

AGENCY OF EDUCATION  
Barre, Vermont

**TEAM:** School Governance Team

**ACTION ITEM:** Will the State Board of Education find that the proposed formation of a new unified union school district, which is its own supervisory district, by all current member districts of the **ORANGE SOUTHWEST SUPERVISORY UNION (OSSU)** 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 OSSU Study Committee?

**SECRETARY’S RECOMMENDED ACTION:**

**That the State Board of Education find that the proposed formation of a new unified union school district, which is its own supervisory district, by the member districts of the Orange Southwest Supervisory Union is “in the best interests of the State, the students, and the school districts” pursuant to 16 V.S.A. § 706c(b);**  
**and**

**That the State Board vote to approve the attached report of the OSSU Study Committee.**

**STATUTORY AUTHORITY:** 16 V.S.A. § 706c; Act 153 of 2010; Act 156 of 2012; Act 56 of 2013; Act 46 of 2015

**BACKGROUND INFORMATION:** The OSSU Study Committee recommends creation of a unified union school district that will be its own supervisory district. Although the proposal would unify the governance structures of all districts within the existing supervisory union within a short period of time, it is not presented as an Accelerated Merger pursuant to Act 46, Sec. 6.<sup>1</sup> Rather, the Study Committee proposes to form a Regional Education District (RED) pursuant to Act 153 (2010), as amended. The OSSU consists of four school districts: the Brookfield Town School District, the Braintree Town School District, the Randolph Town School District (collectively, the Town Districts), and the Randolph Union High School District #2 (UHSD #2). Each of the Town Districts operates a school to educate its resident elementary students. The UHSD #2

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<sup>1</sup> One criterion for Accelerated Merger eligibility is a combined average daily membership (ADM) of 900 or greater in the first year of operation. The combined ADM of the existing districts in the OSSU has been declining for several years and is currently lower than 900. The total *enrollment* in its schools (including the career technical center) currently exceeds 1,000, but the Report indicates that enrollment has also declined in recent years.

operates grades 7-12 for students in all three member towns and hosts the regional career technical center, the Randolph Technical Career Center.

The OSSU has a long history of collaborating to provide for the education of its students. In addition to the union high school district, a variety of services and supports have been consolidated within the supervisory union during the last decade, including food services, financial services, facilities management, and technology support. The Study Committee believes that governance consolidation will protect and sustain the benefits realized from the current level of collaboration, reduce complexity, and enhance transparency, accountability, and flexibility.

The new unified union school district (New Unified District), to be temporarily known as the Orange Southwest Unified District, would provide for the education of all resident PK-12 students. If approved, the proposal would unify the existing school districts and their supervisory union into a single supervisory district responsible for operating three elementary schools, one middle-high school, and a regional career technical center. The New Unified District would replace the five governing bodies with one unified union board and five budgets with one unified budget. All districts within the supervisory union are identified as “necessary” districts pursuant to 16 V.S.A. § 706b(b)(1).

The New Unified District would be governed by an eight member school board. Board members would be nominated by and from among the electorate of the individual towns, with the number to be nominated by a single town based roughly upon the town’s population as recorded in the 2010 federal census. The electorate of the entire New Unified District would elect all members. The Articles include a requirement for the apportionment of board members to be “revisited” following the release of each decennial census.

A currently operating school building could be closed during the first four years of the New Unified District’s operation only if approved by a majority of the electorate of the municipality in which the building is located. On July 1, 2021 and after, a school building could be closed if approved by a three-quarters vote of the board members *after* (a) conducting at least two public hearings and (b) holding an advisory vote by the voters of the town in which the building is located. The town in which the elementary 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 by the town for fewer than five years.

The proposal addresses additional items, including the following:

- Existing contracts, collective bargaining, and the transfer of employees would occur pursuant to the provisions of 16 V.S.A. ch. 53, subch. 3.
- The New Unified District would acquire all property and assume all indebtedness of the merging districts.

- The OSSU would provide administrative services to the New Unified District during the period between the date on which the OSSU would be declared a legal entity pursuant to 16 V.S.A. § 706g and the date on which it would become operational.
- There would be the possibility for students to enroll in elementary schools not located in the town of their residence pursuant to policies “supporting equity to access” established by the board of the New Unified District.

The electorate of each potentially merging district will vote on March 1, 2016 whether to approve creation of the New Unified District. If the voters in each of the districts vote in favor of the proposal, then the New Unified District will begin operation on July 1, 2017. No new district is formed if any existing district fails to vote in favor of the proposal.

**POLICY IMPLICATIONS:** By enacting Act 46, which incorporated the processes for forming REDs and their variations, 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 OSSU 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.

The OSSU Study Committee anticipates that a unified governance structure would enhance the New Unified District’s ability to recruit and retain skilled teachers and staff; to equalize class sizes throughout the District; to ensure greater continuity of curriculum across schools and across grades; to coordinate family and community engagement; to formalize and preserve current collaborative efforts; and to streamline financial management and increase coordination of financial oversight.

See the Study Committee’s Worksheet for an overview of other elements in the proposal that address the goals identified by Act 46, Section 2 and the potential that the proposal would result in the geographic isolation of another district.

The OSSU Study Committee’s proposal is aligned with the goals of the General Assembly as set forth in both Act 46 of 2015 and Act 153 of 2010 and with the policy underlying the union school district formation statutes as articulated in 16 V.S.A. § 701.

**COST IMPLICATIONS:** The OSSU has centralized services and operations for special education, transportation, and many other functions during the past decade. In addition, the supervisory union includes one union high school district. Therefore, large initial savings from consolidation of services and operations are not to be expected because many of these savings have already been realized. The OSSU Study Committee was able to identify approximately \$65,930.00 in potential additional cost reductions related to a fully centralized human resources system, an increase in student-to-staff ratios, and reduced expenditures for treasurers, audits, and board member stipends.

Additionally, the consolidation of the districts in OSSU will allow the new entity to retain the small schools grants that two of its districts currently receive.

For more details, see the Study Committee's Worksheet and Financial Analysis beginning on page 8 of the OSSU Study Committee's report.

