

To: Commission on the Future of Public Education in Vermont
From: Taconic and Green Regional School District School Board
Date: November 13, 2024
Re: Short-Term Cost Containment for the 2025 Legislative Session

The Taconic and Green Regional School District (T&G) School Board appreciates the important work being done by the Commission on the Future of Public Education in Vermont. We recognize that this is difficult work, but it is fundamentally important to school boards and the many other groups working in the education field with the aim to create a balance between high-quality education and fiscal responsibility for Vermont.

T&G's education structure is different than most school districts in the State – which is a primary reason for sending this memo.

Most of the school districts of our Bennington-Rutland Supervisory Union have never operated a high school, none have operated one for generations, and there is no public high school in the 460 square mile footprint of our SU. Over the entire history of our local public schools, our students have been educated through a partnership between public schools and independent schools. This structure has served our families and students well, and our communities overwhelmingly support this education delivery structure. Support for this system was confirmed with over 90% of voters expressing their support for an advisory article the T&G presented in March 2023.

This leads our school boards and communities to have a keen interest in proposals or actions taken at the State level that might impact our school districts' ability to continue to operate this public/independent hybrid system, as we have for many decades.

The specific proposal we are writing about today was one recent suggestion from several organizations we generally support and agree with. In the case of this one proposal, we felt compelled to speak up.

VSBA/VSA/ VASBO suggested in a memo dated October 18, 2024 that the Commission consider, for independent schools receiving public tuition, to: "Limit tuition payments to average announced tuition" (AAT).

T&G found many of the October 18, 2024 memo's suggestions to be potentially useful. However, we strongly believe this suggestion needs further context, and could be particularly problematic for our education system (and likely for the small number of other districts structured similar to ours).

A member of the Commission, Oliver Olsen, responded with a October 21, 2024 memo to the Commission providing substantial background on why the AAT measure itself is not a number that can be relied upon. We agree with his comments.

The published AAT rate is not a reliable measure. Mr. Olsen provides compelling research that the AAT measure does not truly represent actual tuition rates that might be charged by public schools. Indeed, some public schools input to the AAT calculation appears to be off-base, as there is little downside for not setting a truly accurate rate, as any district can simply submit a bill for adjustment payments at the end of the year if the published AAT is not reflective of actual education costs.

If a level playing field is important, an AAT cap should apply to all schools. We also question whether this proposal is intended to apply to both independent schools and public schools.

The recurring theme of efforts over the years to change the rules & regulations for independent schools has been 'the need to level the playing field'. If this proposal is only to apply to independent schools, that would be highly inconsistent with this stated goal. If it were intended to apply to both public and independent schools, we expect it would be highly disruptive to a limited number of education systems around Vermont (including ours).

As T&G operates a system reliant on partnerships with independent schools, we are highly interested in the rules related to independent schools, and are generally supportive of logical and rational efforts to create a more level playing field between public and independent schools. In recent years, we have believed that some of the efforts at 'levelling the playing field' have not been truly focused on equity in educational opportunity that we generally believe is in the best interests of our students. We believe that this proposal would fall into the category of not truly focused on equity, while it would be highly disruptive to the education of many students.

Current voter-approval of tuition rates makes sense and should continue. The T&G currently pays tuition for high school students to a number of schools. About 92% of our high school students attend two independent schools near the center of our district - Burr and Burton Academy (BBA) educates about 85% and Long Trail School (LTS) educates about 7%. About 2% of our high school students attend public high schools near the borders of our district.

By current law, the tuition we pay to BBA and LTS is capped each year through voting on an article setting the rate to be paid: "for resident pupils in grades 9 through 12 who attend any approved Vermont independent school". By comparison, the tuition rate we pay to Vermont public schools is not capped and is whatever announced tuition that school sets for the year, with the potential for a year end adjustment. Historically, the tuition we pay to both independent and public schools has been above AAT. Any independent high school not covered by the above article is paid at a tuition rate capped at the AAT rate.

We believe the current approach to setting tuition rates is fair and reasonable. We are quite concerned that the proposed change in approach could have dramatic negative impacts on our residents and our education system.

Potential implications of a capped tuition rate. Currently, BBA accepts all our students at the voted tuition rate, and families rely on having that option for their kids, with no supplemental payments due from those families. If a cap were instituted, we might hope that BBA would just be willing to cut their tuition to the AAT cap rate. But that is highly uncertain, and BBA (or any other independent school) may or may not be able to continue to serve our children for the capped rate, or remain fiscally sound at that capped rate. If families might face an extra bill for each of their students attending high school (\$1,192 in FY25) that would seriously undermine our current educational system. Many families might need to consider options to send their students to public high schools outside the district. But this would unfortunately be impractical and inequitable.

