

AGENCY OF EDUCATION

Barre, Vermont

TEAM: School Governance Team

ACTION ITEM: Will the State Board of Education find that the proposed unified union school district formed by all current member districts of the **WINDHAM NORTHEAST SUPERVISORY UNION (WNESU)**, which anticipates being its own supervisory district, is “in the best interests of the State, the students, and the school districts,” and will the State Board therefore vote to approve the attached report of the WNESU Study Committee?

SECRETARY’S RECOMMENDED ACTION:

- 1. That the State Board of Education finds that the proposed formation of a new unified union school district by all member districts of the WNESU, which will be its own supervisory district, is “in the best interests of the State, the students, and the school districts” pursuant to 16 V.S.A. § 706c(b).**
- 2. That the State Board of Education votes to approve the attached report of the WNESU Study Committee.**
- 3. That the State Board of Education votes to approve the temporary assignment of the new unified union school district, if approved, to the WNESU for the purpose of receiving administrative and other transitional assistance. Assignment would be for the interim period beginning on the date on which the unified union school district becomes a legal entity pursuant to 16 V.S.A. § 706g and ending on July 1, 2018, and would not modify the governing structure of the existing system.**

STATUTORY AUTHORITY: 16 V.S.A. § 706c; Act 46 of 2015; Act 153 of 2010, Secs. 2-4, as amended.

BACKGROUND INFORMATION: The WNESU consists of four towns (Athens, Grafton, Rockingham, and Westminster) and five school districts that operate a total of seven schools, five of which are elementary schools:

- The Athens and Grafton School Districts jointly operate a K-6 school for their resident elementary students. The joint contract school is governed by a separate board composed of the members of both town school boards.
- Westminster operates two elementary schools: one offering K-4 and the other offering K-6.

- Athens, Grafton, and Westminster pay tuition for students in grades 7-8.
- Rockingham operates two K-4 schools and one 5-8 school for its resident students.
- The Bellows Falls Union High School District operates grades 9-12 for students in all four towns.
- Students enroll in the Howard Dean Educational Center in Springfield for career technical education.

The WNESU Study Committee recommends creation of a unified union school district (New Unified District) that would be its own supervisory district. The Study Committee identifies all districts as “necessary” to the proposal, pursuant to 16 V.S.A. § 706b(b)(1). It does not identify any district as “advisable.”

The combined average daily membership (ADM) of all districts within the WNESU for FY2016 is 1,330.30

If approved by the State Board and the voters of the districts before July 1, 2017, the New Unified District would be eligible for incentives and protections under Act 153, Secs. 2-5, because it would be a unified union district formed with a combined ADM of at least 1,250. It would also meet the alternative criterion of being formed by the merger of at least four existing districts.

The New Unified District, which would be known as the Windham Northeast Unified School District, would provide for the education of all resident PK-12 students by operating one or more schools for each grade. The proposal would unify all existing school districts and the supervisory union into a single supervisory district responsible for operating five elementary schools, one middle school, and one high school. It would replace all current governing bodies with one unified union school board.

The New Unified District would be governed by a ten member school board. Members would be allocated to the individual towns in numbers that initially mirror membership on the Bellows Falls Union High School Board as follows: Athens – one member; Grafton – one member; Rockingham – 5 members; Westminster – 3 members. Election of the members would be by the electorate of the entire New Unified District.

The school board could adjust school attendance lines and school configuration after the New Unified District’s first year of operation. The proposal contemplates the potential for intra-district choice. It requires that choice be based upon to-be-developed policies that would consider such issues as socio-economic equity (and how transportation can affect it) and attendance by siblings.

If all districts approve creation of the New Unified District, the proposal includes a one-year “grandfathering” clause for students enrolled in the 7th Grade during the 2017-2018 academic year for whom the Athens, Grafton, and Westminster School Districts pay tuition.

A currently operating elementary or middle school building could be closed only if closure is first approved by the voters of the town in which the building is located.

If a building is closed and would no longer be used for public education purposes, then the town in which the school building is located would have the right of first refusal and could purchase the property for \$1.00, provided that the town agreed to use the property for public and community purposes for a minimum of five years. The proposal includes provisions addressing use for these purposes for fewer than five years.

All future votes on the budget and board membership in the New Unified District would be by Australian ballot.

The electorate of each potentially merging district will vote on March 7, 2017 whether to approve creation of the New Unified District. If the voters in each of the four town school districts vote in favor of the proposal, then the New Unified District will begin operation on July 1, 2018.

The WNESU Study Committee's report and its appendices examine enrollment projections, the potential advantages for students in a merged district, the potential for maximizing efficiencies, the projected financial consequences of unification, the consequences of a decision not to merge, and transition planning. The report and appendices include tables and charts that, among other things, compare program offerings among the five elementary schools and differences in services provided.

POLICY IMPLICATIONS: By enacting Act 46, which incorporated the provisions of Act 153 (2010), the General Assembly declared the intention to move the State toward sustainable models of education governance designed to meet the goals set forth in Section 2 of the Act. It was primarily through the lens of those goals that the Secretary has considered whether the WNESU Study Committee's proposal is "in the best interests of the State, the students, and the school districts" pursuant to 16 V.S.A. § 706c.

EDUCATION IMPLICATIONS:

The Study Committee acknowledges the challenges of ensuring that all students enter 9th Grade at the union high school "on equal footing." It identifies inconsistencies in programs and services in the elementary schools and recognizes that the inequities can be compounded by the variety of schools attended by the 7th and 8th grade students in Athens, Grafton, and Westminster. The Study Committee states that disparities are less likely in a unified district where a single school board "sets consistent expectations for all students at every grade level and ensures that equitable opportunities exist in all schools. The Committee identified a range of potential educational benefits of merger, including:

1. Increased sharing of educational resources and staff expertise among buildings.
2. The potential for program expansion due to the sharing of staff in such areas as foreign languages, health, academic intervention, and technology.
3. Coordinated staff development opportunities.
4. The increased ability to ensure that all students enter the high school with a common background and equitable learning opportunities.

FISCAL IMPLICATIONS:

The WNESU already has centralized services and operations for many functions. Nevertheless, the Study Committee identified an additional \$60,000 in potential annual

cost reductions related to auditing and board expenses. In addition, the Study Committee's report anticipates other potential cost reductions resulting from the formation of a unified union through, for example, the bulk purchasing of cleaning supplies, the redeployment of staff to address changing needs, the reduction in redundancies in student data collections and reporting, and the eventual elimination of tuition payments for 7th and 8th grade. *See also* Act 153, as amended, for cost implications to the State.

See Section 1 and Appendices B and D of the Study Committee's proposal for a more detailed discussion of educational and fiscal elements and *see* the Committee's Worksheet for an overview of those elements in the proposal that address the goals identified by Act 46, Section 2.

The Study Committee's proposal is aligned with the goals of the General Assembly as set forth in Act 46 of 2015 and with the policy underlying the union school district formation statutes as articulated in 16 V.S.A. § 701.

STAFF AVAILABLE: Donna Russo-Savage, Principal Assistant to the Secretary, School Governance
Brad James, Education Finance Manager

Type of Merger		(column reserved for agency use)
<i>Please refer to the related eligibility worksheets to determine baseline eligibility for each merger type.</i>		
<input type="checkbox"/> Accelerated Merger (Act 46, Section 6)		
A Regional Education District (RED) or one of its variations (Act 153 (2010) and Act 156 (2012)) <input type="checkbox"/> RED (Act 153, Secs. 2-3, as amended by Act 156 , Sec. 1 and Act 46, Sec. 16) <input type="checkbox"/> Side by Side Merger (Act 156 , Sec. 15) Districts involved in the related merger: <input type="checkbox"/> Layered Merger (Union Elementary School District) (Act 156, Sec. 16) <input type="checkbox"/> Modified Unified Union School District (MUUSD) (Act 156, Sec. 17, as amended by Act 56 (2013), Sec. 3)		
<input type="checkbox"/> Conventional Merger – merger into a preferred structure after deadline for an Accelerated Merger (Act 46, Section 7)		

Dates, ADM, and Name	
Date on which the proposal will be submitted to the voters of each district (16 V.S.A. § 706b(b)(11)):	March 7, 2017
Date on which the new district, if approved, will begin operating (16 V.S.A. § 706b(b)(12)):	July 1, 2018
Combined ADM of all “necessary” districts in the current fiscal year:	1330.3
Proposed name of new district:	Windham Northeast Unified School District

Please complete the following tables with brief, specific statements of how the proposed union school district will comply with the each of the listed items. Bulleted statements are acceptable.

The Proposed School District is in the Best Interest of the State, Students, and School Districts – as required by 16 V.S.A. § 706c	
<p><u>Goal #1:</u> The proposed union school district will provide substantial equity in the quality and variety of educational opportunities.</p> <p><i>Act 46, Sec. 2(1)</i></p>	<ul style="list-style-type: none"> • The districts governed by representative regional boards have a proven track record of ensuring high quality schooling for ALL students in the communities that comprise Windham Northeast Supervisory Union. The prekindergarten program, governed by the SU Board, and Bellows Falls Union High School, governed by a Union Board, meet or exceed State standards and are well supported by the public. This demonstrated commitment to excellence by existing regional boards will result in similarly equitable and high quality programs in the K-8 schools where disparities exist now. • Governance by a unified school district board will result in: <ul style="list-style-type: none"> ○ A consistent and common K-8 curriculum ○ Common K-8 assessments ○ The ability to share resources and staff expertise among all schools ○ Equitable services among the schools serving K-8 students ○ The opportunity to reconfigure schools to optimize the deployment of teachers and the use of resources ○ The assurance that all students enter Bellows Falls Union High School on equal footing and with equal opportunities for acceleration • Because all 7th and 8th grade students will be attending Bellows Falls Middle School there will be a seamless PK-12 curriculum and seamless services for all children in PK-12 <p>See Appendix D for details.</p>

<p><u>Goal #2:</u> The proposed union school district will lead students to achieve or exceed the State's Education Quality Standards, adopted as rules by the State Board of Education at the direction of the General Assembly.</p> <p><i>Act 46, Sec. 2(2)</i></p>	<ul style="list-style-type: none"> • The committee members believe that a union governance structure will facilitate the opportunity for ALL students to achieve or exceed the State's Education Quality Standards in the K-8 schools in the district in the same way Bellows Falls Union High School has done. The unified governance will facilitate the SU efforts in providing: <ul style="list-style-type: none"> ○ Consistent K-8 curriculum ○ The provision of comparable arts, music, and PE offerings in all schools ○ Coordinated staff development opportunities ○ Consistent access to technology for all K-8 students ○ Common instructional goals and priorities among K-8 schools • The opportunity to share staff could create possibility for program expansion in elementary and middle grades in areas such foreign language, health, academic intervention, and technology • Because all 7th and 8th grade students will be attending Bellows Falls Middle School they will enter Bellows Falls Union High School with a common background and have equitable and common learning opportunities <p>See Appendix D for details</p>
<p><u>Goal #3:</u> The proposed union school district will maximize operational efficiencies through increased flexibility to manage, share, and transfer resources, with a goal of increasing the district-level ratio of students to full-time equivalent staff. (<i>Act 46, Sec. 2(3)</i>)</p>	<ul style="list-style-type: none"> • Windham Northeast Supervisory Union has already realized many of the operational efficiencies by: <ul style="list-style-type: none"> ○ Providing centralized special education services ○ Having one collective bargaining agreement for the entire SU ○ Centralizing purchasing in several areas ○ Hiring and deploying some professional staff members, and ○ Collaborating to share costs and coordinate Prekindergarten educational services • The Act 46 Study Committee believes additional savings might be realized through additional operational efficiencies such as: <ul style="list-style-type: none"> ○ Expanded centralized purchasing in areas such as cleaning supplies and technology hardware

