

Addison Central Supervisory Union
Charter Committee Final Report
Articles of Agreement



**Towns of Bridport, Cornwall, Middlebury,
Ripton, Salisbury, Shoreham, and Weybridge**

**Approved by the State Board of Education
December 15, 2015**



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Attachments/Links

1. Phase I Study of Structures for Excellence, Efficiency and Effectiveness Options, by Raymond Proulx, March 31, 2010, <http://acsu.org/Page/911>
2. Addison Central Supervisory Union School Governance Study Committee Final Report, ACSU RED Study Committee, February 10, 2014, <http://acsu.org/Page/911>
3. ACSU Strategic Plan, ACSU Strategic Planning Initiative, 2015-2020, <http://acsu.schoolwires.net/cms/lib8/VT01918853/Centricity/Shared/ACSU%20Strategic%20Plan%20Final%209-21-15.pdf>

Charter Committee Members

Ruth Bernstein – Shoreham
Suzanne Buck, Co-Chair – Bridport
Maureen Deppman – Cornwall
Jason Duquette-Hoffman – Middlebury
Chris Eaton – Weybridge
Perry Hanson -- Ripton
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Advisory Participants

Peter Burrows, ACSU Superintendent
Chris Leopold, Legal Counsel

Executive Summary

Following the passage of Act 46 and after over five years of work toward governance changes, the school boards of the Addison Central Supervisory Union (ACSU) appointed their second study committee, the ACSU Charter Committee, to draft articles of agreement for a consolidated school district consisting of the seven ACSU towns. ACSU has chosen to include all seven towns with the goal of gaining voter approval of a new school district on Town Meeting Day 2016 (March 1, 2016) and of meeting the requirements for an accelerated merger under Act 46. This report outlines the previous and ongoing work of ACSU that have contributed to its progress toward governance change. The report then provides the specific Articles of Agreement that will establish the Addison Central School District, a new unified union school district. The members of the ACSU Charter Committee submit this report to our communities, local school boards, the Vermont Agency of Education, and the Vermont State Board of Education for their review and approval.

ACSU Governance Study and Evolution

Over the past five years, the school boards that make up the Addison Central Supervisory Union have been engaged in discussions about effective school district organization and governance. In March 2010, the ACSU Board received a [preliminary governance study report](#) outlining potential governance and organizational changes within the supervisory union.

Drawing from discussions inspired by the governance study report, in Summer 2010, the districts of ACSU formed a Regional Education District (RED) Study Committee as outlined in Act 153. The ACSU RED Study Committee worked over a period of three years, including an extensive 18-month community engagement process. Although the RED Study Committee did not recommend an overall structural governance change, the Committee did complete [The ACSU Study Committee Final Report](#) outlining the results of their study. Although the people of ACSU towns were not generally ready for school governance changes at that time, their most common requests of the ACSU school boards were to: 1) pursue opportunities to share resources and increase efficiency; 2) enhance programming and curriculum; and 3) explore the potential for more meaningful collaboration with Middlebury College.

The RED Study Committee recommended: 1) to bring consideration of a RED by ACSU to a conclusion and not to put articles of agreement before voters at that time; 2) to engage the superintendent to create a strategic plan to move our schools forward cohesively and collaboratively; 3) to improve ACSU's ability to collect and analyze data that would allow the superintendent and school boards to assess and report on variations among school districts; and 4) to continue meaningful research and deliberation on the topic of school governance and educational structure and delivery within the ACSU, so the supervisory union and its towns can

respond intelligently and resiliently to the inevitable challenges with which they will be presented.

The ACSU school district boards and administration have made great progress on each of these recommendations. This past year, Superintendent Burrows led a strategic planning initiative, including input from community members, students, teachers, staff members, board members, and parents. The final plan was accepted by the ACSU Executive Committee in June 2015. The basis of the ACSU Strategic Plan is to move our schools forward cohesively and collaboratively as recommended by the RED Study Committee.

The success of the Strategic Plan is premised on the ability of ACSU to collect and analyze meaningful data about student performance and success, community engagement and partnerships, and school district operations and systems. Superintendent Burrows and his team are building a system whereby questions of outcomes and efficiencies can be answered through thoughtful and accurate data and analysis.

