

AGENCY OF EDUCATION BUDGET BOOK

FY 2022 Budget Recommendations and Annual Report

February 8, 2021

Submitted by the Vermont Agency of Education to the Vermont General Assembly



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Introduction

We are pleased to present for your consideration the budget recommendations of the Vermont Agency of Education hereafter referred to as the Agency or AOE for Fiscal Year 2022 (FY 2022). The budget book is organized into four sections.

The first section contains the Agency Purpose Statement, a message from the Secretary, and some of the policy analysis and legislative work in which the Agency is currently engaged.

The second section provides an overview of the two appropriations that fund the Agency. Included in this section are:

1. Budgetary Overview
2. Summary of positions in the Agency and organizational structure
3. Budget detail of the two operating appropriations that support the Agency
4. Overview of State and Federal grants managed directly by the Agency

The third section provides a budget overview of appropriations from Vermont's Education Fund.

The final section provides the COVID-19 emergency work in which the Agency is currently engaged and an overview of Results Based Accountability and the Programmatic Performance Measure Report.

Agency of Education Purpose Statement

The Agency of Education implements state and federal laws, policies and regulations so that all Vermont learners have equitable access to high-quality learning opportunities. The Agency accomplishes this mission through the provision of leadership, support and oversight of Vermont's public education system.

Message from the Secretary

Update on Organizational Structure

The Agency completed its move to the National Life building last year. In the previous year, the Agency had embarked on a reorganization plan, and the reorganization was utilized to guide the planning for the move to National Life. The Agency is now mostly organized around five divisions which contain 20-30 employees each. The divisions were situated at National Life to maximize opportunities for communication and collaboration among divisions and teams. The result of this planning is that the Agency is now located in a more collaborative workspace.

The Agency made significant progress in filling vacant positions last year and is essentially now fully staffed. One division, the Finance and Administration Division, has most of the remaining vacancies. This division recently went through some reorganization with the hiring of a new Chief Financial Officer. A new Deputy Chief Financial Officer position was created, and we are now in the process of filling line positions around a "centers of excellence" paradigm.

Response to the COVID-19 Emergency

The reorganization of the Agency and its move to National Life helped the Agency respond to the demands of organizing an integrated response to the COVID-19 pandemic. A major part of that response has been around the coordination of communications with other state agencies and with school districts.

The Agency created a COVID-19 Response Team by utilizing staff from its various divisions. Since March 2020, the Response Team has met twice a day to coordinate the Agency's COVID-19 response work. Investments were made in new communication tools to enhance this team's capabilities by using funds set aside for the Agency under the federal Elementary and Secondary School Emergency Relief program (ESSER).

ESSER funds were also used to cover additional salary costs for overtime and work directly related to the COVID-19 response. Many Agency staff have taken on additional responsibilities as a result of the response including providing additional support for our student meals programs, providing guidance and support for remote learning, planning in coordination with the State Emergency Operations Center, and managing the complexities of several new federal financial programs.

FY 2022 Budget Proposal

The Agency's proposed FY 2022 budget is essentially a level funded budget with no new positions. ESSER seems to be sufficient to cover costs related to our COVID-19 response for now.

Agency capacity is directly related to the work the Agency is being asked to perform, so the Agency will advocate for additional staff when new programs and projects are proposed. The Agency will also advocate for modernization reforms and other reforms that improve the overall efficiency and effectiveness of the Agency.

In terms of modernization, we think it is important to follow through on the next steps for implementing a statewide student information system platform. Last year we completed a Request for Information from vendors. This year we would like to use that information to launch a Request for Proposals. The education system as a whole struggles with data quality issues largely because it relies on the many standalone student information systems deployed at the school district level. The Agency believes data quality would be improved greatly if a single state-level system was implemented. Also, a single system would lower costs significantly.

In terms of improving overall organizational efficiency and effectiveness, the Agency is advocating for restructuring of the role of the State Board of Education (Board). Many functions of the Board are legacy functions left over from a time when the Board supervised the operations of the Agency. These legacy functions, primarily in regulatory authority, create duplicative work and dilute the ability of the Agency to provide support and oversight of the education system.

Another area for restructuring is moving childcare functions from the Child Development Division (CDD) of the Department for Children and Families (DCF) to the Agency. This would create a new Early Care and Learning Division at the Agency of about 35 staff. Most of the efficiencies from this restructuring would happen at the Agency of Human Services but consolidating these teams in one Agency will create the opportunity for better collaboration and oversight of this critical policy area.

Uniform Chart of Accounts – School District Data Management System

Sec. E.500.1 of Act 179, 2014, as amended by Act 58 of 2015, required that the Agency work to implement a uniform chart of accounts (UCOA) to be used by all school districts in the state. The goal of this endeavor is to provide the Agency and the General Assembly the financial data necessary to do fiscal analysis of Vermont's schools to inform policy decisions. All school districts and SUs were reporting to the Agency using the UCOA as of July 1, 2020.

The Shared School District Data Management System (SSDDMS) is a shared system of accounting for supervisory unions and supervisory districts (SU/SDs) in Vermont. The SSDDMS is intended to provide a consolidated repository of school system financial data in order to provide better information for both the legislature and local decision-makers, yielding greater transparency and the opportunity for quality, data-driven policy for Vermonters. As directed by Act 58 of 2015 and amended by Act 6 of 2019 (deadline extension to 2020) and Act 076 of 2019 (deadline extension to 2022), all SUs and SDs must implement the SSDDMS by July 1, 2022. Compliance with this directive is being achieved through the deployment of the SSDDMS, which is being implemented through the use of eFinancePlus, a commercial off the shelf (COTS) software system developed by PowerSchool, Inc.

Implementation of the SSDDMS has been occurring in small groups of SUs. 19 SUs have been migrated to the new system with another 14 currently in the implementation stage. The remaining 21 SUs have not yet begun the transition to implementation. All SUs are required to be fully implemented as of July 1, 2022.

Special Education Funding Change – the Implementation of Act 173 of 2018 as Amended

Background

The General Assembly commissioned two studies in 2016 to review the funding and delivery of special education in Vermont. The first of the two studies, produced by the District Management Group (DMG), suggested five key areas in which Vermont could invest to improve outcomes for struggling learners. The second study, conducted by University of Vermont (UVM), compared the value of reimbursement versus census funding models for special education. The culmination of these two studies resulted in the implementation of a census-based funding model through Act 173 of 2018.

The shift in the funding model is anticipated to generate several benefits for SU/SDs including a reduction in state and local administrative burdens, and the more flexible use of funds. This change is expected to support Vermont school districts in their efforts to capitalize on the DMG findings and to improve outcomes for all students. The General Assembly subsequently delayed the implementation of the census block model, to begin July 1, 2022.

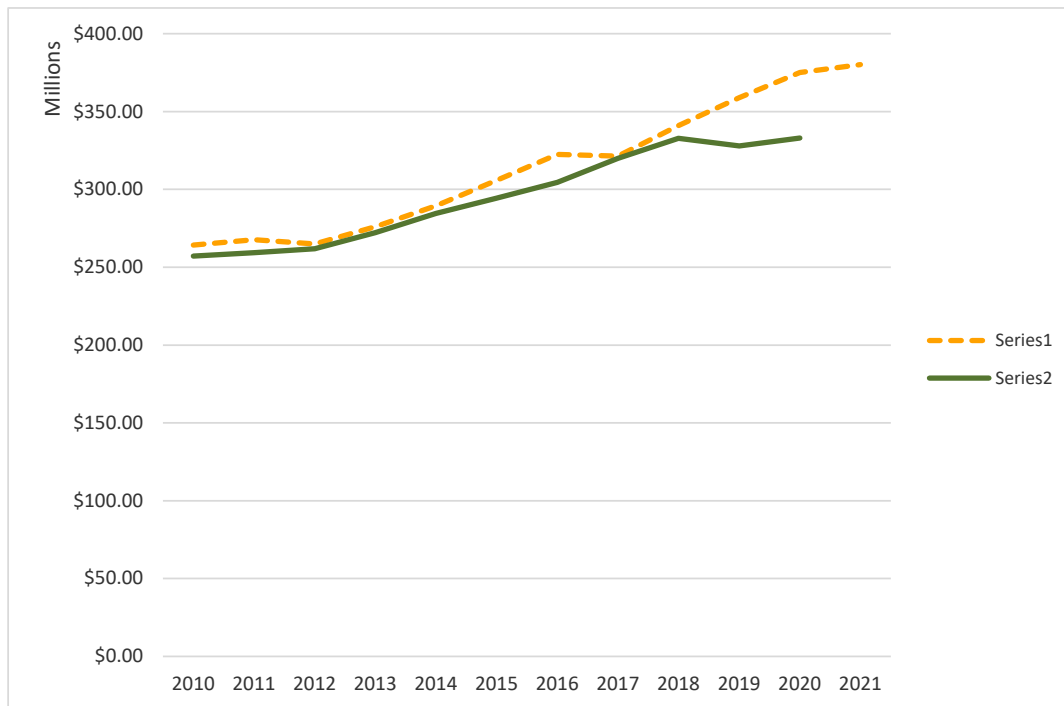
Change in Funding

The migration from reimbursement to census-based funding models is expected to occur gradually over a number of years beginning in FY 2023, when SUs will receive an amount based

on historical funding. The census funding model will be fully implemented in FY 2027, where each SU/SD in the state will receive the same per student funding amount to support special education, known as the uniform base amount. Beginning in FY 2027, each SU/SD will receive a grant equal to the uniform base amount multiplied by the SU's average daily membership. Through FY 2022, special education in Vermont will continue to be funded through a combined block grant and reimbursement system, where the state provides 60% of total special education costs to SU/SDs.

The following chart provides the budget vs. actual spending on special education by the state and local SU/SDs since FY 2010. The estimates are based on service plans (budgets) submitted to the Agency every fall. In FY 2015 and FY 2016, there was divergence between the projected budget for special education and the actual local spending, generating significant reversions to the Education Fund. This window coincided with the final, legislatively mandated push to consolidate special education services at the supervisory union level from the district level. A possible explanation for this divergence is that districts had trouble predicting costs under the state-mandated transfer of special education services to the supervisory level from the district level, which resulted in an overestimation of local budgets. In subsequent years, actual expenditures closely align with projected need.

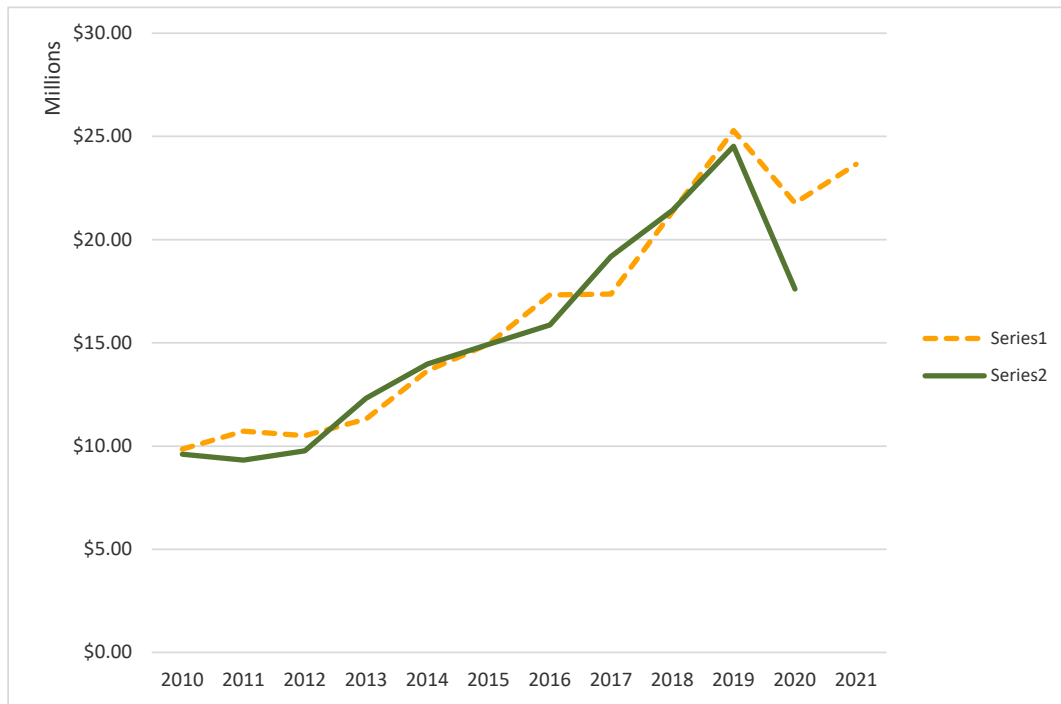
Figure 1: Special Education Spending Estimates vs. Actuals



In addition to special education expenditure reimbursements, beginning in FY 2020, the state began reimbursing 95% of student specific costs over an extraordinary cost threshold of \$60K. The volume of such reimbursements has increased over time. This is due in part to the fact that the previous threshold of \$50K for extraordinary cost reimbursement had not changed since the late 1990s. Act 173 increased this threshold to \$60K in FY 2020, and beginning in FY 2023 and for every year following the threshold will be increased by the National Income and Product

Accounts (NIPA). Additionally, the General Assembly included some modifications to the reimbursement formula to remove incentives to make funding decisions on the margin.

Figure 2: Extraordinary Costs Estimates vs. Actuals



Implementing Act 173

It is important to note that the success of Act 173 is only partly about the implementation of a change to the funding mechanism. The only way that the change in funding will be successful is if SU/SDs implement the changes in practice that are necessary to slow spending. The practice changes identified by the DMG report are not only best practices to ensure the best outcomes for students, but many of them have the potential to result in reduced spending.

Since the adoption of Act 173, the Agency has begun work to support successful implementation of the law. This work has included beginning the rule making process to realign the special education funding rules with the census-based funding model. The AOE has been working on developing professional development and technical assistance resources to help SU/SDs implement the change in practice necessary to achieve the goals of the Act. The Agency is working to align the work of Act 173 with other work underway at the AOE.

FY 2022 Budgetary Overview, Operating Budget & Organization

Agency of Education FY 2022 Budgetary Overview

The FY 2022 operations budget (excluding the Education Fund grant appropriations) is reflected in Sections **B.500 Finance and Administration** and **B.501 Education Services**. These two appropriations support all of the work that is done by the Agency associated with the implementation of the initiatives adopted by the General Assembly, the State Board of Education, the U.S. Department of Education, the U.S. Department of Agriculture and several smaller programs funded by a few other Federal Agencies.

\$225.47M is appropriated in these two sections. The following chart shows the distribution of these funds by funding source.

Figure 1: FY 2022 Funding for Finance and Administration and Education Services, Including Grants

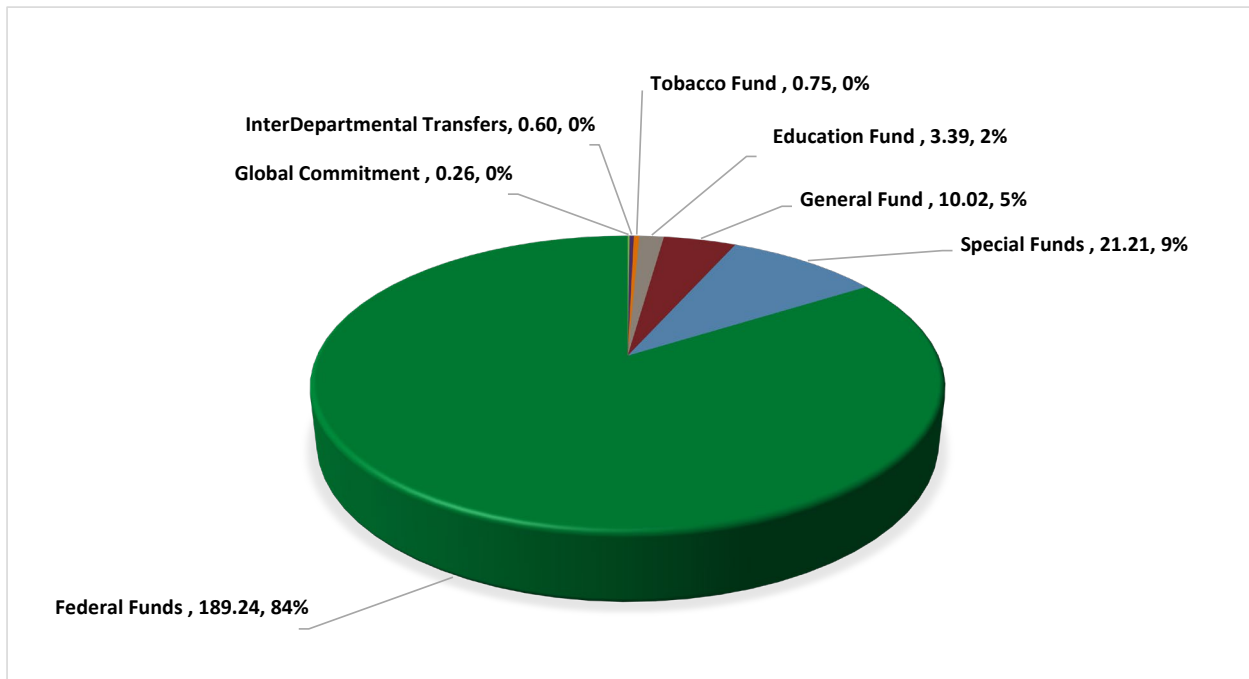


Figure 1: Data Table

Fund	Total
Global Commitment	0.26
InterDepartmental Transfers	0.60
Tobacco Fund	0.75
Education Fund	3.39
General Fund	10.02
Special Funds	21.21
Federal Funds	189.24
Total	225.47

Of the \$225.47M appropriated to Agency operations, \$33.3M supports operating and personnel, or about 15% of the two appropriations. Agency operations as a percentage of the total amount

appropriated for general education from all sources is only 1.6% of the total \$2.075B appropriated.

Figure 2: Agency of Education Budget Overview

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
DEPARTMENT GRAND TOTAL			
CATEGORY OF EXPENDITURE			
PERSONAL SERVICES	25,522,361	28,258,111	2,735,750
OPERATING EXPENSES	5,084,952	5,093,030	8,078
GRANTS	<u>1,936,975,906</u>	<u>2,041,879,351</u>	<u>104,903,445</u>
TOTAL ALL CATEGORIES	1,967,583,219	2,075,230,492	107,647,273

Figure 2: Source of Funds Detail

GENERAL FUND			
PERSONAL SERVICES	6,722,760	6,774,180	51,420
OPERATING EXPENSES	1,409,866	1,403,646	(6,220)
GRANTS			
1 Education Services	1,920,566	1,920,566	0
2 Adult Education & Literacy	3,496,850	3,496,850	0
3 Flexible Pathways	<u>962,725</u>	<u>962,725</u>	<u>0</u>
GRANT TOTAL	<u>6,380,141</u>	<u>6,380,141</u>	<u>0</u>
TOTAL GENERAL FUND	14,512,767	14,557,967	45,200
EDUCATION FUND			
PERSONAL SERVICES	2,300,000	2,300,000	0
OPERATING EXPENSES	1,075,307	1,089,605	14,298
GRANTS			
4 Technical Education	14,816,000	15,514,300	698,300
5 Special Education Formula	223,718,575	229,000,000	5,281,425
6 State-placed Students	18,000,000	17,000,000	(1,000,000)
7 Flexible Pathways	8,262,725	8,262,725	0
8 Statewide Education Spending	1,489,500,000	1,539,060,000	49,560,000
9 Essential Early Education	7,044,052	7,050,104	6,052
10 Transportation	20,459,000	20,476,000	17,000
11 Small School Support	<u>8,200,000</u>	<u>8,100,000</u>	<u>(100,000)</u>
GRANT TOTAL	<u>1,790,000,352</u>	<u>1,844,463,129</u>	<u>54,462,777</u>
TOTAL EDUCATION FUND	1,793,375,659	1,847,852,734	54,477,075

Figure 2: Source of Funds Detail Continued

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
TOBACCO LITIGATION FUND			
PERSONAL SERVICES	190,907	193,867	2,960
OPERATING EXPENSES	11,714	11,714	0
GRANTS			
12 Tobacco Litigation	<u>547,767</u>	<u>544,807</u>	<u>(2,960)</u>
TOTAL TOBACCO LITIGATION FUND	750,388	750,388	0
FEDERAL, SPECIAL & INTERDEPARTMENTAL FUNDS			
PERSONAL SERVICES	16,308,694	18,990,064	2,681,370
OPERATING EXPENSES	2,588,065	2,588,065	0
GRANTS			
13 Finance & Administration	16,770,700	16,770,700	0
14 Education Services	122,510,896	172,954,524	50,443,628
15 Adult Education & Literacy	<u>766,050</u>	<u>766,050</u>	<u>0</u>
GRANT TOTAL	<u>140,047,646</u>	<u>190,491,274</u>	50,443,628
TOTAL FED, SPEC, INTERDEPT. FUND	158,944,405	212,069,403	53,124,998
TOTAL ALL CATEGORIES	1,967,583,219	2,075,230,492	107,647,273

General Funds to Support Education

In FY 2019 the General Assembly repealed the long-standing transfer of General Funds to the Education Fund. Instead of the General Fund transfer, the General Assembly dedicated to the Education Fund:

- 100% of the Sales and Use Tax,
- 25% of the Rooms and Meals Tax,
- 33% of Purchase & Use Tax,
- Lottery Transfer,
- Medicaid Transfer, and
- Wind & Solar Tax, Fund Interest to the Education Fund.

Additionally, the following expenditures were moved from the Education Fund to the General Fund:

- Adult Education and Literacy,
- the Community High School of Vermont,
- the unfunded liabilities for the Teachers’ Pension,
- Other Post-Employment Benefits, and
- the administration at the Agency that is not covered by Federal Funds or other sources.

