

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 **FRANKLIN CENTRAL SUPERVISORY UNION (FCSU)** 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 FCSU 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 Franklin Central 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 FCSU Study Committee.

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

BACKGROUND INFORMATION: The FCSU 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 FCSU consists of four school districts: The Fairfield Town School District, the St. Albans City School District, the St. Albans Town School District, and the Bellows Free Academy Union School District #48 (USD #48). Each of the three town school districts operates a school to educate its resident elementary and middle school students. The USD #48 operates grades 9-12 for students in St. Albans City and St Albans Town, and operates the regional career technical center, the Northwest Technical Center. The Fairfield Town School District pays tuition for its students in grades 9-12. Together with the supervisory union board, there are a total of five governing boards.

The combined average daily membership of all districts within the FCSU in FY15 was 2,544.

The new unified union school district (New Unified District), to be temporarily known as the Franklin Central Unified School District, would provide for the education of all resident PK-12 students by operating one or more schools for each grade and providing

regional career technical education. 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 high school, and a regional career technical center. The New Unified District would replace the five current governing bodies (4 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).

The FCSU Study Committee proposal states that a majority of Fairfield students in grades 9-12 currently enroll in the Bellows Free Academy Union High School. If the New Unified District is created, Fairfield students enrolled in a different high school and for whom Fairfield pays tuition during the 2016-2017 academic year would be “grandfathered” through June 30, 2020.

The New Unified District would be governed by a ten member school board with a total of nine votes. Each town or city within the District (the member town) would be apportioned at least two members with a combined weighted vote of one. Apportionment to each member town would be roughly proportional to the fraction the member town’s population bears to the total population of the New Unified District. On the initial board, St. Albans City and St. Albans Town would each be apportioned 4 board members. Two board members would be apportioned to Fairfield, both members holding a weighted vote of 0.5. The initial members apportioned to each member town could be nominated by voters in one or more of the member towns. Election of the board members would be at-large by the electorate of the entire New Unified District. The Articles include a requirement for recalculation of board membership following the release of each decennial census. 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 continuing the system of at-large voting.

If the board of the New Unified District determined that a school building should be closed, then the following municipalities would have the right of first refusal and could purchase the property for \$1.00, provided that the municipality agreed to use the property for public and community purposes for a minimum of five years:

- Fairfield: Fairfield Center School, 57 Park Street
- St. Albans City: St. Albans City School, 59 Bellows Street
- St. Albans Town: St. Albans Town Educational Center, 169 South Main Street
- St. Albans City and St. Albans Town: Bellows Free Academy UHS, 71 Main Street Building, the Hospital Building, the Building Trades, Collins Perley Sports Complex and Garage

The proposal includes provisions addressing use by the municipality 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. It would also assume the perpetual lease between the Town of Fairfield Recreation Department and the Fairfield Town School District. In addition, the New Unified District is prepared to accept the terms and conditions of the current five-year lease of the Common School for school purposes.
- Elementary and middle school students would continue to attend the elementary/middle school located in their town of residence for at least the first year of operation. On July 1, 2018 and after, the school board would have the authority to adjust school attendance boundary lines and school configurations throughout the New Unified District, which could result in the ability of students to choose to attend an elementary or middle school in another town within the District.
- The New Unified District would provide opportunities for local community members' involvement in policy and budget development and would create structures to support and encourage public participation.

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, 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 FCSU 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 FCSU Study Committee anticipates that a unified governance structure would enable the New Union District to ensure greater continuity of curriculum across schools and across grades; to provide common and focused professional development; to consider processes to permit students to attend elementary and middle school outside their town of residence; to develop a shared common vision throughout the District; and to "[free] up administrative time to focus on instructional leadership."

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 on pages 7-17 of the FCSU Study Committee's report.

The FCSU 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 FCSU Study Committee was able to identify approximately \$220,600 in potential cost reductions over time related to the need for fewer audits, payment of fewer board member stipends, reduced legal costs, bulk purchasing, and other miscellaneous savings. The FCSU 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 centralized bidding.

For more details, see the Study Committee's Worksheet and pages 8-17 of the FCSU Study Committee's report.

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

STAFF AVAILABLE:

Donna Russo-Savage, Principal Assistant to the Secretary, School Governance

Brad James, Education Finance Manager

Gregory Glennon, General Counsel

Bill Talbott, Chief Financial Officer

Study Committee Worksheet for All Phases of Voluntary Merger

Please submit this to the Agency with the Study Committee Report

Current Supervisory Union or Unions (list each)	Potentially Merging Districts Pursuant to 16 V.S.A. § 706b(b)(1)-(2) (list each)	Is the District:	
		Necessary	Advisable
<i>Franklin Central S.U.</i>	<i>Bellows Free Academy USD #48 (while BFA USD #48 is a forming district, as a union district its interests are represented by its member two member elementary districts (St. Albans Town and St. Albans City))</i>	-	-
	<i>St. Albans Town School District</i>	X	
	<i>St. Albans City School District</i>	X	
	<i>Fairfield Town School District</i>	X	

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Type of Merger	
<i>Please refer to the related eligibility worksheets to determine baseline eligibility for each merger type.</i>	(column reserved for agency use)
<input checked="" type="checkbox"/> Accelerated Merger (Act 46, Section 6)	
A Regional Education District (RED) or one of its variations (Act 153 (2010) and Act 156 (2012)) <ul style="list-style-type: none"> <input type="checkbox"/> RED (Act 153, Secs. 2-3, as amended by Act 156 , Sec. 1 and Act 46, Sec. 16) <input type="checkbox"/> Side by Side Merger (Act 156 , Sec. 15) <ul style="list-style-type: none"> Districts involved in the related merger: <input type="checkbox"/> Layered Merger (Union Elementary School District) (Act 156, Sec. 16) <input type="checkbox"/> Modified Unified Union School District (MUUSD) (Act 156, Sec. 17, as amended by Act 56 (2013), Sec. 3) 	
<input type="checkbox"/> Conventional Merger – merger into a preferred structure after deadline for an Accelerated Merger (Act 46, Section 7)	

Dates, ADM, and Name	
Date on which the proposal will be submitted to the voters of each district (16 V.S.A. § 706b(b)(11)): <i>March 1, 2016</i>	
Date on which the new district, if approved, will begin operating (16 V.S.A. § 706b(b)(12)): <i>July 1, 2017</i>	

Combined ADM of all “necessary” districts in the current fiscal year: <i>Total ADM per AoE School District Data Tool (FY’14): 2,469.08</i>	
Proposed name of new district: (Tentatively named) “<i>Franklin Central Unified School District</i>”	

Please complete the following tables with brief, specific statements of how the proposed union school district will comply with the each of the listed items. Bulleted statements are acceptable.

The Proposed School District is in the Best Interest of the State, Students, and School Districts – as required by 16 V.S.A. § 706c		
<p>Goal #1: The proposed union school district will provide substantial equity in the quality and variety of educational opportunities.</p> <p>Act 46, Sec. 2(1)</p>	<p><i>Existing Conditions:</i></p> <ul style="list-style-type: none"> • <i>3 pre-existing pK-8 school districts, each uniquely governed by separate boards</i> • <i>Differences in the depth, breadth and variety of educational opportunities currently exist, most apparent at the grade 8 to grade 9 transition at BFA USD #48</i> • <i>More seamless transition for students to grade nine is desired</i> <p><i>Desired state with a unified union school district:</i></p> <ul style="list-style-type: none"> • <i>Comprehensively address equity interests of all students</i> • <i>Implementation of common and consistent curriculum</i> • <i>Administration of common student assessments</i> <p><i>Improved Student Learning Opportunities:</i></p> <ul style="list-style-type: none"> • <i>Consistent and common curriculum.</i> • <i>Common assessments.</i> • <i>Greater flexibility to share human and material resources.</i> • <i>Consistent programming opportunities between and among schools.</i> • <i>Potential opportunity for some PreK-8 school choice.</i> • <i>Grade reconfiguration opportunities.</i> • <i>Consistency with students’ transitions to high school.</i> • <i>Ability to share teacher resources across schools (part-time and itinerant educators).</i> 	