In addition, the ACSU school district boards have worked collaboratively with their teacher associations to create a more equitable teacher compensation package that addresses past disparities in teacher pay and fringe benefits among our various schools, districts, and professional associations. The current contract is effective through June 30, 2017 and enables greater staff collaboration, professional development, and equitable working conditions throughout the ACSU.

Beginning July 2014, most student support and special education services were centralized under the ACSU umbrella. The centralization has enabled greater sharing of resources and flexibility with staff assignments that include the enhanced ability to pair staff expertise with student needs. These results bode well for the success of a consolidated school district that promises more flexible use of resources to meet student needs.

Finally, with the passage of Act 46, the ACSU Executive Committee and each of the local school district boards recommended the creation of the ACSU Charter Committee (study committee) to draft a report and articles of agreement for approval by the voters of an accelerated merger of the districts comprising the ACSU. This report and articles are the culmination of work by our board members, administrators, and communities in an effort to create a unified school system that is in the best interest of all the students in ACSU.

We believe that the components of Act 46 that enable short-term tax savings and direct financial help during a period of transition will make the accelerated merger financially feasible

for our towns as we collaboratively work toward greater efficiencies in our collective operations.

The foundational goals of the ACSU Strategic Plan are consistent with and complementary to the legislative goals of Act 46, and as such, now is the ideal time to move forward with a governance change for which we have been preparing in recent years. The school boards, ACSU administration, and communities of ACSU have laid the necessary groundwork to ensure a successful unified union school district. We have much work to do to realize our full vision for the ACSU schools, embracing a sustainable and flexible governance structure that will better enable PK-12 programmatic collaboration, financial and administrative efficiencies, and educational excellence will advance our mission forward successfully.

Articles of Agreement

The Charter Committee recommends that the following Articles of Agreement be adopted by each school district necessary for the creation of a pre-Kindergarten through Grade 12 unified union school district to be named Addison Central School District (ACSD), hereafter referred to as ACSD.

Article One: Necessary Forming School Districts

The school districts of Bridport, Cornwall, Middlebury ID#4, Ripton, Salisbury, Shoreham, Weybridge, and Union District #3 (forming districts) are necessary for the establishment of the ACSD, a Unified Union School District.

Article Two: Additional Districts

No additional school districts are included in the proposed ACSD at this time.

Article Three: Grades to Operate

The ACSD will operate grades pre-kindergarten through twelfth (PK-12).

Article Four: Proposed New School Construction

No new schools are proposed to be constructed at this time.

Article Five: Plan for First Year of Operations

The ACSD will provide for the transportation of students, assignment of staff, and curriculum that is consistent with the contracts, collective bargaining agreements, and provisions of law that are in existence during the first year of the new unified union district's operation.

The ACSD Board of Directors will comply with 16 VSA Chapter 53, Subchapter 3, regarding the recognition of the representatives of employees of the respective forming districts as the representatives of the employees of the union 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, 2017, the school board will comply with the pre-existing master agreements pursuant to 16 VSA Chapter 53, Subchapter 3. The school boards shall honor all individual employment contracts that are in place for the forming school districts on June 30, 2017 until their respective termination dates.

Article Six: Special Funds and Debt

(a) Capital Debt

The ACSD shall assume all capital debt of forming school districts that become a part of the new unified union district, including both principal and interest, as may exist at the close of business on June 30, 2017.

(b) Operating Fund Surpluses and Deficits

The ACSD shall assume any and all general operating surpluses and deficits of the Addison Central Supervisory Union and the school districts that become a part of the new unified union school district that may exist at the close of business on June 30, 2017. In addition, reserve funds identified for specific purposes will be transferred to the ACSD and will be applied for said purpose unless otherwise determined through appropriate legal procedures.

(c) Specified Funds

The Addison Central Supervisory Union and the school districts that become a part of the new unified union school district will transfer to the ACSD any pre-existing school district specific endowments or other restricted accounts that may exist on June 30, 2017. Scholarship funds or like accounts held by school districts prior to June 30, 2017 that have specified conditions of use will be used in accordance with said provisions.

Article Seven: Real Estate and Property

(a) Real Estate and Personal Property

No later than June 30, 2017, the school districts that become a part of the new unified union school district will convey to the ACSD, for the sum of one dollar, and subject to all encumbrances of record, all of the real estate and personal property owned by them, including all land, buildings and contents.