<p><u>Goal #3 (continued):</u> The proposed union school district will maximize operational efficiencies through increased flexibility to manage, share, and transfer resources, with a goal of increasing the district-level ratio of students to full-time equivalent staff. (Act 46, Sec. 2(3))</p>	<ul style="list-style-type: none"> o Centralization of the management of food services for all districts o Centralization of the management of facilities and operations, and o Expanding the centralized hiring of staff • The ratio of students to FTE staff will increase in 7th and 8th grades at Bellows Falls Middle School as a result of having all students from Athens, Grafton and Westminster in attendance. • The newly formed board will be able to consider additional operational efficiencies and/or opportunities for expanded course offerings based on the assignment of students to schools. • The staff itemized specific savings of \$375,000 in tuitions and \$50,000 in audits <p>See Appendix B for details</p>
<p><u>Goal #4:</u> The proposed union school district will promote transparency and accountability.</p> <p><i>Act 46, Sec. 2(4)</i></p>	<ul style="list-style-type: none"> • Windham Northeast Supervisory Union currently consists of 7 boards with 28 members. Athens, Grafton, Rockingham and Westminster each have a school board. The Athens and Grafton boards combined to form a joint contract board. A separate union board oversees the operation of Bellows Falls Union High School. A 15-member Supervisory Union board, which consists of three representatives from each town board and three from the Union High School board, oversees the union-wide special education and prekindergarten programs.. The proposed governance structure for Windham Northeast Unified School District will have one board with 10 members overseeing the entire PK-12 program for all students. The Act 46 Committee believes that this single board governance structure will result in greater uniformity of educational opportunities and expectations — especially at the K-8 level— and enhanced student, teacher and administrator accountability. • The voting methods vary among the districts in the current governance model. The public does not directly vote on the SU budget. Under the articles of agreement a single budget vote for the unified union district will be conducted by Australian ballot on town meeting election day. The committee believes this uniform date and consistent method for voting will increase voter engagement

<p><u>Goal #4</u>, continued: The proposed union school district will promote transparency and accountability.</p> <p><i>Act 46, Sec. 2(4)</i></p>	<p>and turnout and improve the transparency of the budget process.</p> <ul style="list-style-type: none"> The creation of a single PK-12 budget will enable the board and public to have a clearer understanding of the trade-offs necessary to develop a budget that is fair and equitable for all students in all communities. In formulating the Articles of Agreement and completing this study, the Act 46 Committee has demonstrated the kind of transparency and outreach the community can expect from the newly created unified union board.
<p><u>Goal #5</u>: The proposed union school district will deliver education at a cost that parents, voters, and taxpayers value.</p> <p><i>Act 46, Sec. 2(5)</i></p>	<ul style="list-style-type: none"> By adopting the proposed Articles of Agreement before July 1, 2017, the towns within the proposed merger will receive tax incentives that will yield savings to taxpayers in the coming four years. The newly merged board will realize savings in audit fees, legal fees, board stipends, board expenses (<i>e.g. clerical staff required to take minutes</i>), out of district tuition payments, and business overhead (<i>e.g. single payroll vs. multiple payrolls; single budget vs. multiple budgets</i>). The newly merged board could realize savings in transportation by reassigning students, staffing reductions in the central administration, staffing efficiencies in maintenance and operations. By merging, the roughly \$80,000.00 in annual small schools grants previously awarded to Athens and Grafton would be retained and shared throughout the Union District in the form of a merger support grant. Athens and Grafton might otherwise lose these small schools grants in the future. <p>See Appendix B for details</p>
<p><u>Regional Effects</u>:</p> <p>What would be the regional effects of the proposed union school district, including: would the proposed union school district leave one or more other districts geographically isolated?</p> <p><i>Act 46, Section 8(a)(2)</i></p>	<p>To the best of the Committee’s knowledge, no neighboring districts are interested in forming an alliance with Windham Northeast and no neighboring districts will be geographically isolated as a result of this merger.</p>

Articles of Agreement – as required by 16 V.S.A. § 706b(b)(3) - (10), (13)

<p>(3) The grades to be operated by the proposed union school district</p> <p>The grades, if any, for which the proposed union school district shall pay tuition</p>	<p>None of the districts will pay tuition after July 1, 2019. In 2018-19 the district will pay tuition in 8th grade for those 7th grade from Athens, Grafton and Westminster who attended schools outside the district in 2017-18.</p>
<p>(4) The cost and general location of any proposed new schools to be constructed</p> <p>The cost and general description of any proposed renovations</p>	<p>At this writing, the Athens/Grafton School Board is exploring the feasibility of expanding its school or modifying its internal grade structures to ensure that students enrolled in that school can attain the same level of Art, Music, and PE programming as other students who ultimately attend Bellows Falls Union High School. This study will not be completed in time for that Board to take action but their findings will inform the newly merged board of the cost of various options to upgrade the Grafton Elementary School.</p>
<p>(5) A plan for the first year of the proposed union school district's operation for:</p> <p>(A) the transportation of students</p> <p>(B) the assignment of staff</p> <p>(C) curriculum</p> <p>The plan must be consistent with existing contracts, collective bargaining agreements, and other provisions of law, including 16 V.S.A. chapter 53, subchapter 3 (transition of employees)</p>	<p>In the <u>initial</u> year because of Windham Northeast Supervisory Union's ongoing efforts to centralize operations, no changes to transportation, staff assignments, or curriculum will be necessitated <u>as a result of the merger</u>. In the course of completing the work of the study committee, however, it appears possible that shift to a single governing board will facilitate increased savings over time and <u>may</u> enable the newly elected unified school district board to affect some savings in preparing the 2018-19 budget.</p> <p>See Appendix C</p>
<p>(6) The indebtedness of the proposed merging districts that the proposed union school district shall assume.</p>	<p>The status of district indebtedness is detailed in Appendix E of the report. At the close of this fiscal year, the total principal debt balance for one Westminster and four Rockingham projects will be \$11,834,158</p>

<p>(7) The specific pieces of real property owned by the proposed merging districts that the proposed union school district shall acquire, including:</p> <ul style="list-style-type: none"> * their valuation * how the proposed union school district shall pay for them 	<p>The schools are currently owned by the respective districts and their ownership would be transferred to the unified school district for \$1.00. A listing of the properties and their current valuation follows:</p> <table border="0"> <tr> <td>Windham Northeast SU Admin Office</td> <td style="text-align: right;">\$ 1,178,335</td> </tr> <tr> <td>Bellows Falls Middle School</td> <td style="text-align: right;">\$21,373,300</td> </tr> <tr> <td>Central Elementary</td> <td style="text-align: right;">\$ 5,088,900</td> </tr> <tr> <td>Saxtons River Elementary</td> <td style="text-align: right;">\$ 7,317,800</td> </tr> <tr> <td>Saxtons River Elementary Storage Units (2)</td> <td style="text-align: right;">\$ 62,528</td> </tr> <tr> <td>Bellows Falls High School</td> <td style="text-align: right;">\$24,796,600</td> </tr> <tr> <td>Bellows Falls High School Storage, Fixtures, Field</td> <td style="text-align: right;">\$ 117,500</td> </tr> <tr> <td>Grafton Elementary</td> <td style="text-align: right;">\$ 2,331,700</td> </tr> <tr> <td>Athens Elementary</td> <td style="text-align: right;">\$ 421,000</td> </tr> <tr> <td>Westminster Center Elementary</td> <td style="text-align: right;">\$ 5,744,500</td> </tr> <tr> <td>Westminster West Elementary</td> <td style="text-align: right;">\$ 741,000</td> </tr> </table>	Windham Northeast SU Admin Office	\$ 1,178,335	Bellows Falls Middle School	\$21,373,300	Central Elementary	\$ 5,088,900	Saxtons River Elementary	\$ 7,317,800	Saxtons River Elementary Storage Units (2)	\$ 62,528	Bellows Falls High School	\$24,796,600	Bellows Falls High School Storage, Fixtures, Field	\$ 117,500	Grafton Elementary	\$ 2,331,700	Athens Elementary	\$ 421,000	Westminster Center Elementary	\$ 5,744,500	Westminster West Elementary	\$ 741,000
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<p>(8) [repealed 2004 Acts and Resolves No. 130, Sec. 15]</p> <p>(9) Consistent with the proportional representation requirements of the Equal Protection Clause, the method of apportioning the representation that each proposed member town shall have on the proposed union school board</p> <ul style="list-style-type: none"> * no more than 18 members total * each member town is entitled to at least one representative * see also 16 V.S.A. § 706k(c): one or more at-large directors * see also 16 V.S.A. § 707(c): weighted voting 	<p>The union board will have 10 members whose representation was determined as outlined in Appendix F of the Articles of Agreement. As noted in that Appendix, the recommended configuration mirrors that of the Union High School Board, which has been in place for over four decades. The members will be drawn from residents in each community but will be voted on at large. The board seats will be allocated as follows:</p> <ul style="list-style-type: none"> • Athens – 1 seat • Grafton – 1 seat • Rockingham – 5 seats • Westminster – 3 seats 																						

<p>(10) The term of office of directors initially elected, to be arranged so that one-third expire on the day of each annual meeting of the proposed union school district, beginning on the second annual meeting, or as near to that proportion as possible</p>	<p>As noted in Article Nine of the Articles of Agreement, the board members terms are staggered in accordance with this recommendation.</p>
<p>(13) Any other matters that the study committee considers pertinent, including whether votes on the union school district budget or public questions shall be by Australian ballot</p> <p><i>(Please list each matter separately)</i></p>	<ul style="list-style-type: none"> • The committee established parameters for K-8 school choice should a future board determine that such a policy be considered • The committee determined that future budget votes be conducted by Australian ballot on town meeting election day. • The committee determined that the Windham Northeast Unified School District Board of Directors will develop policies establishing site-based advisory councils, including defining roles and responsibilities of such councils.

Final Report

Windham Northeast Supervisory Union Act 46 Study Committee

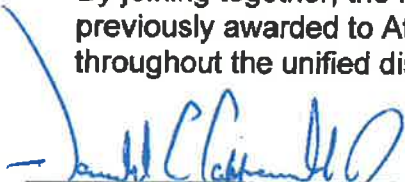
- **Majority Report Recommending Adoption**
- **Section One: Overview**
- **Section Two: Articles of Agreement**
- **Appendix A: Enrollment Data**
- **Appendix B: Savings**
- **Appendix C: Transitional Timeline, Analysis**
- **Appendix D: Advantages for Students**
- **Appendix E: Status of Facilities, Debt, Reserve Funds**
- **Appendix F: Board Composition**
- **Appendix G: Consequences of Negative Vote**

Approved: December 7, 2016

REPORT OF THE WNESU ACT 46 STUDY COMMITTEE

The members of the Windham Northeast Supervisory Union Act 46 Study Committee reviewed and assisted in the development of this report and propose the creation of a Windham Northeast Unified School District and the adoption of the Articles of Agreement for consideration by the voting electorate. The committee submits:

- The five districts that will merge to create the unified district have a 50-year history of successful collaboration and shared governance in providing quality education services and leadership through the Windham Northeast Supervisory Union administration.
- The four towns that will join together to create the unified district have a 50-year history of shared governance in an effort to offer a high quality education to high school students through the Bellows Falls Union School District.
- The four towns that will join together to create the unified district have engaged in a successful collaboration sharing costs and providing a quality education to prekindergarten students
- A unified district will provide a means to offer more learning opportunities for the students in our four communities, particularly the students in kindergarten through grade 8.
- A unified district will provide a means to achieve a more cost effective education for taxpayers in the four towns that will join together to create the supervisory school district
- By joining together, the roughly \$80,000.00 in annual small schools grants previously awarded to Athens and Grafton would be retained and shared throughout the unified district in the form of a merger support grant.


