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Right to Equal Educational Opportunity

The right to public education is integral to Vermont's constitutional form of government and is guarantees of political and civil rights. Further, the right to education is fundamental for the success of Vermont's children in a rapidly-changing society and global marketplace as well as for the State's own economic and social prosperity. To keep Vermont's democracy competitive and thriving, Vermont students must be afforded substantially equal access to a quality basic education. However, one of the strengths of Vermont's education system lies in its rich diversity and the ability for each local school district to adapt its educational program to local needs and desires. Therefore, it is the policy of the State that all Vermont children will be afforded educational opportunities that are substantially equal although educational programs may vary from district to district. Title 16 Chapter 1, Subchapter 1

"Vermont recognizes the important role that a small school plays in the social and educational fabric of its community." Vermont Act 46, 2015

Dear Vermont State Board of Education Members:

The Executive Committee of the North Country Supervisory Union Board, is writing to express our strong appreciation for small schools grants and to advocate for their continued distribution. We understand the State Board is currently considering the establishment of metrics for the determination of Small Schools Grants beginning in FY2020 as mandated by Act 46. We recognize that you are charged with this task by statute established with the passage of Act 46 in 2015. It is our steadfast belief that the State Board should remain true to the spirit of the original inception of these essential grants that coincided with the development of Act 60 in establishing a path forward.

The architects of Act 60 recognized that small schools did not have an "economy of scale" and subsequently established a funding mechanism to help level the playing field to assist in achieving substantial equal opportunities for Vermont's children. Based on a small schools study commissioned by the Legislature and drafted in January of 1998, we know the original intent of Small Schools Grants. Although there are differences in the context today from twenty years ago, there remain more similarities for small schools. The sole and simple conclusion of the study was: "Small schools in Vermont cost more to operate than larger schools but they are worth the investment because of the value they add to student learning and community cohesion." It is not a surprising that echoes of that sentiment remain in Act 46. To be sure, we believe the State Board remains resolute in promoting equity and supporting our rural communities to that end.

Approximately one third of Vermont lands are in the "Current Use" program. Vermonter's belief in a working landscape goes hand in hand with a belief in sustainable communities. Schools, many in communities struggling with poverty, receiving Small Schools Grants persist in the face of increasing pressures in the interests of public welfare. We view a growing need to embrace community-schools, with local governance, that are at the core of our sense of community, based on shared values, interdependence and reciprocity. Small Schools Grants are the equivalent of "current use" in supporting sustainable communities and democratic principles.

It is often said that small schools in Vermont have unrealistically small class sizes, are high spending and a drain on the Education Fund. This does not have to be, and often is not the case. In fact, many of our small rural schools, about half of NCSU member districts, spend below the state per pupil average. It is also said that small schools offer limited opportunities for students.

To the contrary, small schools provide learning opportunities that are sometimes different, but not necessarily lesser in value or quality. Often small schools can provide the kind of environment and learning opportunities that large schools cannot easily or cost effectively provide. Many small Vermont schools demonstrate evidence of exceptional opportunities and outcomes for students. While we share the State Board's high expectations for small schools and remain aspirational, the impact of limited resources is, understandably, a growing concern. *see Title 16, Chapter 1, Subsection 1

Eight schools within North Country Supervisory Union currently receive Small Schools Grants for a totaling \$624,000 *(checking on Troy) Currently, it is likely only two to three million dollars from the Education Fund goes to Small Schools Grants for non-centralized districts. The overall amount of money is relatively small in light of the full cost of education across the state. However, the allocation that is often between 7% and 10% of a school's revenue makes a substantial difference at the local level. For these reasons, we ask the State Board of Education to be pre-disposed to extend the funds to school districts and not make the threshold for distribution of funds so high that it serves as a punitive measure for non-compliance of governance consolidation.

Act 46 is flawed in many respects and the language regarding small schools and Small Schools Grants demonstrates a number of inherent contradictions. Below, we provide some thoughts and reflections on the language of Act 46 relative to small schools grants:

"It is not the State's intent to close schools and nothing in this act shall be construed to require, encourage or contemplate the closure of schools in Vermont."

So, why must we determine if schools are to receive the Small Schools grant based on some arbitrary metrics that appears to have the intent of reducing needed resources for many small rural schools? In the "Findings" section of Act 46, there is a reference to "national literature" suggesting that the optimal size for student learning in elementary schools is between 300 to 500 students and high school is between 600 to 900 students. Any reasonable person can recognize that comparing Vermont to some national standard has limited value. Nonetheless, the data presented seems to imply that closing small schools would be advantageous. In rural school districts an hour and half long bus ride coupled with the inability to stay for afterschool programs is not the kind of "equity of opportunity" we need for our children.

"It is not the State's intent to close its small schools, but rather to ensure that those schools have the opportunity to enjoy the expanded educational opportunities and economies of scale that are available to schools within larger, more flexible governance models."

This one statement in Act 46 provides the fundamental argument for the existence and continuation of small schools grants. The creation of Small Schools Grants was to ensure small schools had the opportunities of expanded educational opportunities because small schools do not have the economy of scale of larger schools. The grants should not be contingent on governance. They should be contingent on need.

"Alternative Structure: supervisory union with member districts. An Education District as envisioned in subsection (b) of this section may not be possible or the best model to achieve Vermont's education goals in all regions of the State. In such situations, a supervisory union composed of multiple member districts, each with its separate school board, can meet the State's goal."

