Appendix E:

The Vermont Regional Education Partnership Model

This document includes three proposals:

1. **Section 1: Creation of Cooperative Education Service Regions**
2. **Section 2: Voluntary Strategic Mergers of Smaller Districts**
3. **Section 3: Future Comprehensive Regional High Schools**

The second two proposals depend on implementation of the first (cooperative education service regions).

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Section 1: Creation of Cooperative Education Service Regions

1.1 Implement five cooperative service regions, require shared services

This proposal organizes all existing Vermont supervisory unions (SUs) and school districts (SDs) into five cooperative education service areas (CESAs). A CESA is a regional structure that coordinates services across districts to improve instruction, expand access, and deliver essential functions more efficiently. This model of shared services and purchasing is widely used across the nation; Vermont is one of the few states to not leverage this cooperative approach.[1]

This is a map of five cooperative service regions. It is not a map of five newly-formed districts.

Current statute (Act 168 of 2024)[2] allows for up to seven CESAs, but membership is voluntary. This proposal builds on existing successes[3] while putting in guardrails[4], scaling these efforts statewide, and expanding cooperative services to a broader set of functions, typical of what is seen in other states, including across the border in New York.[5]

Under this proposal, the cooperative service regions would be mandatory. These cooperatives will serve to reduce cost[6] and improve quality by

[1] AESA State by State ESA Report. (2021).
https://www.waesd.org/wp-content/uploads/2021/04/AESA.ESA-State-by-State-Report-March-2021.pdf
[2] Act 168 of 2024.
https://legislature.vermont.gov/Documents/2024/Docs/ACTS/ACT168/ACT168%20As%20Enacted.pdf
[3] Vermont examples:
Vermont Rural Education Collaborative.
https://www.vtruraledu.org/professional-development
SE BOCES:
https://vtdigger.org/2025/08/13/woodstock-windsor-schools-join-collaboration-that-aims-to-improve-special-education-and-save-costs/
Champlain Valley Educator Development Center
https://www.cvedcvt.org/services
[4] See NYSED's Audit reference manual for examples of guardrails.
https://www.p12.nysed.gov/mgtserv/accounting/referencemanual/2024-reference-manual/2024-reference-manual-appendix-7-final.pdf
[5] Champlain Valley Education Services
https://www.cves.org/
[6]New York State School Boards Association. (2012). Shared services issues Brief.
https://www.nyssba.org/clientuploads/nyssba_pdf/GR-SIC-Shared-Services-Issue-Brief.pdf

replacing certain SU and SD local services (funded 52 times over at the local level) with regionally shared services (services that are developed once at the regional level on behalf of, and to be shared across, member SUs and SDs). By regionalizing high-cost, low-frequency work, **CESAs create scale where Vermont's small systems cannot, allowing local leaders to focus on teaching, learning, and cost-effective operations.**

CESAs are a lower-risk, evidence-based strategy that can:

- replace fragmented local functions without adding bureaucracy;
- operate at cost, with transparent pricing, annual audits, and surplus refunds;
- give small districts reliable access to expertise they cannot sustain alone; and
- deliver benefits quickly, without the disruption and high transition costs associated with forced district mergers.

Cooperative services are used widely in other states, particularly rural states, to achieve these goals.[7]

In contrast, research suggests that mandated mergers of 4,000–8,000 students may fail to reduce costs, produce uneven outcomes, and can raise expenses during transition periods.[8] Of note, some consolidations yield no net savings once transportation, salary equalization, facilities, and transition costs are included. In short, statewide merger mandates could cause significant disruption with uncertain benefits. In a 2018 report, the Southern Regional Education Board suggested states instead "consider other measures to improve fiscal efficiency or educational services (cooperative purchasing, enhancing Educational Service Agencies…)."[9]

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[7] Examples from rural areas in other states of how BOCES support professional learning
CO:https://www.neboces.org/page/consortium-pd
https://www.ecboces.org/enrol/index.php?id=1239
WY: https://edu.wyoming.gov/parents/cooperative-ed-programs/
MT: https://www.mt-schools.org/examples-customized-pd.html

[8] Miller, G. (2024). Evaluating the Impact of School District Mergers in Vermont: Fiscal Reallocation, Equity, and Community Perspectives. Thesis. Yale University.
https://assets.nationbuilder.com/campaignforvermont/pages/5073/attachments/original/1752801788/Yale_Thesis_%287%29.pdf?1752801788
Connecticut School Finance Project. (2019). *A Review of the Research on District & School Consolidation*. New Haven, CT: Author. Retrieved from
https://files.schoolstatefinance.org/hubfs/Reports/Review%20of%20Research%20on%20District%20and%20School%20Consolidation.pdf.
Andrews M., Duncombe W. D., Yinger J. (2002). Revisiting economies of size in American education: Are we any closer to a consensus? *Economics of Education Review*, 21(3), 245–262.
https://doi.org/10.1016/S0272-7757(01)00006-1

[9] Southern Regional Education Board. (2018). School District consolidation.
https://www.sreb.org/sites/main/files/file-attachments/2018_sreb_state_services_school_district_consolidation.pdf

The sample articles of agreement[10] included with this report—developed in response to Act 168 of 2024 by a group of Vermont SUs and SDs—describe governance, finance, and representation for shared regional services. They support cost sharing for specialized programs and any additional services members choose to organize collectively.

Vermont's rural geography reinforces the need for this approach. Small systems face persistent challenges in staffing specialized positions and sustaining consistent instructional quality. CESAs can address this by providing regional professional learning and instructional support. State data show inconsistent implementation of early-literacy practices and supports for struggling learners; a regional infrastructure can help schools make steady, coherent improvements. A recent state report on the status and delivery of special education suggests the state may not have implemented the instructional shifts required by Act 173 of 2018, contributing to higher rates of identification, overreliance on "substantially separate" settings, significant variation in identification rates across districts, and weaker outcomes.[11]

States that have improved literacy, including Mississippi,[12] did so by targeting and pooling resources for professional development and by deploying reading coaches to schools with the most struggling readers. These coaches were selected for their experience in applying the science of reading, and worked closely with local principals and teachers to support the instructional shifts needed to improve learning.

This is exactly the kind of work CESAs can coordinate, and, this is work to improve instruction and support struggling learners that has been missing in Vermont.

With stable focus and the ability to share resources regionally, CESAs give Vermont supervisory unions and supervisory districts greater capacity to implement and scale improvements in instruction statewide, as well as back-office efficiencies to slow the grinding increases in cost.

See Appendix A for specific examples, provided by Vermont education leaders, of how CESAs can address drivers of higher cost and lower quality in Vermont SUs and SDs.

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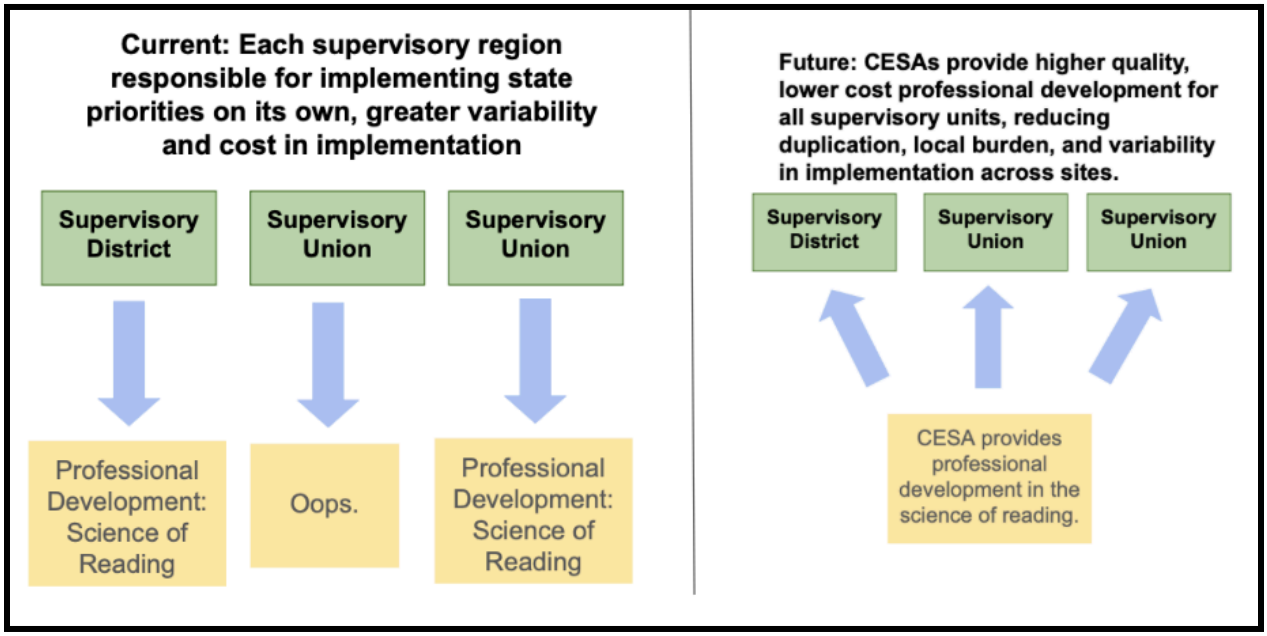
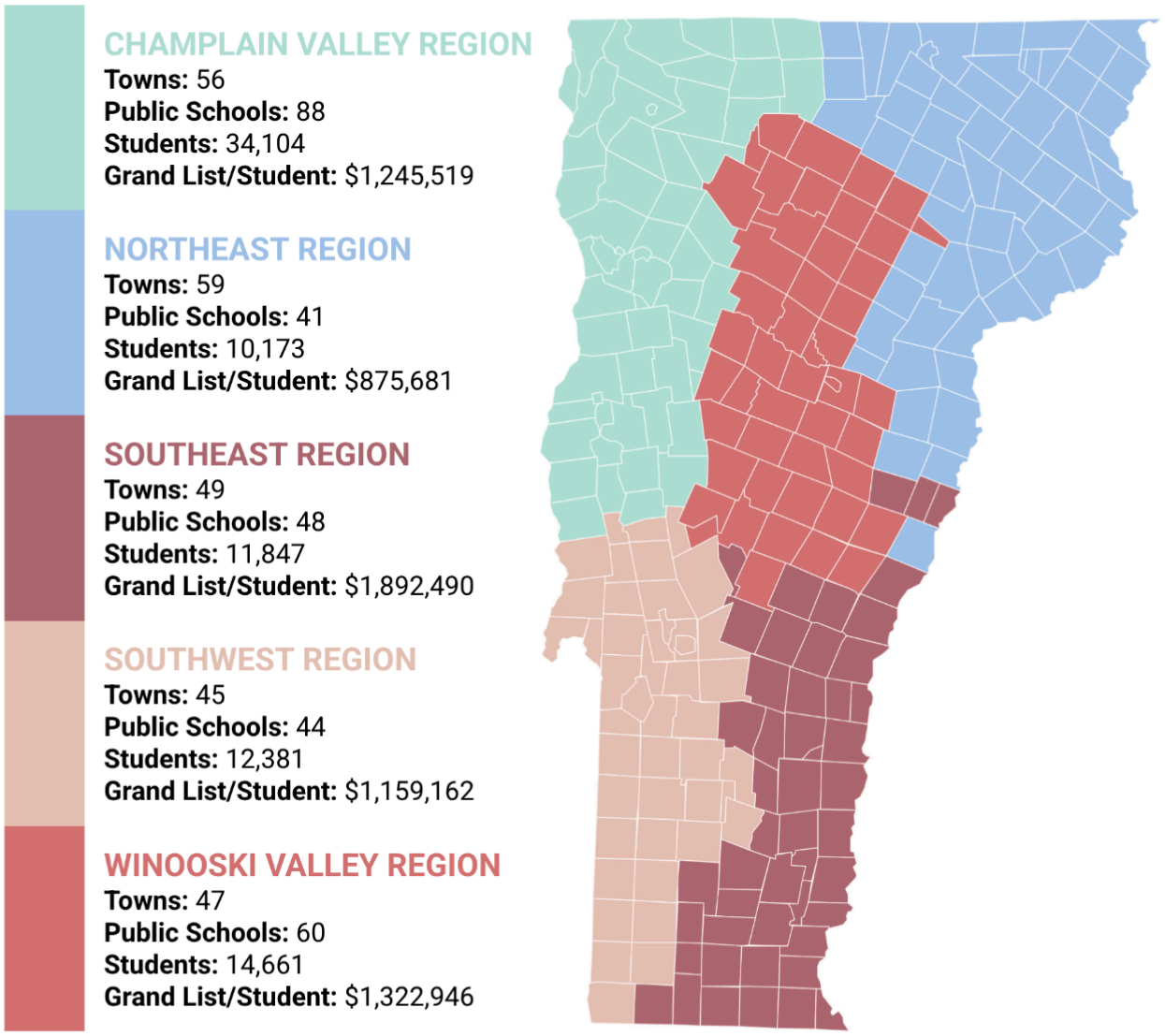
[10] Sample articles of agreement. https://drive.google.com/file/d/1aGtc4H6FIOnCTjAVFiDKGTNYxtKV0xZv/view
[11] Legislative Report. Current State of Special Education Delivery. VT Agency of Education. (2025). https://legislature.vermont.gov/assets/Legislative-Reports/edu-act-73-special-education-report-2025.pdf
[12] The Mississippi Reading Revolution. GW Bush Institute. (2023). https://www.bushcenter.org/catalyst/the-fix/mississippis-reading-revolution#:~:text=One%20of%20the%20most%20effective,hand%20with%20principals%20and%20teachers.

Current Structure vs CESAs model on regional professional development, variability and cost of duplication



1.2 Map of proposed Cooperative Education Service Areas

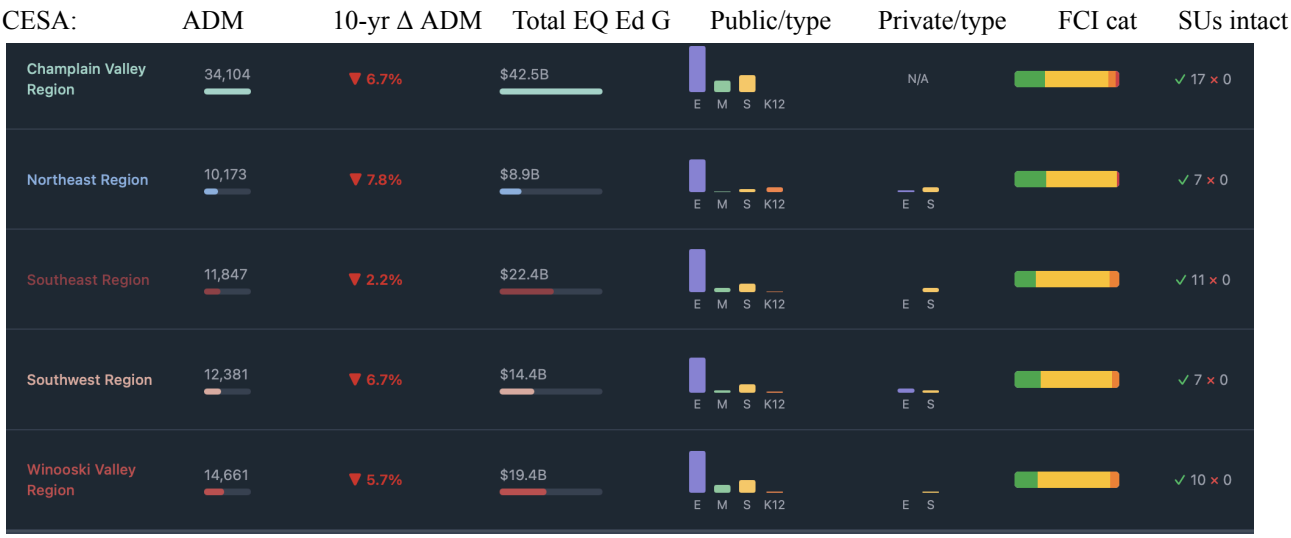


1.3 Summary statistics from mapping tool

This proposal mandates membership in cooperatives, with SUs and SDs deciding what services to organize through the cooperatives. The cooperatives would range in size from about 10,200 in the Northeast Region to about 34,000 in the Champlain Valley area. With cooperative services, scale is an advantage, but optimal scale is mediated by travel time. This proposal ensures that even the sparsely populated Northeast Region is sufficiently scaled to experience benefits. As proposed, the Champlain Valley Region is still smaller than cooperatives in other states, but this

proposal acknowledges that the state might consider organizing this larger region into a northern and southern region.

The following table, produced through the AOA's mapping tool, provides descriptive statistics of the proposed cooperative regions, including their average daily student membership and the school configurations each will serve.



Source: Created using VT AOA mapping tool found at https://map.vermont.gov/education/district-builder/

1.4 What CESAs replace — and what districts retain

CESAs do not add a new administrative tier. They **replace the fragmented, undersized services** now duplicated across 52 supervisory unions and districts. Many Vermont SUs and SDs each maintain their own business functions, specialized staffing arrangements, professional development systems, and evaluation processes. This structure creates variation in quality and higher per-unit costs, especially in rural areas where enrollment is low and expertise is scarce.

The CESA model consolidates only those functions that *cannot* be delivered efficiently or consistently at the local level. Regionalizing these shared, high-cost and low-frequency services—such as multidisciplinary evaluations, itinerant specialists, professional development, and business operations—creates scale where it matters, without altering school governance or local decision-making over instruction, staffing, or budgeting.

Local districts continue to operate schools, set priorities, and retain all responsibilities for student learning and community engagement. CESAs

serve as **shared infrastructure**, not a new governing body: they provide regional capacity that districts draw on, at cost, with transparent pricing, annual audits, and surplus refunds. In practice, CESAs function as a **wholesale provider** of specialized and technical services, allowing districts to redirect time and resources toward students rather than duplicating complex operations in parallel, reducing the need to increase spending.

1.5 Cooperative services in rural states

Across the country, rural states depend on regional cooperative service areas to solve exactly the kinds of challenges Vermont faces today. Whether called BOCES (New York), Intermediate Units (Pennsylvania), CESAs (Wisconsin), or Education Service Centers (Texas and Ohio), these regional entities were created for one reason: **small, rural districts cannot sustainably maintain the full range of services and expertise that schools need.** Strong cooperative services can give SUs and SDs scale, stability, and access without the disruption of forced governance consolidation.

Rural regions in other states repeatedly show the same pattern. When essential services are pooled—special education evaluations, related-service staff, curriculum support, professional development, CTE programming, or business operations—districts reduce duplication and gain access to a wider set of opportunities for students. Decades of audits, state reviews, and member-district reporting across New York, Pennsylvania, Wisconsin, Wyoming, and other rural states document the same core benefits: **lower unit costs, broader access to specialized expertise, more consistent implementation of state priorities, and greater equity across communities**. (See footnote for examples from other states of how cooperative services and shared purchasing yield savings and better service, both in rural and urban areas.)[13]

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[13] AESA – "Educational Service Agencies: Review of Selected/Related Literature" (2021)
https://www.aesa.us/2021/06/02/educational-service-agencies-review-of-selected-related-literature
REL/ERIC – "Shared Services in Rural School Communities: Examples from the Field" (2020)
https://files.eric.ed.gov/fulltext/ED660596.pdf
Texas Education Agency – "2024 Funding for Regional Education Service Centers Report"
https://tea.texas.gov/about-tea/government-relations-and-legal/government-relations/2024-funding-for-regional-education-service-centers-report.pdf
BOCES of New York State – "By the Numbers" infographic
https://boces.org/infographics/by-the-numbers/
Cornell University / NYS Comptroller-linked brief – "Savings on Administrative Costs: Are Central Business Offices the Answer?"
https://labs.aap.cornell.edu/sites/aap-labs/files/2022-10/Hayes_2013b_IssueBrief.pdf
ESD 112 – "ESD Return on Investment" (2024)
https://www.esd112.org/about/return-on-investment/

These cooperatives are particularly important in places with sparse populations and long travel distances. In rural New York, BOCES serve as regional hubs that provide multidisciplinary evaluation teams, itinerant therapists, assistive-technology services, and specialized day programs—supports that no single rural district could sustain alone. Pennsylvania's Intermediate Units fulfill similar functions for evaluation, itinerant staffing, and IDEA compliance, acting as a regional extension of district capacity. Wisconsin's CESAs provide region-wide professional development, curriculum support, teacher-pipeline development, and online-learning access for rural communities. Each model demonstrates how rural states use cooperatives to maintain local schools while giving them the shared infrastructure needed to thrive.

The evidence also underscores a key point for Vermont: **cooperative services deliver improvements faster and with less risk than forced mergers.**

In other states, cooperatives begin producing fiscal and service benefits as soon as districts start buying services together. There is no multi-year transition period, no contract-equalization shock (a big driver of higher cost in mergers), and no need for construction aid to realize benefits. Research indicates this differs from the transition dynamic often seen in large-scale district mergers, where cost savings are inconsistent, transition costs are high, and rural access can suffer. As the superintendents and business manager on the task force emphasized, mergers are challenging, consume attention of leadership that might otherwise be spent on system improvements, and can bring unexpected costs, including through leveling up of contracts. These observations were echoed in public feedback; some systems report that completing mergers took 3-5 years, and some regions are only now beginning to function as unified systems.

Regional cooperative service areas are not an experiment. They are the **standard operating infrastructure in rural America for delivering high-quality, equitable public education at a sustainable cost.**

For rural Vermont, the relevance is direct. Sixty-six percent of Vermonters live in rural areas,[14] more than any other state. **Many districts are too small to maintain specialized staffing, consistent professional development, high-cost CTE programs, or the full range of special-education services**

High Desert ESD – "2022–23 Annual Report to ODE under SB 250
https://www.hdesd.org/wp-content/uploads/2023/10/HDESD-Annual-Report-to-ODE-2022-23.pdf
Colorado BOCES – Statewide Brochure 2024–25
https://www.coloradoboces.org/wp-content/uploads/2024/08/BOCES-Brochure-2024-25.pdf

[14] America's Health Rankings. Rural Population in Vermont.
https://www.americashealthrankings.org/explore/measures/pct_rural_b/VT

required by federal law. For example, Vermont already struggles with variability in early literacy implementation, uneven access to specialized evaluations, and limited coverage for low-incidence disabilities. These are the exact conditions under which rural states elsewhere rely on regional cooperatives—and the conditions under which Vermont would benefit most from CESAs.

Regional cooperative service areas are not an experiment. They are the **standard operating infrastructure in rural America for delivering high-quality, equitable public education at a sustainable cost.** They make rural schools more viable, help states scale improvements without overburdening their agencies, and ensure that geography does not determine the quality of a child's education.

A CESA system provides a model that has demonstrated effectiveness in other rural states: local schools remain open and locally governed in isolated areas. The state and its districts gain the scale needed to provide consistent, high-quality services to every child—efficiently, equitably, and without the upheaval that comes from forced mergers.

CESAs let Vermont districts buy services wholesale instead of paying retail:

- **Regional procurement:** Bulk purchasing of IT, transportation, and supplies reduces per-unit costs.[15]
- **Regional business offices:** A single shared finance center could replace dozens of small offices, lowering payroll and audit costs.
- **Shared specialized staff:** Pooling demand for scarce experts (school psychologists, SLPs, BCBAs) guarantees coverage and predictable pricing.
- **Future tuition coordination:** CESAs could manage tuition contracts for "tuitioning" districts to secure fair, all-in pricing per seat.

This would require changes to statute and rule, and contracts could include language requiring open enrollment and prohibiting schools from charging parents fees or tuition above the tuition rate paid by districts.

Such wholesale contracting power is especially important in concentrated markets like transportation and food services, where small districts face rising vendor prices and few options.

More importantly, **CESAs address the unequal access to services in rural**

[15] See Eastern Suffolk BOCES procurement Reports at https://www.esboces.org/

communities. Pooling resources gives small districts access to staff and expertise they could never afford alone. This is **efficiency with fairness, demonstrated across other rural states**.

1.6 Ensuring shared services efficiency over current operations

For shared functions, **CESAs replace small, fragmented local services with strong regional ones.** They save money by pooling resources that individual Supervisory Unions (SUs) and Supervisory Districts (SDs) now duplicate dozens of times. CESAs do not add another layer of administration—they replace smaller, less efficient layers with shared regional capacity.

> Wisconsin CESAs document faster rollout of state initiatives (literacy, PBIS) and lower per-pupil costs than non-participating districts (Wisconsin CESA Network 2023 Annual Report)

CESAs have built-in fiscal safeguards:

- **Shared-service rules**—each service must serve at least two districts, and no single district may consume more than 60 percent of a service's capacity.
- **Transparent pricing and surplus refunds**—services are priced at cost, audited yearly, and any surplus is refunded to member districts.
- **Independent audits and public dashboards**—annual reviews and open data on cost, service quality, and equity keep CESAs accountable.
- **State oversight**—the Agency of Education (AOE) reviews each CESA yearly to ensure that local and regional efforts are not duplicated.

These guardrails, drawn from successful BOCES and Intermediate Unit models in other states, including New York and Pennsylvania, have kept regional cooperatives fiscally neutral for decades while delivering verified savings.

1.7 Education cooperatives versus forced mergers

> The only robust study of Act 46 mergers compared districts that merged and districts that did not merge to evaluate the causal impact of Act 46 mergers on spending, budget allocations and tax rates. **The study found no evidence that Act 46 district mergers have led to significant savings in per pupil spending or slowing of its growth rate.**

The task force assumed our work would lead to a map of merged districts, but we began to consider

other strategies after studying the peer reviewed research of impacts of mergers on cost and quality. We reviewed the only robust analysis of the fiscal impacts of Act 46. The author compared districts that merged and districts that did not merge under act 46, to evaluate the causal impact of Act 46 mergers on spending, budget allocations, and tax rates. She found no evidence that Act 46 district mergers have led to significant savings in per-pupil spending or slowing of its growth rate.[16]

In addition, because a disproportionate number of small districts in Vermont are districts that pay tuition, we had to evaluate the impact of expanding school choice through mergers. This section reviews the literature that led the task force to propose a shared services approach as an alternative. We looked at the research on mergers and the research on the impacts of expanding private school choice to understand potential impacts for Vermont.

At the highest level, CESAs can **achieve scale more quickly and in a more controlled way**, while avoiding the likely risks associated with mergers. Forced mergers can generate high transition costs, conflict, and only modest gains. See **Section 2: Strategic Mergers** for more detailed discussion of mergers in the Vermont context.

Merging Vermont School Districts into units of 4,000-8,000 students: likely impacts based on merger research

Mergers change governance structure, but they don't directly address the drivers of cost (e.g. health care, construction aid, and the growing provision of state social services through schools). (See Appendix B for a discussion of health care impacts on education spending.) This section examines what research on mergers suggests are likely impacts of the proposed mergers, both with and without expansion of school choice.

Research related to merging districts to a size of 4,000 to 8,000 students, absent consideration of school choice

Available research suggests mergers have not consistently produced savings once transition costs, contract equalization, and diseconomies of scale are included.[17]

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[16] Miller, G., Evaluating the Impact of School District Mergers in Vermont: Fiscal Reallocation, Equity, and Community Perspectives. Thesis. Yale University. https://assets.nationbuilder.com/campaignforvermont/pages/5073/attachments/original/1752801788/Yale_Thesis_%287%29.pdf?1752801788

[17] Connecticut School Finance Project. (2019). A review of the research on district and school consolidation. An examination of the research regarding the fiscal and academic costs and benefits of district and school consolidation.

Research on cost functions suggests opportunities for savings in consolidation of small districts. For example, a study of consolidation in upstate NY found consolidation "is likely to lower the costs of two 300-pupil districts by over 20 percent, to lower the costs of two, 900-pupil districts by 7 to 9 percent, and to have little, if any, impact on the costs of two 1,500-pupil districts."[18] However, the savings may be moderated by school sizes.[19] Savings may also be limited due to factors such as geography, whether school closure is possible and whether the districts pay tuition. (See Section 2 Strategic Mergers for more discussion of mergers of tuition districts).

Arkansas required consolidation of districts with <350 students for two consecutive years. Subsequent study, using a regression discontinuity design, found that **consolidation of these small districts did not result in positive economies of scale, and neither reduced overall costs nor shifted a larger share of resources into classrooms post-merger**.[20] (The same study found no impact, or very small impact, on student outcomes.)

To the extent district consolidation drives school consolidation, school closure may result in longer bus rides for some students. In turn, studies in several contexts link longer bus rides with more school absences, lower engagement, and lower outcomes.[21] Student absence and student disengagement are strong predictors of lower student outcomes.

The impacts of consolidation tend to fall hardest on remote, higher-poverty rural communities and marginalized communities. Closures that increase

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https://files.schoolstatefinance.org/hubfs/Reports/Review%20of%20Research%20on%20District%20and%20School%20Consolidation.pdf?utm_source=chatgpt.com

[18] Duncombe, William and Yinger, John, "Does School District Consolidation Cut Costs?" (2001). *Center for Policy Research*. 122. https://surface.syr.edu/cpr/122

[19] Andrews M., Duncombe W. D., Yinger J. (2002). Revisiting economies of size in American education: Are we any closer to a consensus? *Economics of Education Review*, 21(3), 245–262. https://doi.org/10.1016/S0272-7757(01)00006-1

[20] McGee, Josh B., Jonathan Mills, and Jessica Goldstein. (2021). The Effect of School District Consolidation on Student Achievement: Evidence from Arkansas. (EdWorkingPaper: 21-347). Retrieved from Annenberg Institute at Brown University: https://doi.org/10.26300/q9j5-x653

McGee, J. B., Mills, J. N., & Goldstein, J. S. (2022). The Effect of School District Consolidation on Student Achievement: Evidence From Arkansas. *Educational Evaluation and Policy Analysis*, *45*(3), 482-495. https://doi.org/10.3102/01623737221133394

[21] Cordes, S. A., Rick, C., & Schwartz, A. E. (2022). Do long bus rides drive down academic outcomes? Educational Evaluation and Policy Analysis, 44(4), https://doi-org.lprx.bates.edu/10.3102/01623737221092450

Lutz, K., Rakowska, S., & Adams, M. (2024). Examining the impacts of school bus travel on students' academic performance in two major cities. Canadian Geographies, 68, 603-614. https://doi.org/10.1111/cag.12957

Talen, E. (2001). School, Community, and Spatial Equity: An Empirical Investigation of Access to Elementary Schools in West Virginia. *Annals of the Association of American Geographers*, *91*(3), 465–486. https://doi.org/10.1111/0004-5608.00254

transportation burdens could make current inequalities even worse. This is particularly true if the new school is not substantially stronger than the one that closed.[22] In rural communities in particular, longer bus rides have negative impacts on participation in extracurricular activities.[23]

In sum, if underlying drivers of cost remain unaddressed and mergers themselves don't reduce cost or meaningfully improve opportunity.

District consolidation and school closure are different, but they are also linked. In Vermont, policy actors have discussed district consolidation as the first step to school closure.[24] The research on the impact of district size and school size is very mixed and highly context dependent.

For example, McMillan (2004)[25] found that "The benefits of size at the high school level, however, appeared to accrue disproportionately (or in some cases entirely) to higher-achieving students, white students, and students whose parents had more education, especially in mathematics." (18)

In other words, smaller schools are better for students from diverse racial and ethnic backgrounds and students whose parents have a high school education, or less. At the high school level in particular, McMillan found that learning was less equitable in larger schools. The authors note that "The findings reported here, along with those of prior school size-achievement studies should also lead local boards of education and other policymakers to at least consider whether efforts to consolidate smaller schools into larger ones might be achieving desired efficiencies at some cost to at-risk student groups." (p19)

In a review of research on school size, poverty, and student achievement, Howley and Bickel (2000)[26] found that in larger schools, the negative effects of poverty on student achievement are larger, and that the correlation between poverty and low achievement can be 10 times stronger in large

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[22] Hopson, L., Lidbe, A., Jackson, M., Adanu, E., Li, X., Penmetsa, P., Lee, H., Anderson, A., Obuya, C., & Abura-Meerdink, G. Transportation to school and academic outcomes: A systematic review, Educational Review.

[23] Fox, M. (1996). Rural transportation as a daily constraint in students' lives. The Rural Educator, 17(2), 22–27.
Spence, B. (2000). Long school bus rides: Stealing the joy of childhood (Report). Challenge West Virginia. https://files.eric.ed.gov/fulltext/ED441640.pdf

[24] "Governor Scott says school redistricting task force failed its primary directive. WCAX. https://www.wcax.com/2025/11/13/governor-scott-says-school-redistricting-task-force-failed-its-primary-objective/

[25] McMillen, B. J. (2004, October 22). School size, achievement, and achievement gaps. Education Policy Analysis Archives, 12(58). Retrieved [2025] from https://epaa.asu.edu/index.php/epaa/article/view/213/339

[26] Howley, Craig & Bickel, Robert. (2000). When It Comes to Schooling...Small Works: School Size, Poverty, and Student Achievement.

schools than in small schools. Some research suggests that rural public schools may foster higher achievement (Stewart, 2009).[27]

The task force heard from high poverty rural districts expressing concern that district consolidation would force school consolidations that would suppress the participation of their students in afterschool activities and lead to lower engagement in school.

Their anecdotal fears are consistent with work by (Crosnoe et al., 2004)[28] who found that larger schools are associated with decreases in both predicted extracurricular participation and student attachment and connection with teachers– all factors important to supporting persistence and engagement in school.

Of additional concern, in a review of research on school closure and consolidation, Tieken, et al.[29] found that closures disproportionately affect lower income communities and communities with more students of various racial and ethnic backgrounds. These closures often bring negative effects to those students and communities.

All together, the research on consolidation suggests that the proposed mergers provide uncertain benefits at best, but come with certain burdens, costs, and significant risks. An additional consideration in the case of Vermont was the likely effect of expanding school choice through policy or district mergers.

The governor's proposal to the legislature[30] was designed to "foster school choice", required the districts to identify "School Choice Schools," and specified that "students within each school district can also choose to attend a (School Choice School). (p7)" Effectively, this expands "school choice" to any family able and willing to drive a child to a School Choice School.

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[27] Stewart, L. (2009). Achievement Differences between Large and Small Schools in Texas. The RuralEducator, 30(2), 20-28. https://doi.org/10.35608/ruraled.v30i2.450

[28] Crosnoe, R., Johnson, M. K., & Elder, G. H., Jr. (2004). School Size and the Interpersonal Side of Education: An Examination of Race/Ethnicity and Organizational Context. *Social Science Quarterly, 85*(5), 1259–1274. https://doi.org/10.1111/j.0038-4941.2004.00275.x

[29] Tieken, M. C., & Auldridge-Reveles, T. R. (2019). Rethinking the School Closure Research: School Closure as Spatial Injustice. *Review of Educational Research*, *89*(6), 917-953. https://doi.org/10.3102/0034654319877151

[30]Governor Scott's Education Transformation Proposal:Governance https://governor.vermont.gov/sites/scott/files/documents/edu-education-tranformation-policy-brief-governance-2025%20%282%29.pdf

With respect to mergers, our analysis of small districts suggests that merges to the scale contemplated in Act 73 require either expanding or restricting school choice. Although the tuition students who are being educated in private schools represent a small fraction of our total student population, they represent a proportionally large number of districts. (Sixty percent of districts with fewer than 500 students tuition at some or all levels.)

For these regions, we evaluated research from other states and preliminary evidence from Vermont on the likely impact of expanding school choice on cost and quality.

Research from other states on impacts of expanding private school choice to facilitate mergers

The task force review of the research raised questions about expanding school choice strategy as a way to reduce cost and improve quality.

Some argue that we should not consider tuitioning when contemplating mergers. However, because we found that of the 73 districts with fewer than 500 students, 60% are districts that pay tuition, we concluded that we could not propose mergers on the scale contemplated in Act 73 without addressing tuitioning.

The task force reviewed research and evidence from other states to understand the potential impacts in Vermont of expanding private school choice including:

- In Vermont tuition as "access" or tuitioning as "choice"
- National research and local data on
    a. expanding payment of tuition to private schools and the effect on **student academic outcomes.**
    b. expanding school choice and the effect on the **total public cost of education**.
    c. who benefits from the expansion of school choice.

The Vermont context: tuition as "access" or tuitioning as "choice"

Historically, many rural Vermont districts paid tuition to ensure students had access to schools in regions that were too small to operate their own schools (See Appendix C).

Vermont's early constitutions expected free elementary schools in every town and "one grammar school in each county" for studies beyond the

elementary level.[31] Communities created regional academies (proto-public high schools) to deliver advanced subjects to students. These schools also served students from towns that were too small to operate their own upper grades.[32]

For example, Thetford Academy founded and chartered by the legislature in 1819) is the state's oldest continuously operating secondary school. It opened to **provide access** to "grammar school," academy-level studies for towns without their own upper-grade school. These historical academies functioned to provide upper grade access in more sparsely populated areas, not "choice."

Vermont statute positions the purpose of tuition as access, not choice. The private school tuition mechanism in Vermont statute is, and has always been, conditional. It authorizes tuition payment only when a district doesn't operate public schools at some or all grade levels. In such a case, districts pay tuition so that resident students can attend a receiving public school or an approved private school. Courts summarizing 16 VSA § 822/824 describe it exactly this way—*a method "to provide high school education" for districts that do not maintain one.*

In addition, many of today's "independent schools" were originally considered public in nature. As legislative counsel wrote, "Prior to 1991, under 16 V.S.A. § 11(7), the term '**public school**' was defined as 'elementary and high schools which **are principally supported by public taxation or tuition payments** derived from public funds...This definition shall not be construed to require **any public school not managed by a school board** to comply with provisions of law relating to teachers.'" [33]

However, with the addition of new private schools in some regions (e.g., Maple Street in Manchester), this access model has become more of a choice model than an access model (See Appendix D).

In the context of mergers, this distinction matters. If two districts that pay tuition at every level are merged, they still pay tuition for every student at every level. Tuition districts still have to buy education from other districts or private schools at the going price, for however many resident students

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[31] Zoracki, Seth. (2006.) Vermont's tradition of education and the Vermont Constitution. The Albany Law Review. Vol. 69. https://www.albanylawreview.org/article/69315-vermont-s-tradition-of-education-and-the-vermont-constitution

[32] Potash, P. Jeffrey. (1997). State Government and Education: "For the Due Encouragement of Learning and the Better Regulating and Ordering of Schools" Vermont History: The Proceedings of the Vermont Historical Society. Vol. 65, Nos. 1&2 https://vermonthistory.org/journal/misc/StateGovernmentAndEducation.pdf

[33] Vermont Legislative Counsel. See Appendix D.

they have.