Donald Capponcelli, Athens


Ed Bank, Grafton


Sherri Arvin, Rockingham


Margo Ghia, Rockingham


Jim McAuliffe, Rockingham


Kristen Swartwout, Rockingham


Cheryl Charles, Westminster


Ian Sbardellati, Westminster

SECTION 1 - OVERVIEW

History:

In 1966 the communities of Grafton, Rockingham, and Westminster created Bellows Falls Union High School District #27, which Athens joined in 1969. These four communities share the same economic and social challenges and the same values. The change from the current organizational and governance structure to a supervisory district structure will build on this longstanding alliance among the communities and improve the opportunities for their children.

Current Organizational Structure:

The four towns that comprise the Windham Northeast Supervisory Union (WNESU) are divided into five districts: Athens, Grafton, Rockingham, Westminster, and Bellows Fall Union High School. The four towns and five districts operate a total of seven schools:

- The Athens and Grafton districts jointly operate the Grafton Elementary School for students in grades K-6 who reside in those two communities.
- Westminster district operates two schools for its resident K-6 students: one offering kindergarten through sixth grade and one kindergarten through grade 4.
- The Athens, Grafton and Westminster districts provide education to their resident 7th and 8th grade students by paying tuition. Many of those students attend Bellows Falls Middle School (*see next bullet*).
- Rockingham district operates three schools: two offering kindergarten through grade 4 and Bellows Falls Middle School, which offers grades 5-8
- Bellows Falls Union High School district offers grades 9-12 and serves students in all four of the towns as well as some tuition students from nearby "choice" districts. Students in the WNESU communities desiring career technical education are enrolled in Howard Dean Educational Center in Springfield, Vermont. Enrollment data on the district schools is included in **Appendix A**.

WNESU operates a centralized system-wide Pre-Kindergarten program in two locations: Rockingham and Westminster. Over 3/4 of the three and four year old children in the four towns attend public preschools. WNESU also operates a transportation system serving all districts, manages a food service contract that serves all the districts except Westminster, and negotiates collective bargaining agreements that determine the compensation levels for all employees who are in unions.

Athens, Grafton, Rockingham, Westminster, and Bellows Falls Union districts prepare their own budgets. The Athens/Grafton Joint Contract, Rockingham, Westminster, and Bellows Falls School Boards hire their own personnel, operate their own food services, and maintain their own facilities independently. The WNESU provides business services, special education support, and curriculum coordination, and supervise administrative staff. The contracts issued by boards to its teachers and support staff are based on system-wide collective bargaining agreements. .

Current Governance:

An elected board governs each of the districts. The Athens Board has three members, Grafton has five members, and those members comprise the Athens/Grafton Joint

Contract Board. The Rockingham and Westminster Boards each have five members. A ten-member board that proportionately represents the four WNESU communities governs Bellows Falls Union High School. Each of the governing boards has its own set of policies, but due to the efforts of the WNESU Board the policies are closely aligned. A board consisting of three members each from the Athens, Grafton, Westminster, Rockingham and BFUHS Boards governs WNESU.

Proposed Organizational Structure and Governance

As illustrated in the graphic on page 3, moving from a Supervisory Union organizational structure to supervisory district model would result in a more centralized governance structure. The multiple boards in place today would be replaced with a single supervisory district board with members proportionally allocated to each town. This supervisory district board would be responsible for the PK-12 education of all students in the new district and would oversee all the schools in operation in WNESU in the same fashion as the Bellows Union board oversees the high school and the WNESU Board governs the Prekindergarten program. A single budget for the district would be developed by the elected board and voted upon on a single date using Australian ballots. This budget consolidation and the shift toward centralized management of purchasing and building maintenance will yield savings in personnel and in the operations of the business office, and eliminate the need for six audits. **Appendix B** describes the areas of potential savings and avoided costs that will occur with the shift from the current structure to a supervisory district. Note that the avoided costs to Athens and Grafton exceed the short-term financial incentives provided by Act 46. The elimination of small schools grants would result in the potential loss of over \$40,000 to each of those districts should WNESU fail to take action on the shift to a supervisory district.

Because WNESU is a highly functional Supervisory Union it will be relatively easy to make the transition from the current operation to a supervisory district. All WNESU schools are currently governed by policy manuals that are closely aligned, hire and manage teachers based on the same contract terms, share in the costs for special education students with extraordinary needs, and rely on the instructional leadership of the central office administration for both curriculum and professional development. As a result, few operational changes will be required to make the shift to a supervisory district management structure. Moreover, because the towns that comprise WNESU have had positive experiences in sharing the responsibility for overseeing Bellows Falls Union High School and the prekindergarten program, community members have witnessed how a representative board can serve the needs of each community without prejudice. **Appendix C** provides an analysis of the transitional activities the newly elected supervisory district board will need to take to shift from the current organization to a supervisory district.

The most important reason for making this change, however, is not financial or operational. A merger of the WNESU districts will yield benefits for students in the region as outlined in **Appendix D**. By increasing equity, sharing staff and resources, and reducing the number of part-time teaching assignments, ALL students in the district will have the same high level learning opportunities in the years ahead.

Current Governance Model

The graphic below depicts the silo-like governance structure of Windham Northeast Supervisory Union where five boards operate five elementary schools with different grade spans, one middle school, one high school, and one Pre-K program that serves all children in the four towns that comprise the SU. To complicate matters even further, one board, the Athens/Grafton Board, is a joint contract board comprised of two independent boards representing the towns of Athens and Grafton. This arrangement is cumbersome and disjointed.

Athens/Grafton	Westminster	Rockingham	Bellows Falls Union HS	WNESU
<ul style="list-style-type: none"> • 8 Board members, 3 from Athens, 5 from Grafton • Operates One K-6 school • Tuitions 7-8 students 	<ul style="list-style-type: none"> • 5 Board members • Operates one K-6, one K-4 school • Tuitions 7-8 students 	<ul style="list-style-type: none"> • 5 Board members • Operates 3 schools: (2) K-4 element. schools, (1) MS 	<ul style="list-style-type: none"> • 10 board members • Operates 9-12 HS serving all 	<ul style="list-style-type: none"> • 15 board members, three each from Athens, Grafton, Westminster, Rockingham, and BFUHS • Operates PK, Special Ed for all districts

Supervisory District Governance Model

The graphic below depicts the organizational structure under a Supervisory District governance model where all programs in the district will be governed by a single 10-member board.

Windham Northeast Supervisory District

- 10 board members: five from Rockingham, three from Westminster, one from Athens, one from Grafton
- Operates PK, five elementary schools, one middle school, one high school

Section 2 – Articles of Agreement

The Study Committee recommends that the following Articles of Agreement be adopted by each necessary school district for the creation of a pre-kindergarten through grade 12 Windham Northeast Unified School District to be named the Windham Northeast Unified School District, which is sometimes referred to in these articles as the “New USD.”

Article One: Necessary and Advisory Districts

The School Districts of Athens, Grafton, Rockingham, and Westminster are necessary districts for the establishment of the Windham Northeast Unified School District. The above referenced school districts are hereinafter referred to as the “Town School Districts”.

The Athens/Grafton Contract School shall also be considered necessary for the formation of the New USD but its interests are represented by the voters of the Athens and Grafton Town School Districts.

The Bellows Falls Union High School District shall also be considered a necessary district for the formation of the New USD but its interests are represented by the voters of each of the Town School Districts.

The Town School Districts, the Athens/Grafton Contract and the Bellows Falls Union High School District are referred to collectively herein as “Forming Schools”. The Forming Schools are all members of the Windham Northeast Supervisory Union. The Forming Schools and the Windham Northeast Supervisory Union are referred to herein as Forming Entities.

If the voters of all the Town School Districts vote to approve the merger, the vote of the Athens and Grafton Town School Districts shall have the effect of authorizing disposition of all Athens/Grafton Contract School funds, debt and property in accordance with Articles 5 and 6 below and terminating the Athens/Grafton Contract School Agreement in accordance with the dates set forth in Article 11.

If the voters of all the Town School Districts vote to approve the merger, and the Vermont State Board of Education designates the merged entities as a unified district pursuant to 16 V.S.A. Section 261(c), then the Windham Northeast Unified School District will commence full educational operations and services on July 1, 2018, under the provisions of applicable Vermont law.

There are no additional school districts being recommended at this time.

Section 2 – Articles of Agreement

Article Two: Grades to be Operated

The Windham Northeast Unified School District will offer education to all resident students in pre-kindergarten through Grade 12. Athens, Grafton, and Westminster students enrolled and attending a public or an approved independent school in grade 7 during the 2017-2018 school year at the expense of their respective districts as tuitioned students shall be “grandfathered.” Such tuitioned students shall be permitted the option to continue to attend the same public or approved independent school which they attended during FY 2018. Except as specifically approved by the Windham Northeast Unified School District’s Board of School Directors, and consistent with state law, the tuitioning of grandfathered students shall cease on June 30, 2019.

Article Three: School Facilities

No new schools or major renovations to existing school facilities are necessary to, or proposed for, the formation of the Windham Northeast Unified School District, though the Grafton/Athens Joint Contract Board is currently exploring the need for possible renovation and/or expansion of their facility.

The use of the Windham Northeast Unified School District schools and related facilities and property will be determined by the Windham Northeast Unified School District Board of Directors in a manner that most effectively and efficiently attains quality and equitable education for all students. However, the Windham Northeast Unified School District Board of Directors will continue to use all school facilities operating as elementary/middle public schools on July 1, 2018 for Windham Northeast Unified School District programs and activities unless a majority vote of the electorate of the municipality in which the school is located approves a plan to close a school facility. Decisions regarding the use of schools for pre-kindergarten programs will be determined by the Windham Northeast Unified School District Board of Directors.

Article Four: Initial Operations

Article Four A: Student Transportation

The Windham Northeast Unified School District Board of Directors will determine, in accordance with all state and federal laws, rules and regulations, the transportation services to be provided to students in the Forming Schools.

Article Four B: Employee Master Contracts

The Windham Northeast Unified School District school board will comply with 16 VSA Chapter 53, subchapter 3, regarding the recognition of the representatives of employees of the respective Forming Schools as the representatives of the employees of the Windham Northeast Unified School District and will commence negotiations pursuant to 16 VSA Chapter 57 for teachers and 21 VSA Chapter 22 for other employees. In the absence of new collective bargaining agreements on July 1, 2018, the School Board will comply with the pre-existing master agreements pursuant to 16 VSA Chapter 53, subchapter 3. The School Board shall honor all individual employment contracts that are in place for the Forming Entities on June 30, 2018 until their respective termination dates.

