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MEMORANDUM

TO: The General Assembly
FROM: Krista Huling, Chair, State Board of Education
SUBJECT: Determining Eligibility for Small Schools Grants
DATE: June 2018

Act 46 (2015), Section 21, directs the State Board of Education, on or before July 1, 2018, to *“adopt and publish metrics by which it will make determinations whether to award small school support grants pursuant to 16 V.S.A. § 4015 on and after July 1 2019...”*.

The purpose of this report to the General Assembly is to present metrics that that State Board of Education has developed in response to the General Assembly’s directive. These metrics are described in Attachment A.

Although we have done our best to comply in good faith with the General Assembly’s directive in this matter, we are not satisfied with the results. Accordingly, the second purpose of this report is to convey to the General Assembly the concerns that have arisen during our deliberations and to request that the General Assembly, upon reconvening in 2019, revisit the entire question of Small School Grants and how best, if at all, to determine eligibility.

For many years prior to the adoption of Act 46, and even to the present day, the General Assembly has provided that “Small School Grants” be awarded to schools on the basis of being “small.” If the school was small – no matter whether it was isolated or proximate, rich or poor, accomplished or struggling, efficient or expensive – it was entitled to a Small School Grant (SSG).

With the adoption of Section 21 of Act 46, the General Assembly appears to have determined that it will no longer be enough for a school just to be “small” to qualify for an SSG. Instead, Act 46 stipulates that, starting a year from now, entirely new conditions will have to be met before a small school is eligible for a Small School Grant. Besides being “small,” the school must also:



- Be geographically isolated from “the nearest school with excess capacity,” or
- demonstrate “academic excellence and operational efficiency.”

The State Board of Education has studied these new conditions and the directive of the General Assembly in several of its monthly meetings since late 2017. As might well be expected, some members of the Board have expressed reservations about the wisdom of the Legislature’s new conditions for SSG eligibility while others have expressed enthusiasm. Nonetheless, the Board has determined to respond in good faith to the letter of the General Assembly’s directive. Accordingly, the Board has applied its best collective wisdom to devising *“metrics by which it will make determinations whether to award small school support grants.”*

We wish to note that applying metrics to characterize real-life conditions is more difficult than might first appear. By definition, metrics are objective, comparable, and measurable. By contrast, the Legislature’s new conditions for Small School Grants – “driving times,” “inhospitable travel routes,” “academic excellence,” “operational efficiency,” – are largely qualitative – or at the very least, subject to a wide variety of interpretations.

- Take, for a simple example “driving times.” Is this to be measured in summer or in winter? In a car or in a school bus? And how long is too long for third-graders? For sophomores in high school?
- And how and by whom is “excess capacity” at the nearest school to be determined?
- Still harder to characterize and compare is “academic excellence.” Consider what is to be done when students at two different small schools achieve virtually the same scores on their SBAC examinations – yet one school serves students mostly from economically-deprived backgrounds, while the other serves a mostly middle-income population. The schools’ academic scores are equal: are these schools equally entitled to be rewarded with a Small School Grant?

Despite these challenges, we believe that the metrics the Board has adopted (presented here as Appendix A) align with the General Assembly’s directive to the Board in Act 46, Section 21, as adopted by the Legislature in 2015.

Going forward, we suggest that the General Assembly consider these metrics only as a work-in-progress. A lot has changed in Vermont’s education landscape since Act 46 was adopted three years ago, and more changes are yet to come. In November of this year, the State Board of Education will publish its State Plan, which will surely impact some of the remaining small schools not currently merged. Moreover, the Legislature will have on-hand the results of the new weighting study in the near future.

Taken together, these developments warrant the General Assembly's further attention to Small School Grants. We ask that the General Assembly, upon reconvening in 2019, revisit the entire question of Small School Grants and how best, if at all, to determine eligibility. In this review, we ask the General Assembly to examine issues of equity and the resources to achieve it. The State Board of Education will be pleased to provide whatever assistance the Legislature may require.

Attached: Attachment A: Small Schools Grant Narrative
 Attachment A: Summary of Small Schools Grants Metrics –Worked Example



STATE BOARD OF EDUCATION

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Small Schools Grants

Attachment A - Narrative

Statutory Authority

Small Schools Grants Under 16 V.S.A. § 4015, Effective July 1, 2019: Academic Excellence and Operational Efficiency Metrics

16 V.S.A. § 4015:

Eligible school district means a school district that:

(A) Operates at least one school with an average grade size of 20 or fewer; and

(B) Has been determined by the State Board, on an annual basis to be eligible due to either:

(i) the lengthy driving times or inhospitable travel routes between the school and the nearest school in which there is capacity; or

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

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

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

(III) the school's high student-to-staff ratios; and

(IV) the district's participation in a merger study and submission of a merger report to the State Board pursuant to chapter 11 of this title or otherwise.

