State Board of Education
Meeting Date
Item C2

AGENCY OF EDUCATION
Barre, Vermont

TEAM: AOE School Governance Team

ACTION ITEM: Will the State Board of Education vote to allow the Huntington School Board to warn a vote at a school district meeting, duly warned for the purpose of the Huntington School District calling a vote for the electorate to decide on the question of joining the Mount Mansfield Modified Unified Union SD. See 16 V.S.A. § 721(a).

RECOMMENDED ACTION: that the State Board of Education approve the request of the Huntington School Board to warn a vote for the purpose of Huntington School District calling a vote for the electorate to decide on the question of joining the MMMUUSD.

STATUTORY AUTHORITY: 16 V.S.A. § 721(a)

BACKGROUND INFORMATION: The Huntington School Board wishes to warn a vote at a school district meeting to decide on the question of joining the MMMUUSD. In order to take this step, the Huntington Board first needs the approval of the State Board of Education. Any vote by the Huntington electorate to join MMMUSD would be based upon the terms set forth in the CESU Study Committee Report already voted on and approved by the State Board of Education on August 19, 2014. Please see the letter of John Alberghini, Superintendent of Schools, dated December 21, 2015 (attached herewith).

POLICY IMPLICATIONS: The modified unified union school district would become a unified union school district if Huntington votes yes and decides to become a PK-12 member of MMMUUSD. Presently, Huntington is a PK-4 district within CESU, along with the MMMUUSD.

COST IMPLICATIONS: Please see the CESU Study Committee Report, dated July 29, 2014 and approved by the State Board of Education on August 19, 2014. Specifically, the "cost benefit analysis" at Attachment B of the Study Committee Report (attached herewith).

STAFF AVAILABLE: Gregory Glennon, General Counsel
Donna Russo-Savage, Principal Assistant to the Secretary

MT. MANSFIELD
MODIFIED UNION
SCHOOL DISTRICT | CESU

December 21, 2015

Rebecca Holcombe
Secretary of Education
VT Agency of Education
219 North Main Street, Suite 402
Barre, VT 05641

Dear Secretary Holcombe:

The Huntington School Board has completed a preliminary study regarding joining the Mount Mansfield Modified Union School District (MMMUSD). The preliminary study has included discussions by the Huntington School Board at their August 11, 2015 summer retreat as well as several school board meetings. In addition, the Huntington School Board has held two community forums (June 23, 2015 and September 1, 2015), conducted an examination of MMMUSD, represented the Huntington School District on the MMMUSD/CESU Board since its inception and convened a special board meeting on December 15, 2015 to discuss a potential March 1, 2016 merger vote. Moreover, the findings from the cost benefit and education benefit analyses of the formal merger study (from 2014) were based on a unified system; these existing findings were also examined by the Huntington School Board during this preliminary study.

Now, the Huntington School Board wishes to warn a vote at a school district meeting, duly warned for the purpose of the Huntington School District calling a vote of the electorate to decide on the question of joining the MMMUSD. See 16 V.S.A. § 721(a). In order to take this step, the Huntington Board first needs the approval of the State Board of Education. Any vote by the Huntington electorate to join MMMUSD would be based upon the terms set forth in the Chittenden East Supervisory Union Study Committee Report already voted on and approved by the State Board of Education on August 19, 2014. Accordingly, the Huntington School Board respectfully requests that this petition, to allow Huntington to warn a vote to decide on the question of joining the MMMUSD, be placed on the agenda at the regular January meeting of the State Board of Education, now set for January 19, 2016.

If possible, the Huntington School Board also requests that this matter be considered for placement on the consent agenda, since the State Board has already approved the study committee report which sets forth the terms of Huntington's role as a member of the unified union school district.

Sincerely,

John R. Alberghini
Superintendent of Schools

cc: Andrea Ogilvie, Chair, Huntington School Board

Attachment B

Cost Benefit Analysis

Efficiencies will be gained through the creation of a Union District in the following areas:

Improved student opportunities and outcomes
The creation of a Union District would give one board the authority to provide students and families of elementary aged students school choice options. Policies and procedures could be written and revised to respond to exceptional circumstances and the needs of students, schools and communities. Currently, in CESU, tuition is required for students to enroll in elementary schools outside of their town of residence. The flexibility and ability to avail school choice opportunities for students and families has the potential to expand educational options.