Section 2 – Articles of Agreement

Article Four C: Curricula, Education Programs and Student Services

The Forming Entities of the Windham Northeast Unified School District recognize the benefits to be gained from establishing district-wide curricula as well as their obligation to do so, and to otherwise standardize their operations on or before July 1, 2018.

Article Five: Special Funds and Debt

Article Five A: Capital Debt

The Windham Northeast Unified School District will assume all capital debt of Forming Entities, including both principal and interest, as may exist at the close of business on June 30, 2018.

Article Five B: Operating Fund Deficits and Balances

The Windham Northeast Unified School District will assume any and all general operating deficits and/or surpluses and fund balances of the Forming Entities that may exist at the close of business on June 30, 2018. Those Forming Entities with surpluses, fund balances or remaining reserve funds at the close of business on June 30, 2018, will transfer all such funds to the Windham Northeast Unified School District. In addition, reserve funds identified for specific purposes will be transferred to the Windham Northeast Unified School District and will be applied for said purpose unless otherwise determined through appropriate legal process.

Article Five C: Specified Funds

The Forming Schools will transfer to the Windham Northeast Unified School District any pre-existing school district specific endowments or other restricted accounts that may exist on June 30, 2018. (See **Appendix B** for details). Scholarship funds or like accounts held by school districts on June 30, 2018 that have specified conditions of use will be used in accordance with said provisions.

Article Five D: Transfer of Debt and Funds

The debt and funds specified above, subject to finalization of audits, shall be transferred to the Windham Northeast Unified School District in accordance with procedures and timelines established by the Windham Northeast Unified School District Board following its organizational meeting, as further discussed in Article 10A.

Article Six: Property

Article Six A: Real Estate and Personal Properties

No later than June 30, 2018, the Forming Entities will convey to the Windham Northeast Unified School District all of their school-related real property and personal property, including all land, buildings and contents for One Dollar subject to all encumbrances of record and the Windham Northeast Unified School District will assume all capital debt associated therewith.

Section 2 – Articles of Agreement

Article Six B: Disposal of Real Estate

In the event that, and at such subsequent time as, the Windham Northeast Unified School District determines that any of the real property, including buildings and land, conveyed to it by the Forming Entities other than the Union High School District is or are unnecessary to the continued operation of the Windham Northeast Unified School District and its educational programs, the Windham Northeast Unified School District shall convey such real property, for the sum of one dollar, and subject to all encumbrances of record, the assumption or repayment of all outstanding bonds and notes and the repayment of any school construction aid or grants as required by Vermont law, to the municipality in which it is located.

The conveyance of any of the above school properties shall be conditioned upon the town/village owning and utilizing the real property for community and public purposes for a minimum of five years. In the event a town/village elects to sell the real property prior to five years of ownership, the town shall compensate the Windham Northeast Unified School District for all capital improvements and renovations completed after the formation of the Windham Northeast Unified School District and prior to the sale to the town/village. In the event a town/village elects not to acquire ownership of such real property, the Windham Northeast Unified School District shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the Windham Northeast Unified School District Board of School Directors.

In the event that, and at such subsequent time as, the Windham Northeast Unified School District determines that any real property, including land and buildings, conveyed to it by the Bellows Falls High School District is or are unnecessary to the continued operation of the Windham Northeast Unified School District and its educational programs, the Windham Northeast Unified School District shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the Windham Northeast Unified School District Board of Directors.

Article Seven: Composition of Board of Directors

The Windham Northeast Unified School District Board of Directors will be comprised of ten (10) board members who shall have equal votes and whose initial representation will mirror that of Union High School District #27 (Bellows Falls High School) on March 7, 2017. This ratio will be reviewed upon the issuance of each U.S. Census and may be reviewed more frequently to reformulate its membership in accordance with existing state law at that time. **Appendix F** provides a copy of the Union High School #27 article that serves as the basis for this formulation of the initial membership on the board of school directors as detailed below:

Number of Board Members by District

Athens	1 member
Grafton	1 member
Rockingham	5 members
Westminster	3 members

Section 2 – Articles of Agreement

The Windham Northeast Unified School District Board of Directors will be nominated from the legal voters of each Town School District (and after formation of the Unified School District, each member town), and will be elected by Australian ballot for three-year terms, except for those initially elected at the time of the formation of the Windham Northeast School District as set out in Article 8. Candidates will be elected by an at-large vote of the electorate in the Town School Districts/the entire New USD.

Article Eight: Terms of Office for Board of Directors

In the initial Windham Northeast School District Board of Directors terms of office will be as follows:

Town	One Year Term	Two Year Term	Three Year Term
Athens	1		
Grafton		1	
Rockingham	2	1	2
Westminster	1	1	1

Pursuant to the provisions of 16 VSA §706j(b), elected school directors shall be sworn in and assume the duties of their office. The term of office for Directors elected by an at-large majority using Australian ballot at the March 7, 2017 election shall be one, two, and three years respectively less plus the months between the date of the Organizational Meeting of the Windham Northeast Unified School District (16 VSA §706j), when the initial school directors will officially begin their term of office, and the date of the Windham Northeast Unified School District's annual meeting in the spring of 2018, as established under 16 VSA §706j. Thereafter, three-year terms of office shall begin and expire on the date of the Windham Northeast Unified School District's annual meeting.

Article Nine: Vote on the Formation of the Windham Northeast School District

The articles to establish the Windham Northeast Unified School District will be presented to the voters of each member school district on March 7, 2017. The vote will be by Australian ballot and ballots will not be commingled. The form of the article to be submitted to the voters shall be substantially as follows:

Shall the voters of the _____ Town School District vote to form the Windham Northeast Unified School District ("Unified School District") on the following terms:

1. The districts listed below (referred to herein as Member Districts) shall all be identified as "necessary" for the formation of the New Unified School District:

Athens School District
Grafton School District
Rockingham School District
Westminster School District

Section 2 – Articles of Agreement

The Bellows Falls Union High School District shall also be considered necessary for the formation of the new Unified School District but it shall not be referred to as a Town School District and its interests are represented by the voters of each of the Town School Districts.

2. The Windham Northeast Unified School District will offer education to pre-kindergarten through Grade 12.

3. The Windham Northeast Unified School District Board of Directors will be comprised of ten (10) board members who shall have equal votes and whose initial representation will mirror that of Union High School District #27 (Bellows Falls High School) on March 7, 2017. This ratio will be reviewed upon the issuance of each U.S. Census and may be reviewed more frequently to reformulate its membership in accordance with existing state law at that time. Formulation of the initial membership on the board of school directors as detailed below:

Number of Board Members by District

Athens	1 member
Grafton	1 member
Rockingham	5 members
Westminster	3 members

The Windham Northeast Unified School District Board Directors will be nominated from the legal voters of each Town School District (and after formation of the Unified School District, each member town), and will be elected by Australian ballot for three-year terms, except for those initially elected at the time of the formation of the Windham Northeast School District. Candidates will be elected by an at-large vote of the electorate in the Town School Districts.

4 A. The use of the Windham Northeast Unified School District schools and related facilities and property will be determined by the Windham Northeast Unified School District Board of Directors in a manner that most effectively and efficiently attains quality and equitable education for all students. However, the Windham Northeast Unified School District Board of Directors will continue to use all school facilities operating as elementary/middle public schools on July 1, 2018 for Windham Northeast Unified School District programs and activities unless a majority vote of the electorate of the municipality in which the school is located approves a plan to close a school facility. Decisions regarding the use of schools for pre-kindergarten programs will be determined by the Windham Northeast Unified School District Board of Directors.

4 B. No later than June 30, 2018, the Forming Entities will convey to the Windham Northeast School District all of their school-related real property and personal property, including all land, buildings and contents for One Dollar subject to all encumbrances of record and the Windham Northeast Unified School District will assume all capital associated therewith.

Section 2 – Articles of Agreement

4 C. In the event that, and at such subsequent time as, the Windham Northeast Unified School District determines that any of the real property, including buildings and land, conveyed to it by the Forming Entities other than the Union High School District is or are unnecessary to the continued operation of the Windham Northeast Unified School District and its educational programs, the Windham Northeast Unified School District shall convey such real property, for the sum of one dollar, and subject to all encumbrances of record, the assumption or repayment of all outstanding bonds and notes and the repayment of any school construction aid or grants as required by Vermont law, to the municipality in which it is located.

The conveyance of any of the above school properties shall be conditioned upon the town/village owning and utilizing the real property for community and public purposes for a minimum of five years. In the event a town/village elects to sell the real property prior to five years of ownership, the town shall compensate the Windham Northeast Unified School District for all capital improvements and renovations completed after the formation of the Windham Northeast Unified School District and prior to the sale to the town/village. In the event a town/village elects not to acquire ownership of such real property, the Windham Northeast Unified School District shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the Windham Northeast Unified School District Board of School Directors.

4 D. For at least the first year that the Windham Northeast Unified School District is fully operational and providing educational services, students will attend elementary school and middle school according to their town/district of residence.

5 A. *Capital Debt:*

The Windham Northeast Unified School District will assume all capital debt of Forming Entities, including both principal and interest, as may exist at the close of business on June 30, 2018.

5 B. *Operating Fund Deficits and Balances:*

The Windham Northeast Unified School District will assume any and all general operating deficits and/or surpluses and fund balances of the Forming Entities that may exist at the close of business on June 30, 2018. Those Forming Entities with surpluses, fund balances or remaining reserve funds at the close of business on June 30, 2018, will transfer all such funds to the Windham Northeast Unified School District. In addition, reserve funds identified for specific purposes will be transferred to the Windham Northeast Unified School District and will be applied for said purpose unless otherwise determined through appropriate legal process.

Section 2 – Articles of Agreement

5 C. Specified Funds:

The Forming Schools will transfer to the Windham Northeast Unified School District any pre-existing school district specific endowments or other restricted accounts that may exist on June 30, 2018. Scholarship funds or like accounts held by school districts on June 30, 2018 that have specified conditions of use will be used in accordance with said provisions.

6. The provisions of the Report and Formation Plan approved by the State Board of Education on _____, 2016, which is on file at the offices of the Windham Northeast Supervisory Union shall govern the Unified School District.

The candidates for the new Windham Northeast Unified School District Board of School Directors will be elected on the same date as the vote on the articles, as required by law. Pursuant to 16 VSA §706.e(b), nominations for the office of school director allocated to any district/town shall be made by filing with the clerk School District, a statement of nomination signed by at least 30 voters in that district or one percent of the legal voters in the district, whichever is less, and accepted in writing by the nominee. A statement shall be filed not less than 30 or more than 40 days prior to the date of the vote.

Article Ten: Transition Provisions

Article Ten A: Authority and Responsibilities of Windham Northeast Unified School District Board During Transition Period

Upon an affirmative vote of the electorates of the Town School Districts, and upon compliance with 16 VSA §706g, the Windham Northeast Unified School District shall have and exercise all of the authority which is necessary in order for it to prepare for full educational operations beginning on July 1, 2018. The Windham Northeast Unified School District shall, between the date of its organizational meeting under 16 VSA §706j and June 30, 2018, develop school district policies, adopt curriculum, educational programs, assessment measures and reporting procedures in order to fulfill the Education Quality Standards (State Board Rule 2000), prepare for and negotiate contractual agreements, set the school calendar for Fiscal Year 2019~~8~~, prepare and present the budget for Fiscal Year 2019, prepare for Windham Northeast Unified School District Annual Meeting(s) and transact any other lawful business that comes before the Board, provided, however, that the exercise of such authority by the Windham Northeast Unified School District shall not be construed to limit or alter the authority and/or responsibilities of the Town School Districts of Athens, Grafton, Rockingham, and Westminster, the Bellows Falls Union High School, the Athens/Grafton Joint Contract Board, and the Windham Northeast Supervisory Union during the transition period.

