“It is the mark of an educated mind to be able to entertain a thought without accepting it.”

Aristotle (circa 300 BC)

Aristotle, a philosopher and teacher in ancient Greece, was known for his practical approach to reasoning and logic. As indicated by the above quotation, he advocated for people to study important ideas in a reasoned manner, rather than to simply accept someone else’s theory. I would argue that it is equally important to study such ideas in a reasoned way without necessarily rejecting them. For this reason, I ask the readers of this paper to consider the ideas presented here without necessarily accepting or rejecting them. I believe that these ideas are important, not because I am presenting them, but because they deal with matters that affect our children and the future of Vermont. I ask, if people find this topic worthy of discussion, that we debate the matter for one year. If, at the end of that time, the majority of the discussants feels that change is not needed, then we should let the matter rest for another day as there are many other important issues to address. On the other hand, if we believe that change is warranted, then we should act.

The Early Years

“A school or schools shall be established in each town, by the Legislature, for the convenient instruction of youth, with such salaries to the masters, paid by each town, making proper use of the school lands in each town, thereby to enable them to instruct youth at low prices. One grammar school in each county, and one university in this state ought to be established by direction of the General Assembly.”¹ The people of Vermont obviously understood the importance of education, even in the early days of the republic, 14 years before Vermont became a state. As indicated by the reference to low prices, Vermonters were as concerned about the efficiency of the education system in 1777 in Vermont as they are today.

¹ Vermont Constitution, Section XL. 1777.
The basic unit of Vermont's education system in the latter part of the 18th century was the common school. As noted by Huden, “the legislature had authorized the formation of school districts and the levying of taxes to defray half the cost of common schools.”\(^2\) It should be noted that school districts of the 18th century were not the town school districts of today. As early as 1820, Vermont had seven or eight districts per town, making a total of some 1,600 common schools in the state.\(^3\) The boundaries of these school districts roughly aligned with the unincorporated boundaries of Vermont’s villages and settlements, not with the town boundaries. By 1836, the number of schools in Vermont had climbed to 2,402, with a reported school-age population of approximately 97,000 students,\(^4\) about the number we have today.

State supervision of education varied in degree and content during the first half century of Vermont’s statehood. Then, in 1845, the Legislature passed a law creating the positions of county and town superintendents. The county superintendents were required to visit each town in their county each year in order to advise the town superintendents and to administer teacher licensing exams. The town superintendents were elected by the voters of the town. They had to visit each school in their town at least once a year and they too administered teacher licensing exams. The county superintendent positions were eliminated in 1849 because of efficiency concerns and transportation difficulties. The town superintendents were in place until 1915, except for a two-year hiatus from 1889 to 1891.

The system of multiple school districts within towns persisted for over a century. In 1870, the Legislature passed a law enabling, but not mandating, town school districts. Legislation passed in 1892 making the town system mandatory. This reduced the number of school districts from more than 2,500 to less than 300, a number similar to what we have today. In 1896, State Superintendent Mason Stone advocated “for skilled supervision and the establishment of supervisory unions,”\(^5\) an entity which still exists in Vermont but only in rare instances elsewhere in the nation. Stone argued that, “Local supervision is the supreme

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\(^3\) Ibid, 28.
\(^4\) Ibid, 69.
\(^5\) Ibid, 83.
weakness of our entire [education] system... There is no phase of school work that skilled supervision does not reach, tone, strengthen and elevate.”

In 1896, the Legislature adopted enabling legislation that allowed towns to join together for better supervision of their schools. Hence, the supervisory union concept was born. In 1912, the Legislature created the Vermont Educational Commission and, in 1913, the Commission asked the Carnegie Foundation for the Advancement of Teaching to conduct the first compressive review of Vermont’s education system.

**The Carnegie Report**

The opening statement in the legislative resolution that created the Vermont Educational Commission reads as follows: “Whereas, a doubt has arisen in the minds of many of those most intimately related to the secondary and elementary schools of the state as to the efficiency of our common school system, …”

Although the old common school system is no more, there are still many people in Vermont who, for a wide variety of reasons, question the efficiency of our school system. When the Carnegie report was published, there were 2,641 “schools” in Vermont, but only 1,700 schoolhouses, of which 1,400 were of the one-room variety. The report explains that, at that time in Vermont, the term “school” was ascribed to a school room rather than a building.