See also Act 153, Sec. 4 (2010), as amended by Act 156, Sec. 13 (2012) and Act 46, Sec. 15 (2015) for cost implications to the State.

**STAFF AVAILABLE:**

Donna Russo-Savage, Principal Assistant to the Secretary, School Governance

Brad James, Education Finance Manager

Gregory Glennon, General Counsel

Bill Talbott, Chief Financial Officer

February 5, 2016

Rebecca Holcombe, Secretary  
Vermont Agency of Education  
219 N. Main St.  
Barre, VT 05641

Stephan Morse, Chair  
Vermont State Board of Education  
219 N. Main St.  
Barre, VT 05641

Dear Secretary Holcombe and State Board Chair Morse:

The four school districts of Braintree, Brookfield, Randolph and Randolph Union High School #2, which currently comprise the Orange Southwest Supervisory Union ("OSSU"), formed the Orange Southwest Unified District Study Committee ("OSUD Study Committee" or "Study Committee"), which was charged with the task of exploring the possible merger of the four school districts into a unified district under the provisions of Act 46 (2015), Act 153 (2010) and Act 156 (2012). I am happy to report that the OSUD Study Committee has completed its work and, after months of deliberation, the Study Committee has unanimously voted to recommend the formation of a unified district employing a full-time Superintendent of School in accordance with Act 153's Regional Education District provisions and Title 16, Chapter 11, and to bring the issue to the voters of all three towns for decision.

Attached are the Articles of Agreement, unanimously approved by the Study Committee on January 11, 2016. Consequently, I am writing to request that our unification proposal be placed on the State Board of Education's February Agenda for approval so that we may proceed with a vote by each of the three towns on Town Meeting Day, March 1, 2016.

This request is contingent upon recognition by the State Board that the resulting unified district will employ a full-time Superintendent of Schools exclusively serving our K-12 Regional Education District. As indicated in our plan of merger, the Study Committee believes this approach is necessary to realize the benefits of improved student learning and continued economic efficiencies and is consistent with administrative leadership for a supervisory school district employing a superintendent of schools.

I wish to acknowledge the members of the Study Committee for their time, commitment and thoughtful deliberation and to express our sincere appreciation to the AOE staff for their kind and capable assistance.

Respectfully submitted,



Jim Merriam, Chair

Orange Southwest Unified District Study Committee

**Braintree School District  
Brookfield School District  
Randolph School District  
Randolph Union High School District #2**

**Orange Southwest Unified District  
Study Committee Report**

**February 5, 2016**

Authorization to engage in this unified district study committee process was voted in the affirmative by the following boards of directors on the following dates:

OSSU Board of Directors, June 8, 2015;  
Braintree Board of Directors, August 10, 2015;  
Brookfield Board of Directors, August 10, 2015;  
Randolph Board of Directors, August 10, 2015;  
Randolph Union HS #2 Board of Directors, August 10, 2015.

The Secretary of Education was advised of the formation of the Orange Southwest Unified District (“OSUD”) Study Committee pursuant to Title 16 V.S.A. §706b, by letter dated November 9, 2015 and in that letter, Jim Merriam was identified as chairperson of the OSUD Study Committee.

Recommended Articles of Agreement, pursuant to the requirements of Title 16, Chapter 11, as are set forth herein below, were agreed upon by the OSUD Study Committee at a duly warned meeting January 11, 2016.

**Orange Southwest Unified District Study Committee:**

Jim Merriam (Chair)	Brookfield School Board Representative
Ann Howard	Braintree School Board Representative
Anne Black Cone	Randolph School Board Representative
Brooke Dingleline	Randolph/RUHS School Board Representative
Paul Putney	Randolph/RTCC Advisory Board Representative

Also participating (non-voting):

Kristin Husher	Brookfield School Board Member (OSSU Chair)
Kate Forrer	Brookfield School Board Member
Angelo Odató	Braintree School Board Member

## **Orange Southwest Unified District**

### **Study Committee Merger Plan**

**February 5, 2016**

The OSUD Study Committee has completed its study on the formation of a Regional Education District, (referred to herein as the Orange Southwest Unified District (“OSUD”) or Unified District (“UD”)), in accordance with Act 46 (2015), Act 153 (2010), Act 156 (2012) and Title 16, Chapter 11. A unanimous decision was reached to recommend the formation of a UD, comprised of the Braintree School District, Brookfield School District, Randolph School District, and Randolph Union High School District #2, with a vote of the communities to be held on March 1<sup>st</sup>, 2016.

The request to bring this recommendation to the voters of the towns of Braintree, Brookfield, and Randolph is contingent upon recognition by the State Board that the resulting Regional Education District will be considered a Supervisory District employing a full-time Superintendent of Schools exclusively dedicated to serving our schools and communities. In addition, in the event that any of the three necessary town school districts vote in the negative, no new district will be formed. The Randolph Union High School District #2 will not hold a separate vote as it is fully represented by the vote of its three member town districts.

It is the unanimous finding of the OSUD Study Committee that merging our four school districts and five school boards is in the best interest of our communities and our children. The formation of a UD serves to reduce the complexity of the current Supervisory Union structure and protects the benefits achieved to-date through voluntary collaboration over the past decade. By creating a Pre-kindergarten through grade 12 system with one governing board and a superintendent of schools exclusively dedicated to a unified structure, we will be best positioned to achieve the critical goals focused on student learning and continued economic efficiencies.

#### **Increased Efficiencies and Improved Educational Outcomes**

As required in Act 153 and Act 46, the OSUD Study Committee examined, and to the extent possible, documented how the proposed merger could provide cost efficiencies and improved educational outcomes in order to demonstrate a rational basis for the decision to merge.

The Committee's findings are included in the remainder of this plan.

## **Attachment A: Improved Student Learning**

The schools of The Orange Southwest Supervisory Union are dedicated to ensuring our students are well-educated: acquiring the skills and knowledge necessary for success in the next stage of their lives. All of our students come together in grade 7 as one community at Randolph Union Middle/High School. From the perspective of our students, we are one system. Increasingly over the past decade board members, school administrators, teachers and staff see themselves as a part of one system as well.

