

**Statement of Marty Strange
to the
Vermont State Board of Education
June 27, 2018**

I am Marty Strange. I live in Randolph, Vermont. I was employed as Policy Director for the Rural School and Community Trust, a national non-profit organization, from 1997 until my retirement in 2012. In the course of that work, I was involved in school finance issues in 17 rural states. In all of those states, support for small and isolated schools and school districts was a policy issue.

In every instance I know, state policy supporting small schools and/or isolated schools is a product of legislative deliberation supported by professional staff and often consultants or expert witnesses testifying before legislative committees. I am not aware of any instance in which these issues, which usually involve complex metrics for determining eligibility and complex formulas for distributing aid, are delegated to a voluntary state board of education. I know of one instance (the state of Washington) where these eligibility determinations have been delegated to the state superintendent of instruction.

The rationale for supporting small schools is not because they are small, but because they work. Students, especially low-income students, learn more, graduate on time more, take better advantage of available curriculum, drop out less frequently, and do not actually cost more per pupil when the output measured is not cost per pupil per year, but cost per pupil who reaches graduation. Supporting small schools is not a good thing to do as much as it is a smart thing to do.

The General Assembly has chosen to restrict this support to schools that are both small and isolated, a term begging definition. This issue has unfortunately been delegated to the State Board of Education which does not have access to the expertise that the legislature could access in a deliberative process.

To put the weight of the matter in perspective, I have summarized data compiled by the Education Commission of the States on how states fund schools that are small and/or isolated. This summation demonstrates how complicated these issues can be. I have excluded Vermont from this summation because its policy in this area is very much in flux.

Twenty-eight states provide funding for either small schools or small districts (10 states), or for isolated schools or districts (11), or for both (7). Twelve of the states that provide funding for isolated schools or districts include an enrollment qualification as well as a geographic qualification, so these are essentially small school funding provisions with an added isolation factor, the so-called “necessarily small” schools or districts. There is no apparent regional pattern to these funding policies.

For **small school or district** funding most states establish a single standard based on student count, either absolute whole-district (AZ, CO, KS, LA, NE, NC OK, SD, TX) or whole-school count (AK, MO). Only Vermont appears to use a student-per-grade count. Some establish several tiers of student count with varying levels of funding support, with greater support for the lowest student-count tier (CO, NM, TX). Some vary the count by elementary and secondary schools (CA, NM, WA). New York only bases small school funding on the number of teachers (seven or fewer).

Oklahoma and North Dakota provide grants to small districts to help them establish cooperative arrangements that achieve increased efficiency. California provides funding to districts with fewer than 500 students to compensate for students lost to charter schools.

The small school funding is provided either by factors included in the state's overall funding formula (AZ, KS, LA, NE, NM, OK, WY) or through allocations made from a separately appropriated fund (AK, MI, MO, NC, TX, WA). South Dakota provides funding on a sliding scale based on a formula allocation of teaching positions based on three tiers of presumed student-teacher ratios (not actual), the lower the total enrollment the lower the presumed ratio.

The factors that determine eligibility for **isolated schools or districts** are:

- Driving distance only (FL, ME, MI, MT, OR) with ME and OR establishing shorter distances for elementary students (8 miles in each case)
- Driving distance to nearest school on hard surface only (AR [>12 miles] and CA [>5 miles for elementary students]).
- Driving distance with an adjustment based on terrain or geographic barriers (AR, AZ).
- Density ratio of transported students (AR, NY [21 students per square mile], WY [10 students per square mile])
- Less than 50% of bus route miles are on hard surface roads (AR).
- Geographic size of the districts (TX, >300 square miles)
- Length of time on the bus (UT, 45 min for K-6, 75 min for 7-12).

Funding for isolated schools or districts is usually distributed through the state's basic education funding formula (AZ, AR, FL, ME, MN, MT, NY, OK, TX, UT, and WV), often by added weight to the student count but sometimes with other adjustments, such as density or sparsity (AR, MN, NY, and WV). Florida weights the student count for isolated schools by a factor of 2.75. Some of these formulas are quite complicated. Utah weights the student count using a regression formula that factors in the previous year's average daily membership and the school's grade span.

Other states provide distinct out-of-formula grants, allocated by various factors (CA, GA, ID, MI, OR, and WI) usually from a separately appropriated fund.

The central theme here is that not all long distance rides are created equal. The age of the transported students, the terrain they must traverse, the sparsity of the catchment area, the distance to a potential receiving school and the quality of the roads are all factors used in various states to determine eligibility for isolated status and/or allocation of funds to isolated schools. It is remarkable that no two states take the same exact path on this issue. They are each a product of place-specific considerations.

This State Board of Education should do no harm. You are not elected to make critical school finance policy decisions. Such decisions should be made by officials who are accountable to the people at the ballot box. The General Assembly should not have placed this burden on to you. Do not carry their water. I respectfully urge you to send it back to the legislature and ask it to do its job.

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