In contrast, merging a tuition district into an operating district or designated school effectively brings more students under fewer roofs. Increasing the scale of public schools by merging tuition districts into districts that operate public schools with extra capacity may limit choice to public schools, but it does increase operating scale and reduce cost at those public schools. To the extent that Vermont mergers don't reduce breadth of "choice," merger savings will be more modest in Vermont than might be suggested by the research in places that do not pay tuition vouchers.

Research on the economic impact of expanding private school choice (vouchers)

Based on research from other states, expanding private school choice in Vermont where nearby public schools exist, could have several impacts that lead to higher education spending overall. Paying tuition (vouchers) with tax dollars changes who pays for schooling and how, but these policies **do not eliminate fixed costs** in public systems. School buildings, transportation networks, core staffing, and support services remain even when some students leave.

Vermont does not have charter schools, but studies in other states of the fiscal impacts of running two parallel systems of education, both taxpayer funded, suggest sizable negative effects.

A 2016 study of the impact of charter schools in New York state found negative fiscal impacts on public school districts. The mechanisms for higher cost were operating two systems of public schools under separate governance arrangements and financing policies that distribute resources to or away from districts.[34]

Similarly, in a 2020 analysis of the fiscal impact of charter schools on costs in one urban and five non-urban districts in North Carolina, Ladd and Singleton estimated a Net Fiscal Impact in excess of $500 per traditional public school (TPS) student. The authors also found that charter schools in the study, like some independent schools in Vermont, enroll fewer students in categories that are associated with greater needs, like students who are more disadvantaged. Thus removal of students due to charters was unlikely to reduce the demand for services in the sample schools. The authors note that "the existence of two sectors implies duplication of functions and

[34] Bifulco, Robert and Randall, Reback. (2014). Fiscal impacts of charter schools: Lessons from New York. *Education Finance and Policy.* 9(1):86–107. https://www.columbia.edu/~rr2165/pdfs/nycharterfiscal.pdf

services. For example, the district must continue to maintain a substantial central office operation."

Our review identified the following mechanisms by which research suggests expanding private school tuition might increase total state spending:

- **New obligations for students already outside public schools.** If families whose children already attend private schools become eligible for tuition, each such student becomes a **new line item in the state budget**.
    - *For example, if private school choice is extended to Rutland, students who currently live in Rutland and privately pay to attend a nearby ski school would now be eligible for a voucher.*
- **Fixed and quasi-fixed costs in public schools.** When a small share of students leave a public school, the district cannot proportionally reduce buses, buildings, or core staffing. Per-pupil costs in the public system may rise, while vouchers add a parallel stream of expenditures.
    - *For example, if private school choice is extended to Rutland, a group of students who currently attend Rutland High School could now take a voucher to a nearby ski school, reducing resources available to support operations at Rutland High School, while taking resources to the private ski school.*
- **Tuition and price responses.** When public dollars follow students to private schools, private tuition can rise to meet the new willingness to pay, increasing the value of vouchers over time.
    - *For example, suppose private school choice is extended to Rutland. If 25 students leave to attend a nearby private ski school, the enrollment at Rutland High School drops, raising the per pupil cost at Rutland to maintain the same infrastructure. This creates upward pressure on the average announced tuition and by extension, on the total tuition the state pays to the ski school.*

The recent wave of universal or near-universal vouchers and Education Savings Accounts (ESA) in other states provides an opportunity to consider and anticipate potential effects of expanding private school choice in Vermont.

- In Arizona, the first state to adopt a fully universal ESA, voucher costs have grown far beyond initial estimates and contributed to a **state budget shortfall on the order of $1.4 billion**, according to ProPublica's analysis of state budget documents.[35]

[35] Hager, Eli. (2024). School Vouchers Were Supposed to Save Taxpayer Money. Instead They Blew a Massive Hole in Arizona's Budget. Propublica. https://www.propublica.org/article/arizona-school-vouchers-budget-meltdown?utm_source=chatgpt.com

- Reporting in *The Washington Post* shows that Arizona's expansive voucher program, coupled with charter growth and flat school-age population, has contributed to **public school enrollment declines, school closures, and strained district budgets.**[36]

Analyses in other states (Nebraska, Arkansas, Florida, Iowa, South Carolina, Utah) show similar patterns:

- Voucher and ESA spending grows rapidly, with **large shares of participants previously in private schools or homeschool**, turning vouchers into new state obligations.[37]
- Public districts retain fixed costs but lose enrollment and state aid, putting pressure on budgets, raising per-pupil costs, and pushing toward consolidation or closure.[38]

EPI's broader work on state education funding underscores that, in this new policy environment of broad vouchers and ESAs, voucher expansion tends to **add to total state education outlays** while eroding the fiscal base for public schools.[39]

In sum, real-world experience with **large, universal expansions** indicates that they:

- **Increase total state education spending**, often faster than anticipated.
- **Increase per-student costs within the public system**, which must serve a smaller share of students with a shrinking share of public funds while retaining most fixed costs.

While the impact of private school choice on costs and quality has not been studied robustly in Vermont, preliminary data provided by AOE suggest a risk of similar patterns if private school choice is expanded here. The legislature may wish to conduct a more robust analysis of the impact of

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[36] Meckler, Laura. (2025). Public schools are closing as Arizona's school voucher program soars. Washington Post. https://www.washingtonpost.com/education/2025/08/05/arizona-public-school-closures-voucher-program/?utm_source=chatgpt.com

[37] Center on Budget and Policy Priorities. (2023)."State Lawmakers Are Draining Public Revenues With School Vouchers. https://www.cbpp.org/blog/state-lawmakers-are-draining-public-revenues-with-school-vouchers
Hardy, Kevin. (2025). Rapidly expanding school voucher programs pinch state budgets. *Stateline*. https://stateline.org/2025/05/20/rapidly-expanding-school-voucher-programs-pinch-state-budgets/

[38] Wething, Hilary. (2024). *How Vouchers Harm Public Schools: Calculating the Cost of Voucher Programs to Public School Districts*. Economic Policy Institute, December, 2024. https://www.epi.org/publication/vouchers-harm-public-schools/

[39] Wething, Hilary, and Josh Bivens. (2024). "Vouchers Undermine Efforts to Provide an Excellent Public Education for All." *Working Economics Blog* (Economic Policy Institute), May 15, 2024. https://www.epi.org/blog/vouchers-undermine-efforts-to-provide-an-excellent-public-education-for-all/

expanding tuition to private schools on cost of education, particularly in regions with excess capacity in existing schools, public and private .

1. **Higher total cost in a rural, low-growth context.**

   For context, according to tuition data provided by the Vermont Agency of Education, on average, VT pays larger tuitions to private schools than to public schools, despite the fact that students in private schools are wealthier on average. This could be because most tuition students who enroll in approved independent schools enroll in the four historical academies, The Long Trail School or The Sharon Academy, all of which receive higher tuition than the average announced tuition.

FY24 counts of students and tuition paid to VT public and VT Approved Independent Schools		
Recipients of secondary school tuition	FTE (count of students)	Average cost for the sector
VT Public schools	2238	$18,731
VT Approved Independent Schools	2692	$20,359
Data Source: AOE Long Term Tuition Data		

Data Source: AOE A/3 Long Term tuition. See footnote for a discussion of how these data were cleaned and confirmed.[40]

   - In a rural state with many small schools and districts, the share of **fixed or quasi-fixed costs** is high. If some students exit for vouchers, districts will not be able to shrink buses, buildings, and core staffing at the same rate.
   - Vermont is the most rural state in the nation, with its population spread out across sparse regions without enough students to support more than one or two viable schools at taxpayer expense. Adding private schools to this landscape can create pressure for

[40] For this analysis,we cleaned the A.3 tuition long data provided by the AOE to address obvious data errors. A.3-Long-Term-Tuition-data.xlsx
This is a description of the data cleaning process https://docs.google.com/document/d/13u0pDu6kqWIBkDQ4gg5ELYk2Hy9Uq08T12NNTotTbiM/edit?tab=t.0
This is the spreadsheet in which the data were cleaned. https://docs.google.com/spreadsheets/d/1odeHR1h6lU1cX66y0_t0kh6ffVzpKxFE/edit?gid=671238133#gid=671238133
We confirmed with the AOE that this file is from the SW1 data collection, and is the preferred source for tuition actuals. AOE noted that there can be some "truing up" of these data after the fact, and that it can go both ways: both credits or payments.

school closures or forced mergers, especially in already fragile communities.[41]

2. **Equity and access implications.**
   - Evidence from Vermont suggests that wealthier individuals are more likely to use vouchers to attend private schools.[42] Evidence from universal voucher states shows that **lower-income families often use vouchers at lower rates** than more affluent families, due to gaps in information, transportation, and fees above the voucher amount.[43]
   - In Vermont's geography, many rural areas have **no nearby private school** capable of delivering a full high-quality program. A broad voucher expansion would mainly benefit families already near independent schools or with the means to travel larger distances to school and with the means to "top off" gaps between the voucher amount and the private school tuition. This biases enrollment towards weather students, a pattern seen in Vermont data.[44]

     Here is an example of what expanding private school choice across regions that currently operate public schools might look like. In the larger Rutland region, Killington Mountain School does not list its tuition on its website, but older data from Niche estimates it at $56,000.

     If school choice were expanded to Rutland, families from Rutland that currently pay that tuition would be newly eligible for a voucher to offset the cost of that tuition. This would increase total spending statewide to subsidize families with the resources to have already opted out of the public education system. In addition, some students who currently are enrolled in Rutland High School might have families that decide that with a tuition subsidy they can now afford the balance on that private school tuition.

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[41]McDonald, Corey. (2025). Petition forcing vote to cut upper grades at Danville School could create 'a public high school desert' in NEK, staff warn. VTDigger. https://vtdigger.org/2025/10/10/a-petition-forcing-a-vote-to-shutter-high-school-grades-at-danville-school-could-create-a-public-high-school-desert-in-the-northeast-kingdom-staff-warn/

[42]Waldman, Annie. (2015).Voucher Program Helps Well-Off Vermonters Pay for Prep School at Public Expense.ProPublica.https://www.propublica.org/article/voucher-program-helps-well-off-vermonters-pay-prep-school-at-public-expense

[43] Hager, Eli and Waldron, Lucas, (2024). In a State With School Vouchers for All, Low-Income Families Aren't Choosing to Use Them. *ProPublica.* https://www.propublica.org/article/arizona-school-vouchers-esa-private-schools?utm_source=chatgpt.com

[44]Data provided by Vermont Agency of Education to the Redistricting Task Force. G.3-and-G.4-Tuitioned-and-Public-School-Students-IEP_FRL_Data.xlsx

If they switch, this shifts resources away from Rutland High School, which is unlikely to be able to reduce costs in response without harming opportunities for students who remain at Rutland High School. This is a substantively different proposition than students using tuition to access a school that historically was set up to ensure equitable access.

Given these factors, expanding private school choice could **widen opportunity gaps** between regions and income groups, while pulling public funds out of the common system that remains the only real option in many towns.

Impact of expanding private school choice on overall student outcomes

A policy review focused on achievement similarly concluded that vouchers have not produced sustained or large test-score gains and pose risks to public systems and equity.[45]

The most rigorous evidence comes from Louisiana, where Abdulkadiroğlu, Pathak, and Walters[46] used random assignment at oversubscribed private schools to evaluate the Louisiana Scholarship Program. They found **large test-score declines** for voucher users: roughly **0.4 standard deviations in math** and smaller but still substantial declines in reading, science, and social studies in the first years after students move to private schools. Follow-up work shows these negative effects persist for several years, shrinking but not reversing into clear gains.

An analysis of the impact of Ohio's private school voucher program found that students using vouchers to attend private schools performed worse than they would have if they had remained in public school.[47] In Indiana's choice program, there were "significant achievement losses for students who switch from a public to a private school with a voucher.[48] Moreover, a study of whether Indiana's choice program led to improved performance in

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[45] Carnoy, M. (2017). School vouchers are not a proven strategy for improving student achievement. *Economic Policy Institute.* https://files.epi.org/pdf/121635.pdf

[46] Abdulkadiroğlu, A., Pathak, P.A., & Walters, C. R. (2018). Free to choose: Can school choice reduce student achievement? *American Economic Journal: Applied Economics, 10* (1), 175–206. https://doi.org/10.1257/app.20160634

[47] Figlio, David and Karbownik, Krzysztof. (2016). Evaluation of Ohio's EdChoice Scholarship Program: Selection, Competition, and Performance Effects.Thomas Fordham Institute. https://edex.s3-us-west-2.amazonaws.com/publication/pdfs/FORDHAM%20Ed%20Choice%20Evaluation%20Report_online%20edition.pdf

[48] Austin, M., Waddington, R. J., & Berends, M. (2019). Voucher Pathways and Student Achievement in Indiana's Choice Scholarship Program. *The Russell Sage Foundation journal of the social sciences : RSF*, *5*(3), 20–40. https://doi.org/10.7758/RSF.2019.5.3.02 https://pmc.ncbi.nlm.nih.gov/articles/PMC6546025/

public schools due to competitive pressures found no impact on student achievement.[49]

A more recent meta-analysis of competition effects from school choice (including vouchers and charters) found **small positive or near-zero effects** on public school test scores, and some evidence that choice may improve educational opportunities for marginalized students in particular.[50] However the authors caution that there is significant variation in these effects, across different contexts and dimensions.

The task force reviewed test scores for the 2024 administration of the 9th grade math test to examine whether the test scores of students in private schools were higher on average than the scores of students in public schools. On request, the Agency of Education shared 2024, 9th grade math assessment data for students enrolled in public schools and tuition students enrolled in (non therapeutic) independent schools.

The tested population in public schools are significantly more disadvantaged (**47.1%**) than in independent schools (**10.5%**).

Demographics of tested students on 2024 9th grade math test, by sector

9th grade math test	Public School proportion of test takers	Non therapeutic Independent School proportion of test takers
Not Special Ed	82.09%	87.15%
SpecialEd	17.91%	12.85%
White	94.26%	97.43%
Free Reduced Lunch	47.10%	10.47%
Not Free Reduced Lunch	52.90%	89.53%

(Data source: Vermont AOE)

On average, students taking the test in independent schools had scale scores that are higher on average (1738 to 1722), as we might expect from

[49] Egalite, A. J., & Catt, A. D. (2025). Effects of the Indiana Choice Scholarship Program on Public School Students' Achievement and Graduation Rates. *AERA Open*, *11*. https://doi.org/10.1177/23328584251326927 (Original work published 2025)

[50] Jabbar, H., Fong, C. J., Germain, E., Li, D., Sanchez, J., Sun, W. L., & Devall, M. (2022). The Competitive Effects of School Choice on Student Achievement: A Systematic Review. *Educational policy (Los Altos, Calif.)*, *36*(2), 247–281.

their much higher proportion of privileged students. However, on average, students who are **NOT economically disadvantaged** who are in **public schools** have **higher scale scores (1752)** than similar **students in private schools (1739).**

This is significant because private schools serve much higher proportions of students who are wealthier on average.
The comparatively higher scores of students, on average in private schools seem due in large part to the fact that they enroll so many fewer students with disabilities and students who are economically disadvantaged. See Appendix E for more detail. Together, these data suggest that expansion of tuitioning beyond its historical purpose of access in rural areas may contribute to socioeconomic stratification and lower overall outcomes.

This plan therefore rejected large mergers and expansion of private school choice, and focused instead on a cooperative service model that offers a path to better equity, cost sharing and quality, without the risks created by mergers and expansion of tuitioning.

1.8 Specific governance and design features for proposed Vermont CESAs

This map of 5 cooperative education service areas starts with the 5 VSA regions. These are existing configurations that, ironically, are organized around the location of restaurants where Superintendents could gather to meet. However, this **plan allows Supervisory Unions and Supervisory Districts to request realignment based on current configurations and partnerships.**

This plan establishes five regional "Cooperative Education Service Areas" or "CESA." A CESA is "a regional public education agency authorized by state statute or administrative code that exists primarily to provide instructional support, management, planning programs and services to local education agencies. **This proposal allows the AOE to adjust the number of CESAs, as well as the membership of CESAs, if warranted.** For example, it might determine that the Champlain Valley region would be better served by two CESAs, rather than one. "The primary role of the CESA is service to its constituent districts and schools, not their regulation."[51]

[51] Association of Educational Service Agencies. (2021.) State by state ESA report. https://www.waesd.org/wp-content/uploads/2021/04/AESA.ESA-State-by-State-Report-March-2021.pdf

In this map, all current SUs and SDs remain the same, and current patterns of operating and paying tuition are maintained. However, incentives, coupled with local leadership, are likely to result in strategic partnerships that bring more students under fewer roofs and more districts together. This plan is informed by national research and evidence on how a shared services model can be used to provide access to higher quality services at a lower price.

Vermont has successfully used smaller collaboratives in the past.

This proposal builds on the strength of prior efforts (e.g., Act 117 of 2000)[52] to nurture regional collaboration, which still exists in some places:

- The Hartford Collaborative, uses a regional approach to services for students with developmental delays and disabilities.

- Through the Champlain Valley Education Services Agency in Chittenden County and the Vermont Rural Education Collaborative (VREC) in the Northeast Kingdom, districts pool demand and the collaborative runs professional development courses/PLNs.

Vermont already is home to several smaller Education Services Agencies, on whose work this plan builds. For example, through the Champlain Valley Education Services Agency in Chittenden County and the Vermont Rural Education Collaborative (VREC) in the Northeast Kingdom, districts pool demand and the collaborative runs courses/PLNs.

The state took a step towards regionalization with Act 168 of 2024 which supports the voluntary creation of regional BOCES.[53] This plan uses the the first BOCES created under that act as a pilot, and **requires every SU and SD to become a member of a regional CESA**.

(This plan uses the term Cooperative Education Service Areas (CESAs) instead of "BOCES" after feedback from the field. CESAs are understood as cooperatives with a broader mission, while "BOCES" are sometimes associated primarily with special education.)

[52] Act 117 of 2000: http://www.leg.state.vt.us/docs/2000/acts/act117.htm
[53] Act 168 of 2024: https://legislature.vermont.gov/Documents/2024/Docs/ACTS/ACT168/ACT168%20Act%20Summary.pdf

The goals of a CESA, as outlined in the Southeast Vermont BOCES/ESA presentation[54] to the Task Force, are to:

- Improve educational access and outcomes for students with disabilities in the least restrictive environment possible through regionally located high quality, cost effective therapeutic programs and services;
- Offer high quality professional development opportunities to educators to build regional expertise and capacity and improve student outcomes;
- Support regional supervisory unions and districts by providing staffing with a pool of experts in specific disciplines and services.
- Offer responsive programs and services to members in a cost-effective manner.

> Currently, each SU or SD develops its own evidence-based curriculum and professional development for math instruction creating wide variability and duplicative effort. Each procures its own materials to support that curriculum.A CESA can do this work and provide onsite coaching and support to districts.

The implementation of CESAs will be staged.

Each CESA will have the authority to decide what educational programs, services, facilities and professional expertise it will provide to best serve its members. All CESAs will be accountable to members, and required to follow all applicable state and federal law.

This plan expects CESAs to begin by tackling high leverage changes for the largest impact on learning and cost containment.

Benefits can be realized as soon as members decide which services to share such as special education, professional development and business operations.

CESAs will be funded by service fees, voted on by CESA boards of directors and determined annually. State statute and the model articles of agreement[55] will delineate the financial terms and powers of the CESA.

These boards will be composed of representation from member districts, using weighted voting, and public dashboards on access and outcomes by

[54] Graham, Jill and Sousa, Sherry (2025). A Vermont Opportunity: Boards of Cooperative Educational Services (BOCES). Presentation to the Vermont Redistricting Task Force. https://aoa.vermont.gov/sites/aoa/files/BOCES%20and%20Redistricting%20Task%20Force.pdf

[55] Model BOCES Articles of Agreement, Southeast Vermont Region https://drive.google.com/file/d/1aGtc4H6FIOnCTjAVFiDKGTNYxtKV0xZv/view

town for direct accountability. Each board will oversee and manage the operations of the CESA, and will hire its executive director.
The executive director and the board will oversee operations, evaluate performance, plan improvements and report to the Agency of Education (AOE) and the public annually.

Career and Technical Education: We assume that CTE will remain a K12 function, overseen by the AOE, funded out of federal funds (if available) and the Education Fund, and functioning as part of the K-12 system.[56] We recommend that the state provides CESA oversight and support for regional CTE, to foster cost efficiencies, expanded access, consistent quality, and coordination across CTEs and partner high schools.

The Role of the Agency of Education:
The AOE will adjust operations to reflect the fiduciary role and enabling capacity of the CESA. This plan enhances AOE capacity to support consistent implementation and delivery of services statewide, by enabling it to work through regional cooperatives that are operating at scale.
The AOE will have the capacity to work deeply with 5 CESAs, instead of shallowly with every SU and SD leading to rapid scaling of improvement. (e.g., implementation of science of reading, the instructional shifts required by Act 173 of 2018)

- AOE will work with CESAs directors to meet compliance with state and federal law, across all regions.
- Shared business and reporting systems by CESAs will improve data quality, provide transparency and simplify oversight. CESA level procurement could move the state to 5 systems, facilitating coordination with AOE systems.
- AOE will work through the CESAs to 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). CESAs can provide required services and implementation locally responsive to SUs and SDs.

[56] A minority of states have taken oversight of CTE governance and investment decisions (e.g., State director, Perkins plan, program approval, monitoring) out of the K-12 agency. These states house their CTE director in community college, university, technical college, or workforce agencies instead (Education Commission of the States). Effectively, at the *policy and investment* level, these states treat CTE primarily as a workforce/postsecondary responsibility. Since neither the administration nor the legislature have promoted this approach, for the purpose of these recommendations, we assume that CTE in Vermont will remain under the oversight of the AOE.

The AOE will need to allocate its "transformation" capacity to support initial implementation of CESA and to support robust reporting and review processes.

1.9 Areas where CESAs scale to improve cost, access, and quality

Special Education

Recent analyses identify significant challenges and opportunities for supporting students with disabilities in Vermont schools. Significant cuts in positions at the AOE has led to limited capacity for engagement at the community level and for support in consistent and effective professional development. The role of quality first instruction cannot be overestimated, but has not been a policy priority. First instruction depends on the shared commitment and involvement of classroom teachers, special educators, related services providers and administrative teams to be effective and lasting. Schools require access to expertise and support to address student needs when primary first instruction fails.

In its legislative report on the current status of special education delivery in Vermont, the AOE contrasts Vermont with MT and WY, two other rural states. Rural areas in these states are served by BOCES. In Montana, the Mountain BOCES, serves several small mountain communities and focuses on services like special education and professional development for educators. In Wyoming, the BOCES5 partners with 10 school districts to offer educational programs and services, especially for students with needs that may not be met in traditional settings.

The task force's review of staffing data showed that from FY20 to FY25, the number of K12 teachers dropped by 7% but school districts hired 22% more support staff.[57] Many of these staff provide social services, including to students with Individual Education Plans (IEPs). The drop in K-12 teachers masks the increase in the number of special educators needed to accommodate more students identified as needing an IEP. Task force members reviewed evidence on special education and the status of implementation of Act 173 to assess how CESA might address support for students with disabilities in ways that are more effective.

Implementation of Act 173 changed criteria for identification, but the data suggest the state has not implemented the instructional shifts needed to

[57] See appendices in the main Task Force report for information on staffing.

support struggling learners and support effective delivery of special education. As documented in the AOE's **report on the status of special education**,[58] larger numbers of students are identified as eligible for IEPs, costs are high and the system overrelies on substantially separate settings–a finding at odds with our commitment to supporting inclusion.

> The Act 73 report on the status of special education in Vermont stated:
>
> *"This analysis suggests a need for more strategic support for districts to increase systemic support that encompasses both academic and social emotional learning for all students, while building internal or alternative programs."*
>
> CESAs are that strategic support.

Some districts have trouble accessing specialized expertise to support students–a failure that can lead to inconsistency in service plans and weak outcomes. There are staff shortages in special education. K-12 educators at all grades need professional development to improve primary first instruction to support struggling learners. A shared services model is well-positioned to address these challenges.

For higher quality, accessible and cost effective special education delivery, CESAs will:

A. Develop and manage public-school based, CESA-run programs, services and evaluations for students with high intensity, low frequency disabilities. CESAs are uniquely positioned to address the needs of these students in ways that effectively and efficiently maximize their learning opportunities in the least restrictive environment.
B. Address gaps in access to specialized expertise by hiring or contracting regionally to ensure access to specialized staff as needed.
C. Manage capacity and cost and create efficient operations by placing students into the substantially separate programs that operate regionally through local support. Regional management ensures effective use of existing capacity keeping costs down while maintaining availability for members. CESAs can support transportation for students who need substantially separate placements.
D. Evaluate and address professional development needs for successful implementation of state initiatives (e.g., support for struggling

[58] VT Agency of Education. (2025). Legislative report on the status and delivery of special education in Vermont. https://education.vermont.gov/sites/aoe/files/documents/edu-act-73-special-education-report-2025.pdf

learnings, science of reading, deescalation training, Hazing Harassment and Bullying (HHB) training, and more).

E. Reduce turnover of special educators by providing strong regional access to training and support, and "just in time" consulting as needed. "Just in time" consulting ensures greater consistency in the type and quality of services required and shortens the time needed for evaluations to produce an individualized education plan
F. CESA can help local leaders build school capacity for improved early intervention to comprehensively address the needs of students with more than one disability. A student with an unrecognized learning disability who does not receive skilled, appropriate, and intensive early reading instruction in a timely fashion is set up for failure. This can exacerbate emotional disturbance and behavioral challenges. This cascade of failure can ultimately lead to the student being placed in a restrictive environment focused on perceived emotional needs, but does not necessarily address instructional needs. Early intervention is crucial to avoid failing students in this way.
G. Local districts are legally responsible for addressing the IEP needs of students that are district placed in independent schools. CESAs could provide training and support to private schools in their work with students with disabilities.

Professional Development and Learning

Currently the responsibility of professional development is on schools, districts and supervisory unions. Individual professional educators must have professional development plans and continuing education to obtain and **maintain a teaching and or administrative license.** Schools are required by participation in federal and state grants to have **Continuous Improvement Plans** (CIP). The CIP uses data inventories to determine strengths and needs based on student outcomes. Schools must take specific steps to improve outcomes. This requirement demands continuous, researched-based, and high-quality professional development. Currently each education entity attempts to fulfill this requirement within the confines of their structure. The challenges of the current system include retaining quality and reducing cost. A CESA model can bundle this work and reduce costs and improve professional development.

Examples of content areas:

1. Cultivating professionals
    a. **Recruitment:** CESAs can partner with teacher education programs to support pipelines in hard to staff regions and

specialties. This work includes identifying partner programs and recruiting employees to districts.

b. **Retention:** programs specific to maintaining a quality employee pool.
c. **Building capacity:** "grow your own" types of academic advancement programs where current paraprofessionals are trained to become teachers, or current teachers are trained to be school leaders and professionals.

2. **Academic achievement**
    a. **Specific content:** science, mathematics, literacy, art, etc.
    b. **Pedagogy:** researched -based methodology to improve outcomes.
    c. **Support systems:** social, psychological, emotional programs and systems.
    d. **School culture:** promoting a safe, healthy school culture.

See Appendix F for other examples of possible drivers of declining student outcomes and how CESAs can address them.

Business Operations

CESAs in other states provide models for using shared business services, grant writing, and cooperative purchasing to achieve cost savings and efficiency. Identifying these opportunities may emerge out of locally identified needs. It will be the responsibility of CESAs and member districts to ensure cooperative business processes provide scale in ways that meet the needs of member districts. CESAs could help members achieve real savings with:

A. **Full-stack Central Business Office (CBO) for small SUs/districts**
Scope: budgeting, general ledger, payroll, A/P, bank reconciliation, cash management, claims auditing, standardized calendar and chart of accounts, common Enterprise Resource Planning (ERP) systems (integrated software systems that organizations use to manage and automate their core business activities like accounting.)
Why it matters*:* These functions provide the strongest, most repeatable efficiencies. Note: Over time, member districts can consolidate business office staffing through attrition. A CBO can reduce errors and cycle time through standard procedures, and can also tighten internal controls and reduce local conflicts of interest–a challenge in a small state.[59]

[59] The Rural School Association of New York State. (2010). New York State. A Shared Municipal Efficiency Study

B. **Cooperative purchasing on uniform specifications for major functions**
This can include purchasing for custodial supplies/liners, cafeteria staples, paper, medical/nurse supplies, auto/bus parts, AV/IT peripherals, fuel (where logistics permit). It could also include contracts for food service, insurance and transportation.
Why it matters: Proven at scale; easy to audit; saves both price and administrative time;ensures cost effectiveness by publishing member-level savings reports to keep claims credible.[60]

C. **IT consortium**
Take advantage of bulk purchasing: aggregated licensing (SIS/LMS/security), education technology, network operations, device bundles, installment purchasing for capital equipment.
This supports both scale and cash-flow smoothing, lowers unit prices, and improves uptime/security.[61]

Career and Technical Education (CTE) programming

A recent report on CTE[62] in Vermont stated: "To support a high-quality CTE system, Vermont needs to make smart and strategic investment of resources to support CTE," including:

- "effective statewide oversight and monitoring;
- a **regional delivery model** that can support and maintain the range of CTE program offerings needed to support Vermont's workforce development goals and provide students with sufficient opportunities; and
- adequate and high-quality staffing and infrastructure to allow students from across the state to access CTE."

This proposal recommends that regional CESAs support access across all CTE programs and high schools in their regions.

Merging current districts into new, larger districts around current CTE programs **does not** change access.

In contrast, CESAs can:

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https://dos.ny.gov/system/files/documents/2019/10/efficiency-study_final.pdf
[60] For example, see Eastern Suffolk BOCES, Cooperative Bidding:
https://www.esboces.org/programs-services/admin-business/cooperative-bidding/cb
[61] For example, see Northeastern Regional Information Center.
https://neric.org/services/#information_security_services
[62] APA Consulting. (2025). Vermont Career and Technical Education Governance and Funding Recommendations.
https://education.vermont.gov/vermont/doc/sites/aoe/files/documents/edu-apa-cte-report-20250214.pdf

- align schedules and transportation,
- coordinate curriculum and materials to support higher levels of exposure and fair access to CTE,
- develop and support fair access to work-based learning,
- develop curriculum and curate materials and equipment,
- push CTE programming into middle and high schools that do not currently provide these opportunities.

The AOE will be responsible for federal and state monitoring and oversight regardless of how CTE is structured.

CESAs are uniquely positioned to support:

- regional delivery that maintains CTE offerings
- ensures fair access
- provide professional development
- support recruitment and retention of specialized expertise needed to enhance the delivery of CTE.

Vermont can learn from other states that use larger regional collaboratives to support access to high quality CTE at an efficient cost.

See Appendix G for specific design considerations for CESA oversight of CTE.

On Demand Services

Many Vermont school districts have access to medical and other services onsite, consistent with the state's community schools model.

Some of our rural districts struggle to provide English Language Learning (ELL) services, especially as they move from having no ELL students, to having four or five ELLs.
Rural community schools play an outsized role in providing access to basic services and stabilizing the economic vitality in their regions.

They serve a disproportionate number of students with disabilities and students who are economically disadvantaged compared to nearby independent schools.

Closing public schools will disproportionately harm students who most depend on nearby public schools for basic access to opportunity, either due to transportation obstacles, need for support, or inability to "top off" tuition.

Pressure to close these rural schools appears to burden our constitutional obligation[63] to serve all students, especially students with disabilities and less privileged students. (See Danville vote on closure).

Stress on rural schools is evident across multiple communities and counties. Examples related to Windham County, Bennington County, Rutland County, Lamoille County, Caledonia County, and Essex County are discussed in Sections 3.11 and 3.12.

National research shows this pattern, the burden of school closure falls most heavily on poorer communities, many of which are rural.[64]

CESAs can help protect basic access and opportunity for students who most rely on public schools for support. Choice models are market-based education models, and may be distributing benefits to larger and more privileged communities at the expense of those with the least ability to attend those private alternatives.

CESAs can provide shared capacity for these public schools by stabilizing operations and expanding capacity. CESAs can also support long-term regional strategic planning at the SU and SD level.

This plan requires a range of enabling changes to Title 16, best addressed by legislative counsel if the legislature adopts this proposal. This plan also requires changes to several State Board of Education rules.

1.10 Key problems addressed by plan

Mergers alone do not address the underlying drivers of cost or declining quality (health care costs, special education obligations, capital needs, and rising social-service demands in schools). **CESAs do**. They embed the regional expertise and capacity required to deliver coherent, consistent, high-quality services in the most efficient way. **In rural regions, CESAs provide the shared scale and support that keep small schools viable.**

CESAs operate regionally and can **pool resources**, coordinate staffing, and support continuous improvement in ways individual districts cannot. By addressing areas of clear statewide need—special education, professional development, procurement, and CTE access—**CESAs can deliver early, visible gains** for students and communities.

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[63] https://education.vermont.gov/src/doc/sites/aoe/files/documents/Brigham_v_vt.pdf

[64] Tieken, M. C., & Auldridge-Reveles, T. R. (2019). Rethinking the School Closure Research: School Closure as Spatial Injustice. *Review of Educational Research*, *89*(6), 917-953. https://doi.org/10.3102/0034654319877151

Compared to district mergers, CESAs present a **lower-risk, faster-to-implement strategy** for improving quality, fairness, responsiveness, affordability, and feasibility. They build on existing relationships, respect local governance, and avoid the multi-year disruption and conflict associated with forced mergers. CESAs do not depend on major capital support to begin generating value.

Construction aid remains a long-standing unmet need in Vermont. Without it, the state has fostered an "each program for itself" dynamic that fragments regional planning. With CESA-supported regional planning **and** construction aid, several regions—including the capital region—could realign students into fewer, appropriately sized, better utilized buildings. This would reduce long-term costs and improve program quality. The recent vote on a *regional CTE construction plan*[65] in the capital region, which would have added an additional 300 seats to a region with excess capacity in its current buildings, illustrates the need for **regional coordination.** (See 3.11)

Vermont's current system lacks economies of scale, efficient governance, and cost-effective service delivery. **CESAs can directly address these gaps by:**

- Leading regional strategic planning to reduce excess capacity, address failing infrastructure, and align shared resources with shared needs.
- Pooling resources and coordinating procurement to secure lower-cost access to goods and services.
- Consolidating high-cost, low-volume functions—professional development, specialized programs, extraordinary needs placements, business services—to stretch local dollars further.
- Providing responsive, on-demand services (e.g., evaluations, staffing, specialized programming) that improve consistency and reduce duplication.

> Early collaboration in Vermont's pilot ESA/BOCES, the Southeast BOCES, has already yielded savings of up to 25-80% on some services.

Rural school closures can create **education deserts**: places where students do not have access to public schools within reasonable drive times or access

[65] Petenko, Erin. (2025). Central Vermont set to vote on whether to build the state's first standalone career center. VTDigger. https://vtdigger.org/2025/10/17/central-vermont-set-to-vote-on-whether-to-build-the-states-first-standalone-career-center/

to public transportation. Education deserts undermine and weaken local economies. CESAs strengthen the viability of rural schools by lowering cost burdens and expanding access to shared services.

Early results demonstrate this potential. With support from the Vermont Learning Collaborative, the Southeast BOCES—the first cooperative created under Act 168 of 2024—conducted a cost-benefit analysis of core CESA functions. Early implementation has yielded **25–80% savings** on key services while increasing member capacity. See examples below:

Products & Services Provided	Cost Savings and Benefits for Members
Professional Development Examples • *De-escalation training* • *Hazing/Harassment and Bullying Prevention and Intervention training* • *Special Education laws and regulations* • *Supporting students with mental health challenges* • *Classroom based Tier One interventions for students with mental health needs*	Supervisory unions and districts saved an average of 66 percent on professional development costs by using their regional service agency compared to individually hosting these events. Professional development was hosted locally or virtually saving staff time and transportation costs.
Evaluation Service Examples • *Comprehensive Autism Evaluations* • *Psycho-educational evaluations* • *Speech and Language Evaluations*	By using their regional educational service agency, member supervisory unions' and districts' savings ranged from 20 - 50 percent on evaluation services yielding an average savings of 38 percent. No waiting lists were necessary, therefore all evaluations were provided within special education compliance timelines. Providers are regionally localized thereby reducing travel time and associated costs compared to other providers.
Staffing Services Examples • *Speech and Language Services* • *Board Certified Behavior Analyst*	In person services provided to student(s) in out of district settings ensuring free and appropriate education access for students. The regional service agency is able to hire and fulfill multiple part time FTE positions shared regionally across

	Supervisory Unions/Districts ensuring service needs are met and cost savings are reduced by up to 50 percent or more per FTE.
Supervisory union/District Consultation Examples • *Program Review* • *Program Restructuring*	Accessing their regional educational service agency for supervisory union/district consultation saved members up to 62 percent in consultation fees. Services focused on increasing supervisory unions and districts' capacity to provide in-house programming for complex learners, with the goal of reducing reliance on outside placement services.
Special Education Programming Examples • *Elementary K - 6 Social Emotional Programming*	By partnering with their regional educational service agency, member supervisory union/districts are committing to local programming within their school settings thereby providing students access to a range of programming that includes the least restrictive setting. Currently, the southeastern area of Vermont has a severe lack of high quality therapeutic programming. The model of using the regional service agency allows for higher quality, closer to home programming for students, with a continuum of most to least restrictive settings to support students' growth and fulfilling the ultimate goal of returning to their home supervisory union/district. Anticipated average supervisory union/district savings for service fees and transportation are expected to be up to 85 percent of their current out of supervisory union/district expenses.

1.11 Enhancing likelihood of success

Causal research proving that regional shared-service agencies cause better outcomes or lower costs is limited. But, the operating record in other states—including New York's Boards of Cooperative Education Services and Pennsylvania's Intermediate Units—offer verifiable design features that protect taxpayers, expand access, and support quality when implemented with transparency and oversight.

