Education enhances education, than we are willing to cooperate when possible. I emphasize that this is cooperation which involves a choice rather than "taking orders" from a higher individual or agency.

In summary, it is my opinion that the Intermediate Unit is a locally controlled organization. It's close working relationship with Boards of Education and professional staff requires it to be responsive to local needs or it is doomed to failure.

THE FINANCIAL PROBLEM

It has always seemed contradictory to this writer that within the same state which requires all local school districts to develop long range plans for submission to the Department of Education, the organization which provides those districts with a broad base of services finds it virtually impossible to develop any such plan in cooperation with its component districts because of the funding mechanism. Realizing that the legislature receives many requests for additional funds, one cannot resist the temptation to state the Intermediate Unit cause; however, the first priority must be to establish a system of funding which allows for immediate and long range planning for directing resources into services. The state subsidy to the Unit should be stated in precise legislation and not remain at the mercy of the Governor's budget. The two alternatives generally discussed for accomplishing this seems to be the flat per pupil basis or an allocation involving size and wealth. The Intermediate Unit Executive Directors have been proposing a plan which ties Intermediate Unit subsidy to school district subsidies; Intermediate Unit #13 supports this recommendation.

The current method of payment for Intermediate Unit Services by school districts is also an area of controversy. Intermediate Unit #13 component districts are assigned aid ratios ranging from the mid 20's to the mid 70's. The school districts with low aid ratios therefore pay greater amounts on a per pupil basis for Intermediate Unit services than districts with high aid ratios. Intermediate Unit #13 has experienced great success in following the principle that a district should take advantage of Intermediate Unit services only if they are of lower cost and higher quality than can be obtained elsewhere. It is difficult to follow this two-fold principle if the aid ratio formula must be followed.

THE FINANCIAL PROBLEM (Continued)

A financial issue which was not brought forth in the study is the concept, that while Intermediate Units are collecting funds from school districts for services received, the Intermediate Unit, through cooperative action, also saves the local district money. Intermediate Unit #13 has studied this and estimates that the amount of funds saved through this cooperative action as initiated by the Intermediate Unit is greater than the total amount of funds collected from the local districts for support of the Intermediate Unit Service Programs.

Finally, I would make a plea for a simplification of the budget approval process for Intermediate Unit service program budgets. I'm sure the committee is knowledgeable of this process which extends from December to May and often involves as little as one tenth of the actual funds expended by the Intermediate Unit.

RECODIFICATION AND THE INTERMEDIATE UNIT

The most discussed portion of the recodification bill as it involves the Intermediate Unit is the changing of the number of members to be elected to the Board. The change from 13 to 20 members, though supported strongly by some Intermediate Units, presents a difficulty for the Lancaster-Lebanon area since these two counties contain 22 school districts.

It will be difficult to determine a number which will gain unanimous approval. Consideration should be given; however, to the number of persons which can effectively be involved in the decision making process which occurs at the Board level.

RESPONSE TO REPORT RECOMMENDATIONS (p. 165)

Response to Paragraph 1 - The report seems to support the need for local control of the Intermediate Unit but states that the general assembly should establish limits on activities of the Intermediate Unit. If local control does exist then it should be left to local decision makers to establish the limits of involvement by the Intermediate Unit.

OWNERSHIP OF PROPERTY AND EQUIPMENT

The fact that Intermediate Units are prohibited from ownership of real property seems clear in current law. The ownership of certain types of equipment is not so clear. If consideration is to be given to the wisest use of the state's financial resources then the entire matter of ownership of property and equipment by Intermediate Units should be given immediate attention. Intermediate Unit #13 can provide examples whereby the leasing of property and equipment significantly adds to overhead costs. Legislative concerns on ownership of property could be eased through debt limits and the state's approval process.

RESPONSE TO REPORT RECOMMENDATION

Response to Paragraph 3 - There is no quarrel with the suggestion that if the state is to fund the Intermediate Unit, then it has the obligation to measure quality. To apply a "uniform" system of evaluation to "all" activities is counter to the whole concept that the Intermediate Unit is a locally controlled organization with great differences in structure and programs depending on the needs of the local districts.

CONCLUSION

Finally, I again thank the committee for their time and efforts in conducting these hearings and Intermediate Unit #13 shall attempt to cooperate with supplying any additional information requested.