(b) Disposal of Real Estate

In the event that, and at such subsequent time as, the ACSD determines that any of the real property, including buildings and land, conveyed to it by the school districts that become a part of the new unified union school district (not including Union School District #3) is or are unnecessary to the continued operation of the ACSD and its educational programs, the ACSD shall convey such real property, subject to any restrictions in the deed and all encumbrances of record, for the sum of one dollar, the assumption or payment 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 process for determining the closure of a school is outlined in Article Fourteen below.

The conveyance of any of real property to the town in which it is located shall be conditioned upon the town owning and using the real property for community and public purposes for a minimum of five years. In the event a town elects to sell the real property prior to five years of ownership, then the town shall compensate the ACSD for all capital improvements and renovations completed after the formation of the District and before sale to the town. In the event a town elects not to acquire ownership of such real property, then the ACSD shall sell the property upon such terms and conditions as established by the ACSD Board of Directors. Any sale of school property shall be in a manner that is consistent with applicable provisions of state law.

In the event that, and at such subsequent time as, the ACSD determines that any real property, including land and buildings, conveyed to it by the Union School District #3 is or are unnecessary to the continued operation of the Addison Central School District and its educational programs, the ACSD shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the ACSD Board of Directors.

Article Eight: Board of Directors Composition

The ACSD Board of Directors shall be roughly proportional to the populations of the forming towns, based on the decennial U.S. Census. Each forming district shall be entitled to at least one representative on the Board. The initial Board shall consist of thirteen Directors, seven being residents of Middlebury, and one each being a resident from Bridport, Cornwall, Ripton, Salisbury, Shoreham, and Weybridge, respectively. Directors shall be elected by the voters of all forming towns of the district. The Board composition shall be recalculated promptly following the release of each decennial census. Based upon the population reported in the 2010 United States Census, the initial ACSD Board of Directors shall be as follows:

Town	Board Members*
Bridport	1
Cornwall	1
Middlebury	7
Ripton	1
Salisbury	1
Shoreham	1
Weybridge	1
Total Directors	13

*All directors shall be elected by the voters of all forming towns.

Article Nine: Board of Directors Terms and Elections

The ACSD Board of Directors shall be elected for three year terms except for those initially elected at the time of the formation of the ACSD. In the initial School District election, terms of office for Directors shall be as follows:

Town	1 Year Term	2 Year Term	3 Year Term
Bridport	1		
Cornwall		1	
Middlebury	2	2	3
Ripton			1
Salisbury	1		
Shoreham		1	
Weybridge			1

Pursuant to the provisions of 16 VSA §706j(b), elected Directors shall be sworn in and assume the duties of their office. The term of office for Directors elected at the March 1, 2016 election shall be one, two, or three years, respectively, less the months between the date of the organizational meeting of the school district (16 VSA §706j), when the initial Directors will begin their term of office and the date of the School District’s annual meeting in the Spring of 2017, as established under 16 VSA §706j. Thereafter terms of office shall begin and expire on the date of the school district’s annual meeting. In the event the school district’s annual meeting precedes Town Meeting Day, the Directors’ terms shall expire on Town Meeting Day.

Article Ten: Vote on Articles and New Board

The articles to create a unified union school district will be submitted to the voters of each town on the first Tuesday in March 2016.

Article Eleven: Operating Date

Upon an affirmative vote of the electorates of the forming school districts and upon compliance with 16 VSA §706g, the ACSD 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, 2017. The ACSD shall, between the date of its organizational meeting under 16 VSA §706j and June 30, 2017, undertake planning and related duties necessary to begin operations of the unified union school district on July 1, 2017, including preparing for and negotiating contractual agreements, preparing and presenting the budget for fiscal year 2018, preparing for the ACSD Annual Meeting, and transacting any other lawful business that comes before the Board, provided, however, that the exercise of such authority by the ACSD shall not be construed to limit or alter the authority and/or responsibilities of the school districts that will form the new unified union

school district and that will remain in existence during the transition period for the purpose of completing any business not given to the ACSD.

Article Twelve: Forming Districts Cease to Exist

On July 1, 2017, when the ACSD becomes fully operational and begins to provide educational services to students, the school districts that become part of the new unified union school district shall cease all educational operations and shall remain in existence for the sole purpose of completing any outstanding business not given to the Addison Central 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, 2017 when the districts that become a part of the new unified union school district shall cease to exist. The Addison Central Supervisory Union shall cease to exist on January 31, 2018.

