

# Senate Finance

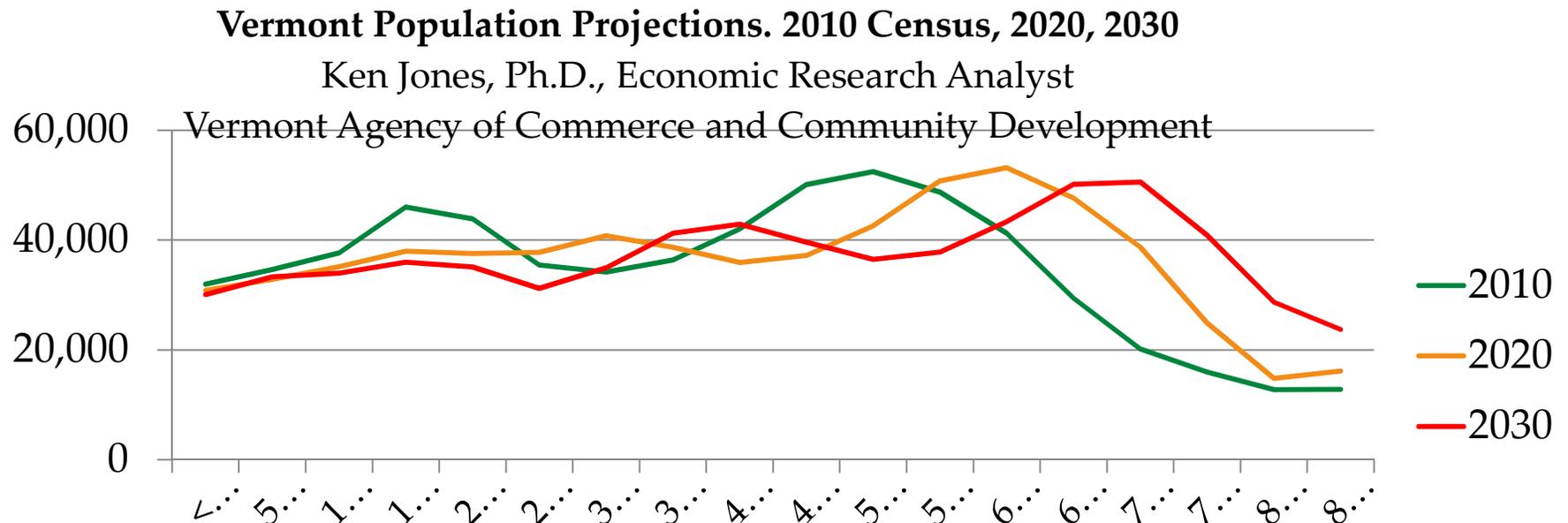
January 27, 2015

Sec. Rebecca Holcombe

# Demographic Context:

**Core Problem:** We have declining student numbers, fewer tax payers and rising taxes, as well as inequities of educational opportunity

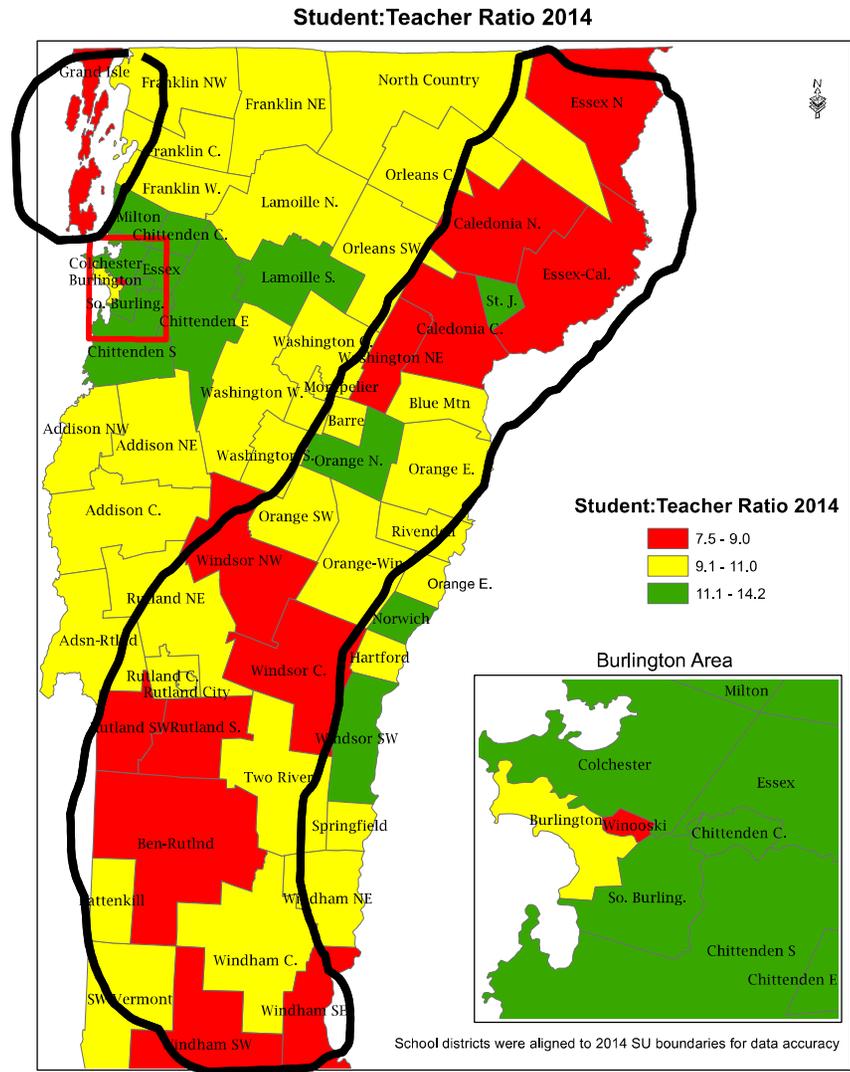
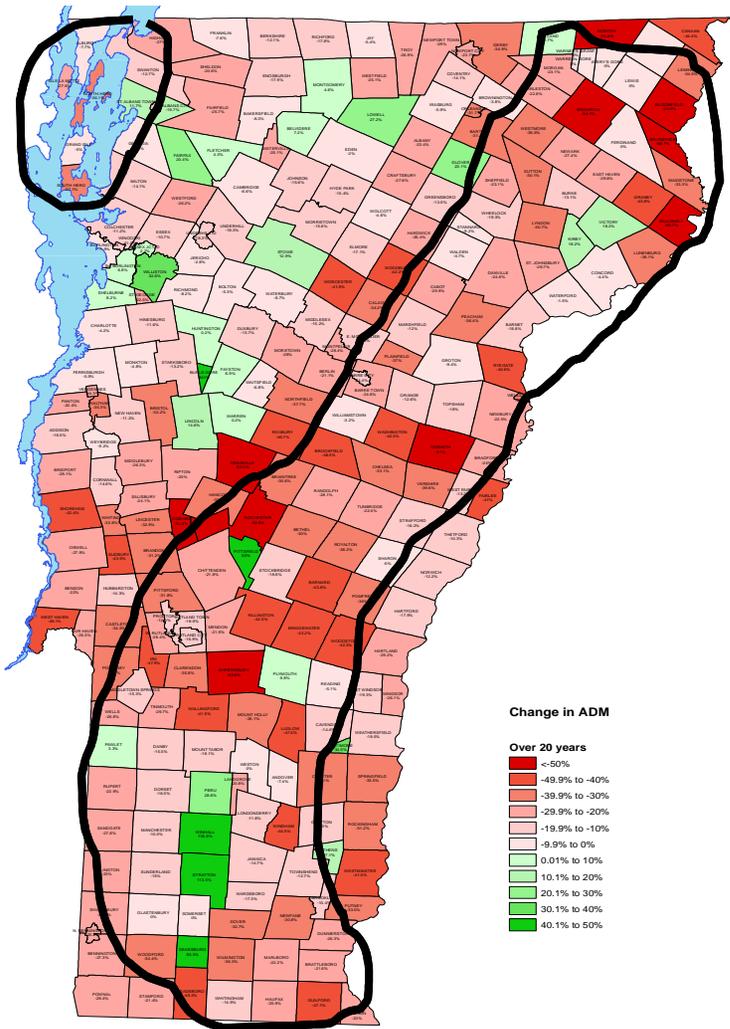
**Question:** How do we provide **high quality opportunities to learn** in the most **equitable** and **affordable** way possible