	<ul style="list-style-type: none"> • <i>Common vision and values for a single district.</i> • <i>Heightened ability for students to participate in unique opportunities at neighboring schools.</i> • <i>Frees up administrative time to focus on instructional leadership</i> 	
<p>Goal #2: The proposed union school district will lead students to achieve or exceed the State’s Education Quality Standards, adopted as rules by the State Board of Education at the direction of the General Assembly.</p> <p>Act 46, Sec. 2(2)</p>	<p><i>Upon forming a unified union school district, inherent organizational redundancies found in the current governance and administration of multiple districts would no longer be impediments.</i></p> <p><i>The proposed unified union school district will better apply:</i></p> <ul style="list-style-type: none"> • <i>human and material resources to the ideals and desired outcomes of the Standards.</i> • <i>the present state of individual and distinct mission and vision statements would become one under a unified union school district, furthering the ability to meet or exceed the Educational Quality Standards.</i> <p><i>Technology:</i></p> <ul style="list-style-type: none"> • <i>Shared technology would provide access to compatible software, hardware and training.</i> • <i>Centralized technology planning. Presently, technology decisions are made at the building level. Often, each building does things differently, resulting in little consistency between the buildings. Building-based network administrators have different policies and procedures and inconsistent software platforms/equipment.</i> • <i>A centralized system would ensure equitable and consistent access to technology for students and employees.</i> • <i>There would be common plans with common solutions.</i> • <i>Centralized purchasing of technology has the potential to save thousands of dollars.</i> • <i>Consistent infrastructure.</i> • <i>Consistent email addresses. Currently the use of different email naming protocols makes it unnecessarily confusing for parents and employees.</i> • <i>Consistent access to servers.</i> • <i>A common and shared vision.</i> 	

<p>Goal #3: The proposed union school district will maximize operational efficiencies through increased flexibility to manage, share, and transfer resources, with a goal of increasing the district-level ratio of students to full-time equivalent staff.</p> <p>Act 46, Sec. 2(3)</p>	<p><i>Like other supervisory unions, the member districts of FCSU are separated in many ways. These include:</i></p> <ul style="list-style-type: none"> • <i>different cultural bases,</i> • <i>requirements driven by state and federal laws that recognize the member districts as separate and distinct organizations.</i> • <i>duplicated efforts to honor and comply with segregated requirements result in redundancies including:</i> <ul style="list-style-type: none"> ○ <i>negotiating and managing multiple collective bargaining agreements,</i> ○ <i>multiple accounts with common vendors, separate tax payments,</i> ○ <i>multiple audits,</i> ○ <i>separate payrolls,</i> ○ <i>multiple board meetings,</i> ○ <i>and the inability to transfer employees across district lines.</i> • <i>Furthermore, citizens in St. Albans City and St. Albans Town now vote on separate school budgets for elementary and secondary education.</i> <p><i>A host of operational efficiencies can materialize under a single governance structure. Examples may include common bulk-purchasing:</i></p> <ul style="list-style-type: none"> • <i>fuel,</i> • <i>instructional supplies,</i> • <i>custodial supplies,</i> • <i>equipment, and</i> • <i>technology).</i> <p><i>Teacher Staffing:</i></p> <ul style="list-style-type: none"> • <i>Situational flexibility with teacher assignments; expanded deployment opportunities. On the rare occasion as necessary, teachers could be re-assigned to wherever they are most needed for the benefit of students.</i> • <i>Common and focused professional development.</i> • <i>Pooled professional resources.</i> • <i>The ability to blend part-time contracts, up to and including the prospect for full-time work. Such a condition may realize higher job satisfaction among these employees and retention rates could increase.</i> • <i>Single employment contracts for groups of employees. A single district would</i> 	
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	<p><i>necessitate that this occur for all – professional staff, support staff, etc. This would increase the efficiency of the Central Office. The present condition of five unique contracts for professional staff, five different contracts for support staff, and eleven different sets of guidelines for non-union employees is unworkable and a distraction from time that should be spent on matters more directly associated with education.</i></p> <ul style="list-style-type: none"> • <i>Ability for staff to follow students across transitions. For example, in the case of a student with a disability who has been effectively served by a paraprofessional over the years, the employee could continue to serve the student as he/she transitions between schools. Such would allow for consistency and maintaining a positive relationship.</i> • <i>Internal pay equity. There are currently disparities in the compensation of employees who do common work, but are currently employed in different districts.</i> <p><i>Other Staff:</i></p> <ul style="list-style-type: none"> • <i>Flexibility of efficient staffing between and among buildings.</i> • <i>Equity of health benefits and salaries throughout the schools.</i> • <i>Employment stability and opportunities for advancement.</i> • <i>Increased efficiencies in the ability to move custodial staff / facilities management personnel based on situational needs of building or projects. For example, if a school is being used for a seasonal camp and cannot be cleaned, the custodial staff could be deployed to an empty school and complete their cleaning; then go back to the other school after the camp is finished.</i> • <i>Support staff at the building level could be rearranged into specializations (improved data collection and reporting) and could be centralized to ensure consistency of the data being collected.</i> 	
<p><u>Goal #4:</u> The proposed union school district will promote transparency and accountability.</p>	<p><i>The current array of governance structures across Franklin Central Supervisory Union can be confusing to students, families, and other citizens.</i></p> <ul style="list-style-type: none"> • <i>The present configuration includes four school districts (including one union district and three separate PreK-8 districts) served by one supervisory union.</i> • <i>Students moving through grade levels are educated in multiple districts.</i> 	

<p>Act 46, Sec. 2(4)</p>	<ul style="list-style-type: none"> • <i>Furthermore, the current divisions of governance units truncate oversight, administrative and governance functions.</i> • <i>Transparency and heightened accountability can be promoted through:</i> <ul style="list-style-type: none"> - <i>single budget,</i> - <i>reduced audits,</i> - <i>a single accounts payable system,</i> - <i>a common payroll system,</i> - <i>fewer collective bargaining agreements to negotiate and manage, and</i> - <i>common employee benefits structures.</i> <p><i>Additionally, the supervisory union budget under current law is not directly voted on by citizens; within a unified union school district, “central office” expenses are made fully transparent as part of the single school district budget.</i></p> <p><i>The unified union school district’s new scale will result in heightened accountability for all, with the benefit of a less cluttered governance structure.</i></p>	
<p>Goal #5: The proposed union school district will deliver education at a cost that parents, voters, and taxpayers value.</p> <p>Act 46, Sec. 2(5)</p>	<p><i>Franklin Central Supervisory Union member districts have a proud tradition of supporting school budgets. However, in recent years, budgets have been increasingly challenged and in one district programs have been severely cut or eliminated. An effectively governed and administered unified union school district would realize a number of benefits that will either reduce costs and/or make financial resources more available for educational purposes (with less need to support redundant bureaucratic functions).</i></p> <p><i>Estimated budgetary savings are conservatively estimated at \$220,600. This does not take into account personnel savings which may be realized.</i></p> <p><i>The available tax incentives available to citizens are significant. Using three years of historical data for inputs into the DMC model on properties valued at \$200K, the five year tax savings are projected as follows:</i></p> <ul style="list-style-type: none"> • <i>St. Albans Town: \$1,495;</i> • <i>St. Albans City \$1,065; and</i> • <i>Fairfield \$1,021.</i> 	

	<i>See Report Figures 2, 3, 4, 5 & 6.</i>	
<p><u>Regional Effects:</u></p> <p>What would be the regional effects of the proposed union school district, including: would the proposed union school district leave one or more other districts geographically isolated?</p> <p><i>Act 46, Section 8(a)(2)</i></p>	<p><i>Franklin Central Supervisory Union's member districts are the subjects of this proposed unified union school district. Located in central Franklin County, the member districts of the proposed unified union school district are proximate to one another. The two most distant schools from one another (St. Albans City School and Fairfield Center School) are less than nine miles apart. The proposed unified union school district, upon its formation, would not leave one or more other districts geographically isolated.</i></p>	

Articles of Agreement – as required by 16 V.S.A. § 706b(b)(3) - (10), (13)		
<p>(3) The grades to be operated by the proposed union school district</p> <p>The grades, if any, for which the proposed union school district shall pay tuition</p>	<p><i>Operate: grades PK-12 (and Technical Education)</i></p> <p><i>No grades for tuition (except Fairfield students so electing in grades 9-12 for 2016-17 through 2019-20 school years).</i></p>	
<p>(4) The cost and general location of any proposed new schools to be constructed</p> <p>The cost and general description of any proposed renovations</p>	<p><i>No new schools will be constructed.</i></p> <p><i>No renovations are planned.</i></p>	
<p>(5) A plan for the first year of the proposed union school district's operation for:</p> <p>(A) the transportation of students</p>	<p><i>Transitional board to set policy on the transportation of students.</i></p> <p><i>Transitional board to standardize curriculum by July 1, 2017.</i></p>	