Additionally, the Windham Northeast Unified School District Board of Directors will develop policies establishing site-based advisory councils, including defining roles and responsibilities of such councils. The intent of this Article is to provide meaningful opportunities for community input and participation at the local school level.

Section 2 – Articles of Agreement

Article Ten B – Use of Transition Facilitation Grant

The \$150,000 Transition Facilitation Grant awarded under Act 46 will be used to offset any transition expenses incurred by the Windham Northeast Unified School District during the period between July 1, 2017 and July 1, 2018. Any unspent funds from this grant will be applied as revenue to offset costs in the FY 2019 Windham Northeast Unified School District Budget.

Article Ten C – Windham Northeast School District Budget for FY 2019

The Windham Northeast Unified School District Board of Directors will develop a budget for the 2018-2019 school year to be presented to voters at the Annual Meeting in 2018. The Windham Northeast Unified School District Board of Directors shall propose annual budgets in accordance with Title 16 VSA, Chapter 11. The annual budget vote shall be conducted by Australian ballot pursuant to 17 VSA, Chapter 55.

Article Ten D – School District Attendance Boundaries

Subject to the grandfathering provisions during the 2018-19 academic year as set forth in Article 2, for at least the first year that the Windham Northeast Unified School District is fully operational and providing educational services, students will attend elementary school and middle school according to their town of residence.

- i. Beginning July 1, 2019, the Windham Northeast Unified School District Board of Directors will have the authority to adjust school attendance boundary lines and school configurations within the district.
- ii. Should a future Windham Northeast Unified School District Board of Directors wish to offer school choice among the elementary schools in the district, they will enact policies considering, but not limited to, the following criteria:
 - a. equitable opportunities for students with disabilities per state and federal laws;
 - b. socio-economic equity;
 - c. residential proximity to the school;
 - d. school of attendance by siblings, and;
 - e. capacity of both the receiving school and the sending school, without harm to either.

Transportation will be considered to allow access for all students where school choice is offered.

Section 2 – Articles of Agreement

Article Eleven: Starting Date for the Windham Northeast Unified School District

The Windham Northeast Unified School District will commence full educational operations on July 1, 2018. On this same date the following school entities-- Athens, Grafton, Athens-Grafton Contract School, Bellows Falls Union High School, Rockingham, Westminster, and the Windham Northeast Supervisory Union-- shall cease all educational operations and shall remain in existence for the sole purpose of completing any outstanding business not given to the Windham Northeast Unified School District under these articles and state law. Such business shall be completed as soon as practicable, but in no event any later than December 31, 2018. The Windham Northeast Supervisory Union shall cease all operations within a reasonable timeframe of the completion of all outstanding business of its Forming Schools, but in no event any later than February 28, 2019.

Article Twelve: Cost Benefit Analysis

A cost benefit analysis is shown in **Appendix B**.

APPENDIX A – Enrollment Forecasts

The following pages provide the WNESU school enrollments from FY13-16 based on information from the Agency of Education's web page and enrollment forecasts for FY17-20 calculated by Act 46 consultant Dr. Wayne Gersen. Note that the forecasts do not include Pre-Kindergarten.

The Kindergarten projections are calculated by using a four-year rolling average. The consultant used a rolling average because Kindergarten enrollments are the most unpredictable because not all eligible students attend Pre-Kindergarten.

The Grade 1 through 6 forecasts in Athens, Grafton and Westminster are calculated using a three-year cohort survival method. This method determines the percentage of students who advance from one grade to another for each of the preceding three years. Those percentages are averaged and that mean is used to determine the percentage of students advancing for the succeeding four years.

Grade 1 through 4 forecasts in Rockingham Elementary Schools are calculated using the same process and grade 5 and 8 student forecasts at Bellows Falls Middle School are calculated in the same fashion, with Grade 5 forecasts at Bellows Falls Middle School derived by adding the grade four enrollments at Saxons River and Central Elementary Schools. This method assumes that the ratio of Grade 6 and Grade 7 enrollments is a valid means of forecasting.

The calculations for Bellows Falls High School are also done in the same fashion as outlined below, again based on the assumption that the ratios between Grade 8 students and entering ninth grade students is a valid means of forecasting.

While the forecasts for the middle school and high school are arguably inexact, they provide an order of magnitude to assure the committee that there is sufficient space in both the middle and high schools to accommodate additional students.

Reading across the first four columns of the first row of figures in the elementary schools illustrates the wide variances that can occur from year to year in the number of entering Kindergarteners. Reading diagonally illustrates the relative stability of student advancement from grade to grade.

As the enrollment data indicates, Grafton Elementary and the combined populations of the two Rockingham Elementary schools have experienced modest increases while Westminster has experienced a modest decline. Bellows Falls Middle has experienced a sharp decline, which impacts the future enrollment forecasts for the High School, which experienced a modest decrease in the past four years. As a whole, the district has experienced an overall decline in the past four years, a decline that is projected to continue in the future.

The school-by-school projections follow:

APPENDIX A – Enrollment Forecasts

<u>Athens/Grafton</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>	<u>FY 18</u>	<u>FY 19</u>	<u>FY 20</u>
Kindergarten	12	12	9	7	10	10	9	9
Grade 1	19	10	13	11	7	11	11	10
Grade 2	16	17	10	13	11	7	11	10
Grade 3	8	17	21	13	16	13	9	14
Grade 4	11	8	17	21	13	16	13	9
Grade 5	6	12	8	16	21	13	15	13
Grade 6	11	8	11	10	19	24	15	18
Total	83	84	89	91	96	93	83	82

<u>Rockingham Central</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>	<u>FY 18</u>	<u>FY 19</u>	<u>FY 20</u>
Kindergarten	34	38	38	32	36	36	35	35
Grade 1	38	39	34	35	32	33	34	34
Grade 2	38	38	34	31	32	29	30	31
Grade 3	34	34	29	33	27	28	26	27
Grade 4	31	33	33	36	35	30	32	28
Total	175	182	168	167	162	155	158	155

<u>Saxons River</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>	<u>FY 18</u>	<u>FY 19</u>	<u>FY 20</u>
Kindergarten	17	20	31	17	21	22	23	21
Grade 1	20	14	18	33	16	20	22	22
Grade 2	17	22	16	17	35	17	21	23
Grade 3	17	17	20	18	17	36	17	21
Grade 4	17	19	14	18	17	15	32	16
Total	88	92	99	103	106	110	116	103

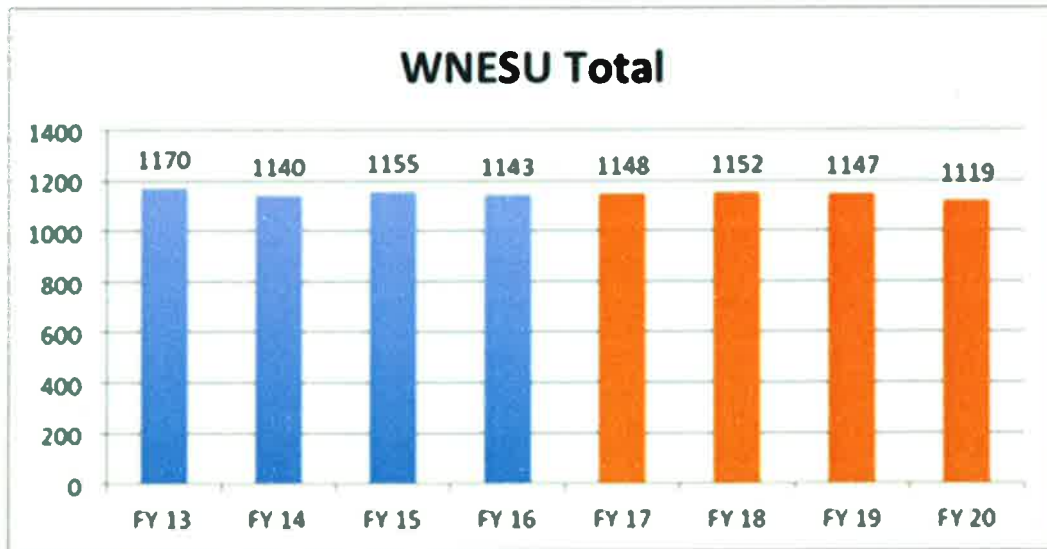
<u>Westminster</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>	<u>FY 18</u>	<u>FY 19</u>	<u>FY 20</u>
Kindergarten	34	31	16	27	27	25	24	26
Grade 1	32	32	27	19	27	28	27	25
Grade 2	15	31	36	33	21	31	32	31
Grade 3	27	16	31	37	34	21	32	33
Grade 4	35	18	13	26	29	28	17	25
Grade 5	22	31	22	18	30	36	35	21
Grade 6	35	20	26	17	15	25	29	29
Total	200	179	171	177	183	193	196	189

APPENDIX A – Enrollment Forecasts

Bellows Falls MS	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Grade 5	66	58	54	48	59	55	47	69
Grade 6	53	61	50	54	45	55	52	44
Grade 7	72	72	71	71	71	58	74	69
Grade 8	83	66	73	60	66	66	52	68
Total	274	257	248	233	240	233	225	249

BFUHS	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Grade 9	84	96	84	117	90	96	100	78
Grade 10	89	86	105	87	108	92	95	98
Grade 11	85	84	95	101	81	108	88	92
Grade 12	92	80	96	67	81	72	86	73
Total	350	346	380	372	360	367	369	340

WNESU	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
TOTAL WNESU	1170	1140	1155	1143	1148	1152	1147	1119



The **blue bars** represent actual figures taken from the AoE web page and data provided by WNESU. The **orange bars** represent projected data calculated as indicated above.

APPENDIX B - SAVINGS

In reviewing potential savings, the Act 46 Study Committee was reluctant to assign specific values to potential savings that might be realized as a result of forming a Supervisory District board. Because WNESU has a high functioning Supervisory Board, they have already achieved substantial savings in areas like special education, transportation, food services, and bulk purchasing. Based on the forecasts of other Vermont districts that have contemplated the conversion from a union district to a unified union district, the administration and consultant provided the following areas of potential savings:

- **Bulk Purchasing:** While WNESU already makes bulk purchases in several areas, additional savings could be realized through the standardization of technology, textbooks, materials of instruction, and supplies. Savings could also be realized through the bulk purchase of commodities like cleaning supplies.
- **Administrative Staffing:** The consolidation of budgeting from seven districts to one will reduce the paperwork needed in the business office. For example, the WNESU business office currently issues roughly 900 W-2 forms for roughly 400 employees because many employee's wages are split among multiple districts. One annual report would replace the five currently required and one audit would replace the multiple audits required now. This reduction of duplicative effort could result in a reduction or redeployment of business office staffing, though no specific savings is forecast.
- **Audit reports:** The reduction in the number of audits is estimated save just under \$50,000
- **Reduction in Board related expenses:** The reduction from 28 board members to 10 and from seven boards to one will conservatively save roughly \$10,000 in board expenses. Additional savings are possible in treasurer functions.
- **Instructional Staffing:** As noted in the overview, the opportunity to more efficiently share staff among districts could result in modest savings. Additional savings could be realized through a reconfiguration of schools.
- **Food Services:** Food services are currently provided to four of the districts by a food service company. This arrangement will be reviewed in the near future. There are no savings projected as a result of consolidation.
- **Student Data Collection and Reporting:** The creation of one district in place of five will reduce the redundancies inherent in having each district submit reports and will likely reduce staff time required to complete these reports.
- **Loss of Small Schools Grants should merger NOT occur:** As noted in other portions of this report, it is probable that Athens and Grafton would lose small schools grants that are currently just under \$79,800.
- **Tuition payments:** By virtue of abandoning school choice and sending all 7th and 8th grade students to Bellows Falls Middle School Athens' costs would be lowered by roughly \$87,000, Grafton's costs by roughly \$113,000, and Westminster's by roughly \$469,000. As the attached chart indicates, some of these savings would be offset by the need to hire additional staff to assure the same level of programming at the middle school and some could be used to provide more equitable programming at the elementary schools in the new supervisory district. Savings in subsequent years varies according to the number of students.
- **Tax incentives incorporated in Act 46:** By adopting the unified union governance model the taxpayers in Westminster and Rockingham may be able to realize four-year savings on their local property taxes.

