

AGENCY OF EDUCATION

Barre, Vermont

TEAM: School Governance Team

ITEM: Will the State Board of Education find that the proposed unified union school district formed by two member districts of the **CALEDONIA CENTRAL SUPERVISORY UNION (CCSU)** and one member district of the **ESSEX-CALEDONIA SUPERVISORY UNION (ECSU)** 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 **Caledonia Cooperative Unified Union School District Act 46 Study Committee** and to approve assignment of the new unified union school district, if created, to the CCSU?

RECOMMENDED ACTION:

- 1. That the State Board of Education finds that the proposed formation of a new unified union school district by two member districts of the CCSU and one member district of the ECSU, to be named the CALEDONIA COOPERATIVE UNIFIED UNION SCHOOL DISTRICT, is “in the best interests of the State, the students, and the school districts” pursuant to 16 V.S.A. § 706c(b).**
- 2. That the State Board of Education votes to approve the attached report of the Caledonia Cooperative Unified Union School District Act 46 Study Committee.**
- 3. That the State Board of Education votes to approve the assignment of the new unified union school district, if created, to the CCSU for administrative and other transitional assistance beginning on the date on which the unified union school district becomes a legal entity pursuant to 16 V.S.A. § 706g.**

STATUTORY AUTHORITY: 16 V.S.A. § 706c; Act 46 of 2015; Act 153 of 2010, Secs. 2-4, as amended; Act 156 (2012), Sec. 15, as amended

BACKGROUND INFORMATION:

I. General

The CCSU consists of four PK-12 districts: the Danville School District, which operates schools for all grades; the Barnet and Walden School Districts, both of which operate schools through Grade 8 and pay tuition for all remaining grades; and the Peacham School District, which operates a school through Grade 6 and pays tuition for all remaining grades.

The ECSU consists of eight PK-12 districts: five of which pay tuition for all grades and three of which each operate a school through Grade 8 and pay tuition for the remaining grades. On March 7, 2017, the voters in the five non-operating districts approved unification with four districts in two other SUs to form the “NEK Choice District.” It is anticipated that this new unified district will be assigned to the Essex North SU. Also on March 7, 2017, voters in two of the three PK-8 operating / 9-12 tuitioning districts in the ECSU approved unification with five

districts (six towns) in the Caledonia North SU to form the “Kingdom East Unified District,” which would like to be its own supervisory district. Both the NEK Choice and the Kingdom East districts will be fully operational on July 1, 2018. As a result of this voter action, only one town district in the ECSU remains unmerged – the Waterford School District, which operates a school through Grade 8 and pays tuition for all remaining grades.

After passage of Act 46 in 2015, the school districts of Barnet and Walden from the CCSU and of Waterford from the ECSU (all of which are PK-8 operating / 9-12 tuitioning) formed a study committee under 16 V.S.A. § 706. This study committee is presenting its proposal to form the Caledonia Cooperative Unified Union School District to the State Board on April 18, 2017. In addition, the Danville School District from the CCSU and the Cabot and Twinfield School Districts from the Washington Northeast SU have formed a § 706 study committee that is still considering the advisability of creating a unified district that operates all grades (unified PK-12 operating district).

- If both proposals are approved and are scheduled to begin full operations on the same day, then the new unified districts would be jointly eligible for tax rate reductions and other transitional assistance under the “Side-by-Side” program established in Act 156 of 2012, Sec. 15.
- If the voters approve creation of the Caledonia Cooperative Unified Union School District, but creation of a new unified PK-12 operating district is not also approved by its voters, then the Caledonia Cooperative Unified Union School District will *not* be formed *unless* the 2017 Vermont General Assembly enacts legislation that would otherwise enable the Caledonia Cooperative Unified Union School District to receive tax rate reductions and other transitional assistance.