Recommendations below are based on a review of practices in other states.

Make services truly "shared," and prevent single-district capture

- Require each service to be shared by at least two districts and limit any single district to ≤60% of a given service's volume, except for rare low-incidence needs. New York's program rules do this to keep services regional and avoid cross-subsidies favoring one district.

  Why it matters: These guardrails are easy to administer and have stood up in audits over many years.

Price services at cost, publish rates ahead of time, and refund surpluses

- Set transparent unit prices (e.g., per evaluation, per therapy hour) from a uniform cost-allocation plan; publish the price sheet before the school year.
- After the audit, reconcile actuals and consider refunding any surplus back to districts pro-rata by use. New York BOCES are required to refund surpluses; this keeps prices near true cost and protects taxpayers.

  Why it matters*:* In other states, independent audits routinely check aid claims and year-end reconciliations. Vermont can mirror that practice to ensure accountability to members.

Start with a core service bundle that small systems cannot sustain alone. Demonstrate the value of CESAs to provide immediate impact. Early success fosters further collaboration. CESAs should start by providing services that have clear, verifiable benefits:

- Multidisciplinary evaluation teams to meet IDEA timelines.
- Itinerant related services (speech-language, occupational and physical therapy, school psychology) with response-time standards.
- Assistive-technology evaluations and a device loan library.
- Behavior and mental-health consultation (including board-certified behavior analysts) for Tier 2–3 needs.
- Parent education and navigation as a regional consortium (Wisconsin's "Parents United" model is a practical template).
- Specialized regional day programs are used when a student's team determines that is the appropriate setting. Many Illinois cooperatives provide these for their member districts providing evidence that the model can expand availability for complex needs.

Why it matters: Early success with core needs fosters trust and future collaboration. People need to see success, then can build. These offerings currently run regionally in multiple states (e.g., Pennsylvania IU1's campus schools and itinerant services; NY BOCES support assistive tech, PBIS coaching, para training, and parent consortium).

Bake in data and transparency from day one to ensure a culture of responsiveness and accountability:

- Publish a simple regional dashboard: evaluation timeliness, percentage of IEP service minutes delivered, Least Restrictive Environment mix, parent participation rates, and average travel minutes per delivered service. Pennsylvania's public PennData reporting shows how to present IDEA-aligned indicators to the public.
- Require each CESA region to file a program profile describing what it operates, where, staffing levels, and any changes. Pennsylvania's Intermediate Units do this routinely.

Why it matters: Vermonters can see, by region, if evaluations are on time, services are delivered as written, and families are satisfied—and intervene early if they are not. This transparency provides accountability, and also prevents duplication.

Pair compliance with independent program quality reviews

- Every two years, each region will complete a structured program review against a published rubric (e.g., WestEd's "Assessing and Improving Special Education" tool)[66] and publish the findings. Quality reviews will capture staff qualifications, access to general education, family engagement, and effective practices.

Why it matters: This design feature moves from a baseline of "Are we compliant?" to "Are students receiving high-quality instruction and supports?" and "Are we acting in the most efficient and effective way?"

Guard the Least Restrictive Environment (LRE) while expanding options

- Regional day schools and classes expand options, but **they can make it too easy to default to more restrictive placements.** This is particularly true when these settings are remote from district schools. Require each region to report quarterly on LRE distributions and

[66] Grabill, Deb and Morando Rhim, Lauren. (2017). Assessing and Improving Special Education: A Program Review Tool for Schools and Districts Engaged in Rapid School Improvement. WestEd. https://www.wested.org/resource/assessing-and-improving-special-education/

average travel time per delivered service, and publish justifications for any uptick in restrictive placements. Transparency helps prevent creeping overreliance on more restrictive environments currently trending in Vermont.

Why it matters: Guarding the Least Restrictive Environment keeps the system focused on inclusion where appropriate, while still serving complex needs.

Stabilize staffing with regional mobile teams

- Vermont has struggled in recent years with finding qualified staff. CESAs can hire clinicians regionally with pooled caseloads, guaranteed response times, and travel stipends. Pennsylvania IU1 is an example of a regional agency that blends campus programs with mobile supports for three-year-olds to 21-year-olds.

  Why it matters*:* Small districts get predictable coverage without competing against each other for the same scarce specialists. Districts won't hoard excess capacity which leads to system wide efficiency.

Put audits and corrective actions on a clock

- Require independent annual audits including state-aid/reimbursement testing and reconciliation; post audits, management letters, and corrective-action plans within 120 days. (New York's Comptroller enforces this pattern.)

  Why it matters: Financial trust is non-negotiable when multiple districts are sharing bills.

Evaluate impact with a simple, credible design

- Before initiating any change, design a robust evaluation tied to the staged rollout of the core services. This ensures CESAs can evaluate effectiveness and make adjustments as needed. Report on:
  - Timeliness of initial evaluations,
  - Percentage of IEP service minutes actually delivered,
  - LRE mix,
  - Dispute timelines,
  - Unit cost (per evaluation/per therapy hour), and
  - Staff vacancy/turnover and travel minutes per session.
  - Pennsylvania's SPP/APR reporting structure and public PennData site are an example of an indicator framework Vermont could align with.

Why it matters: Planning the rollout with evaluation in mind will ensure that CESAs demonstrate the impact and effectiveness of services, and improve as necessary. This requires consistent data collection. Vermont has rarely planned policies in a way that their impact can be evaluated. Vermont failed to do this with our mixed-delivery Universal Pre-K tuition initiative. We must show communities tangible results for their support of education.

Implementation timeline (practical and short)

- **Year 0 (set-up):** Share recommended articles of agreement, set up five regions (adjusting number of regions and membership as needed); publish a roster of members; 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 initial audit.
- **Year 2 (expand options):** Launch at least one regional day program per region as justified by need; begin biennial program reviews, other services as arranged by members.
- **Ongoing:** Annual audit with posted reconciliation and surplus refunds; quarterly LRE and travel-time reporting.

Why it matters: Minimize harm and disruption of services to our most vulnerable students by utilizing methodical planning and sequenced implementation. Demonstrate success, and use data and evaluation to expand cooperation at the regional level.

Ensure school closures and district consolidation burdens are not disproportionally falling on low income communities. Vermont is likely to experience continued loss of enrollment. Declining student numbers–a reflection of our aging population–create continuing pressure for school closures. School closures save less money than policy makers anticipate, have mixed impacts on achievement, disrupt families and can impair community economic vitality. Vermont can learn from the work in other states to ensure the burden of closures does not fall disproportionately on rural low income communities, less wealthy communities generally, or on communities with more students of various racial and ethnic backgrounds. See the guardrails developed in California[67] to ensure that school closures don't accelerate inequity of opportunity.

[67] Hahnel, Carrie and Marchitello, Max (2023). Centering Equity in the School-Closure Process in California. Policy Analysis for California Education (PACE) https://files.eric.ed.gov/fulltext/ED633115.pdf

Considerations to ensure the needs of diverse populations and regions are met:

A) Rural regions CESAs can substantially amplify the capacity of rural regions by:

- expanding access to career pathways in rural high schools
- providing necessary professional development to support instructional shifts
- improving provision of Special Education supports
- maintaining access to public education in rural and higher poverty communities
- supporting the social and economic vitality of these communities
- **providing scale**

They can:

- **Guarantee coverage using itinerant teams.** Staff region-wide itinerant clinicians (SLP/OT/PT/school psych); set response-time standards and log "travel minutes per session." Telepractice can increase access and family coaching in rural settings, with known guardrails (connectivity, rapport).
- **Stand up regional evaluation teams to hit timelines.** Use multidisciplinary teams that move across towns to manage spikes and keep initial evaluations on time; publish timeliness on the regional dashboard (align to IDEA Indicator 11, as Pennsylvania publicly does through PennData).
- **Create a shared assistive-technology library and mobile AT evaluations.** Rural districts rarely sustain device inventories alone; a regional loan library and assessors are standard in ESA menus (see Wisconsin's BOCES-1 service catalog).
- **Build a standing parent consortium for sparsely populated areas.** Regional workshops and navigation for parents reduces isolation and improves IEP engagement. Potentially a way to support parents if federal support for this purpose is cut.

B) Regions (including rural regions) with New Americans (refugee and immigrant families)

- **Follow Vermont's World-class Instructional Design and Assessment (WIDA) aligned identification steps and keep EL and disability determinations distinct.** Use the state's 2025–26 English Learner identification guidance, then apply WIDA's (2025) bulletin on appropriately identifying multilingual learners with specific learning

disabilities; this reduces misidentification and ensures the correct supports.

- **Provide professional interpreters and translated notices for all special-education touchpoints.** Title VI requires meaningful language access for limited-English-proficient parents, including evaluation, placement, and IEP meetings; ED/OCR gives explicit expectations. ESAs should contract for on-demand interpretation and document translation at regional scale
- **Use nondiscriminatory, culturally responsive evaluation practices.** Train regional evaluation teams to ensure assessments are valid for the student's language background and are not discriminatory. This principle is a core IDEA requirement and emphasized in the students-with-disabilities state/federal guidance.
- **Support refugee-specific school navigation and trauma-informed supports.** Pair special-education services with refugee education liaisons who can connect families to community resources and ease school transitions (For an example, see Pennsylvania's state Refugee Education Program, which shows a workable SEA–LEA support model).

Accountability

- **Publish a simple regional dashboard:** with evaluation timeliness, percent of IEP service minutes delivered, Least Restrictive Environment mix, parent participation rates, and average travel minutes per delivered service. For example, Pennsylvania's public PennData reporting is a model on presenting IDEA-aligned indicators to the public.
- **Codify language access and surplus-refund rules in contracts.** Insert interpreter/translation availability, response times, and cost-at-price with year-end surplus refunds into every regional service agreement (New York CESA surplus refund is a clear template).

The details above illustrate how CESAs can improve outcomes related to groups of students with specific needs. The same level of detail can be applied to areas such as fiscal services, purchasing, and professional development.

1.12 Summary: Affordability, quality, fairness, responsiveness and feasibility

Affordability: The South East BOCES provided several Vermont-based examples demonstrating significant savings and higher quality during the preliminary implementation of shared services. Three of the examples below.

Case Study: Evaluation Services

Evaluation Services by a private clinic:

- **Academic Evaluation:** *($200/hr) $2,000 - $2,500*
- **Autism Evaluation:** *$5,600 - $7,600*
- **Psychoeducational:** *($200/hr) $2,500 - $3,000*
- **SLP Evaluation:** *($165/hr) $1782*
- **Transportation/Mileage:** *$150/hr plus mileage*

BOCES Evaluation Services:

- **Academic Evaluation:** *($85/$135) $850 - $1,350*
- **Autism Evaluation:** *$3,400*
- **Psychoeducational:** *($135/$175) $1,600 - $2,000*
- **SLP Evaluation:** *($125/hr) $1350.00*
- **Transportation/Mileage:** *mileage only*

Savings: 42% average

Case Study: Regional Specialized Programming

Other Regional Placement	
Day Rate:	*$503/day*
Transportation:	*$300 - $700 day*
TOTAL:	**$144,540 - $216,540**

BOCES Partner Programming	
Day Rate:	*$431/day*
Transportation:	$300/day
TOTAL:	**$ 131,580**

Program is located within a public school environment providing a continuum of least restrictive opportunities for students that is responsive to their needs and supports generalization of skills within a variety of academic and social settings.

Savings: 9% - 39%

Quality:

- Provide onsite consulting around shared priorities, including improving primary first instruction and reducing overreliance on interventions and staffing as a fallback after students are already struggling.
- Hire, retain, and provide highly specialized expertise related to students with disabilities that many districts and SUs are unable to easily or affordably procure on their own.
- Coordinate access to mental health support, enhance processes for improving school culture, and provide support for students in the wake of harassment incidents.
- Provide regional assistance for other areas as deemed necessary.

Fairness:

- Enhance fairness of access across school sizes. For example, support strong CTE options in comprehensive high schools in rural and underserved locations like Canaan and Leland and Gray.
- More timely evaluations and reliable coverage for services that are currently hard to staff, especially in small/rural districts.

Responsiveness:

- By hosting specialized staff with the skill to address high-intensity, low-frequency needs, CESAs can ensure that rural, isolated, and small public schools have access to expertises, when they need it, and don't have to struggle to maintain excess capacity on site.
- In the event of a local crisis or event that causes harm, a CESA can quickly coordinate onsite support from across the region for students,

families and staff, leaving local leadership to focus on the most immediate needs and crisis management.

Feasibility:

- Builds on existing relationships and creates scale on services where they are most needed, while avoiding the additional risks, costs, and conflict associated with district mergers.
- Builds on evidence of how CESAs can enhance access to quality education at a lower price point, including in rural areas.
- This is a scaling of current practices. CESAs are much easier to implement than a merger, and have a shorter window before scaling begins to deliver benefits more quickly to students and schools.

1.13 Potential barriers to successful implementation

1. **Lack of capacity** at AOE to implement development of CESAs with expert technical assistance and support. Dramatic staffing cuts and high turnover at the AOE has left the agency without the expertise to effectively address this monumental change. The Task Force requested data on the number and purpose of federally funded and Medicaid funded programs and positions at AOE. This data was requested as a way of assessing the AOE's potential exposure from pending cuts to Medicaid and federal support for some programs at the AOE.

   The Administration provided the Secretary's reorganization chart but did not indicate the specific work or funding source behind the various changes. When an Agency is tasked with implementation of substantial systems-wide change, risk must be managed and limited.

2. **Risk of Duplication:** Regions must maintain mechanisms of transparency to ensure that duplicative capacity is not retained at the SU or SD level as CESAs are formed and responsibilities are assigned. Act 73 provided the Agency of Education with staff and resources to support "transformation." The AOE will need to apply some of this capacity to support oversight, ensure transparency, and prevent duplication in the implementation of CESAs.

3. **Without timely and accurate data** from the AOE to inform processes and support continuous improvement, changes to the system cannot be appropriately evaluated.

4. Inability to integrate and **support quality teaching and quality support for students with disabilities in independent schools** during potential rural school closure and expansion of universal vouchers.

   The General Counsel of the AOE told the Task Force that "The school district, through its supervisory union where applicable, retains the responsibility to ensure a free and appropriate public education (FAPE) for all resident students." (16 V.S.A. § 822). When an independent school does not follow an IEP as written, the school district is liable, not the independent school. CESAs could work with designated independent schools to support delivery of complex services like special education on behalf of districts.

5. **Poor implementation.** Vermont has struggled to benefit from the principles of implementation science. Change has been rushed before identifying the underlying drivers of challenges. We have oversimplified the challenges of implementation, and underestimated the costs of transition. The AOE is straddled with weak systems and a backlog of unimplemented or partially implemented initiatives, while simultaneously attempting new initiatives. We advise the state to do less and do it better, to ensure the intended goals of policies are achieved. (See Appendix G for discussion of **implementation of complex policy change.)**

6. **Policy churn.** In the last decade, Vermont has had an unstable policy environment for public education. We have episodically focused on governance reform and expansion of choice, without the same level of attention to improving instruction.

   We have diminished the capacity of the AOE to support improvement of practice. We replaced policies (Act 173 of 2018 and Act 127 of 2022, graduation requirements, integrated field reviews) before they were fully implemented, forcing our system to lurch toward new policy goals before it addressed previous goals. We abandoned efforts to set goals (the Commission on the Future of Public Education) before work was completed, then struggled to assign goals to solutions mandated by subsequent legislation (Act 73).

   This kind of policy churn undermines implementation. Districts are incentivized to wait out the policy du jour because unpredictability has become the norm. State level policy incoherence contributes to

operational incoherence and inconsistency. Districts cannot hit goals when the state keeps moving the goalposts.

1.14 Designated Agencies

This plan omits discussion of the Designated Agencies due to our inability to secure the required requested data from the AOE at the Task Force's September 29th meeting.
We are unclear about:

- the future of the Medicaid match for school based health services.
- whether Designated Agencies will be providing bundled rates or bundled services.

As long as districts (Local Education Agency/LEA) are responsible for providing required services and are liable when they are not provided, this distinction matters. Absent this vital data from the AOE, we were left without required details and system-wide focus as we were tasked to draw district lines.

Act 73 asked the task force to consider the location of DAs while drawing district lines. We did not have the data to evaluate the functionality of these current relationships. We are aware that a single high school might serve students who reside in four different Designated Agency regions because of tuitioning patterns. CESAs can play a role in developing model contracts and service baskets that lead to greater coherence and consistency in the services provided by DAs within their respective regions.

School-based Medicaid is at risk due to proposed federal cuts. Insufficient funding of the state mental health system has led to capacity gaps in some regions. Districts may be responding by pulling services in-house, a practice that poses further risks to the state mental health system. Without necessary data we cannot evaluate these risks as they relate to redistricting.

1.15 Resilience

Some positions at AOE and at Vermont Department of Health (VDH) are funded by school-based Medicaid. This plan assumes the likelihood of significant cuts to school-based Medicaid and some federally funded programs at the AOE in coming years. CESAs provide some resilience for school systems to federal cuts. Additional capacity loss would compound the significant loss at AOE relative to workload since 2008.

CESAs provide traction on affordability goals and a layer of protection and support for students and districts despite state and federal disruption.

1.16 Analysis: strengths, weakness, opportunities, threats of CESAs

Strengths:

- CESAs offer evidence based immediate impacts on cost, quality, and equity of access with minimal disruption.
- CESAs support consistent, coherent implementation of state priorities.
- CESAs can mean fewer touchpoints for the AOE and efficient and effective reporting systems.

Weaknesses:

- A CESA will be as strong as its member SUs and SDs.
- AOE will need to provide oversight to ensure compliance with state and federal law and to eradicate duplication between the SU/SD and CESA levels.

Opportunities:

- Tie eligibility for small school support to participation in the CESA
- Strengthen rural access to CTE
- Consistent and coherent implementation of state initiatives
- Resilience and strength to federal disruption and cuts
- Equitable access statewide to specialized expertise

Potential Hurdles (Threats):

- Inability of districts to cooperate
- Policy churn at the state level
- Poor implementation and lack of support from AOE

Many Act 46 mergers took between three and five years to complete. School districts have been working to implement new education quality standards, new district quality standards, and changes in practice related to struggling learners and literacy. They have been working to implement a series of pieces of legislation that, in volume and impact, create disruption at the local level and increased burden on the field due to a cascade effect.

Act 72 (2021), Act 74 (2021), Act 166 (2022), Act 29 (2023) and Act 78 (2023) all addressed issues related to school facilities and safety testing.

Implementation of these bills and remedying findings has been profoundly disruptive. The state has not yet fully implemented the funding provisions of Act 173 of 2018 or Act 127 of 2022 and there is a proposal to replace them with new formulas.

- CESAs implementation would provide“just in time” support and expertise related to the most challenging work of schools.
- CESAs free educators to focus on students over procurement of expertise.
- CESAs ensure timely access to professional development ensuring every district has the capacity to place the best trained teacher possible in front of every child.
- CESAs provide safe, accountable, and high-quality separate learning environments as needed on a regional basis, freeing districts from resource struggle.
- CESAs provide cost savings through procurement at scale for certain functions and items that are difficult for smaller units to resource.
- CESAs place less of a burden on districts than mergers. **CESA transition costs are lower and benefits are realized immediately in contrast to a merger model.**
- CESAs could support legislative efforts to understand necessary changes region by region.

In recent decades, Vermont has focused on mergers and expanding choices while other states have focused on improving teacher quality. Reduction of AOE capacity and the expansion of its mandate means that the AOE cannot lead on instructional improvement and effective support for struggling learners and students with disabilities. CESAs build regional capacity to lead on important core capabilities close to, and accountable to, the students districts serve.

Several task force members who had participated in successful mergers noted the high transition costs and work burdens associated with this governance change. (See Appendix H for business transition tasks associated with mergers). There are schools that need to merge, and some of their boards have already indicated this. (See Section 2 voluntary strategic mergers). CESAs can provide support for business operations and the core work of teaching and learning to ensure that attention to students and achieving efficiencies are not lost during mergers.

1.17 Final check on legislatively-mandated considerations

Consideration:	Yes/No	If no, why?
(A) current school district and town boundaries and other historic and current community connections, including access to regional services for students, such as designated agencies;	Yes	No changes to current districts/supervisory unions however, data unavailable to assess relationships to DAs.
(B) geographic barriers, including mountains and rivers;	Yes	This plan builds on existing relationships by adopting the VSA boundaries as the CESA boundaries. These boundaries reflect historical patterns of gathering by leaders of our SUs and SDs. This plan acknowledges that some of these patterns may have shifted over time, and allows a process for reorganization, and allows capacity for additional CESAs if needed.
(C) population distribution;	Yes	This plan is responsive to distribution, using regionally held expertise and capacity to support regions that are too sparsely populated to provide these services on their own.
(D) location, capacity, and the facility condition index score of current school buildings;	Yes	Without construction aid we are unable to evaluate. CESAs are accountable to all member SUs and SDs. CESAs could support PCB mitigation and construction projects, at the request of members.
(E) transportation and employment patterns and practices;	Yes	CESA can develop and manage services in response to these patterns. CESAs can hold expertise for availability in regions that are isolated from employment centers.
(F) grand list values accounting for the homestead exemption and current education spending;	N/A	No change
(G) student demographics;		CESAs ensure consistency of access across all demographics.

(H) the debt, liabilities, and assets of current school districts;	N/A	
(I) staffing levels and salary scales;	N/A	
(J) opportunities to support local elementary schools, central middle schools, and regional high schools, with the least disruption to students;	Yes	Research strongly supports the power of CESAs in enhancing the capacity of schools, particularly in underserved or isolated regions.
(K) access to career and technical education (CTE) for all eligible students;	Yes	CESAs can be responsible for concerns around access by supporting the development of comprehensive programming in HS in underserved regions.
(L) the maximization of cost efficiencies;	Yes	See examples from SE BOCES, CESAs provide scale, quickly, where the most significant differences in cost reduction are realized.
(M) the location of schools and CTE centers;	Yes	CESAs support the schools we have and ensure better access to CTE in regions isolated from current CTE centers. Scale advantages in rural areas reduce the risk of rural school closures and deserts. Critical: national research and observed evidence in Vermont suggests that the burden of closure falls disproportionately on lower income and rural communities. Without construction aid this criteria is difficult to apply.

Section 2: Voluntary Strategic Mergers of Smaller Districts

This section of the proposal does not recommend mandated mergers. Rather it outlines data, research, and templates that local leaders can use to inform and reflect on proposed decisions related to mergers. The state must develop and maintain guardrails ensuring the burdens of school closure and district consolidation do not fall disproportionately on lower income communities and communities with disproportionate numbers of students from the global majority (often called BIPOC students).[68] Without such guardrails in place, the default impact of policy can accelerate inequity.[69]

Data

Data in this section is from the Vermont Agency of Education(AOE), school district websites, and independent school websites.
Data on tuition paid to private and public schools is from the Vermont AOE.

The Agency created this file for the task force:
A.3-Long-Term-Tuition-data.xlsx.

These data come from the AOE's Statbook Supplemental Worksheet #1 (SW1), where public sending and receiving districts are to submit what they paid and received, and for how many student FTEs, and to and from whom. The AOE confirmed that SW1 data is its "best source for what was actually paid (that includes student FTE and receiving district identification)." Per 16 V.S.A. § 836, if the tuition charged is more than 3% greater or less than the announced tuition**,** § 836 describes how tuition can be adjusted.

The AOE confirmed that some districts adjust their tuition after the average announced tuition is set, and that "The truing up can go either way - payments or credits." For this analysis, we will use these data as actuals, but we are aware that this practice may happen.

Data on the demographics of tuition students by the school they enrolled in (public or independent) were pulled from a separate collection and are

[68] Tieken, M. C., & Auldridge-Reveles, T. R. (2019). Rethinking the School Closure Research: School Closure as Spatial Injustice. *Review of Educational Research*, *89*(6), 917-953. https://doi.org/10.3102/0034654319877151
[69] Hahnel, Carrie and Marchitello, Max. (2023). Centering Equity in the School-Closure Process in California. Policy Analysis for California Education (PACE) https://files.eric.ed.gov/fulltext/ED633115.pdf

contained here:
G.3-and-G.4-Tuitioned-and-Public-School-Students-IEP_FRL_Data.xlsx

Research on mergers and choice is presented in Section 1.7. This section focuses on practical applications in Vermont of findings discussed in that section.

2.1 Introduction to strategic mergers

School systems are complex, and governance maps capture only the surface. Beneath them sit the interdependencies that determine whether change improves or harms outcomes. As with an iceberg, the hidden mass matters. Poorly designed mergers can raise costs, erode quality, remove democratic oversight, and divert limited attention from the core work of improving teaching and learning.

Strategic mergers offer a measured path. They target specific regions, draw on local knowledge, and focus on changes that deliver the most value for students and taxpayers. The prototypes in this section surface "below-the-waterline" conditions—geography, district structure, tuition patterns, scale constraints—that shape what is possible in a rural, choice-based system. The purpose of strategic mergers is not to mandate action, but to illuminate opportunities, tradeoffs, and risks.

A "do no harm" approach argues against rapid, prescriptive mandates which can undermine rural vitality by leading to unnecessary or indiscriminate closures in the places most likely to be harmed by the loss of their school. Successful change depends on careful analysis of existing configurations, alignment with local conditions, local input, and respect for Vermont's geography, history, and rural scale. Prior work shows that rushed consolidation has caused disruption elsewhere, but may not yield cost savings or improvements in quality. [70] (See also Section 1.)

Under the right conditions, district mergers and school consolidation can lead to stronger schools and communities. The White River High School and the White River Middle School.[71] are examples of how strategic

[70]Connecticut School Finance Project. (2019). A review of the research on district and school consolidation. An examination of the research regarding the fiscal and academic costs and benefits of district and school consolidation. https://files.schoolstatefinance.org/hubfs/Reports/Review%20of%20Research%20on%20District%20and%20School%20Consolidation.pdf?utm_source=chatgpt.com
[71]Newmarco, Zoe. (2018). Familiar Place, Lots of New Faces. The Herald. https://www.ourherald.com/articles/familiar-place-lots-of-new-faces/

consolidation of buildings can lead to more opportunities without increased cost and risky transportation times. A strategic approach ensures that if and when district mergers or building closures are necessary, they are handled in a measured and equitable way that protects fair access to quality public education. California,[72] for example, "mandates a community engagement process and an equity impact assessment before school closures, mergers, or consolidations ('closures') for school districts under financial distress."

Current Vermont conditions heighten risks that rushed mergers will accelerate inequity. Rural geography, limited capital support, and expanding school-choice funding are contributing to emerging public-education deserts in places such as Danville, Cabot, Leland and Gray, and Twin Valley. Meanwhile, regions like the Upper Valley now host more high schools than they did 40 years ago while serving fewer students and driving up costs without expanding opportunity.

Given limited time and fiscal capacity, this proposal does not attempt a statewide map. We offer regional prototypes to show how evidence, data, and community dialogue can guide future decisions. These examples clarify the types of challenges mergers will encounter and help policymakers anticipate consequences.

This section builds on the preceding recommendations on cooperative education service areas (CESAs) and aligns with the following section on comprehensive regional high schools. All three are grounded in research and current fiscal realities.

The merger considerations here assume—based on Act 73's origins, administration presentations, and recent legislative drafts—that cost containment is the primary driver of reform. Equity and quality matter, but fiscal pressure initiated the conversation. For that reason, each prototype evaluates whether a merger is likely to reduce cost under real Vermont conditions.

As of FY24, Vermont had 73 districts with fewer than 500 resident students.[73] Most of these districts are tuitioning at some or all levels. Any large-scale merger proposal must confront this fact. Merging at the scale contemplated

[72]Bonta, Rob. (2023). Guidance Regarding Laws Governing School Closures and Best Practices for Implementation in California. State of California Office of the Attorney General. https://oag.ca.gov/system/files/media/letter-school-districts-school-closures-04112023.pdf

[73] Vermont Agency of Education. (2024). State Profile Database November 22, 2024

in Act 73 requires either expanding or reducing private-school choice. Exempting tuition districts while consolidating operating districts contradicts the best practice research cited within this document. Cost-containment pressure shifts entirely onto public-school systems, while leaving tuition districts to continue purchasing education retail—often from small, selective private schools in close proximity to public schools that hold excess capacity.

Strategic merger goals, consistent with Act 73, include:

- Sustainable scale to support quality and lower per-pupil costs
- Consolidating administrative structures where small size constrains opportunity
- Creating coherent K12 pathways across districts [74]
- Protecting public school access in rural regions where enrollment declines and private-school competition threatens public school viability
- Ensuring that the burden of district mergers and school closures does not fall disproportionately on lower-income communities and communities with more students from the global majority.

Any merger proposal must begin with region-specific analysis over time. By examining what lies "below the waterline" Vermont can design changes that reduce cost, improve quality, and protect equitable access to public education.

2.2 Understanding the impacts of mergers

The following recommendations e are guided by several evidence-based assumptions. (For the research, see Section 1.)

1. Peer-reviewed work shows the largest scale economies when consolidating **very small units**; savings flatten as size grows and can reverse with excessive scale or long transport.[75] District per pupil

[74] Pre-K is a universal tuition program, and different rules apply to private providers and public school based programs. For coherence, Pre-K is left out of this proposal for now.

[75] Andrews M., Duncombe W. D., Yinger J. (2002). Revisiting economies of size in American education: Are we any closer to a consensus? *Economics of Education Review*, 21(3), 245–262. https://doi.org/10.1016/S0272-7757(01)00006-1
Duncombe W. D., Yinger J. (2007). Does school district consolidation cut costs? *Education Finance and Policy*, 2(4), 341–375. https://doi.org/10.1162/edfp.2007.2.4.341

costs tend to level off as district enrollments approach 2,000 pupils,[76] under certain conditions.

***Why this matters*:** Our recommendations will focus on the smallest districts ("tiny") —those with fewer than 500 students— where the potential for savings is greatest.

2. **The greatest potential gains come from moving very small districts that pay tuition into districts that operate public schools that have excess capacity.** These district consolidations would lower the per-pupil cost in public schools with excess capacity and by extension, the whole state.

   ***Why it matters*:** Expanding the payment of tuition, including by closing rural schools, has less potential to yield savings, because districts will still be buying education retail, rather than achieving benefits of scale. With mergers of tuition districts, the potential savings are limited to administrative savings.

   Below are simplified graphics showing how merging small tuition towns into operating districts with excess capacity can lower per-pupil costs. In the first graphic, before a merger, a small tuition town spreads tuition payments across two schools—one public and one private—essentially buying education "retail" without any governance role in the schools serving its students

[76] Baker, Bruce D. (2016). When is small too small:: Efficiency, equity & the organization of Vermont public Schools. Rutgers University. https://legislature.vermont.gov/Documents/2016/WorkGroups/Senate%20Education/Reports%20and%20Resources/W~Rutgers%20University%20Bruce%20Baker~When%20Is%20Small%20Too%20Small%20Efficiency,%20Equity%20and%20the%20Organization%20of%20Vermont%20Public%20Schools~2-26-2015.pdf
.

Pre- merger:

A tiny tuition district "A" pays tuition for 10 students to attend a public elementary school in district "B" and tuition for another 10 students to private school "C."

Assume both schools charge $10,000 for tuition.

In this scenario, the total cost of public education for District "A" is $200,000

Public School in District B:

- 60 students
- 10 of the 60 are tuition students from district "A" (tuition revenue of $100,000 from "A" for the school in District B)
- 5 teachers
- 12 students per grade
- Per pupil cost is $10k
- Total cost of operating this school is $600,000.

Private School "C"

- 10 tuition students from district "A"
- Per pupil cost is $10k
- Total public education cost at this school is $100,000

In the next graphic, a **small tuition district merges with the nearby District B, which operates a public school**. This district would now send all 20 of its students to the public school in what was formerly District B, but which is now the newly unified district. Due to excess capacity, the District B school was able to accommodate all students from District A without hiring more staff or expanding its building. The new per pupil cost in this example is about 14% lower.

Post merger:
Shared public school in the new district:

- 70 students:
- 50 from the former District "B"
- 20 from the former District "A"
- 5 teachers
- New class size: 14 students per grade
- Total cost of operating this school is still about $600,000.
- The new per pupil cost is $8571, about a 14% savings on every student
- At the new per pupil cost, what was formerly District "A" now spends $171,420 (savings of about 14%)
- At the new per pupil cost, what was formerly district "B" spends $428,550 (also a 14% savings)

Mergers of small districts into districts that operate public schools with excess capacity will result in savings.

3. **Central administration and compliance costs are the most likely areas to achieve savings**; classroom staffing and plant operations are less elastic. Any consolidation should target business offices, human resources, finance, audit, grants, data/compliance, special education administration. (**Alternatively, cooperative education service areas can improve administrative scale, reducing the need for some district mergers, while maintaining cost benefit.)**

   ***Why this matters*:** Mergers of small districts into districts that operate public schools with excess capacity will result in savings by consolidation of these services. Without construction aid, we are likely to continue to operate with the same footprint. **Cooperative services allow our school districts to harvest potential savings through scale without district mergers.**

4. **Geography governs viability.** Long bus rides affect attendance and engagement. Sparsity of population imposes real limits on scale in some regions, but should not limit access to opportunity. Some regions will need to preserve their physical footprint even with cooperative services, to avoid education deserts.

   ***Why it matters*:** In some of our more rural regions, distances between home and school can be very long. Excessively long travel times, including those caused by rural school closure, depress student engagement and student outcomes and can offset any savings from administration. Alternatively, the state can focus on shared services (CESAs) and capture the benefits of shared regional infrastructure while preserving elementary schools closer to where children live.

5. **Prevent voucher/tuition expansion.** Recent national evidence finds universal voucher expansions are associated with 5–10% private-school tuition increases.[77]

6. Operating public schools protects the **education fund** from uncontrolled tuition growth. Where access to private schools is retained, use **designation** (not open choice), with tuition **caps**, **fiscal-neutrality tests**, and **time-limited reviews**. This ensures that expansion of "choice" for some doesn't come at the expense of higher

[77] Harris, Doug and Olivier, Gabriel. (2025). The Effects of Universal School Vouchers on Private School Tuition and Enrollment: A National Analysis. National Center for Research on Education Access and Choice. https://edworkingpapers.com/sites/default/files/ai25-1293.pdf?utm_source=chatgpt.com

costs for all. If cost containment and serving more students under fewer roofs is the way to reduce cost, these measures give tuition districts the tools to achieve those goals.

7. **Same rules for all schools that are funded by tax dollars.** In some regions, there are only enough students for one robust school. This creates risk when private independent schools crowd out public schools. We recommend the state require that all approved independent schools comply with public school rules, as some do, to ensure that students in regions without public schools have fair access to the same opportunities and support provided in public schools. This is all the more important when the only nearby school is a private school. In addition, requiring approved independent schools to meet public education quality standards ensures the state is not paying tuition for social services or education services that are required in a public setting but not provided in an independent school setting. Compliance with public school rules and education quality standards also confirms that when students with disabilities are placed in private schools, the local public education authority (LEA) has some assurance that the student will have access to free and appropriate education (FAPE) as required by federal law.

8. **Accountability to districts.** Require the district where the private school is located to vote on designating that school for the purpose of paying tuition, before it is allowed to receive revenues from the public education fund. For example, the Thetford School District has designated Thetford Academy. Voter designation ensures that the school is responsive to the needs of the local community.

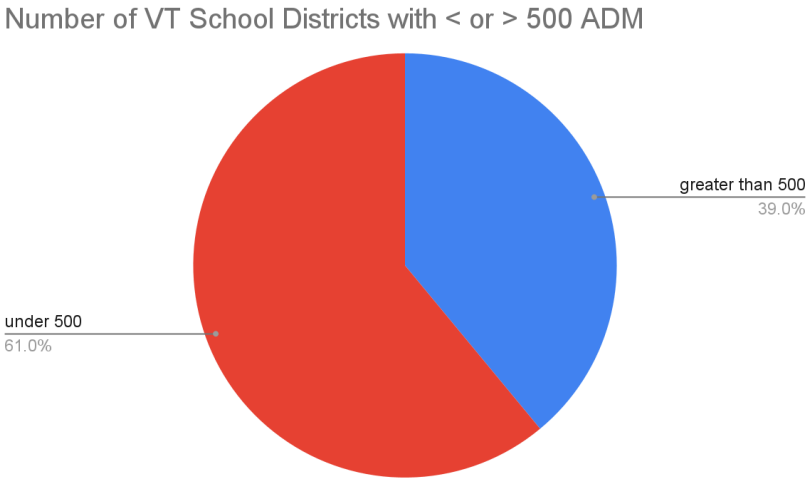
   ***Why it matters*:** Merging districts and closing public schools while eroding scale by paying tuition vouchers—often to even smaller, and sometimes more expensive- schools that do not offer the full range of services required in public schools is an incoherent policy. For example, the governor has called for closing small public schools, most of which are elementary schools, yet the State Board of Education has approved continued payment of tuition to a private high school with fewer than 10 students.

2.3 Descriptive statistics on small district size, risks, and opportunities for consolidation savings

In this section, we analyze declines in student counts across the state—in more rural areas and more urban areas, and in small districts and larger districts. A key finding of this analysis is that population declines are persistent and pervasive. Very few districts have more students now than they did 25 years ago. The public narrative has focused on small schools, yet **some larger districts have lost the equivalent of multiple small schools worth of students.**

If we position district mergers as a response to small schools or small districts, we risk disproportionately burdening higher-poverty rural regions with the challenges of school mergers and school closures. And, we risk ignoring some of the challenges in our more "urban" settings. We risk fostering an "us vs. them" narrative around who is responsible for cost— a narrative that distracts from fair, shared, and durable solutions.

The majority of school districts in Vermont have fewer than 500 students, which, as noted above, is the number below which districts can achieve administrative savings through consolidation. The majority of these small districts are districts that pay tuition at some or all grade levels.