Research demonstrates one of the most significant in-school factors in student learning is the classroom teacher. In addition, research identifies strong educational leadership, stable over time as a critical element in the success of students. Finally, we know that the culture of a school encompassing everything from the cleanliness of the bathrooms to the driver on the bus must be supportive of student learning. Therefore the most effective approach we can take to improve student learning is to ensure our system attracts, retains, and supports high quality teachers, administrators, and staff. They are essential to our student's success. Making our system the most attractive place in Vermont to teach, ensures that we have the best pool of applicants possible for any staff opening we may have.

Equally important to the committee was the desire to sustain our schools as community schools; each reflecting the unique history, culture, and tradition of each community. Collaboration and centralization at the system level provides efficiencies that allow the focus at the local level to be on implementing the shared vision for student learning consistent with the unique talents, interests and traditions of the individual school community.

Over the past decade we have collaborated to bring about these conditions within our supervisory union, and to an increasing degree we are successful. It is a testimony to the people at every point in our system that so much has been accomplished within a complex structure of 4 school districts and 5 boards. Our biggest risk now is fragmentation. It takes significant energy and effort to sustain this work under the best of circumstances: our current supervisory union structure inherently creates unnecessary complexities. The formation of a UD is the next logical step in our evolution as a system. It will allow us to maintain our focus on student learning and continue to build and sustain the conditions that allow us to meet our commitment to our students and our communities, with the shared goal that all of our students leave our school prepared for success in whatever they choose to undertake.

We have identified the following components as critical to improving student learning in our schools and believe the structure of a UD supports the achievement and sustainability of this:



## 1. Staffing

- a) Hiring and retaining the most qualified staff who share our values and expectations for learning; people who are innovative, creative problem-solvers, invested in their own learning as well as the success of our students.
- b) Having an appropriate level of staffing in every area with the added flexibility to adapt to the changing needs of our students and our schools.

## 2. Time

- a) Teachers need the time to focus on student learning and principals need the time to be educational leaders. The ability to protect this time and keep the focus on improving student learning is essential. This happens when we maintain well-functioning systems for board governance, building maintenance, transportation, technology, and food services, such that administrators and teachers are allowed to focus intensively on instruction and school culture.
- b) Educators and their administrators need time to meet together with colleagues to share, collaborate, plan, learn from each other, analyze and respond to data. Furthermore, educators need a community of like peers, so that they are not working in isolation, (e.g. first grade teachers need other first grade teachers with whom they can learn and share and collaborate: principals need other principals with whom they learn and share best practices, etc.).
- c) Teaching, support staff and administrators need time for professional development to advance their skills and knowledge in their role and stay current with ever changing expectations, regulations, and mandates.

## 3. Support

- a) Our system and our schools must be structured in a way that supports our values and expectations for learning.
- b) Our schools require the support of the school board as well as the state and the federal government. The decisions of these policy-making bodies can enhance what happens in our schools or create barriers to learning.

- c) Students, families, teachers, staff, principals, the superintendent, the boards, and the community all contribute to the fabric of learning. Each of us requires the support of the others, working together toward a common vision of success for our students.

#### 4. Flexibility through scale

- a) The professional administrators and teachers we hire to educate our children need the flexibility to adapt to changing conditions, deploy resources to best serve the needs of students, and to make timely decisions within their expertise.
- b) Individual schools need the flexibility to meet the needs of their students in a way that reflects the unique culture and traditions of their community.

#### 5. Organizational Alignment

- a) At the high school and at the middle and elementary schools which feed into it, we need a common language, a common curriculum aligned with a robust and meaningful assessment and reporting system. Continuity of language and expectations helps students because they don't need to waste instructional time re-learning a new language of teaching and assessment in each different grade level or subject area. Continuity among teachers in a k-12 educational system can mean more time for learning.
- b) We need common standards for performance, a clear understanding of the outcomes expected, and a system of oversight based upon continual improvement.
- c) Our systems must be designed to enable success, not be filled with barriers that limit our flexibility, creativity, and ability to respond to the needs of students.

#### 6. Resources

- a) We need the resources to invest in ongoing meaningful professional development, technology, and learning materials to ensure rich educational experiences for all our students. This requires maximizing efficiencies in every area, to make available resources for instruction and learning without undermining the ability of the system to function in a sustainable way.

- b) We need to continue to invest in our buildings and grounds so that they serve our communities into the future.

## 7. Board

- a) We need to maintain a board dedicated to leading by governing, with a strong focus on accountability to the communities.
- b) We need stability of leadership on the board, balanced with the energy of new voices.
- c) The board must remain connected with the diverse perspectives of our communities.
- d) We need a board vested in its own professional development to ensure that it functions effectively and with integrity.

## **Attachment B: Centralized Efficiency Balanced with Local Control**

Since 2002, the Orange Southwest Supervisory Union (OSSU) has engaged in consolidation efforts in nearly every facet of its operations. Prior to 2002, OSSU expenditures were increasing at a rate of 7% annually, whereas since 2006/2007 when OSSU consolidation efforts began, the rate of expenditures was curbed significantly. More specifically, between 2006/2007 and 2014/2015, the OSSU expenditures have been relatively flat and increase by an average of 0.09% per year, or a total of \$120,948 (0.68%) in 8 years.

It is anticipated that the formation of the Orange Southwest Unified District will allow for these fiscal trends to continue.

Through collaboration and leadership of the boards and administration, we have maximized the efficiencies possible under our current governance structure. And, most importantly, we have done this without losing any of the most essential autonomies that local schools need: the teachers and administrators of our local schools are still the ones making the instructional decisions every day based on what those children need in those schools. Our school staff, students, and families are still the ones who actively shape school culture. Indeed, our school staff is better able to focus on the essential tasks of instruction and culture-building because they are not distracted by inefficiencies in school operations.

The only remaining part of our system that is compartmentalized is our board configuration. Not only does this increase the complexities of governing, it limits the ability to utilize the expertise of people across district boundaries and requires us to maintain six separate financial systems. Moving to a single governing board will allow us to be as efficient in governance as we have become operationally.