General Fund appropriated to the AOE operations budget support activities including:

- The Secretary’s Office and Legal Division,
- The Finance Division (to manage and allocate state and federal dollars),
- The required minimum state matches to retain federal dollars, and
- Administration of several programs including:
 - Drivers Education,
 - Oversight of Home Schooling,
 - Independent School review and approval,
 - Act 77/Flexible Pathways work,
 - Instructional Technology Support, and
 - Adult Education and Literacy.

Education Fund and Agency Operations

By statute, Education Fund dollars can only be used for authorized educational purposes and cannot be used for state level activities. Therefore, Education Fund dollars cannot support AOE operations or activities. Historically, however, the funds appropriated to the Agency from the Education Fund in B.500 reflect the Education Fund’s share of internal service fund costs (VISION) and the audit allocation. These costs are about \$1.1M.

In the FY 2022 budget and with prior approval from the General Assembly (16 V.S.A. § 4025(b)(5)), the Agency is continuing the \$2.3M for the administrative appropriation to support two statewide technology activities from the education fund. These two activities include the Statewide Longitudinal Data System (SLDS) and the Statewide School District Data Management System (SSDDMS) which are required by state and federal law and will be utilized by all school districts.

This appropriation ensures that the Agency has the funds necessary to continue to implement/operate these systems to meet state and federal data reporting requirements to achieve statewide efficiencies through the use of a centralized system.

Federal Funds

Federal dollars fund many of the education initiatives at the Agency, including AOE staff for support of:

- Career and Technical Education,
- Accountability,
- Special Education,
- Education Quality and School Improvement, and
- Nutrition support for day cares, PreKs, schools and adult care programs.

Of the \$189M federal funds appropriated to the AOE, approximately 8%, or \$16M, are used to fund personal services, contractual obligations and operating costs of the Agency; the remaining \$173M is granted out.

When the State accepts federal funds, we accept the responsibility to execute and monitor the grants on behalf of the federal government. Much of the work of the Agency is to ensure that Vermont continues to be good stewards of allocated federal dollars. The majority of these

federal dollars are granted to school districts to support many of Vermont’s most vulnerable students. The only way that districts can continue to receive these funds is if the Agency provides the federally required fiscal monitoring and oversight.

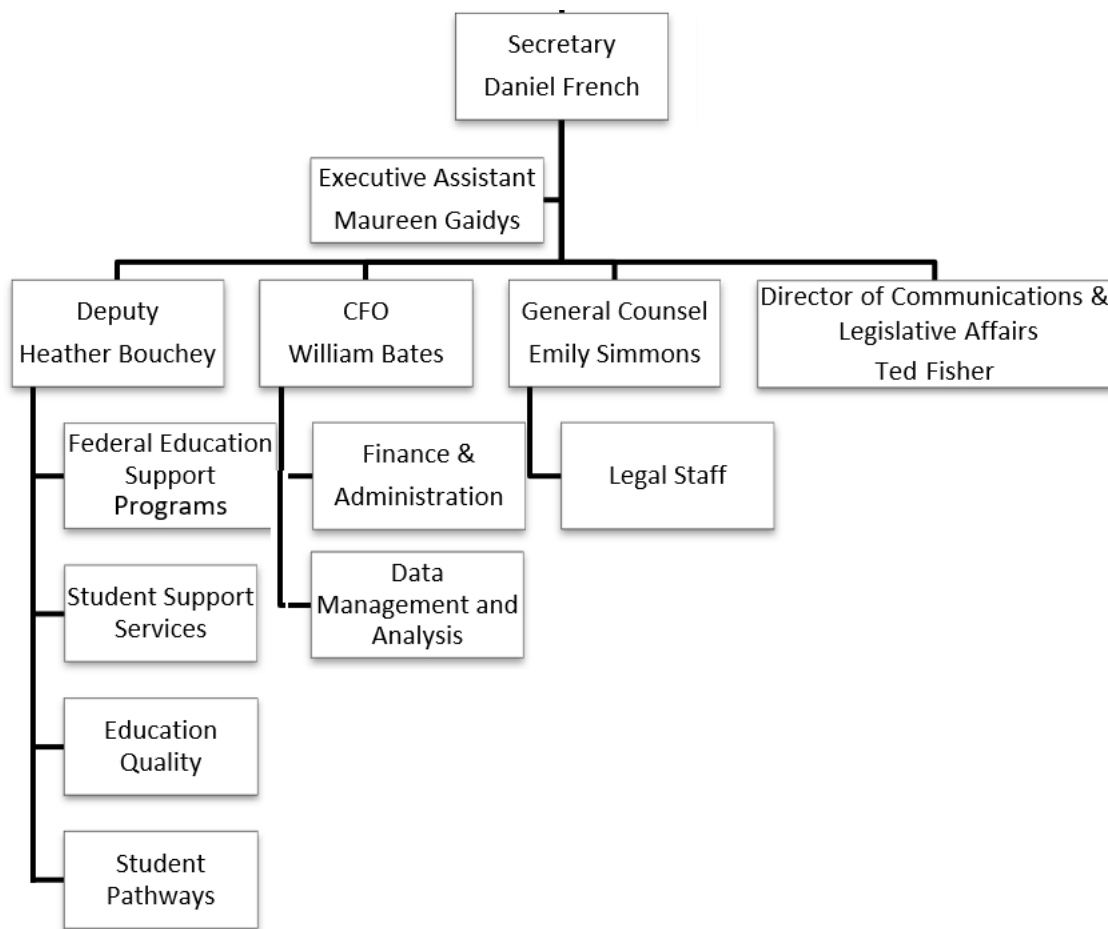
In addition to federal funds, the Agency relies on Medicaid funds to support operations at the Agency, innovation grants to school districts, and to supplement revenues in the Education Fund. School districts generate this revenue through billing at the local level. Uncertainty around the future of Medicaid may impact this funding source in the future, with implications for operations at both AOE and AHS.

To support administration of federal funds, the federal government also provides a “small state minimum” allocation. It’s worth noting that this small state minimum has not increased in about 20 years and has not been adjusted for inflation.

The breadth of federal grants provided by the Agency are outlined in the specific team budgets throughout this document.

Agency of Education Organization and Positions

Figure 1: Agency of Education Organization Chart



The Agency is led by the Agency Secretary. The State Board of Education makes policy and rules and provides oversight capacity of the implementation of Education Law and Policy by the Agency.

Position Summary

The FY 2022 Executive budget recommendation includes funding for 160 positions at the AOE.

Positions at the Agency are supported by a variety of funding sources. Figure 1 displays the change in positions by funding source over time.

Figure 1: Positions by Funding Source at the AOE 2008-22 Budget Request

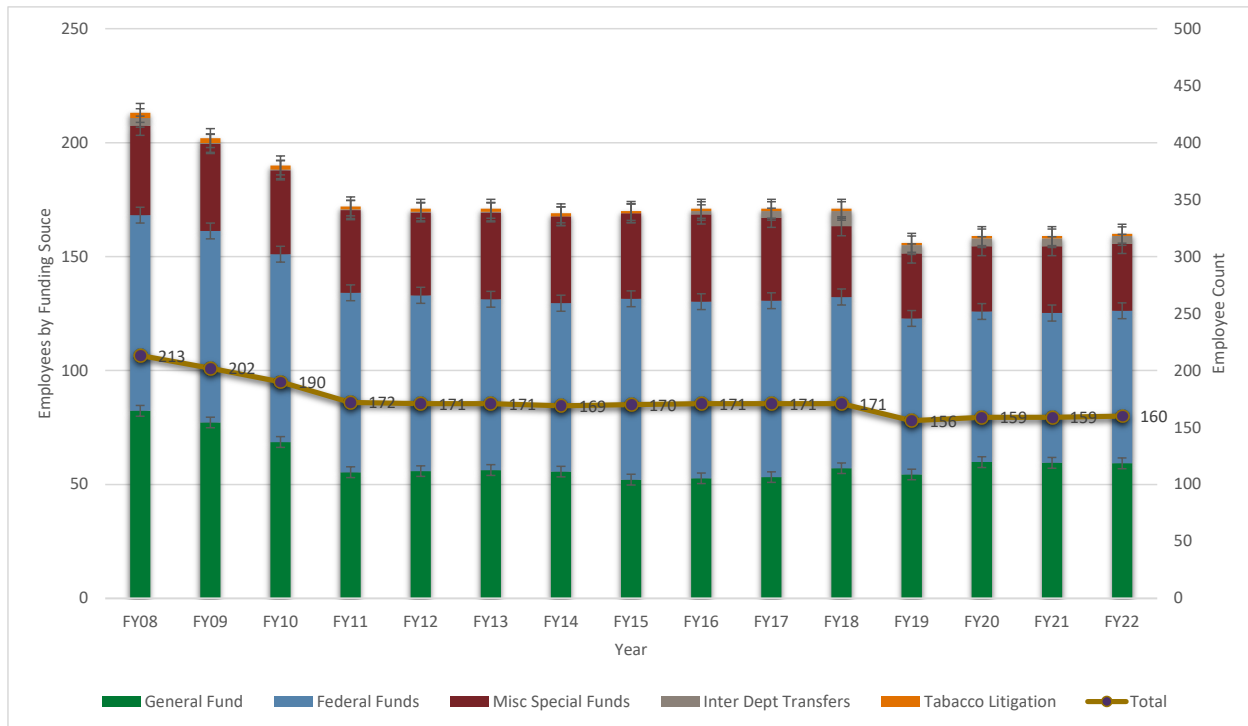


Figure 1: Data Table

Fund	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
General Fund	82.3	77.2	68.6	55.4	55.8	56.3	55.6	52.1	52.7	53.2	57.1	54.4	59.8	59.5	59.3
Federal Funds	85.9	84	82.4	78.8	77.2	75	73.9	79.4	77.6	77.5	75.1	68.5	66.1	65.7	67
Misc Special Funds	39.2	38.2	36.9	36.3	36.4	38.1	38.2	37.5	38.3	36.4	31.1	28.5	28.6	29.3	29.3
Inter Dept Transfers	3.4	0.35	0.34	0.31	0.3	0.31	0	0	1.5	3	6.7	3.65	3.45	3.45	3.45
Tabacco Litigation	2.3	2.2	1.8	1.3	1.3	1.3	1.3	1	1	1	1	1	1	1	1
Total	213	202	190	172	171	171	169	170	171	171	171	156	159	159	160

In aggregate, the Agency has 53 fewer positions, a 25% reduction than it did in 2008. In the interim, the Agency has taken on new work associated with new statutory mandates. It is important to recognize that in any one year there will be changes, associated with reorganization of government (as an example, the creation of the Agency of Digital Services ADS) and the acceptance and expiration of Federal Grants that include limited service positions.

B. 500 – Education - Finance and Administration

The Finance and Administration appropriation contains many of the general operational functions that support the central functions of the Agency. The major functions of the division include:

- The Office of the Secretary
 - In addition to the Secretary and Deputy Secretary, the Office of the Secretary also includes the Communications Team, which supports internal and external communications as well as Legislative Affairs.
- The Legal Division – supporting litigation, contract review, legislative and administrative rule drafting, license investigations and sanctions, and administrative hearing and dispute oversight for special education;
- The Finance Division - supporting both central Business Office operations and School Finance; fiscal and regulatory compliance of districts; technical assistance for school construction; administration of the distribution of funds to school districts per the requirements of state and Federal Law - including funds for General Education, Special Education, and the Medicaid Program; collection and analysis of school expenditures and revenue; and the implementation of a statewide uniform chart of accounts.
- The Data Management and Analysis Division (DMAD) is responsible for collecting, stewarding, analyzing and reporting on data from all levels of Vermont’s education system. A centralized AOE resource serving as the main partner to the Agency of Digital Services (ADS), this Division oversees the processes, infrastructure and practices that support the data lifecycle for the most mission critical data assets the AOE and Vermont is responsible for on an annual basis.

The Finance and Administration division of the Agency has an FY 2022 budget of \$34.238M including grants, an all funds budget increase of \$210K. The net changes in the appropriation are driven by several factors, including:

1. Increase associated with annualized salary and benefits
2. Changes in internal services funds
3. Added per diems

Figure 1: B. 500 – Finance and Administration Budget Summary

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
CATEGORY OF EXPENDITURE			
PERSONAL SERVICES	13,278,166	13,479,879	201,713
OPERATING EXPENSES	3,979,764	3,987,842	8,078
GRANTS	<u>16,770,700</u>	<u>16,770,700</u>	<u>0</u>
TOTAL ALL CATEGORIES	34,028,630	34,238,421	209,791
SOURCE OF FUNDS			
GENERAL FUND (A)	5,388,716	5,446,749	58,033
EDUCATION FUND (B)	3,375,307	3,389,605	14,298
FEDERAL FUNDS (C)	6,132,426	6,201,700	69,274
SPECIAL FUNDS (D)	18,550,009	18,603,202	53,193
INTERDEPT. TRANSFER (E)	<u>582,172</u>	<u>597,165</u>	<u>14,993</u>
TOTAL ALL SOURCES	34,028,630	34,238,421	209,791

Figure 2: Source of Funds Detail

(A) GENERAL FUND			
PERSONAL SERVICES	4,207,464	4,271,717	64,253
OPERATING EXPENSES	1,181,252	1,175,032	(6,220)
GRANTS	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL GENERAL FUND	5,388,716	5,446,749	58,033
(B) EDUCATION FUNDS			
PERSONAL SERVICES	2,300,000	2,300,000	0
OPERATING EXPENSES	1,075,307	1,089,605	14,298
GRANTS	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EDUCATION FUNDS	3,375,307	3,389,605	14,298
(C) FEDERAL FUNDS			
PERSONAL SERVICES	5,121,133	5,190,407	69,274
OPERATING EXPENSES	1,011,293	1,011,293	0
GRANTS	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FEDERAL FUNDS	6,132,426	6,201,700	69,274
(D) SPECIAL FUNDS			
PERSONAL SERVICES	1,097,539	1,150,732	53,193
OPERATING EXPENSES	681,770	681,770	0
GRANTS			
1 Medicaid	16,510,700	16,510,700	0
2 Global Fund	<u>260,000</u>	<u>260,000</u>	<u>0</u>
TOTAL SPECIAL FUNDS	18,550,009	18,603,202	53,193
(E) INTERDEPT. TRANSFER			
PERSONAL SERVICES	552,030	567,023	14,993
OPERATING EXPENSES	30,142	30,142	0
GRANTS	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL INTERDEPT. TRANSFER	582,172	597,165	14,993
TOTAL ALL SOURCES	34,028,630	34,238,421	209,791

Finance and Administration Grants: The following provides an overview of the Grants appropriated in the Finance and Administration division of the AOE:

1. Medicaid: Pursuant to [16 V.S.A. § 2959a](#) School districts use these grants for prevention and intervention programs in grades PreK-12 and for the administrative costs of school-based health services.
2. Global Commitment: These funds are appropriated to the Agency to make payments to the State's contractor for reimbursement of physician claims to document medical necessity of eligible students.

B. 500 – Finance and Administration; Personal Services and Operating

The Finance and Administration division houses 66 Positions. The following chart provides an overview of how these positions are funded:

The majority of funds for the administration of the Agency are from the General fund (55%). Federal funds provide 26% of funding for the positions, these federal funds are comprised of both indirect funds earned through the administration of federal grants, as well as state-level Special Education dollars to support the special education finance team.

The following chart shows an overview of positions by team by fund in the Finance and Administration Appropriation:

Figure 3: B. 500 Finance and Administration FY 2022 Position Funding

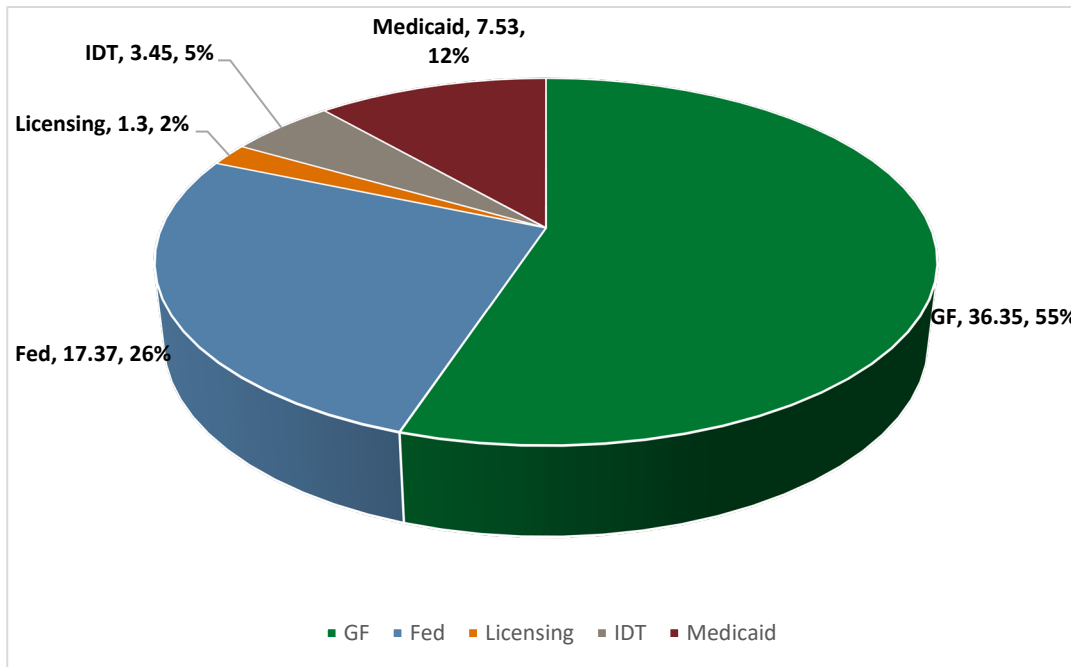


Figure 3: Data Table

Team	GF	Fed	Licensing	IDT	Medicaid	Total
Finance and Administration	36.35	17.37	1.3	3.45	7.53	66
Percentage of Total	55.08%	26.32%	1.97%	5.23%	11.41%	100.00%

The Finance and Administration Appropriation includes the majority of the internal service charges for the Agency. This includes the allocations for ADS and DHR, as well as the charges from Finance and Management to operate VISION and for the Audit for both Finance and Administration and for the Education Fund. In addition, the appropriation contains the expenses for the SSDDMS and the SLDS.

B. 501 – Education Services

Working under the direction of the Deputy Secretary, the Education Services Divisions provide support, technical assistance and oversight to the work of the local education agencies (LEAs), assisting them in implementing state and federal requirements for education across the state.

The Education Services unit is made up of four divisions. The work of each division is described in the following pages, along with details on the grants programs that they support.

