

Vermont School Redistricting Task Force

January 20, 2026
Rebecca Holcombe

**Cooperative
Education
Services**

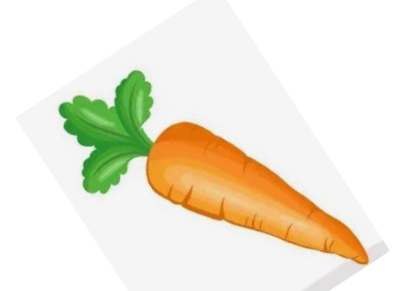
(Quick scale where it
matters most)



**Voluntary
Strategic
Mergers**
(incentivized)



**Voluntary
Regional High
Schools**
(incentivized)

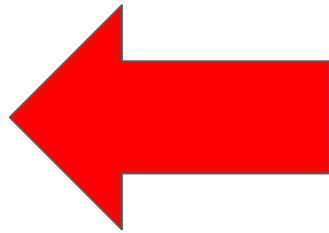


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Cooperative Education Services

(Quick scale where it
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Today's focus:

- What are shared services?
- Why shared services?
- Design considerations

[Full report pp. 1-54,](#)
[Appendices A and F](#)

Overall Proposal Goals

Grow the economy

(high quality schools/ facilities attract Vermonters, build business, and strengthen Vermont communities)

Make Vermont more affordable

(implement an evidence-based change that demonstrably has potential to save money)

Protect the most vulnerable

(fair school access and opportunities for all children, including in rural and higher poverty areas, safety nets)

Why this proposal exists

- Vermont faces rising costs, uneven access, and inconsistent implementation and quality
- Governance changes alone do not fix instructional or cost drivers
- CESAs are proposed as *infrastructure*, not governance reform

Key question for legislators:

How do we improve quality, equity, and cost control *without destabilizing local schools?*

What is a Cooperative Education Service Agency?

A CESA is:

- A **regional public agency** that provides shared services to districts
- Operates at cost, governed by member districts
- Focuses on services that are inefficient or impossible to deliver locally

Core principle

- *Build once, use many times* instead of duplicating fragile capacity 52 times

What CESAs are NOT

Clarifying misconceptions

- Not a new layer of school governance
- Not a school district
- Not a school-closure or consolidation mandate
- Not privatization

Districts retain

- School operation
- Budgets and staffing decisions
- Community accountability
- Instructional leadership

Regional shared services (CESAs) are widely used, including in rural states

BOCES?	STATE		RURAL POPULATION 2023	Education less expensive than Vermont?
NO		Vermont	66.1%	
YES		Maine	61.5%	YES
YES		West Virginia	55.2%	YES
YES		Mississippi	54.4%	YES
YES		Montana	47.1%	YES

Why Do Rural States Use Cooperative Services?

Small districts can struggle to sustain:

- Specialized staff
- High-quality PD
- IDEA compliance capacity
- Purchasing leverage
- Breadth of opportunity
- Responsiveness to emergent needs
- Full business stack
- Data and information management
- Grants management
- Implementation of legislative initiatives



Zoe McDonald / Vermont Public

Example: What happened when instructional shifts intended by Act 173 of 2018 were not implemented?

Figure 6. Staffing patterns: K12 teachers down 8% between FY20-25, but support staff numbers are increasing

Staffing patterns: K12 teachers down 8% between FY20-25, but support staff numbers are increasing

Change from FY20 to FY25*	FTE Change	% Change	
Student enrollment	-5,508	-7.2%	> Number of K-12 classroom teachers has fallen in line with the decline in student enrollment (K12 teachers down 8%, students down 7%)
Teachers	-164	-2.0%	
Classroom teachers (K-12)	-417	-8.0%	> Number of CTE directors has increased
Pre-K teachers	46	22.8%	> Number of Pre-K teachers has increased
Special educators (driven by child count)	86	6.3%	
Administrators	112	12.1%	> Numbers of support staff have increased significantly (22%)
Principals or assistant principals	19	4.5%	o Weak implementation of Act 173 at state level
CTE directors/adult education specialists	13	73.2%	o Possible shift of non-education costs to the Education Fund
Support staff	814	22.1%	
Behavior specialists	95	108.3%	> Number of special educators increases as the number of students identified as eligible for an IEP increases.
Behavior interventionists	111	67.4%	
Reading interventionists	128	85.4%	> Excludes increases in staffing in taxpayer-funded private schools.
Math interventionists	99	126.9%	
Paraprofessionals	-354	-9.0%	

*Table includes only selected subcategories of staff from each category. As a result, subcategory changes do not sum to category total changes.