The formation of a UD will allow some additional efficiency realized through the consolidation of business functions and financial systems. A UD provides the ability to share staffing, especially in more specialized areas, will allow for more flexible and efficient utilization within the system.

The Study Committee feels the greatest advantage of a UD with respect to efficiency is the ability to sustain our level of collaboration into the future, beyond the tenure of the current leadership. Again, strategic centralized efficiencies, and the formalized coordinated collaboration between boards and administrators, means that individual school staffs can maintain local control over that which is most important to every child and parent: the excellent instruction and healthy culture of the individual school and classroom.

Please see the [Orange Southwest Unified District – Financial Analysis](#) immediately below for more detailed information.

**ORANGE SOUTHWEST UNIFIED DISTRICT**  
**FINANCIAL ANALYSIS**

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**A. CURRENT STATE:**

Since 2002, the Orange Southwest Supervisory Union (OSSU) has engaged in consolidation efforts in nearly every facet of its operations. Prior to 2002, OSSU expenditures were increasing at a rate of 7% annually, whereas since 2006/2007 when OSSU consolidation efforts began, the rate of expenditures was curbed significantly. More specifically, between 2006/2007 and 2014/2015, the OSSU expenditures have been relatively flat and increase by an average of 0.09% per year, or a total of \$120,948 (0.68%) in 8 years.

**Table 1.0: OSSU Audited Expenditures, 2006/2007 to 2014/2015**

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
SCHOOL	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Braintree	1,513,083	1,507,981	1,479,572	1,482,450	1,379,798	1,395,315	1,332,421	1,335,975	1,275,640
Brookfield	1,371,525	1,294,472	1,350,989	1,300,096	1,310,005	1,326,248	1,337,282	1,327,116	1,209,401
Randolph	4,322,513	4,300,981	4,221,357	4,256,563	4,357,832	4,273,716	4,346,847	4,430,541	4,440,418
RUHS	7,905,989	7,925,164	8,019,764	7,893,129	7,867,287	7,881,105	7,792,797	7,906,553	8,014,324
RTCC	2,704,183	2,648,789	2,662,082	2,704,260	2,710,974	2,505,547	2,801,444	2,682,510	2,998,458
<b>Total</b>	<b>17,817,293</b>	<b>17,677,387</b>	<b>17,733,764</b>	<b>17,636,498</b>	<b>17,625,896</b>	<b>17,381,931</b>	<b>17,610,791</b>	<b>17,682,695</b>	<b>17,938,241</b>

It is anticipated that the formation of the Orange Southwest Unified District will allow for these fiscal trends to continue.

**B. ANTICIPATED FUTURE SAVINGS:**

1. A fully centralized Human Resource department would replace the existing 6 human resource departments (the four school districts of Brookfield, Braintree, Randolph, and RUHS; the Randolph Technical Career Center and the Orange Southwest Supervisory Union). By having one employer (and, hence, one set of contracts, auditors, treasurers, etc.) real savings will result. In addition, because each district represents its own legal, employment, financial, and taxing entity, we

cannot currently transfer staff in and among them. Instead, we must terminate employment in one district and engage a full hiring process in the other. Each hiring exercise costs approximately \$3,000 (soft and hard costs). In the past two years, the supervisory union as a whole has completed 30 hiring processes on average, each year. This represents approximately \$90,000 in hiring procedure costs each year. Conservatively, 15% of these costs would have been saved if the OSSU had one human resource system. That would represent a future, potential annual savings of \$13,500.

Additionally, through collaboration and the consolidation of operations (Food Services, Transportation, SPED, Maintenance, etc.), the OSSU's student to staff ratio has increased to 5.4:1, which is well over the Vermont average of 4.67:1. It is anticipated that forming a unified district may allow for a further increase in student to staff ratios to 5.5:1 which would save an anticipated \$31,500 annually.

2. Forming a unified district will also reduce the number of town treasurers the OSSU currently employs. Current annual expenditures for four treasurers is \$13,930. Under one system, one treasurer would be required at an estimated cost of \$10,000, thereby saving \$3,930 on an annual basis moving forward.
3. Forming a unified district would also reduce the OSSU's current 6 financial systems to 1. In addition to significantly improving transparency and reducing redundancy, the district would realize savings because only 1 audit would be required. The anticipated savings would be \$9,000 annually.
4. Forming a unified district would also reduce the number of school board members, thereby realizing a savings of \$8,000 in annual stipends (a reduction from 16 school board members to 8).
5. Thus, it is anticipated that the forming of a unified district would realize a total savings of \$65,930 annually.

### **C. TAX RATE IMPLICATIONS:**

The anticipated impact of forming a unified district versus not forming a unified district is outlined below.

**Table 2.0: Projected Tax Impacts of Forming and Not Forming a Unified District**

<b>PROJECTED WITH UNIFIED DISTRICT RESIDENTIAL TAX RATE</b>					
	<b>WITH UD</b>	<b>2015</b>	<b>WITH UD</b>	<b>Current Yr (15-16)</b>	
	<b><u>EQ Tax Rate</u></b>	<b><u>Town CLA</u></b>	<b><u>Actual Tax Rate</u></b>	<b><u>Tax Rate</u></b>	<b><u>Difference</u></b>
Braintree	\$1.40	107.0%	<b>\$1.30</b>	\$1.37	<b>-\$0.069</b>
Brookfield	\$1.41	111.6%	<b>\$1.26</b>	\$1.33	<b>-\$0.066</b>
Randolph	\$1.37	107.9%	<b>\$1.27</b>	\$1.33	<b>-\$0.065</b>

<b>PROJECTED WITHOUT UNIFIED DISTRICT RESIDENTIAL TAX RATE</b>					
	<b>WITHOUT UD</b>	<b>2015</b>	<b>WITHOUT UD</b>	<b>Current Yr (15-16)</b>	
	<b><u>EQ Tax Rate</u></b>	<b><u>Town CLA</u></b>	<b><u>Actual Tax Rate</u></b>	<b><u>Tax Rate</u></b>	<b><u>Difference</u></b>
Braintree *	\$1.53	107.0%	<b>\$1.43</b>	\$1.37	<b>\$0.060</b>
Brookfield **	\$1.62	111.6%	<b>\$1.46</b>	\$1.33	<b>\$0.127</b>
Randolph ***	\$1.46	107.9%	<b>\$1.35</b>	\$1.33	<b>\$0.018</b>

