

Governor Scott's Education Transformation Proposal

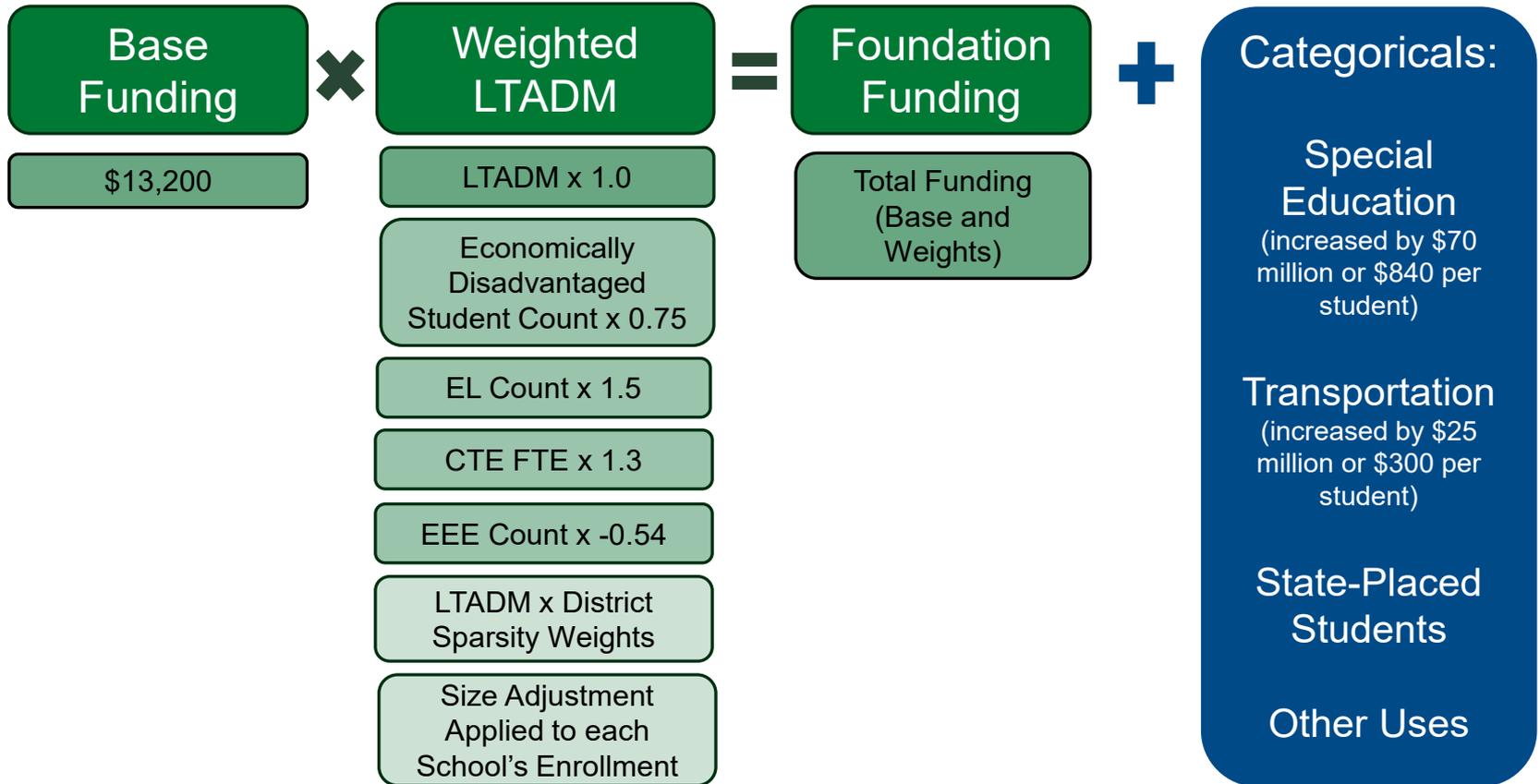
FUNDING FORMULA FOLLOW UP

Review of Proposed Funding Formula

Components of the Proposed Funding Formula

- The proposed Vermont foundation funding formula includes:
 - An evidence-based base per-pupil funding amount, which represents the resources needed for a student with no special needs, in a district with no special circumstances, to receive a quality education;
 - Adjustments (through weights or funding amounts) to target additional resources to support student needs, including for economically disadvantaged students, English Learners (ELs), and Career and Technical Education (CTE) students, along with categorical funding for special education students; and
 - Adjustments to address school and district circumstances including scale and geographic sparsity.

