

**TESTIMONY PROVIDED TO:** House Ways & Means and Senate Finance Committees

**FROM:** Meagan Roy, Ed.D. (Chair, Commission on the Future of VT Education)

**TOPIC:** Commission Update

**DATE:** March 11, 2025

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Thank you again for the opportunity to provide an update to your respective Committees regarding the work of the Commission, so that we are able to remain present and engaged as you conduct your work. This testimony follows the written testimony I shared with your committee chairs in mid-February. I will review some of the highlights of that testimony as well as updates from our March meeting.

### **Commission Cadence & Focus**

Since the last time I joined each of your committees in January, the Commission has been working to navigate a path forward that would allow the Commission to be most useful to the legislature. Our charge, as you well know, is to “[...]study the provision of education in Vermont and make recommendations for a statewide vision for Vermont’s public education system to ensure that all students are afforded substantially equal educational opportunities in an efficient, sustainable, and stable education system.” Since the sharing of the Administration’s proposal and the ensuing discussions here at the legislature, it has been challenging for the Commission to find its way forward. The Administration’s proposal is not the Commission’s proposal, nor were we charged with responding to that proposal. And yet: as the body convened to study the provision of public education in Vermont, should we respond to that proposal? Or continue the deep policy work that this general assembly asked us to do? Answering this question continues to be a challenge.

The Steering Group (responsible for coordinating the workplan of the Commission) believes it is important to continue forward with our work in the three areas we have identified: Governance, Funding and Quality. The Commission has been organizing its agendas so that they can develop questions, considerations and recommendations for the legislature. This also allows the Commission to respond to active policy proposals as well as continue to move forward on the long-term charge identified in Act 183.

Although the Commission is not required to deliver a report until its final one in December, we think it is important to communicate its work in real time, and have committed to maintaining a cadence of reporting to the legislature after each meeting. This may eventually result in “issue briefs” or similar communications, up to and including recommendations.

### **Summary of February 17th and March 3rd Meetings**

In February, the Commission engaged in a useful discussion about the Funding pillar, which I will highlight here because it is especially relevant to your two committees. This discussion was wide-ranging, surfacing a number of considerations and reactions specific to the idea of a foundation formula as well as discussion about the Administration’s proposal writ large and our role as a Commission. I will highlight both here.

#### *Foundation Formula Considerations*

This agenda topic was meant to surface questions, concerns and/or considerations for the legislature as it considers the merits of a transition to a foundation formula. Members reflected on earlier legislative

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presentations as well as Administration testimony. The following are themes that emerged from the discussion:

- **There is concern about the sufficiency of the base amount included in the Administration’s proposal.** In considering the merits of a foundation formula, it is clear that the most important question to answer before deciding if it is a good idea is the calculation of the base amount. An inadequate base funding amount does not provide the resources needed for schools to meet the needs of students (see also comments below, under Quality).
  - The proposal takes almost \$200 million out of Vermont’s education system. Commission members are clear in their belief that this magnitude of reductions would impact students.
  - Individual districts who operate at or close to scale and historically spent at *or below* statewide per pupil spending (likely due to that scale) have modeled the new formula and would face significant reductions. Commission members questioned why we would contemplate a model where districts operating at the preferred scale would be penalized.
- **There is concern about the sole reliance on the “evidence-based model” to derive the base in the Administration’s proposal.** There are actually three methods for developing a base model, and the most effective states triangulate information from all three before setting the base amount of funding. If it is considering the merits of a foundation formula, Commission members suggest the legislature should utilize not only the evidence-based model cited by the Agency’s consultants, but Professional Judgement Panels and Education Cost Functions (See [Design Considerations for Establishing a Foundation Formula](#), Dr. Tammy Koble, January 30 2025)
- **Any foundation formula needs to include a mechanism for the formula to be adjusted in the future.** Commission members noted that foundation formulas are at risk of future decreases, especially during financially challenging times for states. An “inflator” must be included in the formula to prevent future reductions in the base amount of funding.

#### *Cost Drivers*

Commission members discussed that any proposal to adjust funding (or governance) will not result in change unless overall cost drivers are also addressed. Instead, a reduction of education funding will simply impact students. Some cost drivers identified include healthcare, facilities, tuition, mental health services and others.

#### *Governance*

Commission members noted that it is difficult to adequately assess a funding model that is built on a governance structure that does not exist yet, which prompted discussion about the governance portion of the Administration’s proposal. The following themes emerged from this discussion:

- **Any change to governance (regardless of the number of districts) would need to occur prior to the funding formula shift.** Because the formula modeled in the Administration’s proposal is based on the five-district structure, it relies significantly on savings that can only occur in that

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structure. Commission members noted that decreasing funding before making changes to scale results only in a significant decrease in funding to students.

- **The savings reflected in the Administration's proposal are derived from a governance structure that does not exist yet.** Commission members discussed the amount of upheaval and disruption to the system that would occur if the Administration's governance proposal were implemented and whether that scale of change is worth the tax impact. Members were concerned about the “upending” of our educational system with little concrete information to suggest better quality - and whether that upheaval would be worth the tax savings.
- **The magnitude of change involved in this proposal requires more time and contemplation to determine the merits - and even more time for implementation.** Commission members shared their belief that the timeline proposed by the Administration would be insufficient. They noted that there is not sufficient capacity within the Agency to support such change. The Commission discussed Act 173 as an example of implementation challenges - that legislation arguably addressed only one component of our education system and yet is not fully realized even now, seven years after passage.

