

**Vermont State Board of Education
Statement on H. 361
For the
Senate Education Committee
March 18 2015**

The State Board's formal position on consolidation and governance is –

The SBE recommends and encourages local education agencies to continue to study and implement the consolidation of services, in whole or in part. Incentive grants and technical support must be available from the state. (The SBE is aware of existing statutory authority regarding the realignment of supervisory union boundaries (16 V.S.A. § 262) and closing of schools (16 V.S.A. § 165) if the accountability system determines that students are being systemically denied adequate educational opportunities.)

The Vermont State Board of Education commends the House Education Committee for their rapid work in addressing a multitude of concerns in such a quick fashion. We understand that rapid progress is necessary given the need for review by numerous House and Senate committees. We also appreciate the need to have broad legislative support when touching upon controversial school organizational issues. We also recognize the bill is a “work on progress.” These comments reflect the version passed out of the House Education Committee and the draft House education changes to Sections 1 and 17 as of this date.

The bill includes 36 sections which vary dramatically in scope and focus. As a group, they do not form a clear vision or direction for educational governance. The explicit policy goals of this effort are to increase educational quality and opportunities; and control educational expenditures. But these goals and how they will be attained are only obliquely addressed. The assumption appears to be that by re-arranging a constellation of diverse and discrete elements, this will lead to a coalescence of forces that will produce desired outcomes. (Remaining elements are to be resolved by the state board). Clear purposes need to be explicitly tied to defined factors that have demonstrated *links* to the desired outcomes.

When approaching school governance and organization, three fundamental change constructs are suggested:

- Structural re-definition - where district composition is defined,
- Functional consolidation - where certain functions are consolidated, and
- Qualitatively driven organization - where adequate and equal opportunities are evaluated and adjustments are made on the basis of enhancing the achievement of learning goals.



While elements of each of these constructs are found in the bill, there is no clear, coherent theory of how these changes will come about. *Structurally*, a vision of an IES is presented but how this Phoenix will rise from local community committees and state board determinations is unclear. *Functional consolidation* holds great promise as a quick, generally acceptable and efficient mechanism but it is given only brief attention in areas such as labor negotiations and book-keeping. The use of *Educational Quality Standards*, the State Board's preferred approach, is mentioned but this appears more as an after-thought than as the central driving force. The amendments to sections 1 and 17 address this topic more closely.

In the state board's view, a more deliberative and integrated process is indicated. While there are political pressures for haste, in the long term, a careful process will prove the most expedient and successful approach. While recognizing the problems we face, a crisis mentality clouds the careful and deliberative approach to problem solving that we need to embrace. With over 90 percent of school votes endorsed by the public, the claimed dis-satisfaction appears to be more particular than universal. We must face current and anticipated problems realistically but should be cautious of pressures driving us toward ill-considered conclusions.

The State Board commends the following points to your attention regarding H-361, as voted out of the House Education Committee:

- Support Capacity – Both the Agency of Education and the State Board of Education require significant staff augmentation to carry out the specified duties. Unless this essential criterion is met, then no significant progress will be made. While a number of specifics have been removed in the proposed amendments, the Agency and Board will have to develop model contracts, develop and publication of guidelines, train local boards and administrators, provide technical assistance to school districts (the most critical element), identify and analyze performance measures, review IES and grant proposals, administer grants, and provide legal support to transform a \$1.6 Billion enterprise affecting almost 10,000 adults and over 80,000 students, all to be done in four years. At the same time, the Governor has just announced a reduction of 325 employees as part of the effort to close a deficit in excess of \$100 million. If this threshold staffing and support cannot be guaranteed, then the state board recommends this effort be abandoned or redefined. We should not commence an initiative that has no realistic chance of being successful.¹
- Education Spending Cap (Sec 27-28) – The two percent district spending cap (and the variants now being considered in Ways and Means) are unrealistic. Such an approach would freeze inequities in place, be unresponsive to unanticipated new circumstances, and would not consider prior obligations and commitments. There is little promise of success for this approach. The ultimate failure of the mechanism would result in a loss of credibility for state government. The recent changes to the excess spending penalties are more focused and may have a higher probability of success. These should be given time to work.
- Organizational Fragmentation: Intermediate Education Systems (Sec 17) – Each local or regional amalgamation of districts would be free to construct whatever governmental arrangement they could agree upon within the next two years. Currently, there are 13 different governance mechanisms in place and with a virtually infinite number of new

¹ The state board and the Governor have both expressed their position as opposing unfunded mandates. Section 26 of the bill also would prohibit unfunded mandates. If not properly supported, we face the strange irony of the bill outlawing itself.



combinations allowed, the result could be an overlay rather than a replacement of existing systems and even greater compounded complexity. A smaller, not larger, number of allowable set structures would prove more expedient. The reduction to four types in the proposed amendments does not solve the problem in that these four would be overlaid on, not replace, the 13.

- Non-operating, non-contiguous and social segregation issues – Newly raised with the proposed changes, the issues of non-operating districts remain unresolved. Part is because a large number of local districts are both operating and non-operating at different grade levels. The proposal for non-contiguous districts raises the possibility of district self-selections into affluent or non-affluent districts. This could be resolved by the state board but should best be resolved by guidelines in law prior to troublesome adjudications by the state board.
- Timelines – The local plans are to be complete by 2017 and the re-organization is to be complete by 2019. While some argue that the slow pace of consolidation efforts over the past few years must be accelerated, alternately we could simply understand and accept that these processes take time. The timelines need to be expanded and/or the state board given authority to extend timelines on a case-by-case basis. While some contend we should double-down on local districts, beating a dead horse harder is unlikely to be productive. Strong support and assistance will produce better and quicker results.
- Roles and Reporting Responsibilities of Superintendents, Principals and Board Members – Line-staff reporting authority requires clarification as principals currently report to both boards and superintendents. Clear, linear and unambiguous reporting responsibilities are the hallmarks of efficient management. The policy-making role of boards also needs revisiting. The state should develop or support the development of recruitment and training programs for administrators and board members.
- Organizational Processing and Timelines – It is projected that some new Intermediate Education Systems will coalesce fairly easily. Others will prove more difficult. In any case, a number of delays will be requested while the Agency and the Board will be inundated with multiple, demanding complex issues. Thorny issues arise when the state board may have to set-aside a vote of the town (17c).
- The Contradictory Change Mechanism – The bill is contradictory in its basic operating strategies. On one hand, it nurtures ground-up local initiatives and, on the other, presents the citizenry with the shadow of a top-down state imposition. Local committees are to design systems but if these districts do not get a favorable vote within two years, these districts are to be “realigned” by the state board. The ambiguity in approach has led different readers to conclude that the bill is either too coercive or too permissive (sec 17).
- Ballot Language – The ballot language appears unnecessarily prescriptive and per pupil spending can be a misleading term particularly in districts with declining enrollments.
- Merger Grants – The state board endorses merger support grants and related positive incentives. However, these should sunset after a reasonable period.
- Maximum Loss – (Phantom Students) – While the current tail of 3.5% from the previous year’s student count is likely too long, the effect of moving to a loss of 3.5% from the previous year’s actual count may be too short. Further modeling of the effects is indicated.



- Out of State tuition – The State Board concurs in eliminating out of state and out of country tuition with the exceptions noted in the bill.