Following past proposals to change independent school rules, the T&G analyzed our options if we were forced to shift students to other schools. As noted above, we have no public high schools in our 460 square mile BRSU footprint. We examined options families might have to send their kids to public schools surrounding our district. It quickly became evident that this is not a feasible alternative for more than a small percentage of families. Additionally, based upon AAT rates at alternative public schools it is clear that, if we were able to send our kids to alternate public schools, the cost of doing so would be roughly equal to our current structure.

If the suggested tuition cap were applied on a level playing field basis. We can't imagine that any public schools could accommodate (fiscally or politically) charging tuition students at less than their cost of providing that education. As per the AAT report, some of those public secondary schools charge rates well in excess of AAT, so limiting tuition to the AAT could put a substantial hole in those schools' budgets. And, similarly, we can't understand why independent schools would agree to accept students at this reduced rate. Our local independent schools are already educating our students at a rate lower than their cost of providing that education. Even if this proposal were to apply to public and independent schools, we do not believe any potential savings upside would be greater than the downside of substantial disruption to the operations of the districts most impacted.

Is this proposal a realistic cost control mechanism? We also question this proposal as a means to generate substantial savings to the education fund. A pretty consistent 4% of Vermont students have been publicly-funded independent school students. The proposed changes would almost certainly cause major disruptions for school districts' provision of education, and for student learning. However, it appears unlikely such changes would produce the potential for any significant decrease in education costs.

For the above reasons, the T&G requests that the Commission not consider the proposal: "Limit tuition payments to average announced tuition".

As the T&G expects that the work of the Commission can benefit from additional information on efforts being made at individual school districts and SUs, we provide below a summary of some of the efforts we have made locally to balance efforts to provide high quality education with efforts to manage spending and efficiency.

The Taconic and Green approach to Education and School Budgets:

The T&G has worked hard to meet its primary stated goal:

"All students of the Taconic and Green Regional School District (T&G) will develop the knowledge, skills and dispositions needed to become equity minded global citizens, at a reasonable cost that supports the essential roles that schools play in our community."

T&G 2024-25 Budget

The "reasonable cost" element above is something the T&G Board takes very seriously. In the tough 2024-25 school year the Board focused hard on affordability, producing a Budget with a 3.8% increase in educational spending, compared to the state-wide increase of 10.7%. (The other districts in our Supervisory Union did even better, with Mettawee holding their increase to 1.8% and Winhall actually decreasing by 5.7%.)

In our deliberations, our Board specifically discussed how it was every school board's job to control spending to limit the pressure on the overall state-wide funding system. The T&G Board decided that limiting spending was the right course even when there was an appearance of opportunity to spend more without direct tax implications. Our communities understood our efforts and voted to support our school budgets.

However, the Vermont state-wide education funding structure still led to substantial increases in local property taxes based heavily on state-wide education spending increasing by 10.7%. It is hard to explain these increases to our communities as they feel the pressure of continued local tax rate increases. This almost

impossible task is a prime reason our board is highly interested in both the short-term and long-term findings of the Commission. The current situation is not sustainable.

T&G ongoing efforts to balance education and spending

The T&G has been in the midst of a multi-year process to consider ways to reconfigure our schools to improve education outcomes and become more efficient fiscally. This effort began several years ago focused on improving middle school outcomes, which we had identified as a weakness significantly stemming from our structure. As this middle school work progressed, it became clear that a reconfiguration of our middle schools (creating a regional middle school) would have knock-on effects to our elementary programs.

These discussions have been very difficult and somewhat contentious in our communities. As T&G operates five schools, serving nine towns, a reconfiguration would impact each school and town differently. It might include school closures. We have held community outreach meetings at each of our schools this fall – with a great deal of useful input but no shortage of pushback against possible changes. We continue to move forward with our planning and community engagement. It is unclear where this effort will lead at this point. But, we believe this is one good example of school districts taking very seriously the challenges of providing the high quality education we aspire to while also remaining focused on controlling costs.

We appreciate this opportunity to provide input to the Commission on the Future of Public Education in Vermont. We look forward to following the progress on your work, this year and next year.

Best regards,

Taconic and Green Regional School District