Capital Area Intermediate Unit

Serving school districts in Cumberland, Dauphin and Perry Counties

August 10, 1976

Honorable J. William Lincoln
Chairman, Sub-committee on Basic Education
House of Representatives
Commonwealth of Pennsylvania

Mr. Lincoln and Members of the Committee:

On behalf of the Board of Directors and the school districts served by the Capital Area Intermediate Unit, the staff expresses appreciation to the Basic Education Committee for the invitation to provide testimony about the operation of the intermediate units. Five years of operational experiences provide the basis for testifying to the following points:

1. Intermediate units should focus on administering programs which are oriented to the districts within their geographic boundaries.
2. Intermediate units should be permitted to own property when such ownership will result in better services and/or a savings to taxpayers.
3. The budgetary development and adoption procedures imposed on intermediate units should be revised to reduce unnecessary or awkward steps.
4. The basis for funding intermediate unit operations needs to include the elements of certainty, adequacy and equity.
5. The intermediate unit must remain a non-regulatory agency subject to operational control at the local level.
6. Intermediate units have already demonstrated that duplication of services is reduced when school districts find centralized services more economical.
7. Variability of services between intermediate units is desirable when it is predicated on the specific needs of the districts in the region being served.

**LOCAL
ORIENTATION
FOR PROGRAMS**

The Pennsylvania Department of Education has shown a tendency to ask intermediate unit boards of directors to approve and be responsible for programs which are of state scope rather than of specific regional concern. The Capital Area Intermediate Unit Board of Directors has exercised discretion in determining which programs it should accept and has rejected programs which seem to be totally outside of the mission of the Unit. Consequently, it is respectfully recommended to this committee that the practice of intermediate units administering programs which are state-wide in scope be evaluated to determine whether such practices should continue. The chief concerns over this issue rest in the use of school director and staff time for custodial functions to maintain programs which are initiated and directed by the Pennsylvania Department of Education and have no specific regional impact in the areas in which they are located.

**OWNERSHIP
OF
PROPERTY**

Currently, intermediate units are not allowed to own property. The economics of this regulation need to be examined. In many cases the leasing arrangements for property, especially vehicles, cost taxpayers excessively. If management systems are to be used effectively in intermediate units, there has to be some provision in the law to allow for alternatives to what is now permitted.

**BUDGETARY
PROCEDURES**

The procedure that requires an intermediate unit budget to be approved in the local district and at a convention of school directors appears to be redundant. Intermediate unit school directors conventions have been proportionately poorly attended and the action of voting on a budget which has been previously voted at the district level is stale.

**FUNDING OF
INTERMEDIATE
UNITS**

Each year intermediate units are faced with preparing budgets before State allocations are known. This uncertainty creates more waste of taxpayers money since budgets often have to be amended after notification of allocation has been received. Because intermediate unit planning is done in conjunction with school districts, it is a complex multi-stage operation that is handicapped severely when notification of allocated funds is late.

School district support for programs should be based on participation and on a prorated per pupil cost, or by whatever other method that can be determined by the intermediate unit board and the districts requesting such programs. The current mandated aid ratio formula is unfair. It attempts to equalize the burden of cost among districts. But the equalization had already taken place with initial allocations to districts. The second round of equalization actually

works as a penalty to some districts. In the case of Capital Area Intermediate Unit districts, the formula stands in the way of greater participation in desired services.

LOCAL CONTROL
vs. STATE
CONTROL ISSUE

The non-regulatory function of intermediate units must not be eroded by hastily considered legislation or bureaucratic guidelines predicated on assumptions about local district needs. In order to guard against this danger, intermediate units should have the opportunity to act on behalf of the districts they serve in the formulation of educational regulations. At all times there must be great sensitivity to the awkwardness involved if intermediate units are maneuvered into situations where they would be required to serve two masters.

DUPLICATION
OF SERVICES

Persons conscious of cost effectiveness are generally concerned about the intermediate unit duplicating services which are provided by school districts. In the Capital Area Intermediate Unit, school superintendents, school directors and intermediate unit staff avoid such duplication. The management of the Instructional Media Services is a prime example. Districts, who are not severely penalized by the inequities in the financial regulations regarding reimbursement and charges for services, find satisfaction in centralizing this operation at the intermediate unit. Six school districts in the Capital Area Intermediate Unit are duplicating this service or are going without this service because of the way district charges are determined.

