

AGENCY OF EDUCATION

Barre, Vermont

TEAM: School Governance

ITEM: Will the State Board of Education approve the request of the newly created **Kingdom East Unified Union School District** (Kingdom East UUSD) to be designated as a supervisory district pursuant to 16 V.S.A. § 261(c)?

SECRETARY'S RECOMMENDED ACTION:

- 1. That the State Board of Education votes to adjust the boundaries of the current Caledonia North Supervisory Union and the Essex Caledonia Supervisory Union and to designate the newly formed Kingdom East UUSD as a supervisory district pursuant to 16 V.S.A. § 261.**
- 2. That the State Board of Education establishes July 1, 2018, the day on which the Kingdom East UUSD becomes fully operational, as the day on which the Kingdom East UUSD becomes a supervisory district.**

STATUTORY AUTHORITY: 16 V.S.A. § 261(a) and (c)

BACKGROUND INFORMATION:

On March 7, 2017, the voters in seven districts, representing eight communities and located in two supervisory unions, voted to merge into a single unified union school district that will operate elementary schools through Grade 8 and pay tuition for Grades 9-12. The Secretary certified formation of the new district on April 24, 2017 and designated it as the "Kingdom East Unified Union School District" pursuant to the provisions of 16 V.S.A. § 706g. The new district held its organizational meeting on May 30, 2017.

The Caledonia North Supervisory Union (CNSU) and the Essex Caledonia Supervisory Union (ECSU) are the two supervisory unions involved in this merger. The seven districts that voted to create the Kingdom East UUSD are:

CNSU

- Burke Town School District
- Lyndon School District
- Newark School District
- Sutton School District
- Millers Run UUSD #37 (Sheffield and Wheelock)

ECSU

- Concord School District
- Lunenburg School District

The proposal to form the Kingdom East UUSD, approved by the State Board at its December 2016 meeting and subsequently by the voters, indicated that the new district would ask to be its own supervisory district.¹ The board of the Kingdom East UUSD has made a formal request for the State Board to designate it as a supervisory district by letter dated July 13, 2017 (attached).

DISCUSSION:

1. Adjusting SU Boundaries and Designating UUSDs as Supervisory Districts

16 V.S.A. § 261(a) empowers the State Board to organize and adjust the borders of supervisory unions on its own initiative or at the request of one or more school districts:

in such manner as to afford increased efficiency or greater convenience and economy and to facilitate prekindergarten through grade 12 curriculum planning and coordination as changed conditions may seem to require.

16 V.S.A. § 261(c) empowers the State Board to designate a unified union school district as a supervisory district (i.e., a single-district supervisory union) if it “is large enough to support the planning and administrative functions of a supervisory union.”

Although there is no single metric by which the State Board can determine whether a supervisory district will be large enough to support planning and administrative functions, the General Assembly has provided some guidance:

- Act 153 (2010) created the “RED” voluntary merger program, which provided tax rate reductions etc. to a new UUSD – which could be its own supervisory district – that had an ADM of at least 1,250 or was formed by the unification of four existing districts.
- Act 46 (2015), Secs. 6 & 7 created programs for “Accelerated Activity” and for later mergers into UUSDs that would be their own supervisory districts. Eligibility in both programs is determined in part by whether the new district has an ADM of at least 900.
- Act 49 (2017), Sec. 8 amended Act 46, Sec. 10 to prohibit the State Board’s Statewide Plan from requiring merger of a pre-existing single town supervisory district (e.g., Burlington, Springfield) if it has an ADM of at least 900.

The Kingdom East UUSD was formed by the unification of seven existing school districts. The new district will be responsible for the education of students in eight communities encompassing a fairly large geographic area.

The combined FY2016 ADM of the merging districts was 1,751.41.²

¹ The study committee acknowledged that it would be premature for the State Board to designate the proposed unified district as a supervisory district until it was clear which districts would be merging. In addition, the State Board recognized that it would need to evaluate any future formal request to be designated as a supervisory district in light of other mergers and potential mergers in the region.

² Five of the seven merging districts were members – with the East Haven School District – of the CNSU, which had a FY2016 ADM of 1,410.01.

The proposal to form the Kingdom East UUSD anticipated that there would be cost reductions from the consolidation of 1 ½ supervisory unions into a UUSD that is its own SD; potentially lowered FTEs for positions at the SU-level (business manager, special education director, superintendent); reduced office space needs; fewer annual audits; streamlined accounting systems; and increased purchasing power.

2. Other Districts in the Region

Even if a UUSD is sufficiently large to be designated its own supervisory district, it is important to ensure that there are no districts or group of districts that will have no obvious SU “home” if they cannot be members of an SU that includes the UUSD.

The remaining district in the CNSU and five of the six remaining districts in the ECSU have joined with districts in the Essex North Supervisory Union (ENSU) to form the NEK Choice School District, a PK-12 tuitioning district. The NEK Choice School District has asked the State Board to include it within an enlarged ENSU.

The one remaining district in the ECSU, Waterford, has voted to join with Walden and Barnet to form the Caledonia Cooperative Unified Union School District. That district, like the Kingdom East UUSD, would operate schools through Grade 8 and pay tuition for Grades 9-12. Creation of the district was conditioned, however, on eligibility to receive tax rate reductions and other transitional assistance. One path to eligibility (Side-by-Side merger) has closed due to the unfavorable result of the Cabot-Danville-Twinfield vote. The Agency understands that the Barnet, Walden, and Waterford School Districts are now working with the Peacham School District (PK-6o/7-12t) to present a “Three-by-One” proposal to the State Board in September that, if approved, would make the Caledonia Cooperative UUSD eligible for tax rate reductions and other transitional assistance.

Other districts in the region to the north and west of the Kingdom East UUSD are members of pre-existing union high school and union elementary school districts – and are thus linked to other districts in their supervisory unions.

The State Board may decide to combine or otherwise redraw the boundaries of some of the supervisory unions surrounding the Kingdom East UUSD either in the Statewide Plan or at some other time pursuant to 16 V.S.A. § 261(a). If the Board decides that such action is necessary, there are currently a variety of options available that would not preclude or make it premature to designate Kingdom East UUSD as a supervisory district at this time.

Accordingly, it is advisable for the State Board to adjust the existing CNSU and ECSU boundaries and designate the Kingdom East UUSD as a supervisory district effective July 1, 2018. The UUSD is sufficiently large to support the planning and administrative functions of a supervisory union as required by 16 V.S.A. § 261(c) and no other district or group of districts in the region will be isolated from a supervisory union of which it could be a member.

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