APPENDIX B - SAVINGS

SAVINGS AS A RESULT OF CONSOLIDATION

The chart below displays the FY 17 budgets for each WNESU district, the staff that would be required to house the Athens, Grafton, and Westminster students in Bellows Falls Middle School, and the staff required to provide program equity in health, foreign language, and after school programming. The staff needed to provide equitable arts and PE programming for Athens and Grafton elementary students is not included because it is contingent on an upgrade to Grafton Elementary School.

	<u>ATHENS</u>	<u>ATH-GRAF</u>	<u>GRAFTON</u>	<u>BFUHS</u>	<u>CENTRAL</u>	<u>BFMS</u>	<u>SRES</u>	<u>WESTMINST.</u>	<u>WNESU</u>	<u>TOTAL</u>
FY 17 budget	\$859,137	\$1,473,400	\$903,928	\$7,742,349	\$3,133,522	\$5,515,352	\$2,339,957	\$5,033,503	\$11,674,058	\$38,675,205
New Grade 7-8 teacher						\$73,531				\$73,531
New Health teacher		\$31,368		\$23,526	\$15,684	\$31,368	\$31,368	\$23,526		\$156,840
Middlebury language		\$15,000			\$15,000		\$15,000			\$45,000
After School Program										\$15,000
Tuition Savings	-\$87,257		-\$113,974							-\$670,126
Annual Audit Fees	-\$4,450	-\$5,350	-\$4,450	-\$10,500	-\$3,298	-\$7,513	-\$3,187	-\$468,895		-\$49,248
TOTAL	\$767,430	\$1,514,418	\$785,504	\$7,755,375	\$3,160,908	\$5,612,738	\$2,398,138	\$4,577,634	\$11,674,058	\$38,246,203
Blue shaded areas – FTE staff needed to house Athens, Grafton, Westminster middle school students										
Pink shaded areas – FTE staff needed to provide equitable staff EXCEPT for Music, Art, PE at Grafton, which is contingent on facilities										
									SAVINGS:	\$429,003

APPENDIX B - SAVINGS

PROJECTED TAX IMPACT AS A RESULT OF CONSOLIDATION

The chart below depicts the projected tax impact as a result of consolidation, using the FY 17 adopted budget as the baseline and figures drawn from a spreadsheet provided by WNESU Business Manager Edie Cole. The Ed Spending figures for each district assume the savings indicated on the previous page, which include tuition costs paid to non-WNESU district. The Ed Spending figure for the "NEW SD" takes into account the revenues lost as a result of Athens, Grafton and Westminster students no longer paying tuition. That is why it is higher than the Ed Spending figure in the "TOTALS" column. Ms. Cole calculated the **NEW SD tax rate highlighted in yellow** by using the BFUHS high school algorithm. That rate, in turn, was reduced by .08 based on the incentives that would be available should the consolidation vote pass before July 1, 2017. Using the data available on savings and the BFUHS algorithm to calculate the tax rates the rates in Athens and Grafton will increase by the 5% limit, Westminster's will decline by 5% based on the limit, and Rockingham's will decrease by a modest .0194.

Ms. Cole indicated that she will be attending a Vermont State Association of Business Officers on November 18 where business officials will be getting guidance on the best means for calculating this rate. Should that guidance result in a change in that tax rate there will be corresponding changes to the costs or savings to the four towns that comprise the NEW SD.

<u>FY17 TAX INFO</u>	<u>ATHENS</u>	<u>GRAFTON</u>	<u>ROCK'HAM</u>	<u>WESTMINST</u>	<u>BFUHS</u>	<u>TOTALS</u>	<u>NEW SD</u>
Ed Spending	\$733,362	\$757,615	\$8,803,914	\$3,944,758	\$6,415,485	\$20,655,134	\$21,167,841
Eq Pupils	60.47	58.82	538.07	246.73	421.06	1325.15	1325.15
Ed Spending/Eq Pupils	\$12,127.70	\$12,880.23	\$16,362.02	\$15,988.16	\$15,236.51	\$15,587.02	\$15,973.92
Pre-K thru 8 tax rate	0.9323	0.8796	1.1229	1.1713	0		
grade 7-12 tax rate	<u>0.3992</u>	<u>0.5301</u>	<u>0.5249</u>	<u>0.4544</u>	1.5706		
Sub-totals	1.3315	1.4097	1.6478	1.6257			
CLA	111.74%	116.69%	103.90%	97.93%			
Total Tax Rate	1.1917	1.2081	1.586	1.6601			1.6466
						ADJUSTED	RATE
Consol. Tax Rate	1.2513	1.2685	1.5666	1.5771			1.5666
Change	0.0596	0.0604	-0.0194	-0.083			
% Change	5%	5%	-1.2%	-5%			

APPENDIX C – TRANSITIONAL TIMELINE, ANALYSIS

Supervisory District Board's Transition Time Line Based on Articles of Agreement, State Statute

MARCH 7, 2017

- Vote on Articles of Agreement, creation of unified union school district, using warrant in Article Nine of the Articles of Agreement
- Election of Windham Northeast Unified School District Board of Directors, who serve their term of office as outlined in Article Eight of the Articles of Agreement.

MARCH 8, 2017

- Following the vote, the town clerks send the preliminary voting results to the Agency of Education

April 8 – 21 (or later if there's a vote to reconsider)

- Town Clerks certify the final vote in each town to the Secretary of Ed

After Receiving Town Clerks' Certifications of Final Vote

- Secretary of Ed records the certifications with Secretary of State at which point the new district is a legal entity (usually does so within a day or two after receiving certs from Town Clerks)

Within 15 Days of the Certifications are Recorded

- The Secretary of State notifies the Town Clerks of the recording (usually does so within a day or two of receipt)

May or June 2017

- Within 60 days after the Secretary of State notifies the Town Clerks AND a warning is issued at least 30 days in advance, an organizational meeting of the supervisory district is convened by the Secretary of the Agency of Education or designee in accordance with Title 16, 706j

May through August 2017

- If necessary, Windham Northeast Unified School District Board of Directors begins collective bargaining with employee groups in place in VNESU districts
- Windham Northeast Unified School District Board of Directors develops, adopts a budget calendar for FY19.

APPENDIX C – TRANSITIONAL TIMELINE, ANALYSIS

- Windham Northeast Unified School District Board of Directors issues a calendar for the development, adoption of Board policies and procedures to be in place by July 1, 2018

Mid to Late November 2017 through MARCH 6, 2018 (TOWN MEETING DAY)

- Preparation and promulgation of FY 19 budget in accordance with previously adopted budget calendar, state laws governing unified union boards.

MARCH 6, 2018 (TOWN MEETING DAY)

- Windham Northeast Unified School District Board of Directors' FY 19 budget is considered by voters

JULY 1, 2018

- Windham Northeast Unified School District Board of Directors completes development, adoption of policies and procedures
- Windham Northeast Unified School District Board of Directors assumes full responsibility for operation of the schools.
- Windham Northeast Unified School District Board of Directors' budget goes into effect. The Town Districts of Athens, Grafton, Rockingham, and Westminster, as well as the Bellows Falls Union School District, the Athens/Grafton Joint Contract Board, and Windham Northeast Supervisory Union School District Board cease all educational operations and exist only to conclude any outstanding business.
- Windham Northeast Unified School District Board of Directors assumes any and all general operating deficits and fund balances of the Forming Entities that may exist at the close of business on June 30, 2018.
- Windham Northeast Unified School District Board of Directors assumes pre-existing school district specific endowments or other restricted accounts that may exist in Windham Northeast Supervisory Union School Districts on this date. Scholarship funds or like accounts held by school districts prior to this date that have specified conditions of use will be used in accordance with said provisions.

DECEMBER 31, 2018

- Deadline for the dissolution school boards of Forming Entities.

FEBRUARY 28, 2018

- Deadline for dissolution of Windham Northeast Supervisory Union

APPENDIX C – TRANSITIONAL TIMELINE, ANALYSIS

Variable	Current	Supervisory District	Comments
Negotiated contracts	<ul style="list-style-type: none"> One master contract for all teachers, and one for paraprofessionals and custodians 	<ul style="list-style-type: none"> One master contract for all teachers, and one for paraprofessionals and custodians 	<ul style="list-style-type: none"> This is not a major impediment
# Boards, Board Members	<ul style="list-style-type: none"> 7 boards - 28 members, 15 of whom serve on both local and SU board 	<ul style="list-style-type: none"> One board with ten members elected at large 	<ul style="list-style-type: none"> Study Committee preferred hybrid at large model to proportionality
Policies	<ul style="list-style-type: none"> Boards follow policies that are based on VSBA template, generally aligned 	<ul style="list-style-type: none"> One set of uniform policies would apply to the supervisory district 	<ul style="list-style-type: none"> Study Committee deferred many issues to newly elected Board
Budget development and management	<ul style="list-style-type: none"> 7 separate budgets developed by each board SU manages all budgets and payroll Budget lines, categories generally aligned Each board oversees its district's expenditures Modest declines 	<ul style="list-style-type: none"> Central office manages one budget for all schools Uniform budget codes Board Finance Committee oversees expenditures 	<ul style="list-style-type: none"> Aligning budget lines and categories could be relatively uncomplicated
Student Populations	<ul style="list-style-type: none"> Modest declines 	<ul style="list-style-type: none"> All districts would be held harmless from impact of enrollment decline 	<ul style="list-style-type: none"> See APPENDIX A for enrollment projections
Facilities	<ul style="list-style-type: none"> Some districts have specific reserve funds Rockingham has debt service on 4 bonds and Westminster has debt service on one Athens/Grafton is studying need for expansion/upgrade Local Standards Board operates at SU level 	<ul style="list-style-type: none"> Reserve funds would be held and applied to their current purpose New Board would absorb costs for future renovations 	<ul style="list-style-type: none"> See APPENDIX E for analysis of facilities
Professional Development	<ul style="list-style-type: none"> Local Standards Board operates at SU level 	<ul style="list-style-type: none"> Central office retains oversight 	<ul style="list-style-type: none"> No change required