Summary: Proposed Funding Formula



Evidence-Based Funding Amount

- Beginning work with Picus Odden and Associates (POA) Vermont Evidence-Based (EB) Analysis from the September 2024 report
 - One of four recognized adequacy approaches
 - Used in Arkansas and Wyoming as basis for formula, and upheld by their courts as meeting each state's legal requirements
- Approach builds prototype schools and district based on available research on best practices in educational resources
- Used to generate the funding amount each student should receive at the base, or minimum, level
 - Not intended to be prescriptive in how funds are used

Base Resources Identified in the EB Model

- Key resources include:

- Class size ratios of 15:1 K-3 and 25:1 4-12
- Specials (or elective) teachers to ensure planning and collaboration time for teachers, robust course offerings at secondary level
- Instructional support:
 - 1 Instructional Coach for every 200 students to work with teachers to improve practice, use data to drive instruction
 - 1 Interventionist for every school to work directly with students to provide Tier II intervention (through push in/pull out one-on-one or small group instruction)
 - 1 Library Media Specialist per school
- Student support:
 - A counselor per 450 students in elementary and per 250 students in secondary
 - A nurse for every 750 students
- A principal and assistant principal in high school, plus secretarial staff
- Supervisory aides to cover duties and protect teacher planning time

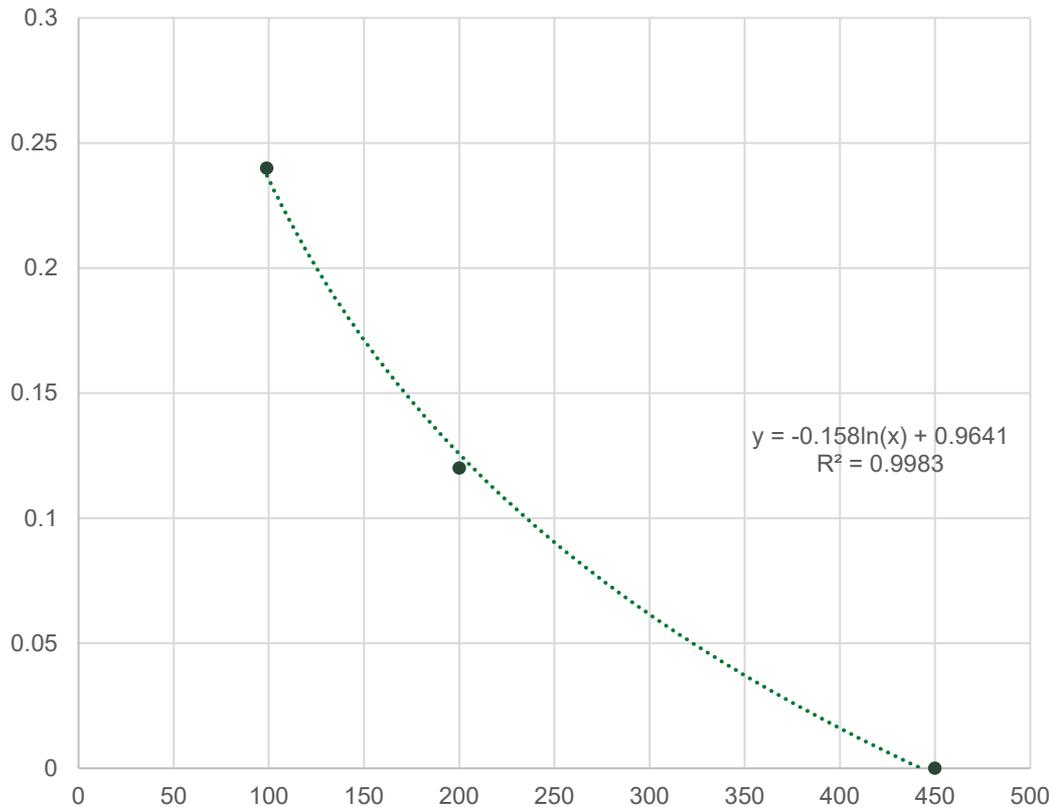
Adjustments to the EB Model

- AOE and APA recommended adjustments to the EB Model Base to address:
 - Vermont context – recognizing the EB Model as presented is built on a set of prototypes that are larger than the current VT context
 - Including teacher, family, and community feedback from Listen and Learn Tour
 - Areas where the EB is commonly seen as under resourced when reviewed as part of other state studies
 - APA has partnered with POA in several states to implement and adjust, or reconcile, the EB model's recommendations based upon the feedback of educators
 - Key policy priorities such as CTE and college and career readiness courses

Recommended Adjustments

- Recommended adjustments to EB model include:
 - Staffing specials or elective teaching staff at the middle school similar to the high school to allow for more robust course offerings, including career exploration, and needed planning time for staff;
 - Adding additional high school teaching positions to offer college and career readiness coursework;
 - Adding additional student support, including mental health professionals at all levels;
 - Adding assistant principals at the elementary and middle school level;
 - Adjusting the nurse staffing level from 700:1 to 500:1 to align with Vermont education quality standards;
 - Increasing teacher salaries and ensuring teacher pay equity across the state; and
 - Adding additional per-student funding to provide CTE coursework in middle and high schools, as well as to support flexible pathways.