Article Thirteen: Australian Ballot Voting

The Addison Central School District shall vote on the annual school district budget and public questions by Australian ballot.

Article Fourteen: Provision for Closure of a School

An affirmative vote of ten members of the Addison Central School District Board of Directors shall be required to approve the closure of a school. Prior to holding a vote on whether to close a school, the Board shall hold public hearings regarding the proposed school closure, at least one of which must be held in the town in which the school is located. Following the public hearings, the Addison Central School District Board of Directors shall give public notice of its intent to hold a vote on whether to close a school, stating the reason for the closure, at least ten days prior to the vote.

Appendix A

Analysis of Benefits

Response to Act 46 Goals: Sustainable Education Governance

1. *Provide substantial equity in quality and variety of educational opportunities:*
Operating as a single unified governing board would enable us to develop and pursue equitable services for all students in our schools. As a single educational system, we would have the opportunity to share resources, develop stronger district-wide services, and provide greater individualized support for each of our students.

For more details [please see Addison Central Supervisory Union Strategic Planning Initiative 2015-2020, October 2015](#). *Moving Toward a Common Goal, page 5.*

2. *Lead students to achieve or exceed the [State's Education Quality Standards](#):*
Operating as a single unified governing board would enable our schools to exceed the Education Quality Standards (<http://education.vermont.gov/state-board/rules/2000/>). This governance structure would promote stronger systems development, leading to better outcomes for our students. It would enable us to move more quickly to build these systems, and to more fully realize the cohesive, unified vision that is outlined in our ACSU Strategic Plan.

The ACSU Strategic Plan sets forth a plan to address the needs of our students and the necessary areas of growth identified to be able to accelerate learning for all. Without a single governing board, this work will develop more slowly, with inevitable permutations. In this context, our goal of implementing a single educational system will be significantly more challenging, with a direct impact on the student experience and student achievement outcomes we are working to improve.

In a unified district, ACSU would be able to more holistically leverage community resources to directly impact students' academic outcomes and their social and emotional well-being. We have affirmed that we have steadfast community involvement, dedicated and committed educators, and a strong infrastructure to support student success, yet we have recognized that we need to work as a single, unified organization if we're going to build a stronger, more articulated system that will allow us to innovate and grow as a supervisory union to meet the needs of our diverse learners. Our current organizational structure requires significant operational oversight and process orientation that makes shared vision and action both circuitous and challenging.

ACSU already has many structures in place that will serve as the foundation for the systems work we must undertake to ensure our students' success. These structures, however, are not systematically or evenly applied, accessed, and implemented across our nine schools. This lack of internal cohesion and consistency has resulted in unintended consequences, including a lack of stability, equity and predictability between the members of our supervisory union. Particular areas of concern include a lack of curricular and instructional cohesion, both longitudinally and across similar age groups; differences in integration and access in terms of educational and information technology; inequities in access to educational and co-curricular activities; and a lack of formalized data-driven methods to inform instruction.

Currently, students cannot move between schools within our supervisory union without paying tuition. In a unified district, we could provide greater flexibility to students should there be a need for a different placement, depending on ACSD Board policy regarding open enrollment among ACSD schools. In addition, it would allow for the opportunity to be more flexible regarding student enrollment patterns, depending on ACSD Board policy regarding open enrollment among ACSD schools.

Operating as a unified board would enable ACSU to develop systems that reflect our shared community beliefs in education and their role in the development of articulate, committed, and successful citizens. Our ACSU Strategic Plan, which includes "Educational Success" as a foundational goal, would be strengthened by a single governing body. It would provide the framework to build a shared system of curriculum and assessment, an articulated intervention management system, and the ability to be more flexible in how we allocate resources to provide for the needs of every student.

For more details [please see](#) Addison Central Supervisory Union Strategic Planning Initiative 2015-2020, October 2015. Foundational Goal 1, Educational Success, pages 7; 9-15; Systems Objective 3, School Culture Equitability, pages 31-33.

3. *Maximize operational efficiencies through increased flexibility to manage, share, and transfer resources, in part by increasing the district-level ratio of students to full-time equivalent staff:*

Operating as a single unified governing board would enable the district to allocate and move resources where they are most needed. This increased flexibility would enable operational efficiencies, both in the sharing of resources as well as in the allocation of staffing. In a unified district, we would have a greater facility in establishing centralized systems. These systems have been outlined in our ACSU Strategic Plan, and require

centralized management across all of our systems to accomplish. A single governing board would allow us to further develop centralized operations, and move resources where needed within a single budget providing greater flexibility and less severe impacts when needs arise.