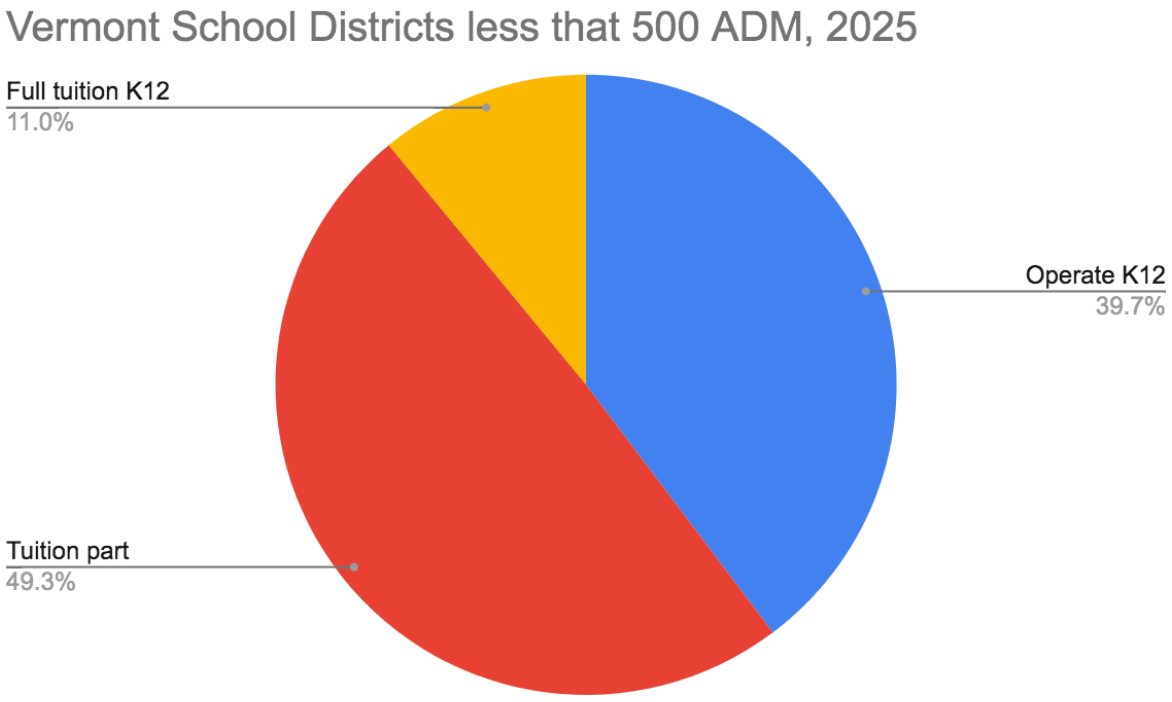


Data source: Vermont AOE, 2025

ADM refers to "Average Daily Membership"—the number the AOE uses to average or estimate actual student population. There are more small tuition

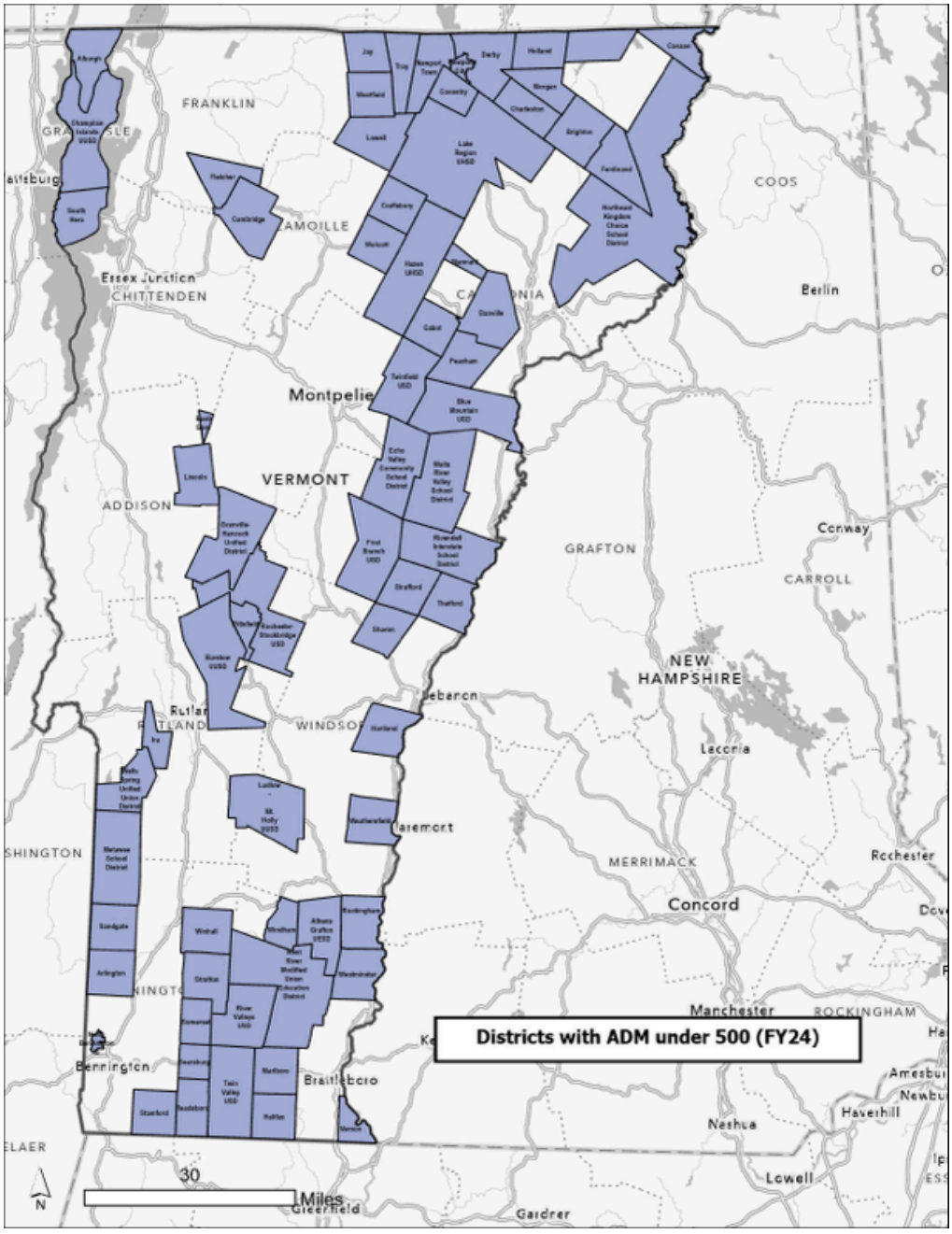
districts than small districts that operate public schools. In addition, tuition districts are smaller on average.

Number of Districts	Size	Details
118	Total in Vermont	All school districts in Vermont
73	ADM under 500	Total number
29	ADM under 500	Operate K-12
36	ADM under 500	Operate some grades, tuition others
8	ADM under 500	Pay tuition K-12



There is a slight negative correlation between district poverty ratio and the decision to operate a school. Any proposed mergers should avoid concentrations of advantage and disadvantage through mergers.

The geographic map below shows that on average, there are more small (under 500 ADM) tuition districts than small (under 500 ADM) districts that operate schools. Small districts generally tend to be located in historically more rural sections of the state.



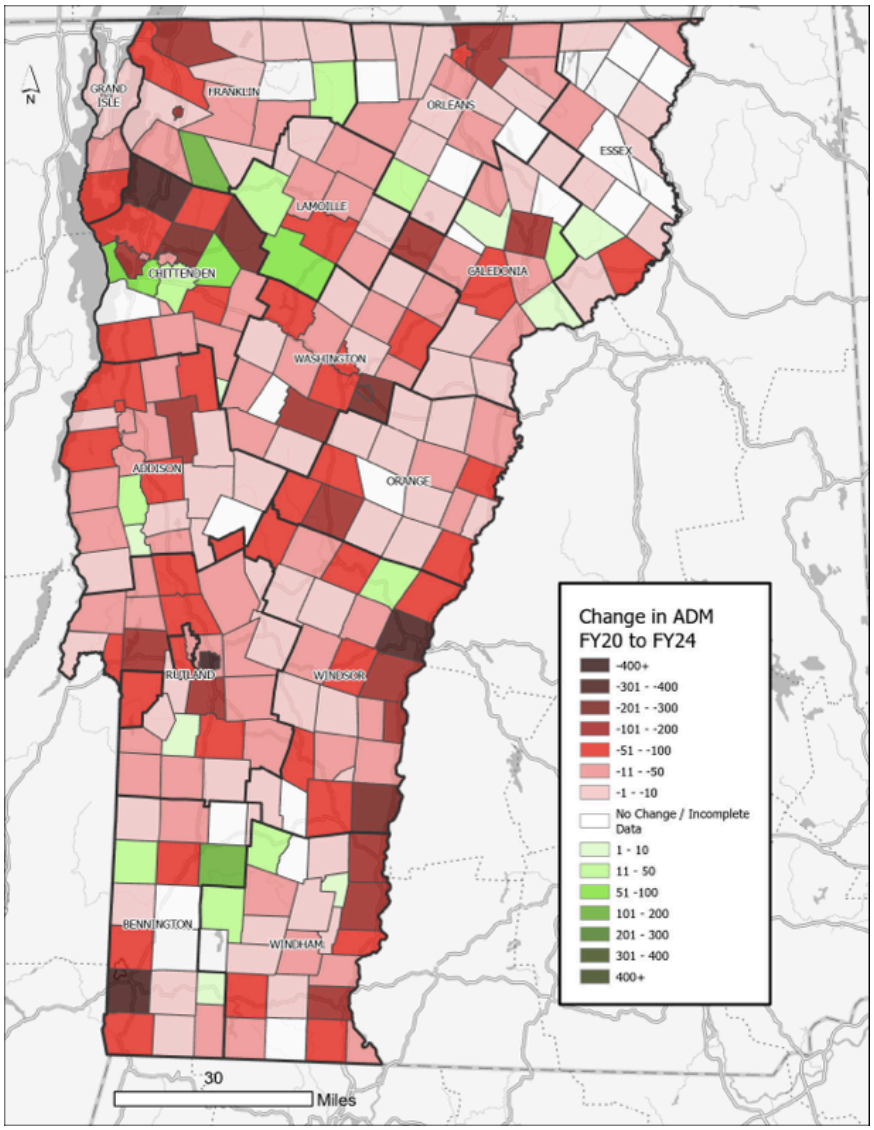
Source: Vermont Center for Geographic Information.

The following map shows the change in ADM, across Vermont, in the last four years. Some of the greatest declines in student numbers have been

concentrated in these more rural regions, including regions that pay tuition. The exceptions seem to be wealthier communities, “bumper communities” that are near other towns with high demand and low supply of housing, and in communities with a lot of ski homes.

(Note: there are some slight discrepancies across data sources and years/dates on which data were pulled, but overall trends hold.)

Change in Average Daily Membership from FY20 to FY24, by district. (Red represents a loss of population, green represents an increase of population.)



Source: Vermont Center for Geographic Information.

Application of findings to real "prototypical" districts

Note: The examples shared here are prototypes of the tradeoffs districts face. A prototype refers to a district that represents patterns that are similar to, or replicated in, other areas of Vermont. The prototype illustrates a concept, but is not an actual recommendation for a forced merger.

Example #1
The Northeast Kingdom Choice School District includes towns that do not operate schools preK-12. The eastern side of the district borders the Connecticut River and New Hampshire. Students attend public schools in New Hampshire or the public school in Canaan, due to significant transportation distances and geographical isolation.

Three towns in the western part of the district (Kirby, East Haven, Victory) are contiguous with one or more towns where four public elementary schools reside. In many cases, at least one of the public schools is closer or the same distance to the independent school to which tuition is paid.
If these towns merge with the local public district, and students attend this local public school, the cost per pupil would be lower, reducing costs for taxpayers statewide.

The independent school that receives the majority of tuition students from towns like East Haven and Kirby serves fewer students who are economically disadvantaged and fewer students on Individualized Education Plans (IEPs) than the local public school. If these students were enrolled at the more inclusive Lyndon Town School, the demographics of the region would be reflected fairly across all schools. Greater scale would yield savings for everyone.

In the table below, the Riverside School is a private approved independent school that serves tuition students. The other schools are nearby public schools that serve tuition students from the same tuition districts, including a disproportionate number of less wealthy students. In this region, tuitioning at the elementary level to private "independent" elementary schools contributes to socioeconomic stratification and loss of scale at the elementary level.

2024 AOE Data: Caledonia and Essex County Independent and Public schools

School Year	School(s)	Total Enrollment	IEP Count	% IEP	FRL Count	% FRL
2024	The Riverside School	69	***	***	***	***
	% reflects the maximum percentage based on suppression. Numbers suppressed if under 11.		less than	14.5%	less than	14.5%
2024	LYNDON Town School	452.00	76	16.81	279	61.73
2024	ST JOHNSBURY Schools	673.00	170	25.26	450	66.86
2024	BURKE TOWN School	271.00	40	14.76	139	51.29
2024	SUTTON Village School	107.00	22	20.56	72	67.29
2024	NEWARK School	61.00	14	22.95	36	59.02

It is also worth looking at these issues of scale in reverse. What happens when districts "unmerge" and begin paying tuition?

Example #1

In 2024, the Lincoln School District (LSD) paid for 11.9 students to attend high schools that were not the local public high school. When LSD became a standalone supervisory district, its high school students became "tuition students." Rather than all attending the local public high school, some students enrolled in other schools, independent and public. LSD paid tuition of $219,462 to those other independent and public schools in that first year. Those dollars were not provided to the local public

We can choose buying education retail over buying education wholesale, but we should not assume it will be cheaper— especially when we have a shared education fund.
The current tuitioning system is increasing cost to the state by eroding scale. We must also anticipate increasing socioeconomic stratification across the public and private sectors– a pattern which is evident in the Vermont data.

high school to support programming for the majority of students in that setting. The local public school had to either cut programming to offset lost revenue or raise per-pupil costs and tax rates for district taxpayers.

When a local public high school raises its per-pupil cost to backfill, all taxpayers statewide pay more—once for the backfilling and again for the tuition paid elsewhere. When the average announced tuition is tied to the cost of educating in union high schools, higher per-pupil costs in union high schools associated with tuition competition has the effect of driving up the average announced tuition, which is the amount that voucher districts like LSD must pay to independent schools. In any given year, the tuition revenues high schools now receive for Lincoln SD students are not more unpredictable, based on student choices.

***Why it matters*:** We can choose buying education retail over buying education wholesale, but we should not assume it will be cheaper—especially when we have a shared education fund.
The current tuitioning system is increasing cost to the state by eroding scale. We must also anticipate increasing socioeconomic stratification across the public and private sectors– a pattern which is evident in the Vermont data.[78]

2.4 Declining student counts and excess capacity

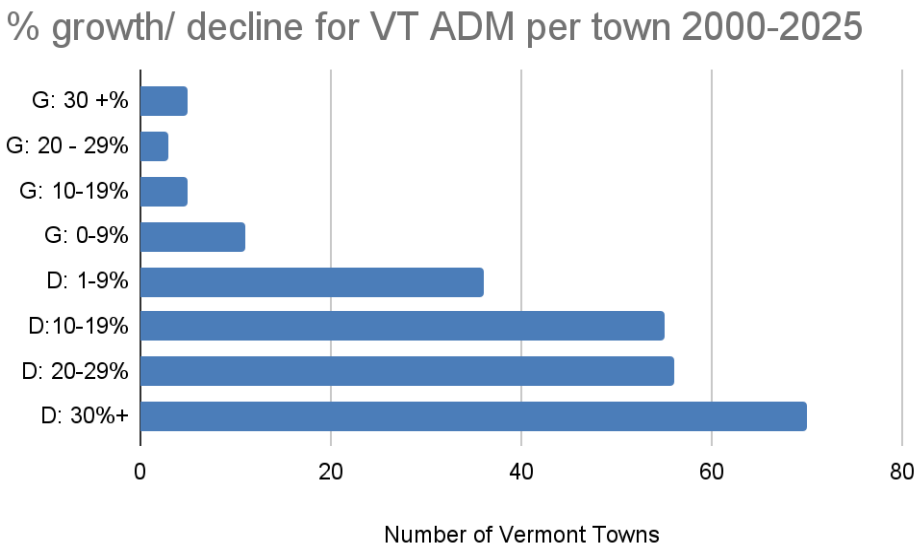
Vermont has experienced persistent and substantial declines in student population in the last 25 years (2000 to 2025). A handful of small towns experienced growth in resident students. These towns tend to fall into one of the following categories:

- **Very Small "Towns"** (e.g. Averill, Buel's Gore, Wheelock, Victory) where a fluctuation of 1-2 students can represent a large and misleading percentage change in ADM.
- **Small, wealthier, towns with second homes, often near ski resorts** (at high school level, greater number of students move in; e.g., Craftsbury, Londonderry, Stowe, Stratton, Winhall).
- **Bumper towns in** more populous areas such as Hanover/Dartmouth and White River Junction, or towns in Chittenden County. Housing closer to a population center is limited; population bumps out to the next contiguous or peripheral town (Cambridge, Fairfax, Waits River,

[78] See data on demographics provided by AOE.
G.3-and-G.4-Tuitioned-and-Public-School-Students-IEP_FRL_Data.xlsx
The same patterns are also visible in the assessment data.

Sharon).
- **Dense economic regions** close to or part of larger economically prosperous areas (Jericho, South Burlington, Williston).

**Note 2000 data does not include preK, so the 2025 data is inflated*



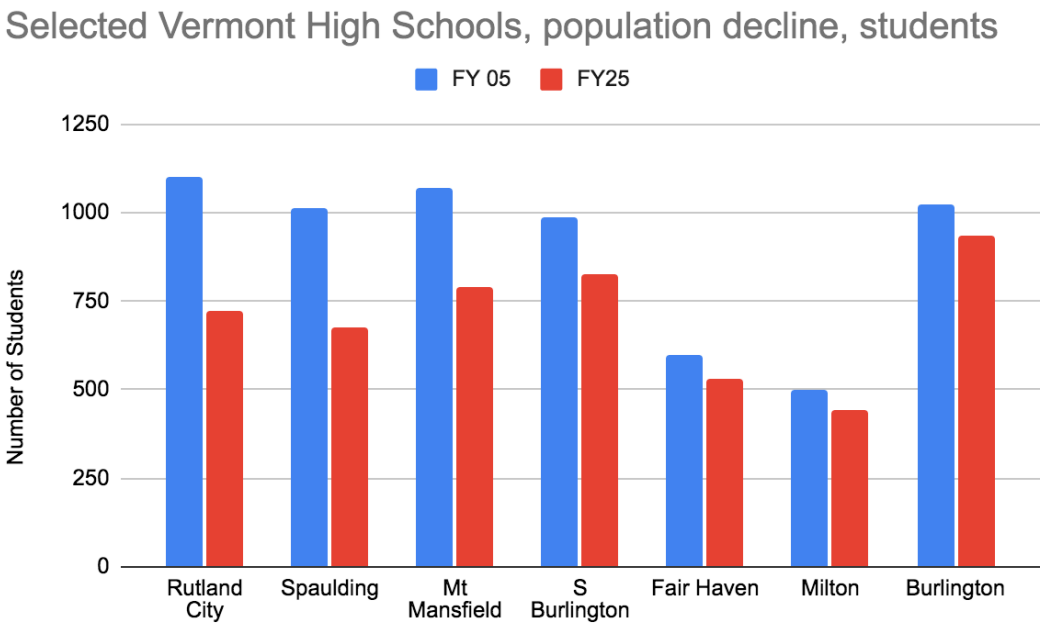
Stranded Assets

The prevailing narrative posits that closing small schools due to declining enrollment is a cost saving measure. Closer analysis suggests that many districts—both rural and urban, wealthy and less wealthy—have lost student populations. The drop in scale is a statewide problem, not a small schools problem.

The chart below shows a sample of the decline in student enrollment over the last 20 years. Stranded costs associated with larger schools—same building footprint, same administration, fewer students—impacts our tax burden. This fact should be considered when weighing mergers. (The regional high school section of this proposal dives more deeply into sample solutions).

Some of the steepest declines are in our larger schools, some of which are maintaining the same infrastructure and administration for a much smaller population. Rutland has lost the equivalent of several small schools worth

of students. Rutland has struggled economically, but these losses are not limited to disadvantaged regions, as evidenced below.



(Source: VSA Education Directory 2004-05 and 2024-25 VSA)

Population Decline from 2004-2005 to 2024-2025

Vermont High School	Percent of students FY2004-05 compared to FY2024-25
Rutland City	65.5%
Spaulding	66.6%
Mt Mansfield	73.9%
S Burlington	84.0%
Fair Haven	88.3%
Milton	88.4%
Burlington	91.4%

(Source: Vermont AOE. Note: early data did not include PK students.)

These data suggest that several regions have excess capacity and infrastructure built for more students than they currently serve. Many of these regions also have severely deteriorated buildings. Shared conversations around reimagining current footprints could solve challenges related to scale and failed buildings, particularly in more densely populated regions. Without these conversations, districts will continue to pay for declining and failing buildings that are scaled for much larger populations than they currently serve.

2.5 Prototypes of district mergers in smaller districts

Prototype definition: A prototype refers to a district that represents patterns that are similar to, or replicated in, other areas of Vermont. The prototype illustrates a concept, but is not an actual recommendation for a forced merger. Prototypes are shared for discussion purposes.

The regions discussed below have experienced student population decline and currently have more schools than ADM numbers suggest they need, which drives up per-pupil cost. This section provides examples of the types of challenges, tradeoffs, opportunities, and specific data using prototypical districts. This analysis was brief and we have attempted to correct any errors, but local analysis will be essential prior to the development of any plan.

***Why it matters*:**

- Both prototypes include rural regions, but have different ways of educating their children.
- Tuitioning, when excess capacity exists nearby, can exacerbate challenges related to scale and fairness.
- In both regions, some consolidation and/or school closure would disproportionately affect students who depend on public schools.
- In both regions, distance and travel time are significant factors.

Two hypothetical case studies to explore:

- Merge Winhall and Stratton to Taconic and Green
  Issue focus: independent school choice leading to higher cost
  Merge Windham to West River, possibly to Twin Valleys
  Issue focus: sparsity, risk of public school deserts

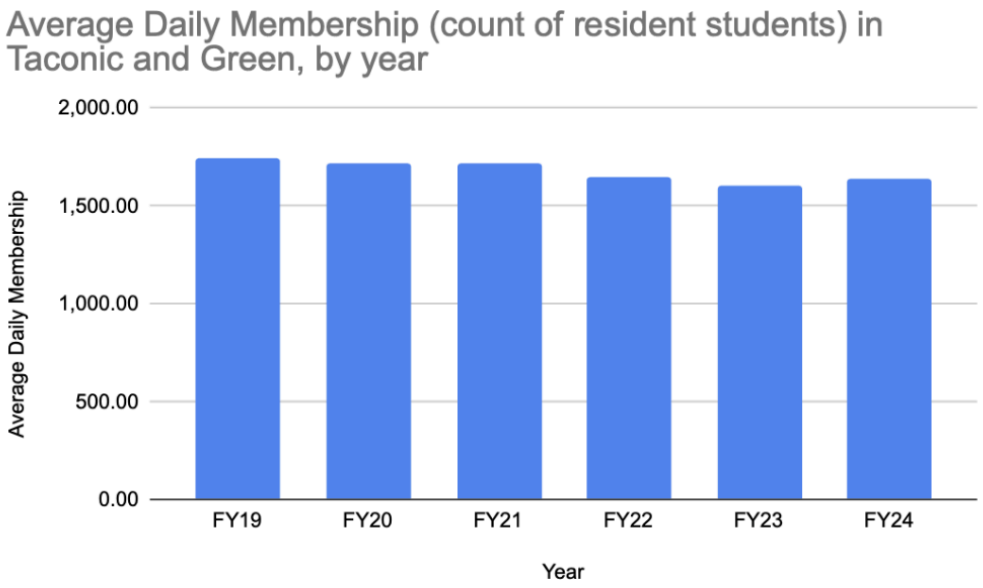
Case Study A: Joining Winhall and Stratton (K-12 tuition towns) with the core district of Taconic and Green, which operates public schools for grades K-8.

Issue focus: private school choice, scale, and impact on cost
Key questions:

1) Could communities in this region bring down cost by achieving public school scale and by reducing the number of small selective private schools subsidized by the education fund, and
2) could communities in this region help ensure fair access and improve education quality by increasing the K-8 coherence in the Taconic and Green region?

The Districts:

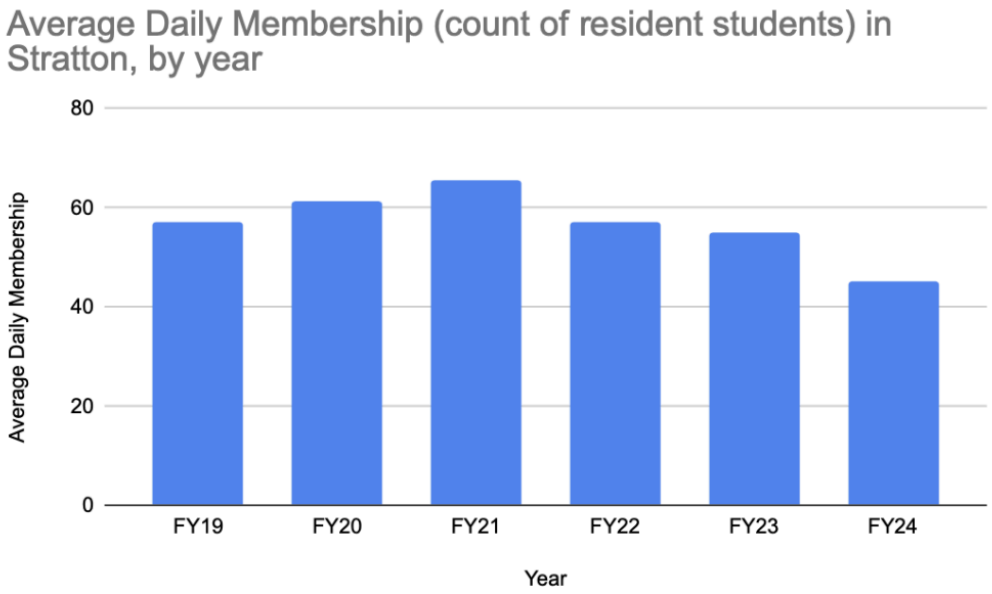
Taconic and Green: Taconic and Green provides K-8 education and pays tuition at grades 9-12. In FY24, Taconic and Green had an average daily membership of about 1636, down over 100 students from about 1741 in FY19.



Stratton:

The Stratton School District pays tuition at all grade levels. During the pandemic, Stratton experienced a jump in resident students (ADM).

However, by FY24, Stratton had a lower average daily membership than before the pandemic.



(Data Source: F.9.-F.40.-Single-year-ADM-by-grade-for-towns-and-districts-FY20-FY24-and-change-over-period.xlsx)

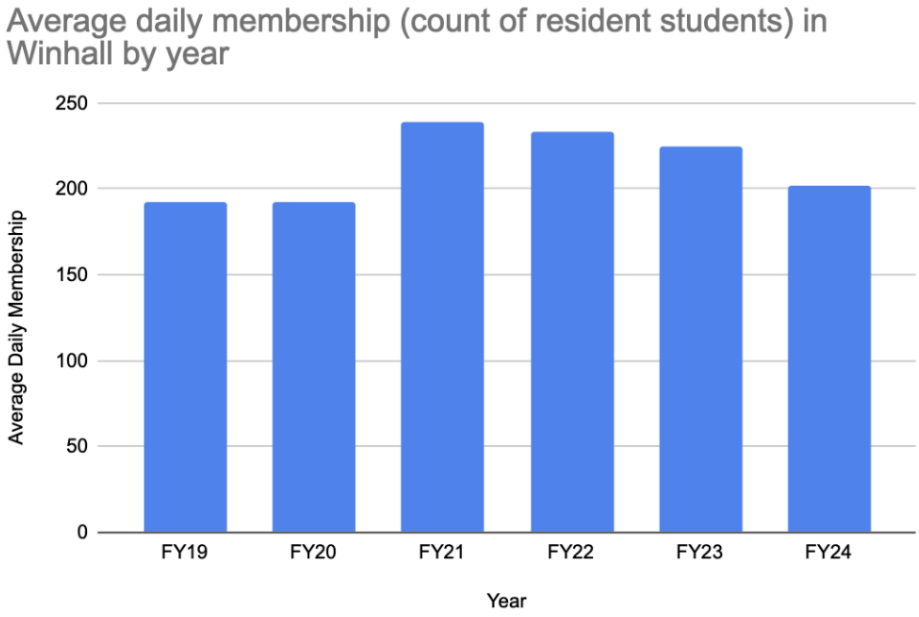
Closer analysis of Stratton's student population shows that it is home to a disproportionate number of resident high school students compared to elementary students (about 24 to 14).[79]

Stratton: Secondary and Elementary FTE, and ratio of secondary students to elementary students	
Level	FTE
Elementary ADM	14.2
Secondary ADM	24.2
Ratio of secondary to elementary	1.7

(*Data source*: A.3-Long-Term-Tuition-data.xlsx)

[79] AOE Long Term Tuition Data A.3-Long-Term-Tuition-data.xlsx

Winhall:
The Winhall School District pays tuition at all grade levels. Winhall also experienced a jump in resident students during the pandemic. In recent years, student counts appear to be returning to pre-pandemic levels.



(Data Source:
F.9.-F.40.-Single-year-ADM-by-grade-for-towns-and-districts-FY20-FY24-and-change-over-period.xlsx).

Like Stratton, Winhall has a disproportionate number of secondary students compared to elementary students, although the disproportionality is not quite so significant as it is in Stratton.

Winhall: Secondary and Elementary FTE, and ratio of secondary students to elementary students	
Level	FTE
Elementary (k-6)	81.8
Secondary (7-12)	112.9
Ratio of secondary to elementary	1.4

(*Data source: A.3-Long-Term-Tuition-data.xlsx*)

Why it matters: Taconic and Green has declining student numbers, which raises its per pupil costs of maintaining the same infrastructure. After pandemic era bumps in resident students, Winhall and Stratton student counts are closer to pre-pandemic counts. If getting more students under fewer roofs is an effective strategy for bringing down cost, especially in the context of enrollment declines, merging Winhall and Stratton into Taconic and Green would provide savings for all, while preserving access to the same schools at the high school level.

Poverty ratios for the three districts, per data provided by JFO
2025 Vermont Town Poverty level

District	Poverty Ratio (data from JFO)
Stratton	8.00%
Taconic and Green	27.80%
Winhall	11.00%

(Date Source: Joint Fiscal Office)

These three districts are wealthier on average compared to the nearby districts of West River (poverty ratio of almost 50%), River Valleys (poverty ratio of almost 39%) and Arlington (poverty ratio of almost 51%).

Publicly-funded elementary schools in the region

Taconic and Green is the location of one publicly-funded independent elementary school and five public elementary programs. The board of Taconic and Green voted in fall of FY25 to close two of these schools at the end of the FY25-26 school year due to enrollment declines.

A small approved independent school, the Maple Street School, is located within Taconic and Green (in Manchester). The Maple Street School is located about 1.4 miles from the Memorial Elementary and Middle School, the public school in Manchester.

Winhall is the location of a second small publicly-funded independent elementary school, the Mountain School of Winhall. Stratton is the location of a small private independent high school, the Stratton Mountain School.

Demographics of publicly-funded students enrolled in the two approved independent elementary schools in Bennington Rutland Supervisory Union region.

In FY24, count of publicly funded students, and count and % of students by IEP status in all private elementary schools in the protyped new region

OrganizationName	Publicly Funded Enrollment	IEP Count	% IEP	FRL Count	% FRL
MAPLE STREET SCHOOL	46	0	0%	0	0%
MOUNTAIN SCHOOL AT WINHALL	40	***	***	0	0%

(Data Source: G.3-and-G.4-Tuitioned-and-Public-School-Students-IEP_FRL_Data.xlsx)

According to data provided by AOE for FY24, neither of these private schools (Maple Street, Mountain School) served publicly funded students who were economically disadvantaged. Data shows that Maple Street School did not serve any students with IEPs. The AOE applies suppression rules when the count of students in a specific category is 11 or less. (See the *** in the table.) The number is suppressed because the school is small, but the Mountain School served students with IEPs in FY24.

Together, these two approved independent schools served a total of 86 publicly funded students– less than the decline in student count experienced by Taconic and Green in just the previous 5 years.

Demographics of each public elementary school in the Taconic and Green District

In FY24, count of publicly funded students, and count and % of students by IEP status in public elementary schools in the Taconic and Green region. Note that the Taconic and Green Board voted to close Sunderland and Currier Memorial.

OrganizationName	Publicly Funded Enrollment	IEP Count	% IEP	FRL Count	% FRL
CURRIER MEMORIAL US #23	68	14	20.59%	46	67.65%
DORSET SCHOOL	184	40	21.74%	55	29.89%
FLOOD BROOK USD #301	309	44	14.24%	116	37.54%
MANCHESTER ELEM/MIDDLE SCHOOL	415	87	20.96%	223	53.73%
SUNDERLAND ELEM SCHOOL	62	***	***	22	35.48%

(Data Source: G.3-and-G.4-Tuitioned-and-Public-School-Students-IEP_FRL_Data.xlsx)

These public elementary schools are larger on average and serve a more diverse population on average than the nearby approved independent schools in FY 24 data.

Current Taconic and Green district-proposed changes:

In the fall of 2025, the voters of Danby, Mt. Tabor, and Sunderland voted against closing two of the schools in Taconic and Green: Currier (which currently has 53 students) and Sunderland (which currently has 49 students). However, the Taconic and Green School Board voted to close these schools anyway. [80]

Smaller student counts and proportionally higher fixed costs can drive up cost and reduce breadth of offerings. **Bringing more students under fewer roofs could reduce per-pupil cost and tax rates**.

Some districts in the larger BRSU region pay tuition to a public district (Granville) across the border in New York. The AOE is unable to provide information on the demographics of students enrolled in public schools in other states, so these students and schools cannot be included in this analysis. We excluded students who tuition to out-of-state prep schools from this analysis because those schools are no longer eligible to receive Vermont public education dollars.

Publicly-funded independent high schools within the prototype region

There are three private "approved independent" high school programs within this region. One of the schools serves no students with IEPs and no students who are economically disadvantaged (Stratton Mountain School). Another (Long Trail) serves less than half the proportion of students with IEPs and economically disadvantaged students as Burr and Burton Academy– one of our state's historical academies, and one that was considered a public school until the statute was changed in 1991.

[80] Weiss-Tisman, Howard. (2025.) School board votes to close two elementary schools in southwest Vermont. Vermont Public. https://www.vermontpublic.org/local-news/2025-11-05/school-board-votes-close-two-elementary-schools-southwest-vermont?utm_medium=link&utm_source=app

In FY24, count of publicly funded students, and count and % of students by IEP status in all private high schools in the Taconic and Green region					
OrganizationName	Publicly Funded Enrollment	IEP Count	% IEP	FRL Count	% FRL
BURR AND BURTON ACADEMY	689	116	16.84%	87	12.63%
LONG TRAIL SCHOOL	181	13	7.18%	***	***
STRATTON MOUNTAIN SCHOOL	55	0	0%	0	0%

(Data Source: G.3-and-G.4-Tuitioned-and-Public-School-Students-IEP_FRL_Data.xlsx)
NOTE: When the N is smaller than 11, numbers can not be reported. In the case of the Long Trail School, 10 students would be 5% of the student body. This data shows that there are fewer than 5% of the students in poverty, a rate lower than the overall rate in the region. According to AOE data, Stratton Mountain School served no students with IEPs and no students who were economically disadvantaged.

Tuitioning patterns in the region

In the FY25-26 school year, The 2025-2026 Average Announced Tuition of Union Elementary Schools is $19,120.00. The 2025-2026 Average Announced Tuition of Union 7th-12th Grade Schools is $20,910.00.[81]
This is the tuition districts pay to approved independent schools, unless districts vote to spend more.
For the FY25-26 school year, Taconic and Green set its tuition at $19,800. Public districts are allowed to adjust its tuition if their costs are more than 3% higher or lower than this announced tuition, and some have done so, though not all.

Tuition paid to each school:

Districts are required to pay tuition for resident students at the public schools or approved independent schools in which they enroll. When students enroll in a public school, the tuition rate is the rate set by the receiving public school district. When students enroll in an approved private independent school, the district pays the average announced tuition, unless 1) voters approve a higher tuition, 2) the receiving private school is allowed by state board rules to charge a higher CTE tuition[82], or 3) the school is approved as meeting public school rules.[83] Voters in the

[81] Vermont Average Announced Tuition. https://education.vermont.gov/sites/aoe/files/documents/edu-fy26-announced-tuition-report-print-version.pdf
[82] St. Johnsbury Academy and Lyndon Institute are allowed under State Board rules to charge a higher tuition to all students as if they were CTE students.
[83] Thetford Academy and The Sharon Academy are approved as meeting public school rules, so are allowed to set their own tuition.

districts in this case study have voted to approve private school tuitions to some schools that are higher than the average announced tuitions. However, this approved tuition is smaller than what some approved independent schools charge. So, for example, to enroll their children at the Stratton Mountain School, the Maple Street School or the Long Trail School, parents need to be prepared to pay additional tuition beyond the tuition paid by their school district to access "public education" in these settings.

Maple Street School

For the FY26 school year, the Maple Street School is charging the following tuitions:

- K-4th grade – $20,913
- 5th-8th grades – $23,642

This is higher than the average announced tuition, and higher than tuition at the nearby public schools in Taconic and Green. Maple Street offers some financial aid, but on its website states, "We believe that the family holds the primary responsibility for the financial support of education." In other words, **the family of an 8th grader might be required to pay a couple thousand dollars extra to enroll a child**. This may explain why Maple Street served no publicly-funded students who were economically disadvantaged in FY24.

Mountain School at Winhall:

Mountain School at Winhall charged K-6 tuition of $19,550 for FY26. This is $430 above the $19,120 approved by the state. Stratton and Winhall pay the full tuition to the Mountain School. Parents in these towns do not have to pay additional tuition to enroll their children at the mountain school, although they would have to pay a substantial out-of-pocket cost to enroll their children in Maple Street School.

Windham pays the state average announced tuition ($19,120), which leaves a gap for children and families living in Windham who want to enroll children in the Mountain School of Winhall. Mountain School of Winhall states on its website: "Windham families are **required to pay the difference** between state rate and MSW tuition, need based financial assistance available. It is the responsibility of the student's family to establish and maintain residency requirements."

