

June 20, 2016

Strategic Goals: (1) Ensure that Vermont's public education system operates within the framework of high expectations for every learner and ensure that there is equity in opportunity for all.

(2) Ensure that the public education system is stable, efficient, and responsive to changes and ever-changing population needs, economic and 21st century issues.

Draft RETREAT MINUTES

Present

State Board of Education (SBE):

Stephan Morse, Chair; Sean-Marie Oller, Vice Chair; Rainbow Chen; Peter Peltz; William Mathis; Mark Perrin; Bonnie Johnson-Aten; Stacy Weinberger; Dylan McAllister; Krista Huling; Rebecca Holcombe

Agency of Education (AOE):

Donna Russo-Savage, Bill Talbott, Brad James, Melissa Riegel-Garrett, Heather Bouchey; Maureen Gaidys

Others:

Nicole Mace, Vermont School Boards Association; Ken Page, Vermont Principals' Association; Matt Levin, VT Early Childhood Alliance; Jo-Anne Unruh, VCSEA; Sherry Carlson, VT Birth to Five; Gladys Collins, Union Street School, Springfield; Matt McMahon, Maclean, Meehan and Rice (MMR); Reeva Murphy, CDD/DCF/AHS; Tom Gilbert, Windsor Southeast SU; Jackie McCuin, Windsor Southeast SU, Tiffany Pache, VTDigger;

Call to Order, Introductions

Chair Stephan Morse called the retreat to order at about 9:30 a.m. He reminded those in attendance to sign the attendance sheet and the members of the SBE introduced themselves.

Presentation by Panel on Act 166

The following Power Point was presented:

- [PowerPoint Presentation](#)

Reeva Murphy, Deputy Commissioner DCF, and Melissa Riegel-Garrett, Act 166 Coordinator, AOE, presented the Power Point.

The following supporting documentation was offered:

- [Act 166](#)
- [Major Milestones](#)
- [Background Information and informational materials](#)
- [AOE Testimony January 1, 2013](#)
- [Report: Evaluation of Prekindergarten Programs](#)
- [Report: Quality of Prekindergarten in Vermont](#)
- [Preliminary Data Analysis](#)

A panel of “Early Adopters” was introduced: Gladys Collins, PreK Coordinator, Union Street Elementary School; David Young, Superintendent, South Burlington; and Sonya Raymond, owner, Apple Tree Learning Center in Stowe.

The presentation noted that PK in Vermont did not start with Act 166, but efforts to provide PK go back to 1987. Act 166 differs from previous policy in that it creates an entitlement to a tuition payment for 10 hours of PK for 35 weeks for all eligible children. Overall, patterns of participation in the early implementing regions are similar to patterns prior to Act 166, but the numbers of students accessing the tuition payments are higher overall. PK students who live in poverty appear to be accessing PK tuition in lower proportions than students who live in poverty and participate in K-3. PK students who live in Chittenden County or in Supervisory Districts appear to be more likely to live in early implementing districts.

There was a correction noted on page 5, table 2c of the Power Point: the number of Non-Caucasian K-3 for 2014-2015 should be 2,512.

Comments from the panel:

Raymond commented that her program has grown every year. She added that this year parents are able to pay the difference in full. She added that for many who struggled, it is now manageable with a minimal co-pay. She explained that the pre-paid money is received first, then the subsidy program (26 hours requirement) layer is received, then the difference is picked up by the parent. What was different was that in Act 166, what is received from the school goes directly to tuition.

Quality standards have not changed between Act 62 and Act 166. The subsidy program allocation is \$48 million (half federal funds and half state funds).

Young stated that South Burlington children are for the most part enrolling in providers in Chittenden County. He offered that no transition is easy, but PK is an important service and they are working through challenges and making good progress with implementation.

Collins said that in Springfield, there are ten additional approved private providers this year, and some additional students enrolled this year over last. Springfield encountered a few challenges, but for the most part implementation has been smooth. Springfield provided PK under Act 62.

For prequalified programs – the majority are 4-5 Stars, with the largest proportion having 5 stars. There are varying levels of diversity in both private and public programs. Forty-three percent of all 3-4 year olds are in prequalified programs and of these, 53% are enrolled in 4 - Star programs. Very few programs have 100% subsidized kids.

Chairman Morse asked if there is a role for the SBE to assist with this program or if now was not the time.

Collins said that the scale that is used for monitoring the Star programs is very comprehensive and programs take a lot of time and thought to prepare for these visits. It is a significant process.

Vice Chair Oller asked what is not going well and where improvement is needed.

Collins said that retaining licensed teachers has been the biggest challenge in her region.

