



*Getting Started on Act 46:
Context and Process*



Fall 2015

Act 46: Statewide Context

- ▶ High expectations for our schools to meet the needs of today's students – Education Quality Standards, Universal PreK, Act 77
- ▶ Increasing poverty and addiction rates
- ▶ Growing inequity in student opportunity and outcomes
- ▶ Significant cost pressures
- ▶ High leadership turnover



What Do We Want for All Our Children?



What Do Our Communities Value?



Can We Tackle These Challenges and Better Meet the Needs of All Students?

- ▶ What limitations prevent us from making our system better?
- ▶ How can we change, bend, or break those limits?
- ▶ What “how we’ve always done it” assumptions might be keeping us from finding ways to create a better set of opportunities for our children?



Act 46: Creating PreK-12 Systems



Act 46: Creating PreK-12 Systems

On or before July 1, 2019 educational opportunities in Vermont shall be provided through “**sustainable governance structures**” that provide PreK-12 educational opportunities at a reasonable cost.



Act 46: Creating PreK-12 Education Systems

These governance structures are expected to achieve the following outcomes:

- ▶ Provide **equity** in the quality and variety of educational opportunities
- ▶ Lead students to **meet or exceed the Education Quality Standards**
- ▶ **Maximize operational efficiencies** through greater flexibility to manage, share, and transfer resources, with a goal of increasing district-level student-to-staff ratios
- ▶ Promote **transparency and accountability**



Act 46: Preferred Governance Structure

- ▶ A single PreK-12 district
- ▶ Serving at least 900 students
- ▶ That has one of the four most common structures:
 - ▶ Operates all grades PreK-12;
 - ▶ Operates PreK-8 and tuitions 9-12;
 - ▶ Operates PreK-6 and tuitions 7-12; or
 - ▶ Pays tuition for all students grades PreK-12.



Accelerated Transition

- ▶ By **July 1, 2016**, the electorate approves a plan to merge **all member districts** of a supervisory union into a single education district.
- ▶ New district must have a minimum ADM of 900, be operational on or before July 1, 2017, and agree to provide data to the Secretary of Education in order to evaluate the impact of the merger on quality and cost.
- ▶ Accelerated mergers are intended to produce a VT-specific research base on the process, design, benefits and opportunities associated with districts operating at scale.



Accelerated Transition

▶ Incentives:

- ▶ Homestead tax rate reduction of \$.10/\$.08/\$.06/\$.04/\$.02 in the first five years of operation. Every district can realize the full reduction (no 5% protection) in the first five years.
- ▶ New district will keep any small schools grants currently received by any of the merging districts.
- ▶ Transition facilitation grant of \$150,000, or 5% of the base education amount multiplied by the new district's ADM, whichever is less.
- ▶ Keep the 3.5% hold-harmless protection for declining enrollment, which otherwise will be eliminated in FY 2021.
- ▶ Exempt from the requirement to repay a portion of state construction aid upon sale of a school building.



Study Committee Process

- ▶ The committee is a public body subject to open meeting laws and must elect a chair to preside over meetings.
- ▶ The committee should establish a charge to help guide its work, which includes an analysis of whether to form a union school district.
- ▶ “The study committee may determine that it is inadvisable to form a union school district or it may prepare a report in the form of an agreement between member districts for the government of the proposed union school district.” 16 VSA 706b(b)



Study Committee Process

- ▶ Study committee report (also known as the “Articles of Agreement”) must address the following issues:
 - ▶ Names of the school districts the committee considers to be necessary and/or advisable to form the new district
 - ▶ Grades that will be operated by the new district
 - ▶ A plan for the first year of operation re: transportation, assignment of staff, and curriculum
 - ▶ The indebtedness of the member districts that the new district will assume
 - ▶ The specific pieces of real property that the union shall acquire, their value, and how the new district will pay for them
 - ▶ Allocation of capital and operating expenses
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Study Committee Process

- ▶ Study committee report must address the following issues (cont'd):
 - ▶ Board composition and proportional representation; board shall have no more than 18 members, and each member district shall be entitled to at least one representative
 - ▶ Term of office for initial board of directors, which must include staggered terms
 - ▶ The date when the union school district proposal will be submitted to the voters
 - ▶ The date on which the union school district will begin operating schools and providing educational services
 - ▶ Any other matters the committee considers important



Study Committee Process

- ▶ Once the report is complete, it is submitted to proposed member district boards for review and comment and is then sent to the Agency of Education/State Board of Education for approval
- ▶ If the SBE approves the report, the proposal goes to the electorate on the date established in the report
- ▶ If the electorate of all member districts votes in favor of the proposal, the union school district will be created and will be operational on the date specified in the report



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