The divisions include:

- Student Support Services
- Student Pathways
- Federal Education and Support Programs
- Education Quality

Figure 1: B. 501 Education Services Budget Summary

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
CATEGORY OF EXPENDITURE			
PERSONAL SERVICES	12,205,290	14,739,327	2,534,037
OPERATING EXPENSES	1,073,385	1,073,385	0
GRANTS	<u>124,979,229</u>	<u>175,419,897</u>	<u>50,440,668</u>
TOTAL ALL CATEGORIES	138,257,904	191,232,609	52,974,705
SOURCE OF FUNDS			
GENERAL FUND (A)	4,593,768	4,580,935	(12,833)
FEDERAL FUNDS (B)	130,069,027	183,038,116	52,969,089
TOBACCO LITIGATION FUND (C)	750,388	750,388	0
SPECIAL FUNDS (D)	2,844,721	2,863,170	18,449
INTERDEPT. TRANSFER (E)			<u>0</u>
TOTAL ALL SOURCES	138,257,904	191,232,609	52,974,705

Figure 2: Source of Funds Detail

(A) GENERAL FUND			
PERSONAL SERVICES	2,476,391	2,463,558	(12,833)
OPERATING EXPENSES	196,811	196,811	0
GRANTS			
1 Adult Services Coordinator	211,233	211,233	0
2 Tech Ed Adult Formula	29,320	29,320	0
3 Special Olympics	13,778	13,778	0
4 Child Nutrition - State Match	483,348	483,348	0
5 Child Nutrition - Child Care	223,268	223,268	0
6 Child Nutrition - Breakfast	277,632	277,632	0
7 Child Nutrition - Summer Food	51,387	51,387	0
8 Child Nutrition - Free Lunch Initiative	297,250	297,250	0
9 Child Nutrition - TEFAP	83,976	83,976	0
10 Governor's Institutes	186,874	186,874	0
11 Teacher of the Year	2,500	2,500	0
12 Outright Vermont	<u>60,000</u>	<u>60,000</u>	<u>0</u>
TOTAL GRANTS	<u>1,920,566</u>	<u>1,920,566</u>	<u>0</u>
TOTAL GENERAL FUND	4,593,768	4,580,935	(12,833)

Figure 2: Source of Funds Detail Continued

(B) FEDERAL FUNDS			
PERSONAL SERVICES	6,952,265	9,477,726	2,525,461
OPERATING EXPENSES	650,866	650,866	0
GRANTS			
14 Carl Perkins Secondary	2,500,072	3,500,072	1,000,000
15 Perkins Secondary Reserve	200,000	350,000	150,000
16 Carl Perkins Post-secondary	881,657	1,000,000	118,343
17 Post-secondary Reserve	100,000	100,000	0
18 Carl Perkins Leadership	75,000	75,000	0
19 Carl Perkins Corrections	42,149	55,000	12,851
20 21st Century	6,850,000	8,850,000	2,000,000
21 Title I Grants to LEAs	32,000,000	32,000,000	0
22 Title I Migrant	500,000	600,000	100,000
23 Title I Migrant Consortium	100,000	100,000	0
24 Title I Neglected or Delinquent	150,000	150,000	0
25 Homeless Education Act	175,000	225,000	50,000
26 Title II, ITQ	10,500,000	12,500,000	2,000,000
27 IDEA-B Flow-Thru	24,300,000	30,346,800	6,046,800
28 Preschool Incentive	600,000	1,234,000	634,000
29 School Lunch Program	16,204,075	19,165,091	2,961,016
30 Child & Adult Care Food Program	6,100,000	6,286,822	186,822
31 School Breakfast Program	6,651,000	8,419,615	1,768,615
32 Summer Food Service Program	1,401,360	1,658,045	256,685
33 Special Milk Program	35,000	35,000	0
34 Cash in Lieu of Commodities	257,240	285,292	28,052
35 CN Fruits & Vegetables	1,765,370	1,998,488	233,118
36 Child Nutrition - TEFAP	233,989	233,989	0
37 CN Sponsor Admin	510,000	510,000	0
38 CN Equipment Assistance	80,000	80,000	0
39 Title I - School Improvement	2,500,000	5,000,000	2,500,000
40 Title III ELA	325,000	400,000	75,000
41 School Improvement	1,000,000	1,000,000	0
42 Title IV	5,000,000	6,000,000	1,000,000
43 Rural & Low Income Schools	228,984	228,984	0
44 SAMHSA-Project Aware	1,200,000	1,200,000	0
45 ESSER	0	26,033,524	26,033,524
46 GEER	0	<u>3,288,802</u>	<u>3,288,802</u>
TOTAL GRANTS	<u>122,465,896</u>	<u>172,909,524</u>	<u>50,443,628</u>
TOTAL FEDERAL FUNDS	130,069,027	183,038,116	52,969,089

Figure 2: Source of Funds Detail Continued

(C) TOBACCO LITIGATION FUND			
PERSONAL SERVICES	190,907	193,867	2,960
OPERATING EXPENSES	11,714	11,714	0
GRANTS			
47 Tobacco	<u>547,767</u>	<u>544,807</u>	<u>(2,960)</u>
TOTAL TOBACCO FUND	750,388	750,388	0
(D) SPECIAL FUNDS			
PERSONAL SERVICES	2,585,727	2,604,176	18,449
OPERATING EXPENSES	213,994	213,994	0
GRANTS			
48 Licensing	<u>45,000</u>	<u>45,000</u>	<u>0</u>
TOTAL GRANTS	45,000	45,000	0
TOTAL SPECIAL FUNDS	2,844,721	2,863,170	18,449
TOTAL ALL SOURCES	138,257,904	191,232,609	52,974,705

The following chart shows an overview of positions by team by fund in the Education Services Appropriation:

Figure 3: B. 501 Education Services FY 2022 Position Funding

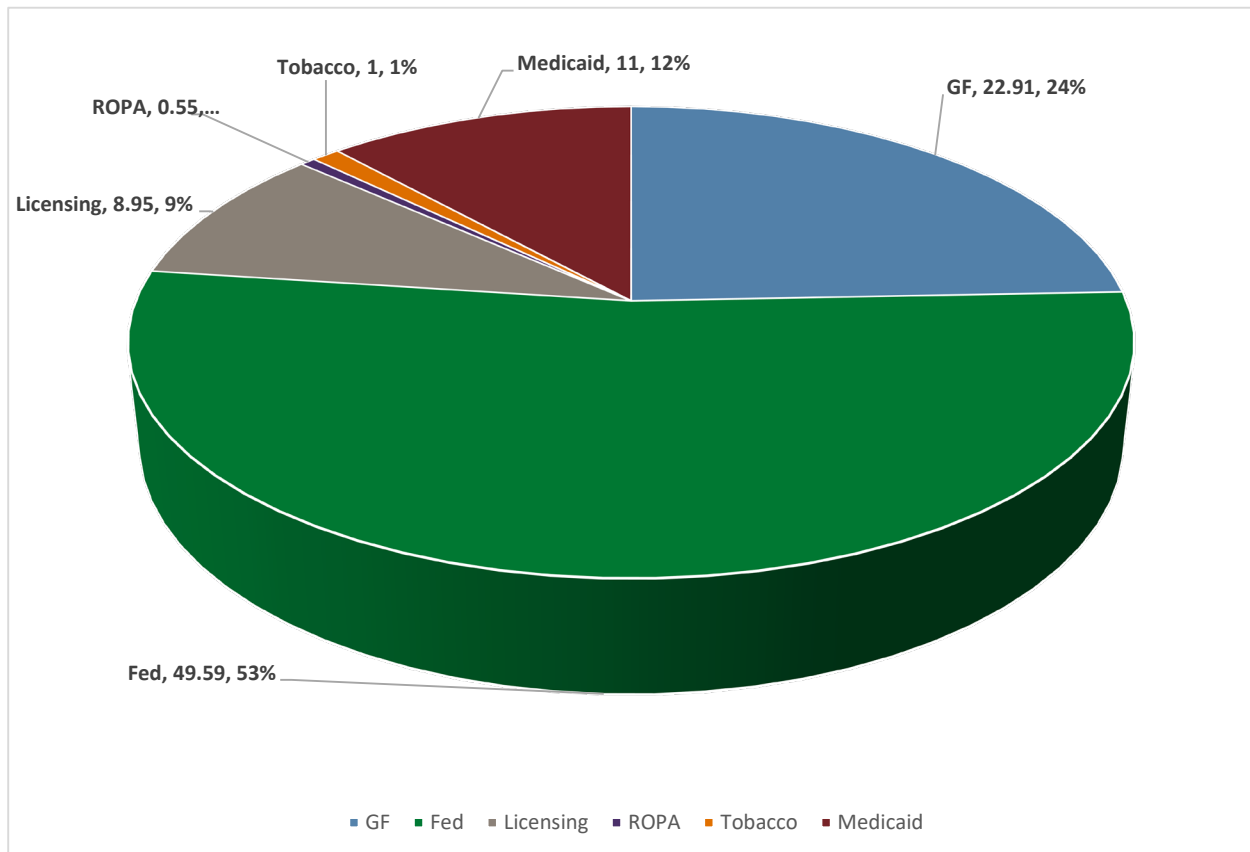


Figure 3: Data Table

Team	GF	Fed	Licensing	ROPA	Tobacco	Medicaid	Total
Education Services	22.91	49.59	8.95	0.55	1	11	94
Percentage of Total	24.37%	52.76%	9.52%	0.59%	1.06%	11.70%	100.00%

The Education Services Division of the Agency has an FY 2022 budget of \$191.2M including grants; an all funds budget increase of \$53M. The net changes in the appropriation are driven by several factors, including:

1. Increase associated with annualized salary and benefits.
2. COVID-19 emergency funding
3. Federal grant increases

B.501 – Education Services Positions and Operating

The Education Services work at the Agency is supported by 94 positions at the Agency. Nearly 53% of the education services position are funded by Federal Funds, and work to support the implementation of Federal Programs. General Funds provide approximately 24% of funding for this work, primarily to support the data team and to implement work that is not supported by Federal funds.

Additional details about the work and budgets of each team is found on the following pages.

Student Support Services

Student Support Services staff define, clarify and implement policies and guidelines related to Special Education, Early Education and Multi-Tiered Systems of Support, with the goal of supporting school systems in ensuring that students have equitable access to educational opportunities and demonstrate equitable outcomes.

The Special Education Team collaborates within the AOE to meet federal special education reporting requirements and identifies and monitors school systems that are in need of additional support. Outcomes from federal reporting and monitoring visits inform the team’s development and implementation of programmatic supports to school systems. Additionally, the Special Education Team plays a critical role in interfacing with parents, community members and other stakeholder groups, including the Special Education Advisory Panel and the Vermont Council of Special Education Administrators, to help define and support the state’s special education needs.

The Early Education Team supports the state’s educators in delivering high-quality educational opportunities to students in preschool to third grade, in alignment with Vermont’s Early Learning Standards (VELS). The Team is in the process of instituting a new monitoring system that will help to identify and address issues of non-compliance and problems of practice and will use that information to inform their ongoing development and delivery of programmatic supports. The Early Education Team also leads the AOE’s Early Multi-Tiered Systems of Supports work, a framework that is aligned with the Vermont Multi-Tiered Systems of Support framework (VTmtss), but that reflects the unique needs of early learners with the goal of ensuring that all students are receiving the high-quality supports that they need to succeed.

The Multi-Tiered Systems of Support (MTSS) Team is responsible for the articulation and delivery of guidance and resources related to the Vermont MTSS (VTmtss) framework. The VTmtss framework informs how schools and SU/SDs identify, deliver and evaluate the efficacy of student supports, with the VTmtss Systems Screener, Driver Diagram, Making Connections documents, and assorted Practice Profiles supporting the implementation of Act 173, specifically. MTSS Team members also provide technical assistance directly to the field—by invitation and upon request—and collaborate with other AOE teams to reflect MTSS framework components in the Agency’s wider continuous improvement efforts.

The SSS division consists of 26 FTEs, which are funded primarily through federal funds. Specifically, the Special Education Team is supported by federal funds provided to the State to implement IDEA.

Figure 1: Student Support Services FY 2022 Position Funding

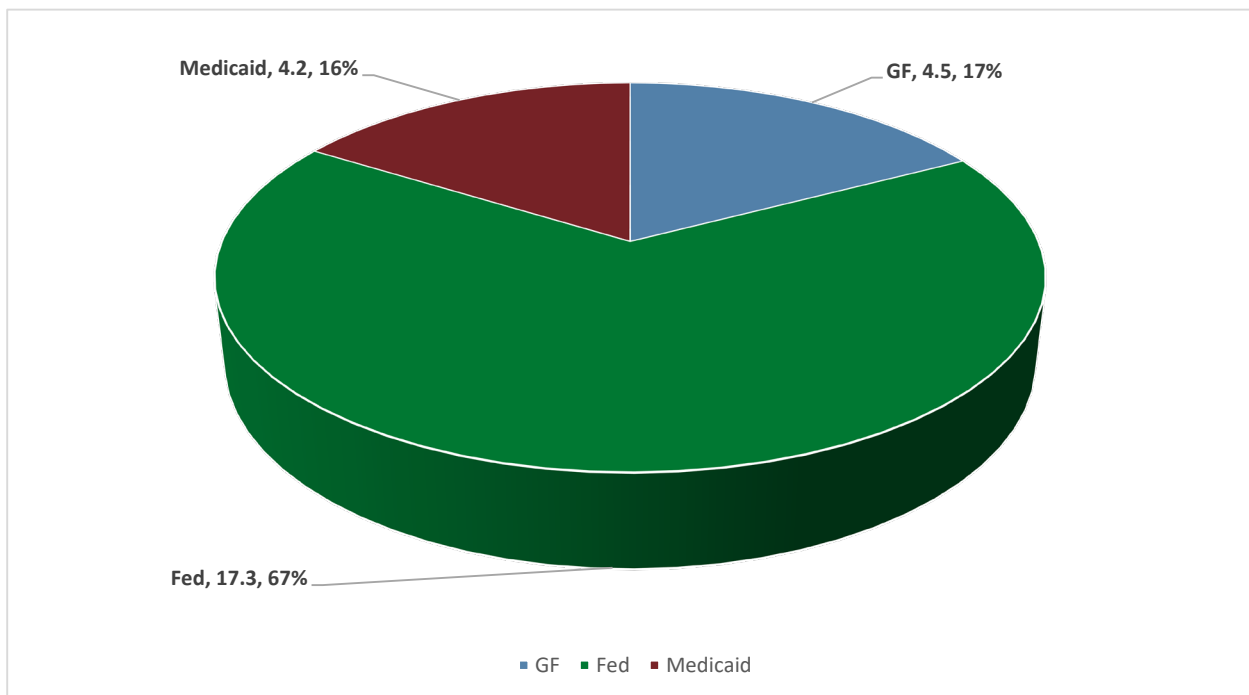


Figure 1: Data Table

Team	GF	Fed	Medicaid	Total
Student Support	4.5	17.3	4.2	26
Percentage of Total	17.31%	66.54%	16.15%	100.00%

The Division of Student Support Services provides the Agency support for the implementation of Special Education, PreK and MTSS.

The Student Support Services Team includes funding for staff to implement programs as well as contracts for professional learning and technical assistance to support SU/SDs in the implementation of instructional models.

In addition to supporting SU/SDs through professional development and technical assistance, the Student Support Services Division is responsible for allocating the following grants:

Figure 2: Student Support Services Grants

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
1 Special Olympics	13,778	13,778	0
2 IDEA-B Flow-Thru	24,300,000	30,346,800	6,046,800
3 Preschool Incentive	600,000	1,234,000	634,000

1. Special Olympics: This program helps ensure that children and adults who have developmental delays have access to unified sports activities with non-disabled peers.
2. IDEA-B - Sub grants: These federal funds flow directly to schools to assist with the costs of special education for children and youth ages 3 to 22.
3. IDEA, Part B, Preschool (sec. 619) Early Childhood Special Education. These funds flow directly to schools to assist with special education costs for children ages 3 up to age 6. 5% of IDEA ECSE Funds reserved for state admin 5% and 20% reserved for state level discretionary dollars. These funds support statewide projects, technical assistance, and compliance monitoring and training regarding special education costs for children ages 3 up to age 6.

Federal Education and Support Programs (FESP)

The Federal Education and Support Programs (FESP) Division is comprised of three teams: Consolidated Federal Programs (CFP), Child Nutrition (CN), and Student and Educator Support (SES). The division consists of 24 FTEs, which are funded primarily through federal funds: specifically, the U.S. Department of Education (USED) funds provided through the Elementary and Secondary Education Act of 1965, currently known as the Every Student Succeeds Act or ESSA, and U.S. Department of Agriculture (USDA) funds that support child nutrition programs.

The CFP Team supports Local Education Agencies (LEAs) with specialized expertise and federal and state funding in closing the achievement gap for students who are: failing or most at risk of failing to meet challenging state academic standards, economically disadvantaged, homeless, migrant, neglected or delinquent, English-language learners, or in state (DCF) custody. The team assists LEAs and other eligible entities to apply for competitive and formula grants, comply with grant terms and conditions, and achieve the maximum benefit from grant investments to improve the academic achievement of at-risk learners. This team also collaborates with other Agency of Education teams to fund and support state-level activities that fall within the priorities of the various federal grant programs it oversees, including activities related to school improvement, educator professional learning, personalized learning, career and technical education, and promotion of safe and healthy learning environments. Finally, this team oversees driver education program approval requests and manages the driver education reimbursement process.

CN staff administer the federal meal reimbursement programs, including school breakfast, lunch, afterschool meals and summer meals programs, and the Child and Adult Care Food Program (CACFP), ensuring nutritious meals and snacks are served to program participants in all eligible sites, which include child care centers, adult day programs, summer camps and other non-school sites, as well as most public and many independent schools. Vermont's Child Nutrition programs currently serve 319 schools through the school breakfast and lunch programs; 65 sponsors and 347 sites through the summer food service program; and 107 sponsors and 505 childcare centers, family day care homes, and adult day care programs through CACFP, with participant numbers increasing each year. The Child Nutrition team also administers a grant program for food service equipment purchases and works to ensure that the AOE and programs receive the maximum the federal and state funding available. In 2020, the team added a limited-service position, using one-time funds from a performance award received from USDA, to support and expand recruitment of additional CACFP sponsors. Doing so will mean many more young children have access to nutritious meals and also will bring in additional state administrative funding from USDA, allowing the team to support the position longer term. As it turns out, this new position also has been critical to the team's ongoing ability to support the field during COVID-19.

The SES Team supports LEAs in the coordination and provision of services for students receiving or in need of multi-agency services, oversees state-placed student supports and services and verification for reimbursement, provides technical support to LEAs seeking residential placements for special needs students, and reviews all Home Study enrollments. This team also manages a competitive tobacco/substance abuse prevention grant program funded by the Master Settlement Agreement ("tobacco settlement") and a 5-year, \$8.2 million competitive federal grant award from the Substance Abuse and Mental Health Services Administration (SAMHSA) to increase awareness of mental health issues and expand mental health services and supports in schools, in collaboration with DMH.

Figure 1: Federal & Education Support Programs FY 2022 Position Funding

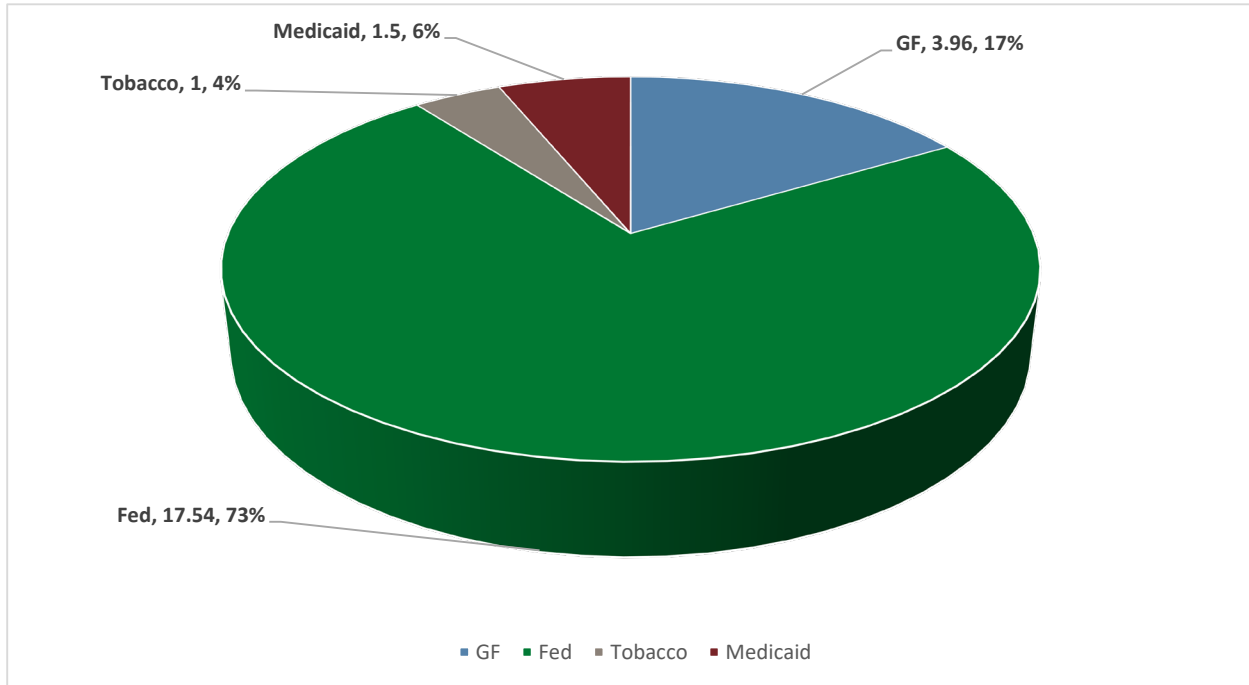


Figure 1: Data Table

Team	GF	Fed	Tobacco	Medicaid	Total
Federal Education & Support	3.96	17.54	1	1.5	24
Percentage of Total	16.50%	73.08%	4.17%	6.25%	100.00%

The Division of Federal and Education Support contains three teams, including child nutrition programs, consolidated federal programs and student and educator support. The positions and funding are distributed based on the following chart and tables:

The FESP Team includes funding for staff to implement programs as well as contracts to support the technology necessary to implement programs and support schools.

The Division is also responsible for the allocation of the following grants:

Figure 2: Federal and Education Support Programs Grants

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
1 Child Nutrition - State Match	483,348	483,348	0
2 Child Nutrition - Child Care	223,268	223,268	0
3 Child Nutrition - Breakfast	277,632	277,632	0
4 Child Nutrition - Summer Food	51,387	51,387	0
5 Child Nutrition - Free Lunch Initiati	297,250	297,250	0
6 Child Nutrition - TEFAP	83,976	83,976	0
7 Title I Grants to LEAs	32,000,000	32,000,000	0
8 Title I Migrant	500,000	600,000	100,000
9 Title I Migrant Consortium	100,000	100,000	0
10 Title I Neglected or Delinquent	150,000	150,000	0
11 Homeless Education Act	175,000	225,000	50,000
12 Title II, ITQ	10,500,000	12,500,000	2,000,000
13 School Lunch Program	16,204,075	19,165,091	2,961,016
14 Child & Adult Care Food Program	6,100,000	6,286,822	186,822
15 School Breakfast Program	6,651,000	8,419,615	1,768,615
16 Summer Food Service Program	1,401,360	1,658,045	256,685
17 Special Milk Program	35,000	35,000	0
18 Cash in Lieu of Commodities	257,240	285,292	28,052
19 CN Fruits & Vegetables	1,765,370	1,998,488	233,118
20 Child Nutrition - TEFAP	233,989	233,989	0
21 CN Sponsor Admin	510,000	510,000	0
22 CN Equipment Assistance	80,000	80,000	0
23 Title III ELA	325,000	400,000	75,000
24 Title IV	5,000,000	6,000,000	1,000,000
25 Rural & Low Income Schools	228,984	228,984	0
26 SAMHSA-Project Aware	1,200,000	1,200,000	0
27 Tobacco	547,767	544,807	(2,960)

1. Child Nutrition – State Match: Regulations for the National School Lunch Program require states to provide funds to schools participating in the school lunch program. The amount is based on appropriated federal funds. 90% of the state match is allocated to schools on a per-meal basis. Ten percent of the total required state matching funds are set aside for a competitive grant program for food service equipment.
2. Child Nutrition – Day Care Home Tier 2 Meal Initiative (Child Care): These funds support breakfasts, lunches and snacks served in Tier 2-day care homes where federal subsidies were cut by the federal Welfare Reform Act of 1996.