<p>(B) the assignment of staff (C) curriculum</p> <p>The plan must be consistent with existing contracts, collective bargaining agreements, and other provisions of law, including 16 V.S.A. chapter 53, subchapter 3 (transition of employees)</p>	<p><i>The transitional board will comply with state law in recognizing and bargaining successor collective bargaining agreements.</i></p>	
<p>(6) The indebtedness of the proposed merging districts that the proposed union school district shall assume.</p>	<p><i>See Figure 10. Total of \$7,923,575.00 (including debt service).</i></p>	
<p>(7) The specific pieces of real property owned by the proposed merging districts that the proposed union school district shall acquire, including:</p> <ul style="list-style-type: none"> * their valuation * how the proposed union school district shall pay for them 	<p><i>See Figure 9. 2015 adjusted total valuation of 5 properties = \$121,146,907.00. (Source = VSBIT insurable values.)</i></p> <p><i>Conveyed: \$1.00</i></p>	
<p>(8) <i>[repealed 2004 Acts and Resolves No. 130, Sec. 15]</i></p>	<p><i>Transitional details are outlined.</i></p>	
<p>(9) Consistent with the proportional representation requirements of the Equal Protection Clause, the method of apportioning the representation that each proposed member town shall have on the proposed union school board</p> <ul style="list-style-type: none"> * no more than 18 members total * each member town is entitled to at least one representative 	<p><i>Board of 10 members, carrying 9 votes. St. Albans City (4 members, 4 votes); St. Albans Town (4 members, 4 votes); Fairfield (2 members, 0.5 votes each). See Figure 8.</i></p> <p><i>At-large voting for all members.</i></p>	

<p>* <i>see also</i> 16 V.S.A. § 706k(c): one or more at-large directors</p> <p>* <i>see also</i> 16 V.S.A. § 707(c): weighted voting</p>		
<p>(10) The term of office of directors initially elected, to be arranged so that one-third expire on the day of each annual meeting of the proposed union school district, beginning on the second annual meeting, or as near to that proportion as possible</p>	<p><i>Detailed in Article X.</i></p>	
<p>(13) Any other matters that the study committee considers pertinent, including whether votes on the union school district budget or public questions shall be by Australian ballot</p> <p><i>(please list each matter separately)</i></p>	<p><i>a) Australian ballot</i></p> <p><i>b) Constraints on new board in first year of operation</i></p> <p><i>c) Design process for public input/ engagement in policy and budget work</i></p>	

FRANKLIN CENTRAL SUPERVISORY UNION

ACT 46 STUDY COMMITTEE REPORT

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ARTICLES OF AGREEMENT

Final Report v.4.01

*as approved by the FCSU Act 46 Committee
January 9, 2016*

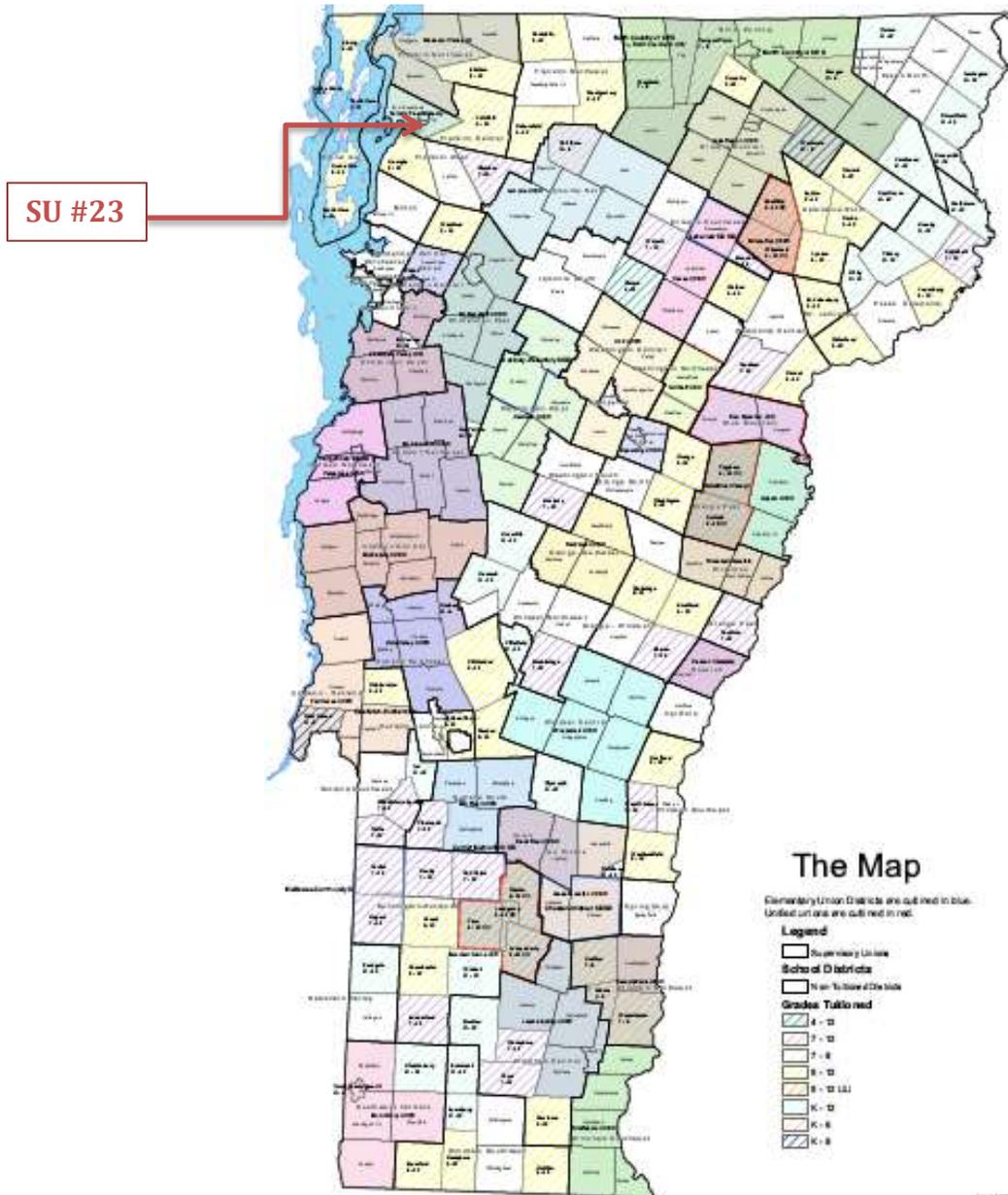
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Franklin Central Supervisory Union (FCSU): SU #23

Figure 1. FCSU.

- Bellows Free Academy Union High School District (UHSD) #48/Northwest Technical Center (NWTC) (operating grades 9 – 12 and technical education);
- Fairfield Town School District (operating grades PreK-8);
- St. Albans Town School District (operating grades PreK-8); and,
- St. Albans City School District (operating grades PreK-8).



FCSU Act 46 Study Committee Membership

St. Albans City

- Tayt Brooks *
- James Farr (Chair) *
- Nilda Gonnella-French **
- Jeff Morrill **
- Kristina Ellsworth-Spooner (*Alternate*) *

St. Albans Town

- Paul Bourbeau *
- Nina Hunsicker *
- Sally Lindberg **
- Kerry McCracken Ducolon *

Fairfield

- Michael Malone *
- Michael L'Esperance, (*Alternate*) *

* denotes member of sponsoring board

** denotes member of Bellows Free Academy UHSD #48/NWTC board

Committee Staff and Support

FCSU Superintendent

- Dr. Kevin Dirth

FCSU Business Manager

- Ms. Martha Gagner

FCSU Special Education Director

- Ms. Julie Regimbal

Attorney

- Pietro Lynn, Esq.

Secretary

- Ms. Brenda Comstock

Consultant

- Dr. Michael R. Deweese

FCSU Act 46 Study Committee Charge

In accordance with Title 16 §706b¹, Act 46, and Acts 153/156, the Committee shall study the benefits and challenges of forming a union district comprising the towns of Fairfield, St. Albans City and St. Albans Town.