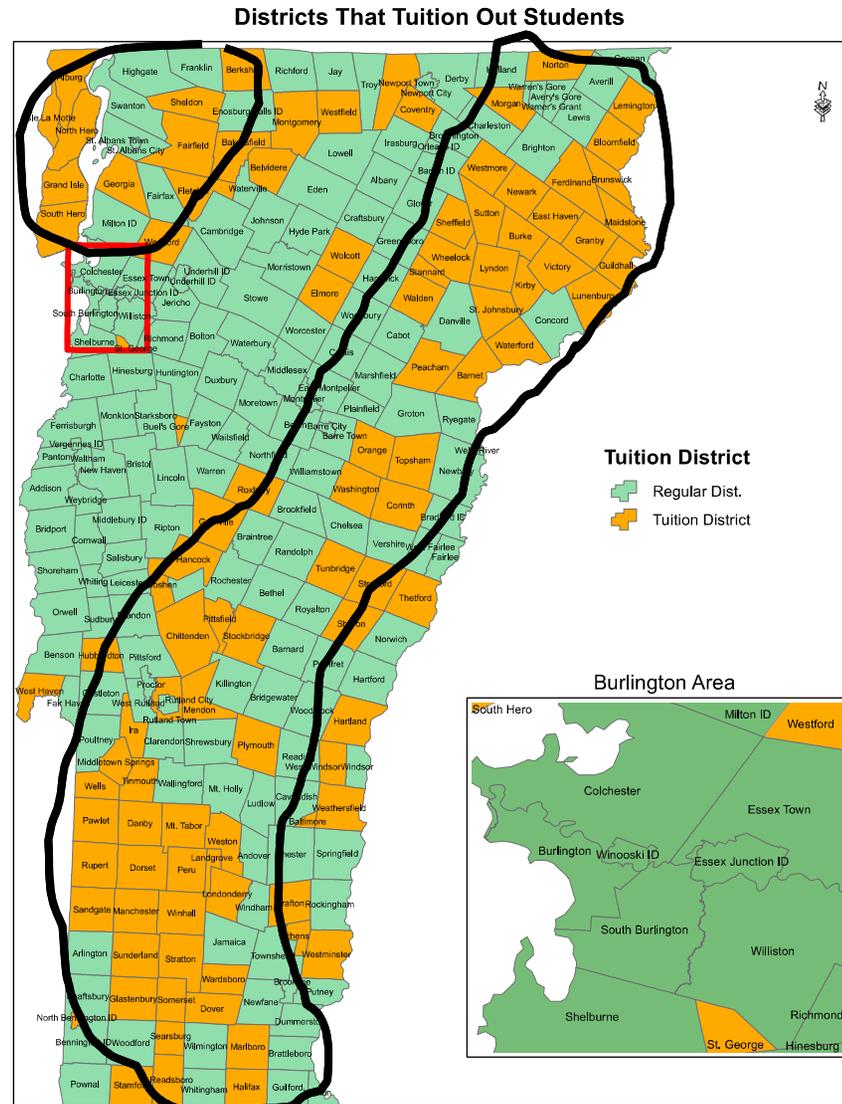
# Demographic Context

**Student DECLINE >50%**

**Student-to-Teacher Ratio 7.5-9.0**



# Declines are concentrated in the tuition towns



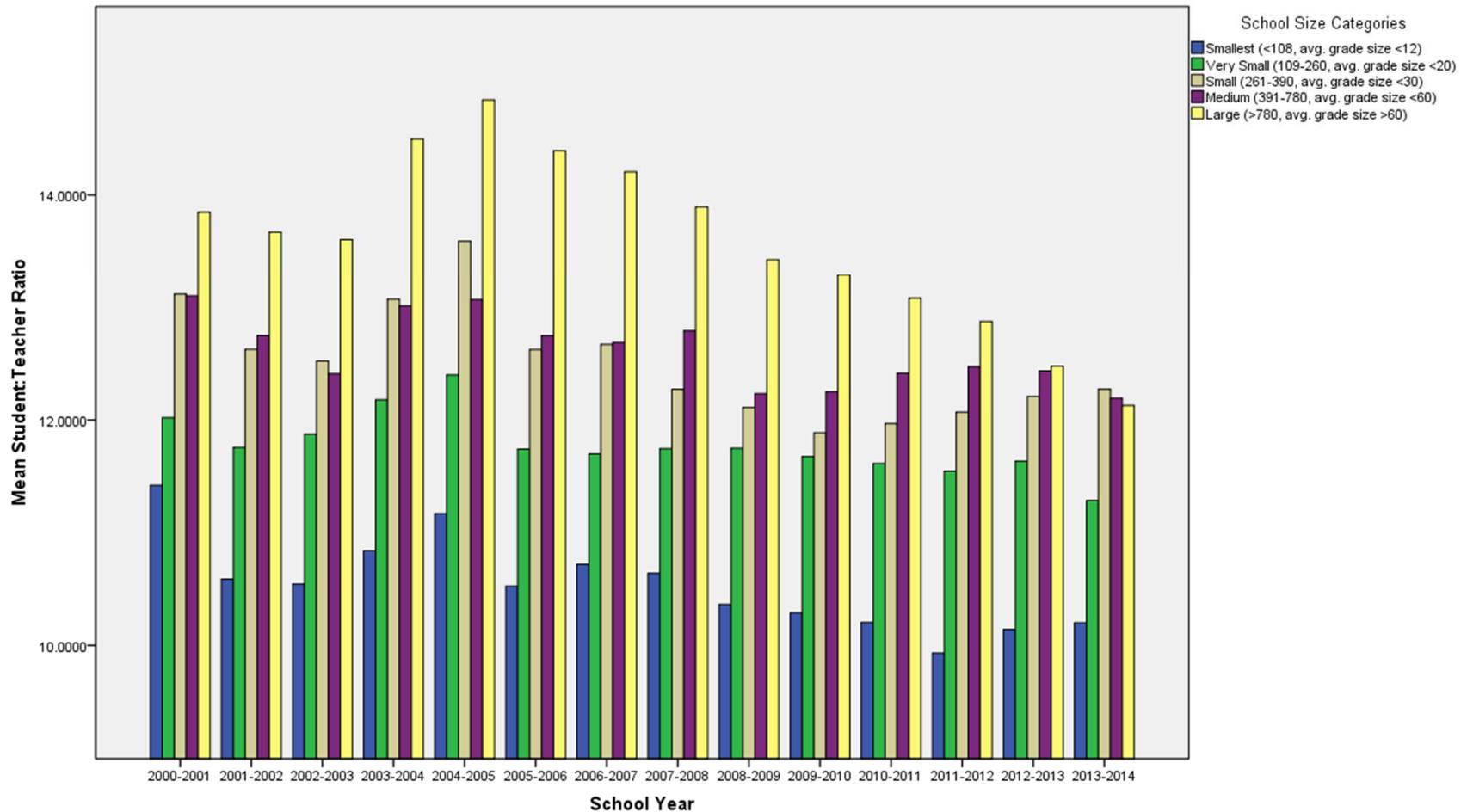
# How small is VT?

- Almost 70% of our districts have an average daily membership smaller than 300 students.