This language reveals an additional contradiction in the law. Given the law allows for individual districts to exist within a supervisory union, it is unclear higher standards are being applied when compared to schools within a Unified Union District?

"shall receive an annual Merger Support Grant in an amount equal to the small school support grant received by the eligible school district in fiscal year 2016."

Potential supervisory unions are now asking the State Board to establish a favorable metrics for determining small schools grants and we have not been told our fate with regard to governance. Meanwhile, newly formed unified union districts will continue to receive small schools grants as "merger support grants" without any annual oversight. This incentive was in addition to the Transition Facilitation Grant and tax incentives for those who merged. If Act 46 has now created an "economy of scale" through governance consolidation, then there should actually be less need to provide small schools grants in a unified union district. We acknowledge that larger school districts have often complained that small schools grants only incentivize schools staying open. Yes, that was the intent of the funds. Meanwhile, there is no analysis of spending for large schools or unified union districts because there is a presumption that they provide an economy of scale.

"has been determined by the State Board, on an annual basis, to be eligible due to <u>either</u>: the lengthy driving times or inhospitable travel routes between the school and the nearest school in which there is excess capacity:"

"Geographic isolation" has some relevance, but infers that a small school should close just because it is within a certain distance from another. Attempts to objectify and justify some legitimate distance from school to school only further reveals the lack of credibility in this approach. In addition, how do we determine "capacity?" Will capacity be based on some arbitrary number of students per square foot, or equally arbitrary staffing ratio? Without State construction aid to support major renovations or additions, how do schools incorporate substantial numbers from another community? We have actually lost ground in recent years when it comes to cost sharing with the absence State aid for construction and there is no sign of increasing aid in the current climate of fiscal austerity around the education fund.

"the academic excellence and operational efficiency of the school, which shall be based upon consideration of:

the school's measurable success in providing a variety of high-quality educational opportunities that meet or exceed the educational quality standards adopted by the State Board pursuant to section 165 of this title;"

It appears somewhat ironic that as there is increased accountability for implementation of educational quality standards, there may be a reduction in funding. All NCSU schools have met or made provisions to meet the expectation of the Vermont Educational Quality Standards. It is challenging enough to find qualified staff in some cases, yet all schools in FY18 filled required positions to meet EQS.

"the percentage of students from economically deprived backgrounds, as identified pursuant to subsection 4010(d) of this title and those students' measurable success in achieving positive outcomes;"

It is very disconcerting to think a determination will be made on test scores. Especially, scores related to children from poverty. Yes, we certainly want to have high aspirations for our children from poverty. However, we need to recognize that schools with higher concentration of poverty will statistically demonstrate lower scores then students from poverty in schools with lower rates of poverty. Small Schools Grant determinations based on some metrics related to test scores has the potential to penalize communities, and children, for being poor. Research indicates that student achievement is determined by external factors up to 75% of the time. If we are to have any hope of having a positive impact 25% of the time, we will continue to need small schools grants. Research has shown that small community-schools can actually mitigate the impact of poverty on learning. Schools cannot will not this impact if they have limited funding.

"the school's high student to staff ratios; and

There is a clear understanding that staffing is a primary driver of cost and subsequently a school's spending per pupil. There are many decisions that go into making staffing determinations over a multi-year period of time. Given that ratios can fluctuate quickly with student movement, we must consider ratios over multiple years. The reality is that larger schools most often have more ability to reduce staff while small schools have likely reduced most of their staff, when possible, over the past half a dozen years of fiscal austerity, especially with declining enrollments.

"the district's participation in a merger study and submission of a merger report to the State Board"

NCSU did not participate in a formal study committee process. However, we did conduct an extensive study in conjunction with our Alternative Governance Structure proposal. It is likely that our study was more comprehensive than most studies conducted in relationship to those supervisory unions that pursued the "Preferred Model."

We know that the law now exists and the State Board is charged with implementing the intent of Act 46. If the intent is to not close small schools and the intent is to allow for alternative governance structures, then there should be much latitude given in the determination of Small Schools Grants. Schools are already feeling downward pressure with the loss of small schools' financial stability grants, hold harmless provisions and a lower excess spending threshold.

We must continue to address both equity of opportunity and equity of need. We continue to see a growing gap in income disparity, especially between rural and urban populations. Some small schools have closed in recent years. Others likely will in years to come. There are times that a community will close a small school due to a convergence of limited educational opportunity and increased cost. Governance will not mitigate the challenges of poverty in rural Vermont. However, the loss of small schools grants will reduce much needed resources that do directly impact learning for students living in poverty.

Vermonters hold a strong sense of identity and shared values, believe in reciprocity and interdependence, and remain incredibly resourceful. That adds up to a strong sense of community. We must value our rural identify and ensure all rural school-communities are given an opportunity to succeed. The Vermont constitution calls for "... a competent number of schools ought to be maintained in each town unless the general assembly permits other provisions for the convenient instruction of youth." Despite the advantages of modern transportation, and mostly improved roads, traveling great distances between ones home and a regional school is certainly not always convenient. There is a need to provide additional resources to school-communities to meet the needs of small, rural schools.

Limiting Small Schools Grants, on top of declining revenues, will create an untenable situation for small rural school communities. Public policy focused on reducing funding for small rural schools is antithetical to ensuring equity. We, therefore, implore the Vermont State Board of Education to ensure the broadest distribution of Small Schools Grants possible within the law.

Sincerely,

North Country Supervisory Union Executive Committee