



VERMONT ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

SERVING EDUCATION THROUGH SOUND BUSINESS PRACTICE

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TO: Representative Webb, Chair, House Education Committee
Representative Ancel, Chair, House Ways and Means Committee
Senator Campion, Chair, Senate Education Committee
Senator Cummings, Chair, Senate Finance Committee

FROM: Nathan Lavery, VASBO President & Burlington School District

SUBJECT: FY22 Equalized Pupil Count Concerns

DATE: March 15, 2021

The purpose of this memo is to request that the General Assembly require the use of FY 21 poverty counts or FY 22 poverty counts, whichever is higher for a district, when calculating a district's equalized pupils for FY 22.

Section B1118 of Act 154 of 2020 directed the Agency of Education to determine that for the 2020-2021 school year, a school district's ADM shall not be less than the ADM count for the prior school year. However, despite ADM remaining unchanged, a number of school districts saw a significant drop in their equalized pupils for the current school year, due to lower poverty counts in their districts.

Poverty counts are defined by statute as children ages 6 through 17 living in a family unit receiving nutrition benefits (16 V.S.A. § 4001(8)). The Agency of Education (AOE) interprets this language to mean that children must reside in families receiving 3SquaresVT nutritional benefits through the Department for Children and Families (DCF). DCF provides counts to the AOE as of two specific dates annually – July 1 and December 1.

According to the data provided by DCF, the December 1, 2019 statewide poverty count was 14,264 and for July 1, 2020 it was 13,872. This means that during the height of the pandemic, DCF data indicated that close to 400 fewer Vermont children were living in poverty than did so pre-pandemic.

The notion that fewer Vermont children and families are living in poverty during the pandemic is not consistent with what school district officials are seeing on the ground in terms of demand at local food shelves and National Guard meal distribution sites, and increased demand for meals being provided by the school during remote learning periods and school vacations.

DCF has indicated that its poverty counts are correct. However, they did suggest that there may be other mitigating policies in place and other benefits that make families ineligible for 3SquaresVT. We do not know what those policies or benefits are but have concerns that for whatever reason, applications for 3SquaresVT may not be commensurate with the actual level of poverty in Vermont communities.



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While the DCF count of participants in 3SquaresVT may be accurate, the fact that these counts do not reflect the economic impact of the pandemic on Vermont families requires more investigation. The poverty measure used by AOE to adjust ADM should have a direct correlation to the financial well-being of students in our communities. An alternative measure, used for many other programs, is the participation in the free and reduced meals program. Unfortunately, due to the pandemic, the count for this program is also low because all families are currently eligible for free meals through 6/30/2021. Consequently many families have not completed the application process rendering this an unreliable measure for the current equalized pupil count as well.

Low poverty counts lead to lower equalized pupils, which leads to an increase in tax rates, unless spending is adjusted downward to accommodate the loss of pupils. Due to data collection challenges at the state and local level, districts did not receive final equalized pupil counts until February this year. Therefore, there was little opportunity to adjust spending in response to lower student counts, as budgets were finalized by school boards in January. While school districts are poised to receive additional federal COVID relief in the coming year, districts did not incorporate use of ESSER funds into their FY 22 budgets, and cannot use those funds to support regular operations of schools historically funded by local dollars.

We respectfully request that the General Assembly require the use of FY 21 poverty counts or FY 22 poverty counts, whichever is higher for a district (similar to the approach taken for ADM), when calculating a district's equalized pupils for FY 22. For next year and beyond, we request an analysis of whether FRL status should be used to determine poverty counts, as opposed to enrollment in 3SquaresVT, since apparently those figures are susceptible to changes in federal policy. Whether this analysis is performed in conjunction with implementation of the weighting study or not, it should be done in a timely manner so that equalized pupil counts for FY 23 will be more accurate.