Raymond agreed that retaining teachers is a big issue. When mentoring, she teaches that you can create a budget that will allow you to pay these teachers on a different level. It is important to keep these teachers and have consistency of teachers for the children. For center-based programs, Raymond says this is very doable; but for home-based care, it is not as easy.

Chairman Morse asked if there is a need for the SBE to be involved from a policy standpoint.

Young asked them to stay involved and continue to monitor.

Johnson-Aten asked how to move forward to capture those who need more support?

Young suggested sharing information and child find work. He also said work needs to be done to address transportation and other barriers as needed.

Mathis noted that early education is important and more important to our neediest kids. He questioned if these providers are located in the right places to maximize services provided and whether our neediest children are able to exercise the tuition vouchers.

Riegel-Garrett shared that in regard to having what we need, in the right place and with the right kind of program – that Building Bright Futures (BBF) facilitates regional conversations to address this, per the law.

Chen asked if there was communication/translation for the families who might need it. Riegel-Garrett agreed that awareness is key and that Act 166 is complicated and both Agencies need to work hard to communicate how it works and how it can benefit children.

Chairman Morse asked again if there is a role for the SBE to play.

Murphy stated that the two agencies are collaborating more closely than many other places in the agencies and that they are a good model for how the two can work together.

Huling questioned the issue of staffing and agency capacity. Riegel-Garrett explained that she is housed under AOE, but plays a role for both agencies. She deferred to Secretary Holcombe for questions on staffing needs. Secretary Holcombe commented that relative to other mandates, the AOE is actually relatively well-staffed for PK. There are continuing needs, particularly around data sharing and data collections, but AOE and AHS are collaborating to address those needs.

Chairman Morse called a 5-minute break at 10:54 a.m.

The retreat reconvened at 11:05 a.m.

Continuation of Act 166 Discussion

Joann Unruh, Executive Director, VCSEA offered comment. She reiterated that there have been discussions about the implications around Act 166 for years. She strongly supports the goal of universal high quality PK instruction. She noted that children eligible for special education are eligible in their district of residence, so this can put parents and districts in a quandary when they choose or must attend PK out of district. Equitable implementation and cost are also complicated by special education staff needing to travel to more sites to provide services. She stated that less wealthy districts anticipate an increase in costs. She believes that the SBE needs to stay involved and to meet with some of the struggling districts to address the equity and access issues around both poverty and children with disabilities.

Mathis asked for her recommendations. Unruh said that implementation should be monitored carefully with respect to equity of access and cost, and that the SBE should visit some of the struggling districts, including districts outside Chittenden County and districts that are less wealthy.

Huling asked about the policy barriers.

Secretary Holcombe said that oversight and administration of services becomes more complex when long distances and more providers are involved. Unruh said that federal law does not require special education services to be provided outside the district. This sets up some situations where there is potential for inequities to exist and that challenges are greater in sparsely populated areas.

Secretary Holcombe asked what should be monitored in sparsely populated districts.

Unruh replied that we would need to see how this could be workable in areas where there is no existing infrastructure. Both AOE and AHS are setting up mechanisms to monitor; we need to make sure there is staff capacity to do this work.

Nicole Mace, Vermont School Boards Association, offered comment. Mace reiterated that we have heard concerns and successes and that being situated in a population center with stable leadership is important, and that understanding this context is important. She expressed that when you look at the data suggesting that proportionally fewer children in poverty access the

public PK vouchers than participate in K-3 public education, we need to be concerned. She understands that this is only one year of data, but the fact that we have had PK programs in place for several years and are not seeing change in this pattern is a concern. She also expressed concern that early implementers were likely to be in Chittenden County, or wealthier SDs, and wondered what this suggested about how Act 166 might influence capacity in less populated or less wealthy areas. She posed several questions: If we are not making gains, then what are we doing? In terms of monitoring – what numbers are changing and why or why not? Where are programs situated? Is the voucher model a barrier to building capacity or not? She stressed that we need to pay attention to the issues of scale and whether the voucher model is appropriate in all contexts. Quality, equity, access, transparency, accountability should be the tools for evaluation. She noted that the VSBA wants to have public and private PKs held to the same standard – and they want a level playing field, quality monitoring, understanding more about the Star program, and transparency of resource use.

Matt Levin, VT Early Childhood Alliance, offered comment. He stated that he feels there is a great deal of agreement on issues and goals and noted that there is still a lot we need to know and important issues that need to be tracked. He would like the SBE to be part of this process as it continues forward towards successful implementation.

Mathis asked if Levin had suggestions. Levin said that Chittenden County's model brings people together to share info and discuss collectively and that this could be replicated elsewhere. Levin stated that we cannot expect instantaneous success, but we can make progress quickly.