The committee shall engage the communities with at least one public forum held in each of the participating towns to hear community hopes and concerns during the study. They also will make the determination as to whether the formation of a union district is advisable and should be taken to the voters.

They will prepare a report for the State Board of Education including all elements required by Title 16 §706b² and Act 46 in the formation of a union district. The report should be submitted in a timely fashion to allow for a community vote, if held, to occur on March 1, 2016. The report must be submitted to member district boards for review and comment prior to submission to the State Board of Education.

The Articles of Agreement required in Title 16 §706b³ should be written to provide maximum flexibility for the newly created Board to govern the district to best represent the community and serve educational needs of the students into the future.

Executive Summary

Franklin Central Supervisory Union (Vermont SU #23) is comprised of the following member school districts:

- Bellows Free Academy UHSD #48/NWTC (operating grades 9 – 12 and technical education);
- Fairfield Town School District (operating grades PreK-8);
- St. Albans Town School District (operating grades PreK-8); and,
- St. Albans City School District (operating grades PreK-8).

In the late summer of 2015, the town and city school district boards of Franklin Central Supervisory Union voted to form an Act 46⁴ Study Committee. The sponsoring boards of St. Albans City, Fairfield and St. Albans Town elected to jointly consider new opportunities available to communities to unify existing disparate governance structures into sustainable systems of education delivery that are designed to meet identified state goals, while concurrently recognizing and reflecting local priorities.

¹ 16 VSA 706b

² *ibid*

³ *ibid*

⁴ For purposes of this report, the term “Act 46” shall refer to Act 46 of 2015.
2016.01.09

The Committee formed and on September 16, 2015 named James Farr as its Chair.

The Committee's total operational budget was (not-to-exceed) \$25,000 (including up to \$20,000 which is underwritten from a grant that was sought and obtained from the Agency of Education in support of consulting and legal services).

In open meetings held from September through November, 2015, the FCSU Act 46 Study Committee considered new and on-going school governance opportunities made available to communities through Act 46. The Committee familiarized itself with Vermont law and its options. Through presentations, data reviews and inquiries, the Committee undertook its charge to study the benefits and challenges of forming a union district.

A public forum in each community was held for purposes of sharing the Committee's findings and soliciting citizens' reactions. The sponsoring school boards each supplied the Committee with feedback and comments on Report Draft v.2. The Committee thereafter reached the conclusion that the formation of a Unified School District involving all current school district members of Franklin Central Supervisory Union should be advanced to voters for their consideration.

On January 9, 2016, the FCSU Study Committee voted to accept this Report (v.4.01) and Articles of Agreement. Upon approval by the State Board of Education, the question of whether to form a Unified School District will be presented to voters of Fairfield, St. Albans City and St. Albans Town at the communities' respective Annual School District Meetings on March 1, 2016.

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A Franklin Central Unified School District

Voters' authorization to create a Unified School District, encompassing the current member districts of Franklin Central Supervisory Union, would result in the following conditions:

- ❖ The new Unified School District would become operational on July 1, 2017. This single district will operate all schools, serving grades PreK-12 and technical education.
- ❖ The pre-existing school districts of Bellows Free Academy UHSD #48/NWTC, Fairfield Town School District, St. Albans City School District and St. Albans Town School District will halt governance operations and cease to exist upon the close of business on June 30, 2017. Board members of the pre-existing districts will have their duties and terms completed on June 30, 2017.
- ❖ Employees of the four pre-existing districts' and supervisory union who are offered continuing employment following their 2016-17 employment contracts,

consistent with legal requirements will become employees of the new Unified School District.

- ❖ The four pre-existing districts' assets (including physical assets of FCSU), as of the close of business on June 30, 2017 will be transferred to the Unified School District not later than July 6, 2017 for the sum of \$1.00.
- ❖ Debts and liabilities of the four pre-existing districts and supervisory union will be transferred to the Unified School District as of July 1, 2017.
- ❖ School boards of the four pre-existing districts will continue to govern their respective districts through June 30, 2017.
- ❖ Through June 30, 2017, the school board for the Unified School District, consistent with law, will have responsibilities for the new district including but not limited to (a) collective bargaining responsibilities; (b) policy development; (c) budget development for the 2017-18 fiscal year; and (d) organizing the Unified School District's 2017 Annual Meeting. On July 1, 2017, the Unified School District Board will assume full and complete governance responsibilities for the Unified School District.

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The FCSU Act 46 Study Committee's Perspectives

Five state goals provide the foundation for Act 46. The Committee's assessment of the goals through the lens of a local Unified School district follow:

Goal #1: The proposed union school district will provide substantial equity in the quality and variety of educational opportunities. (Act 46 Sec 2(1))

Three of the pre-existing Franklin Central Supervisory Union school districts (Fairfield, St. Albans City and St. Albans Town) operate PreK-8 schools, each uniquely governed by separate school boards. Over time, through the natural evolution of three distinct organizations, differences in the depth, breadth and variety of educational opportunities for students presently exist.

St. Albans City and St. Albans Town previously formed a union high school district (Bellows Free Academy Union High School District #48/NWTC), and the majority of Fairfield students attend UHSD #48. This voter-authorized creation of the union high school district has been a positive experience for the communities and students. Bellows Free Academy is the common thread that formally binds two of the three FCSU communities. Any resulting inequities at the PreK-8 grade levels are magnified upon students' entry to their common high school. A more seamless transition to high school for all students is made more possible with a unified school district.

The proposed unified school district will provide meaningful opportunities for the new union district's board to comprehensively consider equity interests on behalf

of all students. Equitable educational opportunities, or access to equitable educational opportunities within a single system is enhanced.

For instance, the delivery of a common and consistent curriculum is not fully implemented across Franklin Central Supervisory Union. Similarly, assessments are not fully common across FCSU. A single governing board can more readily influence these desired conditions.

Goal #2: The proposed union school district will lead students to achieve or exceed the State's Education Quality Standards, adopted by rules of the State Board of Education at the direction of the General Assembly. (Act 46, Sec 2(2))

Vermont school districts, regardless of governance form, have an obligation to lead students to achieve or exceed the state's Education Quality Standards. Upon forming a Unified School district, inherent organizational redundancies found in the current governance and administration of multiple districts would no longer be impediments. The proposed Unified School district will better apply human and material resources to the ideals and desired outcomes of the Standards. The present state of individual and distinct mission and vision statements would become one under a Unified School district, furthering the ability to meet or exceed the Educational Quality Standards.

Goal #3: The proposed union school district will maximize operational efficiencies through increased flexibility to manage, share, and transfer resources, with a goal of increasing the district-level ratio of students to full-time equivalent staff. (Act 46, Sec 2(3))

Within the increasingly archaic supervisory union structure across Vermont, it is typical for the member districts to operate as silos. Put differently, "virtual firewalls" now separate the member districts of FCSU in many ways. While some of these barriers may be culturally based, others are driven by requirements under state and federal law which recognize the member districts as separate and distinct organizations. Duplicated efforts to honor and comply with segregated requirements result in redundancies including negotiating and managing multiple collective bargaining agreements, multiple accounts with common vendors, separate tax payments, multiple audits, separate payrolls, multiple board meetings, and the inability to transfer employees across district lines. Furthermore, citizens in St. Albans City and St. Albans Town now vote on separate school budgets for elementary and secondary education.

A host of operational efficiencies can materialize under a single governance structure. Examples may include common bulk-purchasing (such as fuel, instructional supplies, custodial supplies, equipment, and technology). In addition, centralized and increased flexibility in the deployment of personnel between and among schools, if necessary, becomes possible under a Unified School district.

Goal #4: The proposed union school district will promote transparency and accountability. (Act 46, Sec 2(4)).

The current array of governance structures across Franklin Central Supervisory Union can be confusing to students, families, and other citizens. The present configuration includes four school districts (including one union district and three separate PreK-8 districts) served by one supervisory union. Students moving through grade levels are educated in multiple districts. Furthermore, the current divisions of governance units truncate oversight, administrative and governance functions. A single budget, reduced audits, a singular accounts payable system, a common payroll system, fewer collective bargaining agreements to negotiate and manage, and common employee benefits structures will all serve to promote transparency and accountability in the Unified School district. Additionally, the supervisory union budget under current law is not directly voted on by citizens; within a Unified School district, “central office” expenses are made fully transparent as part of the single school district budget. The Unified School district’s new scale will result in heightened accountability for all, with the benefit of a less cluttered governance structure.

