

The below letter is from Donna Russo-Savage who is the Principal Assistant the Secretary of Education. This is the Agency of Education's view point on several issues that have surfaced in our community over the past few months. The Royalton School Board urges our community members to read this letter and seriously consider the options that Royalton faces with Act 46. We think that this letter clears up several issues that our citizens have been debating.

**Does the state does have the authority to make us merge with another district, and will it use that authority?**

The first highlighted area explains that the State Board of Education (SBE) has the authority to place Royalton with another school district, and states that it will most likely be difficult for Royalton to meet the goals of Act 46 on its own.

**It has been suggested that the state is not considering placing us with Randolph or Hartford because the state has not been talking to those districts.**

The second highlighted area states it is too early for the SBE to talk to Randolph and Hartford about the possibility of Royalton being placed with them. The fact that the state has not approached those districts is no indication that Royalton will not be placed with those districts.

**Can a school close without a town-wide vote?**

The third highlighted area clearly explains how a school can be closed without a vote of the citizens of that town. The Royalton School Board feels strongly that this is a likely outcome if we are placed with Hartford or Randolph.

The text in italics and bold are the emphasis of the author, Donna Russo-Savage. The highlighted sections are edits made by the Royalton School Board.



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## MEMORANDUM

TO: Chair Hudson and Members, Royalton Board of School Directors  
FROM: Donna Russo-Savage, Principal Assistant to the Secretary, Education Governance  
SUBJECT: Royalton School District  
DATE: May 19, 2017

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Members of your community have sent me several requests for information regarding the White River USD proposal and future potential action by the State Board of Education. I hope that this memo will provide helpful clarification. As we have mentioned before, Brad James and I would be happy to answer questions at a public forum if that would be of any help.

### I. SBE-Required Merger:

We have been asked about the authority of the State Board of Education (SBE), in its Statewide Plan, to require Royalton to merge with another PK-12 district that operates all grades. A related question is the likelihood that the SBE will or will not require Royalton to merge.

*If the Royalton voters do not approve merger with Bethel and Randolph on June 13 (or if they do not approve merger with any district prior to November 30, 2018 when the SBE issues the Statewide Plan), then the SBE has full authority to require the Royalton School District to merge with another district that operates PK-12 if necessary to achieve the goals of Act 46 and as described in the possible scenarios #1 - 4 below.*

Although it is impossible to predict what the SBE may or may not decide 18 months in the future, the Royalton School District will have the obligation of demonstrating that, despite its very small size, it is a sustainable governance structure capable of meeting both the educational and financial goals of Act 46 now *and* in the future. Proving this may be more difficult given the analysis and conclusions underlying the study committee's proposal to create the White River USD, which the SBE approved at its February 2017 meeting – and which will be among the documents the SBE will consider when creating the Statewide Plan.

It is important to note that there is *no "magic number"* of students that will cause the SBE automatically to determine (1) that an unmerged Royalton District is or is not a sustainably-sized district or (2) that an SU with an unmerged Royalton District plus other merged and/or unmerged districts is or is not a sustainably-sized SU. References to ADM are as follows:

- District size:
  - Acts 153 (2010), 156 (2012), and 46 (2015) identify a specific minimum ADM as a determining factor for a district only in connection with whether a newly unified district is eligible to receive tax rate reductions and other transitional assistance.
  - H.513 (2017) prohibits the SBE from requiring the merger of a pre-existing supervisory district (a single-district SU) if the SD's ADM is at least 900.
- SU size: Act 46, Sec. 5 (both as enacted and as amended by H.513 (2017), Sec. 7) identifies a specific ADM in connection with an SU only as "Guidelines" – not as a requirement for the SU or for the SBE. Subsection 5(c) states that a unified union school district that is large enough to be its own SD:

*may not be possible or the best model to achieve Vermont's education goals in all regions of the State. In such situations, a supervisory union composed of multiple member districts, each with its separate school board, may meet the State's goals, particularly if [the SU demonstrates certain characteristics].*

Among the listed characteristics that may help determine whether a particular multi-district SU meets the State's goals are whether the SU's combined ADM is at least 900 and whether the SU has the smallest number of school districts practicable (after considering similarity of operating/tuitioning patterns and comparing relative levels of debt).