Consequently, it has been clearly demonstrated that with the proper incentives school districts can be encouraged to participate in intermediate unit programs which reduce duplication of services in such areas as in-service education, mass-purchasing, certain State and Federal projects, long range planning, special education and hosts of less dramatic activities that are included in the daily operation of the twenty-nine intermediate units in Pennsylvania.

VARIABILITY
OF SERVICES

If there is need for a rationale or a defense of the variability found in the services provided from intermediate unit to intermediate unit, a sensible explanation can be found in the total concept of regionalism. There is great diversity within the Commonwealth with regard to needs and resources. Intermediate units were created to respond to regional needs. However, if the variability between intermediate unit programs and services throughout the State is based on neglect or abuse of responsibilities, variability of services cannot and should not be defended. Mandates and/or guidelines

cannot effectively combat such deficiencies. Therefore, it is respectfully suggested that no regulatory action be taken to reduce or eradicate the option for variability of intermediate unit services. Continuous evaluation and responsible attention to the concerns of the people being served should mitigate any unsatisfactory conditions responsible for variability of services.

D. Bruce Conner
Executive Director

TESTIMONY PRESENTED TO THE HOUSE BASIC EDUCATION SUBCOMMITTEE

[Hearings on Intermediate Units]

The Pennsylvania Catholic Conference represents the Catholic schools in the eight Catholic dioceses of Pennsylvania. There are approximately 1,000 Catholic elementary and secondary schools in the Commonwealth, enrolling approximately 360,000 children.

Our testimony today is brief and simple. We wish to highlight a situation which is not the best for either the Commonwealth or nonpublic school children.

Currently, under Act 89, the Intermediate Units are providing auxiliary services to children in nonpublic schools. Because of Supreme Court restrictions, these services are rendered outside the buildings of the nonpublic school. In many cases, the services are being rendered in mobile vans that are parked adjacent to the nonpublic school.

Since the Intermediate Units cannot own vehicles, currently the mobile vans that are being used under Act 89 are being leased by the Intermediate Units. It appears to us that the lease arrangements are resulting in a waste of money for the Commonwealth and the loss of possible additional educational services for nonpublic school children. That is, it appears

that less money would be used for the provision of mobile vans, and consequently more services would be available for nonpublic school children, if Intermediate Units could purchase the mobile vans rather than lease them.

The following instances attempt to illustrate the above point:

- 1) An Intermediate Unit in Southcentral Pennsylvania is paying \$102,000. to lease 10 mobile vans that cost a total of \$76,000. The lease is for three years, in which time the I.U. estimates the vans will have approximately 10,000 miles on them.
- 2) An Intermediate Unit in Northwestern Pennsylvania is paying \$17,000. over a two-year period to lease a mobile van which costs approximately \$23,000. The lease fee for the third year is negotiable, but it certainly appears that over the seven to ten year life of the vehicle considerably more money will be paid to lease the vehicle than the actual cost of the vehicle. This Intermediate Unit is leasing seven vans.
- 3) An Intermediate Unit in Northeastern Pennsylvania is paying \$204,000. for a three year lease of 12 mobile vans, which mobile vans have a market value of approximately \$150,000.
- 4) An Intermediate Unit in Central Pennsylvania is paying \$5,800. a year to lease a mobile unit that costs slightly less than \$18,000. These mobile vans are expected to last considerably longer than three years. This Intermediate Unit is leasing 10 mobile vans.

Based on the above examples, naturally it appears to us that it would be beneficial, both to the state and to the nonpublic school children, if Intermediate Units could purchase and own equipment and motor vehicles. Whatever saving could be

realized, through purchasing rather than leasing mobile vans, should result in additional educational services for nonpublic school children. This is our primary motivation in pointing out this matter to the subcommittee.

Some may be concerned about the owning vs. leasing question in connection with a possible court decision. In this regard, we wish to point out that recently a federal court in Ohio unanimously upheld that state's auxiliary service law, which is very similar to Pennsylvania's statute.

In presenting this testimony we wish to point out that we are in no way reflecting adversely on the way in which the Intermediate Units are administering Act 89. The cooperation of the Intermediate Units has been very good and it should be recognized that there is a very fine working relationship between the nonpublic schools in the Commonwealth and the Intermediate Units.

In conclusion, we take this opportunity to express our gratitude to this committee for its past support of government aid for nonpublic school children. We appreciate the opportunity of presenting this testimony to you.

Howard J. Fetterhoff
Executive Director
Pennsylvania Catholic Conference

August 10, 1976