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CAN VOLUNTARY SCHOOL DISTRICT MERGERS SUCCEED?

by John D. Rogers

This issue brief considers the challenges faced by school districts that wish to pursue voluntary mergers in accordance with Vermont's Act 153. The Jeffords Center has been studying the merger process and recently conducted an exit poll of voters during a vote to merge the Chittenden East Supervisory Union into a single school district. We found that demographic factors such as education were not related to voting decisions, but the perceived risks and benefits, such as concern over potential loss of local control, were very strong predictors of the vote. In future merger initiatives, proponents will need a deep understanding of each community's needs, and that understanding must be reflected in the proposed agreement and in the arguments used to persuade voters.

Merger Initiatives Fail at Voting Booth

In June of this year, the second attempt to institute a Regional Education District in Vermont was rejected by voters in the Chittenden East Supervisory Union. In the previous month, voters in the Addison Northwest Supervisory Union also rejected a merger proposal in a revote under Vermont's rescission law. Voluntary school district mergers are the centerpiece of Act 153, which became law in 2010.

The pressures of changing demographics are a continuing concern for educational leaders in Vermont. Former Education Commissioner Richard Cate released a white paper in 2006, voicing concerns over rising costs and declining enrollment[1]. Cate recommended restructuring school governance to reduce the number of school districts from 284 to 63. In a recent opinion piece, current Education Commissioner Armando Vilaseca noted that student enrollment is down to 89,000 from a high of 106,000, "one of its lowest points in decades". Vilaseca noted, "We have 277 district and school boards, many of whom operate schools with fewer than 100 students."[2] Vermont spent approximately $17,447 per pupil in 2010-2011, the third highest amount in the US. Vermont's student to teacher ratio is substantially lower than the national average, only 9.8 students per teacher[3].

In the aftermath of the "great recession" of 2007-2009, state and local budget resources continue to be impacted by high unemployment and reduced economic activity. In 2010, Act 46 ("challenges for change") called for school budget reductions of $23M (2.68%) by FY 2012, which resulted in the creation of individualized spending reduction targets for every supervisory union, supervisory district, and technical district in Vermont[4].

Vermont's Act 153 "stimulates voluntary mergers of school districts, specifies responsibilities for supervisory unions, and addresses the inclusion of secondary expectations that consolidation will increase educational opportunities, increase economies of scale, and enhance cost efficiencies." The Act provides incentives and procedures to school districts to form Regional Educational School Districts (RED), a specialized type of Union School District. Act 153 is also aimed at "encouraging educational governing units to enter into contacts to share administrative, educational, technical, labor, and material resources, which may be considered to be 'virtual mergers'." The University of Vermont's James M. Jeffords Center is charged by Act 153 to "collaborate with the Department of Education and participating school districts to "study data and comments from school districts and supervisory unions statewide that are discussing voluntary merger", to "study the results of local district elections to approve voluntary merger," and to report annually on findings until January, 2018. A report on the first year of implementation has been completed and is available online[5]. The project is expected to continue until January, 2018.

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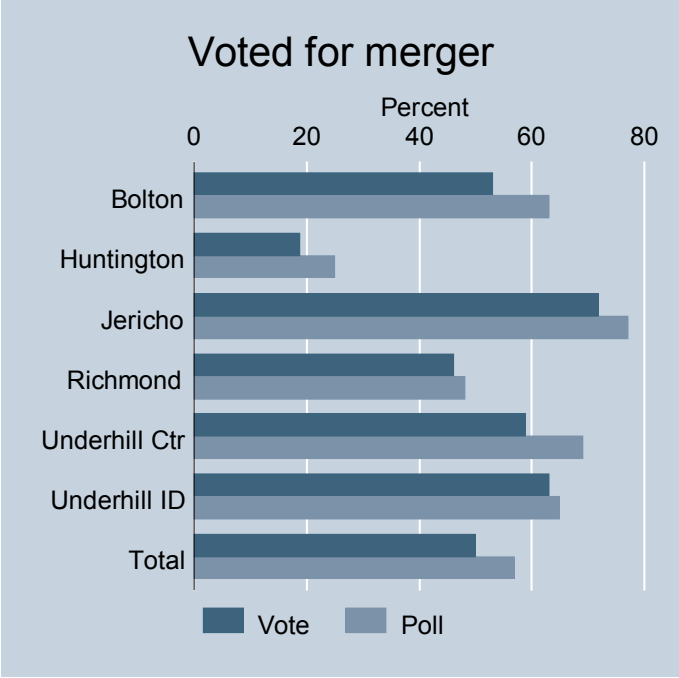
Act 153 generated strong interest in its first year of implementation. As of January 2011, there were 8 SUs conducting preliminary research, another 5 had voted to undertake studies towards creating REDs, and another two had approved Articles of Incorporation and had scheduled public elections. A survey of SUs conducted by the department in November 2010 found that about nearly all boards (94%) had met to discuss the possibility of mergers, and one quarter of Superintendents reported some interest among board members. Less than a third (14 Superintendents) reported that their SU board was not interested in exploring mergers.