Goal #5: The proposed union school district will deliver education at a cost that parents, voters and taxpayers value. (Act 46, Sec. 2(5)).

Franklin Central Supervisory Union member districts have a proud tradition of supporting school budgets. However, in recent years, budgets have been increasingly challenged and in one district programs have been severely cut or eliminated. An effectively governed and administered Unified School district would realize a number of benefits that will either reduce costs and/or make financial resources more available for educational purposes (with less need to support redundant bureaucratic functions).

Through use of the District Management Council’s financial tool made available by the Act 46 Implementation Project for modeling the prospective effects of proposed Act 46 mergers, the following information can be gleaned. Through use of the most recent three years’ experience, the following basic assumptions⁵ were asserted:

Figure 2. Financial Modeling Input Assumptions

% change in equalized pupils per year	- 0.18%
% change in district education spending per year	4.13%
Average town home (equalized grand list) value change per year	-1.96%

The following charts reflect modeled differences in tax rates over the first five years of the new district’s existence. The charts are best interpreted as, “*using the above assumptions, what are the estimated tax rates if the district does not participate in the merger as compared with the estimated tax rates if the district merged with all other members of FCSU?*”

⁵ The model’s sensitivity requires that an averaging of the variables across the Supervisory Union be asserted.

Figure 3. Fairfield Modeled Tax Rates.

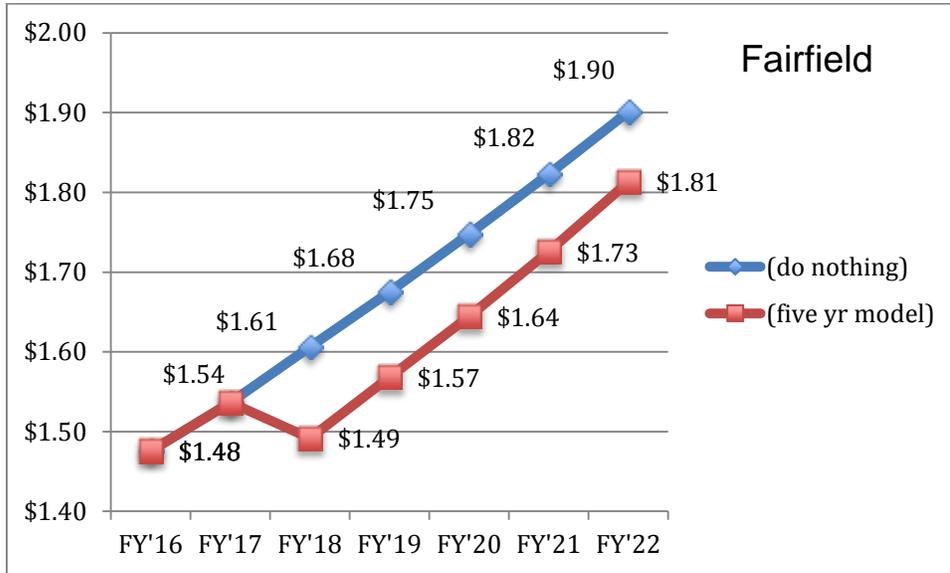


Figure 4. St. Albans City Modeled Tax Rates

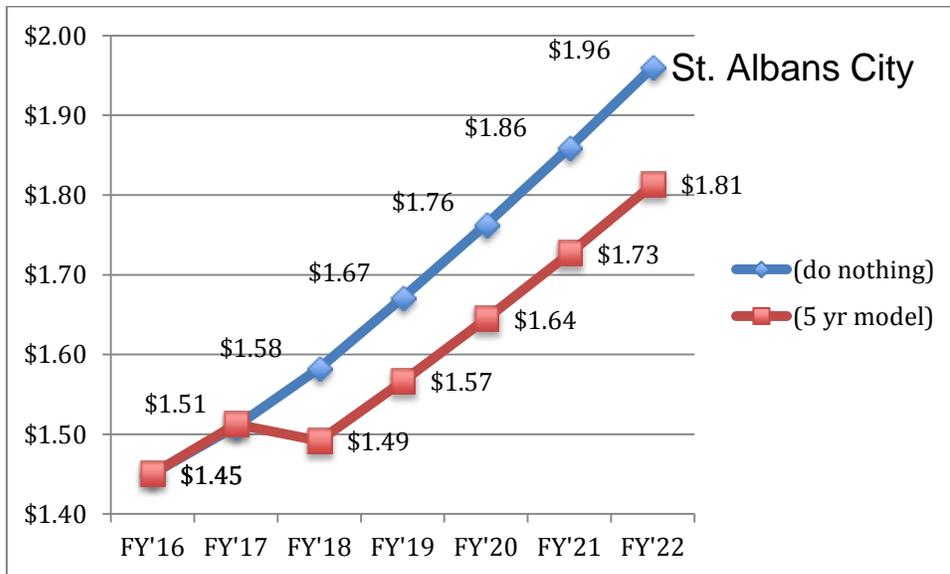
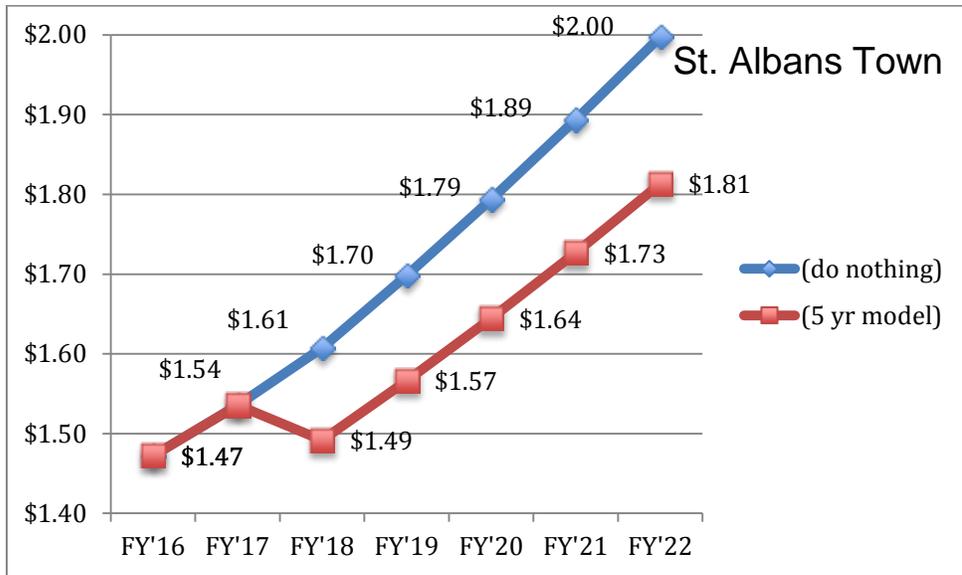


Figure 5. St. Albans Town Modeled Tax Rates.



The comparative tax savings through use of the tool can be modeled over the first five years of the merged district. In using a home value in each community of \$200,000, the comparative tax differential for homeowners (merged district versus unmerged) is illustrated below:

Figure 6. Tax Savings As Modeled.

	FY'16	FY'17	FY'18	FY'19	FY'20	FY'21	FY'22	Total
Fairfield	\$0	\$0	\$229	\$218	\$206	\$192	\$176	\$1,021
St. Albans City	\$0	\$0	\$182	\$209	\$237	\$266	\$294	\$1,065
St. Albans Town	\$0	\$0	\$231	\$264	\$298	\$333	\$369	\$1,495

Savings. By definition, duplicated expenses for common functions and services are an inherent reality within Vermont’s supervisory union structures. With a merged district, the following savings over the first five years of implementation of the Unified School District are conservatively projected:

Figure 7. Estimated Savings over the first five years.

Audits (fewer)	(\$ 100,000)
Board Stipends (fewer)	(\$ 60,000)
Purchasing (through bulk ordering)	(\$ 37,500)
Miscellaneous	(\$ 10,600)
Legal	(\$ 12,500)
<i>Est. total</i>	<i>(\$ 220,600)</i>

Regional Effects: What would be the regional effects of the proposed union school district, including: would the proposed union school leave one or more other districts geographically isolated? (Act 46, Section 8(a)(2))

Franklin Central Supervisory Union’s member districts are the subjects of this proposed Unified School district. Located in central Franklin County, the member districts of the proposed Unified School district are proximate to one another. The two most distant schools from one another (St. Albans City School and Fairfield Center School) are less than nine miles apart. The proposed Unified School district, upon its formation, would not leave one or more other districts geographically isolated.