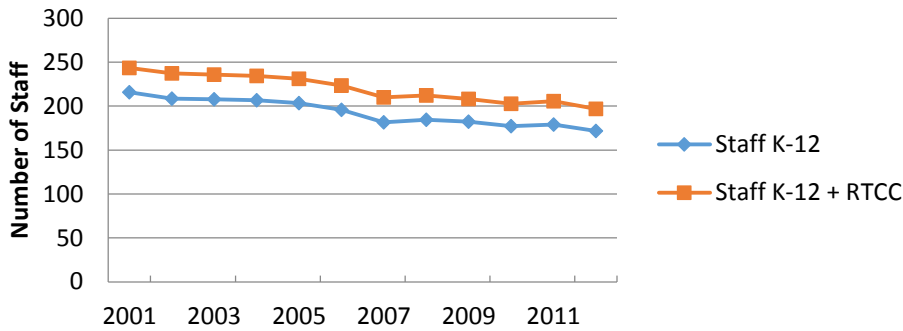
\* Loss Small Schools Grant \$68,000 - Loss Elem .11 equalized pupils and Loss HS 3.93 equalized pupils  
 \*\* Loss Small Schools Grant \$67,000 - Loss Elem 6.78 equalized pupils and Loss HS 4.29 equalized pupils  
 \*\*\* Loss Elem .02 equalized pupils and Loss HS 4.05 equalized pupils

**D. ENROLLMENT & STAFFING HISTORY:**

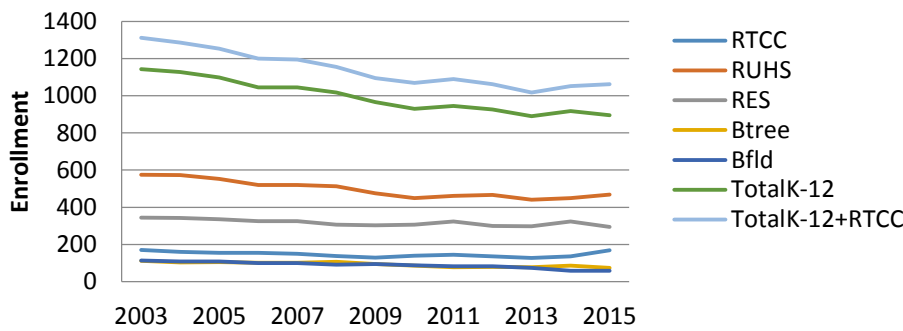
Since 2002, the OSSU has realized a steady decline in student enrollment (27%). In response, the OSSU has reduced its staffing by 24%. The complexity of maintaining a healthy ratio of students to staff (currently 5.4:1 versus Vermont average of 4.67:1) across all 6 OSSU entities (Brookfield, Braintree, Randolph, RUHS, RTCC, and OSSU) is difficult.

By forming a unified district, student to staff ratios become significantly more transparent and much easier to manage. Coupled with an increased ability to share staff across schools, it is anticipated that the student to staff ratio may further increase to 5.5:1, thereby saving \$31,500.

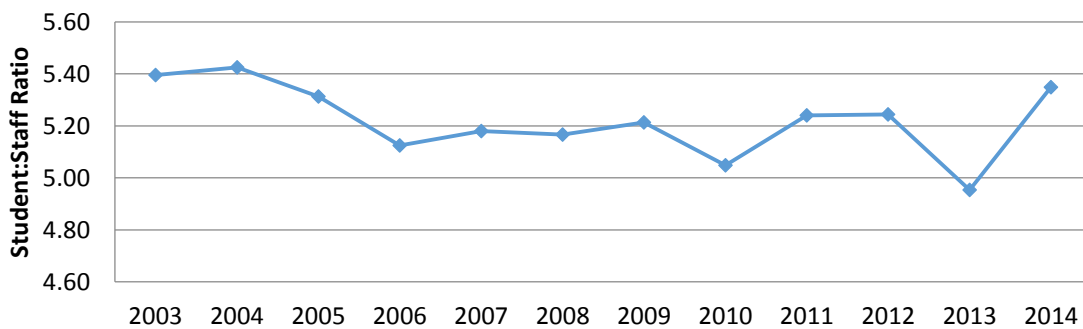
### OSSU Staffing 2003 to 2012



### OSSU Enrollment 2003 to 2015



### OSSU Student to Staff Ratio 2003 to 2014



### E. SMALLS SCHOOLS GRANT

By forming a unified district, Braintree and Brookfield would retain their Small Schools grants of \$84,000 and \$83,000, respectively.



## **F. CONCLUSION:**

Forming a unified district would save \$65,930 annually and allow the retention of \$167,000 in small schools grants, thereby having a combined **\$232,930** impact on the OSSU.

## **ORANGE SOUTHWEST UNIFIED DISTRICT**

The merger Study Committee, which was formed in August 2015 pursuant to 16 V.S.A. § 706 and is chaired by Jim Merriam of Brookfield, is comprised of the following town residents/school board directors:

Brookfield (1 representative): Jim Merriam (Chair), Brookfield School Board Director;

Braintree (1 representative): Ann Howard, Braintree School Board Director;

Randolph (3 representatives): Anne Black Cone, Randolph School Board Director; L. Brooke Dingledine, Randolph Union HS Board Director; Paul Putney, Randolph Technical Career Center Advisory Board Director.

Decision and report: the Study Committee has determined that it is advisable to form a PreK-12 unified union school district including the Town School Districts of Braintree, Brookfield and Randolph and the Union District of Randolph Union High School #2. There are no new schools to be constructed

### **ARTICLES OF AGREEMENT**

#### **Article #1**

The Town School Districts of Braintree, Brookfield and Randolph and the Union School District of Randolph Union High School #2 are necessary to the establishment of the Orange Southwest Unified District (OSUD).