3. Child Nutrition – Reduced Price Breakfast Initiative (Breakfast): This funding eliminates the household contribution of 30 cents for those students in the reduced-price category, defined as those with household income between 130% and 185% of poverty.
4. Child Nutrition – Summer Food Service Program: These funds supplement the cost of lunches served at summer food service sites where federal subsidies were cut by the federal Welfare Reform Act of 1996.
5. Child Nutrition – Reduced Price Lunch Initiative (Free Lunch Initiative): This funding eliminates the household contribution of 40 cents for those students in the reduced-price category, defined as those with household income between 130% and 185% of poverty.
6. Child Nutrition – The Emergency Food Assistance Program (TEFAP): These funds to assist in the distribution and transportation process of donated food to recipient agencies (e.g., the Vermont Foodbank) for support of low-income households.
7. Title I - Grants to LEAs for Improving the Academic Achievement of the Disadvantaged: These funds are allocated to local educational agencies on a formula basis to ensure that all children have a fair, equal, and significant opportunity to reach proficiency on the State academic achievement standards. Funds are focused on meeting the supplemental educational needs of low-achieving students in high poverty schools.
8. Title I - Migrant: These funds are used for the design of educational and support services for children of migratory agricultural workers who have changed school districts within the preceding 12 months.
9. Title I – Migrant Consortium: These funds to help support Vermont’s participation in multi-state consortia to design and implement educational support services for eligible migrant students.
10. Title I – Neglected or Delinquent: These funds support education activities, such as transition and dropout prevention, for youth in state correctional facilities, state-operated institutions or community day programs.
11. McKinney Vento Homeless Education Act: These funds support programs to ensure that homeless children and youth have equal access to the same free, appropriate public education – including preschool – provided to other children and youth.
12. Title II, Part A – Grants to LEAs for Preparing, Training, and Recruiting High-Quality Teachers, Principals, and Other School Leaders: This Title provides funding for formula grants to LEAs, as well as for State Education Agency technical assistance activities, in support of professional development and other initiatives to ensure that schools have highly qualified teachers, principals and paraprofessionals.
13. Child Nutrition - School Lunch Program: These funds are used to provide a per meal reimbursement to school food service programs to support meals serviced in school lunch programs.
14. Child Nutrition - Child and Adult Care Food Program: These funds are used to provide a per meal reimbursement to program sponsors to support meals served in childcare and adult care programs. In addition, centers can receive cash in lieu of commodity foods.

15. Child Nutrition - School Breakfast Program: These funds provide a per meal reimbursement and administrative rate for meals served in breakfast programs.
16. Child Nutrition - Summer Food Service Program: These funds provide a per meal reimbursement and administrative rate for meals served.
17. Child Nutrition - Special Milk Program: These funds are used to provide reimbursement to support the cost of 8-ounce servings of milk served to students at schools or sites that do not participate in a federal meal program.
18. Child Nutrition - Cash in Lieu of Commodities: These funds allow participating childcare centers to choose to receive cash payments for lunches/dinners instead of U.S. Department of Agriculture donated food.
19. Child Nutrition Fresh Fruits & Vegetables: These funds provide funding assistance for increasing fruit and vegetable consumption in low-income schools.
20. Child Nutrition – The Emergency Food Assistance Program (TEFAP): Funds to assist in the distribution and transportation process of donated food to recipient agencies for support of low-income households.
21. Child Nutrition – Sponsor Admin: Day care home sponsors receive administrative funds on a per home rate to support the cost of managing and administering the program for the day care home’s recipients.
22. Child Nutrition Equipment Assistance: These funds are provided through the Healthy, Hungry Free Kids Act of 2010 and are awarded via competitive grants to low income schools to improve the infrastructure of their food service programs.
23. Title III – Instruction for English Learners (EL) and Immigrant Students: These funds assist LEAs in addressing the needs of EL students. Formula-based sub-grants are awarded to eligible LEAs to provide language instruction to help EL students meet Vermont’s academic standards. Districts with substantial increases in Immigrant Youth may also receive grants by formula.
24. Title IV, Part A - Student Support and Academic Enrichment Grants: This Title provides funding for formula grants to LEAs, as well as for State Education Agency technical assistance activities, in order to increase the capacity of the schools to provide all students with access to a well-rounded education (e.g., STEM, the arts), improve school conditions for student learning (e.g., school safety, student health and wellness, bullying prevention), and improve the use of technology.
25. Rural, Low-Income School Program: These are grants provided by formula to school districts that have a certain percentage of students living in poverty and are in a federally designated rural locale. Funds can be used for activities covered under many other Titles of the Elementary & Secondary Education Act.
26. Substance Abuse and Mental Health Services Advancing Wellness and Resiliency in Education (AWARE) Grant: Sub-grants have been awarded to three supervisory unions to support the integration of mental health services in schools, in collaboration with their local Designated Mental Health Agencies, as part of an Interconnected Systems Framework, with supporting contracts for training of school and community members in awareness of mental health issues and best practices in addressing them.

27. Tobacco: In FY 2017, AOE shifted the way it used the Master Settlement Agreement tobacco funding from being a universally distributed award to a competitive, targeted award process for three fiscal years. This change was intended to provide for a greater impact with increased targeted funding. The grant required SU/SDs to implement programming in key strategy areas; assessment, curriculum, policy, youth asset development, teen smoking cessation, community engagement and family engagement. The funds were targeted to include coordination of all substance prevention rather than only tobacco; accordingly, it is recognized by all that the underlying risk and protective factors for tobacco use apply to other substance abuse issues and also that nicotine use often “primes” the brain for other substance addiction. As such, many of the grant’s strategies and the activities that have been funded in this 3-year cycle focus on increasing protective factors and decreasing risk factors for a variety of issues that are related to and sometimes inseparable from tobacco use. In the new grant cycle, we anticipate focusing even more strongly on youth asset development, community and family engagement, and increasing protective factors to discourage initiation of all forms of substance use.

Education Quality

The Educator Quality Division includes the Educator Licensing, Pre-service Educator Quality, and Education Quality Assurance teams.

The Educator Licensing Team has the responsibility of ensuring that all educators in the state are properly licensed to teach in their designated endorsement area and have been subject to rigorous background checks. This team works with the Vermont Standards Board for Professional Educators (VSBPE) in ensuring compliance to the VSBPE Rules Governing the Licensing of Educators and the Preparation of Educational Professionals.

The Pre-service Educator Quality Team oversees the approval of Vermont Educator Preparation Programs and development of Educator Professional Standards. Well-prepared, supported educators and leaders in the field are essential, as research has shown this makes a significant difference in the educational lives of students. High-quality teaching standards tied to evidence-based teaching practices provide a foundation for teacher and administrator preparation and ongoing professional learning. The Pre-Service Educator Quality Team facilitates the development of standards that build a career continuum focused on teacher and leader effectiveness and reviews and rates Supervisory Union/Supervisory District evaluation systems for teachers and leaders. This team likewise provides professional licensure to Vermont educators and works with the Vermont Standards Board for Professional Educators (VSBPE) in ensuring compliance to the VSBPE Rules Governing the Licensing of Educators and the Preparation of Educational Professionals.

In 2015, positions at the AOE were realigned to support the implementation of Vermont’s Education Quality Review process. As a part of that process, the Education Quality Assurance Team became a part of the Education Quality Division. In addition to carrying out the initial implementation of Education Quality Review, staff implement the statewide Integrated Field Review assessment system, analyze and report academic and accountability data for use in

schools and policy settings, and lead the work in supporting the Continuous Improvement Plans and the specific support for schools identified through federal legislation and state rules.

The Education Quality team includes 20 FTEs. The division is supported primarily through licensing funds, General Funds, and federal Title I and Title II funds.

Figure 1: Education Quality FY 2022 Position Funding

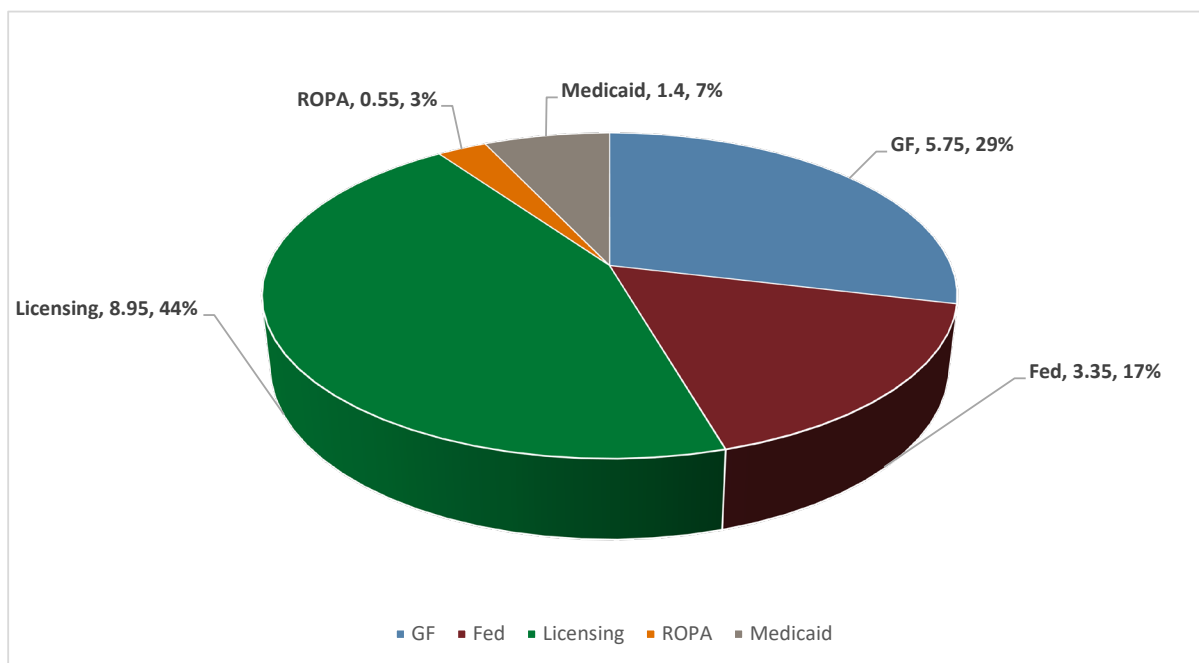


Figure 1: Data Table

Team	GF	Fed	Licensing	ROPA	Medicaid	Total
Education Quality	5.75	3.35	8.95	0.55	1.4	20
Percentage of Total	28.75%	16.75%	44.75%	2.75%	7.00%	100.00%

The Division of Education Quality is made up of three teams; Educator Licensing, Pre-service Educator Quality, and Education Quality Assurance.

The budget for the division is comprised primarily of funding for staff salaries.

The Division is also responsible for the allocation of the following grants:

Figure 2: Education Quality Grants

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
1 Teacher of the Year	2,500	2,500	0
2 Licensing	45,000	45,000	0
3 ESSER	0	26,033,524	26,033,524
4 Title I - School Improvement	2,500,000	5,000,000	2,500,000
5 School Improvement	1,000,000	1,000,000	0

1. **Teacher of the Year:** This grant provides some financial support for travel expenses related to being named Teacher of the Year. These funds may be used to support her/his attendance at either the National Teacher of the Year Conference or the annual convening in Washington, D.C. by State Teachers of the Year.
2. **Licensing:** Generated from educator licensing fees, these funds support the Local and Regional Standards Boards that are responsible for supporting educator and administrator license renewal.
3. **ESSER:** A part of the Education Stabilization Fund within the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Elementary and Secondary School Emergency Relief funds is a federal formula grant directed to LEAs with the purpose of addressing COVID-19 related needs through September 2022.
4. **Title I School Improvement:** Funds allocated to Title I schools that are in need of improvement under the State's accountability system. Funds are to coordinate and implement the school's continuous improvement plan.
5. **School Improvement:** This is an additional federal grant awarded to school systems with substantial need for improvement to meet state and federal accountability targets.

Student Pathways

The Student Pathways Division is comprised of the following program teams: 21st Century Community Learning Centers, Adult Education and Literacy, Career Technical Education, Education Technology, Personalized Learning, and Proficiency-Based Learning. This division is responsible for operating and monitoring the statewide Flexible Pathways (Act 77) initiative and the Education Quality Standards as they pertain to the key initiatives as overseen by the division, implementation of Title II under the Workforce Innovation and Opportunity Act (WIOA) and operating and monitoring the statewide Adult Education and Literacy system, implementing the federal Perkins V legislation and operating and monitoring the statewide Career Technical Education program, implementing and overseeing Title IV (21st Century After School Programs) of the Every Student Succeeds Act, and for providing technical assistance to the field regarding educational and instructional technology.

Staff with expertise in adult and career technical education, personalized and proficiency-based instruction and assessment, work-based learning, dual enrollment and early college programs, after-school and summer programming, online and blended learning, and career and college readiness work together and in collaboration with other units in the Agency to provide support to schools, technical centers and community-based providers in implementing evidence-based practices, systems and district-wide improvement models, and ensuring equity in student access to high quality flexible pathways.

There are 24 FTE positions that support the work of the Student Pathways Division. Roughly half of the funds that support this division are Federal.

Figure 1: Student Pathways FY 2022 Position Funding

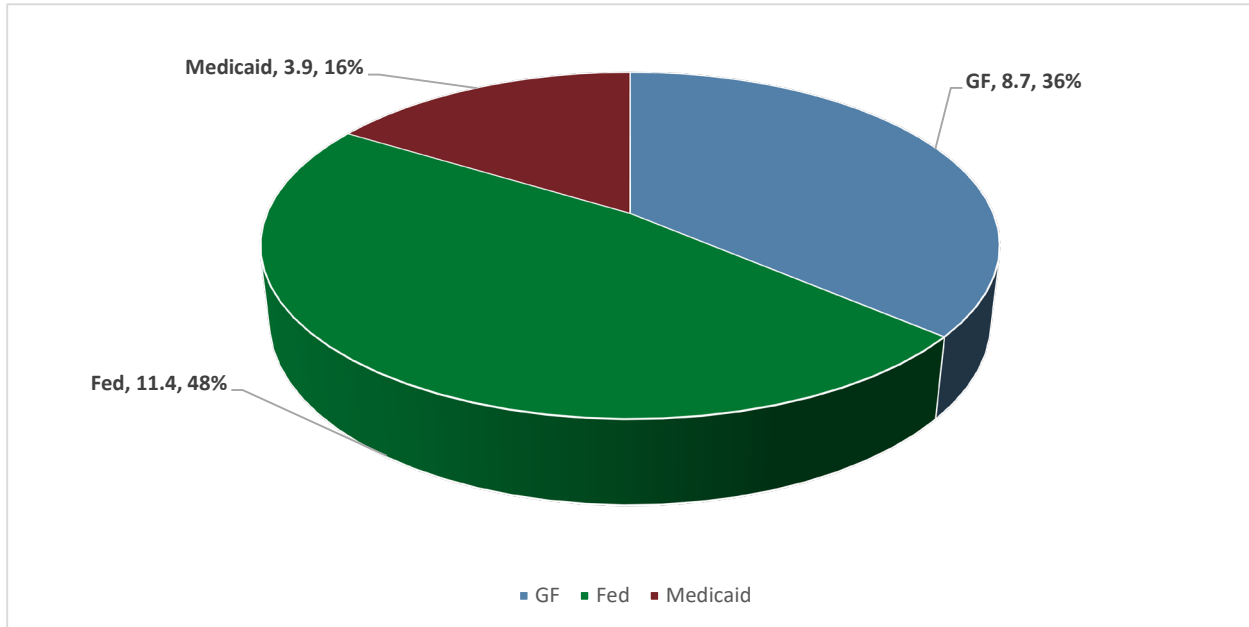


Figure 1: Data Table

Team	GF	Fed	Medicaid	Total
Student Pathways	8.7	11.4	3.9	24
Percentage of Total	36.25%	47.50%	16.25%	100.00%

The Student Pathways division currently has five teams – combining Education Technology and Personalized Learning – in an effort to address three positions that have been frozen since March; Adult Education and Literacy (AEL), Personalized Learning (PL), Proficiency Based Learning (PBL), 21st Century Programs, and Career Technical Education (CTE).

The work of the Student Pathways Division is supported primarily by staff, some contractual funding supports the data and IT systems used by division staff in the administration of programs.

The budget for the division is comprised primarily of salaries and benefits.

The following table provides an overview of the grants administered by the division.

Figure 2: Student Pathways Grants

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
1 Adult Services Coordinator	211,233	211,233	0
2 Tech Ed Adult Formula	29,320	29,320	0
3 Governor's Institutes	186,874	186,874	0
4 Carl Perkins Secondary	2,500,072	3,500,072	1,000,000
5 Perkins Secondary Reserve	200,000	350,000	150,000
6 Carl Perkins Post-secondary	881,657	1,000,000	118,343
7 Post-secondary Reserve	100,000	100,000	0
8 Carl Perkins Leadership	75,000	75,000	0
9 Carl Perkins Corrections	42,149	55,000	12,851
10 21st Century	6,850,000	8,850,000	2,000,000
11 GEER	0	3,288,802	3,288,802

1. Adult Technical Education Salary Assistance: These state funds are disbursed as payments to each technical center district to pay a portion of its adult education coordinator’s salary.
2. Adult Technical Education Formula: These state grants are awarded to 15 regional technical centers and 2 independent comprehensive schools serving their region as a CTE center to support educational services for adults. Grants provide resources necessary to address the training needs of students and businesses in the region.
3. Governor’s Institutes: These state funds provide about 20 percent of the costs for summer institutes for highly motivated high school students. Institutes are held on Vermont college campuses and draw additional support from businesses, foundations, schools and participating students’ families.
4. Carl D. Perkins Secondary: These federal funds are awarded as formula grants to LEAs, consortia, or regional technical centers for career technical education (CTE) program development and improvement within the scope of the Carl D. Perkins Career and Technical Improvement Act of 2006 as amended by the Strengthening Career and Technical Education for the 21st Century Act of 2018.
5. Carl D. Perkins Secondary Reserve: These federal funds are made up of set-aside amounts within the formula grant. Grants awarded from the reserve are competitive and intended for proposals by secondary CTE centers that seek to improve the transition of students from secondary to post-secondary education.
6. Carl D. Perkins Post-secondary: These federal funds are awarded as formula grants to post-secondary career technical education providers for program development and improvement within the scope of the Carl D. Perkins Career and Technical Improvement Act of 2006 as amended by the Strengthening Career and Technical Education for the 21st Century Act of 2018.
7. Carl D. Perkins Post-secondary Reserve: These federal funds are made up of set-aside amounts within the formula grant. Grants awarded from the reserve are

competitive and intended for new program development, implementation and alignment with secondary CTE programs at regional CTE centers.

8. Carl D. Perkins State Leadership: These federal funds are used to support and expand CTE within the scope of the Carl Perkins Act and to assist in developing high standards and high-quality curricula.
9. Carl D. Perkins Corrections: This item is a part of Carl Perkins State Leadership federal funds and supports career and technical education programming for inmates at correctional facilities throughout the Community High School of Vermont. Unused Carl D. Perkins Corrections funds can be reverted back to Carl D. Perkins State Leadership.
10. 21st Century Community Learning Centers: These ESSA Title IV Part B federal funds are awarded via a competitive grant process to school districts that create highly structured innovative extended-day or extended-year programs. Funds provide expanded opportunities for student learning in safe, supervised settings and promote parental involvement in schools.
11. GEER: A part of the Education Stabilization Fund within the Coronavirus Aid, Relief,
12. and Economic Security (CARES) Act, the Governor's Emergency Education Relief (GEER) fund is administered through AOE. The GEER funds are prioritized to the state's CTE centers to address COVID-19 related needs through September 2022.

FY 2022 Projected Education Fund Uses

Supporting Schools, Educators & Learners: The Numbers

	FY19 School Year 2018-2019	FY20* School Year 2019-2020
Public Schools		
Elementary (K-6).....	150.....	151
Secondary (7-12)	49.....	49
Combined (Elementary & Secondary).....	98.....	91
Total Public Schools.....	297.....	291
Technical Centers	15.....	15
Total Public Schools & Technical Centers.....	312.....	306
Historical Academies, Independent Schools & Approved Programs		
Historical Academies	4.....	4
Approved Independent Schools.....	90.....	88
Approved Kindergartens	3.....	3
Recognized Independent Schools	31.....	29
State Operated Facilities	1.....	1
Approved Tutorials.....	4.....	4
Approved Pregnant and Parenting Programs.....	7.....	7
Total Independent Schools & Approved Programs	140.....	136
Public Education Governing & Administrative Entities		
Town, City and Incorporated School Districts	109.....	57
Union School Districts (includes unified union districts and modified union school districts).....	49.....	56
Interstate School Districts.....	2.....	2
Total School Districts.....	160.....	115
Technical Center School Districts.....	3.....	3
Supervisory Unions.....	31.....	24
Joint Contract Schools.....	3.....	1
Gores and Unorganized Towns.....	9.....	9
Total Public Education Governing and Administrative Entities.....	206.....	152
Public School Administrators		
Superintendents.....	53.....	53
Principals	317.....	309
Vocational/Tech Center Directors	15.....	15
Business Managers	56.....	53
Special Education Directors	92.....	95
Total Public-School Administrators.....	533.....	525
Teachers (FTE).....	8,107.....	8,046
School Boards.....	118.....	111
Local School Board Members	851.....	863

	FY19 School Year 2018-2019	FY20* School Year 2019-2020
Publicly Funded Students (enrolled as of October 1)		
Vermont Public Schools.....	83,710.....	84,638**
Vermont Approved Independent Schools	1,547.....	1,455
Vermont Historical Academies	2,025.....	2,030
Out-of-State Schools.....	584.....	439
Vermont State Agency and Other	395.....	***
Total Publicly Funded Students	88,261.....	88,562
Public School Enrollment		
K-12	75,048.....	75,818
Early Education (Pre-K).....	7,695.....	8,052
Essential Early Education**	899.....	691
Total Public-School Enrollment.....	83,642.....	84,561
Historical Academies	2,556.....	3,000
Approved Independent (K-12)	6,049.....	6,391
Recognized Independent (K-12).....	780.....	751
Home Study (K-12).....	2,565.....	2,470
Approved Independent Kindergartens.....	5.....	35
Total Pre-K-12 Enrollment	95,562.....	97,208
Technical & Adult Education Enrollment (categories not mutually exclusive)		
Technical Centers	4,163.....	4,930
Adult Education & Literacy	2,243.....	1,810
GED Certificates Granted	48.....	31
Education & Training – Criminal Offenders	51.....	22
Adult Diploma Program.....	55.....	†1,102
High School Completion	193.....	175
Other Secondary Diplomas Awarded Through AEL	27.....	***
Student Support Programs Enrollment (categories not mutually exclusive)		
Special Education (ages 3-21).....	15,228.....	*14,836
Title I	49,468.....	51,283
Title I (Preschool)**.....	3,308.....	4,018
Migrant Education	314.....	275
Limited English Proficiency (LEP)	1,701.....	***
Neglected and/or Delinquent	108.....	***
Homeless	1008.....	883

*Estimated numbers as of December 2020, subject to change.