In 2011, however, the progress of merger activities seemed to hit a brick wall. The Addison Northwest SU proposal was approved on Town Meeting Day in March, but was quickly reversed by a May recall election in Vergennes. Shortly afterwards, voters in the Chittenden East SU rejected their own proposal, primarily

due to very strong opposition in the town of Huntington. What went wrong? Can voluntary mergers ever succeed? A closer look at the Chittenden East election may provide some answers.

Exit Poll

On the day of the election in Chittenden East (June 7, 2011), UVM's Jeffords Center and Vermont Legislative Research Service (VLRS) conducted an exit poll of voters at all six polling places: Bolton, Huntington, Jericho, Richmond, Underhill Center, and the Underhill ID school. A total of 366 voters were interviewed, with a sampling error of less than ±5 percentage points at 95% confidence. A detailed report on the survey results is available at the VLRS website[6]. The figure below shows the wide gap in approval between Huntington, where only 19% voted in favor of merger, and Jericho, where the measure was approved by 72%. The poll results were fairly close to the actual vote, but the "no" votes were slightly underrepresented by our study. Those against the merger may have felt discomfort expressing a dissenting viewpoint to a neutral interviewer (alternatively, such votes may have been more likely to be delivered via absentee ballots).

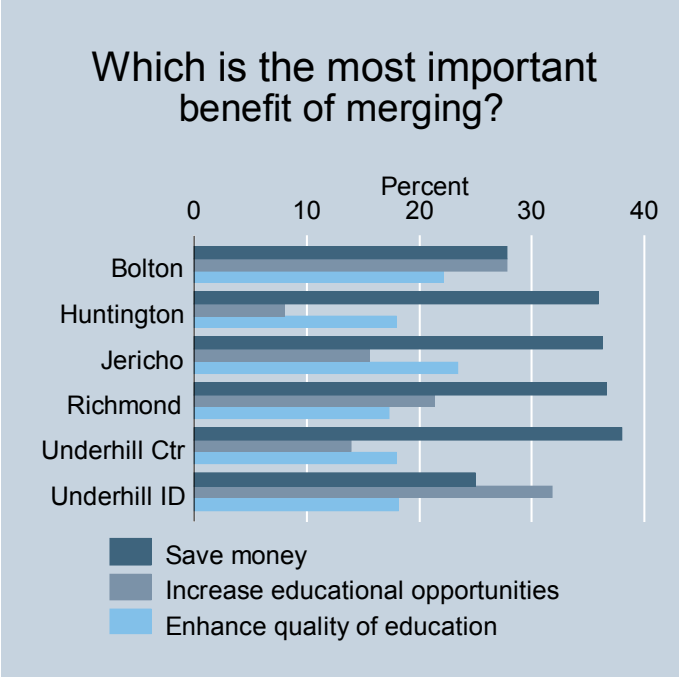


We analyzed the survey responses to assess the independent effects of factors measured by the survey on votes for the merger. Demographic factors such as age, education, and gender were not predictive of votes for the merger proposal. Perceived risks and benefits of merging were the only statistically significant predictors of the vote. Unsurprisingly, respondents who described merging in terms of risks were more likely to vote against the proposal, and those who indicated expected benefits were more likely to vote for the proposal.

Why did voters reject the RED Proposal?

The unanimity requirement means that merger advocates must present their case successfully in every community, which is clearly a difficult task. In both of the elections this year, a single community prevented a merger (Vergennes in Addison Northwest, and Huntington in Chittenden East). Although both Huntington and Richmond voted against the merger, we regard the measure's failure in Richmond as a consequence of its proximity to the strong opposition in Huntington.

