

Rutland Windsor SU, Windsor Southwest SU, and Rutland South SU
Act 153 SU Joint Agreement (Virtual Merger)

Report Summary and Request for Funding

June 7, 2011

Participants:

Rutland Windsor SU:	Windsor Southwest SU:	Rutland South SU:
Joan Frangiouse, Supt.	David Adams, Supt.	Dana Cole-Levesque
Bruce Schmidt	Duane Hart	Ken Fredette
David Venter	Alison Deslauriers	Ed Hemmer
Tina Cohen (alternate)	Bill Bourque (alternate)	

Unofficial: Angi Benson-Ciufo (RWSU board), Doug Ficken (RWSU board), Bruce Williams (RWSU appointed interim supt.)

VSBA consultants/facilitators: Reg Godin, Carl Mock, and Winton Goodrich

Background:

The SU joint-agreement implementation formally commenced in January 2011 with an orientation meeting that included Winton Goodrich, the superintendents of the three participating supervisory unions, and two VSBA consultants. This was followed over the ensuing month by the consultants meeting separately with each team (superintendent and two board members) representing the three SUs. At these meetings, C. Mock met with superintendents and board representatives to discuss what each SU expected to gain from an SU joint agreement ("Virtual Merger"), while R. Godin conducted financial research with business managers regarding SU operations.

The first meeting of all superintendents and representatives was held on March 10, 2011. The parties considered areas for joint agreement that (a) improved educational opportunities for students, (b) created efficiencies (in terms of money, resources, staffing, time, and other resources), and (c) ensured long-term sustainability of those activities which were working well. Based on the information that had been gathered during the meetings with each SU, the consultants presented a list of 23 topics/options that had been identified by one or more of the participants. These items were discussed briefly, with an additional 9 items surfacing for further consideration. It was agreed that a rating sheet of these options would be completed by each participant prior to the next meeting in order to identify those management functions of greatest mutual interest.

At the second meeting (March 31), the group reviewed the ratings and generally agreed on 11 items for further consideration, with particular interest in 6 SU joint agreement options.

At the third meeting (April 14), the group reviewed the agreement that had been reached between RSSU and RWSU regarding a “Cooperative Public Elementary School Transfer Program” that expands RSSU’s current program for its three elementary districts to also include the Mt Holly Elementary School. The group then discussed the prospect of centralized business operations that would serve all three SUs and reviewed cost estimates. At the conclusion of the April 14th meeting, RSSU school leaders decided not to further pursue any other SU joint agreement options at this time.

With this new information and feedback from both SU boards, the RWSU and WSWSU school leaders made a bold decision to move collaboration well beyond the creation of an SU joint agreement. Overcoming the inertia and discomfort that naturally inhibits governance change, a significant milestone was achieved at the April 28th meeting when Rutland Windsor and Windsor Southwest SU board representatives and superintendents initially decided to move forward a process to consolidate both SUs and to create a single governance entity as early as June 30, 2012, but no later than June 30, 2013. This action was confirmed when the parties met again on May 11, this time with VSBA and VDOE representatives in attendance as well to discuss a process for merging the two SUs. It was agreed by all present that the study group should recommend that the two SUs join in a planning study with the intent of forming a single SU to serve the districts and schools that currently constitute RWSU and WSWSU, effective no later than July 1, 2013.

Ultimately, the group decided upon the following course of action:

1. To request that the RWSU and WSWSU boards convene a special joint meeting on Tuesday, June 7, at 7:00 PM at Cavendish Elementary School, for the purpose of considering the following recommendation:

The Rutland Windsor Supervisory Union (RWSU) and the Windsor Southwest Supervisory Union (WSWSU) enter into a joint planning study for the express purpose of forming a single supervisory union, with the intent that the new supervisory union will become effective no later than July 1, 2013, and if efficient and effective operations can be demonstrated, petition the state board of education to authorize this formation of the new SU.

Guiding Assumption #1 - The Mountain Towns will create a RED and petition the state board to secede from WSWSU and request to move into the Bennington Rutland SU.

Guiding Assumption #2 - Both SU boards will decide whether to go forward with the creation of a single SU before the question is posed to the state board of education for a final decision.

Guiding Assumption#3 - Bennington Rutland SU is agreeable to accept the Mountain Towns RED on a comparable time line.

Guiding Assumption #4 - Analysis of the Mountain Towns/Flood Brook should be considered both within and outside the 2 SU consolidation study process.

2. To recommend that a “steering committee” or a subcommittee of the SU boards be appointed to oversee the planning study (with the possibility that the existing joint-services study committee continue in this capacity)

Thus, RWSU and WSWSU school leaders request financial assistance from the Vermont Department of Education to complete the transition process necessary to move the two SU operations into one entity.