The Core Value Proposition



What CEsAs add to a state system

- Immediate benefits from scale
- Faster impact than mergers
- Lower transition risk
- More consistent access by geography

CesAs focus on

- High-cost / low-frequency work
- State priority implementation
- Equity of access across district

Where CESAs Create Immediate Leverage



High-impact service areas

- Special education evaluations and itinerant services
- Professional development tied to state priorities
- IT, Business operations and procurement
- Career & Technical Education coordination
- On-demand supports for rural and high-poverty schools
- Grants management

Cost Control Mechanism (Not Assumptions)

How CESAs protect taxpayers

- Services priced at cost
- Annual independent audits
- Surplus refunds to districts
- Minimum multi-district participation rules
- Limits on single-district dominance

Key point

- CESAs replace fragmented services; they do not stack on top of them



Speed and Risk Comparison

Why CESAs before mergers

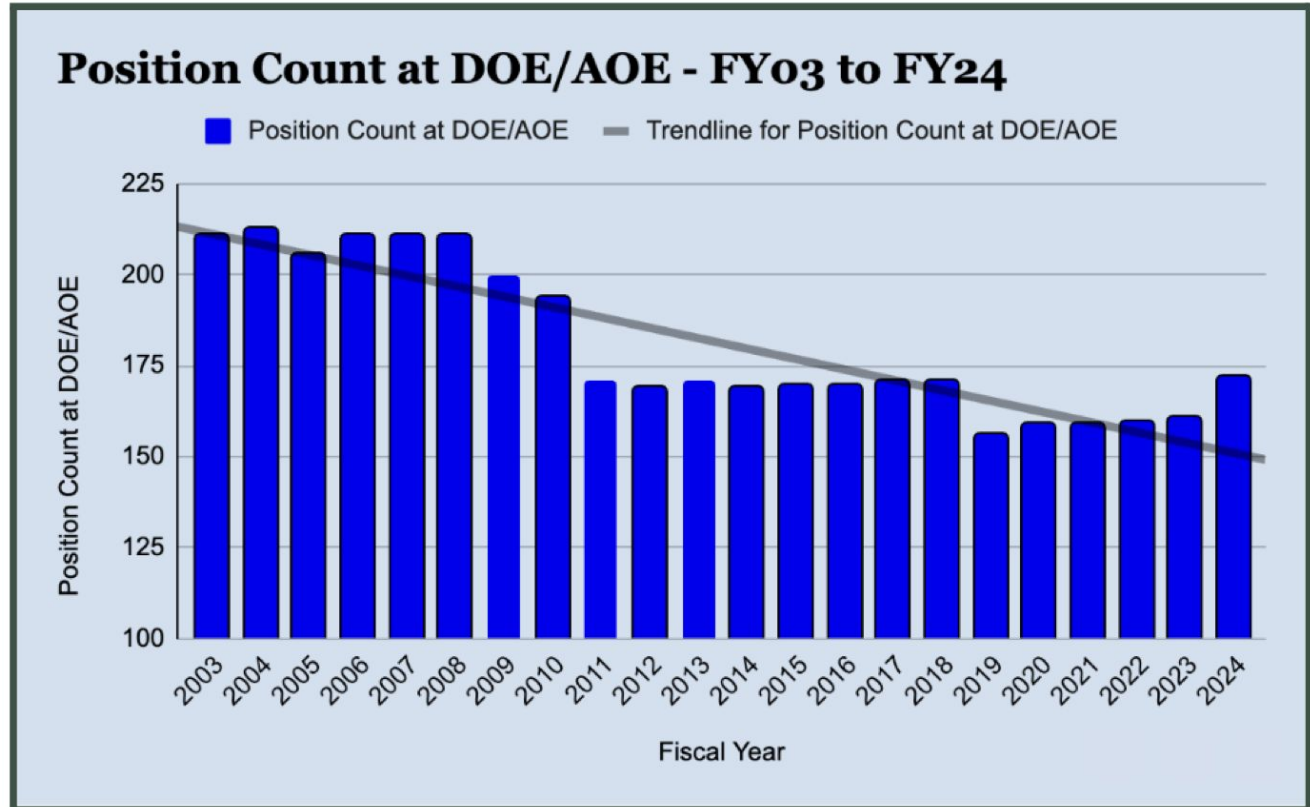
- Benefits begin as soon as services are shared
- No contract equalization shock
- No construction dependency
- No multi-year governance transition
- Provide stability and resilience

(The longer [report](#) documents these considerations)



Example: What if federally funded position at AOE are reduced?