If both proposals are approved, then it is anticipated that the two new unified districts will be members of a new, enlarged supervisory union. Given the conditional nature of this proposal as well as the uncertain governance decisions of other districts in the region, it would be premature at this time for the State Board to define precise boundaries of an enlarged supervisory union. We advise the State Board to approve assignment of the Caledonia Cooperative Unified Union School District, if created, to the CCSU for at least the interim, transitional year before the new unified district assumes full operations, but to wait to evaluate the precise boundaries of the SUs in the region until after the governance structures in this part of the State are clearer.

The Peacham School District is the only district in the CCSU that is not engaged in a § 706 study. Because there is no other district in the region that shares its precise governance structure (PK-6 operating / 7-12 tuitioning), the State Board has no authority to require it to merge with any other district. As a result, unless the voters in the Peacham School District wish to change the district’s current operating / tuitioning structure (or another district in the region wishes to change its structure to match Peacham’s), the Peacham School District will remain an independent school district with an unchanged governance structure. There does not seem to be any reason to reassign the Peacham School District to another SU at this time, nor has reassignment been requested. Rather, the State Board can reevaluate Peacham’s SU assignment at a later time when

the State Board makes other decisions regarding SU boundaries in the region pursuant to 16 V.S.A. § 261.

II. The Caledonia Cooperative Unified Union School District

The Caledonia Cooperative Unified Union School District Act 46 Study Committee (Study Committee) proposes creation of a unified union school district (UUSD) to provide for the PK-12 education of resident students by operating three schools offering education through Grade 8 and paying tuition for students in Grades 9-12 (New Unified District) beginning on July 1, 2018.

The Study Committee identifies the following school districts as “necessary” to the proposal pursuant to 16 V.S.A. § 706b(b)(1): Barnet; Waterford.

The Study Committee identifies the following school district as “advisable” to the proposal pursuant to 16 V.S.A. § 701b(b)(2): Walden.

In FY2016:

- The combined PK-12 average daily membership (ADM) of all three potentially merging districts was 648.05 and of the two “necessary” districts was 503.55 (Barnet: 283.00; Walden: 144.50; Waterford: 220.55)
- The combined ADM of the four CCSU districts was 841.73 (Barnet: 283.00; Danville: 326.23; Peacham: 88.00; Walden: 144.50).

If (1) the New Unified District is created, (2) Danville, Cabot, and/or Twinfield form a new unified PK-12 district that operates all grades, and (3) Peacham is assigned to the same SU as those two new unified districts, then two existing SUs will combine to form a new SU with three member districts. The new SU would have a combined FY2016 ADM of 1,601.17 (New Unified District: 648.05; new unified PK-12 operating district: 865.12;¹ Peacham: 88.00).

The electorate of all three districts will vote on May 23, 2017 whether to approve creation of the New Unified District.

The New Unified District, which would be known as the Caledonia Cooperative Unified Union School District, would merge three existing PK-12 town school districts with the same operating and tuitioning models – each operates a school providing education through Grade 8 and pays tuition for Grades 9-12.

The New Unified District would be governed by a school board of nine members. Membership would be closely proportional to the towns’ relative populations, with the vote of each allocated member weighted to achieve that proportionality. Board composition and weighting would be adjusted if necessary to reflect each decennial census. Each member would be elected by the voters of the town in which the member resides.

¹ The combined PK-12 FY2016 ADM of the Washington Northeast SU was 538.89 (Cabot: 162.74; Twinfield UUSD: 376.15).

No later than July 1, 2018, the Unified Board would be required to develop policies and programs for offering intra-district choice in grades for which the New Unified District operates multiple school buildings. Among other factors, the policies would be required to address transportation, socio-economic equity, and unity of siblings. The Board would also establish structures to support and encourage public participation in the New Unified District.

The New Unified Board would also be required to initiate a district-wide assessment regarding the current effectiveness of and potential for strengthening middle school programs. This would include consideration of options such as restructuring current grade configurations and creating a designated school for Grades 6-8.