- 21% of our schools have enrollments of 100 or less. (36% have enrollments of 150 or less.)
- 30% of our districts have 100 ADM or less.
- 25% of our high schools have enrollments of 300 or less.

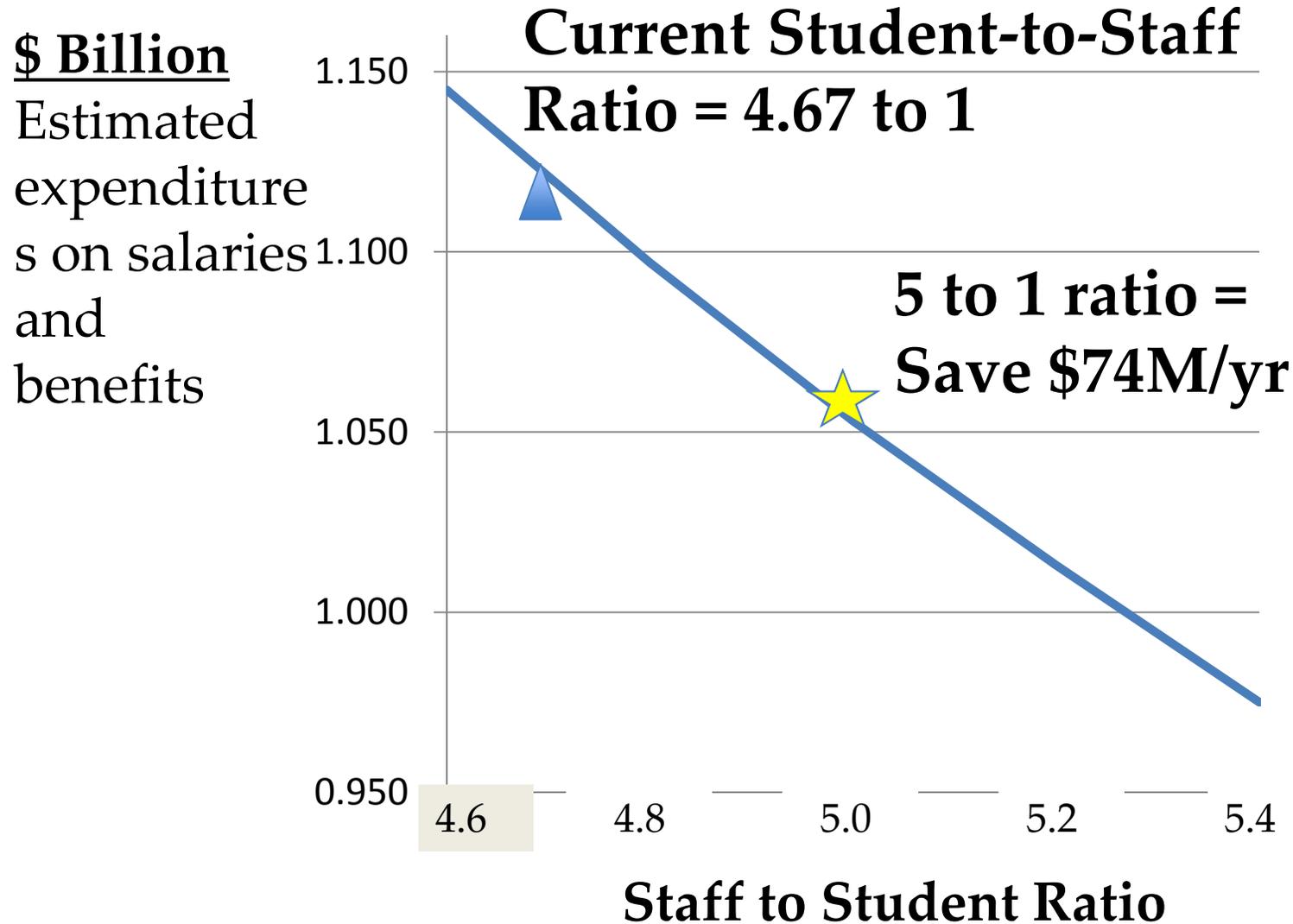
How do we provide high quality opportunities to learn in the most **equitable** and **affordable** way possible, given our current structure and demographic challenges?