Weinberger liked the data that was provided and agreed there needs to be greater depth of understanding about Act 166 implementation and its effects. Huling said that waiting 3-7 years while data is collected could be problematic, and we don't want to forget about this while we wait. She suggested tracking implementation through a committee, monthly update, program visits, etc. Other suggestions included meeting in the NEK to hear more about implementation in rural areas. Other topics of interest are: retaining licensed teachers, transportation, capacity issues, special education, equity of access for children in poverty, and whether vouchers are a barrier or not.

The SBE discussed how it should stay involved and informed.

Chairman Morse listed the options suggested: an Act 166 committee, a quarterly report to the SBE, a twice annual Act 166 report to the SBE, and an identified SBE Act 166 point person.

Vice Chair Oller noted that the rules go into effect July 1, 2016 and that section 2605 relates to staff qualifications. Riegel-Garrett noted that staff qualifications are in the rules, but also part of the law

Vice Chair Oller proposed a schedule of December and June Act 166 updates from AOE/AHS. These updates would include available data on capacity, demographics (includes students with disabilities), strengths and issues of implementation (statewide tuition system and part of

implementation), program quality (STARS and NAEYC), equity of access and equity of quality programs.

Chairman Morse called recess for lunch at noon and added that the Act 166 discussion would be revisited briefly after lunch and before moving to the next agenda item, Act 46.

Chairman Morse reconvened the retreat at 1:00 p.m.

The Board was in agreement with Vice Chair Oller's suggested schedule. Chairman Morse reminded the Board that someone would need to make a motion for action on this at the Board meeting the following day.

Board Discussion: [Rule Series 2600](#)

The Board noted that if the data warranted, the SBE could initiate a rules review. They can revisit this issue at a later meeting.

Act 46

Donna Russo-Savage, AOE's governance point-person, shared both (1) the following guidance and requirements in Act 46 regarding "alternative structures" and (2) the following presentation to help the State Board identify the factors it needs to weigh when considering proposals for alternative structures and to inform any rulemaking concerning the process for proposing an alternative structure.

1. [Act 46 guidance and requirements re: "alternative structures"](#)
2. [Governance Presentation – State Board of Education; June 20, 2016](#)

Russo-Savage gave an update on Act 46 progress to date (see presentation slides).

Russo-Savage explained that the incentivized phases of merger in Act 46 rely on well-established merger processes that have been in statute for nearly 50 years. Although the first "accelerated" phase is ending, Act 46 provides incentives for two more phases of voluntary mergers that are also subject to State Board review and approval under that statutory merger process.

In addition, non-merging districts have until 11/30/17 to conduct a self-evaluation, meet with other districts, and submit proposals individually or jointly to stay the same, merge, or work together. In effect, where merging is not feasible or advisable, districts need to complete a study proposal that demonstrates with evidence what options have been considered and what data support offering the proposal as the best strategy to achieve the goals of Act 46.

Under Act 46, the Secretary has until 6/1/18 to consider the nonmerging districts' proposals, review all approved voluntary mergers, and publish a *proposed* plan to merge districts and /or recommend changes to SU boundaries.

Act 46 then requires the State Board of Education to develop a final statewide plan by 11/30/18, after considering the proposals (from the non-merging districts & the Secretary) and evidence and potentially taking additional testimony. The Board is tasked with making changes (1) to the *extent necessary* to meet State goals; (2) to the *extent practicable* given the realities of geography and population; and (3) that *preserve* each current district's existing decision to pay tuition or operate schools.

Russo-Savage reviewed the stated goals of Act 46, which are to encourage and support local decisions and actions that provide substantial equity of educational opportunities, ensure students meet or exceed State Education Quality Standards, maximize operational efficiencies, promote transparency and accountability, and provide value to parents, voters, and taxpayers. In addition, consistent with these goals, Act 46 directs the State Board to be mindful of concerns related to geographic and socioeconomic isolation.

Russo-Savage stated that according to Act 46, the goals are best met by a school district that is *responsible* for the education of PK-12 students, is a supervisory district (single district SU), has 900+ ADM, and is organized in one of the 4 most common structures. A unified system is the preferred default. However, the statute notes there are exceptions that could require "alternative structures" because it will not be possible or preferable in all regions to create a unified system - in these cases and in those regions, alternative structures may be the best means to meet goals. Proposals for alternative structures should thus evaluate the option of unified system, explain why a unified system was not pursued, use data to demonstrate how an alternative structure best supports the ability to meet or exceed each goal [Act 46, Sec. 9(3)(B)], and specify how the proposed structure will continue to improve performance in connection with the goals [Sec. 9(3)(C)].

To explore the factors the Board will need to consider when reviewing proposals for alternative structures, Russo-Savage presented a set of hypothetical scenarios, and asked what questions or concerns the Board might have with respect to each scenario.