Size Adjustment Formula

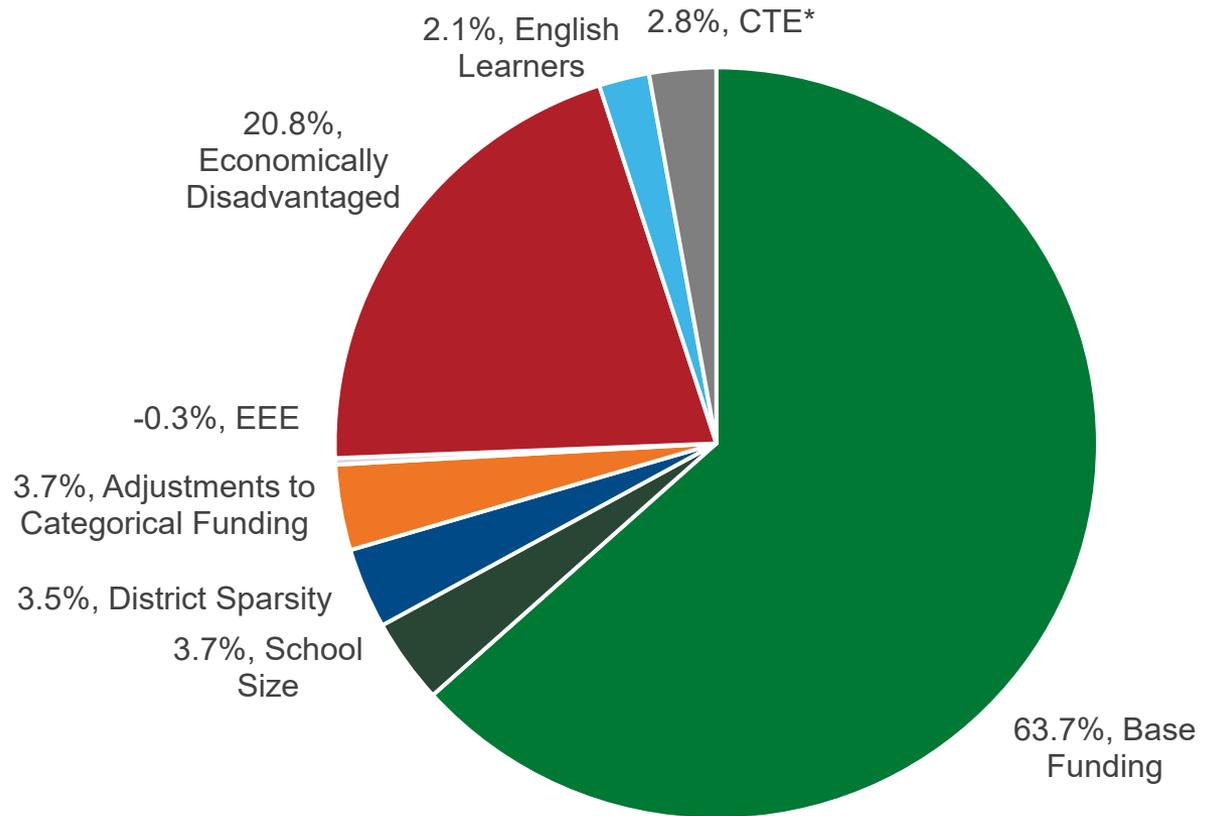


School Enrollment	Weight Using Size Adjustment Formula	Additional Funding Generated Per Student
50	0.35	\$4,565.88
100	0.24	\$3,120.26
200	0.13	\$1,674.63
250	0.09	\$1,209.24
300	0.06	\$828.99
450	0.00	\$0.00
600	0.00	\$0.00

Breakdown of Statewide Average Recommended Formula Funding

The statewide average recommended funding is \$20,726 per student

Does not include additional categorical funding for special education, transportation, state-placed students and other uses



FY25 Comparison, Current Districts

Comparison of Total Funding Recommended to FY25 Ed Spend

	Total Funding/ LTADM	FY25 Ed Spend/ LTADM	% Difference
Statewide Average	\$20,726	\$22,558	-8%
By District Size			
Group 1 (Less than 180 LTADM)	\$22,221	\$24,141	-8%
Group 2 (180-349 LTADM)	\$22,115	\$23,884	-7%
Group 3 (350-929 LTADM)	\$21,862	\$23,328	-6%
Group 4 (930+ LTADM)	\$20,339	\$22,011	-8%
By District Need			
Low (Less than 39% FRL)	\$19,223	\$21,781	-12%
Moderate (39-53.9 % FRL)	\$21,932	\$24,585	-11%
High (54%+ FRL)	\$23,556	\$23,621	0%

While overall net reduction statewide, recommended Total Funding per LTADM is estimated to be higher than FY25 Ed Spending per LTADM in 36 districts (30%)

Overall Spending in Future State

Overall Spending in Future State

- Foundation formula based on desired future state using an evidence-based model of what the research says is needed to support student success, adjusted for Vermont context and priorities
- Resource estimates developed from scratch vs. starting with current and making reductions to get cost savings
- Represents the recommended amount of funding that the state, and Vermonters collectively, should be responsible for providing; does not include any additional local funding
- Differences between recommended and current spending differ widely by community due to existing variations in spending, with no change/increases in about a third of communities (often high need)
- Local communities will decide how to use funding

Overall Spending in Future State, continued

- While difficult to quantify specific cost savings, operating fewer districts and setting education quality standards (like minimum class sizes) is expected to:
 - Lower administrative overhead at the district level, both by reducing the number of districts with separate central offices and having districts that operate at an efficient scale
 - Improve staffing efficiencies by being able to share staff across schools in a district and achieve evidence-based class sizes
 - Over time, “right sizing” workforce will help address ongoing staffing shortages and ensure qualified teacher in every classroom
 - Reduce costs in purchasing and centralized service contracts and fees
 - Increase equity between districts in terms of student need, community property wealth, and spending
- Will require a period of transition

Questions?