We have realized an equitable, single salary schedule for all certified teachers in ACSU at the end of our current negotiated contract. However, we have not been able to address inconsistencies for support staff across all of our schools. As a single district, we would be able to establish a single, unified salary and benefits schedule for all employees. We would be able to leverage this unification through the development of shared resources.

Within the changing landscape of healthcare and the future of VEHI, a unified school district would allow our smaller schools to be part of one large employer. This unified approach would allow us to maintain the same health insurance coverage for all of our employees. As small employers, these smaller districts will be forced on to the State's exchange at potentially greater cost, leading to unequal access in ACSU.

As one large employer, we would cut down on administrative time and save on the costs of multiplicity with contracts for cafeteria, utilities, and curricular programming. A larger school district would provide greater negotiating power and provide savings across all of our current expenditures.

For more details [please see](#) Addison Central Supervisory Union Strategic Planning Initiative 2015-2020, October 2015. *Foundational Goal 3, Systems, page 7.*

4. *Promote transparency and accountability:*

Operating as a single unified governing board would provide increased transparency and accountability through the development of a single budget that is voted on by all of our communities. This budget approach would create greater clarity regarding the supervisory union's centralized budget, as well as promote greater equity across all of our schools that are currently operating within their own budgets that include administrative assessments, elementary and secondary components, and differentiated revenues.

For more details [please see](#) Addison Central Supervisory Union Strategic Planning Initiative 2015-2020, October 2015. *Educational Success Objective #4, Curriculum and Assessment, pages 14-15.*

5. *Deliver education at a cost that parents, voters, and taxpayers value:*

Operating as a single unified governing board would allow our board leaders to address the costs of education through greater efficiency. Initial savings at the central office and streamlined business functions would lead to changes in building-based costs as we analyze methods to increase productivity, reduce redundancies, and share resources that would enable us to be stronger fiscal managers to provide an education that parents, voters, and taxpayers value.

In a unified district, budgets and tax rates would be consolidated under one system, which would provide greater clarity and transparency in the budget process. It would make it easier for our communities to engage in the process of understanding the myriad of financial formulas that are currently displayed in both local and union budgets. Rather than sifting through a number of different tax rates, voters would be presented with one budget and one tax rate from that budget. Administrative staff would be able to spend more time on improving services, providing clearer reports, and developing strong communication with our communities.

There is greater clarity and efficiency in a single budget. Our reporting requirements to local, state, and federal agencies would diminish, including maintaining fiscal oversight of the various accounts we currently hold with financial institutions. Our auditing requirements would drop from our current requirement of nine audits down to one audit. In addition, we would not have to calculate local assessments for the shared services that our schools are currently receiving. This approach would reduce the amount of time needed to prepare for the reporting and audit requirements and would allow for a reduction in central office accounting staff.

As an organization of many solitary budgets, we have struggled to stay under the spending threshold in some of our schools. In a unified district, we would reduce the likelihood of exceeding the spending threshold and would have greater flexibility in how we utilize our resources. We would be able to provide greater equity and services, and engage the public in a stronger understanding of how their tax dollars are being used to support the success of ACSU students.