Formation of the Union District would allow for flexibility in the use of facilities and resources. A unified board would be empowered to use personnel, facilities and financial resources to institute educational programs such as specialty educational environments to meet the needs and interests of the 21st Century. The agility realized through a Union District would increase the possibility of fashioning educational environments that meet individual students' needs. This has the potential to save money over time and keep these students in their home school district.

Equalized programming opportunities for all students within Chittenden East could be advanced with the formation of a Union District Currently, resources, offerings, staffing and supplemental support vary across Chittenden East. One Union District would, over time, reduce or eliminate the disparities in support services, staffing and programs that now exist (e.g. some schools have an enrichment program, others do not; instructional support varies between school districts; supplemental support is not equal or allocated based on SU-wide factors; infrastructure funding differs from school district to school district).

Technology
The use of technology as a teaching and communication tool has expanded exponentially in the later portion of the 20th Century and early part of the 21st Century. Parents, colleges/universities and employers are expecting students to have adequate technology skills and understand its capabilities. Equalized conditions and support of technology are essential in the successful transition of students to work or higher education.

Chittenden East Supervisory Union (CESU) has assembled a centralized team of technology support personnel to maintain systems and services, but the ability to perform these functions in an effective and efficient manner is significantly influenced by the variances in equipment and infrastructure within CESU. There is a notable difference in the investment member school districts have made in technology over the past several years. This has affected some schools' ability to follow and meet the goals of Chittenden East's comprehensive technology plan. A Union District increases the likelihood of resources being distributed evenly and provides flexibility in the allocation of resources based on necessity. The versatility of a Union District could allow schools to upgrade their technology systems to better support students, staff and families.

Teacher staffing
Flexibility in staffing assignments empowers a Union District to adjust staffing assignments based on need, current demographic realities and staff expertise. This authority also has the potential to save money and intensify continuity and coordination of personnel. Often, school districts are faced with the choice of reducing staff because of a shift in student population while a neighboring school district is considering adding staff. These decisions are often complicated because from year to year grade-level populations ebb and flow. Administrators and school boards frequently deliberate about reducing, adding or maintaining staffing levels when faced with grade level fluctuations. The ability to move teachers from one school to another has the prospect of saving money because the Union District would have the option of assigning staffing levels based on annual needs. Any staff reassignment will meet the standards and skills required by the receiving schools opening as determined by their administration and any applicable collective bargaining agreement.

An additional benefit in the Union District's ability to assign staff is the district's realization of its investment in training newly hired employees. School-based training and mentoring involves a considerable investment of time and money. Keeping teachers in the system enables the Union District communities to realize the full potential of its financial commitment.

Non-teacher staffing
Many of the efficiencies and benefits pertaining to teaching staff also relate to non-teaching staff members. A Union District has the authority to shift and use personnel based on student population, student needs, staff needs, programming changes, building renovations and staff certifications (e.g. Master Electrician License, Master Plumber License, HVAC License, Physical Trainer Certification, Counseling License etc.). This could reduce the need to contract with outside service providers. Furthermore, it is an efficient and cost effective method of aligning personnel to requirements, responsibilities and obligations.

Student data collection and reporting
Collecting, reporting and analyzing student data from pre-K - 12 supports coordination, continuity and responsible allocation of resources. In a Union District, a single board would govern a pre-K -12 system and hold schools accountable for student results at every level. Attention and accountability to every grade in the system would become a necessity because staff, administration and the board would be responsible for collective results. Strategic plans and action plans would be written and implemented for all students pre-K - 12 rather than the current fragmented pre-K - 4 and 5 - 12 planning process. Each grade would be a building block to complete a student's experience within the Union District. In most cases, school boards focus on the needs and results of their local school district and not on the entire pre-K - 12 system. Data compilation and analysis as a Union District optimizes the capacity of our curriculum and data management system, creates a user-friendly reporting tool and affords more opportunities for universal and streamlined training of staff.