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Highlights of Prospective Benefits of a Franklin Central Unified School District

Improved Student Learning Opportunities

- Consistent and common curriculum.
- Common assessments.
- Greater flexibility to share human and material resources.
- Consistent programming opportunities between and among schools.
- Potential opportunity for some PreK-8 school choice.
- Grade reconfiguration opportunities.
- Consistency with students’ transitions to high school.
- Ability to share teacher resources across schools (part-time and itinerant educators).
- Common vision and values for a single district.
- Heightened ability for students to participate in unique opportunities at neighboring schools.
- Frees up administrative time to focus on instructional leadership.

Teacher Staffing

- Situational flexibility with teacher assignments; expanded deployment opportunities. On the rare occasion as necessary, teachers could be re-assigned to wherever they are most needed for the benefit of students.
- Common and focused professional development.
- Pooled professional resources.
- The ability to blend part-time contracts, up to and including the prospect for full-time work. Such a condition may realize higher job satisfaction among these employees and retention rates could increase.
- Single employment contracts for groups of employees. A single district would necessitate that this occur for all – professional staff, support staff, etc. This would increase the efficiency of the Central Office. The present condition of five unique contracts for professional staff, five different contracts for support staff, and eleven different sets of guidelines for non-union employees is unworkable and a distraction from time that should be spent on matters more directly associated with education.
- Ability for staff to follow students across transitions. For example, in the case of a student with a disability who has been effectively served by a paraprofessional over the years, the employee could continue to serve the student as he/she transitions between schools. Such would allow for consistency and maintaining a positive relationship.
- Internal pay equity. There are currently disparities in the compensation of employees who do common work, but are currently employed in different districts.

Other Staff

- Flexibility of efficient staffing between and among buildings.
- Equity of health benefits and salaries throughout the schools.
- Employment stability and opportunities for advancement.
- Increased efficiencies in the ability to move custodial staff / facilities management personnel based on situational needs of building or projects. For example, if a school is being used for a seasonal camp and cannot be cleaned, the custodial staff could be deployed to an empty school and complete their cleaning; then go back to the other school after the camp is finished.
- Support staff at the building level could be rearranged into specializations (improved data collection and reporting) and could be centralized to ensure consistency of the data being collected.

Technology

- Shared technology would provide access to compatible software, hardware and training.
- Centralized technology planning. Presently, technology decisions are made at the building level. Often, each building does things differently, resulting in little

consistency between the buildings. Building-based network administrators have different policies and procedures and inconsistent software platforms/equipment.

- A centralized system would ensure equitable and consistent access to technology for students and employees.
- There would be common plans with common solutions.
- Centralized purchasing of technology has the potential to save thousands of dollars.
- Consistent infrastructure.
- Consistent email addresses. Currently the use of different email naming protocols makes it unnecessarily confusing for parents and employees.
- Consistent access to servers.
- A common and shared vision.

Student Data Collection and Reporting

- Each building collects its own individual data using its own database. The data is often different, depending on the principal's priorities. In a unified district, the data system would be centralized with one database.
- Consistent data would be collected and reported for all, ensuring complete reliability. This data would include assessment and enrollment date, registrar information, etc., providing improved confidentiality and accuracy.
- State funding to the unified district would be based on more accurate student data. Presently, depending on who is collecting the data, certain information often falls through the cracks.
- There would be better transparency of data and more accountability of performance in each school. The data would be easier to analyze by instructional leaders and teachers and would be more accurate, as there are fewer people involved in the data input.
- The district would report on common goals and vision from a single PreK-12 perspective.

Financial Accounting and Budgeting

- One budget to develop and execute would be more efficient than the current five.
- Centralized bidding and bulk purchasing has the potential to be less costly.
- One payroll.
- One audit as opposed to five. This alone could realize a potential annual savings of \$20,000.
- There are presently 22 individual board members. A unified district would be served by a single board with 10 members, therein reducing stipend costs.
- One accounting system using one database.
- One accounts payable system. Presently every school has a different system.
- One set of accounts - one database.
- One budget vote on School District Annual Meeting Day.

- No financial transfers between or among districts and the supervisory union would be necessary.
- More flexibility (fiscal flexibility to support services in all schools, sharing resources, personnel, etc.)

Improved Utilization of Facilities (buildings and grounds)

- Flexibility in use of school grounds.
- Building projects could be combined and would be considered as part of one budget.
- There would be opportunities to share facilities and space when needed – areas such as outdoor classroom space, gyms, specialized rooms, etc.
- Centralized, streamlined facilities management.
- Sharing of custodial staff and expertise, specialization, coverage for each other.
- Centralized capital planning.

Centralized Contracting

- Bulk purchasing.
- Technology.
- Materials.
- Infrastructure repairs, maintenance, upgrades.
- Textbook purchases, software licenses.

Transportation

- A transportation study to determine the scope and efficiency of our transportation has been authorized.

Food Service

- One centralized contract.
- A food service balance could be applied to any school for infrastructure repairs.
- Per the Agency of Education, community eligibility programs (“universal meals”) at St. Albans City School may continue.⁶

Support Services

- Enhanced delivery of special education and other support services.
- Per the Agency of Education, current Consolidated Federal Grant statuses (“Title I & Title II”) now benefitting some FCSU schools would be unaffected.

Governance

- One ten-member school board will govern all schools in the new district.

⁶ Reference - United States Department of Agriculture (Food and Nutrition Service) memo code SP 45 – 2015, dated September 14, 2015 entitled, “Community Eligibility Provision: Guidance and Updated Q&As.”

Cost Savings and Expenditure Redirection

- Tax incentives in the first five years: 10 cents, 8 cents, 6 cents, 4 cents, and 2 cents. (see figures 3-6)
- \$150,000 grant to help implement a smooth transition to the new organization.
- Potential budget savings of nearly \$220,600 over the first five years.
- Some budget assets will be redirected from bureaucratic redundancies and reapplied to educational purposes.

Time Reallocation

- There would be fewer meetings district-wide. Presently, in a typical month, there is a minimum of nine meeting, which include regular board meetings and board sub-committee meetings. In addition, special meetings are frequently added, as are budget meetings and negotiations for the ten contracts noted earlier. The superintendent and many other central office staff average fifteen evening meetings a month. The Executive Assistant to the Superintendent estimates that 60% - 70% of her time is spent on board functions such as creating and warning agendas, dealing with boards' inquiries, managing minutes, etc. Reallocation of superintendent and staff time would be redirected to educational leadership functions.
- Upon unification, evening meeting frequency could be reduced by two-thirds, allowing more administrative time to work on educational issues in the schools. They could once again be true instructional leaders. Less time at evening governance functions would result in central office administrators being more visible at school functions and events (such as attending athletic events, concerts, portfolio nights, awards nights, an occasional PTO meeting, and so forth).
- There would be significant time savings in the business office when they are not dealing with multiple labor groups, contracts and budgets.

School Choice

- In a Unified School district with three elementary schools, PreK-8 school choice would be a consideration for the board and administration. Students who live near town boundaries may prefer a closer school. Students for whom their school is "not a good fit" could be considered for transfer to another school. Parents may prefer specialized programs available at a different school. In a Unified School district, policies and procedures could be considered that account for this new opportunity.
- Secondary school choice has historically been available to Fairfield families. As a member of a Unified School district, Fairfield grade 9-12 students would become residents of the new Unified School district. Currently, a vast majority of Fairfield's students choose Bellows Free Academy UHSD #48/NWTC (BFA) as their elected high school. An important law continues in Vermont, notably Act 129, which permits students to choose another high school. Presently there are two "outbound" students who have left BFA for another high school, while 18

“inbound” students have left another high school to attend BFA. Under Act 46, these choice opportunities continue. Based on law and schools’ capacities, there are finite numbers of students for “inbound and outbound slots” at each Vermont high school; when those thresholds are exceeded, a lottery system is administered to manage the demand. Under current conditions, there would be an adequate number of “outbound slots” at BFA to accommodate the 18 Fairfield students who elect a school other than BFA. In addition, the Study Committee has asserted that the formation of the Unified School district ought not disaffect Fairfield families whom have already chosen another high school; upon the formation of a unified district, Fairfield students may exercise choice as presently exists through June, 2020, thus grandfathering students through their senior year.

