



Education Finance Subcommittee - Commission on the Future of Public Education in Vermont

October 28, 2024, 10:00 a.m. – 1:00 p.m.

Microsoft Teams Virtual Meeting

Call In: 1-802-828-7667

Conference ID: 541 358 75#

DRAFT MEETING MINUTES

Subcommittee Members: Representative Emilie Kornheiser, Chair; Nicole Mace (joined at 10:44 a.m.); Commissioner Craig Bolio; Michael Leichliter; Senator Ann Cummings; Elizabeth Jennings; Interim Secretary Zoie Saunders; Megan Roy (Commission Chair)

AOE: Ted Gates, Sean Cousino, Nicole Lee, Emily Simmons, Jill Briggs-Campbell, Roseanne Neddo, Maureen Gaidys, Suzanne Sprague.

Others: Rebecca Sameroff; Julia Richter; 17038639444; Chester Telegraph; Bud Meyers; Bill Edgerton; Bridget Burkhardt; DS; Justin Silverstein; John Clifford; Meghan Metzler; Allen Gilbert; Elizabeth St. James; Sue Ceglowski; M. Kendrick; Clare Buckley; Jeanne Albert; Marcy Harding; Diane Lanpher; Margaret MacLean; Heather Bushey; Jake Feldman; anonymous; Rep. Sarita Austin; David S; Sheila Soule; Elaine Bellavance; Meg Fuerst; Emma Fedorchuk; Ken Fredette; Rep. Robin Scheu; David James; Lawrence Oscar Picus; Chelsea Myers; Matthew DeGroot; Will Baker; 18029223005; Austin Davis; Amanda Brown; Nate Levenson

Call to Order, Roll Call, Amendments to the Agenda

Chair Kornheiser called the meeting to order at 10:04 a.m. She asked for introductions: Cummings, Saunders, Leichliter, Jennings, Kornheiser and Bolio. Chair Kornheiser mentioned that Mace would be late. She reviewed the agenda and made an amendment to it noting that there will be a preliminary group discussion following public to be heard.

Approval of [Meeting Minutes from October 14, 2024](#)

Leichliter moved to approve the meeting minutes from October 14, 2024; Cummings seconded. There was no discussion. The motion carried.

Public to be Heard

None

Preliminary Group Discussion

Chair Kornheiser shared this [chart](#) to assist in organizing the subcommittee's thoughts with the brainstorm exercise from the previous meeting. The chart contains a listing of the brainstorm topics from the prior Education Finance Subcommittee meeting, the full Commission meeting, the letter from the Vermont education partners and Julia Richter's report on cost containment. She reviewed the framework and explained the topics requiring

input and discussion include the earliest effective date, soonest date to curb costs, fiscal scale, other impacts/dynamics and contingencies/dependencies. Chair Kornheiser suggested that members complete the chart on their own and discussion will also take place as a subcommittee. Discussion followed regarding clarification of some of the brainstorm topics, duplicate topics, having more revenue sources than just property tax, using national standards as a benchmark and the excess spending penalty. Chair Kornheiser mentioned that there would be further discussion at the end of the meeting.

An Evidenced-Based (EB) Approach to Identifying an Adequate Education Spending Level in Vermont

Chair Kornheiser welcomed and introduced Dr. Larry Picus of Picus Oden and Associates who provided an overview of his recently published report, [An Evidence-Based Approach to Identifying an Adequate Education Spending Level in Vermont](#). Picus shared that he has worked with Vermont over the years and produced an extensive adequacy study about 10 years ago. He added that the new report is an evidence-based model that relies on research to estimate adequacy. Picus shared it is complicated because Vermont schools and districts are small and there are several variables that come into play such as consolidations and boundaries that must be considered. He said it was the second time Picus has done a study in Vermont where their estimate of adequacy is lower than the total spending in Vermont.

Picus reviewed the definition of school finance adequacy and the concept of trying to ascertain how much money a state would need to ensure that all children meet the state's education performance standards. The model considered best practices in schools, how to allocate resources and considered class sizes. It additionally includes resources for struggling/low-income students by measuring free and reduced lunches (FRL) and central office functions. The model generates weights to compute the cost for special education and for at risk or low-income children and for English language learners. The total amount of money that that the report estimates per pupil the state would need is between \$400 and \$460 million less than the comparative current spending. Picus added that a factor was added to consider small schools.

