

Chittenden County CESA Pilot: A Region-Specific Implementation Model

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The Problem the Committee Has Identified

The Joint Fiscal Office told this committee: **“The fiscal impact of shared services and regional approaches remains unclear. Cost savings are not defined or guaranteed.”** Chittenden County is the only region in Vermont that can answer this question right now.

What the Chittenden Framework Provides

Region-specific back-office consolidation analysis across all 8 Chittenden districts (21,700 students, \$85.2M total back-office cost), sourced from AOE data:

Function	Staffing Change	Annual Savings
Finance & Business	54.6 FTE → 19-25 FTE	\$3.1-3.7M
HR & Payroll*	22.3 FTE → 8-10 FTE	\$1.4-1.6M
Information Technology	75.0 FTE → 26-34 FTE	\$3.9-4.6M
Facilities & Maintenance	314.5 FTE → 204 FTE	\$6.6M
Purchasing	8 separate → centralized	\$0.5-1.0M
Transportation (AOE CC 605)	116.8 FTE, \$7.4M total cost	\$1.5-1.8M
Phase 2 Total (Back Office + Transportation)		\$16.5-18.8M
Phase 3 Educational Support (potential)	Spec. Ed, Curriculum, Data Systems	\$3-4M
TOTAL ANNUAL SAVINGS (Phases 2-3)		\$20-23M

* HR & Payroll savings reflect HR consolidation. Payroll processing remains entity-specific under CESA without legal unification (per SBSD Finance, 2026).

All figures include 37.5% benefits. Sources: AOE database (FY2020-2025); AOE Cost Center 605; VTDigger (March 2026).

Independent Validation: Campaign for Vermont (May 1, 2026)

CFV presented three findings to this committee that directly validate the Chittenden approach:

<p>Finding 1: District Scale ≠ Savings R=0.04 — no correlation between district size and per-pupil cost. District consolidation alone is not the answer.</p>	<p>Finding 2: SU-Scale Does Save Money R=0.16 — meaningful negative correlation at supervisory union scale. Chittenden CESA operates at exactly this scale.</p>	<p>Finding 3: Act 46 Cautionary Lesson ~\$1,500/student cost increase from salary level-ups wiped out merger savings. This model avoids that by keeping districts as separate legal entities.</p>
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Source: Campaign for Vermont, “H.955: What Is the Most Effective Model for Rural Education?” Senate Education Committee, May 1, 2026.

The Ask: Build a Pilot Designation Into the Senate’s Approach

Whatever CESA structure the Senate adopts, the implementation will only succeed if at least one region goes first with state support. The Senate has the power to pace implementation. Three specific actions would make that possible:

- Designate Chittenden County (or any CESA the Senate identifies) as a pilot implementation region — with a defined timeline and state resources to go first
- Require shared services to be the primary focus of the initial CESA phase, before merger study activities begin — consistent with CFV’s recommended re-sequencing
- Include a savings measurement mechanism so this committee can verify whether CESAs deliver the efficiencies the JFO has said remain unproven

The analysis is complete. The districts have directional interest. Chittenden can go first — and demonstrate the model before the State Board makes its recommendations.