If all three towns vote to approve the merger, the OSUD will be operational on July 1, 2017. In the event that one or more towns vote NO, no new unified union district shall be formed.

The name "Orange Southwest Unified District" and the abbreviation "OSUD" are for the purposes of this document only. If created, the name of the new unified union district will be determined by the newly formed OSUD Board of Directors.

#### **Article #2**

There are no advisable school districts to be included in the formation of the OSUD.

#### **Article #3**

The OSUD will offer education in grades Pre-Kindergarten through Grade 12 as required by statute. The OSUD will serve grades Pre-Kindergarten through Grade 12 by providing education in schools operated by the OSUD and in accordance with policies adopted by the OSUD Board. The Randolph Technical Career Center will be owned by the OSUD and governed by the OSUD Board of Directors. The high school presently named Randolph Union High School will continue to host the Randolph

Technical Career Center.

**Article #4**

No new school buildings or major renovations to existing school facilities are necessary to or proposed for the formation of the OSUD. The OSUD will operate existing school facilities in Braintree, Brookfield and Randolph commencing July 1, 2017. The OSUD will continue to use all existing school facilities as operational schools for a minimum period of four years commencing July 1, 2017, unless a vote of the pre-existing town school district electorate determines otherwise, as required by law.

Decisions regarding the use of schools after the fourth year will be determined by policies adopted by the OSUD Board and applicable state law. Prior to any OSUD Board vote to close a school: the OSUD Board will hold a minimum of two public hearings, one of which will be held in the school under consideration for closure. Prior to a vote by the OSUD Board, an advisory vote from the community in which a school closure is contemplated is required. A school can only be closed upon a 3/4<sup>th</sup> majority of the OSUD Board (6 of the 8 directors).

**Article #5**

- A. The OSUD Board shall determine in accordance with state and federal law, the transportation services to be provided to students living within the boundaries of the OSUD.
  
- B. The OSUD Board will comply with 16 VSA Chapter 53, Subchapter 3 and honor all pre-existing teacher, support staff and administrator master and individual contracts that are in place July 1, 2017 for the forming school districts. These master and individual contract agreements will continue until their respective specified termination dates.
  
- C. The OSUD will continue with the current curricula that are specified in the current Orange Southwest Supervisory Union curriculum plan. Thereafter the OSUD Board of Directors shall determine the curricula in compliance with State and Federal law.

**Article #6**

The OSUD will assume all capital debt of member districts, including both principal and interest, as may exist at the close of business on June 30, 2017. Likewise, any and all general operating deficits of the member districts that may exist at the close of business on June 30, 2017 will be assumed by the OSUD. Any and all fund balances resulting from general operating budgets that may exist at the close of business on June 30, 2017 will be assumed by the OSUD. All reserve funds shall be transferred to reserve funds established by the OSUD for the same purpose.

**Article #7**

No later than July 1, 2017 Braintree, Brookfield, Randolph School Districts and Randolph Union High School District #2 will convey to the OSUD, for one dollar

each, and subject to all encumbrances of record, all of the real estate and personal property owned by them, including all land and buildings. Any and all interests the combining districts have in real estate and real property that functions as a technical center is included in this conveyance. In the event that, and at such subsequent time as, the OSUD determines that any of the real property, including land and buildings, conveyed to it by the Town School Districts of Braintree, Brookfield and Randolph is or are unnecessary to the continued operation of the OSUD and its educational programs, the OSUD shall convey such real property, for the sum of One Dollar, and subject to all encumbrances of record, to the municipality in which it is located, after a successful electorate vote pursuant to 16 V.S.A. § 562(7).

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 OSUD for all capital improvements and renovations completed after the formation of the OSUD and prior to the sale to the town/village. In the event a town elects not to acquire ownership of such real property, the OSUD shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the OSUD Board of School Directors.

In the event that, and at such subsequent time as, the OSUD determines that any of the real property, including land and buildings, conveyed to it by the Randolph Union High School District #2 is or are unnecessary to the continued operation of the OSUD, and its educational programs, the OSUD shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the OSUD Board.

**Article #8**

Not Applicable

**Article #9**

The Board of Directors of the OSUD shall be composed of 8 members elected by Australian ballot by all qualified voters residing in the OSUD, as follows:

1. Two (2) OSUD directors shall be elected from the nominations of Braintree residents received by the clerk of the member district of Braintree.
2. Two (2) OSUD directors shall be elected from the nominations of Brookfield residents received by the clerk of the member district of Brookfield.
3. Four (4) OSUD directors shall be elected from the nominations of Randolph residents received by the clerk of the member district of Randolph.

Following each decennial census the proportionality of the Board of Directors shall be revisited.

**Article #10**

OSUD directors will be elected by Australian ballot for three year terms, except for those initially elected at the time of the formation of the OSUD. The initial OSUD director terms of office will be as follows:

INITIAL ELECTION TERM OF OSUD DIRECTORS			
Town	1 Year Term Ending in March 2017	2 Year Term ending in March 2018	3 Year Term ending in March 2019
Braintree	1	1	
Brookfield		1	1
Randolph	1	1	2

Directors will be nominated locally for each town, and elected at-large across all of the towns.

**Article #11**

- A. The proposal for forming the OSUD will be presented to the voters of each town school district designated as necessary in Article 1 on March 1, 2016. The vote will be by Australian ballot and ballots cast will not be commingled.
- B. At the same time as the election in Section A above, Australian ballot elections of the OSUD Board of Directors will be held for the eventuality that the OSUD is formed. For the purpose of election of the directors, the ballots will be commingled. This election will take place in Braintree, Brookfield and Randolph on the same day and the same hour.

**Article #12**

The OSUD shall commence full educational operations on July 1, 2017. Prior to that date, the OSUD Board of Directors shall have full authority to commence other operations including budget development; however, until the newly elected OSUD Board Directors are sworn in and hold the first Organizational Meeting of the OSUD Board, the OSSU board shall grant the Superintendent full authority to develop an agenda and otherwise prepare for the Organizational Meeting of the new OSUD Board. The Orange Southwest Supervisory Union is authorized and directed to provide administrative services to the OSUD and its Board beginning on the day the OSUD is designated as a unified union school district pursuant to 16 VSA § 706g until July 1, 2017 when the OSUD becomes operational.