# Student : teacher ratios are lower in smaller schools, on average

Note: Student:teacher ratios are not the same as class sizes



# Demographic Context: Why this Matters



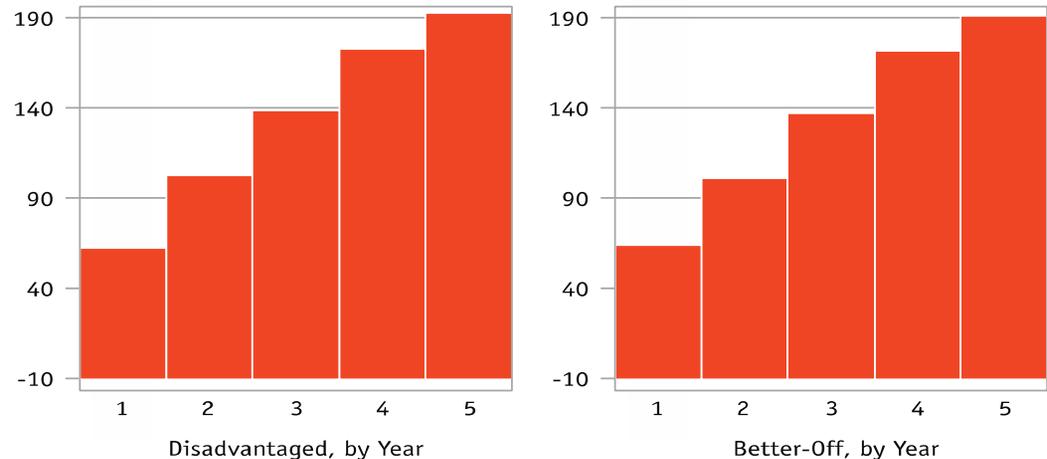
# Opportunity Cost to Equity: Which do we want?

## Classes of 2-9 students or summer learning?

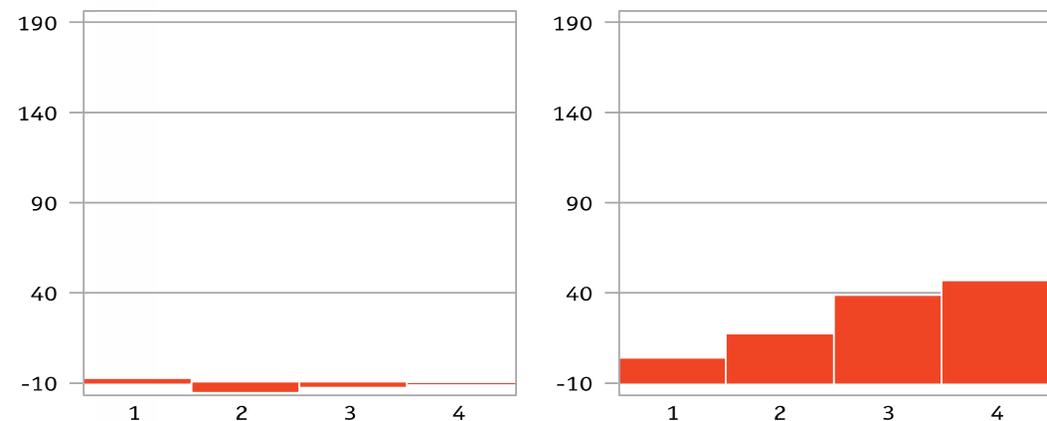
Cumulative gains on California Achievement Test in reading:

- During the school year, children in poverty learn as much as their affluent peers.
- Over the summer, the skills of children in poverty do not improve, but the skills of more affluent students do.

**School Year Cumulative Gains**



**Summer Cumulative Gains**



Source: Entwisle, Alexander, and Olson (1997), Table 3.1

Note: From "Summer learning and its implications: Insights from the Beginning School Study," by K. L. Alexander, D. R. Entwisle, and L. S. Olson, 2007b, *New Directions for Youth Development*, 114, p. 18. Copyright 2007. Reprinted with permission of John Wiley & Sons, Inc.

# The Challenge of Freedom and Unity

# Freedom and Unity

- Voters decide whether to operate schools or not.
- If operating:
  - Voters decide how to structure the school(s)
  - Voters decide on the local budget
  - Boards provide oversight for multimillion dollar systems.
- Small units assume responsibility for all the same legal obligations as large units.





**Vermont**

# Freedom and Unity

The Ed Fund has to raise enough statewide to pay for all the budgets voted on locally.

