

My name is Annie Houston and I am the Director of Finance at Orleans Southwest Supervisory Union. I want to thank the members of the House Education Committee for inviting us to share our perspectives on school governance. I sit before you as a product of Vermont's public education system. I graduated top of my class from Craftsbury Academy and attended UVM on the Green & Gold Scholarship. I have a Master of Science from Boston University and have spent time teaching English as a second language both abroad and in Boston before returning to these Green Mountains we call home.

I come from a family that's been in Vermont for more than 200 years and within that family, public education is a cornerstone. I'll spare you the litany of who has done what except to share that my mother taught in Lamoille County for 36 years and was a contractor with the then Department of Education during the New Standards Project of the '90s, and my niece is a first year teacher in Williamstown - public education is in our blood. I'm here as someone who recognizes the remarkable experiences our public schools in Vermont have to offer as well as areas where changes must be made to improve the system as a whole and the quality of education we provide our kids throughout the entire state.

For context, OSSU serves six towns: Craftsbury, Greensboro, Hardwick, Stannard, Wolcott, and Woodbury, located within four counties - Caledonia, Lamoille, Orleans, and Washington. The SU's role is to coordinate and provide shared services among each of its five districts. These districts are charged an assessment for these services based on each district's long-term weighted average daily membership, or, in simpler phrasing, weighted pupil counts. The shared services budget for FY27 is \$12.6 million and covers items specified in Title 16 such as transportation, student support services, fiscal management and oversight, human resources, curriculum and assessment, student data systems, and staff negotiations. We have also centralized some services in the SU budget that improve resource allocation, for example, facilities staff, who can work between buildings regardless of the district without creating an administrative and contractual nightmare.

OSSU is also the fiscal entity for any services or staffing shared between some districts but not all. This budget for FY27 totals \$971,037. An example would be a teacher working in two separate districts which we then bill for the prorated amount of salary and benefits based on full-time equivalent (FTE) established at each district.

Furthermore, the SU is the coordinator and overseer of all state and federal grant funding, which in FY26 is over \$1.6 million and provides services such as staffing, professional development, afterschool and summer enrichment programs, software, instructional content platforms, facilities upgrades, and so on.

OSSU has five member districts outlined in the following table:

District	Town(s) Served	Grades Served	Approx. Student Population	Campuses/Buildings	FY27 Budget
Craftsbury Town School District	Craftsbury	PreK-12	200	2 – Craftsbury Elem. K-2; Craftsbury Acad. 3-12	\$6,368,638
Hazen Union Middle & High School District	Greensboro, Hardwick, Woodbury	7-12	287	1	\$9,178,952
Mountain View Union Elementary School District	Greensboro, Hardwick, Woodbury, Stannard	PreK-6	284	3 – Hardwick Elementary (K-6), Lakeview Early Ed Center (PK), Woodbury Elementary (K-6)	\$9,065,204* *Dependent on outcome of May 20 vote
Stannard Town School District	Stannard	7-12 Non-operating choice district	13	0	\$275,353
Wolcott Town School District	Wolcott	K-6 elementary building; choice 7-12	85 elem; 128 gr. 7-12	1	\$6,298,447* Dependent on outcome of May 20 vote

These five distinct district types sit under the umbrella of OSSU. Each has their own unique tax identity, which is also the case for OSSU. All told, we manage approximately \$30 million dollars in revenues and expenditures across six separate fiscal entities governed by their own boards. I'll repeat that: six separate fiscal entities, each with their own governing board. Six boards, six budgets, six audits, six databases, six accounts payable runs every two weeks, five payroll runs every two weeks (Stannard Town School District excepted), and six distinct datasets that must be pulled, combined, and submitted for all reporting requests, all for approximately 1000 students and 250 staff. And the list goes on.

From an internal day-to-day business operations perspective, this is not just a duplication of efforts, it is, task dependent, a quint or sextuplication of efforts. Any organizational analyst can tell you that this is not the best way to use employee time or talent, but the system dictates our reality. By repeating the same tasks over and over for each entity, we are prevented from deepening our work and reducing redundancies.

I'd like to speak for a moment about the budgeting process and local control. The supervisory union board, comprised of members from each member district, crafts and sets its budget annually in tandem with local boards working on district budgets. What ends up being approved and decided upon at the supervisory union level is then represented as a single line-item assessment cost in local district budgets. This cost is often approximately one third of a district's total budget and is a line item that local boards cannot adjust and modify at the district level. While the SU board builds its budget conservatively and carefully balances the impact to local districts in terms of services and costs, this establishes a dual level of budgeting that ties a local board's hands when it comes to tough conversations in challenging fiscal times.

In addition, an unintended consequence is erosion of public trust given the lack of transparency despite best efforts to explain and clarify the role of the SU and the services it provides (like the fact that OSSU employs 103 FTEs with 85% of these based in buildings and the remaining 15% supporting Central Office staff and administration). While our districts and the supervisory union are all working diligently to provide our students with a high-quality education, this model quickly devolves into an "us vs them" conversation as Town Meeting Day approaches. Two layers of governance and two layers of budgeting are not conducive to a transparent process that fosters understanding and instills faith in our system.

When thinking about taxpayer interest, the constraints placed upon supervisory unions force us to, in some ways, act against it. For example, SUs are not allowed to own buildings. OSSU's central office is located in Hardwick, and it is difficult to find a building with the appropriate square footage in our area to house staff. As a result, we pay an annual rent that is over \$100,000 and draws the ire of taxpayers every single year. We have done our due diligence to find alternative space and it simply does not exist in a cost-effective manner. We have, in essence, paid for our building three times over the course of our lease, but without the option to own, it is a necessary evil and therefore waste of taxpayers' money.

From another angle, many of our constituents and board members have often asked for better in-depth fiscal analysis and forecasting, and, frankly, they're owed it. But therein lies the rub: at the start of each budget cycle, I'm building budgets and presentations six times to present to six boards. It is a repetitive loop that consumes all capacity (along with managing and overseeing the rest of the day-to-day) that does not allow the headspace or time to develop and provide communities with insightful information.

Lastly, the supervisory union governance model stretches staff too thin, contributing to burnout and excessive turnover. Take, as an example, the FY27 budget cycle. From November 1 to January 20 there were 22 board meetings, each requiring a new set of numbers, memos, presentations, etc. and each lasting well into the night. The only week without a board meeting in this entire stretch was Thanksgiving. This is not a sustainable model and our turnover proves it: I am the sixth individual to hold my position in 12 years and I will be resigning at the end of this fiscal year. A change in the most senior fiscal official every two years on average is a) emblematic of a severe systemic problem and b)

prevents the supervisory union from establishing the stability and consistency needed to achieve its longer-term goals and outcomes.

A simple solution would be to hire more staff, however the will of the public and our boards will not support it. The vicious cycle continues, and OSSU is faced with yet another change in senior level leadership to manage and navigate (including a new superintendent for FY27). The need for broader, more systemic change is evident.

And so, I ask you, members of the House Education Committee, to please examine governance models and in particular the use of supervisory unions carefully and with extreme caution. There is so much potential to be gained from shifting away from this model, and it does not mean that local voice has to be lost or that schools will close. It means that we can focus on doing everything we can to provide the best education and opportunity for all of our students, which is what they deserve.