**Includes adults without diplomas.

***Data not yet available.

† FY19 data displays number of students that graduated through the High School Completion Program, but also received services through ADP. FY20 shows enrollment in the Adult Diploma Program.

The Education Fund

The Agency of Education manages the allocation of the Education Fund appropriations. These appropriations reflect the budgets and statutory requirements to support Vermont’s public education systems and students.

Year-over-year changes in Education Fund Expenses:

	FY18 (Final)	FY19 (Final)	FY20 (Final)	FY21 (Anticipated)	FY22 (Projection)
Education Expenses (millions)	\$1,635	\$1,655	\$1,726	\$1,789	\$1,886
Year over Year Change	-	1.22%	4.29%	3.65%	5.42%

The Education Fund “funds to budgets,” meaning that the state sets the tax rate necessary to fund the budgets already approved by local voters. The main cost drivers in the Education Fund are demographic:

1. Our publicly funded student population has been declining.
2. We are maintaining most of the public and independent schools we had at our peak (e.g., overhead costs associated with buildings and administration have not changed significantly).
3. The number of teachers and staff has decreased, but not consistent with the loss in the number of students (student-to-teacher ratios and student-to-school ratios are small).
4. Thus, we have fewer students, approximately the same number of schools, and proportionally more overhead to support on a per-pupil basis.
5. As a result, we tend to deliver education through smaller schools, particularly at the elementary level, than do other states.
6. We have proportionally more children living in adversity (poverty).

Number and percent of K-12 students identified as living in poverty, FY10 and FY20, using Agency of Human Services direct certification data:¹

	2-yr Poverty average	Poverty Ratio Statewide
FY10	12,028	13.76%
FY20	15,800	19.33%

Education Outcomes

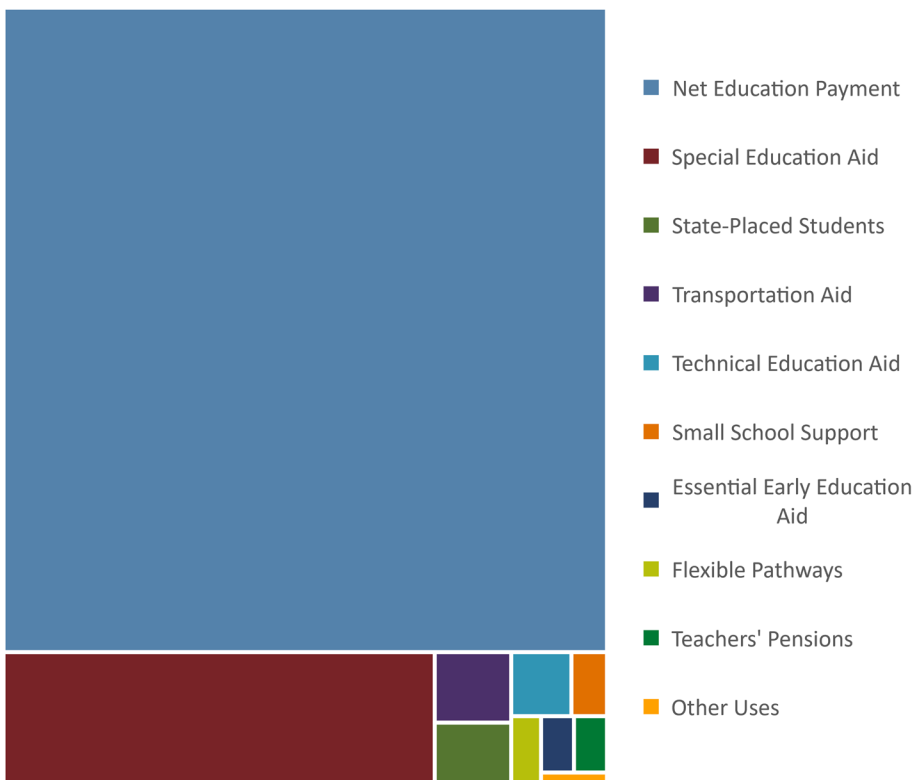
On average, our students are consistently among the highest performing in the nation, including on the National Assessment of Educational Progress. Because Vermont is one of only 4 states that refused to evaluate teachers based on test scores, we are also a state that, for the most part, has avoided the test-focused instruction that characterizes public and charter schools in many states. So far, we have maintained strong performance outcomes on traditional

measures of academic skills, even as we have required our schools to broaden their focus to include flexible pathways, creativity, health and wellness, technology education, and applied learning.

What Vermonters Buy with Education Fund Dollars

If we count all publicly funded students – those enrolled in public schools, those tuitioned to independent schools, and those tuitioned to out-of-state and out-of-country schools – we spend about \$19,980 per Vermont student. The following chart below breaks the \$19,980 into the major appropriations from the Education Fund.

Figure 1: FY2021 Education Fund Appropriations by ADM



About 83% of the Education Fund is spent on our “net education payment,” which covers most costs of our public schools. It also includes tuition payments to other public, independent, and out-of-state schools, tuition payments to Career and Technical Education centers, and supervisory union costs. This 83% also includes the local share of special education costs, which represents about 40 percent of total special education costs, and the local share of transportation costs, representing approximately 55% of those. Prekindergarten is also part of our net education payment.

The next biggest percentage – 12% – is spent on the state portion of special education costs in public and independent schools. Over the next several years, by changing how we fund and deliver special education, by building better approaches to early intervention and just-in-time support for struggling learners, we can both improve outcomes for these students and lower the cost to taxpayers.

Some of our larger school districts are looking into building, or already operate, specialized programs within their districts, so they can rely less on programs either out-of-state or at other schools that often have very large price tags. In-district programs also have the advantage of easing the transition of students back to their regular schools when they are ready, such as after treatment for trauma and establishment of appropriate continuing mental health supports.

The rest of the \$1.6 billion we spend on education is spread across a number of functions. Our state contribution to transportation is critical; many of our children depend on buses to get to school, particularly in less affluent communities. We provide subsidies to small schools, and pay costs associated with children in state custody who are placed in schools near their foster homes. We fund dual enrollment programs and early college programs that give students access to college credits while still in high school.

The table below provides the details on how the FY2020 Education Fund per ADM breaks down:

General Category	Ed Fund per ADM	% of Total
Net Education Payment	16,531.5	82.7%
Special Education Aid	2,464.5	12.3%
State-Placed Students	208.3	1.0%
Transportation Aid	229.1	1.1%
Technical Education Aid	164.3	0.8%
Small School Support	97.2	0.5%
Essential Early Education Aid	78.7	0.4%
Flexible Pathways	89.1	0.4%
Teachers' Pensions	78.7	0.4%
Other Uses	39.3	0.2%
Adult Education & Literacy *	na	na
Community HS of Vermont *	na	na
Renter Rebate *	na	na
Reappraisal & Listing *	na	na

* Moved to the General Fund - 2018, No. 11 (Special Session), sec. H.8

This all adds up to approximately \$19,980 per child on average, statewide.

Common reasons for high costs per pupil include low student-to-staff ratios and high tuition payments, and in some cases, a student population with higher than average levels of disadvantage.

Systems with high levels of disadvantage also receive support from more federal dollars. The Agency is working with systems to best utilize those dollars to support our most vulnerable students beyond the local investment in their education.

Some towns that tuition all or a portion of their students have merged elementary schools and/or merged districts to insulate themselves from both increases and fluctuations in tuition payments, as larger district is not as vulnerable to a population swing as a smaller district would be. Some larger districts have managed ratios effectively by reallocating students and

staff across buildings in ways that strengthen programs and maintain affordable ratios in small schools.

Carryforward

Annually the General Assembly authorizes the Commissioner of Finance and Management to allow unspent appropriations from the Education Fund to carryforward. The following table reflects the carryforward authorized by the Commissioner in FY21.

	FY 2020 Appropriation	Carryforward	% of FY 2020 Appropriation
Education Fund			
Special Education	223,718,575	18,943,405	8.47%
State Placed Students	18,000,000	1,000,000	5.55%
Flexible Pathways	8,262,725	370,679	4.49%
Technical Education	14,816,000	684,240	5.83%
Total	\$ 264,797,300	\$20,998,324	7.93%

- Special Education – Some of the carryforward was to pay the final FY 2020 reimbursement. The final reimbursable figures for FY 2020 do not come to the Agency until FY 2021. To the extent this carry forward is not fully expended to cover the final FY21 payments, leaving it in the appropriation until FY23 will help mitigate the impact of the one-time tail payment in FY23 when the shift from reimbursement to census grant is implemented.
- State Placed students – This carryforward was to pay the final FY2020 obligations in FY21.
- Flexible pathways – These funds were carried over to pay subgrant obligations.
- Technical Education – These funds were carried over to pay subgrant obligations.

Reversion History

Each fiscal year, the General Assembly grants the Commissioner of Finance and Management the authority to allow unexpended carryforward appropriations in the Education Fund to Carryforward. Any funds that do not carry forward are reverted to the Education Fund.

The following chart and table provide a history of the reversions to the Education Fund for the last five years.

Figure 1: Education Fund Reversion History

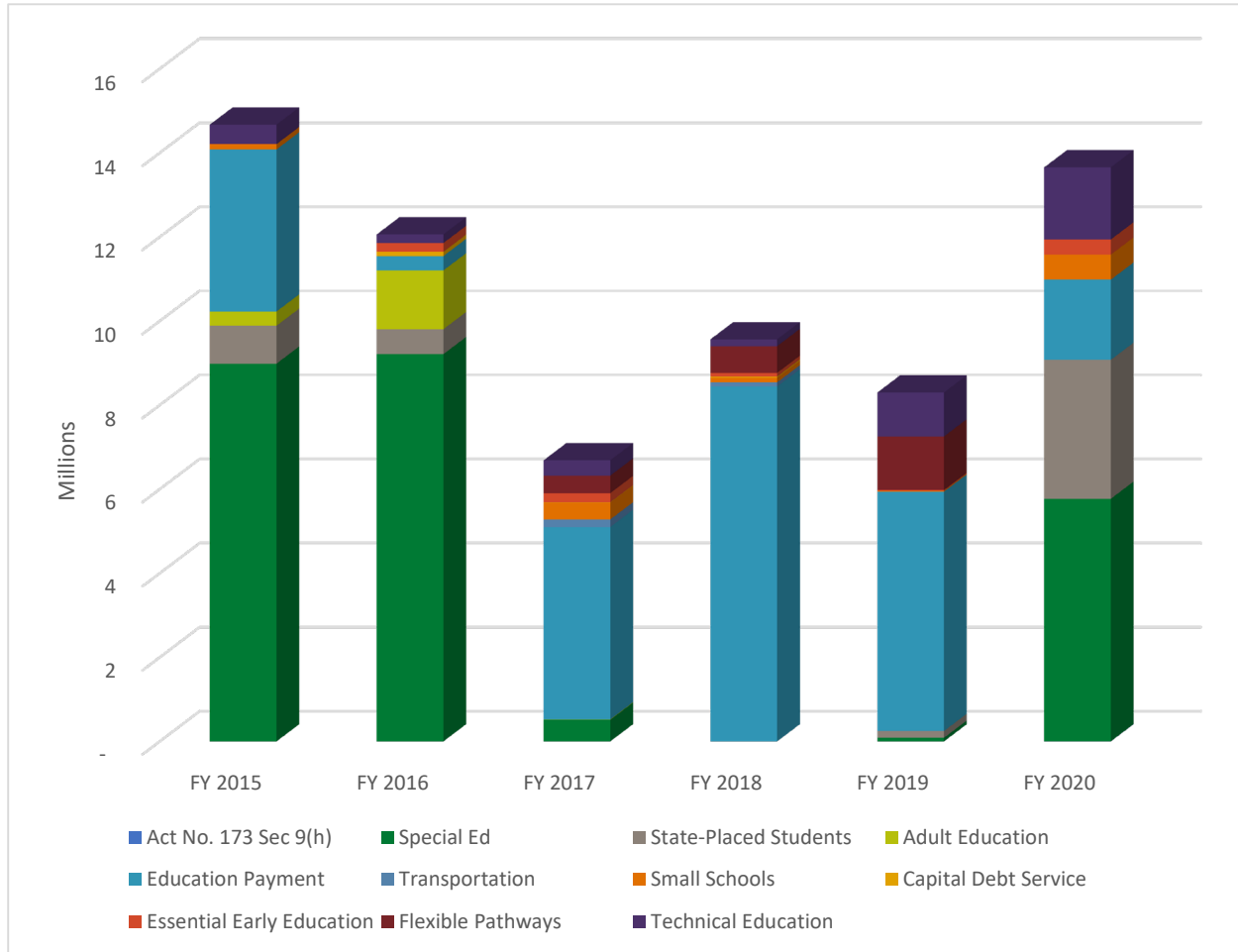


Figure 1: Data Table

	Act No. 173 Sec 9(h)	Special Ed	State-Placed Students	Adult Education	Education Payment	Transportation	Small Schools	Capital Debt Service	Essential Early Education	Flexible Pathways	Technical Education	Grand Total
FY 2015	-	8,986,778	901,038	338,137	3,855,610	-	123,629	-	3,606	-	462,597	14,671,395
FY 2016	-	9,212,026	593,810	1,397,950	341,880	-	-	100,447	209,219	-	203,854	12,059,186
FY 2017	-	513,046	-	9,484	4,577,182	180,797	395,595	8,636	220,782	416,790	363,463	6,685,775
FY 2018	-	-	-	-	8,443,806	97,030	109,928	25,000	89,451	637,263	160,914	9,563,392
FY 2019	-	87,051	161,178	-	5,692,154	489	20,167	-	19,276	1,274,807	1,042,705	8,297,827
FY 2020	2,401	5,770,436	3,303,708	-	1,907,842	-	596,191	-	360,491	-	1,713,671	13,654,740

Items of note:

- In FY 2015 and FY 2016, there were significant reversions from special education, which drove the unreserved/unallocated balance in the Education Fund used in the FY 2018 Budget.
- The reversion of the Education Payment in 2018 reflects the first 65% of the total Health Care Clawback.
- The reversion of the Education Payment in FY2019 reflects the second part (35%) of the Health Care Clawback and money appropriated for Act 46 merger support grants.
- In FY 2020 there was a significant reversion from special ed and state placed students.

B. 502 - Special Education Formula

Figure 1: Special Education Formula Budget Summary

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
CATEGORY OF EXPENDITURE GRANTS	223,718,575	229,000,000	5,281,425
SOURCE OF FUNDS EDUCATION FUND	223,718,575	229,000,000	5,281,425

SOURCE OF FUNDS DETAIL

(A) EDUCATION FUND			
GRANTS			
1 Mainstream Block Grant	33,079,326	33,325,480	246,154
2 Special Ed. Expend. Reimb.	158,775,000	170,188,064	11,413,064
3 Extraordinary Reimbursement	28,000,000	21,520,191	(6,479,809)
4 I-Team & Regional Specialist	1,159,509	1,190,120	30,611
5 Hearing Impaired	1,018,819	1,045,716	26,897
6 Visually Impaired	620,232	636,606	16,374
7 BEST	613,439	629,634	16,195
8 Act 230 Training	452,250	464,189	11,939
TOTAL GRANTS	223,718,575	229,000,000	5,281,425
TOTAL EDUCATION FUNDS	223,718,575	229,000,000	5,281,425
TOTAL ALL SOURCES	223,718,575	229,000,000	5,281,425

Budgetary Changes: The Special Education Appropriation has several changes:

1. Mainstream block grant – the mainstream block grant is a factor in the special education funding formula that is used to calculate the appropriation. The formula is based on special educator salary per ADM in a supervisory union. As ADM fluctuates, the block grant is impacted.
2. Special education reimbursement – the funding for the special education expenditure reimbursement is contingent on service plans submitted by supervisory unions and supervisory districts. The FY 2021 appropriation reflects the amount needed to fully fund the FY 2021 projected state special education obligation, including the reimbursement tail that will occur at the beginning of FY 2022 when the census block grant transition begins.
3. Extraordinary Reimbursement – this reflects the projected state obligations for extraordinary cost reimbursement in FY 2021 based on service plans.

4. I-Team & Regional Specialists, Hearing Impaired, Visually Impaired, BEST, and Act 230 Training, are grants to support improvement of service delivery and specialized services - these grant amounts are increased annually by the NEEP index.

Summary of Special Education Grants

1. Mainstream Block Grant – 16 V.S.A. § 2961

These funds provide a block grant to each supervisory union and supervisory district based on 60% of the statewide average salary for: (1) 9.75 special education teaching positions per 1,000 Average Daily Membership (ADM), and (2) up to two special education administrators per supervisory union/district based on ADM.

2. Special Education Expenditures Reimbursement - 16 V.S.A. § 2963; 16 V.S.A. § 2967

This funding reimburses a portion of eligible special education costs not covered by another part of the formula or by federal or other state funds.

3. Extraordinary Reimbursement – 16 V.S.A. § 2962

Funds provide 95% reimbursement for high-cost students for costs in excess of \$60,000 for individualized education programs (IEPs). The excess cost threshold will increase annually by the National Income and Products Accounts (NIPA).

4. Interdisciplinary Team & Regional Multi-disability Specialist (I-Team) – 16 V.S.A. § 2967(b)(3) & (4)

This grant provides parents and school staff services and consultation to support successful inclusion of children who have multiple disabilities. The grant supports statewide consultants with expertise in specialized areas as well as regional consultants.

5. Students who are Deaf or Hard of Hearing (Hearing Impaired) – 16 V.S.A. § 2967(b)(2)

These funds support consultation and services for students who are deaf or hard of hearing. Regionally assigned consultants assist school staff and parents in arranging for assistive technology, accommodations, training and technical assistance.

6. Students with Visual Impairments (Visually Impaired) – 16 V.S.A. § 2967(b)(2)

These funds support services by the Vermont Association for the Blind and Visually Impaired for itinerant teachers to consult with school staff and parents and provide direct instruction in Braille, assist with selection of low-vision aids, recommend accommodations and provide mobility training.

7. Building Effective Supports for Teaching (BEST) – 16 V.S.A. § 2967(b)(5)

These funds assist schools in developing and implementing systemic plans to improve staff's ability to effectively respond to challenging student behaviors. They support training opportunities, coaching, technical assistance and regional partnerships to meet the needs of students who have emotional and behavioral challenges.

8. Act 230 Training Grants – 16 V.S.A. § 2967(b)(6)

Funds are granted to supervisory unions/districts for training and technical assistance to better meet student needs and to enhance tiered systems of supports.

B. 503 - State-Placed Students

A state-placed student is a student who is placed by a Vermont state agency, a state-licensed child care agency, a designated community mental health agency, or any other agency as defined by the Secretary, or by a court of competent jurisdiction in another state, territory or country in a school district outside of his or her parents’/guardians’ district(s) of residence. The FESP team works with special education administrators, principals, other school staff and Agency of Human Services (AHS) staff to ensure timely enrollment and educational stability for students who may be in care outside of their parents’ school district or in residential settings.

Figure 1: State-Placed Students Budget Summary

CATEGORY OF EXPENDITURE	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
GRANTS	18,000,000	17,000,000	(1,000,000)
SOURCE OF FUNDS EDUCATION FUND	18,000,000	17,000,000	(1,000,000)

SOURCE OF FUNDS DETAIL

EDUCATION FUND			
GRANTS			
1 LEA Reimbursement	9,780,000	8,780,000	(1,000,000)
2 Indiv. Residential Placement	7,800,000	7,800,000	0
3 Special Services	220,000	220,000	0
4 Regular Education Tuition	<u>200,000</u>	<u>200,000</u>	<u>0</u>
TOTAL GRANTS	18,000,000	17,000,000	(1,000,000)
TOTAL EDUCATION FUNDS	18,000,000	17,000,000	(1,000,000)

Summary of State-Placed Student Grants

1. LEA (Local Education Agency) Reimbursement – 16 V.S.A. § 2950(a)
These funds are used to reimburse school districts 100 percent of special education costs incurred for students with Individualized Education Programs (IEPs).
2. Individual Residential Placement – 16 V.S.A. § 2950(b) and (c)
These funds provide payments to approved independent schools or tutorial programs for educational costs of students in residential facilities within and outside of Vermont.
3. Special Services – 16 V.S.A. § 2950(a)

These funds are used to reimburse school districts for special services approved by the Secretary for non-IEP students. They may also be used for payments to the Lund Home for daytime educational services for pregnant or parenting teens (16 VSA § 1073(a)(3), or for tuition or special education costs for Vermont students placed in foster care in other states.

4. State-Placed Student Regular Education Tuition – 16 V.S.A. § 4012
These funds are used to reimburse the general education tuition for state-placed students to school districts that do not operate their own schools.

