

AGENCY OF EDUCATION
Barre, Vermont

TEAM: School Governance Team

ACTION ITEM: Will the State Board of Education find that the proposed formation of a new unified union school district by all current member districts of the **ADDISON RUTLAND SUPERVISORY UNION (ARSU)** is “in the best interests of the State, the students, and the school districts,” and will the State Board therefore vote to approve the attached report of the ARSU Study Committee?

SECRETARY’S RECOMMENDED ACTION:

That the State Board of Education finds that the proposed formation of a new unified union school district by the member districts of the Addison Rutland Supervisory Union is “in the best interests of the State, the students, and the school districts” pursuant to 16 V.S.A. § 706c(b); and

That the State Board votes to approve the attached report of the ARSU Study Committee.

STATUTORY AUTHORITY: 16 V.S.A. § 706c; Act 46 of 2015

BACKGROUND INFORMATION: The ARSU Study Committee recommends creation of a unified union school district that will be its own supervisory district pursuant to the Accelerated Merger process and timeline created by Act 46, Sec. 6 (2015).

The ARSU consists of six towns/villages: Benson, Castleton, Fair Haven, Hubbardton, Orwell, and West Haven. There are seven active school districts within the ARSU, including two union school districts, and six publicly-operated schools. (There is also one inactive district, Castleton, that is a member of both union school districts.) Together with the supervisory union board, there are a total of eight governing boards.

The school districts educate their resident students in a variety of configurations:

- Elementary and Middle School:
 - Benson School District – operates EEE – grade 8
 - Fair Haven School District – operates EEE – grade 8
 - Orwell School District – operates EEE – grade 8
 - Castleton-Hubbardton Union School District #42
 - operates EEE – grade 5

- operates grades 6 – 8
 - West Haven School District – tuitions PK – grade 8
- High School:
 - Fair Haven Union High School District #16 – operates grades 9 – 12 (Benson, Castleton, Fair Haven, Orwell, and West Haven)
 - Hubbardton School District – tuitions grades 9 – 12

The combined average daily membership of all districts within the ARSU in FY2015 was 1,363.

The ARSU has a long history of collaborating to provide for the education of its students. In addition to the two union school districts, a variety of services and supports have been consolidated within the supervisory union including food service, curriculum, professional development, educator and support staff master agreements, and accounting and technology services.

The new unified union school district (New Unified District), to be known as the Slate Valley Unified Union School District, would provide for the education of all resident PK-12 students by operating one or more schools for each grade. If approved, the proposal would unify the existing school districts and their supervisory union into a single supervisory district responsible for operating three elementary-middle schools, one elementary school, one middle school, and one high school. It would replace the eight current governing bodies (7 districts plus SU) with one unified union board. All districts within the supervisory union are identified as “necessary” districts pursuant to 16 V.S.A. § 706b(b)(1), including the inactive Castleton School District.

If the New Unified District is created, elementary and middle school students residing in West Haven would attend the Fair Haven Grade School during the first year of the District’s operation. After the first year of operation, the new board of directors would be required to create a process to permit parents in each town to request that their student attend a different elementary school within the New Unified District. The ARSU Study Committee proposal states that a majority of Hubbardton students in grades 9-12 currently enroll in the Fair Haven Union High School. Hubbardton students enrolled in a different high school and for whom Hubbardton pays tuition during the 2016-2017 academic year would be “grandfathered” through June 30, 2020.

The New Unified District would be governed by an 18 member school board that would include at least one member from each town. The initial members would be nominated by and from the electorate of the individual towns, with the number to be nominated by a single town being closely proportional to the fraction the town population bears to the total population of the New Unified District as determined by the 2010 federal census. Election of board members would be by the electorate of the town to which the board seat was apportioned. The Articles include a requirement for recalculation of board membership following the release of each decennial census. At that time, the Board would also be authorized to consider the advisability of implementing a system of at-large voting.

A currently operating school building could be closed during the first four years of the New Unified District's existence only if approved by a majority of the electorate of the municipality in which the building is located. On July 1, 2021 and after, a school building could be closed if approved by a unanimous vote of the board members after holding public hearings, including at least one hearing in the town in which the building is located. If closed, the town in which an elementary or middle school building is located would have the right of first refusal and could purchase the property for \$1.00, provided that the town agreed to use the property for public and community purposes for a minimum of five years. In the case of property conveyed by the Castleton-Hubbardton Union School District, the property could be sold to both Castleton and Hubbardton who would be expected to reach a "mutual agreement regarding the use" of the property. The proposal includes provisions addressing use by the town for fewer than five years.

The proposal addresses additional items, including:

- Existing contracts, collective bargaining, and the transfer of employees would occur pursuant to the provisions of 16 V.S.A. ch. 53, subch. 3.
- The New Unified District would acquire the property and assume the indebtedness of the merging districts.
- The New Unified District would provide opportunities for local community members' involvement in policy and budget development.

The electorate of each potentially merging district will vote on April 12, 2016 whether to approve creation of the New Unified District. If the voters in each of the districts vote in favor of the proposal, then the New Unified District will begin operation on July 1, 2017. No new district is formed if any existing district fails to vote in favor of the proposal.

POLICY IMPLICATIONS: By enacting Act 46, the General Assembly declared the intention to move the State toward sustainable models of education governance designed to meet the goals set forth in Section 2 of the Act. It was primarily through the lens of those goals that the Secretary has considered whether the ARSU Study Committee's proposal is "in the best interests of the State, the students, and the school districts" pursuant to 16 V.S.A. § 706c.

The ARSU Study Committee anticipates that a unified governance structure would enable the New Union District to provide a greater array of arts and extracurricular offerings to all students, to ensure greater continuity of curriculum across schools and across grades, to consolidate action plans into one unified vision, to more strategically allocate resources, and to promote policy and program coherence.

See the Study Committee's Worksheet for an overview of other elements in the proposal that address the goals identified by Act 46, Section 2 and the potential for geographic isolation. In addition, a more detailed discussion of these elements appears in Appendix B to the ARSU Study Committee's report.

The ARSU Study Committee's proposal is aligned with the goals of the General Assembly as set forth in Act 46 of 2015 and with the policy underlying the union school district formation statutes as articulated in 16 V.S.A. § 701.

COST IMPLICATIONS: The ARSU already has centralized services and operations for special education, transportation, and other functions. In addition, the supervisory union includes two union school districts. Therefore, large initial savings from consolidation of services and operations are not to be expected because many of these savings have already been realized. The ARSU Study Committee was able to identify approximately \$300,000 in potential additional cost reductions over time related to "one maintenance position, one technology position, one nursing position, various special education staffing, and audit cost savings." The ARSU Study Committee's report anticipates other potential cost reductions resulting from the formation of a unified union through, for example, sharing staff among schools, class size management, and shared maintenance resources.

For more details, see the Study Committee's Worksheet and Appendix B to the ARSU Study Committee's report.

See also Act 46, Sec. 6 (2015) for cost implications to the State.

STAFF AVAILABLE:

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