By 1912, there were 55 supervisory unions in Vermont and two special school districts. The Legislature of 1906 had built upon the law of 1896 and had “empowered the school directors of two or more neighboring towns, having an aggregate of not more than fifty nor less than twenty-five legal schools, to form a union for the purpose of employing a superintendent of schools.”

The town superintendents did not have to meet substantive eligibility criteria, but the supervisory union superintendents generally came to the job with relatively high levels of education and teaching experience. This system of supervisory unions with one superintendent serving multiple school districts continues today.

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8 Ibid, 52.
The Carnegie Report noted the importance of supervision and the role of the supervisory union superintendents in the process. The report also recommended that school districts be gradually enlarged to coincide with the regional high school districts with “the eventual consolidation of such districts into compact administrative units including all schools under one competent head.”

The supervisory unions have continued, but the creation of the union school districts during the 1950s and ‘60s actually resulted in more, not fewer, school districts.

The Legislature enacted many of the recommendations of the Carnegie Report and the Educational Commission, especially those related to the creation and powers of the State Board of Education. Through this process, the system of town school districts and supervisory unions continued to solidify until every school district either created its own supervisory district or became part of a supervisory union.

**Vermont's Education System in 2006**

Today, there are 311 schools (buildings) in Vermont and 284 school districts led by school boards that vary in size from three to 14 members, totaling over 1,300 elected school board members operating a school system that serves about 95,000 students. There are many school district configurations, including town school districts, union high school districts, city school districts, incorporated school districts and unified union districts. There are currently 51 supervisory unions and 12 supervisory districts in Vermont.

There is a clear delineation between the superintendent’s role in a supervisory district and that of one who serves a supervisory union. Each of the superintendents in the 12 supervisory districts works for one school board and is the educational leader of the school district. The supervisory district boundaries are the same as those of the school district. For all practical purposes, the supervisory district is the school district. In all but two of the supervisory districts there are multiple schools, each with a principal who is the educational leader of his or her particular school. This governance configuration of one board, one superintendent and one or more principals is similar to that employed in almost every other state in the nation.

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9 Ibid, 213.
Supervisory union boards are composed of people who serve on member school boards and who have been elected by their peers to serve on the supervisory union board. Supervisory unions do not operate schools. Their boards hire the superintendents and they coordinate and provide services such as special education and fiscal administration to districts that are often too small to efficiently contract for such services on their own. The superintendents serve as both the educational leaders and as the leaders of these service provider organizations. However, unlike the supervisory districts, the lines of leadership are blurred because the individual school boards are sharing the services of their superintendent. This generally results in the individual school boards relying more heavily on their principals for services which might otherwise be expected of the superintendent in the supervisory districts. This can lead to confusion about the roles and responsibilities of the superintendent and the principals. Reporting and responding to the needs of multiple governing bodies often makes it difficult for supervisory union superintendents to focus on a comprehensive vision for the education of all of their students.

**Issues of Today**

During the 30 months I have served as Commissioner and the 18 years I have worked in the field of education, I have heard recurring themes raised by students, parents, teachers, administrators, voters, employers and government and private sector leaders. What follows is a brief summary of some of these issues.

1) **The Quality of Education** – Vermont students generally outperform their peers from most other states on the National Assessment of Educational Progress (NAEP) exams. Vermont and a few other states have the highest percentage of students who are ranked as proficient on these exams. However, there is also a high percentage of students who are not proficient so there is clearly more work to be done. The same is true of student performance on statewide exams. Many of our students are proficient on exams based on a rigorous set of standards, but more than one-third of them are not proficient.
Members in the business community raise concerns about the readiness of some students to enter the workplace. Higher education providers report that they often have to provide more remedial courses than they consider appropriate because some students have not learned what they need in order to be successful in college. Taxpayers, who generally express support for local schools, raise questions about whether there is going to be a proportionate increase in educational quality when they are confronted with yet another tax increase. Parents generally rate local schools highly, but their expectations vary greatly based upon their involvement in their children’s education and their perception of their children’s future.