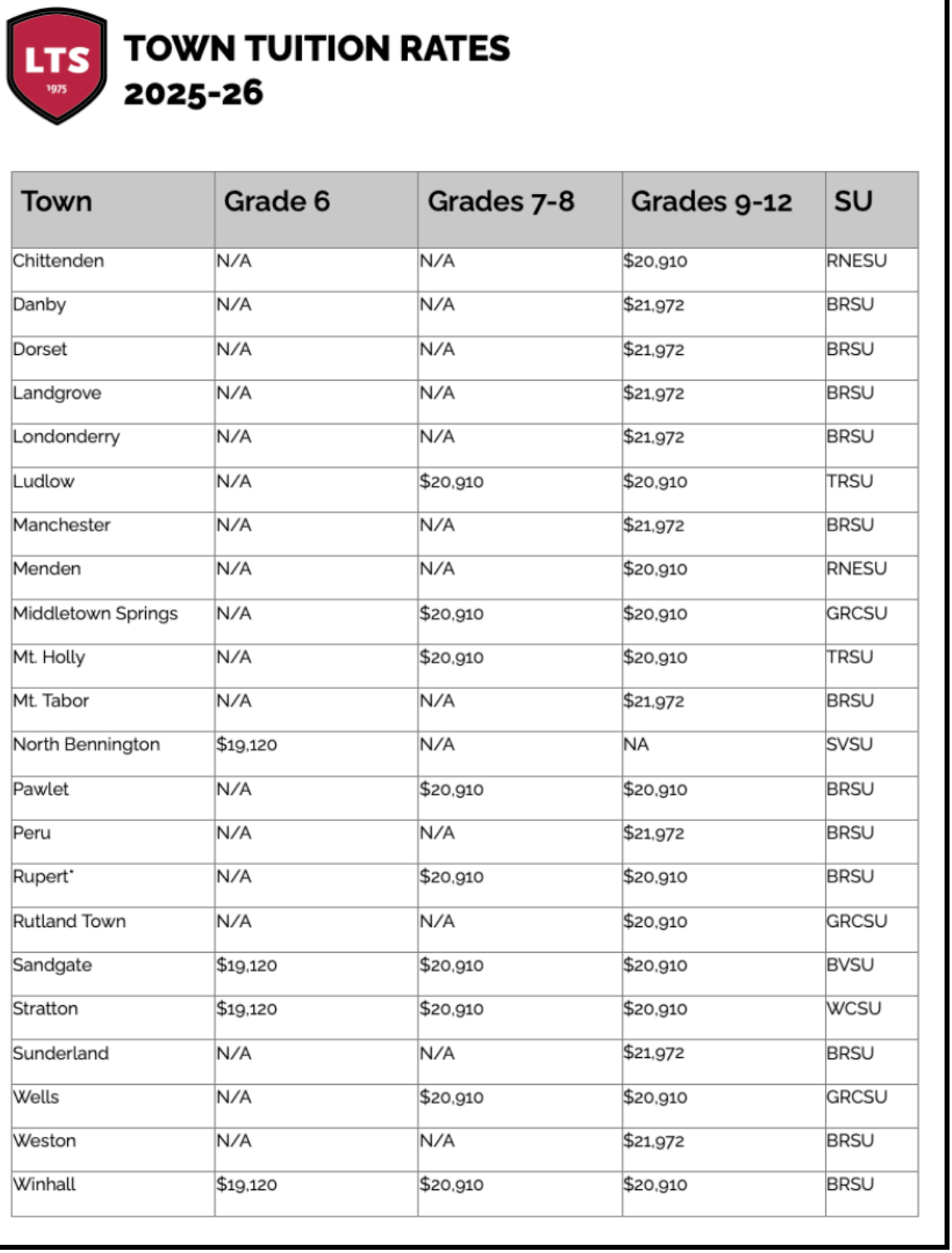
This could be a contributing factor to why no publicly funded students at the Mountain School of Winhall are identified as economically disadvantaged.

Taconic and Green School District:
Taconic and Green School district charges tuition of $19,800 for all K-8 students who enroll. Increasing the average daily membership at the Taconic and Green schools, where they have excess capacity, would lower the per-pupil cost, cost to the community and the state overall. All districts pay the full tuition to Taconic and Green schools.

Burr and Burton:
Tuition for the 2025-26 school year is $21,972 for families residing in: Danby, Dorset, Dover, Londonderry, Landgrove, Manchester, Mt. Tabor, Peru, Stratton, Sunderland, Wardsboro, Weston and Winhall. These districts have voted to cover the full cost of tuition at Burr and Burton. Parents in these towns do not need to "top off" tuition in order for their children to attend. For students from other towns, the **2025-26 tuition is $24,721**. Other tuition towns are required to pay the state average announced tuition, which is $20,910), **leaving a balance of $3,811 for families to pay.**
Students who can't afford the gap between the tuition voucher and the cost of admission can apply for a "Belltower Merit Scholarship," which requires them to complete an academic record review, written essay, and reference check to be considered. This may disadvantage and discourage the enrollment of less-privileged students from towns that do not vote to pay the full $21,972.

Long Trail:
The Long Trail School's tuition for FY26 is $24,309. Long Trail posted the table below on its website documenting the size of the tuition voucher paid by each town that pays tuition to the school. The voucher is smaller than the payable tuition for students from all towns. Parents are expected to pay the balance. This surplus tuition requirement may explain the low numbers of publicly-funded students who are economically disadvantaged at Long Trail.

Stratton Mountain School
Stratton Mountain School **tuition is $57,750** for day students per its website for FY26. The allowable average announced tuition is **$20,910.** Stratton Mountain School credits "town tuition" towards the balance, but this leaves a balance of **$36,840.** Families can apply for financial aid. This significant financial hurdle may explain why SMS served no economically disadvantaged, publicly-funded students in FY24.



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TOWN TUITION RATES 2025-26

Town	Grade 6	Grades 7-8	Grades 9-12	SU
Chittenden	N/A	N/A	$20,910	RNESU
Danby	N/A	N/A	$21,972	BRSU
Dorset	N/A	N/A	$21,972	BRSU
Landgrove	N/A	N/A	$21,972	BRSU
Londonderry	N/A	N/A	$21,972	BRSU
Ludlow	N/A	$20,910	$20,910	TRSU
Manchester	N/A	N/A	$21,972	BRSU
Menden	N/A	N/A	$20,910	RNESU
Middletown Springs	N/A	$20,910	$20,910	GRCSU
Mt. Holly	N/A	$20,910	$20,910	TRSU
Mt. Tabor	N/A	N/A	$21,972	BRSU
North Bennington	$19,120	N/A	NA	SVSU
Pawlet	N/A	$20,910	$20,910	BRSU
Peru	N/A	N/A	$21,972	BRSU
Rupert*	N/A	$20,910	$20,910	BRSU
Rutland Town	N/A	N/A	$20,910	GRCSU
Sandgate	$19,120	$20,910	$20,910	BVSU
Stratton	$19,120	$20,910	$20,910	WCSU
Sunderland	N/A	N/A	$21,972	BRSU
Wells	N/A	$20,910	$20,910	GRCSU
Weston	N/A	N/A	$21,972	BRSU
Winhall	$19,120	$20,910	$20,910	BRSU

Why it matters: When approved independent schools require families to "top off" tuition or impose selective admissions requirements, they are engaging in practices that research in other states demonstrates suppressed

enrollment of less privileged students. Consistent with that research, the schools that engage in these practices have lower enrollment of less privileged students compared to the local public school and BBA. **If parents have to pay additional tuition costs, these schools are not providing public education.** Lower income and working class families and students effectively don't have the same "choice" as wealthier peers if they can't afford the additional tuition. To the extent districts depend on parent payment to reduce their tax obligations, these practices can also shift costs to education property taxpayers in other regions.

Impact on enrollments if Winhall and Stratton were merged into Taconic and Green

This merger would also increase equity and basic fairness at the elementary level. For example, the Maple Street school requires teacher recommendations, transcripts and test scores[84] as part of the admissions process– to an elementary school. On average, lower socioeconomic students enter school less prepared. If low-income students or students with learning struggles are denied access to the same schools attended by their peers, on the basis of weaker preparation or inability to pay, then our tuition practices are effectively undermining fair access for less privileged students. This practice is contradictory to the intent of public education and deprives children of an equal educational opportunity in a way that seems inconsistent with the intent of the Vermont Constitution (Brigham *v.* Vermont,1997).

If all 86 elementary students from Winhall and Stratton could be accommodated in schools in Taconic and Green without hiring additional teachers or increasing costs, it would reduce the per-pupil cost for everyone in Taconic and Green. Paying tuition for students outside of the region's public schools would be eliminated. Merging Winhall and Stratton with Taconic and Green could reduce per pupil costs by over $2 million under these conditions.

[84] See Maple Street School Website for admissions procedures: https://maplestreetschool.com/admissions/admissions-process/ and https://maplestreetschool.com/wp-content/uploads/2023/11/Records-Release-Form.pdf

T&G costs	Enrollment	Cost per pupil	Total cost
Current	1038	$19,800	$20,552,400
If absorbed 86 kids currently in nearby private schools	1112	$18,482	$20,552,400
Savings on initial enrollment due to new lower per pupil cost	1038	$18,482	$19,184,316
Savings	**Savings on initial kids at the new pupil cost**		**$1,368,084**
PLUS	Savings on no tuition to Maple Street		$469,168
	Savings on no tuition to Mountain School		$594,000
	Tuition that does not need to be paid		$1,063,168
Total estimated savings associated with bringing 86 tuition students in house at Taconic and Green			**$2,431,252**

If there is excess capacity in the public system, choosing to pay tuition out of that system is choosing to raise education costs for all Vermont property tax payers.

Additional cost and tax distortion:

When Act 127 of 2022 was passed, the legislature applied weights to tuition towns like Winhall and Stratton. Stratton and Winhall are weighted as if they are struggling to operate small schools, but they are not. This was against the advice of the researchers who did the weighting study.[85] Subsidizing towns for costs they do not have means that other districts, including Taconic and Green and West River, have to pay more to provide this subsidy to other towns. This distorts the real operating costs of these districts.

[85]Memo from the American Institutes for Research (AIR) to the Vermont House Ways and Means Committee. (2024). https://legislature.vermont.gov/Documents/2024/WorkGroups/House%20Ways%20and%20Means/Bills/H.887/W~Submitted%20Written%20Testimony~Kolbe%20Memo%20on%20Pupil%20Weights~4-23-2024.pdf See also the original weighting studies.

Summary of effects of merging Stratton and Winhall into the Taconic and Green district:

Scale: Merging Winhall and Stratton with Taconic and Green would likely increase enrollment at the three secondary schools that receive the most tuition students currently (BBA, SMS and Long Trail), and at the Taconic and Green schools for grades 7 and 8.

Cost: Under this merger students would still have access because these schools appear to have excess capacity. A merger would provide resilience and the ability to offer the same programs at a lower, shared price. This shift would increase economies of scale in the Taconic and Green SD. Reducing the practice of "topping off" at independent schools—in this case, independent elementary schools—increases fairness in the education fund.

Quality: Increasing consistency and robust experience for students who transition to the region's high schools would support more equitable opportunities and continuity of learning. All students would reach high school with more consistent preparation and a shared elementary experience.

Feasibility: Declining student numbers and excess capacity are risks to Taconic and Green. Adding students to this system would strengthen opportunities for all.

Equity: Shifting elementary students from a more expensive and less inclusive school to the Taconic and Green schools will reduce the socioeconomic stratification that characterizes this region.

Case Study B: Opportunities for administrative mergers in Windham, West River, Twin Valley, Readsboro, Stamford, and Halifax

Issue focus: population loss, rural isolation, opportunities to strengthen remote public schools to prevent public school deserts

- Allow students to access schools closer to home through public high school choice as outlined in Act 129 of 2012.
- Require participation in a regional shared services entity (CESA) that provides access on site at Twin Valley and Leland and Gray to introductory courses in hands-on career pathways (e.g., health careers, mechatronics).

This would not supplant regional CTEs, but would ensure foundational career exposure and increase opportunity in isolated regions. This same collaboration could support expansion of CTE opportunities and address the CTE gap in Arlington.

Districts: There are two regional, very rural districts in the southern tier of Vermont. If either of the high schools in these districts were to close, it would create a significant public school desert. Lack of public transportation and other services amplifies issues around isolation and increases the risk of students leaving or disengaging with school.

Some of these sparsely populated regions have little in the way of public infrastructure beyond the school. They are places where schools matter most to community vitality and where students depend most on schools for access to opportunity.

Successful merging depends on **preservation of public high school choice** as outlined in current statute, especially to ensure that students in Halifax would continue to be able to access schools close enough to home. Long distances are a significant obstacle to education for residents of this town.

These districts operate in regions that have less access to CTE, and to hands-on and career opportunities robust CTE can provide. However, they have worked to include opportunities in regular schools programming. Twin Valley offers wood working, carpentry and welding for some as early as 7th grade. They also have a garage area that students use for manufacturing and

small engine exploration. **A cooperative education services area (CESA) could coordinate these hands-on and engaging activities with strong curriculum coordination and better access to career programming, including programs and materials that are pushed in to high schools.**

The cost of education in this southern Vermont region is higher than in more densely populated regions, but these schools provide essential access. Vermont has a distinct obligation to protect them from competition from schools that are not a substitute– e.g. independent schools that do not serve all children (open enrollment), that require families to pay tuition above what the district pays, and/or which do not provide the breadth of services public schools are required to provide.

At a task force public hearing at Leland and Gray, several local administrators and board members approached task force members to discuss how important the Act 127 weights had been to their communities. They expressed hope that this progress, which helps rural and higher poverty districts fund rural schools, would not be destabilized. They noted that Act 127 provides communities with the capacity to raise revenue to support their schools. They expressed concern that the foundation plan, with its emphasis on "money follows the child" could be destabilizing.

Poverty ratios for the districts, per data provided by JFO

District	Poverty Ratio (Data from JFO)
West River MUED	48%
West River UED	49.50%
Windham	39%
Twin Valley	55.20%
Halifax	53%
Readsboro	39.30%
Stamford	31.70%

Evidence on access to Designated Agencies
We were unable to provide information on the relationship between these districts and the Designated Agencies because the administration declined to provide that information when requested by the task force.

Schools
West River operates Leland and Gray UHS and 3 elementary schools. They are currently discussing whether and how to close one of those schools. Windham Elementary is listed below, **but recently closed** and now pays tuition at the elementary level. Windham is part of West River at the high school level, and historically has been a member of Windham Central Supervisory Union If Windham students attended public elementary schools in West River, that would lower per pupil costs for all the member towns.

A district merger would ensure coherent and consistent K-12 preparation across all these towns. There is significant concern about travel time from Windham to the next closest school, although many PK students do leave Windham for PK.

Like Stratton and Winhall, Windham currently benefits from an error in the Act 127 of 2022 funding formula that weights as if the district was struggling to operate a small elementary school, even though it operates no small school and instead pays tuition at every grade level. **The cost of that subsidy is picked up by other districts, even though the authors of the weighting study were clear that this was not warranted.** [86]

While Leland and Gray does receive tuition students from places as diverse as Marlboro, River Valleys, Stratton, Taconic and Green, and Windham, they do not sufficiently maintain scale.

[86] Memo from the American Institutes for Research (AIR) to the Vermont House Ways and Means Committee. 2024. https://legislature.vermont.gov/Documents/2024/WorkGroups/House%20Ways%20and%20Means/Bills/H.887/W~Submitted%20Written%20Testimony~Kolbe%20Memo%20on%20Pupil%20Weights~4-23-2024.pdf See also the original weighting studies.

FY24 enrollment and characteristics of schools					
OrganizationName	TotalEnrollment	IEPCount	% IEP	FRLCount	% FRL
JAMAICA VILLAGE SCHOOL	25	***	***	13	52.00
LELAND AND GRAY UHS	269	62	23.05	146	54.28
NEWBROOK ELEMENTARY S(	96	24	25.00	43	44.79
TOWNSHEND VILLAGE SCHO	100	18	18.00	48	48.00
WINDHAM ELEMENTARY SCH	23	***	***	***	***
TWIN VALLEY ELEM SCHOOL	207	41	19.81	108	52.17
TWIN VALLEY MIDDLE HIGH	201	47	23.38	123	61.19
HALIFAX SCHOOL	74	11	14.86	49	66.22
READSBORO ELEMENTARY S	40	***	***	15	37.50
STAMFORD ELEMENTARY SC	78	13	16.67	33	42.31

The challenges in Windham Southwest Supervisory Union (WSWSU), are related to sparsity and complicated geography that make scale difficult to achieve. Twin Valley, Halifax, Readsboro and Stamford are in an isolated and sparsely populated region, near the southern border, with significant geographic barriers. Some of these districts currently tuition to Massachusetts (MA) public districts.

There is no reciprocity. Massachusetts does not allow Massachusetts students to be tuitioned to Vermont. We were told by local administrators that the tuition charged to Vermont students is higher than what MA districts charge for MA students.

These communities need special attention and collaboration related to their current school choices as well as their rurality. Twin Valley operates at grades K12. Halifax, Readsboro and Stamford all pay tuition at the secondary level. This case study assumes retention of their elementary schools. We must look carefully at where these districts pay tuition for opportunities at scale because those choices reflect access issues.

FY24: Where Readsboro, Stamford, and Halifax paid tuition				
OpOrgName	**1TuitionT**	**TuitSrcType**	**8FTE**	**5TuitionSourceName**
Readsboro	RegS	Public - In Stat	6.0	Twin Valley Unified School District #75
Readsboro	RegS	Public - In Stat	2.0	Windham Southeast Supervisory Union
Readsboro	RegS	Public - Out of	5.0	Drury
Readsboro	RegV	Public - Out of	6.0	McCann Tech
Stamford	RegS	Non Public - O	1.0	Trivium School
Stamford	RegS	Public - Out of	6.0	Drury
Stamford	RegS	Public - Out of	1.0	Mt. Greylock
Stamford	RegV	Public - Out of	16.0	McCann Tech
Halifax	RegS	Non Public - O	3.0	Charlemont
Halifax	RegS	Non Public - O	1.0	Frederick Gunn School
Halifax	RegS	Public - In Stat	8.0	Twin Valley Unified School District #75
Halifax	RegV	Public - Out of	11.0	Franklin Tech
Halifax	RegV	Public - Out of	2.0	McCann Tech

A recommendation of merger would redirect students from Halifax, Stamford and Readsboro to either Twin Valley, a Vermont Career and Tech Center, or to another Vermont public school through Vermont's current public high school choice program.

The primary effect would be to reduce payment of tuition to Massachusetts in order to ensure viability and scale on the Vermont side of the border. If that does not happen, and population trends do not reverse, it is hard to imagine how schools on the Vermont side of the border remain viable.

A merger would put Vermont tuition dollars to work in the Vermont economy– paying people in Vermont and supporting schools in these Vermont communities. This is a step towards better scale in a geographically challenging region.

This area, like West River, demonstrates the critical role cooperative services could play in stabilizing these schools. Cooperative Education Service Areas in other states push in career focused programming through "spokes." Currently, Twin Valley does much of this on its own. A CESA

would enable sharing of resources with other small high schools in the region to support additional opportunities and shared equipment. A CESA could develop mobile labs and push in health programming for introductory courses in health career pathways. These programs could move students towards industry recognized credentials and/or some college credits in the field. Increased opportunities could make Twin Valley more attractive to potential tuition students, including those who currently attend MA schools.

The drive time from Stamford Elementary school to Twin Valley is an estimated half hour. The drive time to Drury High School in North Adams is an estimated 15-20 minutes. Only about 11 kids attend Drury. However, 11 students at $20,000 per student is $220,000. If these students were instead directed to Twin Valley, that could meaningfully expand options at Twin Valley. Discussion must occur around this issue.

Twin Valley has received fewer tuition students over time. The table below shows this change between **FY13 and FY16.**

Figure 1: Tuition Towns from which Twin Valley receives students

	FY13	FY13 $	FY16	FY16 $	FY24	FY24
Dover	25	362,500	12.89	209,682		
Halifax			7.5	122,003	8	144,000
Marlboro			2	32,534		
Readsboro	7	95,200	2.11	34,290	6	108,000
Searsburg-elem	3.57	51,738			4	64,000
Searsburg-sec	3.26	47270			5	90,000
Stratton	1	14,500	1	8,134		
Wardsboro	1	14,500				
Change in FTE	40.83		25.5		-15.33	
Change in $		585,708		406,643	-179,065	
Note: These are NOT inflation adjusted dollars						

(*Data Source:* AOE)

Changes in WSWSU districts paid tuition between FY16 and FY24

Record of where tuition towns in WSWSU tuitioned students in FY16 and FY24									
					FTE	Dollars		Total for Twin Valley	
	FY16		FY24		Total Change in #	Total Change in #	Total Change in %	FY16	FY24
Halifax	FTE	$	FTE	$					
Total Other	**17.25**	**260,573**	19	$318,695	1.75	$58,122	22.31%		
Total TV	**7.5**	**122,003**	8	$144,000	0.5	$21,997	18.03%	122,003	$144,000
Readsboro									
Total Other	22.43	347,817	13	$225,380	-9.43	-$122,437	-35.20%		
Total TV	2.11	34,290	6	$108,000	3.89	$73,710	214.96%	34,290	$108,000
Stamford									
Total Other	30.93	440,578	24	$421,500.00	-6.93	-$19,078.00	-4.33%		
Searsburg									
Total Other	14.26	197,036	9	$154,253	-5.26	-$42,783	-21.71%		
Total TV	7.91	124,310	7	$107,500	-0.91	-$16,810	-13.52%	124,310	$107,500
(Note: these are NOT Inflation adjusted dollars)								280,603	$359,500

(*Data Source* : AOE). Note: TV stands for “Twin Valley”

What would merging SWSSU into a district accomplish?

It is unclear how much a district consolidation would do for SWSSU above that of a robust Cooperative Education Service Area (CESA). Any merger cannot easily close schools without creating a burden on access because of the rurality of the region.

Scale: District mergers of these very small units could free up to 5-15% in administrative savings, but probably no more than a cooperative service entity. A merger might create small increases in enrolled students at in-state schools by cutting off tuitioning to MA.

Cost: The schools students would still have access to under this merger appear to have excess capacity. This should make each of them more resilient and able to offer the same prices at a lower, shared price.

Quality: By increasing the consistent robust experience for students who transition to the region's high schools, this should support more equitable opportunities and continuity of learning.

Feasibility: This builds on existing relationships and tuition patterns to the best extent possible.

Equity: Maintaining rural public schools protects access for the rural students who depend on them.

2.6 Summary of identified risks and proposed policy recommendations

Merger Risks
These data suggest that Vermont needs to take special care to ensure that the focus on district mergers and school consolidation does not unnecessarily and disproportionately burden:

- higher poverty communities
- sparsely populated rural communities where distances are great
- communities that serve a disproportionate number of students from various racial and ethnic backgrounds

Some of the maps reviewed by the task force would burden these communities. Vermont can approach these mergers with fairness by referencing the work done in California cited above.

In places where cooperative services models are a faster and more effective tool for stabilizing districts and costs and for ensuring fair access to opportunity, we should leverage cooperative services to bring down cost and collaboration to create shared opportunities for students.

Tuition Risks

- Some current tuition practices match those identified in research as burdens that deter lower-income students and other marginalized students from applying to independent schools. Creating barriers with excess tuition requirements means independent schools in this region are limiting opportunities and gating access to low-income students.
- Public dollars are subsidizing wealthier students in schools that use practices that are known to exclude less-advantaged students.
- Requiring that parents overcome sometimes impossible hurdles discourages lower-income families from applying.
- Requiring grades, test scores, academic and merit qualifications, parent work, and donations excludes or suppresses enrollment from other marginalized groups, including students with disabilities.
- The twin pressures of declining student counts and competition for students are driving school closures and in some regions (e.g., Windham and Caledonia County) creating public school deserts.

As Milton Friedman, one of the original proponents of school vouchers acknowledged: "*In small communities and rural areas, the number of children may be too small to justify more than one school of reasonable size, so that competition cannot be relied on to protect the interests of parents and children. As in other cases of natural monopoly, the alternatives are unrestricted private monopoly, state-controlled private monopoly, and public operation--a choice among evils.*" [87]

In some rural regions, we may not have enough children to justify funding more than one school of reasonable size. In this case, we may be choosing between monopolistic competition, highly regulated regional monopolies or public operation.

If the state of Vermont cannot effectively regulate, it must protect public operation.

If we choose to allow taxpayer funded "approved independent" schools to compete–and close– nearby public schools, we must regulate these taxpayer dependent schools sufficiently to ensure they meet our constitutionally mandated purpose of equitable access to public education.

Risks related to supplanting public funding with private funding

If the state moves forward with a foundation funding formula, a number of issues must be addressed. Currently, there is no construction aid for public schools. Public districts with failed buildings must fund bond servicing out of their operating budgets. In the absence of construction aid, not all districts have been able to address building failures, which means some students do not have the same access to healthy and accessible buildings.

Philanthropy "tips the playing field" when independent schools or public schools in wealthier communities can leverage private fundraising to offset costs and lower the amounts they contribute to redistribution through the education fund. For example, Burr and Burton Academy received a single $20 million gift for physical upgrades[88] on the school's 29-acre campus and Champlain Valley Union High School (located in the Champlain Valley SD) is

[87] Friedman, Milton. (1955). The Role of Government in Education. In *Economics and the Public Interest*, ed. Robert A. Solo. Trustees of Rutgers College in New Jersey. https://la.utexas.edu/users/hcleaver/330T/350kPEEFriedmanRoleOfGovttable.pdf

[88] Bennington Banner. (2018.) Burr and Burton Gifted $20 Million. https://vtdigger.org/2018/03/17/burr-burton-academy-gifted-20-million/

counting on donations of $5.5 million for athletic facilities.[89] Meanwhile, other districts with failed buildings struggle to pass bonds.[90]

While some districts trip the excess spending penalty thresholds (e.g. Mountain Views and Thetford) to pay the full cost of educating their students, others leave it to parents to "top off" tuition by $4000-$36,000 in order to enroll their child in a local school.

This dependence on private payment practices undermine fair access and the intent of public education. It also understates the actual cost of education in regions that replace public spending with private spending. To the extent districts depend on parent payment to reduce their tax obligations, these practices can also shift costs to education property taxpayers in other regions.

A review of IRS 990s of independent schools approved to receive tuition after Act 73 showed that private fundraising ranged from about 6% to 34% of their total revenue. In other words, education is not less expensive in these private settings. The district tuition just does not cover the full cost of education in those settings.

Given that not all parents and not all regions have the private resources to backfill for public funding, growing a system that depends on parent pay and philanthropy leaves less wealthy parents and regions vulnerable. That includes higher-poverty rural high school regions like the Leland and Gray region and Twin Valley.

This pattern of private dollars being leveraged to enhance public services is consistent with patterns found in national research. Peer-reviewed work tracking PTAs and other school-linked nonprofits finds high-revenue groups concentrate in affluent, mostly white schools. The gains accrue disproportionately to nonpoor students.[91]

Again, this undermines the intent of equalizing tax capacity through the Public Education Fund.

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[89] Williston Observer. (2025). At Champlain Valley Union High School, the path to turf gets bumpy https://vtdigger.org/2025/11/07/at-champlain-valley-union-high-school-the-path-to-turf-is-full-of-pfas/

[90] Ayres, Tom. (2024). The Vermont Standard. https://thevermontstandard.com/voters-reject-school-bond/

[91] Murray, B., Domina, T., Renzulli, L., & Boylan, R. (2019). Civil Society Goes to School: Parent-Teacher Associations and the Equality of Educational Opportunity. *The Russell Sage Foundation journal of the social sciences : RSF*, *5*(3), 41–63. https://doi.org/10.7758/RSF.2019.5.3.03

Without access to construction aid for public districts that desperately need facilities updates, safe and functional buildings will only exist in larger and better-resourced districts. Funding formulas must fund schools, and not just students.

Vermont Tuitioning: Recommended legislative solutions

1) Eliminate or cap "top-ups" for publicly funded students. Surcharges can't be allowed to function as a hurdle. Require transparent posting of all mandatory fees and standard fee-waiver policies.[92] Top-ups, fees, and price frictions deter lower-income applicants. Economic theory and empirical syntheses predict income sorting when schools can charge above a public subsidy or add fees. This is a consistent finding in the voucher literature. Vermont data for this region suggests this is happening here.

2) Ban admissions practices that function as screens. All means all. Some of the private schools described above require transcripts of grades, standardized testing, individual testing, and teacher recommendations as part of the admissions process. Students from less-resourced families often start school behind their peers. Screening practices disproportionately affect lower income families from accessing a public good guaranteed to all students by the state constitution. Prohibit required essays, recommendation letters, mandatory information sessions and meetings, or parent-work quotas as conditions of application, admission, or continued enrollment. Use California's "no discouragement" and "no mandatory volunteer hours/donations" provisions and (CA Codes)[93] as a model for equitable access in Vermont.

3) Decentralized, school-by-school admissions amplify burdens; unified enrollment reduces them. Studies of New Orleans' shift to centralized enrollment found reduced burdens and broader access for historically underserved families, with no adverse effects on performance in high-demand schools.[94]

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[92] Epple, Dennis; Romano, Richard E., & Urquiola, Miguel. (2017). School Vouchers: A Survey of the Economics Literature. Journal of Economic Literature. 55(2), 441–492

[93] California Codes. https://codes.findlaw.com/ca/education-code/edc-sect-47605/

[94] Lincove, J. A., & Valant, J. (2024). The Effects of Unified School Enrollment Systems on School Demographics and Outcomes: Evidence From New Orleans' Transition to a Centralized School Lottery. *American Educational Research Journal*, *61*(4), 647-686.

4) Voucher-program rules on tuition and lotteries matter for equity. The D.C. Opportunity Scholarship Program uses random lotteries when demand exceeds supply and sets limits around tuition and fees, a design intended to protect fair access.[95]

2.7 Implementation

The case studies above were chosen to help the legislature understand the challenges, risks and opportunities the state faces as it weighs mergers and shared services.
We assume that **any success in merging school districts must include local input and local voice.** Our efforts to look closely at a few regions turned up evidence of how differently mandatory mergers would affect different regions, sometimes for limited benefit.

We encourage readers and legislators to consider the short timeline and data challenges of the Task Force as we responded to the requests of Act 73. Careful analysis, robust modeling, and local input are all necessary components of due diligence and essential to the success of any plan or implementation.

This analysis also identified many factors undermining rural public schools that are outside the control of the districts. We found that rural public schools are more vulnerable than urban and wealthier public schools due to the challenge of competing with independent schools that are less diverse, better-funded and not required to meet the same education quality standards.

Voluntary mergers that local districts have identified

The Task Force learned through public input that several regions have begun the work of discussing mergers. These districts are aware of the challenges related to declining student counts, small scale, and high cost and have considered ways to meet stability and quality through shared governance. State-level efforts could disrupt positive local efforts to build support for more streamlined future districts. In some regions, this work has involved painstaking collaboration to shed failed or failing buildings and move forward with fewer carrying costs. In other regions efforts are

[95] District of Columbia Opportunity Scholarship Program (DC OSP).(2019): Overview, Implementation, and Issues. https://www.congress.gov/crs-product/R45581

underway to reorganize and preserve local schools, so that closures don't remove access.

These regions include:

- **Cambridge - Lamoille North**
- **Grand Isle - three districts to one SD**
- **Wells Springs - Mettawee**
- **Orleans Elementary District - Lake Region Union Elementary-Middle SD**
- **Stowe SD - Elmore Morristown Unified SD**
- **Mountain Views SU Woodstock area**

2.8 Summary of recommendations

Vermont is centered around rural towns, communities, and schools. We are the most rural state in the country, which is why we have such small rural schools. At the state level, we must recognize and embrace our rurality, and refrain from focusing only on closing our small rural schools.

For example, a large high school in Chittenden County has 26% fewer students than 25 years ago, yet those buildings are not targeted at the state level for reconfiguration or closure.

Elementary children need to be schooled near their home. Preventing long bus rides for young children not only protects learning time and readiness, but improves parent participation. In rural areas, our local elementary schools knit communities together, including across generations and by maintaining access to social services, sports, recreation and the arts.

In some regions, with failed buildings, flood risks, close proximity, and significant population declines, some communities are discussing options for moving students from several current schools into shared facilities. Time, planning, support, and local participation are essential to the success of these conversations.

Policymakers must understand the complexity involved with district mergers. For example, a local district technology director in the Rutland region listed the steps, details, and processes necessary for a merger. She spoke only about technology, but her insight highlighted the scope of work.

Mergers are complicated and detailed in every area of education including technology, professional development, teacher contracts, food service, transportation, personnel, leadership, curriculum, preK, policy, organizational structure, and much more.

Proper planning, a timeline, and support both logistically and financially are necessary to prevent enormous instability– instability that is even more risky at the moment because of federal instability.

To minimize disruption, we first encourage policymakers and local leaders to consider benefits that can be achieved through less disruptive shared service entities (CESAs), as opposed to any hypothetical benefits of merging.

At a minimum, systems need a three-to four-year timeline with incentives and support. The focus must be on student outcomes and quality education. Empirical research does not support simply changing governance to improve costs and outcomes.

A cooperative model can achieve the same ends outlined in Act 73 quality and cost while keeping governance units intact. In contrast, mergers may distract us from real drivers of cost.

Section 3: Future Comprehensive Regional High Schools

3.1 Introduction

Vermont's public education system faces a pivotal challenge: ensuring that every child—regardless of geography or income—has fair access to a comprehensive public high school or one of Vermont's historic academies, while preserving fiscal sustainability, equity, and rural access.

This framework outlines ***a ten-year voluntary plan*** for building a coherent statewide network of public high schools supported by construction aid, cooperative regional planning, and guardrails on school choice to prevent the erosion of scale and fairness.

We understand the challenges related to construction aid. No change is without challenge. However, last year the state spent $120 million in surplus funds to **buy down tax rates for only one year on budgets that voters had already approved.** Vermonters need **durable solutions**. What if, instead, the state had used that $120 million to provide up to $20 million dollar matches for regional high school projects in regions where districts plan how to shed mold-and PCB-ridden and underutilized buildings for fewer, safer, appropriately-sized and shared comprehensive high schools that meet current and future needs? Making needed changes won't be easy and will require long range planning.

This proposal for comprehensive high schools offers a leaner and more effective set of future high schools, designed and driven by regional collaborations and school boards with deep knowledge of their communities and needs.

There are many regions beyond those discussed below where voluntary mergers to form new comprehensive programming could yield fiscal and programmatic benefits. We had time to focus on a handful of regions that share two characteristics:

1. Regions with multiple high schools in close proximity with significant declines in Average Daily Membership (ADM) since 2000.

2. Rural regions where population loss is creating public education deserts or diminished schools, effectively threatening loss of access to any school within a reasonable commute time.

To succeed school districts must plan and envision a future state of 20 years, not just two years into the future.

3.2 Guiding Principles

This framework is guided by four core principles:

- **Do no harm:** Avoid creating public-school deserts or long commutes that depress engagement and outcomes. Do not disrupt well functioning systems or positive work already underway.
- **Voluntary participation:** Encourage locally led regional planning supported by state construction grants.
- **Equity guardrails for districts that pay tuition, and the schools that receive their tuition:** Ensure that publicly funded options do not stratify access or inflate costs.
- **Cooperative support:** Align with the development of Cooperative Education Service Areas (CESAs), providing shared services in data, HR, finance, special education and professional development.
- **Ensuring access to career-focused education.** Expand access to career pathways in remote public high schools.

3.3 Key Design Features

Policy Rationale: To improve sustainable access, make better use of existing resources, ensure quality opportunities for all high school students, the state must identify and prioritize regions where comprehensive public high schools are essential public infrastructure. Using student-level address and demographic data, Vermont can:

1. **Map Service Coverage:** Determine where students lack reasonable access (in miles or travel time) to a public high school offering full academic and career and technical education programming.
2. **Assess Equity and Concentration:** Identify regions where public schools serve disproportionate shares of students in poverty, students with disabilities, or students learning English.

3. **Flag At-Risk Regions:** Detect places where enrollment trends, demographics, and geographic isolation indicate a risk of "public school deserts."
4. **Flag "Stranded Cost/Excess Capacity" Regions**: Detect places where, based on enrollment declines in concentrated regions, districts may be carrying the cost of more "school" than they need, making consolidation a more desirable option.
5. **Target Support:** Designate these as *Priority Public Education Regions* eligible for:
    - Construction or modernization aid when facilities are critical to maintaining access or supporting consolidation where needed.
    - Coordinated regional support through Collaborative Education Services Areas (CESAs), including shared staffing, professional development, and regionalized Career and Technical Education (CTE) programming.

3.4 Evidence-Based Parameters

Research shows that scale influences both cost and quality. Academic benefits plateau as *schools* exceed optimal size,[96] and overly large schools are associated with reduced engagement, particularly for students who are not privileged.[97] Large schools provide the greatest benefits to wealthier and white students, but several studies in rural states found that smaller schools significantly reduce the negative association between poverty and achievement, especially in rural, low-income communities.[98]

Long bus routes (including travel times exceeding 40 minutes for K–8 and 60 minutes for high school) are linked to lower attendance and higher dropout

[96] Monk, D. H. (1987). Secondary school size and curriculum comprehensiveness. *Economics of Education Review, 6*(2), 137–150. https://doi.org/10.1016/0272-7757(87)90047-1

[97] Howley, C. B., & Howley, A. A. (2004). School Size and the Influence of Socioeconomic Status on Student Achievement: Confronting the Threat of Size Bias in National Data Sets. *Education Policy Analysis Archives*,*12*,52. https://doi.org/10.14507/epaa.v12n52.2004

Fowler, W. J., Jr., & Walberg, H. J. (1991). School size, characteristics, and outcomes. *Educational Evaluation and Policy Analysis, 13*(2), 189–202. https://doi.org/10.3102/01623737013002189

Cotton, K. (1996). *School size, school climate, and student performance.* Portland, OR: Northwest Regional Educational Laboratory. https://educationnorthwest.org/sites/default/files/SizeClimateandPerformance.pdf

[98] Bickel, R., & Howley, C. (2000). The influence of scale on student performance: A multi-level extension of the Matthew principle. *Education Policy Analysis Archives, 8*(22), 1–30. http://epaa.asu.edu/epaa/v8n22.html

Howley, C. B. (1996). The effects of school and district size on student achievement in West Virginia. *Journal of Research in Rural Education, 12*(1), 27–40. https://jrre.psu.edu/sites/default/files/2019-08/12-1_2.pdf

risk,[99] particularly for rural and less advantaged students. These are risks we must avoid in light of Vermont's growing and documented challenges around absenteeism and mental health.