# Challenges in Tuition Districts

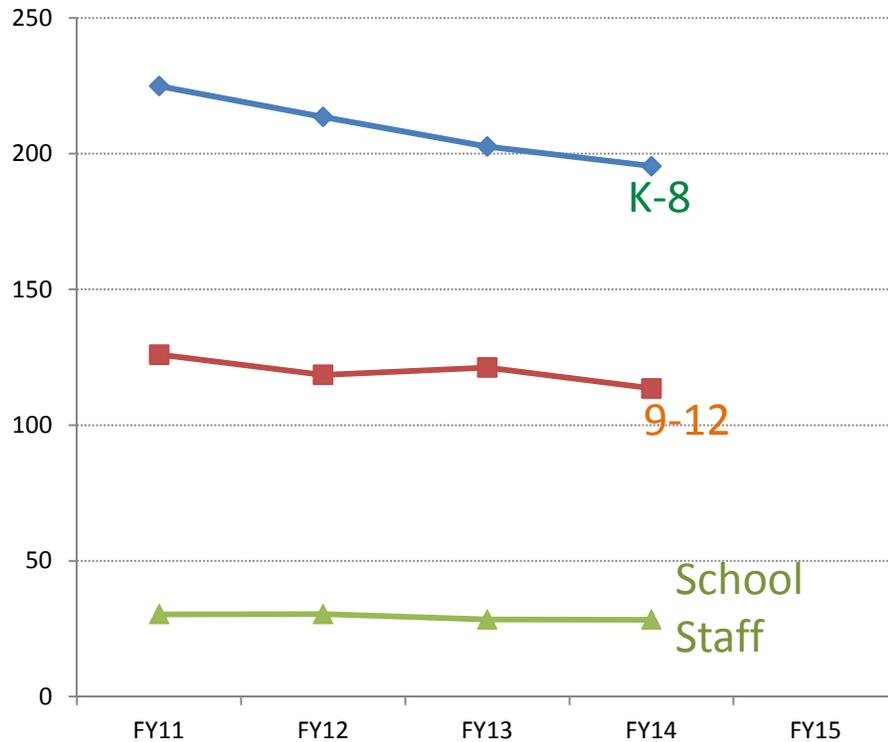


While student and staff #s decrease

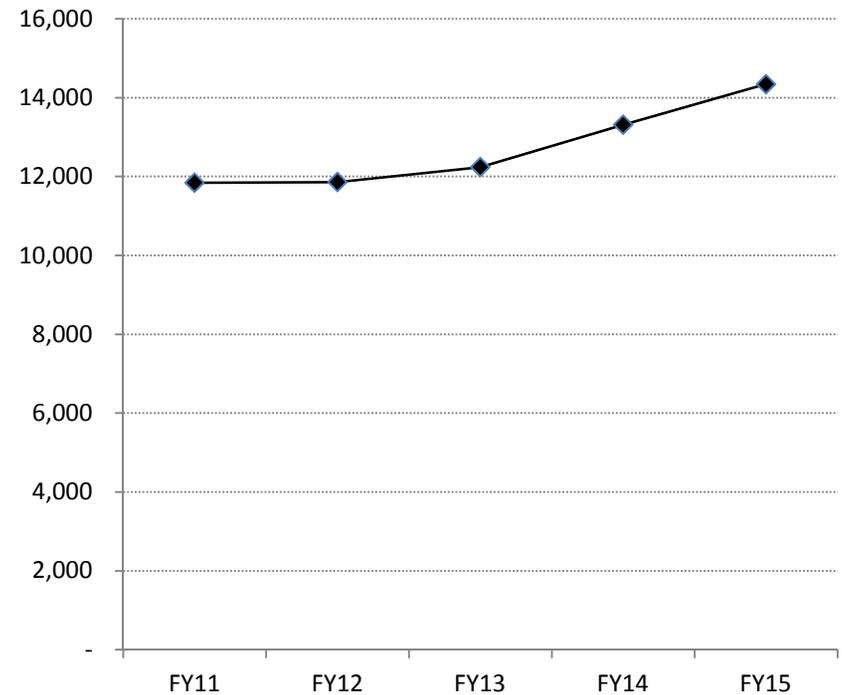


Per pupil spending increases

Students & Staff



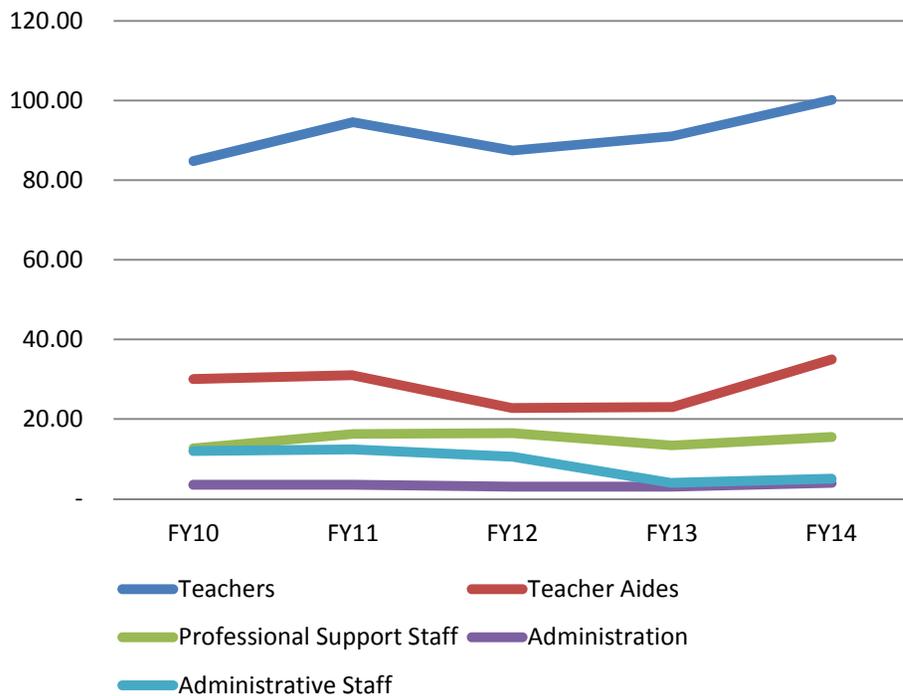
Ed Spend per EqPup



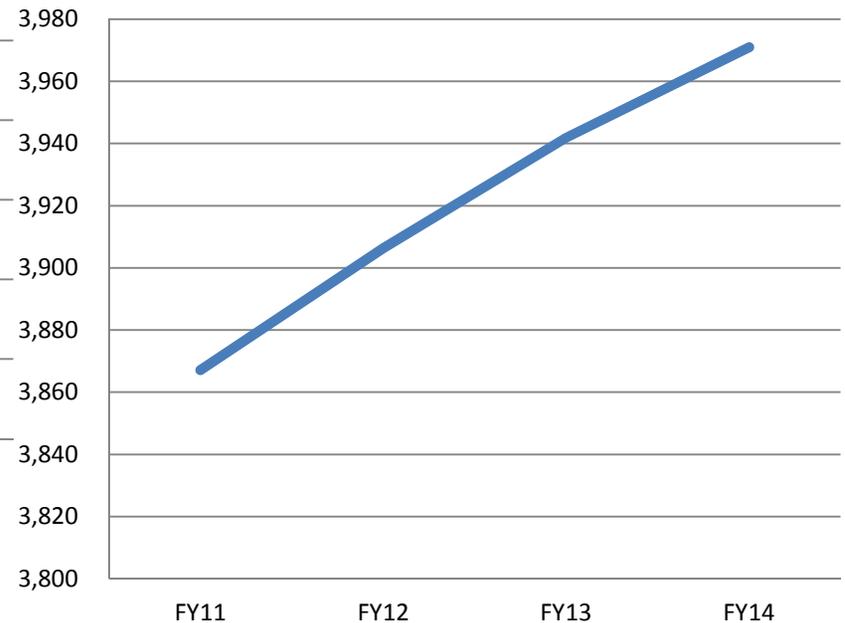
# New instructional needs = Costs UP

Burlington students speak 40 languages and there are increasing numbers of them