Financial, accounting and budgeting *(Central Office Functions)*
The formation of a single school district could streamline accounting systems by creating a single budget, eliminating assessments to member school districts for costs currently incurred at

the supervisory union level, and eliminating the bill-backs required when employees are shared by more than one school district. Employees would no longer receive multiple checks and W2s from different employers (school districts). Central office would be processing fewer checks. There would be one treasurer for the Union District resulting in reduced services required from town offices. Budgets would be prepared at the school level, but would be encapsulated into one school district budget. One annual report would be prepared and audited (compared to the eight that are now being prepared). The Union District would be required to submit one statistical report and staff census to the state.

Chittenden East has made a sizeable investment in new accounting/human resource software. Our hybrid nature of incurring costs and distributing revenue between the local school district and the SU complicates our accounting. This structure inhibits the efficient functioning of this business software. None of the business software systems investigated in the selection process were designed specifically for our complex system.

As a single district, coordination and implementation of benefits would be more manageable. Determination of benefits (e.g. insurance, seniority, participation in retirement systems) eligibility would be more transparent and clear.

The reductions in duplication and increased efficiencies would allow for reallocation of staffing resources to facilities coordination and human resources. These areas have been identified as in need of additional attention and services. Furthermore, staff savings could be realized in bookkeeping, treasurer expenses, board operations and centralized administration (see Potential Savings in the Formation of the Union District Chart).

MMMUD will provide centralized services to Non Member Elementary Districts (NMED) such as superintendent, business office, special education, curriculum, and transportation. While the Union District board may change the pricing terms in the future, the fees for service, at a minimum, will be based on actual costs of services provided plus the extra cost of tracking and accounting for these services. The budget will be based on projections which will be true-upped at the end of each fiscal year.

Improved utilization of buildings and sport facilities
Addressed in Improved Student Opportunities and Outcomes

Centralized contracting
Chittenden East Supervisory Union presently has a unified employment agreement for both teaching and support staff.

Transportation
Chittenden East currently has centralized transportation services.

Food service
A Union District would permit and encourage staff collaboration and networking for food services across Chittenden East. Schools could take advantage of the talents and skills of current food service staff employed by other districts. Innovations and techniques could be implemented

throughout Union District. This has the potential to improve quality/nutrition of meals, increase revenue, reduce costs, expand partnerships with local farmers, grow composting efforts and broaden purchasing power with suppliers and vendors.

Potential Cost Reductions in the Formation of the Union District

Reduction of the complexity and size of local governance will allow some expenses to be decreased or eliminated. Examples of potential reductions are listed below:

One Bookkeeper	47,000
UID Treasurer	22,000
Annual Report Printing	10,000
CESU Annual Meetings	3,600
Town Treasurer Services & Expenses	50,000
8 Audits	22,000
Board Stipends, Dues/Fees & Operating Expenses	40,000
CESU Relocated to School Building (please note that there are one-time costs associated in relocating Central Office – VT transition grant can be used for this purpose)	43,000
Mansfield Academy (Grades 5-12) Relocated to School Building	38,820
Excess spending penalty	28,000
Change Assistant Superintendent to Curriculum Director	19,000
Total Estimated Cost Reductions	323,420

Additional savings in Central Office expenditures are anticipated as a result of creating the Union District.

Facility Use

The formation of the union district would present opportunities to consolidate service to students. The new district may elect to use a facility in a different manner than its current status or close one or more school buildings to adjust for changes in student population.

Examples below are potential savings if the union district were to close an elementary school. These estimates are presented as a range due to the difference in size among the six elementary schools. The high side of the range is for a larger school in the district; the low side is a smaller school. These estimates assume the current (FY14) student population at the school would be redistributed to one or more of the remaining elementary schools and that service at the remaining schools would be increased as needed to accommodate the increase in enrollment.

No school closures are planned in the immediate future. As per the language of Act 153 Section 3(d),
no school closures are permitted in the first four years of operation unless the town of residence agrees to a closure.

Net Savings	Larger Elementary School	Smaller Elementary School
Principal	$136,349	$98,944
Secretary	98,522	38,141
Teachers & Support Staff	1,046,125	180,173
Library services	118,323	40,804
Food services	81,672	42,683
Nursing services	86,291	5,820
Guidance	91,772	24,635
Bldgs. Maintenance & Custodial	212,643	80,741
Utilities	58,650	27,841
Total Net Savings	**$1,930,347**	**$539,782**