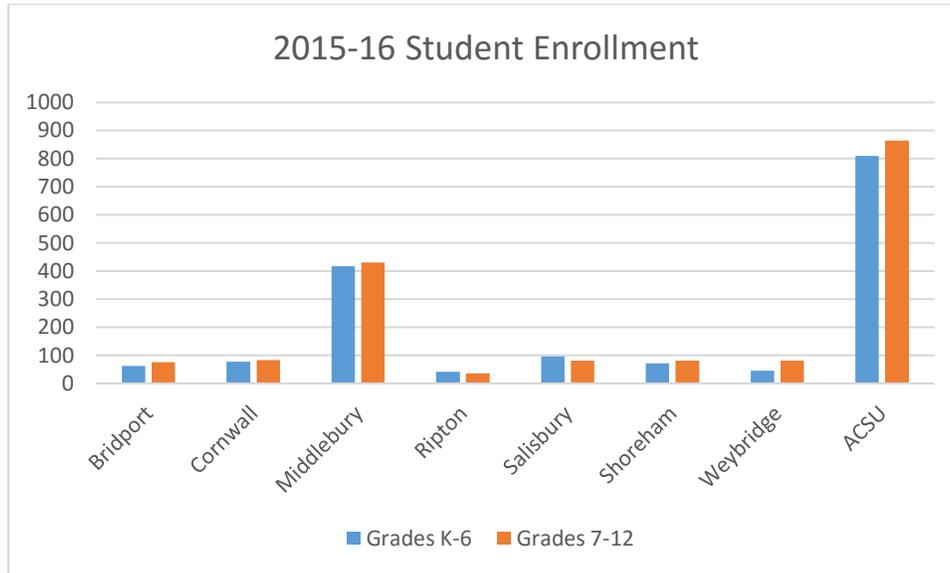
In a unified district, we would act as a single financial institution. Our current structure is a mix of both centralized and non-centralized financial systems, which is confusing for both the public and ACSU staff. It leads to dysfunctional systems that are inefficient and time-consuming, as has been evidenced in our centralization of special education and the challenges of billing our local school districts for services.

Moving to a single school district would increase the flexibility we have realized through centralization to allocate resources and continue to design a more comprehensive system of supports and services. It would lead to more consistency of expectation, practice, programs, process, procedures, services, and service providers. It would also help to ensure that, regardless of where a student lives, supports and services would be equitable; it would lead to improved practices at times of transitions, allowing for smoother transitions from pre-k to k, grades 6 to 7, grades 8 – 9, and after high school.

For more details [please see](#) Addison Central Supervisory Union Strategic Planning Initiative 2015-2020, October 2015. *Systems Objective #5, Equitable Distribution of Resources, pages 36-38.*

