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MEMORANDUM

TO: State Board of Education Members

COPY: Jeff Francis, Executive Director, Vermont Superintendents Association

Sue Ceglowski, Executive Director, Vermont School Boards Association

FROM: Daniel M. French, Ed.D., Secretary of Education

SUBJECT: Secretary's Recommendation re: the Ripton School District and SU Services

DATE: August 24, 2021

On May 19, 2021, the State Board of Education (Board) approved three motions regarding the withdrawal of Ripton from the Addison Central School District (ACSD). First, the Board conditionally approved Ripton's withdrawal from the ACSD and Ripton's reconstitution as the Ripton School District (RSD), stating that if certain conditions are met, then the new RSD will assume sole responsibility for the education of its resident students in Prekindergarten through Grade 12 on July 1, 2022. Second, the Board approved the continuation of the ACSD after the withdrawal of Ripton. Finally, the Board notified all interested parties of its intent "to review on its own initiative" supervisory union (SU) boundaries in the region in connection with the assignment of the RSD to an SU.1

In connection with its final action, the Board asked for a recommendation regarding the RSD and SU services.

BACKGROUND

An SU is "an administrative, planning, and educational service unit created by the State Board" that provides these services to its member school districts.² An SU that consists of only one school district is identified as a supervisory district (SD).³ An SU/SD is responsible for providing a broad range of services to its members, including special education, financial and student data management, and collective bargaining.⁴ Unlike a school district, an SU is not a municipality and thus does not have, e.g., its own tax rate, a voter-elected board, or a budget that is directly approved by the voters.

¹ 16 V.S.A. § 261(a).

² 16 V.S.A. § 11(a)(23).

³ 16 V.S.A. § 11(a)(24).

^{4 16} V.S.A. § 261a.

For many decades, the Board has had independent authority to review and re-define supervisory union boundaries "in such manner as to afford increased efficiency or greater convenience and economy and to facilitate prekindergarten through grade 12 curriculum planning and coordination as changed conditions may seem to require." In connection with this authority, the Board

may designate any school district, including a unified union district, as a supervisory district if it will provide for the education of all resident students in prekindergarten through grade 12 and is large enough to support the planning and administrative functions of a supervisory union.⁶

In Act 46, the Vermont Legislature declared its intent "to move the State towards sustainable models of education governance" by encouraging and supporting local decisions and actions that:

- (1) provide substantial equity in the quality and variety of educational opportunities statewide;
- (2) 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;
- (3) 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;
- (4) promote transparency and accountability; and
- (5) are delivered at a cost that parents, voters, and taxpayers value.⁷

The Legislature stated that the "preferred education governance structure in Vermont" is a school district that:

- (1) is responsible for the education of all resident prekindergarten through grade 12 students;
- (2) is its own supervisory district [i.e., a single-district SU];
- (3) has a minimum average daily membership of 900; and
- (4) is organized and operates according to one of the four most common governance structures \dots ⁸

DISCUSSION

The Board has three options when considering how to provide SU services to the RSD.9

⁶ 16 V.S.A. § 261(c).

⁹ For the reasons discussed in option #1 regarding the ACSD, this memo does not consider assignment to any other SD (and therefore its transformation into an SU) in the region. In addition, this memorandum does not



⁵ 16 V.S.A. § 261(a).

⁷ Act 46 (2015), Sec. 2.

⁸ Act 46, Sec. 5.

Option #1 - Create a new SU to provide services to the RSD and ACSD

In 2016, seven town elementary school districts and one union middle-high school district merged to form the ACSD pursuant to the "accelerated activity" program created by Act 46. The ACSD assumed full responsibility for the education of resident PreK-12 students on July 1, 2017. In the fall of 2020, the ACSD reported a FY21 ADM of nearly 1,700, of which 71 were attributable to students residing in Ripton. The ACSD is an SD and a "preferred structure" – that is, it is a school district responsible for PreK-12 that is large enough to serve as its own SU.

If the Board wished to ensure that the same "administrative, planning, and educational service unit" provided services to both the RSD and the ACSD, then the Board would need to create a new, multi-district SU to serve the two school districts. The ACSD was one of the first "preferred structures" created after enactment of Act 46 and has been operating as its own SD for over four years. It is difficult to imagine any scenario in which imposing a multi-district SU structure around the ACSD would lead to "increased efficiency or greater convenience and economy" or would "facilitate ... curriculum planning and coordination." Further, if it were to create an SU for the two districts, the State Board would be extinguishing a "preferred structure" and moving away from the Legislature's stated intent for the sole purpose of accommodating the voters in a town whose students represent just over 4% of ACDS's total ADM. It seems advisable and prudent that when the Board ensures that the RSD has the "administrative, planning, and educational" services of an SU, it does so in a way that allows the ACSD to remain an SD.