Additional dynamics remain a challenge:

- Within WSWSU, the Mountain Towns that comprise Flood Brook Union School District have undertaken a RED study, with the stated and earnest intent of eventually seceding from the WSWSU and realigning with Bennington Rutland SU. Until this occurs, WSWSU may have limited capacity (and/or incentive) to take on additional responsibilities.
- In RWSU, concerns exist between the Mt. Holly and Ludlow school communities regarding matters of governance, management needs, and services. Nevertheless, people seem genuinely committed to Black River Union High School and have little interest in closing that school at this point.
- Mt. Holly committee members are interested in further exploration of additional limited school choice options for grades 7-12, Black River Union High School’s becoming a magnet or ski school, and the possibility of further dialogue between Mt. Holly and Rutland South SU.
- The Plymouth K-12 non-operating district has the ability and is interested in exploring the benefits and challenges of creating a Regional Education District (RED) with other non-operating districts outside the Rutland Windsor SU.

Below are an estimated budget, next steps, and time line for completing the SU consolidation.

Consultant cost estimates up to and including the June 7th meeting:

Consultants

Meetings: 18 hrs. each = 32 hours @ \$100 = \$ 3,400

Outside preparation: 11 hours each @ \$100 (estimated) = \$ 2,100

Total consulting: \$ 5,500

Mileage:

Godin 1,376 mi. @ \$.51 = \$ 701.76

Mock 700 miles @ \$.51 = \$ 357.00

Total mileage \$ 1058.76

Sub-total estimated consultant expenses (as of 6/7/11): \$ 6,558.76

VSBA costs to date: \$ 1,000

Meeting expenses: \$ 500
Total \$ 8,058.76

Next steps:

RWSU and WWSU representatives agreed to complete the following steps:

- Invite the commissioner to the next meeting scheduled for June 7th;
- Create a small working group to develop a transition business plan;
- Develop a time line that outlines all governance variables and scenarios;
 - Mountain Towns RED, intending to secede to the Bennington Rutland SU;
 - Plymouth (and possibly Baltimore) interested to research possible creation of a RED with other k-12 non-operating districts from throughout the region.
- Business managers from the two SUs investigate and complete research on transition process and costs.
 - Transition phase
 - SU full implementation
 - Business and transportation software transitions
 - Contracts
 - Identify the superintendent
 - Negotiating teacher and staff contracts
 - Location of office
 - Modifications to salaries and benefits across two SUs
 - Communication systems
 - Data warehouse
 - New CO staff
 - All contracts end in both SUs as early as June 30, 2012 but no later than June 30, 2013
 - research existing contracts - teachers and CO staff and ensure end dates are no later than June 30 2012
- Other committee work
 - Name the new SU (Winton's suggestion "Rutland Windsor SW")
 - Present formal proposal and meet with the state board

- Complete analysis and business plan for how the new SU will address the requirements of 16 VSA §261 through 267.

Time Line:

<i>Date</i>	<i>Action</i>
June, 2011	SU boards meet to make final decision to move forward with consolidation process for Rutland Windsor and Windsor Southwest SUs
June, 2011	Business managers and consultants report on the scope and estimated cost for SU consolidation
Aug. , 2011	State board decision on funding support
Sept., 2011	Superintendents work with consultants to finalize transition plans (include evolving options of Mountain Towns secession to Bennington Rutland and Plymouth and Baltimore possibly creating their own RED)
October, 2011	State board authorization to merge the two SUs
Dec., 2011	Finalize FY13 budget for potential startup of new SU on July 1, 2012
March, 2012	Mountain Towns RED vote
May, 2012	Complete transition plans
July 1, 2012	Begin operation of a new SU which might be called Rutland Windsor Southwest

Additional funds to be requested from the Vermont Department of Education to complete the Rutland Windsor and Windsor Southwest SU consolidation:

The committee recognizes the consolidation of Rutland Windsor and Windsor Southwest SUs far exceeds the expectations, scope, and funding parameters of the Act 153 "virtual merger" law. However, the SU consolidation process and implementation costs closely mirror those identified in the companion Act 153 RED "voluntary merger" law. Therefore, the committee respectfully requests the state board (or the 2012 legislature) reimburse estimated transition costs that will result from the two identified supervisory unions consolidating into a single SU. The committee is not requesting reduction in homestead property taxes; only reimbursement of estimated transition costs. Below are estimated costs associated with completing the SU consolidation process:

<i>Action</i>	<i>Costs</i>
Current Act 153 SU joint agreement/"virtual merger" costs to be reimbursed by the DOE	\$ 8,058.76
Additional funds to be requested from the DOE or the 2012	\$ 12,000

legislature to fund SU consultation and legal services necessary to complete SU consolidation research	
SU consolidation transition costs	\$ 80,000
Total	\$100,058.76