Fairfield Town Leases

- Per Fairfield Town Clerk Amanda Forbes, a perpetual lease exists between the Town of Fairfield (Recreation Department) and the Fairfield Town School District for ongoing access to the school grounds for recreation purposes; the term of the lease continues as long as the Town’s Recreation Department exists. This lease, specific to the Fairfield Town Recreation Department and the Fairfield School grounds would be assumed by the Unified School District.
- The Unified School District is prepared, upon agreement with the Town of Fairfield, to assume the terms and conditions of the current five year lease (2015-2020) of the “Common School” for school purposes.

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Unified School District Board of Directors

A school board of ten members with nine votes will govern the Unified School District. Details follow:

Figure 8. Context for School Board Members and Proportional Distribution.

Town/City	Population	% of Union Population	# of Board Members	% of Board (rounded)	Resident Citizens per Board Member
St. Albans City	6,918	46.72%	4	44%	1,729
St. Albans Town	5,999	40.51%	4	44%	1,500
Fairfield	1,891	12.77%	1*	11%	1,891
Union total	14,808	100.00%	9	100%	

** Two members, each carrying one-half vote*

All voters from St. Albans City, St. Albans Town and Fairfield will vote on the same slate of candidates for the school board. For the initial election of school directors, ballots will guide voters:

- From the list of candidates from St. Albans City, vote for not more than four candidates.
- From the list of candidates from St. Albans Town, vote for not more than four candidates.
- From the list of candidates from Fairfield, vote for not more than two candidates.

The votes will be commingled.

School District Property Valuations

Insurable values for school buildings within FCSU are shown below.

Figure 9. Current Valuations of FCSU School Properties.

Insurable Values for School Buildings within the FCSU			
Information source: VSBIT assessment done 10/28/13 Values have been adjusted by VSBIT for FY16 insurance purposes			
	Year Built	Assessed Value 10/28/13	Adjusted Value 7/1/15
St. Albans City School			
59 Bellows Street	1968	\$30,307,900	\$32,299,910
St. Albans Town Educational Center			
169 South Main Street	1966	\$23,449,100	\$24,478,131
Fairfield Center School			
57 Park Street	1964	\$5,366,300	\$5,739,300
Bellows Free Academy UHS			
71 Main Street Building	1930	\$29,902,600	\$30,701,760
Hospital Building	1970	\$11,390,500	\$11,686,653
Building Trades	1970	\$2,837,300	\$2,911,070
		\$44,130,400	\$45,299,482
Collins Perley Sports Complex			
Complex	1987	\$12,874,400	\$13,202,654
Garage	1989	\$124,200	\$127,429
		\$12,998,600	\$13,330,084
	BFA/CPSC	\$57,129,000	\$58,629,566
Total of all buildings in FCSU		\$116,252,300	\$121,146,907

Existing Debts and Liabilities

Districts' debt schedules are shown below:

Figure 10. FCSU Member District Debts.

BFA/CPSC				SACS			
Period	Principal	Interest	Annual Debt Service	Period	Principal	Interest	Annual Debt Service
7/1/17-6/30/18	270,000	117,027	387,027	7/1/17-6/30/18	484,845	44,258	529,103
7/1/18-6/30/19	270,000	107,446	377,446	7/1/18-6/30/19	484,845	43,446	528,291
7/1/19-6/30/20	270,000	97,347	367,347	7/1/19-6/30/20	484,845	42,632	527,477
7/1/20-6/30/21	270,000	86,765	356,765	7/1/20-6/30/21	484,845	41,820	526,665
7/1/21-6/30/22	265,000	75,851	340,851	7/1/21-6/30/22	484,845	41,008	525,853
7/1/22-6/30/23	260,000	64,769	324,769	7/1/22-6/30/23	473,845	40,196	514,041
7/1/23-6/30/24	260,000	53,463	313,463	7/1/23-6/30/24	419,845	39,520	459,365
7/1/24-6/30/25	195,000	43,424	238,424	7/1/24-6/30/25	419,845	39,520	459,365
7/1/25-6/30/26	195,000	34,691	229,691	7/1/25-6/30/26	209,923	19,760	229,683
7/1/26-6/30/27	195,000	25,773	220,773	7/1/26-6/30/27	0	0	0
7/1/27-6/30/28	145,000	17,795	162,795	7/1/27-6/30/28	0	0	0
7/1/28-6/30/29	145,000	10,768	155,768	7/1/28-6/30/29	0	0	0
7/1/29-6/30/30	145,000	3,611	148,611	7/1/29-6/30/30	0	0	0
Totals	2,885,000	738,730	3,623,730	Totals	3,947,685	352,160	4,299,845

SATEC	\$0
Fairfield	\$0

Total for all school districts			
Period	Principal	Interest	Annual Debt Service
7/1/17-6/30/18	754,845	161,285	916,130
7/1/18-6/30/19	754,845	150,892	905,737
7/1/19-6/30/20	754,845	139,979	894,824
7/1/20-6/30/21	754,845	128,585	883,430
7/1/21-6/30/22	749,845	116,859	866,704
7/1/22-6/30/23	733,845	104,965	838,811
7/1/23-6/30/24	679,845	92,983	772,828
7/1/24-6/30/25	614,845	82,944	697,789
7/1/25-6/30/26	404,923	54,451	459,374
7/1/26-6/30/27	195,000	25,773	220,773
7/1/27-6/30/28	145,000	17,795	162,795
7/1/28-6/30/29	145,000	10,768	155,768
7/1/29-6/30/30	145,000	3,611	148,611
Totals	6,832,685	1,090,890	7,923,575

Articles of Agreement

The FCSU Act 46 Study Committee recommends that the following Articles of Agreement (*per 16 VSA §706b*) be adopted by the electorate of each necessary school district for the formation of a pre-Kindergarten through Grade 12 Unified School district to be temporarily named, "Franklin Central Unified School District," also hereafter referred to as the "Unified School District."

Article I

The School Districts of Fairfield, St. Albans City and St. Albans Town are necessary for the establishment of the Franklin Central Unified School District. While it is included, the interests of BFA USD #48 are represented by its two member districts, St. Albans City and St. Albans Town. The four current members of Franklin Central Supervisory Union are hereinafter referred to as the "forming districts."

Article II

There are no additional school districts the committee considers advisable for inclusion in the Franklin Central Unified School District.

Article III

The Franklin Central Unified School District will operate and provide pre-kindergarten through grade twelve education to all students in the district. Notwithstanding any change by the State Board of Education, the Northwest Technical Center is understood to be included in the Franklin Central Unified School District. Fairfield high school students enrolled and attending a public or approved independent high school (grades 9 – 12) during the 2016-17 school year at the expense of the Fairfield Town School District shall retain the option to continue to attend the same public or approved independent school at the Franklin Central Unified School District's expense until June 30, 2020.

Article IV

No new school buildings are necessary to, or proposed for the formation of the Franklin Central Unified School District. The Unified District School Board will assume ownership and operate existing school facilities of the forming school districts commencing July 1, 2017.

Article V

The Franklin Central Unified School District board shall decide, in accordance with state and federal law, the transportation services to be provided to students in the Franklin Central Unified-School District.

The forming districts of the Franklin Central Unified School District recognize the benefits to be gained from establishing district-wide curricula as well as their obligation to do so, and to otherwise standardize operations on or before July 1, 2017.

The Franklin Central Unified School District Board will comply with 16 VSA Chapter 53, subchapter 3, regarding the recognition of the representatives of employees of the respective forming districts as the representatives of the employees of the Franklin Central Unified School District and will commence negotiations pursuant to 16 VSA Chapter 57 for teachers and 21 VSA Chapter 22 for other employees. If the Franklin Central Unified District School Board cannot successfully negotiate a collective bargaining agreement by July 1, 2017, the Franklin Central Unified District School Board will comply with the pre-existing collective bargaining agreements pursuant to 16 VSA Chapter 53, subchapter 3. All of the forming districts' employment contracts shall be effective until their expiration or termination.

Article VI

Any and all operating deficits and/or surpluses of any of the forming districts shall become the asset, and/or the obligation of the Franklin Central Unified School District, effective July 1, 2017. Those member districts with surpluses or remaining reserve funds as of the close of business on June 30, 2017, will transfer all such funds to the Franklin Central Unified School District.