B. 504 - Adult Education & Literacy

This appropriation supports the Adult Education and Literacy (AEL) program.

Figure 1: Adult Education & Literacy Budget Summary

CATEGORY OF EXPENDITURE	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
GRANTS	4,262,900	4,262,900	0
SOURCE OF FUNDS			
GENERAL FUND (A)	3,496,850	3,496,850	0
FEDERAL FUNDS (B)	<u>766,050</u>	<u>766,050</u>	<u>0</u>
TOTAL ALL SOURCES	4,262,900	4,262,900	0

SOURCE OF FUNDS DETAIL

(A) GENERAL FUND			
GRANTS			
1 Adult Education & Literacy	2,623,850	2,623,850	0
2 Adult Diploma	<u>873,000</u>	<u>873,000</u>	<u>0</u>
TOTAL GENERAL FUND	3,496,850	3,496,850	0
(B) FEDERAL FUNDS			
GRANT (ONLY CATEGORY)	<u>766,050</u>	<u>766,050</u>	<u>0</u>
TOTAL FEDERAL FUNDS	766,050	766,050	0
TOTAL ALL SOURCES	4,262,900	4,262,900	0

Budgetary Changes: The appropriation for AEL is level funded from FY 2021 to FY 2022.

Summary of Adult Education and Literacy Grants

1. Adult Education & Literacy – 16 V.S.A. § 4025(b)(1)
This program provides instruction and education services below the postsecondary level for those aged 16 and older that increase the individual’s ability to read, write and speak

in English and perform mathematics or other activities necessary for the attainment of a secondary school diploma or its recognized equivalent; transition to postsecondary education and training; and/or obtain employment.

2. Adult Diploma Program – 16 V.S.A. § 945(f)

Described under the Flexible Pathways section of Title 16, this program is an assessment process administered by the Agency, as part of a comprehensive program through which adults, 20 years and older, can earn a high school diploma granted by a participating high school or GED program. Payments made to a department or agency that provides an adult diploma program are calculated per 16 V.S.A. § 4011(f).

3. Workforce Innovation and Opportunity Act (WIOA), Title II Adult Education and Literacy.

The federal funds combine with state funds to provide instruction and education services below the postsecondary level for those aged 16 and older as described above. The federal appropriation may only be used for those who are not enrolled or are required to be enrolled in secondary school and for those who are deficient in basic skills (reading, writing, or math skills below the 8th grade level), do not have a secondary school diploma or its recognized equivalent, or are English language learners.

B. 504.1 - Flexible Pathways

16 V.S.A. § 941 describes the Flexible Pathways Initiative that requires schools serving students grades 7 - 12 to offer flexible pathways to graduation and to document the personalization process in Personal Learning Plans (PLPs). Flexible pathways, as a component of PLPs, can include work-based learning experiences, CTE, virtual or blended learning, dual enrollment and early college, the High School Completion Program, and other pathways whereby students can demonstrate proficiency in meeting graduation requirements.

Figure 1: Flexible Pathways Budget Summary

CATEGORY OF EXPENDITURE	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
GRANTS	9,225,450	9,225,450	0
SOURCE OF FUNDS			
GENERAL FUND (A)	962,725	962,725	0
EDUCATION FUND (B)	<u>8,262,725</u>	<u>8,262,725</u>	<u>0</u>
TOTAL ALL SOURCES	9,225,450	9,225,450	0

SOURCE OF FUNDS DETAIL

(A) GENERAL FUND			
GRANTS			
1 Dual Enrollment	921,500	921,500	0
2 Dual Enrollment VT VSAC	<u>41,225</u>	<u>41,225</u>	<u>0</u>
TOTAL GENERAL FUND	962,725	962,725	0
(B) EDUCATION FUND			
GRANTS			
3 HS Completion for LEAs	4,000,000	2,100,000	(1,900,000)
4 Dual Enrollment	921,500	921,500	0
5 Early College	2,500,000	2,500,000	0
6 Vermont Academy of Science	500,000	500,000	0
7 Secondary School Reform	200,000	400,000	200,000
8 Vermont Virtual	100,000	1,800,000	1,700,000
9 Dual Enrollment VT VSAC	<u>41,225</u>	<u>41,225</u>	<u>0</u>
TOTAL GRANTS	8,262,725	8,262,725	0
TOTAL EDUCATION FUND	8,262,725	8,262,725	0

Budgetary Changes: The changes in this FY2022 appropriation reflect 3 major changes:

1. High School Completion Program: This appropriation has been reduced consistent with declining reimbursement patterns over the last three years; estimated unspent funds have been reallocated to Vermont Virtual and Secondary School Reform.

2. Secondary School Reform: An increase in funding for this appropriation reflects demand on the grant program over the last several years and continuing need to support systems in implementation of flexible pathways, PLPs in an equitable manner that serves all students, especially those that have been historically marginalized.
3. Vermont Virtual: This appropriation has been increased to reflect the nearly 500% growth in unique students served and the 1300% growth in enrollments, as well as the need for stability and predictability in offering this service to schools, families, and students.

Summary of Flexible Pathways Grants

1. High School Completion Program (HSCP) – 16 V.S.A. § 943(c)
This grant reimbursement program provides learners with educational services of the scope and rigor needed to attain a high school diploma. Eligible students are at least 16 years old and have not earned a high school diploma. HSCP funding is available once a student reaches an assessment level commensurate with 9th grade. Adult Education and Literacy providers lead student intake and enrollment, the administration of assessments, and work with each student and the assigned school district to develop the PLP that details their pathway to graduation.
2. Dual Enrollment - 16 V.S.A. § 944(f)(2)
This program is open to Vermont residents who have completed grade 10 and have not received a high school diploma. The program shall include college courses offered on the campus of an accredited post-secondary institution and college courses offered by an accredited post-secondary institution on the campus of a secondary school. The program may include online college courses or components. Established tuition rates are paid by the Agency of Education to the post-secondary institution.
3. Early College - 16 V.S.A. § 946(a)(2)
This program directs the Agency of Education to pay an amount equal to 0.87 times the Base Education Amount as the full tuition for each 12th grade Vermont resident student enrolled in an early college program, which includes the Vermont Academy of Science and Technology. Early College programs are developed and operated by Vermont colleges and have been approved by the Secretary of Education for that purpose.
4. Vermont Academy of Science and Technology (VAST) - 16 V.S.A. § 946(a)(1)
VAST operates an approved independent 12th-grade program housed at Vermont Technical College.
5. Secondary School Reform - 16 V.S.A. § 941
To support districts in the implementation of Act 77 and the integration of flexible pathways to graduation, consistent with the goals of Act 1 and Act 173, the Agency provides funding for projects that focus on innovative school and systems-based work on personalization, flexible pathways, and proficiency-based education that is inclusive, equitable, bias-free, and accessible to each learner.
6. Vermont Virtual Learning Cooperative -16 V.S.A. § 941(b)(3)(c)(ii)
To support more fully the intent of Act 77, and specifically the flexible pathways represented by virtual learning, this funding supports Vermont Virtual Learning Cooperative to provide online courses, created and vetted by licensed instructors, for

students enrolled in high school. The flexibility of online learning courses allows students to maximize their learning during and beyond the traditional classroom day.

7. Dual Enrollment, Vermont Student Assistance Corporation (VSAC) – Previously 2017 No. 85 Sec. B.1100(a)(3)(C)

Granted to VSAC to support need-based stipends for dual enrollment and early college students. Students who meet the eligibility criteria (based on FRL status) may receive a stipend to help offset the out-of-pocket expenses of books, fees, or transportation.

B. 505 - Statewide Education Spending Grant

This grant is the primary funding source for public education in Vermont under Chapter 133 of Title 16.

Figure 1: Statewide Education Spending Grant Budget Summary

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
CATEGORY OF EXPENDITURE GRANTS (ONLY CATEGORY)	1,489,500,000	1,539,060,000	49,560,000
SOURCE OF FUNDS EDUCATION FUND (A)	1,489,500,000	1,539,060,000	49,560,000

SOURCE OF FUNDS DETAIL

EDUCATION FUND GRANTS			
1 Education Spending Grant	1,488,549,000	1,538,109,000	49,560,000
2 Tech FTEs Not Enrolled	500,000	500,000	0
3 Driver Education	<u>451,000</u>	<u>451,000</u>	<u>0</u>
TOTAL EDUCATION FUND	1,489,500,000	1,539,060,000	49,560,000

Budgetary Changes: The changes in FY 2022 in this appropriation reflect two changes:

Education Spending Grants – \$1,539 M reflects the Agency of Education’s estimate in local school budget growth in FY2022. The growth rate is projected to be about 3.79% above prior year in terms of just education spending. The growth pressure is associated with typical cost pressures in schools as well as health care cost growth and increased demand for construction and renovation projects. Additionally, the retirement costs have increased significantly due to actuarial requirements. Also, costs due to responding to the COVID-19 pandemic are also putting pressure on school budgets, although these costs are largely being mitigated by federal CARES Act money. This overall education spending grant number will be updated once local budgets are submitted to the Agency of Education.

Summary of Statewide Education Spending Grants

1. Education Spending Grant – 16 V.S.A. § 4011(a), (c): Funds must be appropriated to pay for each district’s education spending amount. The amount provided here is an estimate and will be updated once local budgets are submitted to the Agency of Education.
2. CTE Full-time Equivalents not Enrolled – 16 V.S.A. § 4011(g): This payment is to partially refund districts for resident students attending a technical center at public expense but who are not enrolled in a public high school. These students are not counted in the district ADM although the actual spending is reflected in the Education Spending Grant line.
3. Driver Education Program Grants – 16 V.S.A. § 1047: These funds provide partial reimbursement to schools that offer driver education programs. The State share of support for this program is less than 25 percent.

B. 506 - Transportation

Administered through the School Finance Team, these funds are used to reimburse up to half of school district expenditures to transport students to and from school. Exact reimbursement percentages are limited by appropriated amounts and are determined by the amount of district expenditures, as per 16 V.S.A. § 4016.

Figure 1: Transportation Budget Summary

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
CATEGORY OF EXPENDITURE GRANTS (ONLY CATEGORY)	20,459,000	20,476,000	17,000
SOURCE OF FUNDS EDUCATION FUND	20,459,000	20,476,000	17,000

Budgetary Change: The changes in this FY 2022 appropriation reflects the statutory increase for the appropriation.

B. 507 - Small School Support Grants

Under 16 V.S.A. § 4015, these funds provide formula grants to school districts operating schools with a two-year average grade size of 20 or fewer students. These funds are administered through the School Finance Team. Included in this figure are the small school grants that became merger support grants for those districts that received a small school grant but merged voluntarily.

Figure 1: Small School Support Grants Budget Summary

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
CATEGORY OF EXPENDITURE GRANTS	8,200,000	8,100,000	(100,000)
SOURCE OF FUNDS EDUCATION FUND	8,200,000	8,100,000	(100,000)

Budgetary Change: The overall growth in the total small school grants seems to be slowing, likely due to the merger support grants being a fixed amount.

B. 510 – Essential Early Education

Essential Early Education grants are made to supervisory union/districts to fund preschool special education services for children ages 3 through 5 per 16 V.S.A. § 2948(c). If grant funds are available after providing preschool special education services, the balance of funds can be used to provide child find services or to serve preschool children ages 3 through 5 at risk of school failure.

Figure 1: Essential Early Education Budget Summary

	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
CATEGORY OF EXPENDITURE GRANTS (ONLY CATEGORY)	7,044,052	7,050,104	6,052
SOURCE OF FUNDS EDUCATION FUND	7,044,052	7,050,104	6,052

Budgetary Change: The changes in this FY2022 appropriation reflects the statutory increase for the appropriation.

B. 511 - Technical Education

This funding supports technical education in accordance with 16 V.S.A. §§ 1563 & 1565, state financial assistance.

Figure 1: Technical Education Budget Summary

CATEGORY OF EXPENDITURE	FISCAL 2021 APPROP ACT	FISCAL YEAR 2022	
		AGENCY RECOMMEND	FY2021 TO FY2022
GRANTS	14,816,000	15,514,300	698,300
SOURCE OF FUNDS EDUCATION FUND	14,816,000	15,514,300	698,300

SOURCE OF FUNDS DETAIL

(B) EDUCATION FUND			
GRANTS			
1 Tech. Ed. Tuition Reduction	9,450,000	9,922,500	472,500
2 Tech. Ed. Salary Assistance	2,468,500	2,591,925	123,425
3 Tech. Ed. Transportation	2,047,500	2,149,875	102,375
4 Youth Leadership	125,000	125,000	0
5 Innovative Program Development	<u>725,000</u>	<u>725,000</u>	<u>0</u>
TOTAL GRANTS	14,816,000	15,514,300	698,300
TOTAL EDUCATION FUND	14,816,000	15,514,300	698,300

Budgetary Changes: There are three changes in this appropriation in FY2022

1. In the first three appropriations and as a result of calculations based on a statutory formula increases are made for:
 - a. Tech Ed Tuition Reduction
 - b. Tech Ed Salary Assistance
 - c. Tech Ed Transportation

Summary of Statewide Technical Education Grants

1. Technical Education Tuition Reduction (CTE) – 16 V.S.A. § 1561(b),(c)
Funds are disbursed as payments to technical centers to reduce the tuition paid by school districts, based on three-year average enrollments.
2. Technical Education Salary Assistance (CTE) – 16 V.S.A. § 1565(a)
Funds are disbursed as payments to technical center districts to help defray the costs of salaries for technical center directors, guidance coordinators and cooperative education coordinators.
3. Technical Education Transportation (CTE) – 16 V.S.A. § 1563
Funds reimburse costs of transporting students to CTE centers. The per mile adjusted reimbursement rate is calculated annually.

4. Youth Leadership; Career Technical Student Organizations (CTSO) Youth Leadership Funds support SkillsUSA, Future Farmers of America (FFA), Future Business Leaders of America (FBLA), Distributive Education Clubs of America (DECA), and Health Occupations Students of America (HOSA). CTSOs promote youth leadership development activities and participation in regional, state and national skills competitions.
5. Innovative Program Development
Funds help cover start-up costs for new and innovative CTE programs developed at the state or regional level, that prepare students for careers and/or further studies in emerging career fields with high skills, high wage and high demand jobs. The funds provides a State match for the Federal Perkins Grant. These funds are granted on a competitive basis for up to two years and may include proposals specifically focused on purchasing equipment or technology.

Results Based Accountability and Programmatic Performance Measure Report

Overview

As the Agency continues to adopt both Results Based Accountability and Continuous Improvement models into its long-term strategic planning and day-to-day work activities, the population level outcomes identified by the Legislature and Governor Scott's office inform the prioritization of effort and focus. The programmatic work identified in this year's PPMB report reflect the Agency's ongoing focus on Protecting Vulnerable Vermonters and Growing the Vermont Economy. In the FY2021 budget, AOE submitted Programmatic Performance Measures for the first time (Dual Enrollment and Adult Learning and Education). This year, the Agency of Education added two programs, IDEA Part B Monitoring and Determinations, which center on students with disabilities from PreK-high school. Taken together, these four programs support the Governor's initiative to create a "cradle to career" education system and continue Agency of Education's efforts to meet the population level outcomes of Protecting Vulnerable Vermonters and Growing the Vermont Economy.

Adult Learning and Education

Beginning in FY2017, the Adult Education and Literacy team of the Student Pathways Division (formerly Flexible Pathways Division) established the result that all learners of varying proficiency levels would have equitable access to a secondary credential and be prepared for career or college. Two levers to achieving that result were identified – increased progress assessment of students to ensure that instruction was tailored to student need, and increased monitoring of providers to ensure adherence to policy and educational rigor. In FY2018, for the first time ever, Vermont met its federal performance targets, and did so again in FY2019.

In FY2019 and FY2020, to ensure the system was stable when the federally-mandated assessment was updated, the Agency of Education allowed for providers to leverage High School Completion Program funds to support learners below secondary level. During this transition and the necessary transition to remote instruction as a result of COVID, the AEL system has seen a significant increase in adult learners seeking a secondary credential and earning industry recognized credential (IRCs). The Student Pathways Division will continue its monitoring and training efforts on a newly implemented online learning platform to ensure consistency in proficiency expectations across the K-12 and AEL systems.

For the FY2022 PPMB report, the AEL measures have been refined to better reflect the outreach and activities of the Agency of Education; specifically, the relationship between goal creation and goal attainment.

Figure 1: PPMB: Increase aspiration and achievement of high school credentials by AEL learners

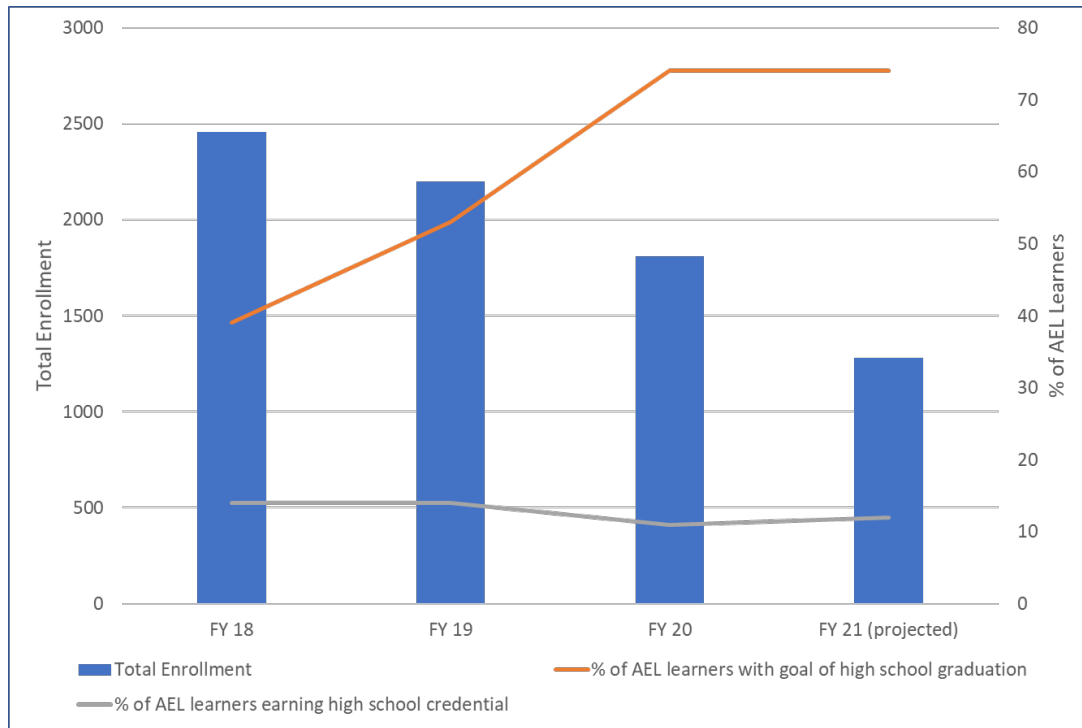


Figure 1: Data Table

	Total Enrollment	% of AEL learners with goal of high school graduation	% of AEL learners earning high school credential
FY 18	2455	39	14
FY 19	2201	53	14
FY 20	1808	74	11
FY 21 (projected)	1280	74	12

Figure 2: PPMB: Adult Learners meeting goal to earn an Industry Recognized Credential (FY 18 to FY 21)

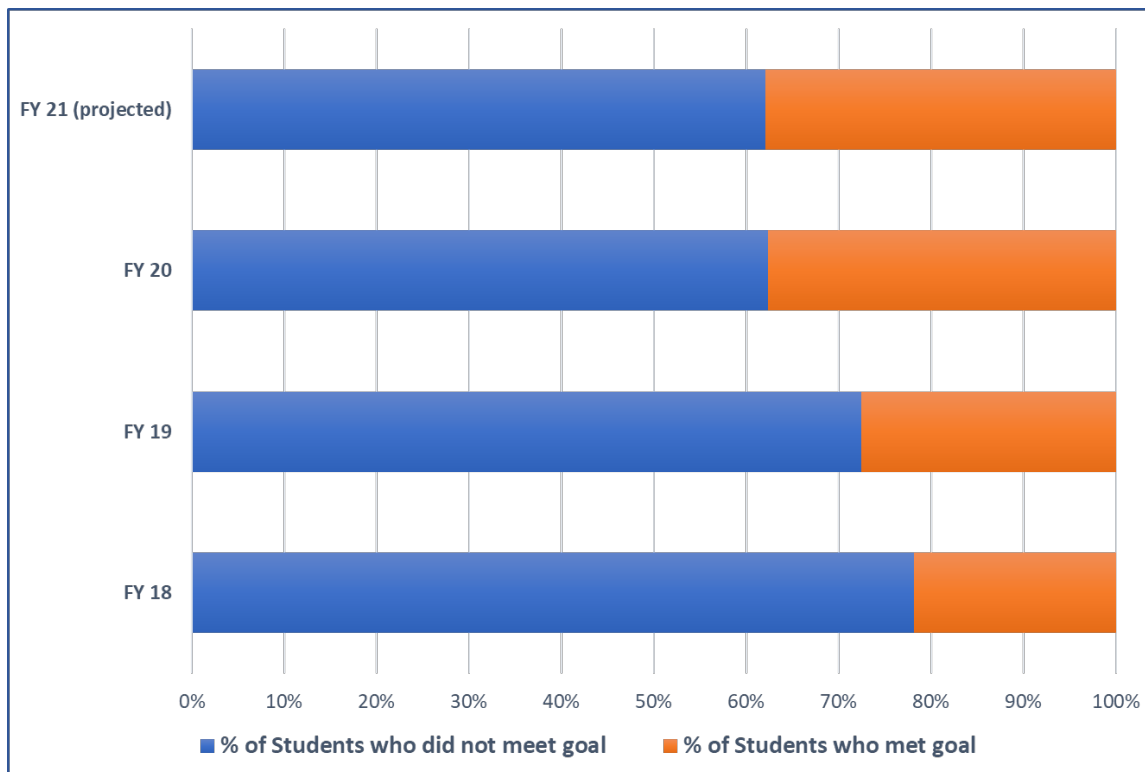


Figure 2: Data Table

	% of Students who did not meet goal	% of Students who met goal
FY 18	337	94
FY 19	226	86
FY 20	116	70
FY 21 (projected)	82	50

Dual Enrollment

Beginning in 2018, the Student Pathways division worked with the Northeast Comprehensive Center to develop a toolkit to ensure the result of equitable access to Flexible Pathways for all eligible secondary students. Over the course of the year, the Agency of Education worked with diverse stakeholders within the agency and in the field to design, refine and field test a Flexible Pathways Implementation Kit that helped schools and school systems better address barriers to participation, specifically for economically disadvantaged students and students with disabilities, in pathways such as dual enrollment, and to communicate expectations and opportunities consistently to all students and families.