**Article #13**

The combining districts, their boards, and the supervisory union board shall remain after the date of the creation of the OSUD, but only for so long as is reasonably

necessary for the purpose of completing any business of the combining districts or the supervisory union not concluded prior to (or at) the creation of the OSUD, provided such business shall not conflict with delivery of educational services and operations of the OSUD. All such uncompleted OSSU business shall be completed as soon as practicable, and in no event any later than June 30, 2018, one year following the date the OSUD becomes operational.

#### **Article #14**

The OSUD Board shall propose annual budgets in accordance with 16 VSA, Chapter 11 and subsequent modifications. The annual budget vote shall be conducted by Australian ballot and comply with 17 VSA, Chapter 55 and subsequent modifications. The OSUD shall vote on all public questions by Australian ballot and comply with 17 VSA, Chapter 55 and subsequent modifications.

#### **Article #15**

The OSUD Board shall provide opportunity for local input on budget development by annually conducting at least one public hearing in the OSUD prior to the Board's adoption of a fiscal year school budget. The OSUD Board shall provide opportunity for local input on policy by posting the agenda indicating consideration of new or revised policy in key locations in each community prior to the duly warned OSUD School Board meeting specifically calling for consideration or action on said policies. The school board meeting warned as such shall serve as a public forum. Proposed policies will be adopted at a subsequent school board meeting that includes specific notification of the intent to act on the policies.

The OSUD Board of Directors, in its discretion, may adopt or revise school policies in compliance with 16 VSA §§ 563 and 706n and subsequent modifications. Other structures, ways and means to support and encourage public participation will be established by the OSUD Board.

#### **Article #16**

Students in grades Kindergarten through Grade 6 will attend school within their town of residence. Students and their families may request assignment at another elementary school according to policies supporting equity to access established by the OSUD Board.

Students in grades 7-12 will continue to attend the union high school operated by the district. In addition, OSUD students will continue to be eligible for public high school choice pursuant to 16 VSA § 822a.

**Study Committee Worksheet for All Phases of Voluntary Merger**

*Please submit this to the Agency with the Study Committee Report*

Current Supervisory Union or Unions (list each)	Potentially Merging Districts Pursuant to 16 V.S.A. § 706b(b)(1)-(2) (list each)	Is the District:	
		Necessary	Advisable
Orange Southwest	Brookfield	Y	
	Braintree	Y	
	Randolph	Y	
	Randolph Union High School*	Y	
	*The Union HS District will not hold a separate vote on the unification as all three member towns/districts are represented by each of the three town/district votes.		

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

<b>Dates, ADM, and Name</b>	
Date on which the proposal will be submitted to the voters of each district (16 V.S.A. § 706b(b)(11)): <b>March 1, 2016</b>	
Date on which the new district, if approved, will begin operating (16 V.S.A. § 706b(b)(12)): <b>July 1, 2017</b>	
Combined ADM of all “necessary” districts in the current fiscal year: <b>853.93</b>	
Proposed name of new district: <b>Orange Southwest Unified District</b>	



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.**

<b>The Proposed School District is in the Best Interest of the State, Students, and School Districts – as required by 16 V.S.A. § 706c</b>		
<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"> <li>• Increase consistency and equity of opportunity by having a single board: single governance, financial, employment, and legal system</li> <li>• Increase ability of administrators to focus on “engaging in visionary leadership:” support provided by single governance, financial, employment, and legal system.</li> <li>• Increase ability to recruit and retain skilled teachers and staff for all grades and schools: opens up restrictions we currently have with regards to separate employment entities and centralizes all employment contracts.</li> <li>• Increases district’s ability to coordinate and implement federal, state, and local curricula and programs.</li> <li>• Increases ability to equalize class sizes across system: flexible staffing assignments.</li> <li>• Committed to preserving the local culture and values of each school.</li> <li>• Support the coordination of pre-Kindergarten services.</li> </ul>	
<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>	<ul style="list-style-type: none"> <li>• Increase consistency and equity of opportunity by having a single governance, employment, fiscal, and legal system.</li> <li>• Is a fully integrated Pre-K through Grade 12 system.</li> <li>• Increases ability to share teaching and support staff across all schools.</li> <li>• Increases consistency of hiring and retaining highly-qualified staff.</li> </ul>	

<p><i>Act 46, Sec. 2(2)</i></p>	<ul style="list-style-type: none"> <li>• Increase ability to coordinate curricula and programs both vertically (Pre-K to Grade 12) and horizontally (across schools by grade).</li> </ul>	
<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.</p> <p><i>Act 46, Sec. 2(3)</i></p>	<ul style="list-style-type: none"> <li>• Eliminates the need to develop and manage 6 separate governance, fiscal, legal, and employment systems.</li> <li>• Reduces the number of VT, IRS, and other Federal reports.</li> <li>• Eliminates intergovernmental accounting transactions within the new unified district.</li> <li>• Centralized hiring permits greater sharing of both teaching and support staff.</li> <li>• Increases operational efficiencies (one board, one financial, one employment, and one legal system).</li> <li>• Supports consolidated efforts in curriculum, instruction, and the delivery of student support services.</li> <li>• Supports coordinated Pre-K programs and services.</li> </ul>	
<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"> <li>• A single financial system and budget will be significantly more transparent to tax payers and easier to manage.</li> <li>• Eliminates the need to develop, maintain, and explain how 6 separate budgets interact with each other.</li> <li>• Increases Boards ability to coordinate family and community engagement under one plan, not six.</li> <li>• One board, not six, increases transparency and improves a coordinated focus on student outcomes at all grades and schools.</li> </ul>	