Figure 7. Position Count at DOE/AOE - FY03 to FY24



Mandatory Participation, Local Flexibility

What is mandatory

- Membership in a regional CESA

What is local

- Which services to share
- Pace and sequencing
- Governance representation

Rationale

- Prevents free-rider problem
- Ensures statewide coverage



Important Point: Allows for customization according to local student needs and local conditions/geography

Why CESAs Are a Precondition for Larger Reform

Structural logic

- Strategic mergers (Section 2) depend on shared capacity and planning
- Regional high schools (Section 3) require coordinated planning
- CESAs provide the *operating spine* for either path

Risks and Guardrails

Acknowledged risks

- Weak implementation
- Duplication if functions not actively retired at the local level
- Insufficient AOE capacity
- Poor collaboration

Built-in protections

- Audit and transparency requirements
- Clear division of responsibility
- Phased rollout
- Evaluation metrics tied to services

Regional shared services are used in other sectors

ACT 167 HOSPITAL TRANSFORMATION

Regionalization

See the Governor's strategy for health care reform, as presented at the December all-members caucus.

- The goal of regionalization is to **ensure that our health care resources are optimally distributed** so that Vermonters can access the right care, at the right time, at the right place, and at an affordable cost.
- This can include **improving how organizations work together**, for example by sharing administrative services, coordinating patient transfers between hospitals, or redesigning how clinical services are delivered
- Regionalization helps **protect access to essential services over the long term**, rather than risking losing them altogether.

Administration: a CESA to ensure “that CTE quality, access, and alignment do not vary by region or delivery model.”



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1. Statewide Governance and Delivery Through a CTE Education Service Agency (ESA)

Vermont will establish a statewide Education Service Agency (ESA) for CTE to provide unified leadership, high-quality program delivery, and system design that is focused on students, statewide needs, and coherence across learning environments. Under this model:

[Administration's proposal in the Senate to use a CESA for CTE.](#)

What the Legislature Is Being Asked to Decide

Policy decisions

- Whether to require regional shared services statewide
- Whether to prioritize CESAs before governance consolidation
- Whether to invest limited state capacity in lower-risk reforms first

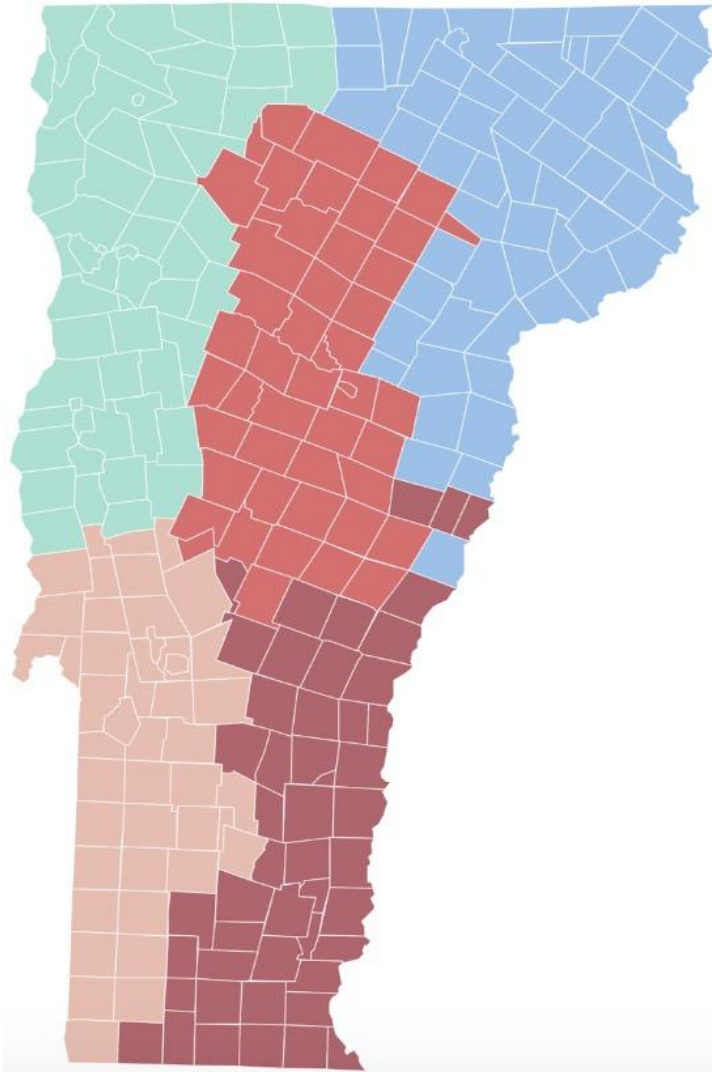
Core legislative test:

Does this create real capacity where Vermont currently has none?

Proposed Map regions for CESAs (to be modified based on input)

- Regional collaborations of Supervisory Districts and Supervisory Unions --
- SUs and SDs can request realignment based on existing relationships (e.g. OESU)
- Rapid scale where it matters most:
 - Shared functions to a regional level
 - more affordably and effectively

Unlike mergers, this proposal can yield immediate and lower risk benefits to cost, quality and access.