In 2019 and 2020, small teams of agency staff worked with school system teams at their request to create individual school profiles of pathways and engage in collaborative problem solving. The Student Pathways division will continue to expand on this work with partners at VVSAC and the Vermont State Colleges.

For the FY 2022 PPMB report the Dual Enrollment programmatic measures have been expanded to include targets aimed at increasing access for students with disabilities.

Figure 3: PPMB: Increase Utilization of Dual Enrollment Vouchers by Male Students and Low-Income Students

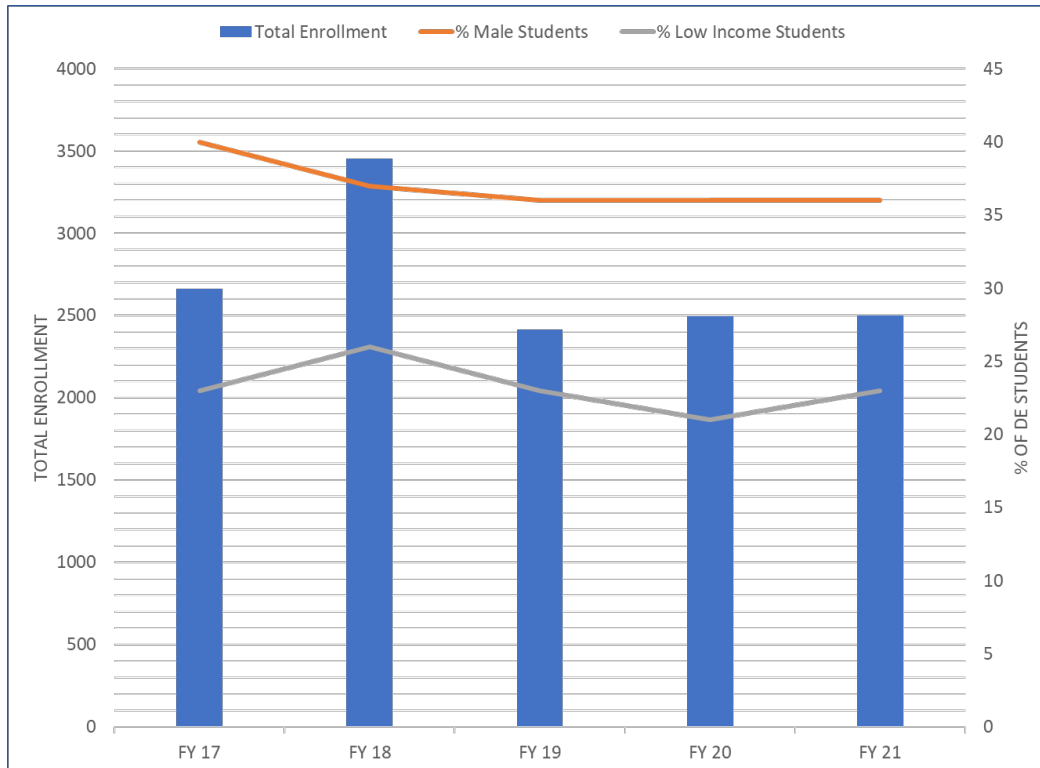


Figure 3: Data Table

	Total Enrollment	% Male Students	% Low Income Students
FY 17	2660	40	23
FY 18	3453	37	26
FY 19	2414	36	23
FY 20	2494	36	21
FY 21	2500	36	23

Figure 4: PPMB: Increase the percent of students on IEPs who use Dual Enrollment

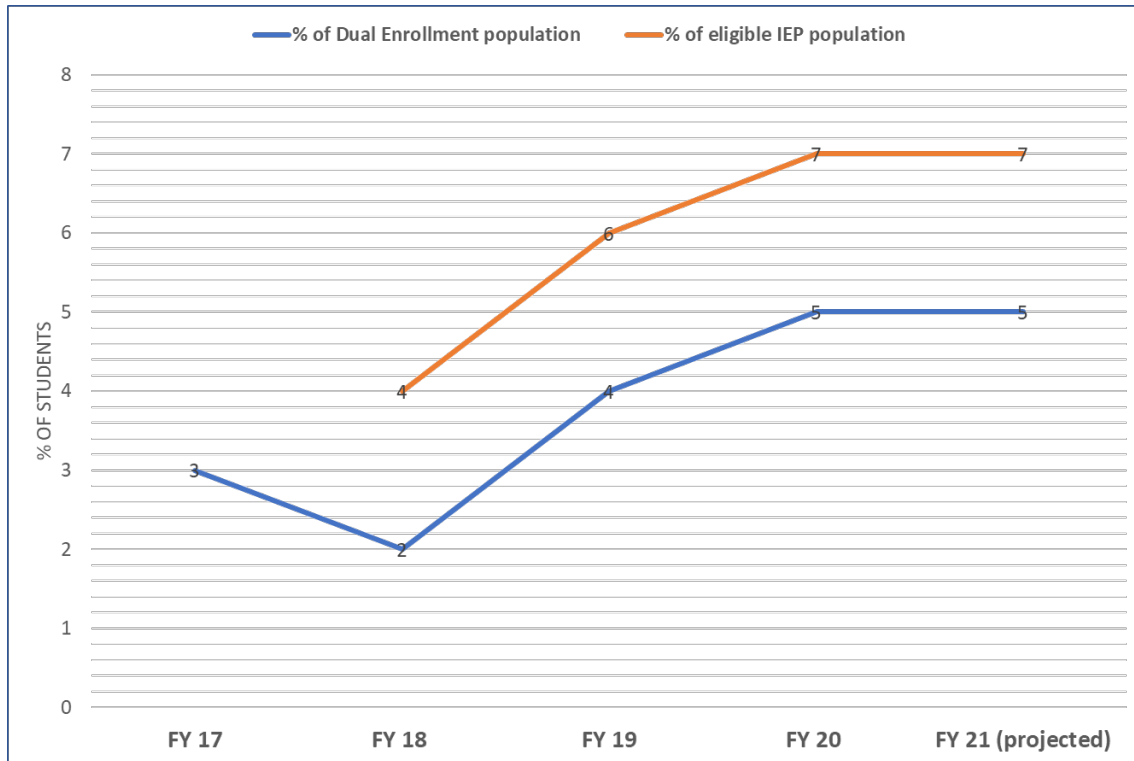


Figure 4: Data Table

	% of Dual Enrollment population	% of eligible IEP population
FY 17	3	
FY 18	2	4
FY 19	4	6
FY 20	5	7
FY 21 (projected)	5	7

IDEA Part B- Determinations and Monitoring

In the past, the Agency of Education has worked to meet and exceed our federal State Performance Plan/Annual Performance Report (SPP/APR) targets, and has generally performed well against that standard. As of 2019-2020, the Agency of Education is being more intentional about its relationship with SPP/APR indicators. SPP APR indicators now drive our LEA determinations process, monitoring system, and our related programmatic work for school systems. Staff members are now assigned to each indicator; they cultivate their expertise in that indicator through professional development and intensive indicator-specific work, and bring

that understanding to their collaborations with the rest of the Special Education and Early Learning teams. The Special Education team coordinates across Agency of Education teams and divisions (including our legal and finance divisions) to gain cohesion in our approach to indicator-specific work, and to problem solve the SPP/APR-related challenges that we have identified internally, and that the federal Office of Special Education Programs have identified for us. Over time, we expect that this new approach will positively impact student achievement and school performance, in addition to improving some of the Agency of Education’s internal processes (e.g. data collection and dispute resolution).

Figure 5: PPMB: Increase % of youths on IEPs graduating with high school diploma (Indicator 1)

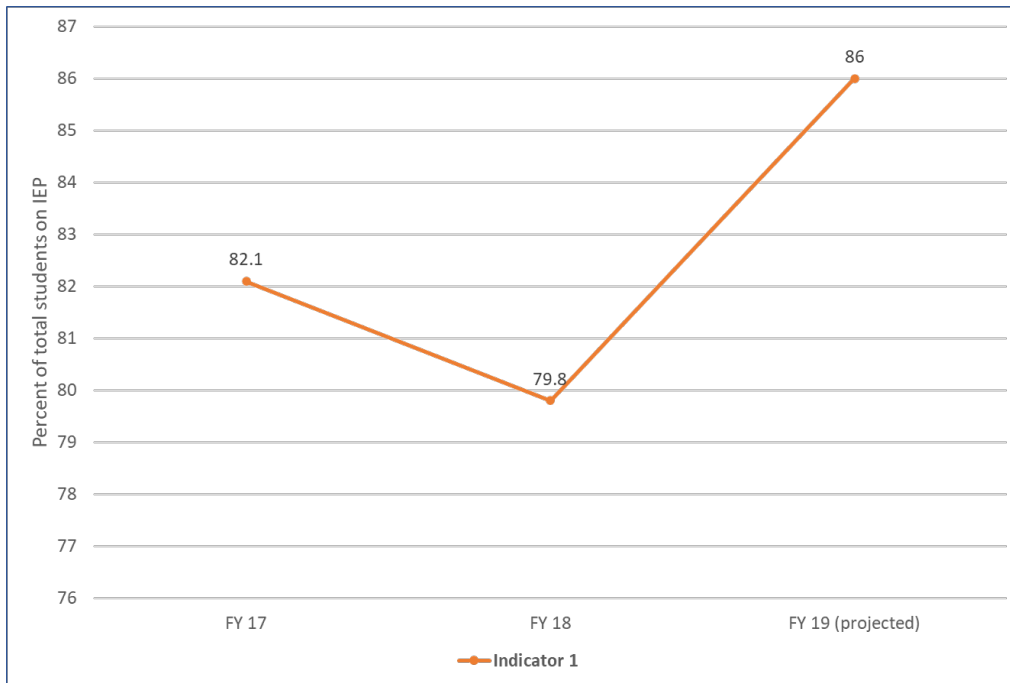


Figure 5: Data Table

	Indicator 1
FY 17	82.1
FY 18	79.8
FY 19 (projected)	86

Figure 6: PPMB: Increase percent of PreK children with IEP functioning within age expectations in social, emotional, knowledge and behavioral skills (Indicator 7)

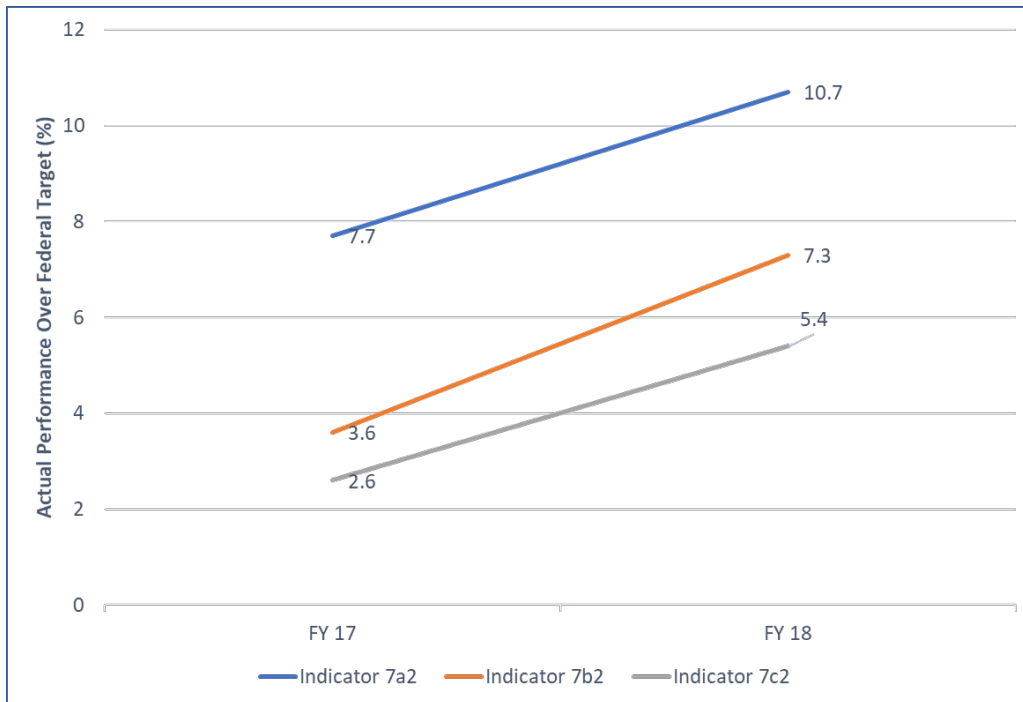


Figure 6: Data Table

	Indicator 7a2	Indicator 7b2	Indicator 7c2
FY 17	7.7	3.6	2.6
FY 18	10.7	7.3	5.4

Figure 7: PPMB: Federally mandated performance measures across Indicators 5a and 6a

	Indicator 5a	Indicator 6a
FY 17	77.8%/79%	✓
FY 18	77.6%/79%	✓
FY 19 (Projected)	✓	✓

PPMB: Increase the percent of students age 3-21 with IEPs who receive at least 80% (ages 6-21) or the majority (ages 35) of their education and related services within the general classroom

- Indicator 5a: students age 6-21 with IEPs who receive at least 80% of their education and related services within the general classroom.
- Indicator 6a: students age 35 with IEPs who receive a majority of their education and related services within the general classroom.

Measure Type: How Much?

Figure 8: PPMB: Federally mandated performance measures across Indicators 9, 10 and 12

	Indicator 9	Indicator 10	Indicator 12
FY 17	✓	✓	✓
FY 18	✓	✓	97%/100%
FY 19 (Projected)	✓	✓	✓

- Indicator 9:** The percent of districts with disproportionate representation of racial and ethnic groups in special education that is a result of inappropriate identification.
- Indicator 10:** The percent of districts with disproportionate representation of racial and ethnic groups who have been identified within specific disability categories that is a result of inappropriate identification.
- Indicator 12:** The percentage of eligible children ages 3-6 who received an evaluation for special education services within the federally-required time frame

Measure Type: How Well?

AOE COVID-19 Initiatives, Missions and Activities

AOE COVID-19 Response

With the closure of schools in March, the Agency of Education moved rapidly into an emergency response mode to provide crucial guidance and support to the field as they transitioned first from a Maintenance of Learning (during school closure) to a Continuity of Learning stance in the spring, and then into the reopening of schools in the fall. In the early days of the pandemic, the AOE's efforts focused on the provision of meals, the rapid stand up of remote learning systems, and the development of guidance to support learning and the continuity of critical school functions.

During the summer of 2020, the focus of the Agency of Education's efforts shifted to supporting schools in safely reopening. In partnership with the Vermont Department of Health and other Agencies, AOE developed extensive Strong and Healthy Start guidance, worked collaboratively with the Vermont Virtual Learning Cooperative (VTVLC) to provide remote learning opportunities across the state and released seven separate federal grant programs to address the financial impact of the pandemic. These sustained efforts continued in the fall as cases rose in the state and the work of the Agency expanded to include the coordination of a state-wide school COVID-19 testing initiative, and the development of guidance and practices for assessing student learning.

During this unusual period, Agency staff have continued to provide support, oversight and leadership to the field in their "normal" work capacity, but many AOE staff have taken on significant additional work to respond to the pandemic. This work has been collaborative in nature, drawing on the resources and expertise of all divisions, and has been carried out in partnership with many agencies and departments from across state government. The section below highlights some of the COVID-19 specific work carried out by the Agency.

Overview of Federal Emergency Funding Activities

In response to the COVID-19 emergency, on March 27, 2020 the United States Congress passed the CARES Act, totaling over \$2 trillion. The education system in Vermont had benefited from three of the CARES Act programs. Through the Elementary and Secondary School Emergency Relief (ESSER) Fund, the state of Vermont received approximately \$31 million in ESSER funds, of which 10% or \$3,114,836 was set aside for the AOE to develop state-wide approaches to help LEAs respond to the COVID-19 pandemic. In addition to ESSER, the Governor's office received approximately \$4.5 million through the Governor's Emergency Education Relief (GEER) fund. Governor Scott's office determined that it would use the funds to support Career and Technical Education (CTE) institutions across the state and that the AOE would administer grants to support remote technology and infrastructure to meet the needs of these institutions.

A third and much larger component of the CARES Act is the Coronavirus Relief Fund (CRF). Following legislation passed through Acts 120 and 154, the AOE now administers five separate CRF grant programs totaling \$103 million.

Collaborative, inter-divisional teams, led by the COVID-19 Federal Emergency Funds Steering Committee, have worked to rapidly build out the application, review, business, reporting and

monitoring processes for each of these grants. Between July and October the AOE created and released seven separate grant programs and, as of December 15, 2020 all grant awards for CRF programs have been completed. The very short period of performance for CRF grants meant that schools have prioritized the use of CRF funds over ESSER to meet COVID-19 needs from March through December 2020.

Program teams and Divisions including Child Nutrition, Consolidated Federal Programs, Education Quality, Student Pathways and the School Finance group have all contributed to the creation and review of grant applications. In the Finance division, the Business Office and Fiscal and Regulatory Compliance groups have taken on significant additional workloads to create grant award agreements, and to ensure timely payment of reimbursement requests and compliance with reporting and monitoring requirements. These efforts have led to over \$135 million being made available to educational entities to support their response to the pandemic.

Timeline of COVID-19 Federal Emergency Funds

- March 27, 2020 – \$2 trillion CARES Act signed into law
- June 30, 2020 – Act 120 appropriates CRF fund to AOE for grant programs to support PreK-12 schools
- July 15, 2020 – AOE releases ESSER application
- July 31, 2020 – AOE releases CRF Summer Food Service Program application
- August 19, 2020 – Indoor Air Quality subgrant award signed with Efficiency Vermont
- August 21, 2020 – AOE releases CRF LEA grant application
- August 24, 2020 – AOE releases CRF Approved Independent School grant application
- October 2, 2020 – Act 154 increases CRF funding for PreK-12 schools and adds additional grant program
- October 16, 2020 – AOE releases CRF Child Nutrition Equipment grant application
- October 21, 2020 – AOE released GEER application

Figure 1: COVID-19 Federal Emergency Funds

COVID-19 Federal Emergency Funds

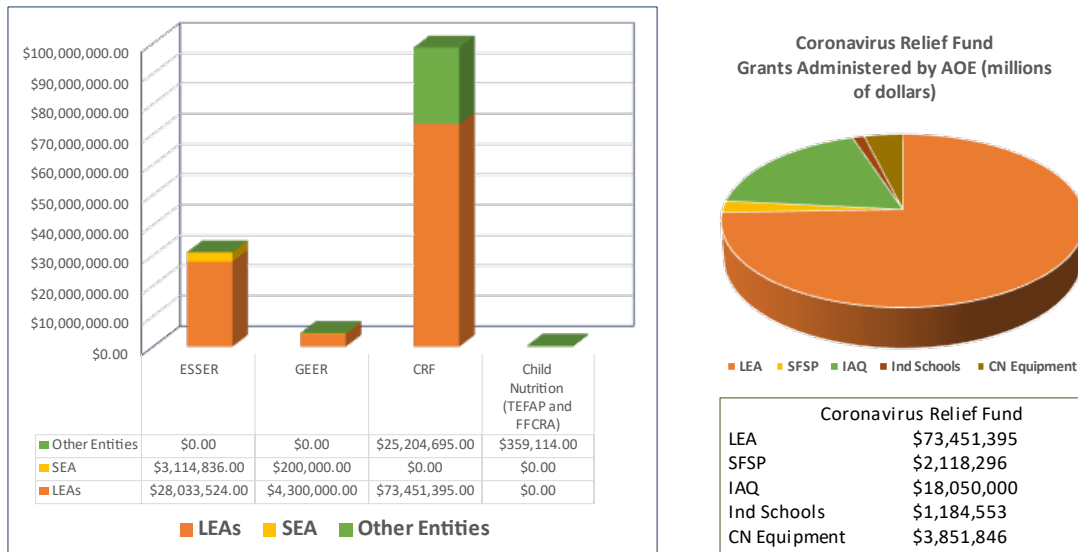


Figure 1: Data Table (All Federal Emergency Funds)

	LEAs	SEA	Other Entities
ESSER	\$28,033,524	\$3,114,836	\$0
GEER	\$4,300,000	\$200,000	\$0
CRF	\$73,451,395	\$0	\$25,204,695
Child Nutrition (TEFAP and FFCRA)	N/A	N/A	\$359,114

Figure 1: Data Table (Coronavirus Relief Funds)

	Coronavirus Relief Fund
LEA	73,451,395
SFSP	2,118,296
IAQ	18,050,000
Ind Schools	1,184,553
CN Equipment	3,851,846

Overview of AOE Programmatic Missions, Initiatives and Activities

COVID-19 Response Team

The Agency's COVID-19 Response Team was established in early March to organize and oversee a range of missions related to COVID-19 response in Vermont schools. Prior to the establishment of the response team, in late February, Secretary French had tasked staff from the AOE Communications Team with participation in executive branch-wide COVID-19 planning and preparation exercises. As a result of those exercises, it was concluded that COVID-19 would have a significant impact on schools, and that capacity and resources were needed within the agency to manage response activities. The COVID-19 Response Team was established to provide this capacity. Task-organized along an incident command structure similar to the State Emergency Operations Center (SEOC) or Health Operations Center (HOC), the team's role is to coordinate Agency response activities, work with other state agencies and partners, and manage COVID-19-related communications and guidance. The team is organized into four sections: Public Information, responsible for managing communications and guidance production; Resource and Response, responsible for missions, such as school PPE distribution and other SEOC-assigned activities; Child Nutrition, responsible for ensuring continuity of meal service to Vermont students; and Planning and Project Management, responsible for tracking objectives and working with the AOE finance team.