Unfortunately, not all of our students are prepared for what awaits them when they enter kindergarten. Adverse circumstances and varying socioeconomic conditions also affect the learning process of students after they have been in school for some time, thereby creating a need for social services that goes well beyond the original mission of our schools. In spite of the best efforts of educators, this often results in students not succeeding in school or on statewide exams by which performance is so often judged.

2) The Cost of Education – In recent years, the per-student cost of education in Vermont has ranked between number three and number five in the nation. This is not generally viewed as being due to high spending, but due to a low teacher-pupil ratio. Salaries and benefits represent more than three-quarters of the cost of education. The salaries of Vermont teachers hover around the national median. However, we have the lowest teacher-pupil ratio in the nation. Therefore, it is our small average class size that causes Vermont’s per-student spending to be high. Another factor in our national ranking is the fact that we, unlike most states, do not have even one major urban center with large numbers of students in crowded classrooms. In other states, the teacher-pupil ratios in these urban centers affect the statewide ratio and bring down the state average per-pupil cost. The class size in Vermont is generally the result of school district population densities, the size of our communities, and local decisions about what class size is deemed appropriate.
Because education systems generally are labor-intensive entities, the same efficiency gains that have been inherent to the private sector over the past 50 years have not been realized in schools. Automation and outsourced labor have resulted in far fewer Americans working in industries such as manufacturing, agriculture and financial services. However, it still requires human beings, present in our classrooms, to teach our children well. Many people raise concerns because the cost of education grows at a rate in excess of the Consumer Price Index (CPI). Because the CPI is based on a market basket of goods and services, it reflects the efficiencies of our market economy, many of which have resulted from automation and low-cost overseas labor. For these reasons, our education system will probably never be able to meet the expectation of cost increases matching those of the CPI. School districts can obviously cut services to meet the demands of local taxpayers, but they are seldom in a position to make major cuts to offset the inflationary increases in their base budgets for salaries, benefits, utilities and supplies and equipment.

Even though our education system is labor-intensive with fewer opportunities for automation, the concerns of taxpayers are valid. We have to ensure that cost increases in education are sustainable and that we make the system as efficient as possible. Otherwise, the system will suffer serious harm from undue fiscal burden. More importantly, fiscal problems in our education system adversely affect our most important resource: the children and young adults of Vermont.

The specialized services required by so many of our students are much more costly than a traditional education. More and more students are found to need these services. We are confronted with the options of providing students the help they need and paying for these services now or watching them fail and paying later for other, often more costly, services they will require. It is clear that there will never be enough money to meet all of the needs of all of our students. As much as we would wish otherwise, our education system has resource constraints just as any organization does. We need to use the resources we have in an efficient and effective manner to serve students in the best way possible.
3) **Declining Student Enrollment** – As noted previously, historical data indicate that, in 1836, there were approximately 97,000 school-age children in Vermont. Over the course of the past century we have not seen the dramatic upward climb in enrollment that many other states have experienced. A closer analysis of modern-day Vermont Department of Education records indicates that public school enrollment has hovered around 100,000 students for the past 30 years, with a low point of 92,000 and a high of about 105,000. We have essentially the same number of school-age children in Vermont as we had nearly two centuries ago.

Today we are experiencing a decline in student enrollment from a recent high point in 1996 of 105,600. Some forecasters believe that enrollment will continue to decline below the low point, reached roughly 30 years ago, of 92,000 pupils. If that happens, we will have to adjust as we have in the past. Thus far, the decline in student enrollment has not resulted in a decline in cost. Much of this is due to the factors noted in the previous section, and also because the loss of a few students in many of our small schools does not typically result in a reduction in the number of staff. Often, if there is enough of an enrollment decline in a school, elementary students are put into multi-grade classes and high school offerings are reduced. However, changes may not be immediate and are generally offset by inflation. Fixed costs for facilities maintenance, utilities and transportation also seldom decline with declining enrollment. A decline in student enrollment does not result in an increase in the cost of education but it does increase the cost per student number that drives much of the conversation about cost. Although the current school aid formula is not based on the number of students in school districts, school districts are adversely affected if their per-student costs exceed 125 percent of the statewide average cost. When people compare our costs with those of other states, they also use per-student cost as the indicator of note. The math of this equation is quite simple, if the numerator (total cost) does not decline at the same rate as the denominator (number of students), then the per-student cost will increase.
The key issues that arise due to declining enrollment are:

- The effect on the aid formula and homestead tax rate
- The perception of those who make state-to-state cost comparisons
- The potential for reductions in course offerings and the closing of exceptionally small schools
- The effect on the future work force.

