

House Education Committee

February 11, 2015

State Board of Education Comments on "Education Proposals 1.2"

The state board of education commends the House Education Committee for engaging a wide array of concerns in one bill in such a rapid fashion. The underlying issues are complex and difficult. On the specifics, the state board has not met since this draft was released so it takes no position on the bill as a whole. These remarks are focused only on the governance sections.

The SBE's legislative position is:

Governance and Consolidation – The SBE recommends and encourages local education agencies to continue to study and implement the consolidation of services, in whole or in part. Incentive grants and technical support must be available from the state. (The SBE is aware of existing statutory authority regarding the realignment of supervisory union boundaries (16 V.S.A. § 262) and closing of schools (16 V.S.A. § 165) if the accountability system determines that students are being systemically denied adequate educational opportunities.)

The board's legislative agenda has also endorsed the study of the adequacy of and contemporary relevance of numerous categorical grants including small schools and maximum loss provisions. Some programs, such as poverty weights, for example, may need to be strengthened.

The following bullet points raise broad conceptual and technical issues that need close examination. No philosophical or policy position is implied. These are simply issues that need addressing as the bill progresses:

- **Purpose** – The bill needs a clearly expressed purpose statement. Lack of clear and explicit connections between the purpose and the content was a criticism leveled against last year's efforts. For example, some will see the bill's purpose as closing small schools. Explicitly addressing such issues enhances transparency and communications.
- **Education Quality Standards** – The state board, the secretary and the agency are focused on designing a new accountability system based on educational quality. This central feature needs to be prominently integrated into any governance proposal. Current language in 16 VSA 165 provides authority to adjust boundaries or close schools if they are not meeting standards. Education quality becomes the driving force in this nascent approach.
- **Staffing and time** - Vergennes, Rochester and Chittenden East show us that governance conversations need high quality staff support over a sustained period of time. An FY 18 completion date is likely too short a time when we consider the entire state . The state board is willing to take on these challenges but if the entire enterprise is to be successful, it must be properly but prudently supported. It is estimated that three qualified professional staff and ancillary support is needed.

- Locally Generated Alternative Governance Proposals – Some contend we currently have too many governance structures in Vermont. If each district arranges one-off contracts with some combination of neighbors, the result could be even greater complexity, increased monitoring difficulties and unanticipated consequences. A set of parameters or limits needs to be established.
- Districts & One Person-One Vote – The apprehension is that the “big town” would have the most votes and simply close the small schools. Possible solutions could be ward representation, town representation, closure votes requiring approval of the affected town, preservation of pk-6 schools (or prek-4) at the town level, etc. None of these solutions is ideal. It is a knotty problem requiring careful prior reflection.
- Orphans and Loners – While the SBE has not specifically addressed this area, I anticipate that the SBE would be willing to deal with the outlined issues.
 - It appears that if a school district votes itself out of a “school district” arrangement, the SBE could simply set aside a vote of the citizenry. This could be volatile and problematic.
- Non-operating districts – A school district composed of non-contiguous, non-operating towns could pose problems. Folding non-operating districts into the school district where the children primarily go to school would enhance cooperation and sharing. There may be simpler solutions such as grand-fathering existing choice arrangements.
- Out-of-state/ out of country tuition – Speaking as a former superintendent, such taxpayer subsidies are *de facto* entitlements available only to more affluent parents. Thus the practice is disequalizing.
- Rolling student count/ phantom students/ soft-landing – These mechanisms are quite common in state funding formulas. These ideas have been broadly endorsed and deserve close review. Speaking as a finance professor, if the aim is saving money, excess spending penalties may prove to be the stronger mechanism over time.
- “Geographically isolated” – I would suggest the SBE determine these as these become a judgment call. No one person should have to bear the weight. Sparsity and distance thresholds are clumsy mechanisms.
- RED grants and small schools grants given to the new districts continuing indefinitely has the same problem of “phantom students.” These should sunset. Otherwise, equity and efficiency issues are raised.
- Hiring and Firing – (a former superintendent’s view). Current law has principals reporting to boards and superintendents. If the primary model is school districts, then a traditional line-staff supervision model is needed. Principal turn-over is great and having the decisions go through a superintendent is a wise and prudent, check and balance.