Article VII

No later than June 30, 2017, the forming districts will convey to the Franklin Central Unified School District all of their school-related real and personal property, for One Dollar, and the Franklin Central Unified School District will assume all capital debt associated therewith. Included in the conveyance of real property shall be any leasehold interests held by any of the forming districts.

The Unified School District recognizes the long term financial investments and community relationships that each town/city has with its school building(s). The Franklin Central Unified School District will encourage appropriate continued use of the building by the students and community pursuant to its policies and procedures.

In the event that the Franklin Central Unified School District Board of School Directors determines, in its discretion, that any of the real property, including land and buildings, conveyed to it by one or more of the forming districts is or are unnecessary to the continued operation of the Franklin Central Unified School District and its educational programs, the Franklin Central Unified School District shall convey such real property, for the sum of One Dollar, and subject to all encumbrances of record, the assumption or payment of all outstanding bonds and notes and the repayment of any school construction aid or grants as required by Vermont law, as follows:

- St. Albans City School, 59 Bellows Street transfers to St. Albans City
- St. Albans Town Educational Center, 169 South Main Street transfers to St. Albans Town
- Fairfield Center School, 57 Park Street transfers to Fairfield
- Bellows Free Academy UHS, 71 Main Street Building, the Hospital Building, the Building Trades, Collins Perley Sports Complex and Garage transfer to St. Albans City and St. Albans Town.

The conveyance of any of the above school properties shall be conditioned upon the town/city owning and utilizing the real property for community and public purposes for a minimum of five years. In the event a town/city elects to sell the real property prior to five years of ownership, the town/city shall compensate the Franklin Central Unified School District for all capital improvements and renovations completed after the formation of the Franklin Central Unified School District and prior to the sale to the town/city. In the event a town/city elects not to acquire ownership of such real property, the Franklin Central Unified School District shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the Franklin Central Unified School District Board.

Article VIII

16 VSA §723 governs the administrative transition to the Franklin Central Unified School District. Specifically on the day the Franklin Central Unified School District becomes effective (July 1, 2017), the Franklin Central Unified School District shall assume the assets and assumes the existing contractual obligations and other liabilities of the member school districts within its borders unless otherwise agreed to by the member districts in the approved plan for the formation of the Unified School district. No later than July 6, 2017, the treasurer of each preexisting school district shall pay by check to the treasurer of the Franklin Central Unified School District the full amount of the balance standing in his or her school account and transfer and/or assign to him or her all outstanding notes and contracts. All other officers of the preexisting school districts shall transfer and/or assign to the corresponding officer of the Franklin Central Unified School District all instruments and other documents establishing the forming districts' assets, liabilities, and contractual rights.

Article IX

For purposes of this article, the term “member towns” shall refer both to the forming districts that are voting whether to create a unified union school district and also to the member towns of the Unified Union School District if it is created.

School directors shall be apportioned to each member town in a manner that is roughly proportional to the fraction that its population bears to the aggregate population of all member towns in the Unified Union School District.

Legal voters of one or more of the member towns shall nominate persons who are residents of the respective member towns/city for the school director position(s) apportioned to that town/city.

Directors on the Board shall be voted at-large by the electorate of the Unified Union School District.

For the initial process of nominating individuals for school director positions, each nominee must reside in the town to which the board seat is apportioned. Consistent with 16 VSA § 706e(c) regarding at-large voting, each nominee’s petition must be signed by a minimum of sixty (60) legal voters from one or more of the member towns/city.

Petitions are valid only if the nominee accepts the nomination in writing. The petition must be filed with the clerk of the nominee’s town/city school district (or the town clerk if there is no town school district clerk). Petitions must be filed not less than 30 nor more than 40 days prior to the date of the vote to establish the Unified Union School District. Upon receipt of a valid petition, the clerk shall place the name of the person on the ballot and notify the clerk of every district proposed for membership in the proposed Unified Union School District to place the person’s name on the ballot of each district.

Initial Board composition is based on the 2010 Federal Census, and shall be recalculated promptly following the release of each subsequent decennial census. At such time, the Board shall also evaluate and consider the advisability of continuing the system of at-large voting for school directors.

Initially, Fairfield, a town corresponding to a pre-existing member school district, shall elect two members to the Board, who will have a weighted vote of one. Each Fairfield vote shall be counted as one-half of a Board vote. At no time will a member town have fewer than two board members, with a total weighted vote of one on the Board.

The initial membership on the Board will be as follows:

Town/City	Board Members
St. Albans City	4
St. Albans Town	4
Fairfield	2*
<i>* Each board member will have a .5 weighted vote (equaling 1.0 total vote)</i>	

Article X

The Franklin Central Unified School District Board of School Directors will be elected for three-year terms, except for those initially elected at the time of the formation of the Unified School District. In the initial Franklin Central Unified School District election, board member terms of office will be as follows:

Distribution of Initial One-Year, Two-Year and Three-Year Terms:

Town/City	1 Year Term	2 Year Term	3 Year Term
St. Albans City	2	1	1
St. Albans Town	1	1	2
Fairfield	1	1	-

The Transition from Initial Board Terms to Three-Year Terms:

Voting year -	'16	'17	'18	'19	'20	'21	'22	'23	'24	'25
City							
City							
Town							
Fairfield							
City								
Town								
Fairfield								
City										...
Town										...
Town										...

Pursuant to the provisions of 16 VSA §706j(b), elected school directors shall be sworn in and assume the duties of their office. The term of office for School Directors elected at the March 1, 2016 election shall be one, two, or three years respectively, plus the additional months between the date of the Organizational Meeting of the Franklin Central Unified School District (16 VSA §706j), when the initial school directors will begin their term of office, and the date of the Franklin Central Unified School District's annual meeting in the spring of 2017, as established under 16 VSA §706j. Thereafter, terms of office shall begin and expire on the date of the Franklin Central Unified School District's Annual Meeting.

Article XI

The proposal forming this Franklin Central Unified School District will be presented to the voters of each forming school district on March 1, 2016. The candidates for the new Franklin Central Unified School District Board of School Directors will be elected on the same date, as required by law.

Article XII

Upon an affirmative vote of the electorates of the school districts, and upon compliance with 16 VSA §706g, the Franklin Central Unified School District shall have and exercise all of the authority which is necessary in order for it to prepare for full educational operations beginning on July 1, 2017. The Franklin Central Unified School District shall, between the date of its organizational meeting under 16 VSA §706j and June 30, 2017, develop school district policies, adopt curriculum, educational programs, assessment measures and reporting procedures in order to fulfill the Education Quality Standards (State Board Rule 2000), prepare for and negotiate contractual agreements, set the school calendar for Fiscal Year 2018, prepare and present the budget for Fiscal Year 2018, prepare for Franklin Central Unified School District Annual Meeting(s) and transact any other lawful business that comes before the Board, provided, however, that the exercise of such authority by the Unified School District shall not be construed to limit or alter the authority and/or responsibilities of the School Districts of St. Albans City, St. Albans Town, BFA Union High School District #48/NWTC, Fairfield Town and the Franklin Central Supervisory Union. The Franklin Central Unified School District shall commence full educational operations on July 1, 2017.

Article XIII

The Franklin Central Unified School District of School Directors shall propose annual budgets in accordance with 16 VSA Chapter 11. The annual school budget vote shall be conducted by Australian ballot pursuant to 17 VSA Chapter 55.

On July 1, 2017, the St. Albans City, St. Albans Town, BFA Union High School #48/NWTC and Fairfield Town School districts shall cease all educational operations and shall remain in existence for the sole purpose of winding up any outstanding business not given to the Franklin Central Unified School District under these articles and state law. Such business shall be completed as soon as practicable, but in no event any later than December 31, 2017. The Franklin Central Supervisory Union shall cease all operations within a reasonable timeframe of the completion of all outstanding business of its member school districts, but in no event any later than January 31, 2018.

For at least the first year that the Franklin Central Unified School District is fully operational and providing educational services, students shall attend elementary school and middle school in their town/city of residence; provided however, with parental consent, the Board of School Directors may adjust student enrollment based upon individual student circumstances and needs of the Franklin Central Unified School District. Effective July 1, 2018, the Board of School Directors will have the authority to adjust school attendance boundary lines and school configurations within the Franklin Central Unified School District.

The Franklin Central Unified School District school board shall provide opportunity for local input on policy and budget development. Structures to support and encourage public participation within the Franklin Central Unified School District will be established by the Franklin Central Unified School District Board of School Directors on or before June 30, 2017.

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