In Sections 3.5 and 3.6 below, we explore multi-district collaborations to restore scale and provide regional comprehensive high school education (3.5) and strategies for our most rural areas with threatened access, constrained access to career pathways, and rural depopulation that is affecting cost and quality (3.6).

3.5 Regional comprehensive high schools opportunities near cities and larger towns

This section identifies opportunities for future siting of comprehensive rural high schools that:

- Operate at sufficient scale to be resilient.
- Minimize the risks of longer drive times and loss of local connection.
- Are in geographic regions with easy commutes and closer proximity.

This list is illustrative, but not exhaustive. Communities will identify others.

The goals behind the examples identified below are:

- Protect scale and access to public education
- Ensure cost effective, equitable access to opportunities.

These are prototypical examples chosen to illustrate regions where the state can support locally-driven reconfigurations that provide the greatest opportunity to expand opportunity while constraining cost. Intentional planning reduces the risk that the burdens of school closure and consolidation do the most harm to the students who depend most on public schools for access to opportunity.

These mergers are best done when designed with local knowledge. Arbitrary mandates are likely to yield inefficient results. For those reasons, these

[99] Lutz, K., Rakowska, S., & Adams, M. (2024). Examining the impacts of school bus travel on students' academic performance in two major cities. Canadian Geographies, 68, 603-614. https://doi.org/10.1111/cag.12957
Cordes, S. A., Rick, C., & Schwartz, A. E. (2022). Do long bus rides drive down academic outcomes? Educational Evaluation and Policy Analysis, 44(4). https://doi-org.lprx.bates.edu/10.3102/01623737221092450

maps assume local leadership and state support, typically in the form of targeted construction aid and technical assistance.

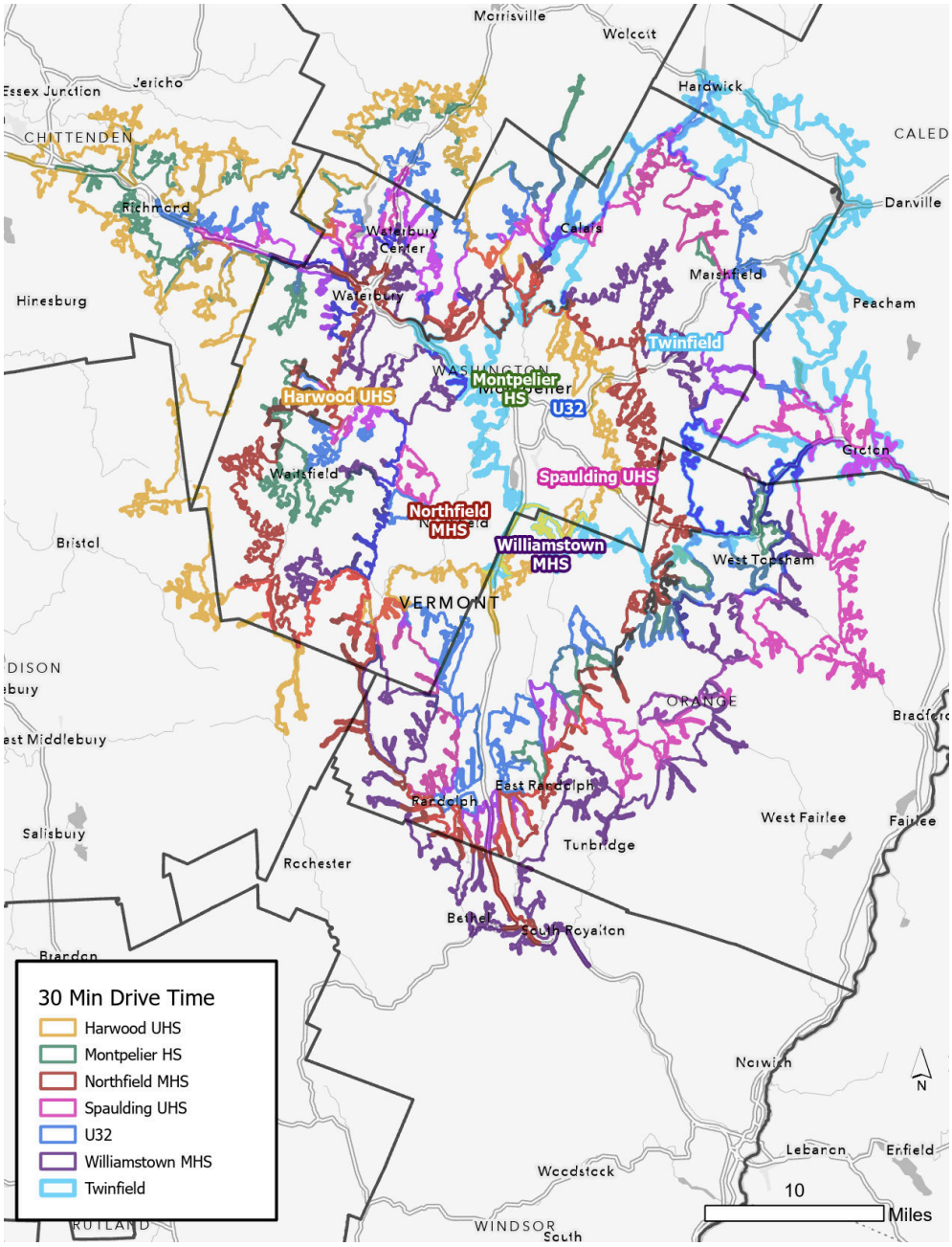
Most of the maps below focus on high schools because high schools hold clear opportunities to contain cost and improve quality. In addition, while Vermont districts have closed elementary schools they have closed very few high schools.[100] However, as Baker (2016) noted, "High school average enrollments reached their (most recent) maximum in the early 2000s, at just over 800 pupils, declining to an average of around 650 by 2013." [101]

All of the regions discussed in this section are characterized by **proximity**, substantially reduced student counts and significant **excess capacity**, and some **deteriorated facilities**. These factors drive rising tax rates. Challenging geography in some regions makes it difficult to bring more students under fewer roofs. In more densely populated central Vermont and areas like Addison County and western Rutland County, flatter terrain and good, well maintained roads create opportunities that other regions may not have.

- The Capital region: Barre/Montpelier/Twinfield/U32 as the core

[100] Baker, Bruce D. (2016). When is small too small: Efficiency, equity & the organization of Vermont public Schools. Rutgers University. https://legislature.vermont.gov/Documents/2016/WorkGroups/Senate%20Education/Reports%20and%20Resources/W~Rutgers%20University%20Bruce%20Baker~When%20Is%20Small%20Too%20Small%20Efficiency,%20Equity%20and%20the%20Organization%20of%20Vermont%20Public%20Schools~2-26-2015.pdf

[101] Ibid.page 7.



Proximity

The high schools in the map above are within comparatively easy travel distance on good roads. A regional plan around the new Central Vermont CTE center could bring additional public high schools into the conversation.

In the map above, each color corresponds to the 30 minute driving radius around the corresponding high school. In the middle, several high schools sit within close proximity.

Enrollment

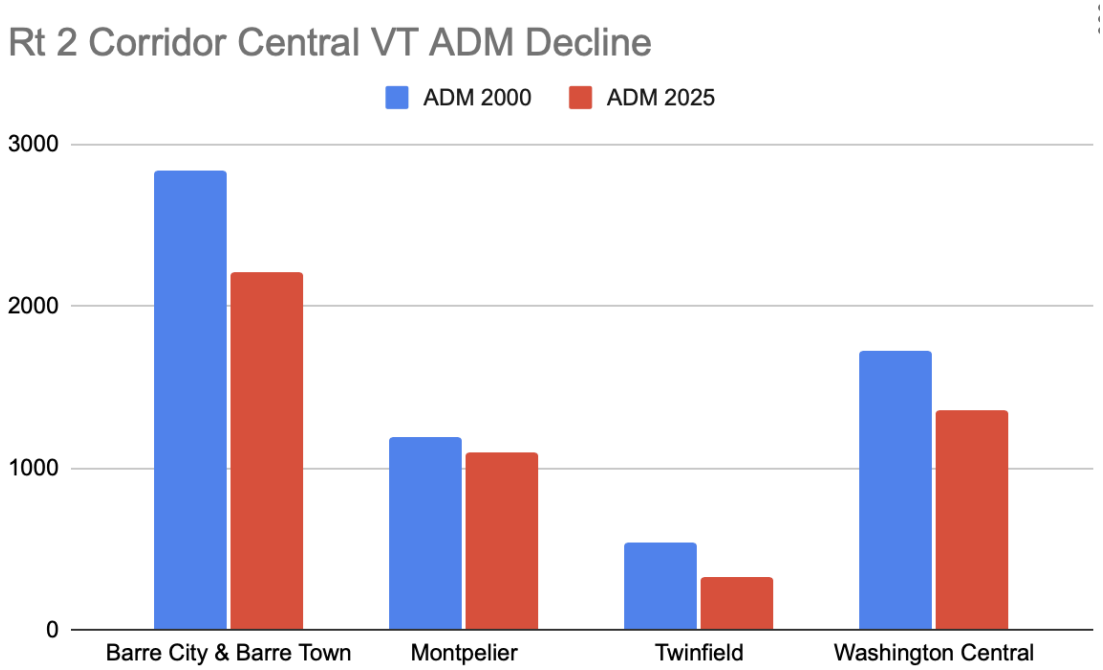
These high schools share challenges related to declining student numbers over the last 25 years.

Enrollment based on data provided by VSA (note grade spans vary, but trend is clear)				
School	1994-5	2004-5	2014-5	2024-5
Spaulding (Barre)	963	1013	842	675
Montpelier	437	271	282	393
Twinfield K12	533	480	420	305
U32 7-12	910	848	801	708

(*Data Source:* Vermont Superintendents Association)

Some of these schools serve grades beyond grades 9-12. At the 9-12 grade levels, the most recent enrollment numbers for each school are Spaulding at 631, Montpelier at 373, Twinfield at 97, and U32 at 458. There is a year-to-year fluctuation, but overall trends show decline over time. The secondary enrollment in these schools combined was about 2,843 in FY95. By FY25, it had declined by 762 students to 2,081.

These enrollment decreases are significant. Spaulding (Barre) had about 338 fewer students in FY25 than in FY00–a drop equivalent to 3 small elementary schools. The FY95-FY25 decline in student numbers at U32 is twice the current total number of Grades 9-12 students enrolled in Twinfield.



Towns	FY20 ADM	FY24 ADM
Barre City	1356.12	1054.08
Barre Town	1484.24	1157.61
Total	2840.36	2211.69
Montpelier	1190.09	1089.85
Marshfield	293.52	171.89
Plainfield	242.55	151.36
Total	536.07	323.25
Berlin	508.85	348.63
Calais	286.11	217.07
East Montpelier	437.14	404.72
Middlesex	315.93	250.96
Worcester	177.89	135.48
Total	1725.92	1356.86
Total students in this region		4982
Estimated net reduction in ADM in this region since FY20		-1311

(*Data Source*: AOE)

Some declines in student numbers in these schools may be flood related, but not all. Schools with significant declines are carrying the fixed costs that previously served a much larger population– what research calls "stranded costs." In turn, this drives higher per pupil costs and higher tax rates.

This year, Central Vermont proposed a new 500-seat tech center[102] for this region– an increase of 300 seats over current CTE capacity. The bond vote failed, but the new facility was intended to address wait lists and dilapidated conditions at the existing tech center. This proposal would further expand excess capacity in this region, unless paired with a plan to reduce existing high school seats in other buildings in the region. Expanding capacity would increase per pupil costs across the region, unless paired with a more comprehensive strategy for addressing excess capacity.

Facilities

Some of the school facilities in this region are among the most depleted in the state. In addition, Montpelier faces some risks related to flooding. See facilities indices below.

Facilities index	
SU or SD	% Depleted
BARRE UNIFIED UNION SD	85.20%
Montpelier Roxbury	85.60%
WASHINGTON CENTRAL UNIFIED U	59.00%

(Data Source: AOE, 2022)

Vermont School Facilities Inventory and Assessment. Act 72 of 2021, Section 3.[103]

Strategic application of construction aid, led by a collaboration of districts, could make a significant impact on cost, quality of learning environments and scale of opportunity for all students.

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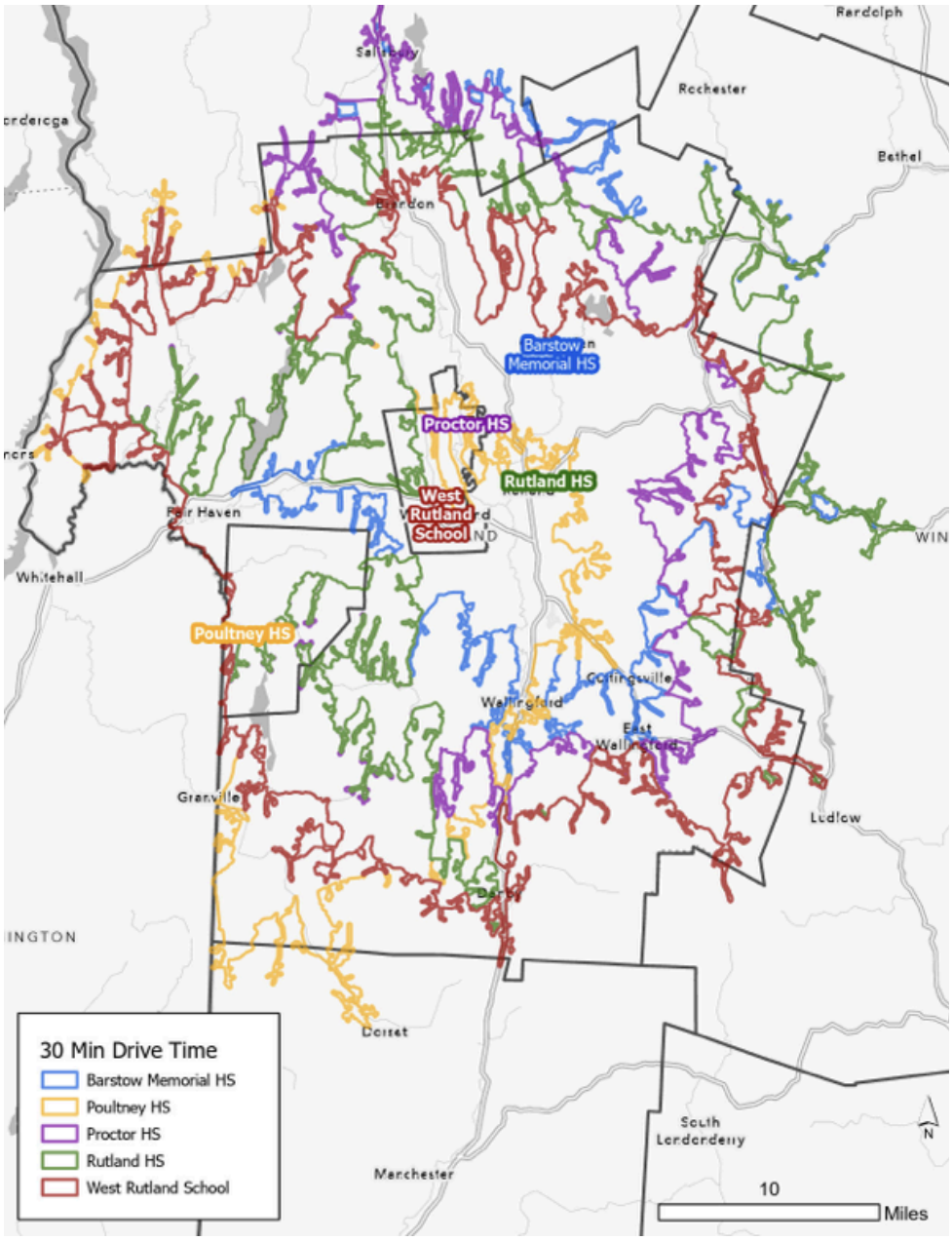
[102] Petenko, Erin. (2025). Central Vermont set to vote on whether to build the state's first standalone career center. VTDigger. https://vtdigger.org/2025/10/17/central-vermont-set-to-vote-on-whether-to-build-the-states-first-standalone-career-center/

[103] AOE. (2022). Vermont School Facilities Inventory and Assessment. Act 72 of 2021, Section 3 https://legislature.vermont.gov/Documents/2022/WorkGroups/House%20Education/Reports%20and%20Resources/W~Daniel%20French~Vermont%20School%20Facilities%20Inventory%20and%20Assessment~4-13-2022.pdf

- ❖ Rutland Region: Rutland City/Rutland Town/Proctor/Poultney and maybe Barstow

This is a region with accessible topography, declining enrollment and smaller schools, with hurdles to provide a breadth of offerings.



Proximity

As with the capital region, the high schools in this cluster all sit within reasonably close proximity, with West Rutland, Rutland and Proctor in very

close proximity. Their 30 minute commute radius is sandwiched on the west by the border with New York.

Enrollment

The Rutland region had some of the most pronounced declines in average daily membership (ADM) and high school populations.

Enrollment based on data provided by VSA (note grade spans vary, but trend is clear)				
School	1994-5	2004-5	2014-5	2024-5
Poultney 7-12	290	301	214	238
Rutland HS	908	1100	860	721
Proctor 7-12	NA	199	139	120
West Rutland K-12	NA	394	360	341
Total:		1994	1573	1420

Based on these enrollment data, Rutland High School had a student enrollment in FY25 that was about 380 students less than its enrollment in FY05. That is a decline that is three times the size of the Proctor 7-12 enrollment in FY25.

Smaller enrollment numbers means that districts like Rutland City have fewer students to support the fixed costs of the high school. Therefore, the district has to pay more per pupil to support the same breadth of offerings. Meanwhile, with only about 120 students, Proctor has limited capacity to provide the breadth and scale of opportunity students have at Rutland High School.

District Name	2000	FY24 total	Change in "n" from FY00 to FY24
Rutland Town	650.05	552.18	-97.87
West Rutland	411.16	310.54	-100.62
Rutland City	2587.22	1753.61	-833.61
Proctor	355.39	266.15	-89.24
Poultney	563.34	463.06	-100.28
	4567.16	3345.54	-1,221.62

Ten years ago, national education finance expert and Rutgers faculty member, Bruce Baker, who grew up in this region, discussed the declining enrollments leading to underutilized facilities, higher per pupil cost and diminishing opportunities in this region.[104] Since the time of his analysis, enrollment sizes have declined even further.

Facilities
Schools in the Greater Rutland County SU, which includes Poultney and Proctor, have among the most depleted facilities in the state (~72-80%).[105]

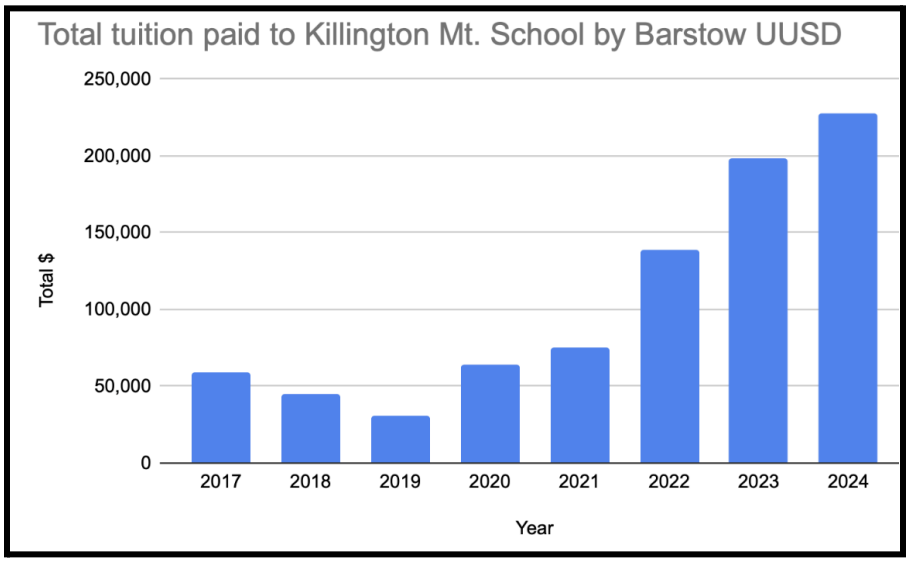
Additional note on this region:
Barstow School district is in close proximity and sends the majority of its students to Rutland High School. Barstow has been experiencing tuition hikes and tax spikes driven by an increase in tuitions paid to private schools, including for students who did not graduate from Barstow's elementary schools. Barstow UUSD might wish to join a partnership to insulate itself from these tax spikes.

There would be several benefits to Barstow, which sits a short drive from Rutland High School. **Most students already choose Rutland HS and all will still have access to public school choice**. This would address the challenge Barstow has had in recent years with families who do not participate at the elementary level "moving in" temporarily to access high school vouchers. At the Task Force's public hearing in Rutland, Barstow board chair Debbie Singiser said,

> "Over the last five years, our district has paid 122 private school tuitions, and only half for students who graduated from Barstow's eighth-grade. It's clear that some families are moving into our district mainly to access school choice," and "Local taxpayers are increasingly funding education for students with limited or only temporary ties to our community."

[104] Baker, Bruce D. (2016). When is small too small:: Efficiency, equity & the organization of Vermont public Schools. Rutgers University.
https://legislature.vermont.gov/Documents/2016/WorkGroups/Senate%20Education/Reports%20and%20Resources/W~Rutgers%20University%20Bruce%20Baker~When%20Is%20Small%20Too%20Small%20Efficiency,%20Equity%20and%20the%20Organization%20of%20Vermont%20Public%20Schools~2-26-2015.pdf
[105] AOE. (2022). Vermont School Facilities Inventory and Assessment. Act 72 of 2021, Section 3
https://legislature.vermont.gov/Documents/2022/WorkGroups/House%20Education/Reports%20and%20Resources/W~Daniel%20French~Vermont%20School%20Facilities%20Inventory%20and%20Assessment~4-13-2022.pdf

Singiser urged task force members to establish guardrails around school choice, either by limiting public school tuition payments to public schools or requiring that private school tuition be available only to students who graduate from schools like Barstow.



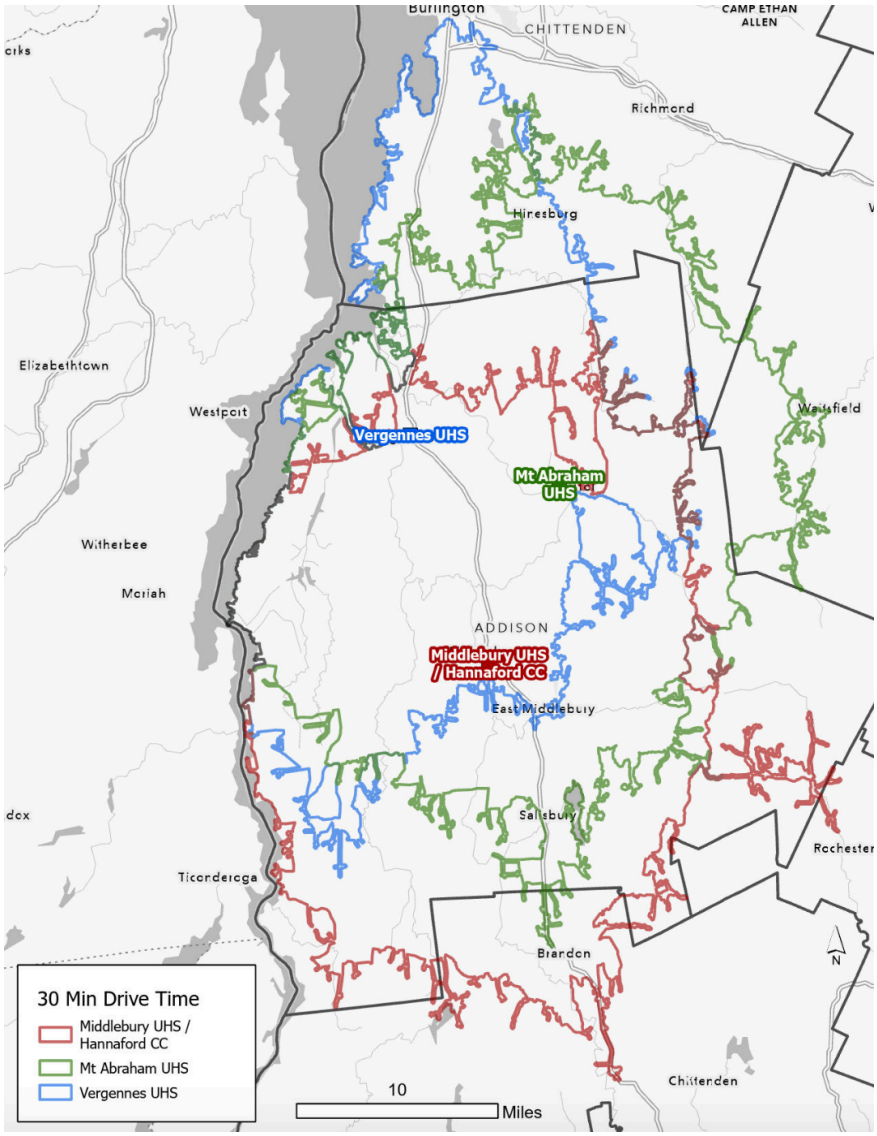
This figure (left) illustrates the trend at one private independent school to which Singiser's district tuitions:[106]

Merging Barstow with the public schools that serve the majority of its students, and supporting public school choice for students who attend other area public schools is another path to control cost. In FY24 Rutland City (46.3), Killington Mt. School (12.4), and Mt. St. Joseph Academy (8) were the top three recipients of Barstow students. (Mt. St. Joseph is no longer eligible to receive new tuition students). A carefully designed merger could reduce the tax burden in Barstow and reduce the per pupil cost for all students who enroll in Rutland High School.

❖ Addison County

Data shows that the whole of Addison County is a region with good roads and close proximity, and high schools that have experienced enrollment declines.

[106] FY24 Tuition for publicly funded students provided by AOE. A.3-Long-Term-Tuition-data.xlsx



Proximity

Finance expert Bruce Baker identified Addison County as a region with many schools with excess capacity and higher expenses.[107] The school districts are close to each other, most only 10 miles apart on good roads. Consolidation here could offset increased cost and prevent diminished opportunity by reducing the number of schools, particularly at the high school level. This assumes that existing unified districts stay unified, and

[107]Baker, Bruce D. (2016.) When is small too small: Efficiency, equity & the organization of Vermont public Schools. Rutgers University.
https://legislature.vermont.gov/Documents/2016/WorkGroups/Senate%20Education/Reports%20and%20Resources/W~Rutgers%20University%20Bruce%20Baker~When%20Is%20Small%20Too%20Small%20Efficiency,%20Equity%20and%20the%20Organization%20of%20Vermont%20Public%20Schools~2-26-2015.pdf

that member communities continue to operate public schools, rather than pay tuition.

Enrollment

Like many regions in the state, Addison experienced declines in student numbers over the past two decades, including in the towns that feed the union high schools in the county. (More recent data are needed to complete the analysis, as construction of new housing may affect enrollments.)

School Name	2014	2023	Change from '14 to '23
MIDDLEBURY SENIOR UHS	586	519	67
MT ABRAHAM UHS #28	753	621	132
VERGENNES UHS	511	398	113
Total change			312

(*Data Source:* AOE data on 10 year enrollment change)

If this region maintains existing programming while experiencing enrollment declines, communities will have higher per pupil costs and higher tax rates.

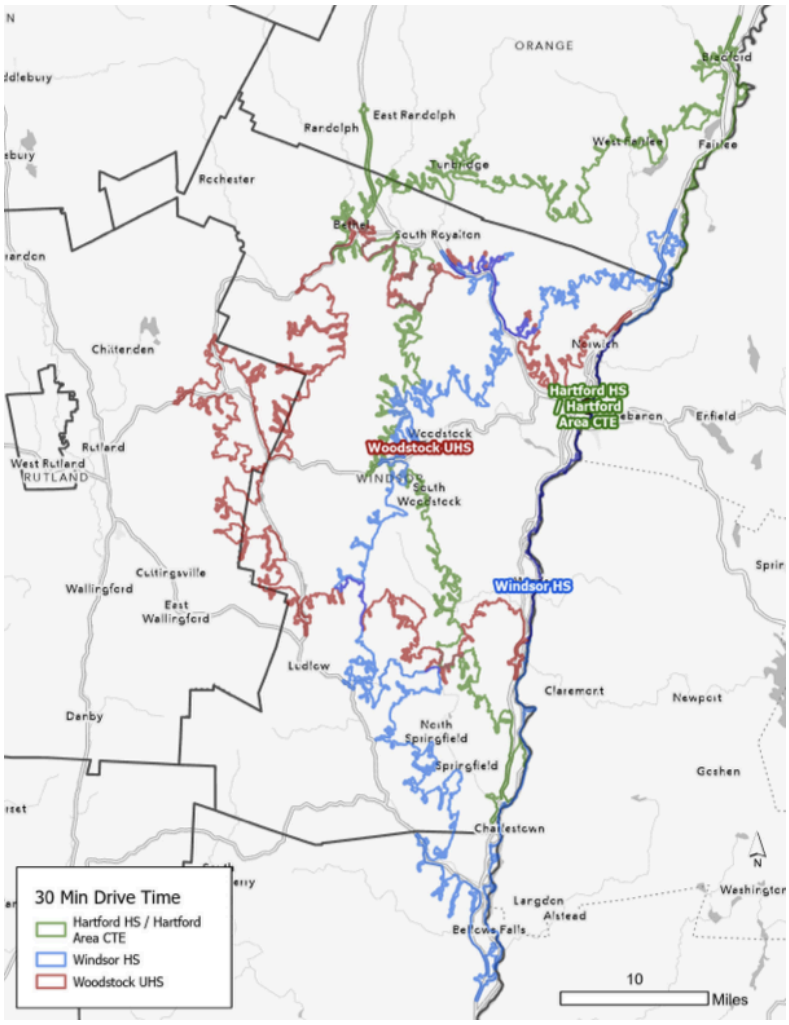
Facilities

In this region, Mt. Abraham High School has a significantly depleted facility.[108] Given enrollment trends and comparative ease of transport in this region, local leadership might benefit from thinking regionally about what infrastructure to maintain and improve. The state could support this by enhancing construction aid for districts that are adjusting their infrastructure footprint with student counts and needs.

Facilities index	
SU or SD	% Depleted
MT ABRAHAM UNIFIED SCHOOL DI	81.30%
ADDISON CENTRAL SD	73.60%
PATRICIA HANNAFORD CAREER C	70.70%
ADDISON NORTHWEST SD	66.00%

[108] AOE. (2022). Vermont School Facilities Inventory and Assessment. Act 72 of 2021, Section 3. https://legislature.vermont.gov/Documents/2022/WorkGroups/House%20Education/Reports%20and%20Resources/W~Daniel%20French~Vermont%20School%20Facilities%20Inventory%20and%20Assessment~4-13-2022.pdf

❖ Hartford/Windsor/Mountain Views



Enrollment

Like many regions of the state, this portion of Windsor County has lost student counts as the local population has aged.

Without significant investments in new housing for families, these trends seem likely to be sustained. Some communities in this region have also seen a growing number of short term rentals. Without new housing construction, the conversion of existing housing stock to short term rentals and second homes[109] can reduce the number of resident students, driving up per pupil costs. (See table below.)

[109] Allen, Anne Wallace. (2022).Woodstock Program Would Pay Property Owners to Provide Long-Term Rentals. Seven Days. https://www.sevendaysvt.com/news/woodstock-program-would-pay-property-owners-to-provide-long-term-rentals-35195522/

District Name	2000	FY24 total	Change in "n" from FY00 to FY24
Barnard	160.81	138.83	-21.98
Bridgewater	158.87	88.24	-70.63
Hartford	1815.66	1308.49	-507.17
Killington	159.03	113.75	-45.28
Plymouth	68.28	53	-15.28
Pomfret	188.04	106.58	-81.46
Reading	122.06	90.49	-31.57
West Windsor	173.25	116.5	-56.75
Windsor	670.76	458.37	-212.39
Woodstock	482.29	345.01	-137.28
Total	3999.05	2819.26	-1,179.79

Facilities

The facilities in this region include some of the most depleted facilities in the state.

Hartford is attempting to respond to the discovery of PCBs, including in the technical center. Mountain Views has been trying unsuccessfully to pass a bond to address the failure of its high school building. Windsor Central (Mountain Views) has nearly the most depleted facility in the state.
Due to the lack of construction funding, it is subsidizing bonds passed by other districts, while unable to pass a bond to address its own facilities needs.

Facilities index	
SU or SD	% Depleted
Windsor Central	89.20%
HARTFORD SD	84.50%
WINDSOR SOUTHEAST SU	71.40%

(*Data source:* AOE (2022). Vermont School Facilities Inventory and Assessment)[110]

[110] AOE. (2022).Vermont School Facilities Inventory and Assessment. Act 72 of 2021, Section 3. https://legislature.vermont.gov/Documents/2022/WorkGroups/House%20Education/Reports%20and%20Resources/W~Daniel%20French~Vermont%20School%20Facilities%20Inventory%20and%20Assessment~4-13-2022.pdf

This region has been discussing the possibility of combining Windsor, Hartford and Mountain Views to shed depleted and excess facilities and to provide shared high school and CTE options for all their students. Access to construction aid and technical assistance, including from a CESA, could support this region.

3.6 Rural areas with threatened access, constrained CTE and rural depopulation affecting cost and quality.

In regions that are sparsely populated and with significant barriers to transportation, the most effective way to tackle cost and enhance opportunity may be through regional shared services. The recommendations below assume the existence of functioning Cooperative Education Services Areas (CESA) in Vermont, that function like Education Service Areas (ESAs) and Boards of Cooperative Education Services (BOCES) in other rural states.

In some regions, districts are already in the process of closing schools. However, without careful deliberation and regional shared services, the schools that close may be disproportionately rural and higher poverty schools where some of our more vulnerable students are enrolled.[111]

In the regions below, we recommend three strategies for preventing public high school deserts and ensuring access to opportunity in sparsely populated and more rural regions:

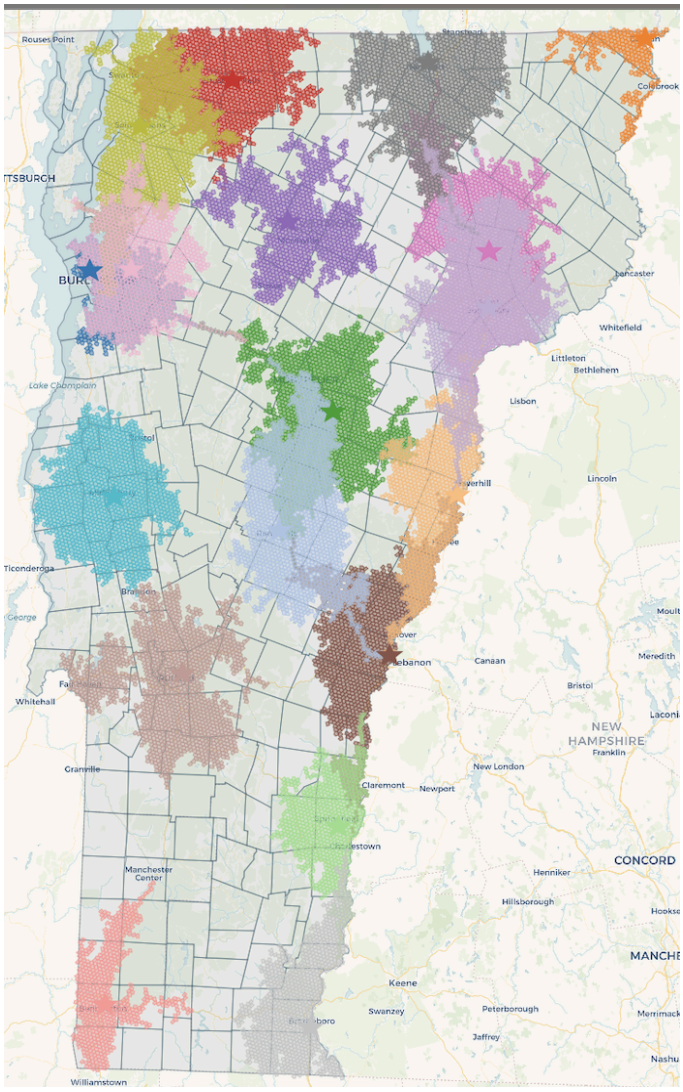
1) Implement robust regional Cooperative Education Service Areas (CESAs). (Discussed in the previous section on CESAs).
2) Put some guardrails on school choice. (Discussed in the previous section on strategic mergers).
3) Expand access to career pathways and materials in higher poverty and more isolated rural high schools. Support efforts by rural public schools that are remote from CTE centers to function as comprehensive high schools.

In addition, strategic mergers, particularly of small tuition districts into operating districts, may be sensible and may reduce cost in these regions.

[111] Tieken, M. C., & Auldridge-Reveles, T. R. (2019). Rethinking the School Closure Research: School Closure as Spatial Injustice. *Review of Educational Research*, *89*(6), 917-953. https://doi.org/10.3102/0034654319877151

In this section, we look at enrollment and the impact of tuition. We also focus on expanding access to career programming in areas that are remote from CTEs.

We paired this with evidence that in some of our rural regions, many students have long bus rides to access CTE.