Picus shared the executive summary table included in the [report](#). He reviewed and explained the summarized findings. He added that if they went to each school and spent time working with them to get a better understanding of small schools, their estimate would likely increase. Discussion followed regarding what is and is not included in the assumptions, education delivery in Vermont is different to the reports ideal model, pedagogical differences versus structural differences, class size, adequate resources, EB Model and staffing for core programs, class aids, dollar per pupil resources, special education, extended day and summer school, welcome centers and salaries and benefits.

Further questions and discussion occurred regarding a comparison of FY24 Vermont total Education Fund payment with estimated EB Model adequate costs, implications for Vermont policy making, local control over spending levels, consolidating and integrating schools to share resources, identifying savings for the long term, increase in quality has pedagogical implications, 10 characteristics of effective schools, evidence-based professional judgement panels, need for mental health services, Vermont-specific context of English language learners, disconnect with EB Model and other reports, resources to

manage the needs of a district, welcome centers are temporary, Vermont's current structure with many small schools and school districts likely results in higher costs that are not fully addressed in the analysis, tuition payments for secondary education and for private schools, weights for dis-economies of scale, the impact of capital costs on the EB Model, special education identification, assumptions built in to the EB Model around scale and quality and the changes and challenges in the Vermont education landscape overtime.

Chair Kornheiser recessed for break at 11:30 a.m. and resumed at 11:38 a.m.

Vermont in Context

Chair Kornheiser provided a brief introduction of the topic and invited Interim Secretary Saunders to further explain. Saunders said the AOE hired two consultants to increase statewide capacity to support data-driven and research-based planning with the goal of aligning the AOE's work with educational priorities across communities. The consultants are Augenblick, Palaich and Associates (APA) and New Solutions K-12 who have national expertise in education finance policy and extensive working experience in Vermont. She shared the expertise of both consultants. Interim Secretary Saunders said that high level themes will be shared around Vermont's funding model and the context of national practices, and a preliminary analysis of cost drivers, staffing, and enrollment followed by a broader framing around how Vermont's education funding system compares to other states.

David James, New Solutions K-12, and Justin Silverstein, APA, shared this [presentation](#). They shared how Vermont differs from other states with small or rural schools, purpose of the preliminary analyses, an executive summary, how students are counted, changes in enrollment, publicly funded students in Vermont, supervisory union enrollment, staffing analysis, staff per 100 students, total expenditures per average daily membership (ADM), Education Fund appropriation, expenditures ADM by supervisory union/supervisory district (SU/SD) size, staff salaries, expenditures for personal services and other purchased services, expenditures for employee benefits, total expenditures by enrollment group, expenditures versus performance and expenditures versus performance by (SU/SD) size and FRL.

Questions and discussion occurred regarding clarity around student counts and how they are used, students served equals number of students enrolled in the public-school building, clarity around staffing that serve students, students who are tuitioned out of their district, definition of expenditures, ESSER funding, Education Fund payment and tuition payments, salary increases versus staff increases, consider variables that impact spending and performance, data to drive next steps and data anomalies including equalized pupils.

Nate Levenson, New Solutions K-12, provided context on how Vermont's education system compares to other states. He said two things stand out: 1) Vermont calculates the formula on how much money it should cost to educate students, and 2) Communities can vote to spend more than the state calculated amount. He highlighted two themes related to small schools: 1) desire to go it alone without regional or collaborated support, and 2) role of the Agency of Education is different in other states and they offload some of the work of small schools such as curriculum reviews.

Data Review

Not discussed

Discussion

Chair Kornheiser shared this [chart](#). She reviewed the chart and asked for group input on other impacts/dynamics and contingencies/dependencies. Discussion followed on requiring schools to designate up to three public schools, preventing perverse incentives that move to privatization, public education system costs versus overall costs, average announced tuition, establishing optimal class sizes, encouraging larger class sizes, setting as a norm that unless a committee member verbally disagrees the assumption is that the member agrees, merging small schools and districts to achieve optimal class sizes along with other cost containment strategies, Vermont does not have a lot of experience with the closing of schools, closing schools does not always equate to savings, collaboration at a larger scale, financial effectiveness and measuring quality, difficulty in collaborating with other districts because of nuances of different master agreements, health care costs and not putting off long term goals.

Next Steps/Planning for Future Meetings/Agenda Setting

Chair Kornheiser said the next subcommittee meeting is scheduled on November 11th which is a state holiday. The meeting will be rescheduled to Monday, November 18th, with the timing to be determined and may be longer than 3 hours. The meeting will be in-person and details are forthcoming.

Adjourn

Chair Kornheiser adjourned the meeting at 12:58 p.m.

Minutes prepared by Suzanne Sprague.