The workforce is affected, not only by declining enrollment, but also by the large percentage of young people who move out of Vermont after graduation from high school. Many attend higher education institutions outside the state and do not return or return only at the end of their careers. It is interesting to note that in 1850, in an age when people did not live nearly as long as they do today, more than 22 percent of Vermont’s population was over the age of 50 compared to 29.3 percent today. One of the key reasons cited for this is “the tendency for young people to leave the state, while older folks retired from active business came back to spend their declining years in the old home state.”

4) Short Supply of School Leader Candidates

The annual turnover rate for superintendents and principals has been quite high over the past 20 years. In some years, as many as 25 percent of the superintendents have left their positions. High turnover in these positions is not unique to Vermont, but our state seems to lose these people at an even higher rate than do many of our peer states. Departing superintendents often cite the complexities of working for multiple school boards as a key reason for leaving. Imagine working in the private sector and reporting to six different boards of directors.

Principals often find much of their time engaged in administrative tasks and responding to the needs of their boards, thereby reducing the amount of time that they have to focus on their role as the educational leader of the school. People who serve

10 http://factfinder.census.gov/servlet
in these educational leadership positions commit their lives to the welfare of students, and finding people to replace the ever-growing number of retirees is becoming increasingly difficult.

There is also a shortage of candidates for vacant school board positions in many communities. These dedicated volunteers spend hours dealing with the myriad of challenges that confront them at every meeting. Many well-qualified candidates for school boards say that they do not wish to run because of the time commitment. Some who are engaged in commerce in their communities also express concerns about the possibility of an adverse impact on their businesses as a result of their membership on the school boards. Satisfying all of the taxpayers is a very difficult task and many people simply do not wish to deal with the controversies that often arise or feel the effects of having made decisions that upset people. Those who serve on school boards deserve our undying gratitude and respect for all of their good efforts, for theirs is a difficult task indeed.

_Preface to an Idea_

Education and political leaders are confronted with the question of whether the issues described above warrant a comprehensive and probably controversial response or whether we should simply try to make things work by making minor adjustments to the current system. In 1892, the Legislature and the Governor took a controversial step by reducing the number of school districts from over 2,500 to less than 300, roughly the same number that we have now over a century later. It appears that efficiency and improved outcomes for students were two of the reasons they took this action.

People often express concern about _local control_ when they hear talk of changing our current system of school districts. These fears have overcome concerns about efficiency and student outcomes in prior debates over the past 25 years. There have been a number of study commissions and reports that have recommended modifications to our system, but none of them has managed to convince a majority of the people of this state that we should implement comprehensive change.
There is, however, one key difference in my approach. Mine is a request for a yearlong discussion, not a proposal for immediate consideration by the Legislature and the Governor. As noted above, if people are willing to have this conversation, I think that we should limit it to one year. If at the end of that time it appears that the majority wants to leave the system as it is, then I will return to other work and will not raise this issue again. I feel obligated to make this one effort, as I am convinced there is a better way to operate our education system and that it is incumbent upon me to at least make an attempt to initiate a statewide conversation.

Please read what follows in terms of what might make sense if there were no education system currently in place and your job was to create Vermont’s first education system. Try not to dismiss these ideas just because you believe the current reality would make it too difficult to change. If, after reading about this different model, you find it has at least some merit, then we can talk further about how to address the effects of change on our current system, which dates back to 1892. Try to evaluate this model with a focus on what is best for students and on efficiency. There are obviously many ways to comprehensively change our educational system but I believe this one is at least worth a conversation. I have purposely not written a detailed statutory proposal. For this reason, my proposal is likely to generate more questions than answers, and that is my intent.