Option #2 - Declare the RSD to be its own supervisory district pursuant to 16 V.S.A. § 261(c)

If the Board does not create an SU to provide services to the RSD and ACSD, then the Board could consider whether to declare the RSD to be an SD and perform for itself all the "administrative, planning, and educational" services that an SU is statutorily required to provide. The relevant statutory provision includes two requirements: to be an SD, the school district must be (i) organized to provide for the education of its students in PreK though Grade 12 and (ii) "large enough to support the planning and administrative functions of a supervisory union." ¹⁰ The RSD meets the first criterion.

As to the second criterion, the statutes do not identify what size or set of circumstances would indicate that a school district is "large enough" to perform the duties of an SU. Although Act 46 did not impose a required minimum ADM for SDs,¹¹ the Act identified the

¹¹ To the extent that Act 46 <u>required</u> a minimum ADM, it was solely in connection with whether a newly merged district would be eligible for the tax rate reductions and other transitional support available through one of the Act's voluntary incentive programs.



consider whether the RSD could contract with an SU to provide it with services because there is no provision in law that permits this arrangement.

¹⁰ 16 V.S.A. § 261(c).

"preferred education governance structure in Vermont" to be an SD with an ADM of at least 900. Most of the SDs in the State reported a FY21 ADM of 1,000-2,000, with four other SDs reporting an ADM below 1,000 (707 was the lowest), five SDs reporting an ADM of 2,000-3000, and three SDs reporting an ADM of 3,500-4,000. Most multi-district SUs similarly reported a total FY21 ADM of 1,000-2,000, with four other SUs reporting an ADM below 1,000 (392 was the lowest) and five SUs reporting an ADM in excess of 2,000 (3,358 was the highest).

Size matters not only in terms of efficiency, and therefore cost, but also regarding the likelihood that an SU can attract and retain people with sufficient expertise to perform the duties of an SU. As mentioned above, an SU is responsible for a broad range of highly technical duties, from financial and student data management to the provision of special education services. With a FY21 ADM of 71, PreK-12, it is likely that the RSD would be too small a system to perform some of SU duties itself in an efficient and effective manner.

Option #3 – Assign the RSD to a multi-district SU that currently exists in the region

The Board's final option is to consider assigning the RSD to a currently existing multi-district SU in the region. There are two SUs that adjoin the ACSD: the White River Valley SU and the Rutland Northeast SU. While contiguity is not required, the distance between Ripton and the non-contiguous SUs appears to be too large to support the efficient provision of services.

The White River Valley SU is, geographically, one of the largest SUs in the state and is separated from Ripton by mountains. The SU provides services to six member districts located in ten towns, and which reported a combined FY21 ADM of approximately 1,550. Four of the school districts are newly merged districts that have been operational since July 1, 2018. Due to continued opposition from some members of the community, transition to the new governance systems has been difficult and time-consuming. Adding the RSD at this time has the potential of causing further impediments to a smooth and complete transition.

The Rutland Northeast SU, to Ripton's south, provides services to two recently merged districts that have reported a combined FY21 ADM of approximately 1,520. Although both school districts have been operational only since July 1, 2016, the communities have a long history of centralized administration and stable leadership. Well in advance of the SU centralization required in Acts 153 and 156, the districts in the Rutland Northeast SU had achieved efficiencies by centralizing most school district operations and were a coherent ecosystem before Act 46 was passed. Adding the RSD at this time has the potential of disrupting the SU's successful operational history.

Neither available placement (in the White River or Rutland Northeast SU) is a good option, and it is questionable whether either is a better option than designating the RSD to be an SD, its own SU. Further, although contiguity of districts is not a requirement for SU membership,



there is no other SU to which assignment of the RSD would seem to "afford increased efficiency or greater convenience and economy."

RECOMMENDATION

It seems likely that in the near future the Board will want to revisit whatever choice it makes to provide for the immediate needs of the RSD. There are many small schools throughout the region that are located within larger unified union school districts. Some of these union school districts have begun to discuss the possibility of school closures and of future mergers – which has led residents in some small towns to consider withdrawal from the union school districts. It may be most prudent to designate the RSD – and any other withdrawing town – as its own SD for at least the next few years in case other changes in the region necessitate either the need for a new multi-district SU or some other configuration that cannot yet be contemplated with any specificity.

Therefore, the Secretary recommends that the State Board designate the RSD to be its own Supervisory District pursuant to 16 V.S.A. § 261(c).

