

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, which is its own supervisory district, by all current member districts of the **ORANGE SOUTHWEST SUPERVISORY UNION (OSSU)** 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 OSSU Study Committee?

SECRETARY’S RECOMMENDED ACTION:

That the State Board of Education find that the proposed formation of a new unified union school district, which is its own supervisory district, by the member districts of the Orange Southwest 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 vote to approve the attached report of the OSSU Study Committee.

STATUTORY AUTHORITY: 16 V.S.A. § 706c; Act 153 of 2010; Act 156 of 2012; Act 56 of 2013; Act 46 of 2015

BACKGROUND INFORMATION: The OSSU Study Committee recommends creation of a unified union school district that will be its own supervisory district. Although the proposal would unify the governance structures of all districts within the existing supervisory union within a short period of time, it is not presented as an Accelerated Merger pursuant to Act 46, Sec. 6.¹ Rather, the Study Committee proposes to form a Regional Education District (RED) pursuant to Act 153 (2010), as amended. The OSSU consists of four school districts: the Brookfield Town School District, the Braintree Town School District, the Randolph Town School District (collectively, the Town Districts), and the Randolph Union High School District #2 (UHSD #2). Each of the Town Districts operates a school to educate its resident elementary students. The UHSD #2

¹ One criterion for Accelerated Merger eligibility is a combined average daily membership (ADM) of 900 or greater in the first year of operation. The combined ADM of the existing districts in the OSSU has been declining for several years and is currently lower than 900. The total *enrollment* in its schools (including the career technical center) currently exceeds 1,000, but the Report indicates that enrollment has also declined in recent years.

operates grades 7-12 for students in all three member towns and hosts the regional career technical center, the Randolph Technical Career Center.

The OSSU has a long history of collaborating to provide for the education of its students. In addition to the union high school district, a variety of services and supports have been consolidated within the supervisory union during the last decade, including food services, financial services, facilities management, and technology support. The Study Committee believes that governance consolidation will protect and sustain the benefits realized from the current level of collaboration, reduce complexity, and enhance transparency, accountability, and flexibility.

The new unified union school district (New Unified District), to be temporarily known as the Orange Southwest Unified District, would provide for the education of all resident PK-12 students. If approved, the proposal would unify the existing school districts and their supervisory union into a single supervisory district responsible for operating three elementary schools, one middle-high school, and a regional career technical center. The New Unified District would replace the five governing bodies with one unified union board and five budgets with one unified budget. All districts within the supervisory union are identified as “necessary” districts pursuant to 16 V.S.A. § 706b(b)(1).

The New Unified District would be governed by an eight member school board. Board members would be nominated by and from among the electorate of the individual towns, with the number to be nominated by a single town based roughly upon the town’s population as recorded in the 2010 federal census. The electorate of the entire New Unified District would elect all members. The Articles include a requirement for the apportionment of board members to be “revisited” following the release of each decennial census.

A currently operating school building could be closed during the first four years of the New Unified District’s operation 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 three-quarters vote of the board members *after* (a) conducting at least two public hearings and (b) holding an advisory vote by the voters of the town in which the building is located. The town in which the elementary 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. The proposal includes provisions addressing use by the town for fewer than five years.

The proposal addresses additional items, including the following:

- 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 all property and assume all indebtedness of the merging districts.

- The OSSU would provide administrative services to the New Unified District during the period between the date on which the OSSU would be declared a legal entity pursuant to 16 V.S.A. § 706g and the date on which it would become operational.
- There would be the possibility for students to enroll in elementary schools not located in the town of their residence pursuant to policies “supporting equity to access” established by the board of the New Unified District.

The electorate of each potentially merging district will vote on March 1, 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, which incorporated the processes for forming REDs and their variations, 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 OSSU 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 OSSU Study Committee anticipates that a unified governance structure would enhance the New Unified District’s ability to recruit and retain skilled teachers and staff; to equalize class sizes throughout the District; to ensure greater continuity of curriculum across schools and across grades; to coordinate family and community engagement; to formalize and preserve current collaborative efforts; and to streamline financial management and increase coordination of financial oversight.

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 that the proposal would result in the geographic isolation of another district.

The OSSU Study Committee’s proposal is aligned with the goals of the General Assembly as set forth in both Act 46 of 2015 and Act 153 of 2010 and with the policy underlying the union school district formation statutes as articulated in 16 V.S.A. § 701.

COST IMPLICATIONS: The OSSU has centralized services and operations for special education, transportation, and many other functions during the past decade. In addition, the supervisory union includes one union high school district. 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 OSSU Study Committee was able to identify approximately \$65,930.00 in potential additional cost reductions related to a fully centralized human resources system, an increase in student-to-staff ratios, and reduced expenditures for treasurers, audits, and board member stipends.

Additionally, the consolidation of the districts in OSSU will allow the new entity to retain the small schools grants that two of its districts currently receive.

For more details, see the Study Committee's Worksheet and Financial Analysis beginning on page 8 of the OSSU Study Committee's report.

See also Act 153, Sec. 4 (2010), as amended by Act 156, Sec. 13 (2012) and Act 46, Sec. 15 (2015) for cost implications to the State.

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