The statute presents two tests to determine eligibility for a small schools grant. The first is based on the length of driving times and travel routes between an applicant school and the nearest school with capacity (often called "geographic isolation.") The Board's metrics for this test are discussed at the end of this document.

The second test is based on the applicant school's academic excellence and operational efficiency, enumerated in four parts in the statute.

An applicant school may satisfy either test to be eligible for a small schools grant in any year. The grant requires an annual application process.

§ 4015 B(ii): Academic Excellence and Operational Efficiency

To meet the statutory requirements the Board examines

- (I) The school's performance on the Snapshot Academic Proficiency (up to 4 points)
- (II) The school's equity results on the Snapshot Academic Proficiency (up to 4 points)
- (III) School's student-to-staff ratios (up to 4 points)
- (IV) Submission of a merger report (1 bonus point)

Additionally, out of concern for equity, the Board determined to also add a fifth measure to account for student poverty (up to 4 points).

In all, 16 points are possible with the merger report serving as an “extra bonus” if submitted.

The Board’s metrics, taken as a whole, primarily measure outcomes that can be impacted by the decisions schools make. Importantly, however, the Board’s addition of the metric called “Equity (Population)” adds consideration of that which is out of the school’s control – the impact of poverty on the students who attend the school. Addition of this metric is appropriate because we know that economic disadvantage is a strong predictor of student performance.

Important Notes for The Worked Example

The following caveats apply:

- Only school year 2016-2017 data were used across all categories for the worked example. The final award calculations will actually be based on an average of three consecutive years of data, consistent with AOE calculations for Vermont’s accountability plan.
 - For this example, we only used Smarter Balanced assessments as that data was readily available now. (See description of additional data for final calculations below, Category 1.)
- The law calls for annual application and award of grants. Schools will be subject to annual changes in eligibility based on the metrics discussed below.
- We have intentionally not produced the names of schools in the example because the Board has expressed its intention to agree on principles, rather than results.
- The example framework uses a total of 35 schools. One or more of these schools may be eligible under the geographic isolation metrics, rather than the academic and operational efficiency metrics demonstrated in the worked example.

Category 1, Academic Excellence

The Board’s metrics will use the data used by the Agency of Education’s Annual Snapshot Academic Proficiency category.

Specifically: English language arts grades 3-9, mathematics grades 3-9, science grades 5, 8 and 11, physical education, English learners making appropriate progress (all grades), percent of English learners attaining proficiency (all grades), 4 year and 6 year graduation rates, percent of seniors with one or more test meeting career and college ready benchmark (SAT, ACT, AP, IB, CLEP, ASVAB, IRC/CTE Certification), percent of graduates who are enrolled in college or trade school or working full time within 16 months of graduation.

Points Possible: 1, 2, 3, or 4, with 1 being the Snapshot indicator, “Not Meeting,” and 4 being the Snapshot indicator, “Exceeding.”

Category 2, Equity (Results)

The Board’s metrics will use the same data as used by the Annual Snapshot’s Academic Proficiency category and compare the performance on all metrics listed below between

historically marginalized student subgroup and the non-historically marginalized group at the school level.

Specifically: English language arts grades 3-9, mathematics grades 3-9, science grades 5, 8 and 11, physical education, English learners making appropriate progress (all grades), percent of English learners attaining proficiency (all grades), 4 year and 6 year graduation rates, percent of seniors with one or more test meeting career and college ready benchmark (SAT, ACT, AP, IB, CLEP, ASVAB, IRC/CTE Certification), percent of graduates who are enrolled in college or trade school or working full time within 16 months of graduation.

Points Possible: 1, 2, 3, or 4, with 1 being the Snapshot indicator, “Not Meeting,” and 4 being the Snapshot indicator, “Exceeding.”

Category 3, Equity (Population)

The Board’s metrics will use Free and Reduced Lunch eligibility as a proxy for poverty.

Points Possible: 1, 2, 3 or 4, with 1 being the schools that fall in the quartile with the lowest FRL eligibility, and 4 being the schools that fall in the highest quartile for FRL eligibility.