If Royalton has not voted to merge by November 30, 2018, here are some of the possible scenarios that might arise from the SBE's Statewide Plan:

1. The SBE might require Royalton to merge with Bethel and/or Chelsea and/or Rochester if one or more of these districts is also unmerged and continues to operate PK-12 at that time.
2. The SBE might require Royalton to merge with a new unified PK-12 operating district created by the merger of Bethel and Rochester if the newly unified district is willing to accept Royalton as a PK-12 member.
  - a. Royalton could be added only if the new unified district agreed because Act 46, Sec. 10 states that the SBE cannot require additional merger of a newly unified district that is eligible for tax rate reductions, etc.
  - b. H.513 (2017) provides \$10,000 for transitional costs to any newly unified district that enlarges itself in this way.
3. The SBE might require Royalton to merge with the newly unified Orange SW Unified School District (Braintree / Brookfield / Randolph) if the newly unified district is willing to accept Royalton as a PK-12 member.
  - a. See 2 a and b above.

4. The SBE might require Royalton to merge with a pre-existing SD, such as the Hartford SD, if that SD is willing to accept Royalton as a PK-12 member.
  - a. Again, the pre-existing SD would have to agree in order for this to occur because H.513 (2017) amends Act 46, Sec. 10 to prohibit the SBE from *requiring* merger of a pre-existing SD.
5. The SBE might agree with an Act 46, Sec. 9 proposal from the board of the Royalton District maintaining that it is a sustainable governance structure that can meet the educational and fiscal goals of Act 46 now *and* in the future.

It is also important to note that is of *absolutely no consequence whether* the SBE *has or has not discussed the potential merger* of the Royalton School District with the Hartford SD, with the Orange SW UUSD (Braintree, Brookfield, Randolph), or with any other district (other than in connection with the White River USD proposal). Act 46 and the acts it incorporates establish a phased approach to governance decisions that focuses initially on community discussions, community analysis, and community-recommended solutions. It would be premature for the SBE (or the Agency) to analyze or consider other possible scenarios that are not officially before it – especially if those scenarios involve districts that are in merger discussions or have pending merger proposals.

## II. Closure of School Buildings:

We have also been asked if there are situations in which a school building can be closed *without* the approval of the voters of the town in which it is located. Here are some possible scenarios where this could occur:

1. The SBE is authorized to close a school if a district does not meet or make progress toward meeting education quality standards. See 16 VSA § 165(c).
2. If the Royalton School District voluntarily merges with another district or districts under one of the programs that make the new unified district eligible for tax rate reductions, etc., then:
  - a. The new unified district could not close a school building during the first four years unless the voters of the town in which the building is located vote to approve the closure (“the Four-Year Provision”).
  - b. In years five and after, the voter-approved Articles would govern (1) the allocation of board members and (2) the process for closing a school (whether closure requires, e.g., a vote of the town voters; a vote of all district voters; a unanimous vote of the board; a majority vote of the board; etc.). Depending upon the board allocation and the process for school closure, *it is possible that a school could be closed in year five or in any year thereafter without the approval the voters of the town* in which the school building is located.

3. If the SBE requires the Royalton School District to merge with a recently-created unified district (e.g., with the Bethel-Rochester UUSD, if created, or the Orange SW UUSD), then:
  - a. The number of years *remaining* in the Four-Year Provision for that unified district would (probably) apply to schools located in Royalton as well.
  - b. At the conclusion of the Four-Year Provision, then the school closure provisions that are in that unified district's already-voter-approved Articles of Agreement would apply to schools located in Royalton (unless and until the Articles are amended) – see 2 b above. For the same reasons, it is *possible that a school could be closed in year five or in any year thereafter without the approval the voters of the town in which the school building is located.*
  
4. If the SBE requires the Royalton School District to merge with an existing supervisory district (e.g., Hartford), then, under current law:
  - a. The Four-Year Provision would *not* apply because the expanded SD would not be a unified district created under one of the voluntary merger programs in Acts 153, 156, or 46.
  - b. When the SBE issues the Statewide Plan, the Board must also issue default articles of agreement for each of the new unified districts the Statewide Plan creates. (H.513, Sec. 8(d)) The new district, however, will have the ability to amend the default articles. As a result, depending upon the manner in which the default articles, and any subsequently amended articles, (1) allocate members to the new district's board of directors (town-by-town proportional, fully-at-large proportional, or hybrid proportional) and (2) address school building closure, *it is possible that a school could be closed in year one or any year thereafter without the approval the voters of the town in which the school building is located.* (See the examples in 2 b above)

I hope that this is helpful. Please let me know if this doesn't answer your community's questions or if others arise.