Appendix B

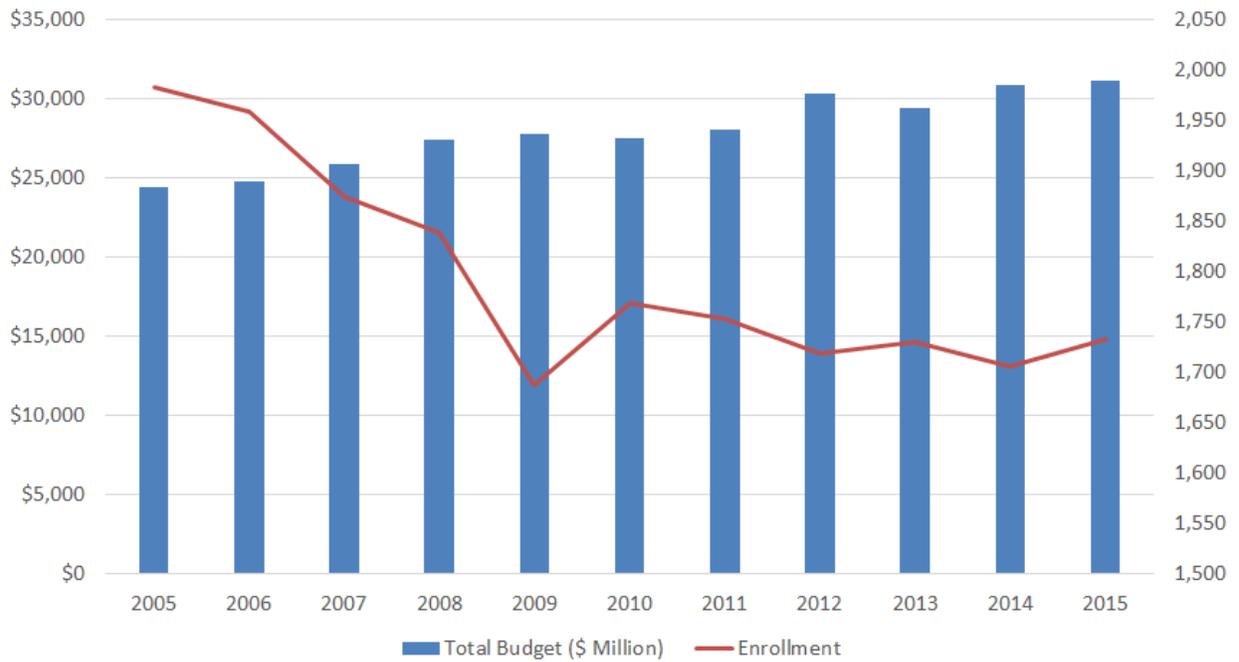
Finance & Enrollment Information



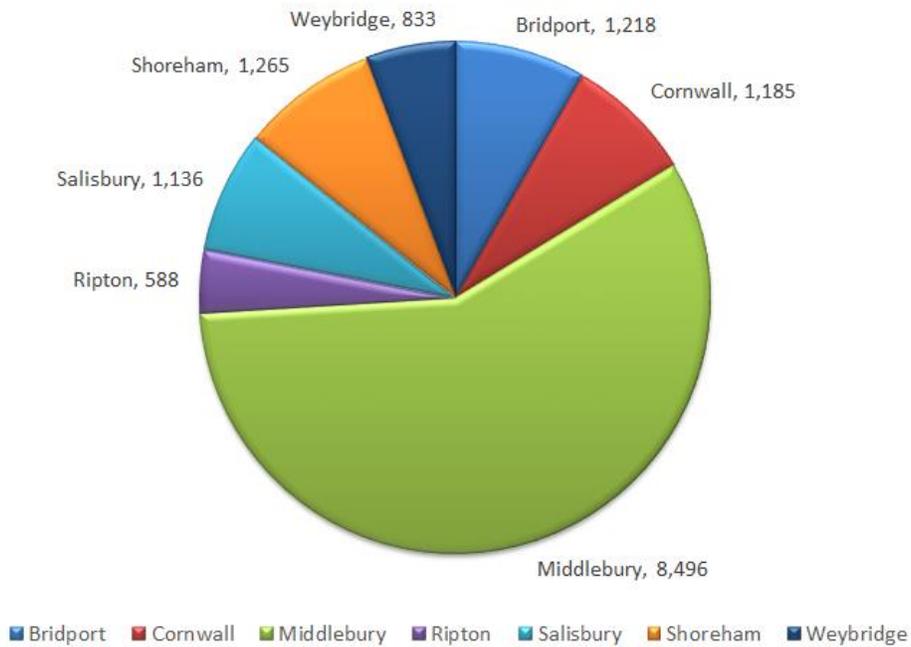
FY16 Budgeted Baseline Finance Data

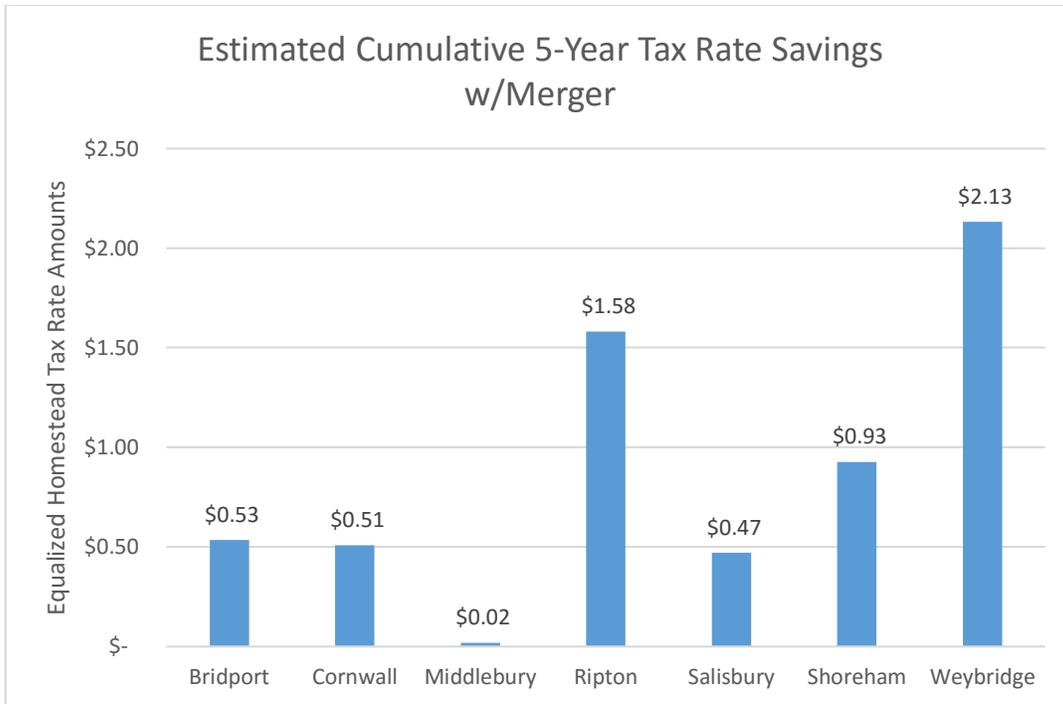
<u>FY16 Budgeted</u>	<u>Education Spending</u>	<u>Equalized Pupils</u>	<u>\$/Pupil</u>	<u>Ed Tax Rate</u>
Bridport	\$1,342,552	80.91	\$16,593	\$1.74
Cornwall	\$1,296,442	79.73	\$16,260	\$1.70
Midd ID#4	\$6,015,025	415.12	\$14,490	\$1.52
Ripton	\$591,985	33.73	\$17,551	\$1.84
Salisbury	\$1,430,170	88.60	\$16,142	\$1.69
Shoreham	\$1,226,463	75.08	\$16,335	\$1.71
Weybridge	\$933,250	45.95	\$20,310	\$2.36
UD#3	\$17,041,177	967.71	\$17,582	\$1.84