**An Idea**

- Reduce the number of school districts in Vermont from 284 to 63.
- Draw the new school district boundaries to align with the existing supervisory union and school district boundaries.
- Whatever funding formula is in place at the time would simply apply to the new school districts as it did to the previous ones.
- School boards would consist of one member elected from each municipality within the new school district boundaries. Votes would be weighted to address the one-person, one-vote requirement. Boards of districts that include fewer than five municipalities would consist of five members with one member from each municipality and the remaining members elected at-large from the district. Districts
with large populations and multiple state representative districts could have larger boards with a board member from each of their existing districts/wards.

- The school board of each district would appoint a superintendent as the chief executive officer and educational leader of the district.
- The superintendent would, with the consent of the school board, appoint the principals of the schools and the other administrators in the district. Because of the complexity of contractual issues, I am not suggesting, in this paper, a change in the teacher hiring process.
- In the new districts where there were previously multiple teacher or support staff contracts, there would have to be a provision for the means by which uniform district-wide contracts would be put in place.
- Improve the existing statutory language regarding the creation of unified union districts so that, after the creation of these new districts, there could be local conversations about further consolidation if it was in the best interests of students and improved efficiency.
- Allow students and parents to choose which Vermont public school the students will attend, subject to capacity, and eliminate provisions in the aid formula related to per-student costs.

**Conclusion**

The model presented above is intended to stimulate conversation. As with any idea, if anyone gives it serious consideration, it will evolve over time with input from a wide variety of people. However, it seems that we need to start somewhere if we are to have a governance conversation.

One could easily argue that there are more efficient ways to draw the boundaries of these new school districts and perhaps to have even fewer. However, I think there is a lesson to be learned from the last time Vermont made comprehensive change and reduced the number of districts. In 1892, the leaders of that time chose to draw the boundaries of the new districts along lines that were already familiar to the people. They used the boundaries of the municipalities and the pre-existing incorporated school districts. Change can be good, but
proposals for too much change all at once can be the death knell for what might otherwise be an acceptable idea. I chose the existing supervisory union and district boundaries, portrayed on the attached map, because, after all these years, many people have some familiarity with them. I believe that it would be a mistake to draw arbitrary boundaries where there are no pre-existing working relationships. The idea outlined above is likely to be viewed by many as enough change for now.

As noted earlier, concern about a loss of local control is likely to top the list of reasons why the model presented here is flawed. As a native Vermonter who attended a two-room school, I, too, cherish Vermont’s long history of local public engagement. However, I do not necessarily think local control has to rely on a formal governance structure. It takes a passionate and engaged community to effectively exert local control and I believe that such a community can accomplish its goals regardless of statutory boundaries. I recommend that those concerned about a loss of local control take a close look at the list of prevailing topics on school board agendas before deciding how this model will affect local control and the education of our students.

Some people in communities with small schools may worry that a proposal such as this will cause the closure of their schools. I am actually more concerned about some of our small schools under our current governance system. Our small schools are an invaluable resource and they often operate more efficiently than some of our larger ones. However, some small schools that have declining enrollments are struggling to provide the resources necessary to give their students a high quality education. In a larger school district where resources could be more easily shared between schools, a small school might actually be better able to educate its students.
Vermont is a small state with a large number of school districts. As the table below indicates, there are other, much larger states that have far fewer school districts and many more students.

<table>
<thead>
<tr>
<th>State</th>
<th>Number of Students</th>
<th>Number of Districts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vermont</td>
<td>95,000</td>
<td>284</td>
</tr>
<tr>
<td>Maryland</td>
<td>846,000</td>
<td>24</td>
</tr>
<tr>
<td>Utah</td>
<td>480,000</td>
<td>40</td>
</tr>
<tr>
<td>Florida</td>
<td>2,381,000</td>
<td>67</td>
</tr>
</tbody>
</table>

The fact that other states have fewer districts is not a reason for Vermont to change but it is a clear indicator that it is possible to serve more students with fewer districts. I am confident that anything that can be accomplished in other states can be improved upon in Vermont.

Again I ask that the readers of this paper *entertain this thought* first with a focus on students and second on efficiency. Subject to the concurrence of the State Board, I hope to be able to discuss the ideas presented here with many people and I look forward to the discussion. Thank you for taking the time to consider this important matter.