APPENDIX C – TRANSITIONAL TIMELINE, ANALYSIS

Variable	Current	Supervisory District	Comments
Leadership/Administration	<ul style="list-style-type: none"> Each Board hires principals Principals oversee district budgets, day-to-day management of schools, teacher evaluation SU office hires and deploys special education staff, related service providers Managed at SU level SU develops curriculum Curriculum implementation a building level responsibility Out of district costs, costs for low incidence, high students shared Hiring of all special education staff done by SU Guidance services vary from district-to-district Special education Related Service Providers (RSPs) provided at the SU level Westminster manages its own food services, all other districts contract for services Each district provides its own maintenance services and hires its own custodial staff Principals oversee these tasks 	<ul style="list-style-type: none"> District Board appoints principals based on Superintendent recommendation Central office could oversee more non-instructional functions Managed at SD level Curriculum development and implementation a central office responsibility Central office hires, deploys special education staff All schools would offer the same level of student services All related services provided through SD Food Services would be coordinated and/or offered at district level Custodial and maintenance services managed at district level by district staff SD hires all personnel 	<ul style="list-style-type: none"> This will require a change in board dynamics with administrators No change Unified structure could facilitate different grade configurations in schools Unified structure might enable low incidence students to be housed in one facility and could result in some savings Unified structure might facilitate use of shared staff, especially related service providers Potential opportunity for savings and improvement in student meals Opportunity to save through bulk purchasing, contracting, sharing of staff
Transportation	<ul style="list-style-type: none"> Managed at SU level 	<ul style="list-style-type: none"> Managed at SD level 	<ul style="list-style-type: none"> No change
Curriculum Management	<ul style="list-style-type: none"> SU develops curriculum Curriculum implementation a building level responsibility 	<ul style="list-style-type: none"> Curriculum development and implementation a central office responsibility 	<ul style="list-style-type: none"> Unified structure could facilitate different grade configurations in schools
Special Education	<ul style="list-style-type: none"> Out of district costs, costs for low incidence, high students shared Hiring of all special education staff done by SU 	<ul style="list-style-type: none"> Central office hires, deploys special education staff 	<ul style="list-style-type: none"> Unified structure might enable low incidence students to be housed in one facility and could result in some savings
Student Services	<ul style="list-style-type: none"> Guidance services vary from district-to-district Special education Related Service Providers (RSPs) provided at the SU level 	<ul style="list-style-type: none"> All schools would offer the same level of student services All related services provided through SD 	<ul style="list-style-type: none"> Unified structure might facilitate use of shared staff, especially related service providers
Food Services	<ul style="list-style-type: none"> Westminster manages its own food services, all other districts contract for services 	<ul style="list-style-type: none"> Food Services would be coordinated and/or offered at district level 	<ul style="list-style-type: none"> Potential opportunity for savings and improvement in student meals
Building Maintenance	<ul style="list-style-type: none"> Each district provides its own maintenance services and hires its own custodial staff Principals oversee these tasks 	<ul style="list-style-type: none"> Custodial and maintenance services managed at district level by district staff SD hires all personnel 	<ul style="list-style-type: none"> Opportunity to save through bulk purchasing, contracting, sharing of staff

APPENDIX C – TRANSITIONAL TIMELINE, ANALYSIS

Variable	Current	Supervisory District	Comments
Program Equity	<ul style="list-style-type: none"> • Offerings in art, music, health, foreign language and after school programming varies • Minutes spent in academic subjects varies 	<ul style="list-style-type: none"> • Uniform programming in all curriculum areas • Uniform preparation for BFUHS improved 	<ul style="list-style-type: none"> • Trade-off is loss of 7-8 choice in Athens, Grafton, and Westminster
EQS attainment	<ul style="list-style-type: none"> • Some schools may struggle to meet EQS 	<ul style="list-style-type: none"> • SD board will ensure that all schools meet EQS 	

APPENDIX D – ADVANTAGES FOR STUDENTS

Advantages of a Merged District for Students

Program Equity

One of the challenges facing the boards that govern the K-8 elementary students in WNESU is the need to ensure that all students enter ninth grade in Bellows Falls Union High School on equal footing. As the following analysis indicates, there are inconsistencies in programming among the schools in grades K-6, inconsistencies that can be compounded in the schools attended by Athens, Grafton and Westminster students in grades 7-8. These inequities among the schools, which can have a positive or negative consequence, become most evident when students reach Bellows Falls Union High School and find that classmates from varying schools have deeper knowledge in some content areas, have more familiarity with technology, have greater opportunities in the music and arts. These kinds of disparities are less likely in a unified supervisory district where all students attend PK-12 schools operated by a single district board sets consistent expectations for all students at every grade level and ensures that equitable opportunities exist in all schools.

The attached tables illustrate the inequities that currently exist in instructional programming, staffing in areas outside of classroom instruction, and technology. Table 1 illustrates the differences that exist among WNESU schools in terms of time spent in various subject areas in grades K-4. Table 2 illustrates the disparities in grades five and six, where Rockingham students attend Bellows Falls Middle School while students in Athens, Grafton, and Westminster attend elementary schools. Table 3 notes disparities in art, music, and PE. Table 4 describes discrepancies in support services (e.g. *guidance counselors and nurses*) and academic support services such as librarians and interventionists. Table 5 outlines the differences among schools in terms of the availability of technology. In a unified district these disparities would be eliminated over time by bringing all schools to a consistently high level. Table 6 depicts the programming offered for those 7th and 8th grade students attending Bellows Falls Middle School, programming designed to ensure readiness for Bellows Falls Union High School.

Staffing Quality and Consistency

Because each district is currently a separate and distinct employer, several teaching assignments are part-time. When there are openings for part-time assignments the applicant pool for those postings is often thin and retention rates are low. In a merged district, it is possible to create full-time assignments for many of these positions by sharing staff among

APPENDIX D – ADVANTAGES FOR STUDENTS

schools. These full time assignments would likely increase the number of applicants for each vacancy and reduce staff turnover.

Opportunity for Sharing Specialized Staff, Re-purposing Existing Staff

With all schools governed by a single board, it would be possible for schools to share specialized teaching staff in the same way that sharing is occurring in Special Education where WNESU employs and/or contracts for related service providers. For example, by sharing staff the merged district could hire or redeploy:

- **Reading or math interventionists** that could be shared among schools to support teachers and provide direct instruction to struggling students.
- **A health teacher(s)** to provide instruction and state-required curriculum throughout the elementary grades
- **Foreign language teacher(s)** who could provide opportunities for the introduction of such a program at an economically feasible cost.
- **A science specialist** to offer hands on labs in classrooms, outdoor science activities, or lessons that prepare students for the rigorous programs of study at the high school.
- **A “district librarian”** to oversee non-certified staff members and/or volunteers in multiple schools.
- **A lead school nurse** to assure that the district engages in best practices in this area

These teaching specialists would not necessarily require additional staff. Rather, the administrators could identify existing staff members who have expertise and certification in these areas and deploy them across several schools. Having a single board governing all elementary schools would facilitate this sharing and re-purposing.

Opportunity to Offer Elementary Choice

The Articles of Agreement also envision the opportunity for students to attend schools outside of the current attendance zones and/or to modify those attendance zones so that students can attend schools closer to where they reside. The new supervisory board would have the opportunity to determine if such arrangements might be advisable.

APPENDIX D – ADVANTAGES FOR STUDENTS

Opportunity to Restructure Schools

The establishment of a school district governed by a single board offers the possibility of restructuring elementary schools should changes in grade configuration make sense in the future. Such changes would be difficult if not impossible to implement with the current governance structure.

Current Disparities

The next five pages outline the current minutes of instruction offered in each WNESU elementary school and describe the services and technology available in each school.

The following charts provide a means of examining the time allocations in each school. Prepared by the principals in 2015-16, they indicate the minutes per week spent in each subject area. These charts make it possible to readily calculate the cumulative time differentials by content area and to get some insights into how content priorities are set. Whether a difference in instructional time spent constitutes an inequity is an issue the newly elected supervisory district board will need to determine. The aggregate time spent in the classrooms reported by the Principals show that Grafton elementary students spend roughly 5 hours and 20 minutes per day in class while Westminster students spend roughly an hour less. This discrepancy may be the result of increased time for lunch, recess, activities like weekly library time or time in the computer lab at the Westminster schools that diminish time in the classroom. It may also be a function of issues like transportation or time spent passing between classes. Also it could be the result of the way we calculated minutes per day in science, writing and social studies at Grafton by using the mean of the range of minutes provided by the Principal. This method of calculation could skew the number of minutes in either direction.

These charts illustrate the following discrepancies in terms of time allocations:

- Grafton Elementary students more time in Language Arts (600 minutes) than students in Westminster or Rockingham (280 through 400 minutes)
- Mathematics time is roughly equal in all schools
- Time spent in science instruction varies in Kindergarten from 55 minutes (Westminster) to 137 minutes (Grafton), is relatively congruent in grades 1-4, but varies again at grades 5-6 where Grafton students spend 100-175 minutes of their time on the subject while Westminster and Rockingham students receive more science instruction

APPENDIX D – ADVANTAGES FOR STUDENTS

- Disparities in Social Studies emerge in grade 5-6 where Bellows Falls Middle School students spend 215 minutes per week in social studies classes while Westminster students spend only 150 minutes and Grafton students spend 100 to 175 minutes. Note that elementary teachers often integrate social studies into reading, which may be a possible explanation for the disparities.
- Grafton students spend a substantially less time in Art, Music and PE than students in Westminster or Rockingham. This is primarily due to scheduling constraints that result from the lack of dedicated space for these programs in the Grafton Elementary School.

The charts on the last two pages illustrate differences in services provided to each school. As with the time issues outlined above, the supervisory district board will need to determine which, if any, of these constitute inequitable opportunities. The areas that seem particularly disparate, highlighted in yellow, are arts programming, health education, extended year and after school programs, and foreign language.