### *Choice*

Commission members noted that it was impossible to separate the expansion of school choice in the Administration’s plan from the discussion of the funding formula and governance structure. There was concern raised about this expansion taking more students out of the public education system at a time when schools are already experiencing enrollment decline, and that expansion of choice risks further destabilization of the public education system. There remain significant equity concerns about who accesses school choice and who does not.

### *Quality of Education*

There was discussion about the impact of this proposal on the quality of instruction provided to students. Members acknowledge that the Administration states their proposal results in improved quality. However, it was discussed that even if a massive governance shift occurred as proposed, that would not necessarily change the delivery of education at the local level. Thus, Commission members discussed their concern that the proposal would simply reduce funding with no guarantee of increased quality. Specifically:

- **Any discussion of a foundation formula must be grounded in the extent to which it provides the resources necessary for a school to implement quality instructional practices.** The Commission noted that the proposal as outlined does not rely on research about evidence-based *instructional* practices. Act 173, a law designed to require schools to implement evidence-based MTSS practices, would not be sufficiently funded in the proposed formula. This would be an important reason for Professional Judgement Panels to be part of developing any sort of base amount.

### *School Construction*

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Members discussed that the current proposal does not address the facilities needs that are well-articulated in the legislature's own study of facilities. Facilities needs are not only a cost driver - they are intricately connected to any change in delivery model that could occur as part of the plan. Several members shared examples of districts that are contemplating the merging of smaller schools, but who can't make those changes without facilities renovations. Commission members believe that the basic infrastructure needs of our system cannot be separated from any proposal.

### *Taking a Position on the Proposal Overall*

As Commission members engaged in the discussions outlined above, several members voiced that the Commission should consider taking a position as a Commission about the merits of the Administration's proposal - specifically, a position against the proposal. The group ultimately determined that this should not be done at the February 17th meeting because several members were missing - including, notably, representatives of the Administration. Commission members felt it was important to share the following:

- **The Commission was not involved in the development of the Administration's proposal.** Members pointed out that the Administration developed and communicated this plan outside the legislatively-created Commission that was created to do just that: develop recommendations for changes to Vermont's education system. Slides describing the Administration's plan were emailed to the group after they had been presented to the legislature. Commission members maintain that they should have been involved in the development from the beginning, providing the kind of deep engagement that the legislature intended when it convened the Commission.
- **The rollout of the proposal lacks critical detail, making it difficult to adequately engage in responding to and providing feedback.** Commission members voiced frustration with the rollout of the proposal. The Commission has found it challenging to deliver on its duty to raise issues, concerns and pose alternatives. Members expressed feeling "stuck" - unsure whether they need to provide alternative recommendations because they are waiting to learn more. This parallel design track has not been productive, and is certainly not representative of the collaboration that the Administration speaks about.
- **The message stated and implied in the Administration's proposal that Vermont needs a complete rebuild of the entire system serves to further degrade our public education system.** Commission members voiced significant concern about messaging that faults Vermont educators, leaders, school boards and communities for the challenges we face today. Thoughtful questions are described as "defending the status quo" and those who ask those questions described as "misinformed." This denigration further erodes the public education system. Instead, the Commission believes that the design of any transformation should build on the strengths of our existing system.

The Commission met again on March 3rd, with a focus on Governance. The Commission engaged first in a brainstorm with two guiding questions: What are we trying to **gain** with the creation of scale through a governance change? What are the **risks**? This conversation again was wide reaching, but the most

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common gains centered around operational efficiency and increased opportunity for students. The risks identified included:

- An acknowledgement that governance change alone does not reduce costs - there must be a corresponding policy lever for cost containment. Cost containment without addressing cost drivers and delivery will only reduce services for students.
- Governance change (and therefore consolidation) cannot be done without addressing construction and facilities costs.
- There are a number of operational challenges that will require thoughtful analysis, including (but not limited to) the merging of collective bargaining agreements, teacher salary, local engagement (concerns raised about the viability of local school councils).

Perhaps the greatest question raised was: Is upending the current system worth the potential gain in efficiency and will it realize the increased opportunity it hopes for? During its discussion, Commission members made clear that they believe there are steps we can take to improve quality, funding and governance and improve the experience (and outcomes) for Vermont students. Commission members do not wish to maintain the status quo.

### **Next Meeting Focus: Communication & Engagement (March 17th)**

The Commission has been working with Afton Partners, a communication and engagement firm hired to support the Commission's community engagement. The contract with Afton began in January, and their first task is to revise the Commission's Communication and Engagement plan. Afton met with the Communication & Engagement subcommittee last Thursday the 6th to get input on those revisions, which will be presented to the full Commission on the 17th.

While the revised plan is something that will be presented then, I do think one element of Thursday's discussion is important to highlight today. We discussed the importance of utilizing an Equity Impact Assessment during the development of any policy recommendations. Afton partners shared a tool; we also know that our own Office of Racial Equity has a tool. Regardless of the method, this real-time analysis of any proposals is critical in order to address the Commission's pillar of Equity. It is also a way to center voices that are not sitting at our table as we make recommendations. The Commission does not believe that this has occurred yet.

What is clear to the Commission is this: To do transformative policy work well, the approach needs to be recursive. One must gather data and input, react and reflect on that information, adjust, and repeat the process. This is human-centered design for education policy. This Commission is poised to do this work, if the legislature continues to ask us to do that.