ACSU Combined Enrollment & Total Budget Trend

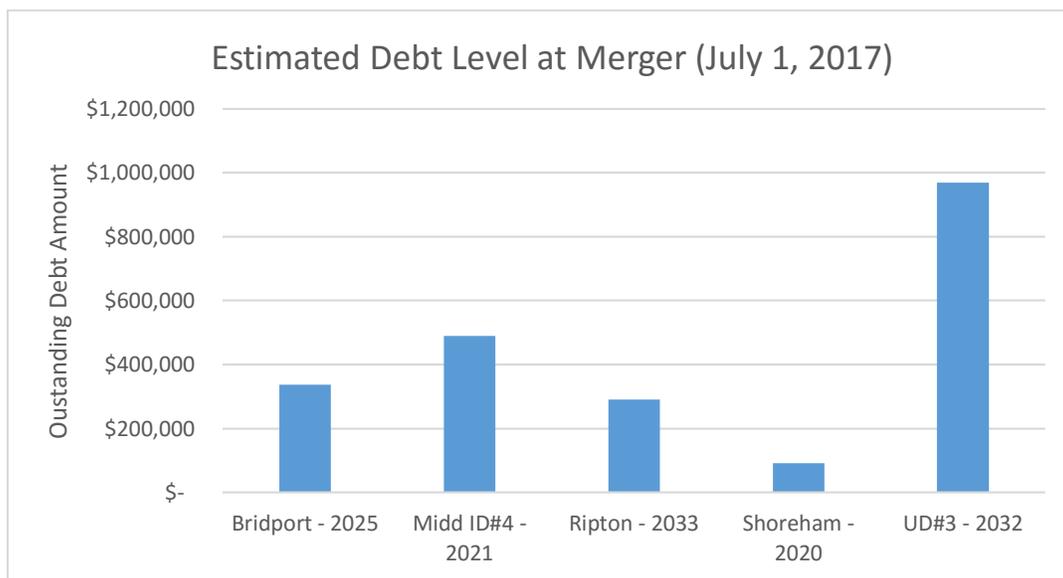


2010 U.S. Census Town Populations for Proportional Representation





Note: These estimated tax rate savings compare scenarios whereby ACSU districts remain separate vs. merge into unified ACSU. They are based on assumptions of equivalent expense and revenue increases for all districts, generally level enrollments, and financial incentives and disincentives included in Act 46. Tax rate comparisons are calculated prior to common level of appraisal adjustments. It is important to underscore that these calculations are estimates only, and that there is no guarantee of specific tax rate savings. Factors such as local board decisions, state and federal law changes, enrollment fluctuations, contract agreements, and unanticipated expenses could affect actual tax rate levels.



**Potential Estimated Savings
Beginning in Merger Year 1**

	FY18	FY19	FY20
BOARD EXPENSES	\$45,000		
TREASURER	\$6,000		
CENTRAL ADMIN/FINANCE		\$50,000	
SCHOOL-SPECIFIC ADMIN			\$75,000

Additional savings may be realized due to staffing attrition, declining enrollment and/or enrollment realignment, grade-reconfiguration, or facility re-purposing. However, such decisions would be under the purview of the new ACSD Board and are therefore not possible to estimate at this time.