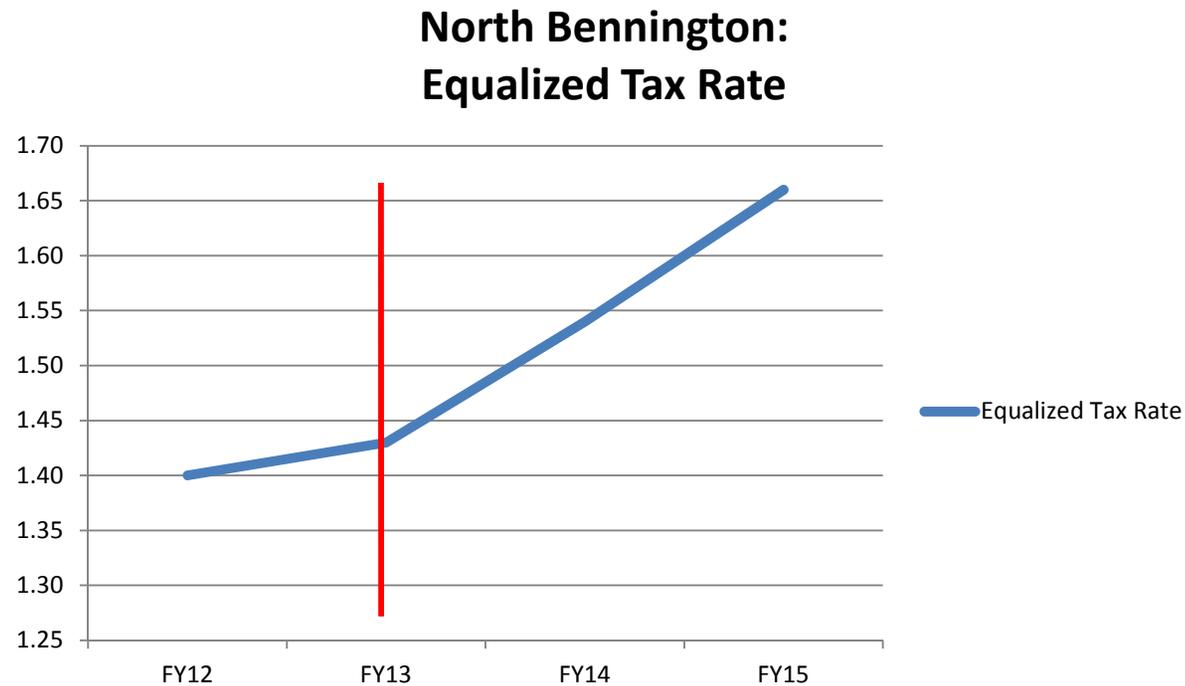
### Staffing at Burlington High School



### Average Daily Membership in Burlington, FY11-14



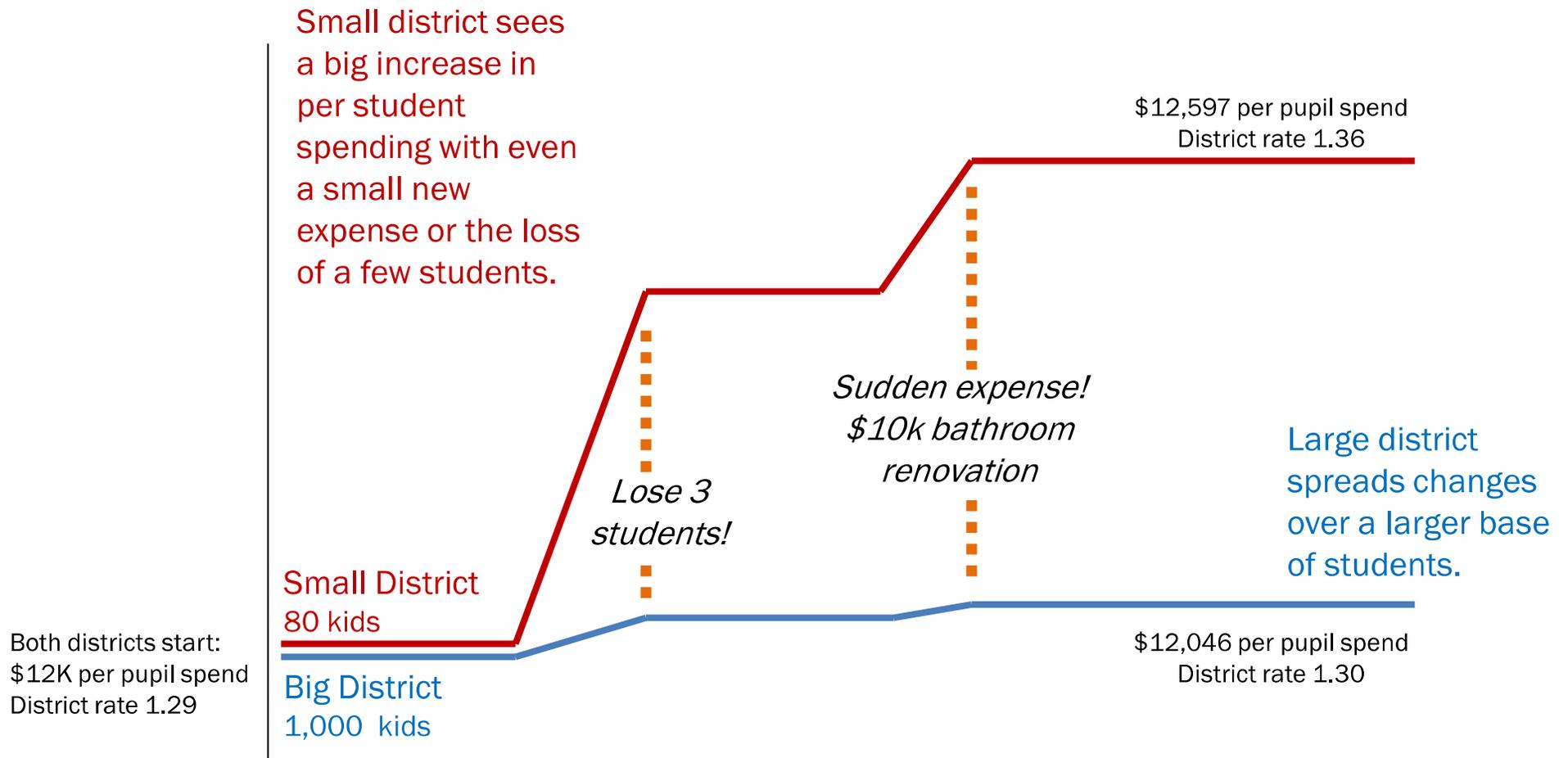
# Even districts that privatize are seeing increases in tax rates



FY13 = last year of public school operation



# Effect of Size on System Response



Per pupil spending is at the heart of the funding formula. This is a challenge for small districts.