Nine AOE staff are cross-assigned on either a full- or part-time basis from the following divisions and/or teams: Communications (response manager and deputy response manager), Education Quality, Federal Education and Support Programs, Finance, Student Pathways, and the Office of the Secretary. Response team staff also serve as SEOC staff, manning the Agency's partner "desk" in the Mission and Resource Support (MARS) Section.

Initial missions included managing reactive school closures, ensuring continuity of operations for school nutrition services during the initial period of Maintenance and Continuity of Learning, and working with the State Emergency Operations Center (SEOC) on statewide missions impacting schools. Subsequent missions have included: managing development and distribution of guidance on behalf of AOE divisions, teams and partner agencies on all areas of education; managing development of COVID-19 specific school health guidance with the School and Childcare Branch of the Health Operations Center (Health Department); managing three resource distribution missions to provide PPE and essential supplies from the state Medical Logistics warehouse to Vermont school districts and independent schools; and managing school staff surveillance testing.

Communications

Early on AOE identified that clear and consistent communications with field stakeholders (school districts and independent schools) would be critical to effective crisis response. To that end communications was integrated into the response team as its own section, lead by the Agency's Digital Communications and Web Manager. The section directly supervises field communications from the response team, and manages the review, approval and production process for COVID-19 guidance developed by other Agency divisions and teams. From the beginning of the pandemic to the close of 2020, the team published 196 guidance documents.

Beginning in March, the response team sent COVID-19 update emails directly to school district superintendents and independent school heads of school. The operational tempo for updates was originally daily (including weekend updates), reflecting the rapid changes in the early weeks of the pandemic. As the situation stabilized, this tempo was scaled back to two or three regular updates per week, depending on the situation and amount of content. The AOE also forwards Health Department COVID-19 updates to superintendents and independent schools. Additionally, the team continued to distribute the AOE’s regular flagship [Weekly Field Memo](#), with a summary of new guidance and updates for consumption by the broader Vermont education community. From the beginning of the pandemic to the close of 2020, the team distributed 155 update emails and 41 Weekly Field Memos.

The AOE built out web resources in the following major categories: COVID-19 Guidance, Continuity of Learning Guidance to support schools in remote or hybrid dispositions, School Staff Surveillance COVID-19 Testing, and a Wellness Check Survey for schools to use for health screenings. From the beginning of the pandemic to the close of 2020, the team created 16 web resource pages related to COVID-19 topics.

Table 1: COVID-19 Communications Activities

Collateral	From pandemic onset to Jan 1, 2021
Guidance documents published	196
Updates sent to School Districts / Independent Schools	155
Web pages created	16

SEOC Partnership

The number of personnel trained to serve in the State Emergency Operations Center (SEOC) grew from one pre-pandemic, to seven as of Jan. 1, 2021. Additionally, prior to the onset of COVID-19, AOE did not have a regular seat in the SEOC, and had no organizational experience with state emergency management practice and procedure (the individual trained prior to COVID-19 was a communications staff member cross-trained to serve as an SEOC PIO). The Agency quickly grew its capacity in this area, with six regular personnel serving rotating week-long “shifts” as agency partners in the virtual SEOC, with a seventh member from the child nutrition Section cross assigned to the Mass Feeding Group.

Aside from the two missions outlined below, AOE SEOC activities have been primarily in support of missions for other agencies, or communicating existing missions to school partners. Examples of these missions include ongoing support for vaccination efforts, as well as supporting Health Department public communications to school and family audiences.

A Strong and Healthy Start

At the direction of Secretary French and under the supervision of Deputy Secretary Bouchey, the Response Team led a multi-agency planning effort to prepare for the resumption of in-person learning in September 2020. This process was organized and lead by the Response Team and the School Childcare Branch of the Health Operations Center (the Maternal and Child Health Division at the Health Department), on behalf of Secretary French and Commissioner

Levine of the Health Department. In addition to Agency and Health Department staff, the planning group included a range of stakeholders including representatives from Vermont’s pediatric, infectious disease, epidemiology, school counselor and school nursing communities, as well as education stakeholders from the Vermont Superintendents Association (VSA), Vermont Principals’ Association (VPA), Vermont – National Education Association (VTNEA), the Vermont Independent Schools Association (VISA) and the Vermont School Boards Association (VSBA).

The resulting guidance – [A Strong and Healthy Start: Safety and Health Guidance for Vermont Schools](#), was first issued in June, and recognized as one of the most comprehensive school health guidance documents nationwide. Revised versions were published in August and October, in response to new information and a better understanding of COVID-19 transmission in schools.

Following publication, the Response Team, working closely with the School and Childcare Branch, created a series of [Frequently Asked Questions](#) and companion guidance documents to assist Vermont education leaders with implementation of the guidance. The response team continues to answer technical questions from Vermont educators, administrators, and the general public regarding instruction and school operations during COVID-19.

Resource Distribution

In preparation for reopening of school in September 2020, AOE worked, under the SEOC and in partnership with the Health Department, the Medical Logistics Warehouse (SEOC), Agency of Transportation and Vermont National Guard, to plan and distribute PPE and other resources to support Vermont school districts and independent schools. Resources were distributed in three distinct phases, in July, August and October, as resources became available. Resources distributed included KN95 masks for school staff, hand sanitizer, PPE “kits” (including gowns, procedure masks, gloves and face shields) for school nurses and COVID-19 coordinators), as well as cloth face coverings for staff, and once available from the federal government, for students.

Table 2: COVID-19 Resource Distribution

Resource	Number distributed (approximate)	Distribution Month
KN95 Masks for school staff	218,000	July
PPE Kits (Gloves, pair, 50 count; Procedure Mask, 50 count, Gowns, 50 count, Face shield)	2,658	August
Hand Sanitizer (750ml bottles)	4,770	August
Face Coverings (adult) – students and grade 6-12 students	83,415	August and October
Face Coverings (child)	41,932	October

School Surveillance Testing

Beginning the week of Nov. 16, 2020, in collaboration with the Department of Health, Agency of Digital Services, and the SEOC, the Agency of Education organized a school staff surveillance testing program to support the larger public health goals of the state’s pandemic response. As a group of individuals distributed statewide under a strong organizational umbrella, school staff were an ideal population to monitor the presence of the virus in our communities. All school districts and four independent schools selected for their size and geographic distribution participated; all testing is voluntary. All districts were tested the week of Nov. 16, 2020. In subsequent weeks, 25% of districts have been tested each week.

Figure 2: Test Results (Total Tests/Positive Cases)

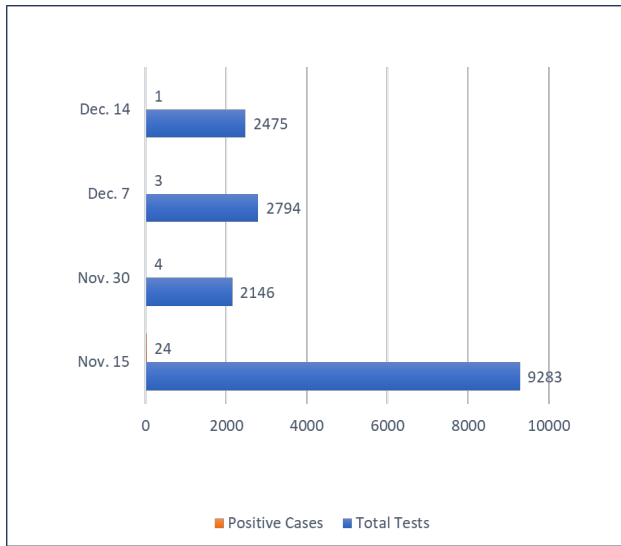


Figure 2: Data Table

	Total Tests	Positive Cases
Nov. 15	9,283	24
Nov. 30	2,146	4
Dec. 7	2,794	3
Dec. 14	2,475	1

Federal Education and Support Programs (FESP)

Child Nutrition Programs

Maintaining safe food access for children whether in school, at child care, or at home has been a priority for the AOE since the beginning of the state’s COVID-19 response, and the entire Child Nutrition Programs team members have taken on new work in support of this mission. In March, the team began providing written guidance to the field on safe food service, requested waivers from USDA to allow the programs to continue to operate, and processed the federally-

required paperwork to allow all schools to continue to provide meals even though school buildings were closed. Since March, two Child Nutrition team members have been assigned to the AOE's COVID-19 response team. As a result of this work, over 8 million meals have been served since schools closed in March 2020 using the federal child nutrition programs.

Figure 3: Child Nutrition Federal Emergency Funds

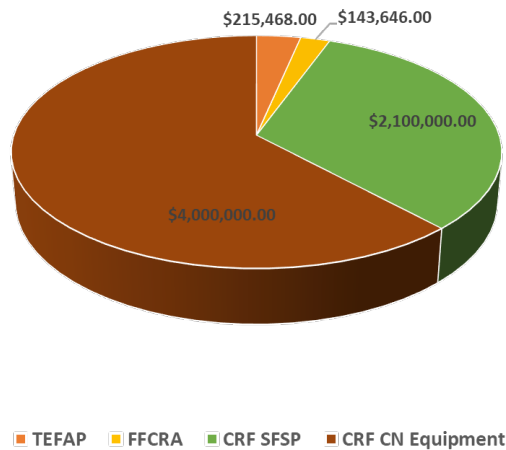


Figure 3: Data Table

	Child Nutrition Federal Emergency Funds
TEFAP	\$215,468
FFCRA	\$143,646
CRF SFSP	\$2,100,000
CRF CN Equipment	\$4,000,000

Child Nutrition Programs has also participated directly in the state's emergency response, with the State Director of Child Nutrition Programs assigned to the state's Mass Feeding group, and another team member providing significant administrative support to that group. This work has incorporated the state's child nutrition providers as a resource, with school food service programs providing 302,058 meals to homeless Vermonters housed in hotels through the General Assistance voucher program and schools partnering with the state and the Vermont Foodbank to distribute USDA's Farmers to Families Food boxes.

Student & Educator Support Team

Because of parental safety and scheduling concerns related to COVID-19, the Home Study team continues to process a record number of home study enrollments. In normal years, the Home Study team is comprised of one full-time consultant reviewer, with part-time assistance from two other FESP staff and seasonal augmentation,- however, due to the 125% increase in enrollments this year, staff resources had to be borrowed from other teams. For a time, there were 17 non-home study staff devoting at least 4 hours/week to this effort, including some who were devoting 25-35 hours/week to this work.

Figure 4: Home Study Enrollments (Actual)

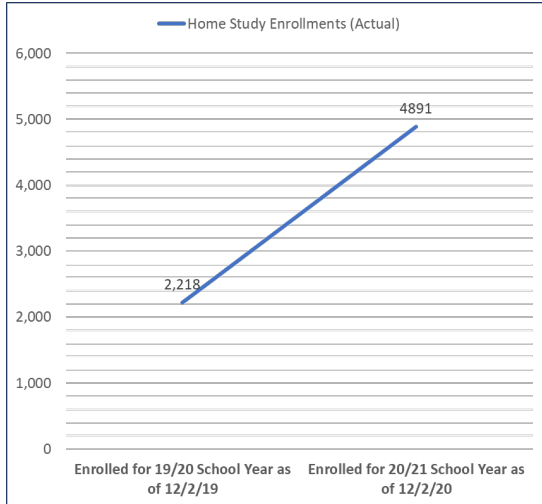


Figure 4: Data Table

	Home Study Enrollments (Actual)
Enrolled for 19/20 School Year as of 12/2/19	2218
Enrolled for 20/21 School Year as of 12/2/20	4891

Due to COVID-19 health and safety restrictions, residential therapeutic educational and treatment programs both in Vermont and around the U.S. have had to significantly restrict the numbers of students in their programs. Accordingly, the interagency Case Review Committee, has adjusted students' placements and found alternative placements for a substantial number of students who were attending residential therapeutic educational and treatment programs both in and out of state. In addition, educational placements for many of the students in foster care have been disrupted.

Consolidated Federal Programs

To ensure that LEAs maximize the use of their regular federal funds, including Title IA, II, III, IVA and V, the CFP Team has pursued Tydings waivers that have extended the period of

performance for federal grants. In addition, the CFP Team has taken the lead on guidance, technical assistance, and review of applications related to ESSER Equitable Services requirements. The CFP team also has played the lead role in developing guidance and providing technical assistance to LEAs on how to maximize use of regular as well as pandemic (ESSER, GEER, CRF) federal funding sources, including identifying COVID-19 related needs and sources of funding for each need.

Student Pathways (SP)

The Student Pathways (SP) Division was tasked with establishing Maintenance of Learning guidelines during the initial transition to emergency closure, and then Continuity of Learning for the conclusion of FY2020 and re-opening of the 2020-2021 school year. Three positions within the division were and remain frozen during these efforts.

Maintenance of Learning

The first week of closure in March, the division established five SPRINT teams -- interdisciplinary units comprised of Student Pathways staff with representation from other units across the agency: the 6-12/Virtual sprint team to address the needs of secondary/adult learners and online learners; the PreK-5/Analog team to address the needs of primary learners and non-virtual learning needs; the Summer/Re-Entry team to begin examining implications for re-opening; the Assessment team to address the complexity of assessing student learning in the immediate and near term and implications at state and student-level (e.g., college-going students); and the Continuity of Programs team to ensure that existing state and federal programs were maintained and aligned with emergency efforts (including managing the GEER grant, coordinating with state and federal partners, requesting federal waivers such as the funds for 21st Century Community Learning Centers (ESSA Title IVB), extending program waivers to the field, managing contracts and new RFPs, etc.). These teams were established to develop the short-term guidance published for schools and families during the emergency closure in March; address emergent issues rapidly as they arose; and to provide a sustained focus required to support Continuity of Learning (CoL) beginning in April.

Continuity of Learning

The Student Pathways SPRINT teams were charged with [two] primary tasks: to ingest state, national and international publications; and, research to develop just-in-time supports for SU/SDs and to adhere to an interdisciplinary approach to ensure that every student could access their education safely. Some examples of the resulting efforts include: a new set of webpages and over 90 pieces of guidance and technical assistance to support analog and digital learning in remote, hybrid and in-person learning models were published; the Continuity of Learning Plan tool, reference guide and exemplars for K-12, AEL and CTE were developed, and the sprint teams reviewed and provided feedback to every SU/SD, AEL provider, and CTE center in the state; the SP division worked with the Public Service Department to deploy a broadband survey and enlist the help of SU/SDs in gathering household broadband information for the 911 mapping project; and, they deployed the Annual Tech Survey and worked with PSD and T-Mobile to offer T-Mobile Project Ten Million to schools.

In April, without expending any COVID-19 relief funds or requiring new State funds, the SP division expanded the VTVLC partnership. As of December 2020, this expansion has provided newly developed professional learning to 4,220 educators and webinar content to nearly 700 educators; resulted in nearly 100 teachers pursuing OTS certification (25 receiving grant-supported scholarships) with multiple pathways to completion; and seen a nearly 500% increase in the number of unique students served totaling over 5,400 students (compare to FY19 with 1,039 unique students served) with over 32,000 course enrollments; all at no cost to districts. This expansion is supporting nearly 900 educators to provide online and blended instruction, up from 53 educators at the beginning of FY20. Currently 19 districts have virtual academies provided through the newly-created Collaborative School Option (CSO), 30 new schools have partnership agreements, 22 schools are supported via the Canvas Learning Management System (LMS), and one-half of all CTE centers and all Adult Education and Literacy (AEL) providers are supported through the State-funded VTVLC expansion.

Figure 5: VTVLC during COVID-19

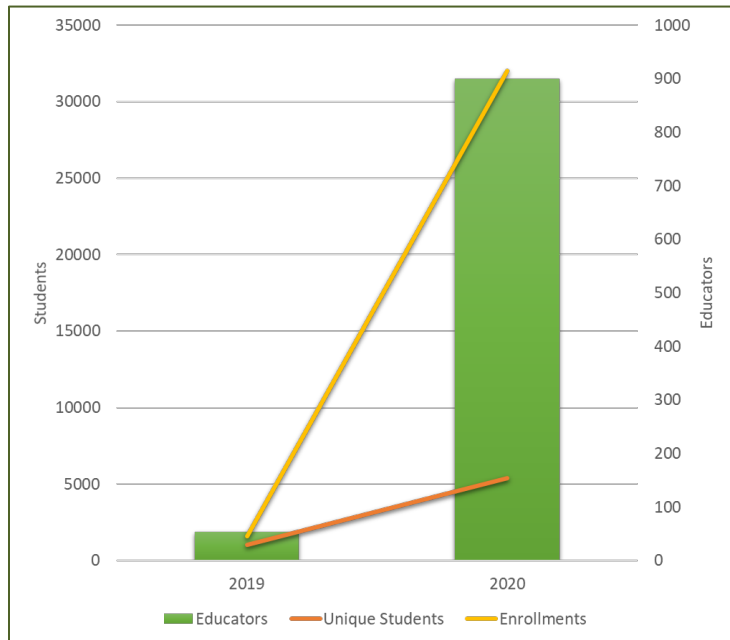


Figure 5: Data Table

	Unique Students	Enrollments	Educators
2019	1039	1600	53
2020	5400	32000	900

In July a partnership with Edmodo was launched to support SU/SDs in offering a no-cost Learning Management System and a platform for the VTed Learns Network, a virtual statewide professional learning and networking system hosted by the Agency of Education so that educators and systems can learn from each other as they address the challenges of COVID-19. As of December 1, there are nearly 1,200 users in the system.

Understanding that many students and families have no/low broadband, the Student Pathways sprint teams created a no-cost AOE partnership with PBS in April (that continues today). To name a few successes: worked to expand the number of cable networks carrying PBS; developed weekly viewing schedules and lesson plans aligned to national and state standards; and, developed an educator platform that offers planning kits for educators and families. Since September 2020, an additional 2,500+ teacher accounts have been created on the Vermont PBS Distance Learning platform.

Additionally, a no-cost partnership with VPR launched in May 2020 supported the weekly *But Why?* podcast with content and corresponding lesson plans developed, as well as the development of a statewide virtual prom with over 700 participants and an end-of-year celebration where students were addressed by Governor Scott, Senators Leahy and Sanders, and Representative Welch to name a few.

Most recently, Student Pathways developed and manages the monthly Strong and Healthy Schools Survey collection in conjunction with developing guidance to support pivot-ready planning for SU/SDs.

Finance

As schools closed in March and Congress passed the historic CARES Act, the COVID-19 Fiscal Response Team was created to provide guidance and technical assistance to LEAs on a variety of pressing issues. This team, which includes members from the Business Office, the Fiscal and Regulatory Compliance group and the School Finance group, in partnership with key stakeholders from Legal, Communications, and the Agency's Program divisions, has advised the field on COVID-19 topics ranging from payroll during school closure, to emergency procurement rules, and technical instruction on accounting practices for federal emergency funding.

In addition, Finance has performed critical work in the implementation of the federal emergency funding programs (ESSER, CRF, and GEER) and subsequent monitoring and reporting activities. Throughout the pandemic, the Education Finance Manager played a key role in advising both the field and the State Legislature on the use of various funds and the implications for state education funding. These efforts have been carried out while team members maintained their regular job duties, ensuring that schools receive the monetary and technical support necessary to their COVID-19 response.

Data Management and Analysis (DMAD)

DMAD's Research and Statistics Section (RSS) worked across divisions within AOE and SOV agencies to support multiple COVID-19 Response efforts. The first effort was a collaboration between RSS, Child Nutrition (FESP), and DCF (AHS) to collect student addresses to allow for Pandemic EBT (P-EBT) benefits to extend to those families receiving free or reduced lunch benefits in spring 2020. The second effort, also in the spring and summer, was RSS supporting the Department of Public Services (DPS) and the Student Pathways division in their efforts to identify the broadband access needs across the state. Finally, this fall RSS has been working with the Student Pathways division to aggregate and analyze data collected monthly from superintendents in the Strong and Healthy Schools Survey.

Student Support Services (SSS)

When the COVID-19 pandemic led to school closures and the subsequent move to hybrid and remote learning, the Student Support Services (SSS) Division was able to leverage already existing structures for communication and support. For example, the Special Education and Early Education teams have held separate weekly presentations and dialogues with the field for over a year. These weekly meetings are open to Special Education Directors and PreK Coordinators who want to attend (typically 30-45 attendees) and run from between 60-90 minutes.

Beginning in February, the Special Education and Early Education meetings became focused on the AOE's COVID-19 response, and on the related work of school systems; this has continued to the present day. Each meeting introduces new guidance that the AOE has developed and the AOE team responds to questions from the field. These weekly conversations have often generated specific requests from the field for additional guidance and support and have provided an opportunity for open Q&A sessions about urgent field concerns and high priority questions.

Members of Student Support Services have also been called upon to serve on the Student Pathways Division SPRINT teams rapidly stood up to create new resources and guidance for the field, including the 6-12/Virtual sprint, the PreK-Analog team, and the Assessment team. The Early Education team also partnered with interagency teams from the Agency of Human Services and the VDH to align childcare safety and health guidance with PreK guidance.