CORE PROGRAM: MINUTES/WEEK	Westminster	BFMS	Central	SRES	GES
Reading/Language Arts: K	345	-	450	325	525
Reading/Language Arts: Grade 1-4	280	-	400	360	600
Reading/Language Arts: Grade 5-6	195	430	-	-	600
Reading/Language Arts: Grade 7-8	-	430	-	-	-
Writing: K	175	-	150	175	162
Writing: 1-4	275	-	180	240	260
Writing: 5-6	220	in LA/Reading	-	-	225-300
Writing: 7-8	-	in LA/Reading	-	-	-
Mathematics: K	280	-	250	350	300
Mathematics: Grade 1-4	295	-	330	335	300
Mathematics: Grade 5-6	285	215	-	-	300
Mathematics: Grade 7-8	-	215	-	-	-

APPENDIX D – ADVANTAGES FOR STUDENTS

Science: K	55	-	120	100	137
Science: Grade 1-4	130	-	115	160	137
Science: Grade 5-6	180	215	-	-	100-175
Science: Grade 7-8	-	215	-	-	-
	-	-	-	-	-
Social Studies: K	150	-	120	120	137
Social Studies: Grade 1-4	120	-	115	100	137
Social Studies: Grade 5-6	150	215	-	-	100-175
Social Studies: Grade 7-8	-	215	-	-	-

SPECIALS: MINUTES/WEEK		Westminster	BFMS	Central	SRES	GES
Art: K		90	-	68	80	35
Art: Grade 1-4		90	-	68	80	35
Art: Grade 5-6		90	12 weeks @ 215 min/week	-	-	40
Art: Grade 7-8		-	18 weeks @ 215 min/week	-	-	-
Music: K		90	-	68	80	35
Music: Grade 1-4		90	-	68	80	35
Music: Grade 5-6		90	12 weeks @ 215 min/week	-	-	40
Music: Grade 7-8			18 weeks @ 215 min/week	-	-	-

APPENDIX D – ADVANTAGES FOR STUDENTS

Instrumental Music?	.2 FTE	1.0 FTE	-	-	0.2 FTE
PE: K	90	-	90	80	70
PE: Grade 1-4	90	-	90	80	70-90
PE: Grade 5-6	90	24 weeks @ 215 min/week	-	-	90
PE: Grade 7-8		24 weeks @ 215 min/week			
Health educator	no	yes, 1.0 FTE	no	no	.06 FTE

	Westminster	BFMS	Central	SRES	GES
SPECIAL EDUCATION					
# Students with IEPs in school	36	45	39	12	14
Intensive Services: In SU	yes	yes	yes	yes	yes
Total Special Education in district	37	61	39	12	14
Special Education % Rate	19.89%	24.70%	23.9%	12%	15%

	Westminster	BFMS	Central	SRES	GES
EXTRA SUPPORTS DURING DAY					
Intervention Block	30 min daily	No	30 min daily	No	No
School Counselor	1 FTE	2 FTE	1 FTE	.6 FTE	.4 FTE
School Nurse	1 FTE	1 FTE	1 FTE	.9 FTE	0.9 FTE
Librarian	1 FTE	.8 FTE	1 FTE	.4 FTE	.3 FTE

	Daily program	daily	YMCA provid.	None	3 days a week
AFTER/BEFORE SCHOOL PROGRAM					
before school	35 min daily	40 minutes	--	--	--

APPENDIX D – ADVANTAGES FOR STUDENTS

after school	120 mins daily	120 minutes	180 min.	--	180 min.
Title I Homework Assistance	110 min/day	60 min- 3x /week	45 min/day	45 min/day	60 min- 3x /week

EYP (Extended Year Program)	Westminster	BFMS	Central	SRES	GES
Summer Camp full day	5 weeks	yes	no	no	n/a
Kindergarten Camp	8 half days	None	3 days	no	n/a
Pre-school camp	8 half days	None	no	no	n/a
Title I summer school	20 days/ half day	24 days/half day	16 days	16 days	4 weeks, half day
FOREIGN LANGUAGE (Specify)					
	Westminst.	BFMS	Central	SRES	GES
	Middlebury online (Enrich.)	Middlebury online (Enrich.)	No	No	No

One other area to monitor looking forward is the availability of technological resources. The table below illustrates the status in spending on technology and the existing availability of technology in each school.

Technology Resources	Westminster	BFMS	Central	SRES	GES
3 Year Tech Spending Average***	\$24,714.53	\$26,847.92	\$11,426.80	\$19,342.19	\$9,730.44
3 Year Tech Budget/Student (ADM, Excluding FY16)	\$140.42	\$109.14	\$65.55	\$179.09	\$113.14
Interactive Boards (Classroom:Boards)	16:14 (87.5%)	1:1 (100%)	19:18 (94.7%)	1:1 (100%)	1:1 (100%)
Teacher Computers (Teachers:Computers)	1:1 (100%)	1:1 (100%)	1:1 (100%)	1:1 (100%)	1:1 (100%)
Computers per Student	0.68	0.89	0.57	0.68	0.96
Fiber optic network?	No	Yes	Yes	Yes	Yes
*** (Supplies + Equipment, Excluding FY16)					

E – STATUS OF FACILITIES, DEBT, RESERVE FUNDS

The charts below and on the following page display the POTENTIAL major projects pending, the current indebtedness, and the current reserve funds for each of the four districts that operate schools in Windham Northeast Supervisory Union.

District	Major Projects Pending	Debt Owed	Current Reserve Funds
Athens-Grafton Joint Contract	The Athens-Grafton Board is currently determining the costs required to either expand or upgrade its facilities so that students can have the same opportunities in Art, Music and PE as those in other WNESU schools and those expected in order to meet the new State standards. The upgrades will consider space needed for: technology and media; library books; faculty work area; for private conferences such as IEP meetings, disciplinary conferences, and services for special needs students.	None	None
Rockingham	Having completed major renovations in each of the three schools in the district no projects are projected for the near future	Rockingham has four outstanding bonds whose payment schedules are attached	<u>FY 18 Budget Reserve: \$ 100,000</u> <u>Technology: \$ 2,888</u> <u>Wunderle Memorial (BFMS): \$ 1,570</u> <u>Legacy (CES): \$ 12,945</u> <u>CES: \$ 3,322</u>
Westminster	Having completed major renovations on it's Elementary School no major projects are projected	Westminster has one outstanding bond whose payment schedule is attached	<u>FY 18 Budget Reserve: 80,000</u> <u>Capital improvement: \$ 24,080</u>
Bellows Falls Union High School	No major projects are foreseen in next five years though driveway is in need of repair estimated to cost \$500,000 and the auditorium seating is also in need of replacement at some point		<u>Capital Improvement: \$125,000</u> <u>Academic Enrichment: \$35,860</u> <u>Timber Sales: \$ 21,912</u> <u>Carpet: \$2,386</u> <u>Education Fund: \$7,317</u>

E – STATUS OF FACILITIES, DEBT, RESERVE FUNDS

<u>DISTRICT</u>		<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PAYOFF DATE</u>
1	Westminster				
	Current				
	Payment	\$95,000.00	\$34,097.37	\$129,097.37	Nov. 2025
Total Balance	\$950,000.00	\$156,746.57	\$1,106,746.57		
1	Rockingham				
	Current				
	Payment	\$175,000.00	\$83,251.88	\$258,251.88	Nov. 2026
Total Balance	\$1,925,000.00	\$407,776.60	\$2,332,776.60		
2	Rockingham				
	Current				
	Payment	\$30,000.00	\$15,034.25	\$45,034.25	Nov. 2027
Total Balance	\$360,000.00	\$78,772.50	\$438,772.50		
3	Rockingham				
	Current				
	Payment	\$97,200.00	\$51,002.79	\$148,202.79	Nov. 2032
Total Balance	\$1,652,400.00	\$496,245.86	\$2,148,645.86		
4	Rockingham				
	Current				
	Payment	\$421,015.60	****	\$421,015.60	Nov. 2032
Total Balance	\$6,946,757.59	****	\$6,946,757.59		

**** Due to Federal Sequestration we now pay a small amount of interest on the Qualified School Construction Bond (QSCB)

Total annual interest the Feds pay on Rockingham's behalf before sequestration:

FY13	\$14,809.51	4.3714%
FY14	\$23,978.87	7.0780%
FY15	\$24,730.80	7.3000%
FY16	\$31,258.40	9.2268%

APPENDIX F – BOARD MEMBERSHIP

One of the areas that generated considerable debate among the committee members was the question of composition of the board membership. After reviewing several alternatives based on proportional representation, each of which required a large number of members because Athens and Grafton have relatively small populations, the Committee set the membership for the newly merged district based on the existing membership structure of the Bellow Falls Union High School configuration as outlined in the attached Articles of Agreement for Union High School #27.

APPENDIX G – CONSEQUENCES OF NEGATIVE VOTE

Should the vote to create a merger as outlined in the Act 46 Committee's report fail to pass, Act 46 describes potential consequences if a district fails to merge. Those consequences are described below:

- Probable loss of opportunity to benefit from financial incentives: In order to gain the tax reductions and transition aid incorporated in the various acts that encourage voluntary mergers, boards need to secure voter approval before July 1, 2017 to create a Modified Unified Union District or get voter approval for a merger plan with sufficient lead time to enable the newly merged district to become fully operational before July 1, 2019. Given some of the obstacles and consequences outlined in the next three bullets, the opportunity to form a new Study Committee and complete the work necessary for a second merger referendum will be challenging.
- Dissolution of Act 46 Committee: Following the vote on the warrant put forth by the Act 46 committee the committee ceases to exist. Though it is conceivable a new committee could be formed to prepare a new plan, the dissolution of the existing committee is an obstacle to a rapid response to a negative vote.
- Loss of opportunity to seek a second 706 study grant: The 706 grant that funded the research and writing of the Report to the State Board and legal analysis of the articles of agreement is only available on a one time basis. Any future analysis and preparation will need to be done by the SU staff and/or underwritten by individual boards without the State funding.
- All WNESU districts will be required to meet the guidelines set forth in Act 46 Section 9. As it stands now, ACT 46 Section 9 requires non-merged districts to conduct a self-evaluation of the current district's ability to meet or exceed the State Board goals, to meet with other boards in the region "...to promote improvement relative to the goals throughout the region", and "...to submit proposals individually or jointly to merge or work together in some way". This work must be completed by November 30, 2017 a time commitment that will add to the challenge the boards would face in developing a new merger plan. Act 46 Section 9 is under review and slated to be adopted by mid March 2017.
- Potential loss of small schools grants for Athens and Grafton: The Athens-Grafton Joint Contract District currently receives a small schools grant of roughly \$80,000. If the districts merge this grant would be folded into the revenue stream for the newly merged Supervisory District. If the districts do not merge, current state law requires Athens and Grafton to demonstrate that they meet the parameters set forth by the legislature in order to continue receiving the grant. If the Grafton Elementary School cannot demonstrate "...geographic isolation from, or inhospitable travel routes to, a school with capacity to enroll the students", in order to continue receiving a small schools grant the school must demonstrate "...measurable success in providing a variety of high-quality educational opportunities that meet or exceed the educational quality standards adopted by the State Board pursuant to section 165 of this title", a measure that might prove difficult for students attending Grafton elementary school given the limitations of the current facility. The State Board must set the parameters for small school grants that will go into effect on July 1, 2019.

APPENDIX G – CONSEQUENCES OF NEGATIVE VOTE

- Potential need for Athens and Grafton to bear the full costs of facilities upgrades: Should a future Athens/Grafton Joint Contract Board wish to upgrade their facilities to address the existing inequities in program offerings, the costs for such an upgrade would be borne solely by the district taxpayers in Grafton and Athens unless a merger is imposed by the State Board (*see next bullets*).
- The POSSIBLE mandatory merger of districts with similar operating structures: The state board has the authority to impose a merger on districts with similar operating structures and to determine the composition of SUs. Given that Athens, Grafton, and Westminster all function with the same operating structure, it is possible that the State plan mandated by Act 46 would result in a merger of Athens, Grafton, and Westminster. Should such a merger take place, it is possible that the districts currently contemplating a supervisory district would be placed in an SU consisting of three districts: the Athens-Grafton-Westminster K-6/7-8 choice district; the Rockingham K-8 district; and BFUHS district. Note that the State Board cannot compel Athens, Grafton, and Westminster from abandoning school choice for its 7th and 8th grade students.
- Should the State mandate the merger of Athens, Grafton and Westminster the newly merged district would share the costs for any renovations undertaken or contemplated by the Athens-Grafton Joint Contract Board.
- Districts mandated to merge will need to develop articles of agreement. At this juncture there are no funds available to assist the districts with this process, which will require legal assistance and support.

Based on the Act 46 legislation and pending regulations it is highly unlikely that the status quo in WNESU will remain. Some consolidation of districts and services will occur and some change in the governance structure is possible. The merger plan outlined in this report provides an opportunity for WNESU districts to avail themselves of the financial benefits, to avoid future financial pitfalls, and have control over their future governance.