# NY experience: merging districts can yield substantial cost savings for very small districts

Two districts,  
300 pupils each

= **31%** cost savings



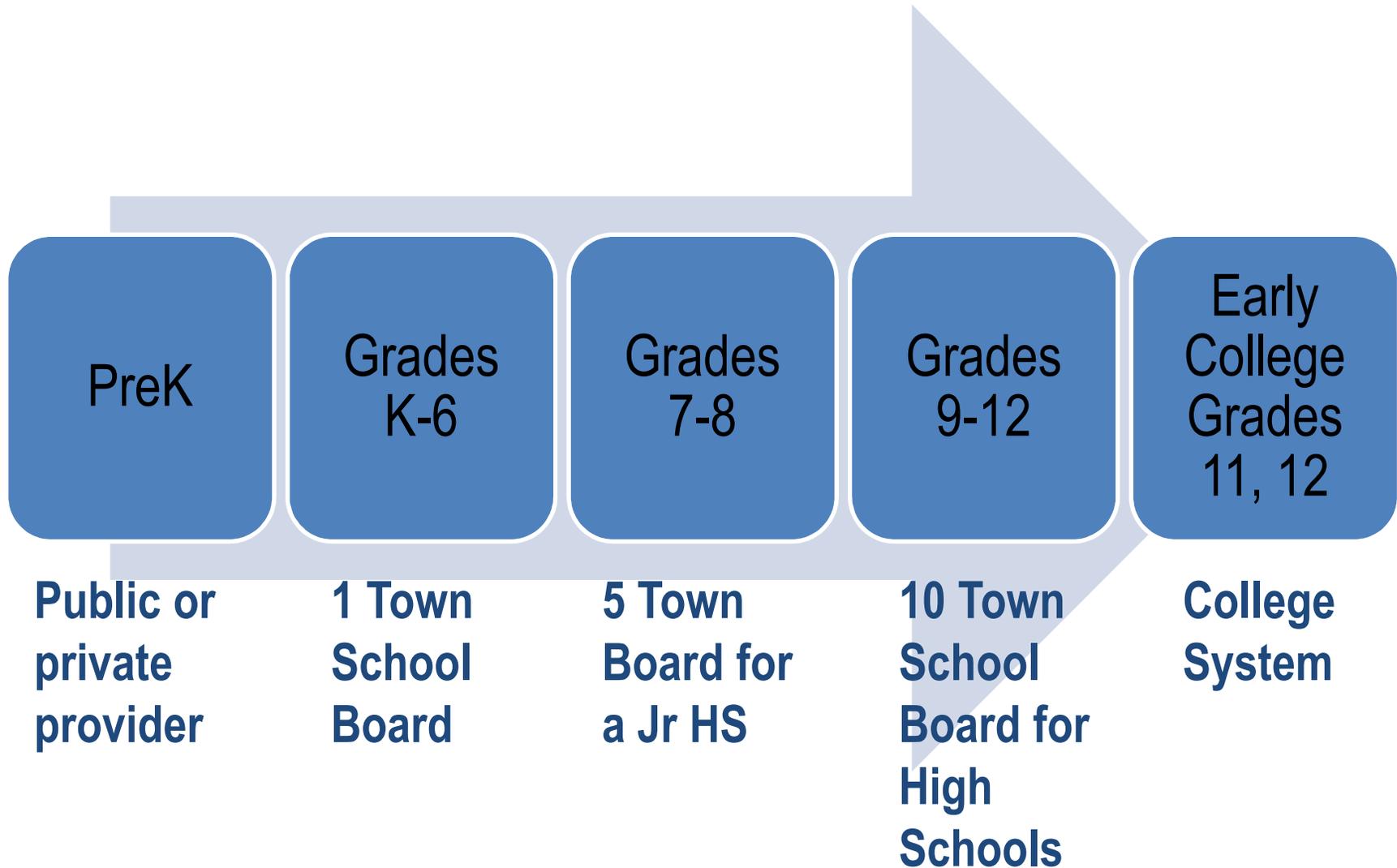
Two districts,  
1500 pupils each

= **14%** cost savings

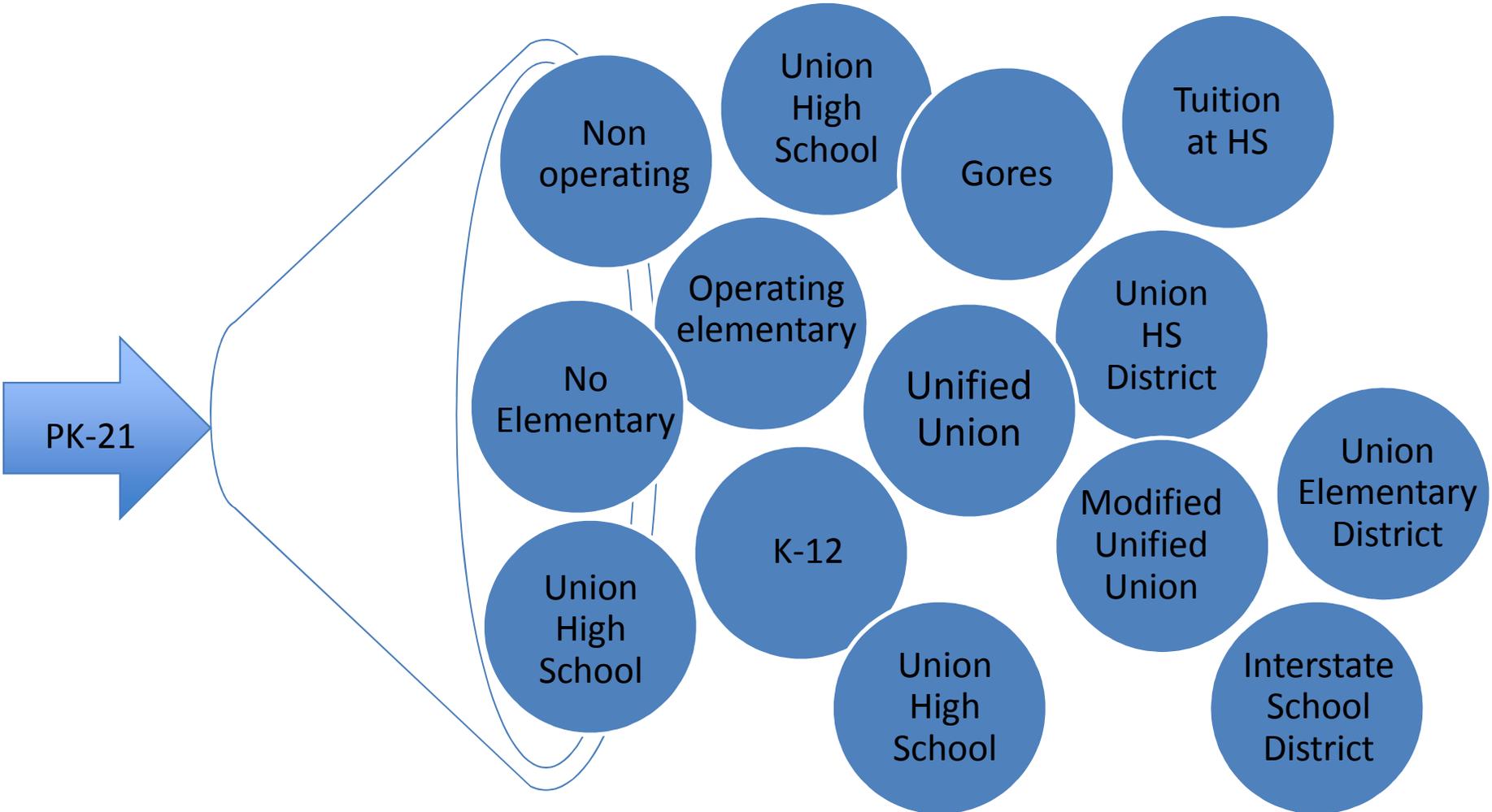