<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"> <li>• In the past decade, the OSSU has saved millions of dollars by consolidating and centralizing many of its operational functions (purchasing, transportation, SPED, maintenance, food services, technology, etc.). Creating one board will formalize this collaboration and ensure savings continue.</li> <li>• Reduces the number of annual audits from six to one.</li> <li>• Streamlines financial management system (one budget, one set of books).</li> <li>• Maintains and formalizes centralized purchasing, transportation, SPED, maintenance, food service, and technology.</li> <li>• Strengthens negotiation process.</li> <li>• Increases coordination of financial oversight and control.</li> <li>• Ensures fiscal stability by maintaining small schools grants and 3.5% hold harmless.</li> <li>• Temporary tax relief and grants will support full transition to single district and results in tax decreases in all towns.</li> </ul>	
<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>	<ul style="list-style-type: none"> <li>• All surrounding districts are already engaged in Act 46/Act 153 merger initiatives already, therefore, does not isolate any district from being a merging partner that has no other options.</li> <li>• Willing to work now and in the future with other districts in the region either through informal or formal collaborations or mergers.</li> <li>• Have met with several neighboring districts (Bethel, Northfield, Chelsea, etc.) and all have decided upon merger options with other districts.</li> </ul>	

<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>	<ul style="list-style-type: none"> <li>• Pre-Kindergarten through Grade 12.</li> </ul>	
<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>	<ul style="list-style-type: none"> <li>• No new schools are proposed.</li> </ul>	
<p>(5) A plan for the first year of the proposed union school district's operation for:</p> <p>(A) the transportation of students (B) the assignment of staff (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>	<ul style="list-style-type: none"> <li>• Transportation of students: already centralized and shall remain the same.</li> <li>• Curriculum: already shared and coordinated among our 3 elementary schools to ensure equity and preparedness of all students entering Randolph Union Middle/High School in 7<sup>th</sup> grade.</li> <li>• Assignment of Staff: See proposed Orange Southwest Unified District Articles of Agreement.</li> </ul>	
<p>(6) The indebtedness of the proposed merging districts that the proposed union school district shall assume.</p>	<ul style="list-style-type: none"> <li>• The OSUD will assume all capital debt of member districts, including both principal and interest, as may exist at the close of business on June 30, 2017.</li> <li>• Likewise, any and all general operating deficits of the member districts</li> </ul>	

	<p>that may exist at the close of business on June 30, 2017 will be assumed by the OSUD.</p> <ul style="list-style-type: none"> <li>• Any and all fund balances resulting from general operating budgets that may exist at the close of business on June 30, 2017 will be assumed by the OSUD.</li> <li>• All reserve funds shall be transferred to reserve funds established by the OSUD for the same purpose.</li> </ul>	
<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"> <li>* their valuation</li> <li>* how the proposed union school district shall pay for them</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Braintree:</b> 17 acres &amp; Elementary School at 66 Bent Hill Road, Braintree, VT, Appraised Value \$2,971,800.</li> <li>• <b>Brookfield:</b> 9.9 acres &amp; Elementary School at 1728 Ridge Road, Brookfield, VT, Insured Value of \$2,030,100 (2007 Town-wide Reappraisal did not include churches or Town owned properties.)</li> <li>• <b>Randolph:</b> 11.5 acres &amp; Elementary School at 40 Ayers Brook Road, Randolph, VT, Appraised Value \$10,170,500; 1.3 acres off Ayers Brook Road &amp; Hargrace Drive, Randolph, VT, Appraised Value \$1,200.</li> <li>• <b>RUHS/RTCC:</b> 31.7 acres &amp; High School, 15 and 17 Forest Street, Randolph, VT, Appraised Value \$25,093,400.</li> <li>• How OSUD shall pay for them: See proposed OSUD Articles of Agreement, Article 7.</li> </ul>	
<p>(8) <i>[repealed 2004 Acts and Resolves No. 130, Sec. 15]</i></p>	<ul style="list-style-type: none"> <li>• n/a</li> </ul>	
<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"> <li>• The Board of Directors of the OSUD shall be comprised of eight (8) members, elected at-large by Australian ballot by all qualified voters residing in all three towns.</li> <li>• Four (4) OSUD Directors shall be elected at-large from the nomination of Randolph residents received by the clerk of the member district of</li> </ul>	

<ul style="list-style-type: none"> <li>* no more than 18 members total</li> <li>* each member town is entitled to at least one representative</li> <li>* <i>see also</i> 16 V.S.A. § 706k(c): one or more at-large directors</li> <li>* <i>see also</i> 16 V.S.A. § 707(c): weighted voting</li> </ul>	<p>Randolph.</p> <ul style="list-style-type: none"> <li>• Two (2) Directors shall be elected at-large from the nomination of Braintree residents received by the clerk for the member district of Braintree.</li> <li>• Two (2) Directors shall be elected at-large from the nomination of Brookfield residents received by the clerk for the member district of Brookfield.</li> <li>• The Directors are apportioned to and nominated by the individual towns but using a hybrid approach, the election of each board director will be at-large; thus, obviating the need for strict constitutional proportionality.</li> <li>• The Union HS District will not hold a separate vote on the Directors as all three member towns/districts are represented by each of the three town/district nominations and the at-large vote by Australian ballot.</li> <li>• The 2015 U.S. Census data for the three towns is as follows: Randolph 4778, Braintree 1217, and Brookfield 1281.</li> <li>• Following each decennial census the proportionality of the Board of Directors shall be revisited.</li> </ul>											
<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</p>	<p>OSUD directors will be elected for three year terms, except for those initially elected at the time of the formation of the OSUD which will be as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th colspan="5">INITIAL ELECTION TERM OF OSUD DIRECTORS</th> </tr> <tr> <td>Town</td> <td>1 Year</td> <td>2 Year</td> <td>3 Year</td> <td></td> </tr> </table>	INITIAL ELECTION TERM OF OSUD DIRECTORS					Town	1 Year	2 Year	3 Year		
INITIAL ELECTION TERM OF OSUD DIRECTORS												
Town	1 Year	2 Year	3 Year									

proportion as possible		Term Ending in March 2017	Term ending in March 2018	Term ending in March 2019		
	Braintree	1	1			
	Brookfield		1	1		
	Randolph	1	1	2		
(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  <i>(please list each matter separately)</i>	<ul style="list-style-type: none"> <li>• See proposed OSUD Articles of Agreement.</li> </ul>					