Closing thought:

This BOCES has “been my life line in the last few years. Not only are there cost savings but a depth of resources that I have not had at my fingertips in Vermont for a very long time.”

–Dr. Sherry Sousa, Mountain Views Superintendent, part of the new SE BOCES

Notes:

Full proposal is here:

https://aoa.vermont.gov/sites/aoa/files/Appendix%20E_%20The%20Vermont%20Regional%20Education%20Partnership%20Model_UPDATED%2012.2.25%20v.%202.pdf

References to research and evidence that inform recommendations are documented in the footnotes.

See Appendix A (p. 137) for **examples of how CESAs address drivers of higher cost and lower quality**

See Appendix F (p. 154) for additional discussion of **drivers of Sagging Student Performance and CESA-Intervention Options**

Thank You

- Thank you to the over 5000 individual Vermonters, including students, who provided input to the Task Force.
- Thank you to the VT educators, administrators and business managers who generously gave their time to the development of the ideas in this proposal.
- Thank you to the AOE staff who worked hard to clean and provide data to inform the Task Force thinking and work.
- Thank you to the university faculty members and national experts who shared research and in one case, read and offered feedback on the draft proposal.

Appendices

Appendix A: CESAs vs Mandatory District Mergers: Comparison

Dimension	Mandatory District Mergers	Cooperative Service Agencies
Improving learning	Indirect; governance change does not improve instruction	Direct; shared PD, instructional support, implementation capacity
Cost efficiencies	Uncertain; transition, contract leveling, transport costs	Targeted; shared services, procurement, reduced duplication
Speed of impact	3–5 years typical	Immediate once services launch
Risk level	High political, fiscal, and operational risk	Lower, incremental, reversible
Equitable access	May worsen rural access through closures	Expands access regardless of district size
Consistency statewide	Variable; depends on new district leadership	High; regional infrastructure aligned to state priorities
Effect on local schools	Potential closure or consolidation pressure	Schools remain intact
Implementation burden on AOE	Heavy, fragmented	Concentrated through 5 regions

Appendix B: Special Education Delivery (see [Report](#))

Current problem

- Failed implementation of Act 173, need for professional development to improve primary first instruction
- Rising identification
- Inconsistent implementation of Act 173
- Staffing shortages and uneven access
- Overreliance on restrictive placements

CESA solution

- Regional evaluation teams
- Shared specialists (SLP, OT, psych, BCBA)
- Regional programs for low-incidence, high-intensity needs
- Consistent PD tied to instructional shifts and improvement

Appendix C: Shared Business Services

Other states: shared business and cooperative purchasing models, achieve cost savings

Full-stack Central Business Office (CBO) budgeting, general ledger, payroll, A/P, bank reconciliation, cash management, claims auditing, standardized calendar and chart of accounts, financial tools.

Purchasing custodial supplies/liners, cafeteria staples, paper, medical/nurse supplies, auto/bus parts, AV/IT peripherals, fuel (where logistics permit).

Technology: aggregated licensing (SIS/LMS/security), network operations, device bundles, installment purchasing for capital equipment.

Appendix D: Professional Development

Requirement of continuous, researched based, high quality professional development.

- Inconsistent and incoherent implementation across the state
- Inconsistent quality, access, and cost at local level
- Bundling the work in a CESA model creates cost savings, improved programming, more coherence.

Examples

Cultivating professionals: recruitment, retention, building capacity

Academic achievement: specific content, pedagogy, support systems, school culture

Appendix E:
Ramp up
Example

special
education

YEAR
0

(set-up): Charter the five regions; publish the roster; adopt uniform cost-allocation rules; post preliminary price sheets.

YEAR
1

(core services live): Stand up evaluation teams, itinerant related services, assistive-tech support, behavior consults, and parent education; publish first dashboards; complete the first audit.

YEAR
2

(expand options): Launch at least one regional day program per region as justified by need; begin biennial program reviews.

ONGOING

Annual audit with posted reconciliation and surplus refunds; quarterly LRE and travel-time reporting.

Hasty and poorly planned and sequenced implementation could disrupt services and inflict harm on Vermont's more vulnerable students.

Appendix F: Role of the AOE

AOE  **Work deeply with 5 CESAs, instead of shallowly with every SU and SD, leading to rapid scaling of improvement**

- Ensure consistency with state and federal law, across all regions.
- Shared business and reporting systems by CESAs can improve data quality, provide transparency and simplify oversight. CESA level procurement could move the state to 5 systems, facilitating coordination with AOE systems.
- Support implementation of state initiatives (e.g., professional development and instructional shifts necessary to successfully implement Act 173, Education Quality Standards, science-based literacy requirements and amplification of career-based learning and pathways in isolated rural settings).
- Set up a dashboard and monitor implementation to ensure benefits and prevent duplication and waste