Duncombe, W., & Yinger, J. (2007). *Does school district consolidation cut costs?* *Education*, 2(4), 341-375.

# Who is responsible for outcomes?

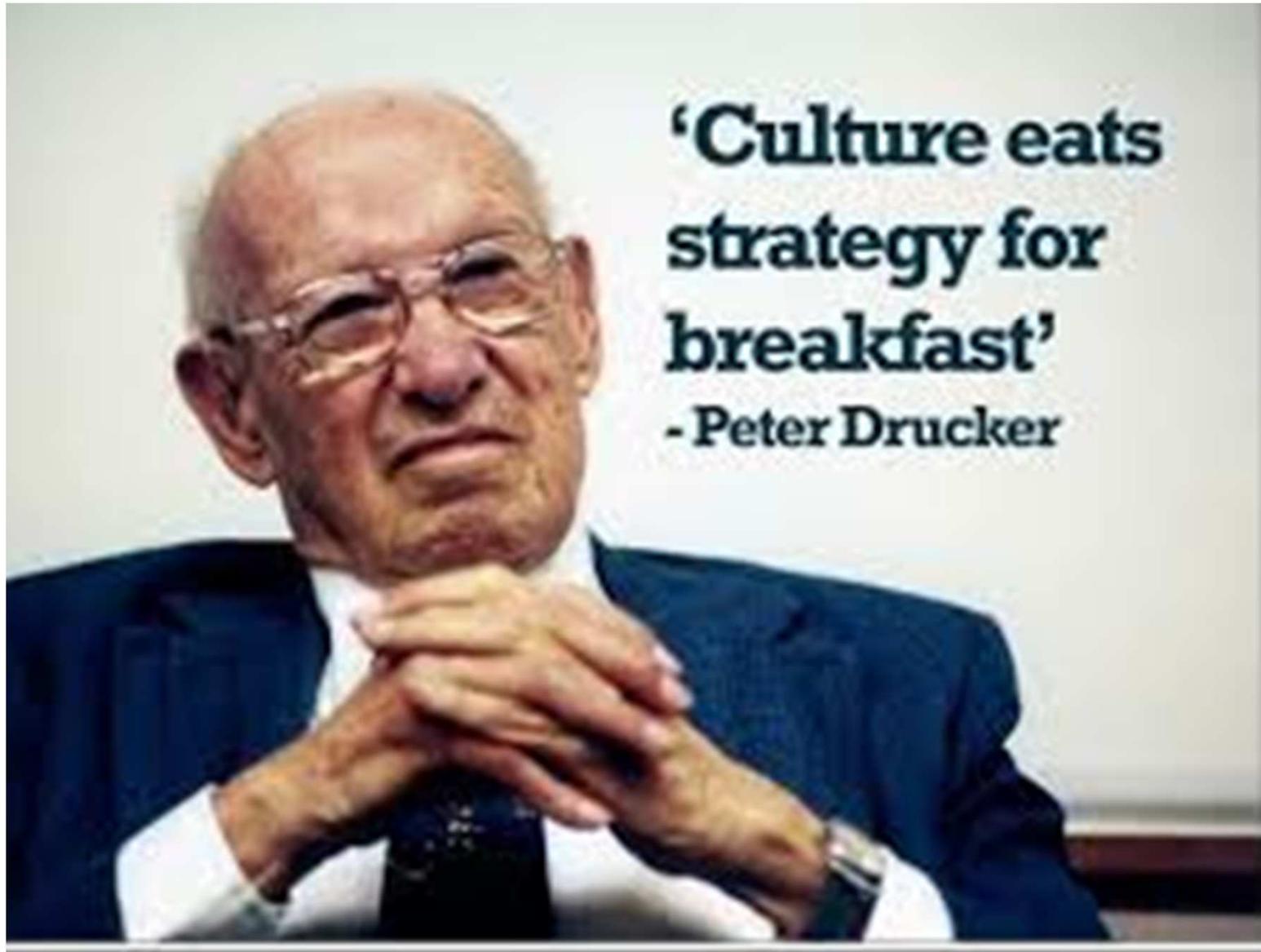


# 13 Current Forms of School Governance



This is our delivery system.





**'Culture eats  
strategy for  
breakfast'  
- Peter Drucker**