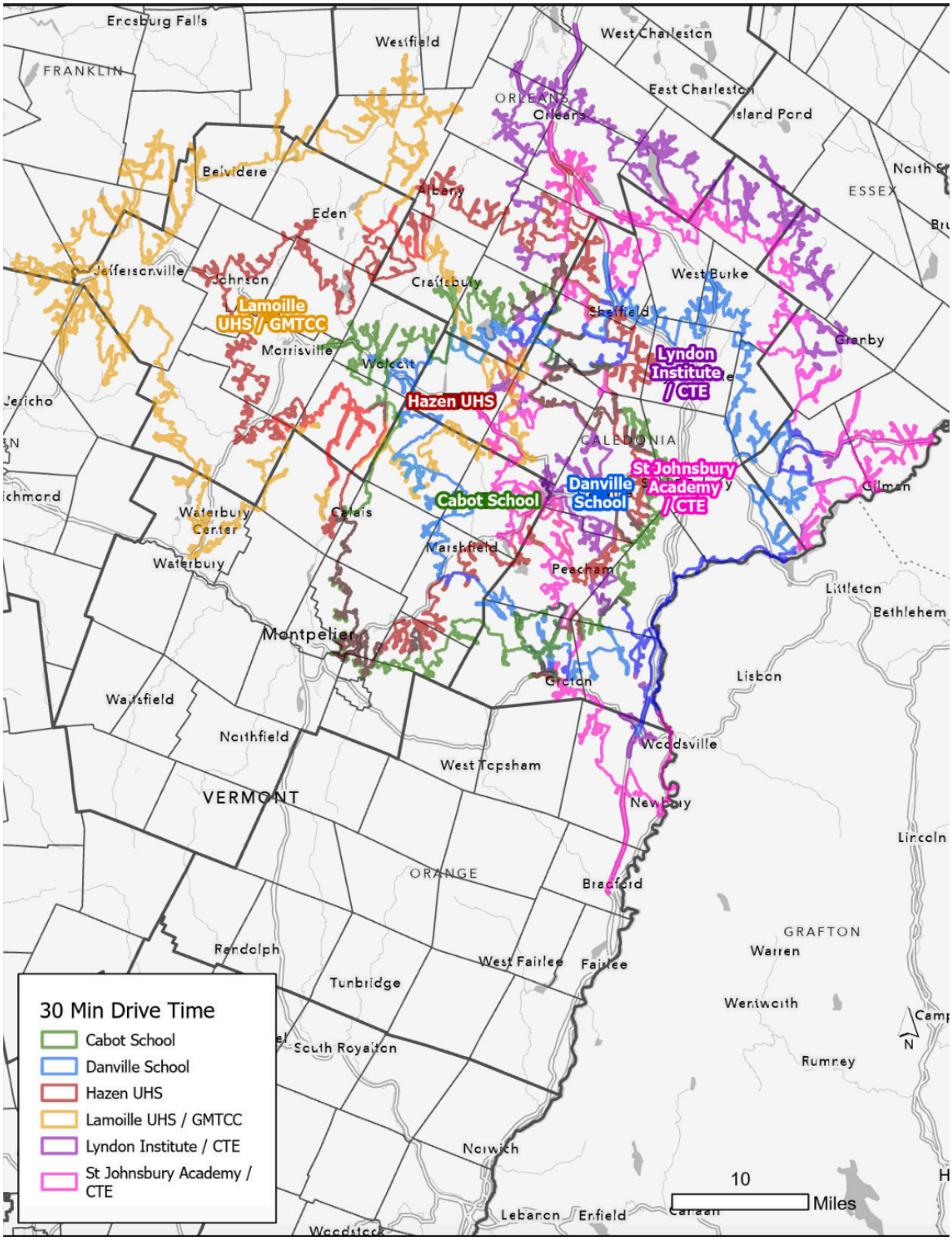


The map to the left shows (in color) regions of the state that are within a 30 minute drive from a CTE program.[112] In some parts of the state, including the southern tier and Caledonia county, some students live further than a 30 minute drive from a CTE program.

In the discussion that follows, we consider the potential role of CESAS and rural high schools on expanding access to career-based learning.

[112] Image produced with the AOE drive time mapper on the AOA website. https://map.vermont.gov/education/drive-time/?_gl=1*9g7uvs*_ga*MTIzMTc4MzY3Mi4xNzU4ODQ1NjM5*_ga_V9WQH77KLW*czE3NjQ1MzY0MjYkbzEwMCRnMSR0MTc2NDUzNjQ0OSRqMzckbDAkaDA.

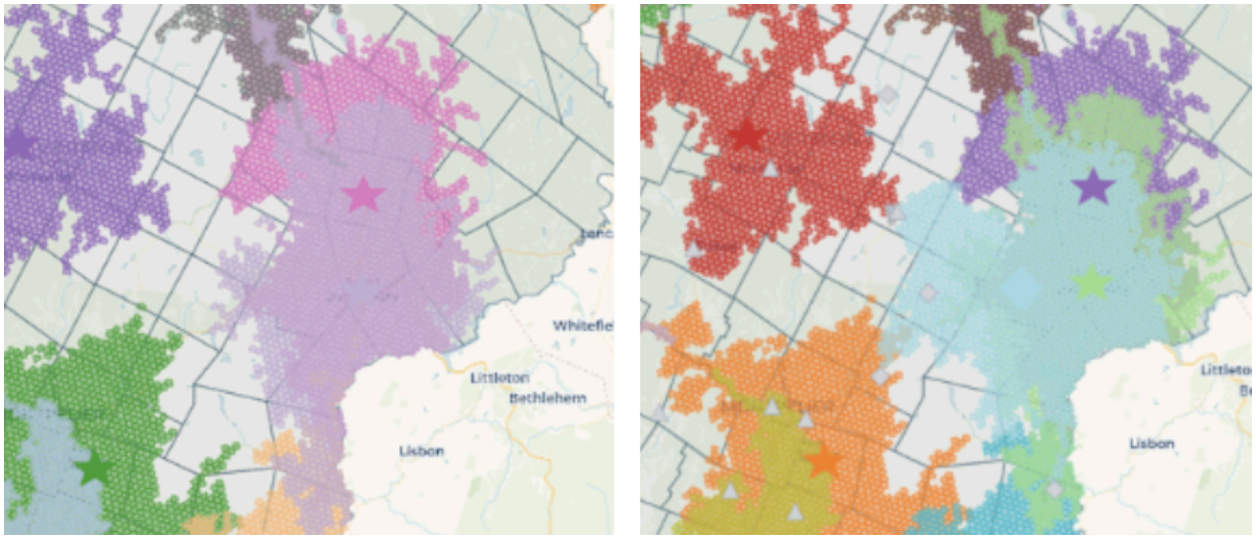
❖ Cabot, Danville and Hazen



Proximity
This is a fairly remote region that also serves a more disadvantaged population than surrounding districts. Danville (Blue), Hazen (Red) and Cabot (Green) sit at the edge of access to CTE centers. Students interested in CTE may need to ride a bus for 45 minutes each way to get to school, then travel another hour on the bus to get to and from a tech center. This transportation hurdle is a risk to students' adherence to a program and is time away from learning.

In the map on the left below, are the regions within 30 minutes drive time from each of the existing CTE programs in this region. The map on the right below shows the impact on CTE access in this region if Danville was a comprehensive high school that offered career programming.

Map showing current 30 minute drive time access to CTE compared to 30 minute drive time access if Danville offers career programming with the help of a CESA.



In the maps above, note that access is expanded to the west when Danville (light blue) offers programming (See the spread of light blue in the map on the right.)

For some infrastructure-intense CTE programming, it is necessary to travel to a hub. Less capital intensive career pathways like healthcare and engineering could be provided onsite through a CESA that pushes in staffing, curriculum and lab kits. These schools could graduate students with an industry recognized credential (e.g., EMT certification).

Hazen has done very powerful work related to community schools– a model for other schools to engage communities, build student success and connection, and reduce absenteeism. Pushing infrastructure-light career programming into rural high schools gives rural students better access to career-ready learning.

Enrollment

This region has experienced a decline in student counts. Cabot and Danville are K12 schools which allows some administrative scale despite low numbers.

Enrollment based on data provided by VSA (note grade spans vary, but trend is clear)				
School	1994-5	2004-5	2014-5	2024-5
Cabot K12	235	222	182	155
Danville K12	362	441	352	338
Hazen 7-12	415	420	352	338
Total:	1012	1083	886	831

(*Data Source*: AOE, 10 year enrollment change)

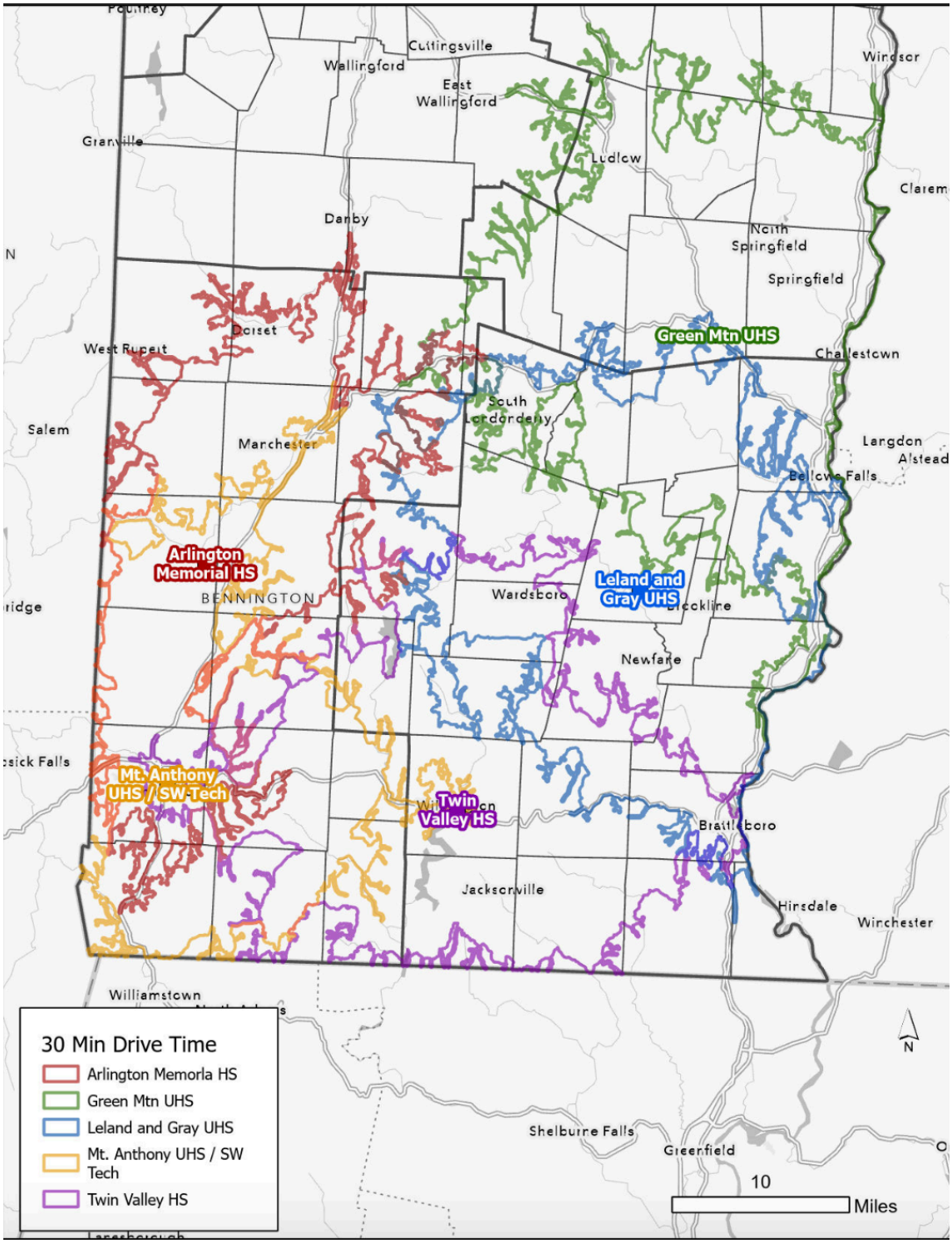
Limited data access makes it difficult to untangle declines at the high school and elementary level. Between 1995 and 2025, the facilities listed above had an enrollment that was about 181 students smaller in 2025 than in 1995. In rural regions where size is constrained by **sparsity**, CESAs can play a critical role in amplifying capacity at a lower price point through shared services.

❖ The Southern Tier: Leland and Gray/Twin Valley/Arlington/Green Mountain Union High School

Proximity

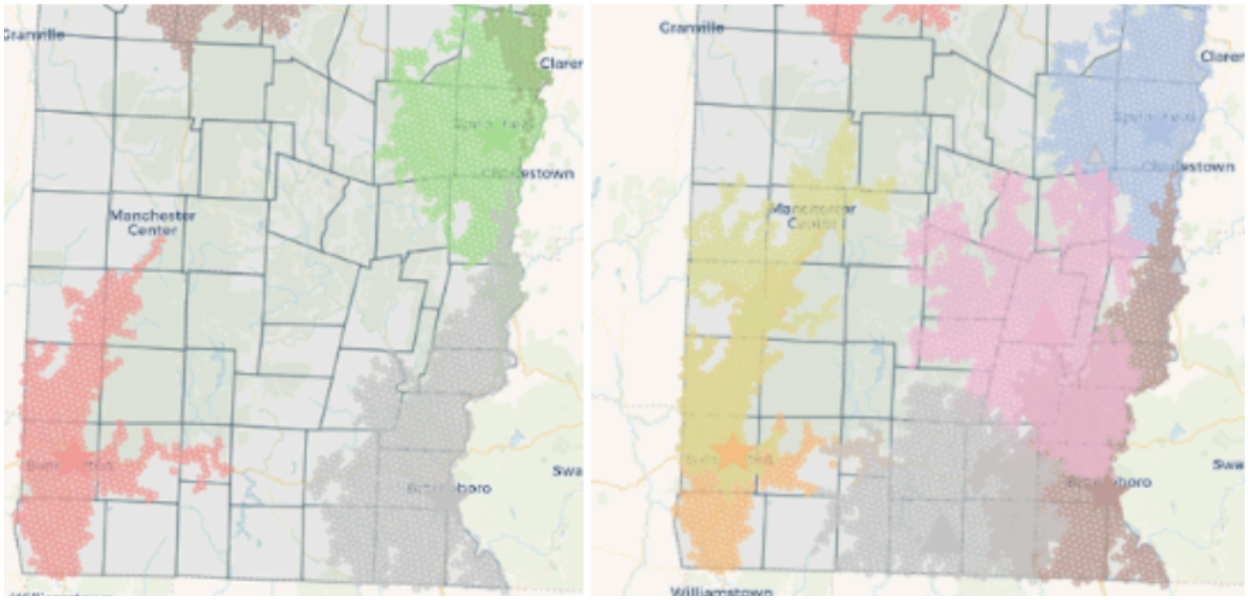
Leland and Gray, Twin Valley and Arlington are small scale rural schools isolated from tech centers with significant distance, across challenging topography. Note that in the map below the thirty minute commute sheds for these high schools do not significantly overlap, so they can't replace each other. In sparsely populated and mountainous regions like this there are limited benefits to mergers, so regionally shared services may be more powerful tools for tackling cost and quality.

Map of the Leland and Gray (Blue)/Twin Valley (Purple)/Arlington (Pink)/Green Mountain (Green) region, showing 30 minute drive time sheds



In this region, the schools are also somewhat remote from existing CTE programs, discouraging some students from CTE programming.
Current CTE 30 minute commute sheds are on the left below. On the right, is an example of how providing career programming through current high schools would expand the territory that is within 30 minutes of CTE programming.

Map showing current 30 minute drive time access to CTE compared to 30 minute drive time access if Twin Valley (Gray), Leland and Gray (Pink) and Arlington (Yellow) offer career programming with the help of a CESA.



In the map on the left, notice that large areas do not fall within the colored areas that represent the 30 minute commute sheds for current CTE programs. On the right, notice how much more of the southern tier is within 30 minutes of CTE programming if some CTE programming is pushed into Leland and Gray (pink), Arlington (Yellow), and Twin Valley (Gray in the map on the right). (Much of the remaining gap is a mountain range).

Enrollment

Districts in the southern tier have fewer students than they did 20 years ago. (See table below.)

Enrollment change in Arlington High School and Leland and Gray, between SY13 and SY23

OrganizationName	2014	2023	Change
ARLINGTON MEMORIAL HIGH SCHOOL	213	200	-13
LELAND AND GRAY UHS #34	362	260	-102

A rapid loss of students at places like that at Leland and Gray, whether due to depopulation or from competition with private schools, can leave schools with "stranded costs." These schools cannot shed fixed costs and infrastructure as fast as they lose students, so they have higher per pupil costs and higher tax rates, even as they trim programs. If losing these schools creates a public school desert, CESAs are a good tool for sharing services and reducing costs in ways that stabilize the school and protect access.

Facilities

Some of these regions have significantly depleted facilities. Some have been working hard to reconfigure their schools at every grade level, trying to make better use of existing infrastructure to more efficiently serve the students. We do not have the detailed information needed to make informed recommendations. These fiscally strapped regions lack access to construction aid, and are therefore unable or constrained in efforts to bring students under fewer roofs even when stakeholders agree. We need locally informed plans to ensure these communities can stretch every dollar as far as it can go.

Facilities index	
SU or SD	% Depleted
WINDHAM CENTRAL SU	75.80%
GREEN MOUNTAIN SD	84.20%
SOUTHWEST VERMONT SU	66.80%

The Two Rivers Supervisory Board wrote to request that the task force understand that school choice in their rural and sparsely populated region is essential to ensuring **access** within a reasonable commute time and ensuring the capacity of parents to engage in the local schools. The board asked the task force to **limit choice to public schools**, because in their experience, "allowing more students to attend private schools with public

dollars places undue strain on Vermont's Education Fund and could result in increased property taxes for all residents."

3.7 Fiscal Modeling Required for Responsible Planning

Rushing mergers without appropriate fiscal modeling and careful planning is irresponsible. The mergers requested in Act 73 could have the effect of increasing cost and lowering student outcomes– both outcomes the Task Force is eager to avoid. For example, in some regions, the cost of leveling up contracts to support large mergers could be quite significant.

Responsible decision-making requires the input of local districts, as well as robust fiscal modeling led by the Joint Fiscal Office (JFO) and Agency of Education (AOE).

Prior to implementation, the following analyses are necessary:

- Baseline expenditure benchmarking for all districts under 500 ADM, disaggregated by instruction, administration, and facilities. Analysis of how tuitioning affects any cost modeling.
- Transition-cost modeling for HR, financial systems, data integration, and facility changes.
- Current economies-of-scale elasticity modeling to estimate savings curves and identify inflection points.[113]
- Comparison of benefits of merging to benefits of cooperative service models.
- Facility lifecycle and cost-avoidance modeling to compare construction aid versus deferred maintenance, and to inform smart decisionmaking about locations for any new construction.
- Education Fund exposure modeling to assess tuition flows, voucher effects, subsidy leakage (Arsen & Ni, 2012; Epple & Romano, 2017) as well as cost shifts from the state budget.
- Equity and distributional analysis to measure impacts by region, income quintile, and demographic group.

These analyses will provide a foundation for sound policy choices and responsible planning parameters for voluntary regional planning.

[113] Duncombe W. D., Yinger J. (2007). Does school district consolidation cut costs? *Education Finance and Policy*, 2(4), 341–375. https://doi.org/10.1162/edfp.2007.2.4.341

3.8 Structuring and funding remote rural schools as comprehensive high schools

Rural districts operate in regions that have less access to CTE centers, but their students also need access to career-engaged learning and career pathways to jobs in high need, high growth and high wage sectors. Currently, Lyndon Institute and St. Johnsbury Academy function as comprehensive high schools with access to career-focused opportunities. Canaan and Missisquoi are also remote, and also provide some career programming. In some other regions, students still have to travel long distances during the school day to access CTE.

Many of these rural schools have worked to include these opportunities in regular school programming. For example, Twin Valley offers wood working, carpentry and welding for some as early as 7th grade. They also have a garage area that students use for manufacturing and small engine exploration. A CESA could support stronger pre-tech activities onsite in smaller high schools. Other schools also shared examples of foundational CTE experiences they worked to provide on site.

The state could also identify additional rural, higher poverty public high schools that are allowed to operate as comprehensive high schools and receive CTE funding support as part of that comprehensive role. Currently, as "comprehensive schools," St. Johnsbury Academy and Lyndon Institute (two historical academies) are allowed to charge higher tuition for all students, as if all students were enrolled in CTE programming, regardless of whether they take CTE courses. For example, on average, about 313 unique students out of approximately 678 publicly funded students at St. Johnsbury Academy enroll in a CTE course, according to corrected data provided by the AOE. However, under Vermont State Board of Education rules, St. Johnsbury Academy charges a higher tuition rate for ALL students as if ALL students were CTE students. Some of those students take only one foundational pre-tech course (e.g., at least 40 minutes a day for a semester) and are not enrolled as CTE students pursuing industry recognized credentials. The local districts also send their federal Perkins funds to these two academies, to support CTE activities.

This is a significant financial benefit to these two schools, and may be even more so if a new foundation plan is put into effect. It is a significant benefit for schools with a more advantaged population on average than many rural

and isolated public high schools, including in Danville, Hardwick, Cabot, Canaan, Leland and Gray and Twin Valley.

We recommend the legislature consider extending the opportunity to operate as a comprehensive high school to isolated, rural, higher poverty public schools that serve students with greater dependence on school for opportunity.

Tables contrasting the demographics of the two current comprehensive high schools (St. Johnsbury Academy and Lyndon Institute) with higher poverty, and more rural and isolated public high schools.

OrganizationName	Total Enrollment	IEP Count	% IEP	FRLCount	% FRL
LYNDON INSTITUTE	374	73	19.52	81	21.66
ST JOHNSBURY ACADEM	678	59	8.70	97	14.31
HAZEN UHS #26	293	61	20.82	192	65.53
Students tuitioned to HAZEN U	27	***	***	18	66.67
CABOT SCHOOL	156	35	22.44	91	58.33
DANVILLE SCHOOL	344	77	22.38	169	49.13
Students tuitioned to Danville	43	11	25.58	27	62.79
Examples of rural isolated high schools that would benefit from being allowed to function as Comprehensive High Schools:					
OrganizationName	**Total Enrollment**	**IEP Count**	**% IEP**	**FRLCount**	**% FRL**
LELAND AND GRAY UHS	269	62	23.05%	146	54.28%
TWIN VALLEY MIDDLE HIGH	201	47	23.38	123	61.19
ARLINGTON MEMORIAL HIG	217	45	20.74	105	48.39
CANAAN SCHOOLS	161	32	19.88	81	50.31
GREEN MOUNTAIN UHS #35	309	68	22.01	187	60.52

The state could support access to career programming in our more isolated, public, high schools. We could expect these rural high schools to work with the CESAs to bring dows cost through shared services, but also to ensure **better access to career focused curriculum, materials and specialized staff** in these schools. Given that many of these rural and isolated public high schools serve higher proportions of students who are economically disadvantaged, allowing their school to provide CTE programming ensures they are not left out of access to career preparation and exposure. Funding these additional public schools as comprehensive high schools should be dependent on leveraging membership in a CESA to share curriculum and materials and where appropriate, faculty. The CESA can lead on scheduling to coordinate shared access.

3.9 Implementation Feasibility and Dependencies

The success of this framework depends on the effective operation of Cooperative Education Service Areas (CESAs), currently under development as part of the state's broader shared-services initiative. CESAs will provide the expertise, data infrastructure, and administrative capacity necessary for sustained change. Implementation science highlights the importance of staged reform processes, not rushed and arbitrary deadlines that are indifferent to the complexity and demand of the change being made. Any merger process needs to allow time for relationship building, exploration of options, design and planning, initial implementation, and full implementation—to prevent brittle rollouts.[114] As Vermont learned through the Act 46 process, rushed and arbitrary forced mergers **rarely** result in the hoped-for benefits.

3.10 Path and Timeline

This plan assumes construction aid and local leadership to create resilient and appropriately scaled high schools, in healthier buildings, with lower carrying costs.

This plan has three phases.

Near term:

1. Establish a network of cooperative education services areas (CESAs) to immediately tackle cost drivers and amplify the capacity of member SUs and SDs.
2. Incentivize the merger of small districts seeking to bring more students under fewer roofs.
3. Remove the incentive in Act 127 that weights very small tuition districts as if they were struggling with the variable costs of operating small public schools.
4. Educate the public about cost drivers of public education. (See appendix on cost drives in the main task force report). Education

[114] Fixsen, D. L., Naoom, S. F., Blase, K. A., Friedman, R. M., & Wallace, F. (2005). *Implementation research: A synthesis of the literature* (FMHI Publication No. 231). University of South Florida, Louis de la Parte Florida Mental Health Institute, National Implementation Research Network. https://nirn.fpg.unc.edu/wp-content/uploads/NIRN-MonographFull-01-2005.pdf

spending is not the only driver of higher education property taxes[115] (e.g. tax expenditures are also growing, and are likely to grow faster under the CHIP program.) Some of these are not under the direct control of school districts (e.g. health care). Some are linked to the lack of affordable housing for families with school aged children. Others may be related to cuts in state funding for social services, which pushes needs back on schools as the safety nets of last resort (e.g. mental health). In some communities where short term rentals occupy housing previously used by residents, leaders are trying to balance the need for workforce housing (which often means families with school children) against the growth of short term rentals.[116] When there are fewer residents with school aged children, and districts have fewer enrolled students in their existing schools, their per pupil spending increases, as does their tax rate.

Mid term:

1. Restore school construction aid, and establish incentives for SDs or SUs that partner or merge to improve cost effectiveness and expand access to and depth and breadth of educational programming and/or career and technical education. Incentives could be graduated based on scale of improvement, for example matching funds of 20% - 50%, with higher matches awarded to proposals that include more substantial mergers that include governance and administration.

2. Quantify the cost of tuitioning. Hire an independent auditing firm to analyze the impact of choice and tuitioning, including in the state retirement system. Evaluate the impact of private school choice where there is existing capacity in public schools and the historic academies. Include an analysis of career and technical funding paid to the independent schools.

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[115] Vermont Joint Fiscal Office. (2025). Tax Expenditure Report. https://ljfo.vermont.gov/assets/Publications/Revenue-Tax/GENERAL-379073-v3-2025_Tax_Expenditure_Report-v2.pdf

[116] Weiss-Tisman, Howard. (2025). Londonderry votes to keep its short-term rental rules. Vermont Public. https://www.vermontpublic.org/local-news/2025-07-21/londonderry-votes-to-keep-its-short-term-rental-rules
Calvin, Aaron & Blow, Patrick. (2025). In Stowe, short-term rentals are owned from afar. The Stowe Reporter. https://www.vtcng.com/stowe_reporter/news/business_news/in-stowe-short-term-rentals-are-owned-from-afar/article_62737b67-e0e8-48ff-b0f9-86b81e9858af.html

3. Hold the same expectations for taxpayer-funded approved independent schools and public schools, including open enrollment and meeting the same Education Quality Standards.. Thetford Academy is an example of a school that is designated as a public school for the purposes of tuition and which follows public school rules. While serving a disproportionate number of students on IEPs compared to the other academies, it is a high scoring school that has narrower achievement gaps for students on IEPs.

Longer term:

1. Retain the services of an educational planning architect to assist those SDs and SUs that choose to explore mergers to identify optimal locations for future comprehensive high schools.

2. Convene a team to consider the public education system Vermont envisions beyond ten years, beyond the useful life of its newest school buildings, and beyond the confines of our century-old structures and practices.

This plan envisions gradual, evidence-based implementation:

Phase 1: Conduct fiscal modeling, finalize policy guardrails, and establish CESA infrastructure.
Phase 2: Support regional planning pilots through construction-aid incentives and technical assistance.
Phase 3: Scale successful prototypes statewide, evaluate equity and efficiency outcomes, and refine governance mechanisms.

3.11 Building Community Support through Adaptive Change

Complex education redesign is not just a technical problem (organizational charts, budgets, bus routes); it is an adaptive challenge—a shift in beliefs, loyalties, and work that requires people to learn new roles and renegotiate trade-offs.[117] This section summarizes research-grounded practices for

[117] Heifetz, R. A., & Linsky, M. (2002). *Leadership on the line: Staying alive through the dangers of leading*. Harvard Business School Press. https://www.hks.harvard.edu/publications/leadership-line-staying-alive-through-dangers-change

cultivating durable community support while moving toward a better public-school future.

To remind us to be humble, Vermont tried to move to county level school districts in the 1890s[118] but this effort fell apart after only two years with substantial chaos.

Community support is vital to the success of mergers. Today, more often each town sees itself as separate and distinct from its neighbors, which is contrary to the regionalization that is beneficial to students, especially in rural areas. The following is a data-driven community engagement plan to build collaboration and deep connection.

- **Name the adaptive work, separate it from the technical work.** Make the likely losses explicit (e.g., identity, traditions, perceived 'choice') and provide forums to process those losses; reserve technical fixes for technical problems.[119]
- **Create a holding environment.** Use structured, time-bound engagement—listening sessions, design studios, citizen juries—to surface tensions safely and keep attention on student outcomes.[120]
- **Start with shared purpose and local data.** Open every meeting with a common dataset (access maps, travel times, course breadth, per-pupil costs) to reduce speculation and focus deliberation.[121]
- **Work at the right level of "heat"** Regulate distress: keep the 'heat' high enough to motivate change, low enough to sustain

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Heifetz, R. A., Grashow, A., & Linsky, M. (2009). *The practice of adaptive leadership: Tools and tactics for changing your organization and the world*. Harvard Business Press. https://www.hks.harvard.edu/publications/practice-adaptive-leadership-tools-and-tactics-changing-your-organization-and-world

[118] Sautter, John. (2008). Equity and History:Vermont's Education Revolution of the Early 1890s.Vermont History Vol. 76, No. 1 https://vermonthistory.org/journal/76/VHS760101_1-18.pdf

[119] Heifetz, R. A., & Linsky, M. (2002). *Leadership on the line: Staying alive through the dangers of leading*. Harvard Business School Press. https://www.hks.harvard.edu/publications/leadership-line-staying-alive-through-dangers-change

[120] Heifetz, R. A., Grashow, A., & Linsky, M. (2009). *The practice of adaptive leadership: Tools and tactics for changing your organization and the world*. Harvard Business Press. https://www.hks.harvard.edu/publications/practice-adaptive-leadership-tools-and-tactics-changing-your-organization-and-world

Nabatchi, T., & Leighninger, M. (2015). *Public participation for 21st century democracy*. John Wiley & Sons.

[121] Bryk, A. S., Gomez, L. M., Grunow, A., & LeMahieu, P. G. (2015). *Learning to improve: How America's schools can get better at getting better*. Harvard Education Press. https://hep.gse.harvard.edu/9781612507934/learning-to-improve

participation—adjusting pace, sequence, and scope as trust builds.[122] When boards and communities are too stressed and too worried, it is hard to work collaboratively on shared solutions.

• **Build a guiding coalition, distribute leadership.** Recruit educators, families, students, employers, and youth-serving partners; set clear roles, reciprocity, and decision rules.[123]

• **Design for small wins and visible benefits.** Build trust and cohesiveness by piloting near-term improvements (e.g., unified course access, shared CTE shuttles, joint dual-enrollment advising) that demonstrate value while larger plans mature.[124] Ensure that different policies and changes are not working at cross purposes.

• **Protect core values; be flexible on means.** Hold non-negotiables (access, equity, fiscal prudence) while cycling on configuration details (routes, bell schedules, boundary adjustments).[125]

• **Keep a focus on fairness**. Prevent powerful constituencies from hijacking the change process. Provide translation, childcare, and transportation; monitor participation and adapt methods to include those most affected.[126]

• **Make the work public and transparent.** Publish agendas, minutes, datasets, and draft designs; explain how input shaped revisions to sustain legitimacy.[127]

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[122] Heifetz, R. A., Grashow, A., & Linsky, M. (2009). *The practice of adaptive leadership: Tools and tactics for changing your organization and the world*. Harvard Business Press. https://www.hks.harvard.edu/publications/practice-adaptive-leadership-tools-and-tactics-changing-your-organization-and-world

[123] Kotter, J. P. (1996). *Leading change*. Harvard Business School Press. https://www.hbs.edu/faculty/Pages/item.aspx?num=137

Kania, J., & Kramer, M. (2011). Collective impact. *Stanford Social Innovation Review, 9*(1), 36–41. https://doi.org/10.48558/5900-KN19

[124] Bryk, A. S., Gomez, L. M., Grunow, A., & LeMahieu, P. G. (2015). *Learning to improve: How America's schools can get better at getting better*. Harvard Education Press. https://hep.gse.harvard.edu/9781612507934/learning-to-improve

[125] Heifetz, R. A., & Linsky, M. (2002). *Leadership on the line: Staying alive through the dangers of leading*. Harvard Business School Press. https://www.hks.harvard.edu/publications/leadership-line-staying-alive-through-dangers-change

[126] Nabatchi, T., & Leighninger, M. (2015). *Public participation for 21st century democracy*. John Wiley & Sons.

[127] Kania, J., & Kramer, M. (2011). Collective impact. *Stanford Social Innovation Review, 9*(1), 36–41. https://doi.org/10.48558/5900-KN19

• **Plan for persistence.** Adaptive change outlasts any single vote; institutionalize routines (quarterly forums, student panels, dashboard reviews) to maintain shared oversight.[128]

3.12 Governance Impact

1. By identifying and targeting construction aid at regional high schools, the state incentivizes constructive collaboration of neighboring districts to partner on the design and development of the new regional high schools. Shared governance ensures communities retain voice in how their schools meet the needs of their students.
2. Districts may merge to secure access to construction aid for a new regional high school and voice in the operation of that program.
3. A private academy that would like to become a regional hub may apply to its host district to become a public school. If the district votes to make the academy a public school, then that school is eligible to apply for construction aid.

3.13 Expected Outcomes

By grounding policy in empirical mapping and addressing students needs, Vermont can:

- Ensure every student has physical and programmatic access to a comprehensive public high school.
- Prevent fiscal collapse or closure of high schools essential to rural regions.
- Reduce inequitable sorting of advantaged students to independent schools.
- Enable Cooperative Education Services Areas to plan shared CTE, advanced coursework, and support services efficiently.

This data-driven approach reframes public secondary education as critical infrastructure, ensuring that the benefits of Vermont's education system remain accessible to all communities—not just those able to afford private tuition or commute long distances.

[128] Bryk, A. S., Gomez, L. M., Grunow, A., & LeMahieu, P. G. (2015). *Learning to improve: How America's schools can get better at getting better*. Harvard Education Press. https://hep.gse.harvard.edu/9781612507934/learning-to-improve

How this plan improves the system

1. Fewer larger schools, where practical, means more value per dollar for the entire state, as well as more opportunities for students locally.
2. Fewer schools ensure coherent and consistent expectations across sites.
3. With fewer schools, it's easier to coordinate fair access to CTE opportunities.

3.14 Potential barriers to successful implementation

1. Lack of construction aid
2. Challenges of getting to scale in regions with several competing private schools, potentially resulting in public school deserts.
3. Inability to identify and maintain support for revenue for school construction, including lack of skilled staff at AOE to support construction.
4. Policy instability, as exemplified in the gutting of the commission on the Future of Public Education mid-task and that we are potentially replacing two existing funding formulas even before they are fully implemented (Act 173 and Act 127).
5. Implementation challenges, as evidenced by the failed implementation of a statewide E-finance system and the backlog of work at AOE.
6. Inability to find a workforce to support construction.
7. Federal disruption that aggravates the lack of capacity at AOE.
8. Public school closures in response to regional private school growth.

3.15 Assumptions

1. Rural districts may continue to lose population.
2. Some of our current high schools are too small, both public schools and some of the proposed private approved independent schools.
3. Some regions have too many high schools for their current student populations.
4. Private schools that are ideally located may become public in exchange for the option of becoming a regional school.
5. In some regions, districts have already expressed interest in collaborating on larger, more comprehensive high schools, but cannot do so without construction aid.

Appendices

Appendix A: Examples of how CESAs address drivers of higher cost and lower quality

Drivers of higher cost and lower quality in Vermont:	How Cooperative Education Service Areas address this driver:
Lack of AOE capacity forces duplication 52-times-over at the local level on core repetitive functions. AOE no longer has the capacity to develop and deliver adequate support for professional learning, especially in literacy, math and science. Districts have inconsistent capacity to backfill, resulting in variability in access to skilled teachers.	CESAs builds capacity regionally, reducing the need for staff in every SU and SD for core functions (professional development, curriculum, coherent and consistent expectations and evaluation processes, etc...) CESAs expand AOE capacity to support consistent, coherent implementation. AOE works with five CESAs, as opposed to over 52 districts and SUs. CESAs are able to localize professional development.
Growth in support staff (as low as 2:1)	Regional support for more effective Tier 2 and 3 intervention and staffing models. Less reliance on large numbers of less skilled staff to manage the braiding of behavior, academic support, and instruction.
Extraordinary expenditures for special education	CESAs can build regional collaboration within substantially separate settings for students who need them and ensure that students have greater access to local resources in their region. CESAs can provide necessary communication for a return for students to less restrictive environments.
Health care costs	Teacher health care **costs** are not addressed in CESAs or mergers. Vermont teacher health care is negotiated at the state level. CESAs can negotiate regionally for school **health-related services** reducing administrative burdens for both vendors and school districts.