Category 4, Student-to-Staff Ratio

The Board’s metrics will use student-to-staff ratios at the school level. The Board has chosen to exclude special education services which are mandated by state and federal law and therefore not in school districts’ discretion. The Board has also chosen to exclude certain categories of positions that are variably hired or contracted out making comparisons difficult. Accordingly, the ratios used in the metrics will not include:

- Preschool/PreKindergarten Teachers
- Special Education Ungraded Teachers
- EEE Directors
- Special Education Directors
- Maintenance and Security
- Student Transportation Staff
- Food Service Staff
- Enterprise Operations
- Community Services Operations
- Facilities Acquisition and Construction

Points Possible: 1, 2, 3, or 4, with 1 being the schools that fall in the quartile with the lowest student-to-staff ratios, and 4 being the schools that fall in the highest quartile for student-to-staff ratios.

Bonus Category, Merger Report Submitted

The Board’s metrics will use “the district’s participation in a merger study and submission of a merger report to the State Board pursuant to chapter 11 of this title or otherwise” as a category that would earn an applicant one bonus point. These points are not to be counted in the total,

discussed below, but may help an applicant school reach the total points required for grant eligibility.

The Board's metrics will not award a bonus point for schools whose participation in merger activity was related only to so-called "existing district" status, under the three-by-one and two-by-two-by-one structures in Act 49 of 2017. No points were awarded to those schools in the worked example.

Points Possible: 1.

Totals Required for Grant Eligibility

The Board's metrics have a possible 16 points plus a bonus point. The Board determined that 8 total points should be required for an applicant to receive a small schools grant. In the worked example attached, 32 out of 35 schools would be eligible with a requirement of 8 points out of 16.

§ 4015 B(ii): Geographic Isolation

The Board determined metrics for awarding a small schools grant based on "(i) the lengthy driving times or inhospitable travel routes between the school and the nearest school in which there is capacity."

An applicant school will be eligible under this test if either of the following applies: the applicant school is more than 15 miles from the nearest school in which there is capacity, or more than 5% of the applicant school's students reside more than 15 miles from the nearest school in which there is capacity.

Summary of Small Schools Grants Metrics -Attachment A worke

School ID	Academic Excellence	Equity (Results)	Ratios	Equity (Population)	Merger Report Bonus	Total Points	Grant Eligible - 9 points
1	3.0	1.0	1.0	1.0	-	6.0	N
2	2.5	1.0	1.0	2.0	1.0	7.5	N
3	1.5	1.0	1.0	4.0	-	7.5	N
4	3.0	1.0	2.0	1.0	1.0	8.0	Y
5	3.0	1.0	1.0	2.0	1.0	8.0	Y
6	2.0	2.0	2.0	2.0	-	8.0	Y
7	2.0	1.0	1.0	4.0	-	8.0	Y
8	2.0	1.0	1.0	4.0	-	8.0	Y
9	3.5	1.0	2.0	1.0	1.0	8.5	Y
10	2.5	1.0	3.0	2.0	-	8.5	Y
11	2.5	2.0	2.0	2.0	-	8.5	Y
12	2.5	1.0	2.0	2.0	1.0	8.5	Y
13	2.5	1.0	2.0	3.0	-	8.5	Y
14	2.5	1.0	1.0	4.0	-	8.5	Y
15	2.0	4.0	1.0	1.0	1.0	9.0	Y
16	3.0	1.0	3.0	2.0	-	9.0	Y
17	2.0	1.0	2.0	4.0	-	9.0	Y
18	3.0	1.0	1.0	4.0	-	9.0	Y
19	2.5	1.0	2.0	4.0	-	9.5	Y
20	2.5	2.0	1.0	4.0	-	9.5	Y
21	4.0	1.0	3.0	1.0	1.0	10.0	Y
22	2.0	1.0	3.0	3.0	1.0	10.0	Y
23	2.5	4.0	2.0	1.0	1.0	10.5	Y
24	2.5	2.0	3.0	3.0	-	10.5	Y
25	2.5	2.0	2.0	4.0	-	10.5	Y
26	2.0	1.0	3.0	4.0	1.0	11.0	Y
27	3.0	1.0	2.0	4.0	1.0	11.0	Y
28	2.0	4.0	1.0	4.0	-	11.0	Y
29	3.0	1.0	4.0	3.0	1.0	12.0	Y
30	2.0	4.0	1.0	4.0	1.0	12.0	Y
31	2.0	2.0	4.0	4.0	1.0	13.0	Y
32	2.0	2.0	4.0	4.0	1.0	13.0	Y
33	3.0	1.0	4.0	4.0	1.0	13.0	Y
34	3.0	1.0	4.0	4.0	1.0	13.0	Y
35	3.0	4.0	3.0	4.0	1.0	15.0	Y

* School ID does not refer to a specific school; it is an ID for presentation purposes only