A school could not be closed during the first four years of operation without approval by the voters residing in the town in which the building is located. In subsequent years, building closure would require both (1) an affirmative vote of 2/3 of the Unified District School Board and (2) an affirmative vote of the voters in the entire New Unified District.

If a building is closed and would no longer be used for public education purposes, then the town in which the 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 for these purposes for fewer than five years.

All future votes on the budget and Board membership would be by Australian ballot.

If the New Unified District is formed but the voters of the Walden School District do not approve the merger, then the voters in that district may vote again before November 1, 2017 to join the New Unified District pursuant to 16 V.S.A. § 721. Admission would be granted until this date without the need for subsequent approval by the New Unified District.

POLICY IMPLICATIONS: By enacting Act 46, which incorporated the provisions of Act 153 (2010), 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 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.

After studying the educational challenges in all three communities, the Study Committee reached what "may be an obvious conclusion [that] there are no easy answers." The Study Committee explains that it "viewed the proposed merger within the context of a long, synergistic history of cooperation and respect [among the] three communities." It saw this as an opportunity to "create a blueprint for a nimble ship ... responsive to the ever-evolving needs of students, parents, and community members" and to secure its own future, rather than "becoming caught up in some larger, regionalized approach to educational decision-making."

The Committee's report and appendices examine in detail its guiding principles; student performance data (including "real and significant differences ... within and between the students

and schools” and “uncertainty concerning long-term student performance ... due to a lack of performance data coming from the myriad” high schools in which the students enroll); programmatic opportunities; collective progress and innovation made to-date; enrollment and staffing patterns; and a number of other factors.

The Committee concludes that the:

biggest challenges [to] meeting the goal of “Providing a quality education at a cost that parents, voters, and taxpayers value”, centers on the potential loss of connection between local communities and their schools, particularly the challenge of creating a responsive “regional” governance body administering three ... local schools with their own unique histories and community traditions. There was a concern that “regionalization” might distance schools from the communities that support them. It was agreed that good leadership and mindfulness would be necessary; that new cultural patterns of mutual engagement would need to be built between the towns; and that new strategies for fostering community involvement in a regional district would need to be developed and implemented effectively.

Accordingly, the Committee recommended that the new Board take certain actions to develop a “real sense of community ownership, identity and culture,” including the development of coordinated websites, community activities, and PTA/ parent council activities and the creation of structures to encourage community engagement in the development of Board policy, budgeting, and school initiatives.

EDUCATION IMPLICATIONS:

The Study Committee states that:

it may not be cost effective or practical to regularly bus students from town to town. Therefore, we will need to explore other ways to enhance educational opportunities. One example might be engaging teachers to develop instructional units in certain subjects that could be presented multiple times across each of our schools.

Whatever the solution, using the collective resources (including parental volunteers and community partnerships) of the entire district to benefit every student can be a valuable enhancement to each school’s educational programing. This is particularly true for our middle school students who would benefit from interacting with larger peer groups and enhanced educational challenges designed to broaden their world-view and prepare them for the social, and academic demands of a large high school.

FISCAL IMPLICATIONS:

The Study Committee projects that there would be annual, ongoing cost reductions of \$209,000 if the Caledonia Central and Washington Northeast SUs combine as “Side-by-Side” mergers. In addition, the Committee estimates annual, ongoing savings of \$72,000

due to maximizing operational efficiencies. It projects that efficiencies will arise from, e.g.:

1. Larger scale purchasing / contract negotiations with private vendors
2. Shared administrative, staffing, and service delivery (e.g., elimination of administration redundancies; coordinated and flexible teaching and staffing assignments; increased efficiencies in data collection and reporting)
3. Asset coordination

See the Report and Appendices for a detailed discussion and data regarding both educational and fiscal elements of the proposal and *see* the Committee's Worksheet for an overview of those elements in the proposal that address the goals identified by Act 46, Section 2.

The 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.

STAFF AVAILABLE:

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