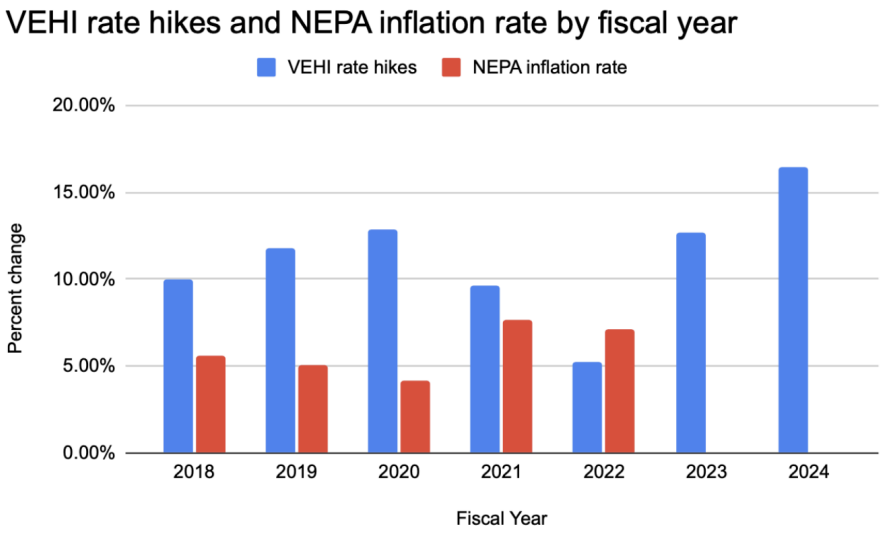
Construction, Operations and maintenance	CESAs can provide support for construction projects and bulk procurement for facilities and operations.
Research on delivery of CTE in VT shows huge variability in cost, but no relationship between governance structure and outcomes, and no clear relationship between cost and outcomes. Small schools are more likely to have students participate in CTE than larger programs. At the same time, there are some areas that are underserved by our current approach to CTE and access is limited by excessive travel times.	CESAs can provide regional coordination of CTE programming and curriculum and professional development for CTE instructors. This will enhance consistency and quality across CTE regions. CESAs can develop and support CTE programs in HS in underserved regions like Leland and Gray, Canaan, Arlington, and Twin Valley. The CESAs and CTEs can potentially collaborate around specific student needs to a greater degree than is possible in specialized private settings–a factor that is critical to the success of transitions.
Lack of focus on instruction, and no capacity to scale improvements statewide to ensure every student has access to a well qualified teacher supported by access to quality curriculum.	Focus capacity for improving primary first instruction (classroom teachers) so they are better supported and better trained to address students. Reinforces the partnerships between special services and regular classrooms, allowing for collaboration.
Overreliance on more restrictive settings, lack of consistent access to expertise drives inconsistent evaluation and service plans, including plans that may not be consistent with best practice, challenges around providing appropriate instruction to students with more than one identified disability (e.g., a student with a learning disability whose unaddressed learning disability and academic deficits exacerbate a diagnosis of emotional disturbance).	Consistent, timely access to high quality expertise for tiered interventions at all levels. CESAs use a collaborative approach (see Hartford collaborative) to ensure stable access as needed, in a more cost-effective setting with transparency and oversight to ensure a focus on academic and social-emotional learning. Keeping children and adolescents within their community regions is helpful for transitions, for students' sense of belonging and for parents and caregivers to stay closely connected with the child's program and progress. In-district access ensures that families and caregivers get the support they need for their child or adolescent.

IT procurement is challenging and expensive, and districts often struggle to implement and maintain systems.	CESAs can procure and support implementation of a region-wide Student Information System. CESAs can provide training onsite to support implementation of technology, accurate reporting, data management, and data security, reducing touchpoints for the AOE.

Appendix B: Health Insurance: Extraordinary and uncontrollable growth in recent years

In a presentation to the House Ways and Means on February 27, 2024, Nicole Lee of Vermont Agency of Education estimated a one-year increase from FY24 to FY25 of $42 million in teacher healthcare payments– an increase of 16% over the previous year. In the FY26 budget, the increase is likely to be a little smaller, but still in the double digits. This is on top of years of double-digit, compounding growth.

As the Commission on Public School Employee Health Benefits– a group that represents both school employees and school boards– stated jointly in a 2024 memo to the Green Mountain Care Board: "The double-digit rate increases approved recently for Blue Cross of Vermont's and MVP's insurance plans offered on the state exchange were shocking. They drive home the point that **where health care costs are concerned, we are all on the same sinking ship and can't bail out fast enough.**"



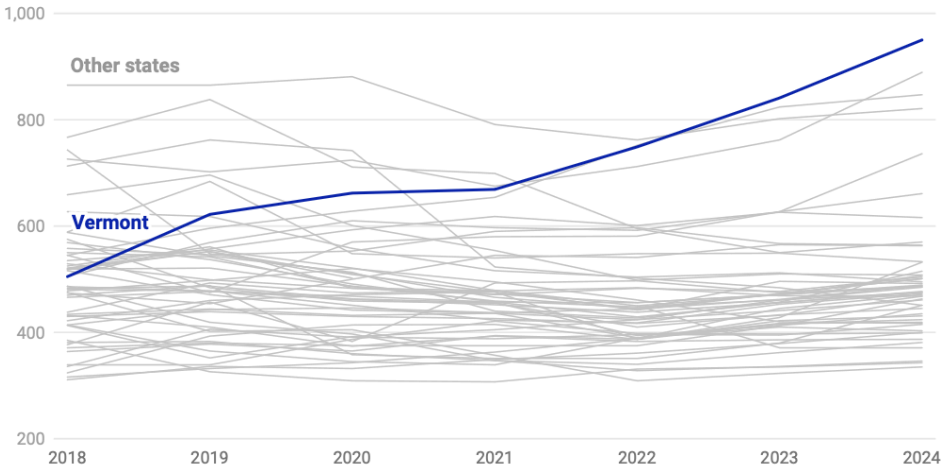
Practically speaking, what do these rate increases mean for school budgets?

Consider this example provided by the Commission: Premium expenses in FY18 for family coverage in the Gold CDHP were $17,394. By FY25, the cost for that tier of coverage had more than doubled to $36,547, excluding out-of-pocket expenses.

Vermont now has the most expensive health insurance in the nation. These high costs affect school districts, just as they affect businesses and families.

How the sticker price of Vermont health insurance compares to other states

Monthly premiums by state and year for the "benchmark" insurance plan available through the federal and state-based individual Affordable Care Act marketplaces.



"Benchmark" premiums are the second-lowest silver premium for 40-year-old individuals on the health insurance marketplace.

Chart: Erin Petenko • Source: KFF • Get the data • Created with Datawrapper

For more context see VT Digger:[129]

No matter the data set, growth in hospital costs in Vermont are outstripping the capacity of individual payers, businesses and government entities to afford. To generate permanent and sustainable affordability in education, the administration and other state level actors must make health care reform a priority.

[129] D'Auria, Peter & Petenko, Erin. (2024).Vermont health insurance costs are among the highest in the nation — and rising quickly. VTDigger https://vtdigger.org/2024/08/27/vermont-health-insurance-costs-are-among-the-highest-in-the-nation-and-rising-quickly/

Figure 2a. Commercial hospital operating profits

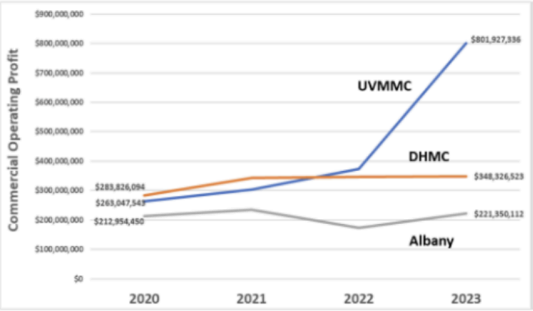
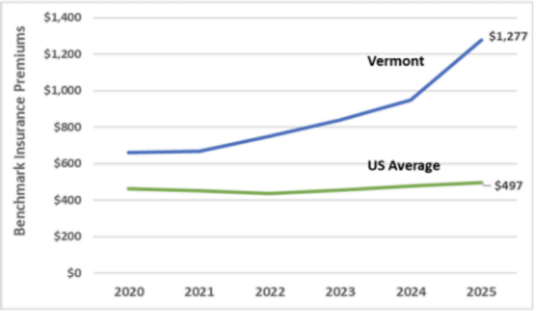


Figure 2b. Insurance marketplace benchmark premiums



Key Takeaways

- Commercial profits for UVMMC began to grow in 2021 at a rate that is different than other AMCs serving Vermonters, with a jump from $373,677,045 in 2022 to $801,927,336 in 2023.
- Growth in commercial marketplace insurance premiums coincided, growing most rapidly following the jump in UVMMC commercial profits from 2022 to 2023.
- These findings suggest a relationship between the commercial hospital operating profits at UVMMC and unaffordable commercial health insurance premiums in Vermont, a trend that is significantly out of line with the rest of country.

(*Data Source*: Healthcare 911)

The following figure speaks to the compounding impact of high rates. Even this year's celebrated reduction in the rate of increase was just a slower increase on a greatly increased base rate.

Figure 15. ***VEHI Inpatient and outpatient*** *hospital, compared to National Medicare base price, in millions*[42]

Year	Total Allowed Amount	RBP 150% of Medicare	Savings Amount at 150%	RBP 180% of Medicare	Savings Amount at 180%	RBP 200% of Medicare	Savings Amount at 200%	RBP 250% of Medicare	Savings Amount at 250%
2018	$100	$54	$46	$65	$35	$72	$28	$91	$10
2019	$113	$60	$53	$72	$41	$80	$33	$100	$13
2020	$111	$55	$57	$65	$46	$73	$39	$91	$20
2021	$127	$64	$64	$76	$51	$85	$42	$106	$21
2022	$131	$62	$69	$75	$56	$83	$48	$104	$27
Q1-Q3 2023	$103	$47	$55	$57	$46	$63	$40	$79	$24
TOTAL	$685	$342	$343	$410	$275	$456	$230	$570	$116

Year	Total Allowed As a % of Medicare Price
2018	276%
2019	283%
2020	306%
2021	300%
2022	316%
Q1-Q3 2023	326%
Total	301%

(*Data Source:* Green Mountain Care Board, Reference-Based Pricing and Data Analysis Report, 2024)

Mark L. Hage, a VEHI Trust Administrator, stated, “in the first three quarters in 2023, VEHI reimbursed Vermont hospitals on average over three times what Medicare does (326%), and our allowed reimbursements as a percentage of Medicare prices increased 50% from 2018 through the third quarter of 2023: 276% to 326%.”

As noted, the annual and compounded impact of this price acceleration is a key driver of premium increases. Revenue tied up in hospital costs is revenue unavailable for school construction, investment in improving instruction, or permanently bringing down the burden on taxpayers. If VEHI had been reimbursing Vermont hospitals for inpatient and outpatient services at (only) **200%** of Medicare rates during the period 2018 through the first three quarters of 2023, VEHI’s savings would have been close to **$230 million**.

The impact of these extraordinary rate increases compounds over time. In each of the years FY23 to FY25, the proportion of total education spending that was attributable to health insurance premiums paid by school districts and employees increased by a percent a year (excluding payments for retired teachers and health related services for students that are paid for by school districts). At this rate of increase, about **20% of education spending** will be for health insurance premiums **by 2030**.

Health care premiums consume a larger proportion of education spending every year. As more of every dollar goes to health care, districts either increase spending or cut other functions. The increases below do not include increases related to other health-related expenditures, all of which increase as the cost of health care in Vermont increases.

Table showing total proportion of Education Spending that is health insurance premiums paid by school districts and employees, by year				
	Education Spending in Billions	**Health insurance premiums paid by school districts and employees**	**% of Education Spending**	**Source of data:**
FY23	$1,917,168,186	$266,517,469	13.90%	JFO 5 yr web report
FY24	$2,078,429,521	$301,281,227	14.50%	JFO 5 yr web report
FY25	$2,309,900,000	$344,905,222	14.90%	July 30 closeout report
FY26*	$2,430,399,971	$381,372,844	15.69%	FY26 budgeted
Notes:				
Health insurance data were provided by VEHI				
FY23 and FY23 Education Spending data are from JFO's 5 year web report				
FY25 Education Spending is from the administration's July closeout report				
FY26 Education Spending is the FY26 budgeted spending (will be adjusted in July after closeout)				

Appendix C: Status of private and independent schools

The following is a brief summary of the changes in law that lead to the current regulation of independent schools as it relates to the tuitioning system, from the late 1980s to today. This is not an exhaustive analysis of every change that occurred in Vermont law related to the regulation of independent schools. It is meant to serve as a high-level overview of major changes.

Prior to 1991, under 16 V.S.A. § 11(7), the term "public school" was defined as "elementary and high schools which are principally supported by public taxation or tuition payments derived from public funds...This definition shall not be construed to require any public school not managed by a school board to comply with provisions of law relating to teachers."

Subdivision (8) of the same section defined "private school" as "a school other than a public school, which provides a program of elementary or secondary education, or both."

1991 Acts and Resolves No. 24, Sec. 1 amended both definitions to the following:

(7) "Public school" means an elementary or secondary school for which the governing board is publicly elected.
(8) "Independent school (formerly private school)" means a school other than a public school which provides a program of elementary or secondary education, or both. An "independent school meeting public school standards" means an independent school in Vermont that applies to the state board for public school approval and meets the standards for public school approval.

Under the pre-1991 definition of public school, a private (independent) school that was "principally supported" by tuition would, by definition, be a public school, and therefore subject to the same laws and requirements as public schools, except "provisions of law relating to teachers."

Prior to approximately 1997, the 2000 rule series, which now contains Vermont's Education Quality Standards, was the Public School Approval Standards.

Under the pre-1991 definition of public school, private schools principally supported by tuition would need to go through the public school approval process, with the exception of laws relating to teachers.

The 2000 rule series has evolved over the years, from School Quality Standards in 1997 to Education Quality Standards in 2014. Thus, while the standards private schools principally supported by tuition were required to follow has changed over the years, so have the standards applicable to public schools.

Both pre-and post-1991 school districts were allowed to pay tuition to public and private/independent schools. 1

While some pre-1991 private schools may have been required to follow all laws applicable to public schools (except laws related to teachers) because they were principally supported by tuition payments, approved private schools that were NOT principally supported by tuition payments and therefore not subject to all the same laws as public schools were still eligible for tuition.

The principal difference appears to be that “public schools” could charge full tuition while approved private schools were limited to charging the average announced tuition. 2

But both pre-and-post 1991 a private/independent school could charge more than the average announced tuition if the voters approved such tuition. 3

In the post-1991 change, independent schools could apply to the State Board for public school approval if they met the standards for public school approval (now akin to EQS) and if approved, charge full tuition (like a public school). In this post-1991 approval process, independent schools were not necessarily exempt from the laws applicable to teachers.

1 See 16 V.S.A. §§ 821 and 822.
2 See 16 V.S.A. §§ 823 and 824.
3 See Id.

Appendix D: Vermont examples: Fiscal risks of private school choice on efforts to promote scale and lower cost

To meet comprehensive goals and provide comprehensive opportunities, schools need to maintain scale. In Vermont, a number of programs and practices erode scale, particularly in rural areas.

In rural schools, losing a handful of students rarely eliminates a bus route, a teaching position, or a building. In Vermont, this includes private schools that may practice selective enrollment and some schools that receive tuition vouchers. As of FY24, some of these schools did not serve any students on IEPs or any students who are economically disadvantaged.

Vermont has no charter schools, but research in the charter sector in other states found that charter expansion in other states imposed fiscal stress because revenues fell faster than districts could reduce cost.[130] For example, losing a few students may remove revenues, but not the fixed costs related to facilities, administration, heating and utilities and so forth.

In Vermont, too, losing a few students from a public high school affects both the school and taxpayers statewide. The Lincoln School District withdrew from the Mt. Abraham Unified School District and became a district that operated at the elementary level and paid tuition at the high school level. It did not designate a public school (e.g., Mt. Abe) as its high school. Note: in the table below, the data is from AOE tuition reports. The number of FTE refers to the number of students for whom the district paid tuition.

[130] Robert Bifulco, Randall Reback; Fiscal Impacts of Charter Schools: Lessons from New York. *Education Finance and Policy* 2014; 9 (1): 86–107. doi: https://doi.org/10.1162/EDFP_a_00121

FTE	Total Tuition	Name of school/district receving tuition
3.9	$71,498	Pond Brook Project
3	$54,666	LAKE CHAMPLAIN WALDORF
1	$18,150	RICE MEMORIAL HIGH SCHOOL
79.3	$1,660,888	Mt. Abraham Unified School District #61
3	$53,412	Champlain Valley Unified Union School District #56
1	$21,736	Addison Central Unified Union School District #55
91.2	$1,880,350	Total Secondary Students
11.9	$219,462	Total now tuitioned outside Mt. Abe
79.3	$1,660,888	Total to Mt. Abe

(*Data Source*: Vermont AOE)[131]

After withdrawal, students from Lincoln used taxpayer funded vouchers to attend schools other than the high school they had previously attended. As a result, Lincoln spent $219,462 to send about 12 kids to schools other than Mount Abe. This is a small number of students, but effectively this represents a revenue loss for Mt. Abe, which has to either cut to make up that loss, or backfill by raising the per pupil cost for all students. When students leave in handfuls like this, schools are stranded with the fixed costs of operating, and often can't adjust. Higher costs are then passed on to taxpayers statewide through our shared education fund.

A similar pattern was evident in the North Bennington ID when it gave up its public school a decade ago. One year later, the district was paying tuition not only for students at the formerly-public Village School, but also at four other schools. As of FY24, it was sending almost $800,000 to 8 schools other than the smaller-than-ever Village School of North Bennington, while the Village School raised tuition, presumably to accommodate the loss of students.

[131] A.3-Long-Term-Tuition-data.xlsx

FY16: Where the North Bennington School District tuitions resident students					
School Name	Number of students	Tuition per pupil	Total Tuition paid	State	Type of School
Pine Cobble	4	$11,963	$47,852	MA	Private
Southshire Community School	5	$12,250	$61,250	VT	Private
Hiland Hall School	7	$8,000	$56,000	VT	Private
Village School of North Bennington	109	$13,391	$1,459,619	VT	Private
Shaftsbury	5	$10,500	$52,500	VT	Public
Data Source: Agency of Education					
Total tuition dollars sent to a Massachusetts private school					$47,852
Total tuition dollars sent to other private schools that could have been used to reduce the cost per pupil at the Village School of North Bennington					$165,102
Total tuition dollars sent to public schools that could have been used to reduce the cost per pupil at the Village School of North Bennington					$52,500
Estimated cost per pupil if the 21 students tuitioned out of NB were reenrolled at VSNB					$11,228
Estimated cost per pupil at at VSNB as is, with 21 kids tuitioned elsewhere					$13,391

These patterns are consistent with research on the impact of vouchers on public school scale and cost nationally. These patterns show that a plan to strengthen regional high schools is inconsistent with a plan to expand school choice.

In addition, the impact of losing handfuls of students from regional public schools to smaller, sometimes exclusive private schools can be quite significant. Districts require building upkeep, transportation networks, and minimum staffing, so marginal exits don’t produce proportional savings.

Districts face higher per-pupil costs unless they can close schools or discontinue bus routes. At small enrollments, thinning like that at Mt. Abe raises the probability that low-frequency courses are cut– often advanced math/science, upper-level world languages, arts, and CTE strands.

Why this matters:

As we look at strategies for ensuring fair access to quality public education opportunities, in a more cost effective future, we need to begin by understanding:

1. Where we may have too many schools for our current population
2. Where we risk having public education deserts
3. Where we have the greatest population declines, and how expansion of school choice may exacerbate both higher cost and diminished opportunity for rural and less wealthy students.

If our strategic aim is to reach and sustain program scale in rural public high schools amid decline, broad vouchers work against that objective in the places where private supply is scarce and enrollment is already thin. In places like the Leland and Gray region and the Twin Valley region, we must prioritize regional public provisioning (shared services, dual enrollment, CTE hubs, synchronous course-sharing) before widening outflows.

If we are paying for and depending on independent schools to provide access in rural communities, then those independent schools must meet the same public education mission that we expect of public schools. If a region only has enough students for one publicly funded school, and that school is an independent school, then that school must meet all the same obligations that a public school must meet in order to receive education funding. If a private school is not willing to be the vehicle for access, it should not be publicly funded. This means meeting public school rules, transparency, and fiscal guardrails.

Appendix E: Assessment results for 9th grade math scale scores overall, by public and private schools and by significant demographic groups

(*Data source:* Vermont Agency of Education)

Demographics of 9th Grade Math test takers in public schools and private non-therapeutic independent schools FY2024

Publicly-funded students in independent schools are required to take the state assessments

9th grade math	Public proportion of test takers	Non therapeutic Independent proportion of test takers
Students **without** disabilities	82.09%	87.15%
Students with disabilities	17.91%	12.85%
White	94.26%	97.43%
Students who are economically disadvantaged	47.10%	10.47%
Students who are **NOT** economically disadvantaged	52.90%	89.53%

Comparison of demographics of publicly-funded, test takers in VT Independent schools and public schools:

- Public schools serve a higher proportion of test takers with disabilities (17.9% compared to 12.9%)

- Public schools serve **a much higher proportion** of test takers who are economically disadvantaged (47% compared to 10.5%) are economically disadvantaged (free and reduced lunch (FRL)

On average, public school test takers are much more likely to be economically disadvantaged and somewhat more likely to have disabilities.

2024 9th grade math assessment scale scores, by school and student type

9th grade math	Public Scale Score	Non therapeutic Independent Schools Scale Score	Difference in Scale Score
Total	1722	1738	15
Students **without** disabilities	1740	1751	11
Students with disabilities	1643	1644	1
White	1723	1738	14
Students who are economically disadvantaged	1689	1727	38
Students who are **NOT** economically disadvantaged	1752	1739	-14

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Observations:

- On average, students testing in nontherapeutic private independent schools have scale scores that are higher (1738 to 1722).
- The average score for students with disabilities in private schools is virtually the same as for students with disabilities in public schools. But, on average, private schools serve far fewer students with

disabilities making the impact of composition unclear in the scores data.
- The average score for private school students who are economically disadvantaged is higher than the average score for economically disadvantaged students in public schools. Private schools serve a population that has starkly fewer students who are economically disadvantaged so the score difference could reflect sample bias on enrollment in private schools.

On average, students who are NOT economically disadvantaged who are in public schools (1752) have higher scores than similar students in private schools (1739).

Appendix F: Drivers of Sagging Student Performance and CESA-Intervention Options

Driver	Evidence Summary	CESA-Intervention
Chronic absenteeism – statewide rate surged to ~42% in 2022, fell to ~25% but remains high, especially in rural and high-needs communities [132]	Missing 10% or more of instructional days is strongly linked to lower achievement [133]	• CESAs establish regional attendance-data platforms & early-warning dashboards.• Form regional "attendance teams" linking schools, health & social-services.• Provide pooled training for school attendance coordinators; coordinate outreach home-visits.
Educator shortages & staff churn – Vermont reportedly has ~10% fewer educators than pre-pandemic, noted as the second worst drop nationally[134]	Inability to fill or retain qualified teachers undermines instruction quality and continuity.	• CESAs run shared recruitment pipelines (e.g., "grow-your-own", residencies) across districts.• Maintain regional substitute/itinerant educator pools for high-need specialties.• Operate induction/coaching programs to raise retention and quality.
Student mental-health and well-being – Vermont's recovery plan identifies mental health, SEL, and engagement as key priority areas.[135]	Rising anxiety, stress, disengagement hamper attendance and learning.	• CESAs broker regional contracts for school-based mental-health services (tele-clinics, group counseling). • Provide regional training for

[132] UVM: Every Day Counts. (2025).https://www.uvm.edu/uvmnews/news/every-day-counts-using-research-reduce-chronic-absenteeism-vermont-schools

[133] UVM: Every Day Counts. (2025).https://www.uvm.edu/uvmnews/news/every-day-counts-using-research-reduce-chronic-absenteeism-vermont-schools

[134] Duffort, Lola.(2024).Vermont's post pandemic teacher shortage has gotten worse. Vermont Public. https://www.vermontpublic.org/local-news/2024-04-02/vermonts-post-pandemic-teacher-shortage-has-gotten-worse

		Tier-1 SEL and Tier-2 small group supports. • Coordinate crisis-response teams across schools.
Uneven early-literacy practices / poor implementation of Act 173 related to supporting struggling learners, delayed alignment – Vermont has recently adopted its evidence-based literacy law (Act 139) and screening protocols; full implementation is just developing.	Variability in K-3 literacy instruction weakens reading foundational outcomes.	• CESAs deliver regional professional development and coaching on evidence-based literacy. • Manage procurement and roll-out of high-quality core/intervention reading programs. • Maintain screening data systems and support fidelity monitoring.
Declining and shifting enrollment, small-scale rural districts – Vermont's public school enrollment continues to fall; small rural districts face higher per-pupil costs and service-delivery challenges.	Reduced scale restricts breadth of courses and staffing stability.	• CESAs pool specialized offerings (e.g., AP, world languages, dual enrollment) across districts via shared scheduling or online hybrid models. • Provide regional transportation and vendor planning to reduce cost burdens. • Offer shared itinerant service teams (OT/PT/SLP/psych) to augment small rural schools.
Special education complexity & fragmentation – State reporting (Act 73) flags capacity and coordination	Weak SPED systems risk outcomes for students with disabilities and produce	• CESAs operate regional multidisciplinary evaluation teams and IEP-process support hubs. • Pool high-cost service procurement and

[135] Vermont Agency of Education. (2021). Building for the future. Vermont's plan for education recovery and beyond. https://www.ed.gov/sites/ed/files/2023/10/Vermont-ARP-ESSER-State-Plan101823.pdf

weaknesses in special education services.	inefficiencies.	transportation for low-incidence needs. • Provide behavior-support and implementation coaching regionally.
Instructional coherence and curriculum variation – Variation across districts in pacing, materials and assessment reduces consistency, especially amid staff turnover.	Inconsistent curriculum weakens shared expectations and student movement between schools.	• CESAs support shared curriculum frameworks and common interim assessments regionally. • Facilitate content-specific coaching (ELA, math, science) and professional learning communities across districts.
Time on task & engagement (after-school, tutoring, recovery) – Extended-learning and high-dosage tutoring are evidence-based responses to learning loss but uptake is uneven in Vermont's rural districts.	Without sufficient engagement and remediation time, learning gaps widen.	• CESAs coordinate regional after-school/tutoring providers: recruiting/training tutors, aligning to core instruction, tracking outcomes. • Host regional summer-learning academies with shared transportation and meal services.
Access to rigorous pathways (CTE, dual enrollment, work-based learning) – Rural students often face barriers to CTE, dual enrollment, and paid work-based placements.	Participation in rigorous pathways correlates with higher attainment and post-school success.	• CESAs serve as "hub" schedulers: aligning high-school, CTE-center, and dual-enrollment calendars; support MOUs with colleges. • Deploy regional work-based-learning coordinators to expand employer networks and paid placements.

Governance reforms with limited direct academic impact – While district consolidation and governance changes (e.g., Act 46) receive attention, the causal link to improved academic outcomes is weak.	Evidence suggests governance reform alone does not reliably drive student achievement.	• CESAs emphasize shared-service models (procurement/data/HR/PD) that yield faster returns rather than disruptive governance shifts. • Focus on instructional support, service delivery, and regional capacity before structural reorganization.

Appendix G: Specific design considerations for CESA support of Career and Tech Education

A. **Adopt a hub-and-spoke delivery map.**
    a. **Hubs:** capital-intensive labs (welding, advanced manufacturing, health).
    b. **Spokes:** in-district/satellite intro and Level 1 courses to cut travel, host shared materials, staff and curriculum that can push into regional high schools in a cost effective way, widen exposure to CTE and career pathways (on-ramps to more advanced programs).
    c. Bake in a hub and spokes map into capital planning and transportation finance (See the model of WA for examples).

B. **Run a single, regional Comprehensive Local Needs Assessment (CLNA) and Perkins consortium per region (saves administrative burden, ensures consistency)**
    a. One CLNA, one set of **regional Key Performance Indicators (KPIs)** (enrollment/concentrator rates by subgroup/geography, credentials, WBL placements, placement/earnings).
    b. Set **program-approval criteria** tied to high-priority occupations; require employer advisory sign-off.

C. **Standardize quality frameworks and approvals**
    a. Use WA-style course/program approval templates; Arizona-style **Lab/Work Based Learning time** thresholds; common safety/credential checklists across the five regions.

D. **Lock in transportation & schedule solutions up front**
    a. Statewide calendar
    b. Dedicated mid-day routes; protected CTE blocks across districts; ADA/IEP transport provisions. Responding directly to GAO-identified barriers.
    c. Regional scheduling to support development of shared CTE programming/introductory programming that can be pushed into remote public high schools to expand rural exposure to CTE programming.

E. **Governance and cost-sharing that preserves voice and equity**
    a. Regional board with component districts and employer and college representatives; weighted voting; multi-year cost formulas for fixed vs. variable costs; public dashboards on access and outcomes.
    b. Note that in some cases, provision of comprehensive programming in isolated rural high schools may be the best way to meet goals.

F. **Credit and credential portability, and ensuring credits count towards degree programs and/or industry recognized credentials**
   a. Regional credit crosswalks; articulation/dual credit MOUs standardized across all components; publish credential lists and credit equivalencies per program. (State plans and approval manuals provide templates.) The CESAs can negotiate regionally with the State University System to ensure that any college credits earned in high school count towards advanced degrees and industry recognized credentials.
   b. Fewer, stronger regional CTE oversight entities enhance the capacity of CTE leadership to work with receiving postsecondary institutions to ensure credits earned in HS count towards degrees in high-demand, higher-wage fields.

G. **Capital strategy**
   a. Prioritize hub locations using drive-time analysis; pursue state-administered **skill-center-style capital reimbursements**; sequence upgrades to remove waitlists in high-demand programs. (WA capital mechanism is a workable template).

Appendix H: Implementation science and recommendations on successful complex policy change

A quick review of the research on implementation science suggests several risk factors that are likely to erode the intended benefits and increase the cost of transition. Below we lay out risks that need to be addressed in any implementation plan. These include slowing down on new initiatives that would undercut or compete with successful implementation of cooperatives until they are up and running.

A tendency to ignore research on successful implementation of complex policy changes causes harm. Much of the implementation science related to complex policy change comes out of the health care sector, but has lessons for implementation and innovation in the education sector.

For example:

- **Rushing phases** (skipping exploration and preparation) results in low fidelity and staff overload.[136]
  One example: Each region needs a robust implementation plan with a timeline. The plan must anticipate and address both unique local risks and the challenges of transition from local SU/SD services to CESA services.

- **Underbuilt drivers** (no coaching, weak data systems, unclear authority) lead to drift and failure to solve predictable barriers.[137]
  One example: AOE has a critical role to play in clarifying the standards for reporting and operations up front and supporting initial implementation, so that CESAs are designed around shared, consistent expectations.

[136] Durlak, Joseph A. and DuPre, Emily P. (2008). **Implementation Matters: A Review of Research on the Influence of Implementation on Program Outcomes and the Factors Affecting Implementation.** American Journal of Community Psychology. https://onlinelibrary.wiley.com/doi/full/10.1007/s10464-008-9165-0
[137] National Implementation Research Network. (2015). Implementation Drivers Overview. The Active Implementation Hub. https://implementation.fpg.unc.edu/wp-content/uploads/Implementation-Drivers-Overview.pdf?utm_source=chatgpt.com

- **Poor fidelity–adaptation balance** (either rigid or vague) causes either resistance or incoherence.[138]
  One example: Without capacity for high-touch support for implementation, the AOE will have no knowledge as to why CESAs are implemented differently across regions. They will not be able to address and resolve risks before they become barriers or threats to fidelity of implementation.

- **No implementation-outcomes dashboard** means leaders cannot tell if uptake is failing until outcomes disappoint.[139]
  One example: AOE has a critical role to play in monitoring implementation progress and updating the administration and the legislature on whether additional support or modifications are needed to ensure success.

- **Ignoring spread mechanics** (no champions, no cross-site networks), slows adoption and invites reversion to old norms.[140]
  One example: Previously, the Integrated Field Reviews were a tool to build norms around shared expectations and to spread innovative strategies for meeting goals, especially in rural settings. We need a similar vehicle for spreading innovation across CESAs.

- **Bundling too many policy shifts at once** without analytic separation confounds diagnosis and course-correction (a recurrent lesson in large system reforms). There is a need to anticipate and manage the contexts in which changes take place, as well as the internal and external conflicts changes can create.[141]
  One example: School leaders have finite bandwidth to allocate across all mandated initiatives. If they have to do all of the following at the same time, their ability to ensure high quality implementation will be severely compromised. In addition, new policy changes can create conflict with current policies and assumptions about current practice.

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[138] Carroll, C., Patterson, M., Wood, S. *et al.,* (2007). A conceptual framework for implementation fidelity. *Implementation Sci* 2, 40.
https://implementationscience.biomedcentral.com/articles/10.1186/1748-5908-2-40?utm_source=chatgpt.com

[139] Proctor, E., Silmere, H., Raghavan, R., Hovmand, P., Aarons, G., Bunger, A., Griffey, R., & Hensley, M. (2011). Outcomes for implementation research: conceptual distinctions, measurement challenges, and research agenda. *Administration and policy in mental health*, *38*(2), 65–76.
https://pubmed.ncbi.nlm.nih.gov/20957426/

[140] Greenhalgh, T., Robert, G., Macfarlane, F., Bate, P., & Kyriakidou, O. (2004). Diffusion of innovations in service organizations: systematic review and recommendations. *The Milbank quarterly*, *82*(4), 581–629.
https://pubmed.ncbi.nlm.nih.gov/15595944/

[141] Aarons, G. A., Hurlburt, M., & Horwitz, S. M. (2011). Advancing a conceptual model of evidence-based practice implementation in public service sectors. *Administration and policy in mental health*, *38*(1), 4–23.
https://pubmed.ncbi.nlm.nih.gov/21197565/#&gid=article-figures&pid=fig-2-uid-1

New work interacts with existing demands that are occurring simultaneously:

- Initial implementation of CESAs
- Voluntary mergers
- Construction projects
- Cell Phone Free schools
- Full implementation of Act 173
- New District Quality Standards
- New Education Quality Standards
- Community Schools Initiatives
- New Science of Reading practices
- New graduation requirements that are a pivot from mandated proficiency-based requirements
- Potential shifts to a new special education funding formula
- Shift to a new foundation funding plan

Appendix I: Transition work associated with moving from existing districts to new districts

Mergers require districts to operate their current systems while planning and opening their new districts. Existing boards need to continue to operate, while new boards assume control. There are significant bureaucratic burdens associated with this transition, as well as significant decision-making and negotiation with respect to

- teacher and support staff negotiated agreements
- administrative contracts and/or negotiated agreements
- contracted services, transportation, and food service
- human resources including payroll, fingerprinting, W-4, health insurance
- creation of new articles of agreement
- professional development, training
- curriculum and assessment

All of these tasks must be completed simultaneously even as existing districts operate and meet all current obligations.

The following is an incomplete list of the additional work tasks needed to close down existing districts and reopen the new merged district:

- Employee work conditions: understanding and planning for the administration of employee (union and non-union) work conditions and benefits, per contracts
- Specific conditions of employee units
- Hours, days, calendar
- School day and school year
- Professional development and services
- Paid time off and unpaid time off
- Other duties and responsibilities
- Job descriptions
- Employee benefits

The following requires Board action:

- Define municipal retirement groups and offers

- Collect teacher retirement numbers
- Send documentation ASAP along with a letter from the Agency of Education
- Manually terminate all teachers and rehire under new entity
- Open enrollment and healthcare declaration
- Work with Vermont School Board Insurance Trust (VBIT) on the following
    - Unemployment
    - VEHI
    - Dental
    - Long-term disability
    - Pertinent contracts
    - Retirement

Administration and formation of the new district:

- Complete SS4 for EIN
    - Use legal name and address only, with no DBA
- Complete Vermont paperwork for state tax withholding ID and Unemployment ID
- Establish EFT information for Federal and State
- SAM, DUNS numbers
    - DUNS – Data Universal Number System, file for DUNS first at www.dnb.com
    - SAM – System for Award Management, one you have a DUNS, register it in
- SAM at www.SAM.gov
    - Mark your SAM profile as public to avoid providing it yearly to AOE
- Work with DOE to set up new vendor files
- State of Vermont system in order to receive state-issued payments
    - Provide W-9s and DUNS to Cassie Winters at AOE
- Transmitter numbers for both IRS 1099 and IRA ACA (must be different)
- Open Enrollment
    - Send blue form to all employees for special open enrollment
    - Send declarations for Health Care for all employees and Open Enrollment forms
- EFT set up – after federal and state tax numbers
        - This cannot be done until first payroll
- Bookkeepers: Provide two blank W-9s

- Follow up on old outstanding checks
- Insurance tracking and depending assignment
- Employee Groups
- Licensing and endorsements
- Deduction
  - Matching to existing
    Recommendation: Look for errors
- ACHS
  This cannot be done until first payroll
- Policy for managing Reductions in Force

Banking:

- Establish bank account, signers and test-run checks
- Cash flow statements for line of credit borrowing
- Change ACH (EFT) information for State of Vermont payments via AOE
  - This can be done as part of the Vendor set up with AOE
- Financial Accounting Software
- Create two new connection groups
- Clean up vendor list for import
- Import employees from other districts/supervisory unions
  Load voter approved budget
- Clean up chart of accounts. This may be a good time to convert the Uniform Chart of Accounts that was required in FY2020

After School/Before School /summer camp and preschool program Questions:

- Are the rates going to become uniform across the new district?
- What programs to operate?
- Is this equitably available?
- Can AOE manage competitive grant programs when it is one of the competitors (against private providers) for funding?
- Difference between VT Afterschool and independent after school programs and 21C programs

Payroll/ Union notices/ Employee changes due to new employer:

- Work on contract language for 200+ different distinct negotiated agreements

- Notice on retirement changes for union support staff
- Notice of new membership regarding merger
- Notice of retirement changes to employee
- FICA-exempt employees
  Now a new employer, they may no longer be exempt
- Level of union participation of educational support personnel (paraeducators, custodial, food service transportation) and added to union/ or not
- New retirement plans due to union offerings

Payroll:

- Work on timing for separate payroll input on pay day
- Set up codes for each position at each school in Time Entry Shift Differential
  Paraeducator code
  Driver code
  Etc.
- Payroll funding for next fiscal year
  Set up a Google doc to track employee with changes this year to review before issuing FY contracts
- Hire dates
  Rehire filed cannot be used for new hire reporting
- Possibly use excel to report new hires for the start of the new district
- Set up health deductions in new districts
- Deductions for ACA, Positions
- Identify which schools need to pay AOE fees
- Verify and correct deduction import
- Union dues

Accounts Payable:

- Prepare calendars for treasurers/board members and payroll with due dates and board meetings
- Send letters to charging vendors cancelling charges

Facility, property, and liability transfer:

- Terms for transfer to the state of property and facilities
- Sunsetting and transfer of debt and liabilities

- Transfer of responsibility and liability of any pending legal action or pending cases
- Insurance