After reviewing and discussing the scenarios, the Board identified factors to consider in connection with proposals for alternative structures and for mergers, and which all proposals should address when presented to the Board, including:

- The expectation that districts will conduct a robust evaluation of options before coming to the Board with any proposal
 - What was done to explore options?
 - Has there been due diligence?
 - How is that demonstrated? (e.g., warned meeting agendas)
 - Has there been student input?
 - Is there evidence that districts have weighed options with neighbors?
 - Neighbors include districts outside the SU
 - Who are the neighbors and what is their relationship, if any?

- What is the historic relationship?
 - Have students historically enrolled in a neighboring school?
 - Is there evidence that district(s) is/are striving for scale?
 - What is the distance between districts?
 - Geography – increased distance is not necessarily a negative
 - Are there transportation concerns?
 - Especially concerns re: currently low or diminished equity
 - What is the current structure?
 - What is the structure of neighbors?
 - Where are students currently tuitioned (if applicable)? Would the proposal affect this? How?
 - Opportunities and outcomes in the district(s) and neighbors:
 - How well are EQS being met?
 - Outcomes / scores
 - Proof of quality is needed to demonstrate equity of opportunities
 - What data is needed?
 - E.g., subjects offered / # of hours of offerings
 - Other?
 - Student population in the district(s) and neighbors:
 - ADM
 - Socioeconomic demographics
 - Historic enrollment patterns (tuitioning and non-tuitioning)
 - How are current efficiencies measured?
 - What data?
 - Future efficiencies?
 - (In addition to examples mentioned in Act 46)
- A proposal is evaluated not just on its own merits, but also on the impact it may have on neighbors.
 - Does the proposal result in geographic isolation of self and/or others?
 - Is structure a barrier? Is it the only barrier?
 - Demographic differences are not a reason not to merge with a neighbor.
- A district or group of districts proposing to keep the current structure should have the same burden of proof as districts that propose merger.

- Maintaining a current structure is a final option, after other opportunities for collaborating have been considered and determined not to be feasible.
- Timing – are there timing implications to early moves/proposals versus later ones?
 - Does the sequencing of moves affect options?
 - For the district(s) making the proposal?
 - For neighbors?
 - The longer some districts wait, the more limited their options will be – especially with rolling consideration and approval of proposals.

State Board of Education Next Steps - Act 46

The State Board discussed the need for rulemaking addressing alternative structures. Existing, long-standing statutory processes are in place for districts wishing to *merge*. Although Act 46 provides for the possibility of alternative structures, it provides minimal guidance regarding the process by which a proposal would be made. The Board determined that the process for proposing an alternative structure needs more specificity than what is outlined in Act 46 and this can be provided in rules. In addition, rulemaking around alternative structures will give districts more detail regarding what information a proposal needs to provide so that the State Board can evaluate and consider the proposal in the context of the final statewide plan. The rules should be reflective of the considerations (above) discussed during the retreat.

The State Board also discussed the need, while the rulemaking process progresses, to issue policy guidelines (for mergers & alternative structures) regarding State Board expectations for all proposals, which are reflective of the considerations discussed during the retreat (above).

In particular, the Board discussed that the following should be included in policy guidelines and rulemaking:

- A clear statement of Board expectations for proposals, based on the concepts discussed during the retreat (above), including:
 - Districts are expected to conduct a robust evaluation of options before coming to the Board with any proposal.
 - Neighbors need to talk to neighbors.
 - A district or group of districts proposing to keep the current structure should have the same burden of proof as districts that propose merger.
 - Maintaining a current structure is a final option, after other opportunities for collaborating have been considered and determined not to be feasible.
- A clear process by which proposals for alternative structures are presented and substantiated.
- Recognition that the Board is pivoting toward a statewide perspective.
 - The inherent risks of rolling implementation need to be managed.

The Board discussed a possible policy statement to make at its meeting on Tuesday.

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Regarding Small Schools Grants, the Board discussed the Act 46 requirement that the Board develop “metrics” by July 1, 2018 by which it will make determinations whether to award small school grants pursuant to 16 V.S.A. § 4015 on and after July 1, 2019 – and the Board’s intention to develop the metrics before the 2018 deadline.

Board Charge for the Coming Year

The Board reviewed their current [Strategic Plan & Priorities](#) and suggested various issues/initiatives for the upcoming year. The list of priorities generated for 2016-2017 include:

- Act 46
- Act 166
- Every Student Succeeds Act (ESSA)/Education Quality Standards (EQS)
- Act 77
- Rules Reviews
 - Independent Schools
 - Post-Secondary
 - Alternative Structures
- Budget Review (Agency of Education and the State Board of Education)
- Proficiency-Based Graduation Requirements

Minutes recorded and prepared by Maureen Gaidys