Key differences across communities can be seen in the following chart, which shows the three most popular benefits of merging.

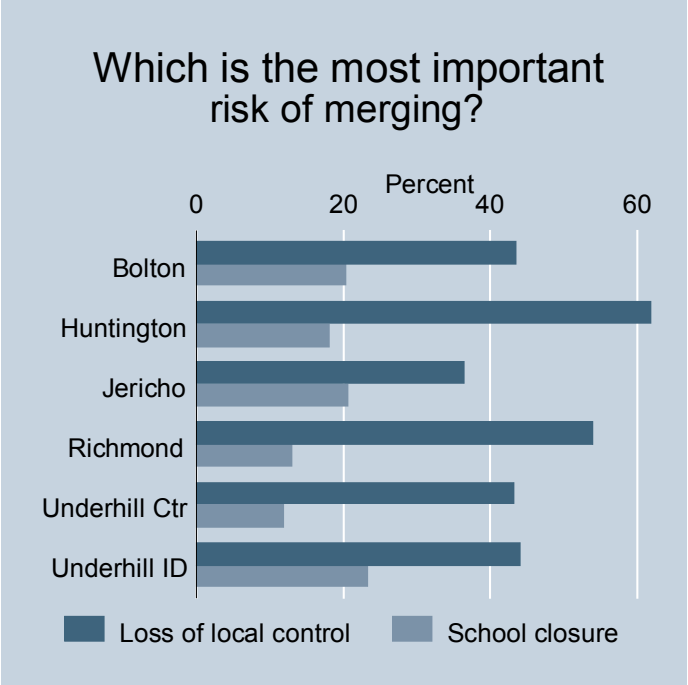


- The value of saving money was widely endorsed (33% of all respondents and 36% in Huntington).
- Perception that merging would enhance the quality of education was relatively evenly distributed (19% of all respondents and 18% in Huntington).
- Fewer than 10% of Huntington voters agreed that the most important benefit would be to increase educational opportunities (19% of all respondents).

Important variation can also be seen among the most frequently selected risks of merging, shown in the chart below.

- Concerns about school closure were comparatively evenly distributed and moderate (17% of all respondents, and 18% in Huntington).
- Concerns about the loss of local control were widespread, and highest in Huntington and Richmond (47% of all respondents and 62% in Huntington).

In both Vergennes and Huntington, there was robust, well-organized opposition, but the arguments against merger differed considerably. In Addison Northwest, local media coverage suggests that the primary issue was a fear of tax increases,[7] but the exit poll results suggest that the greatest concern in Chittenden East was the loss of local control.



In a memorandum this year to the State Board of Education (May 17, 2011)[8], Department of Education staff presented a summary of challenges to implementation. The team wrote, "Efforts to build the consensus needed to form REDs sometimes appear to be in opposition to deeply held values of local control of schools. The significant role of municipalities in Vermont life seems integral in the minds of many to making Vermont what it is. Suburbanization and regionalization of other aspects of community life have made the school districts even more the center of community life." These observations are borne out by the survey responses as well as the comments of more than a few Huntington voters on election day.

Another comment we heard frequently on election day concerned the discussions on the locally focused "Front Porch" internet forum[9], when limited to residents of specific communities and neighborhoods. A substantial number of poll respondents told us that the merger election was actively discussed on this forum by residents in Huntington and Richmond, and the opposition was said to have been particularly active.

Lessons Learned

The election results hold a number of lessons for future voluntary merger activities. Although each community will have its own variation on the themes of local control, the prospect of tax increases, and the broader implications for public finances, we believe there are some commonalities.

- Communities with strong attachment to their local school districts will not be easily convinced on financial grounds.
- When a local school and district represent the core of a community's identity, merger proposals need to offer an alternative that is either more compelling, or one that preserves the values that local control of schools represents to voters in communities like Huntington.
- Successful merger proposals must address the unique concerns of every community subject to the merger. The best way to accomplish this is to conduct preliminary assessment with an effective sampling of voters.

Acknowledgments

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End Notes

1 http://education.vermont.gov/new/pdfdoc/pubs/governance_white_paper_06.pdf

2 http://education.vermont.gov/new/html/dept/commissioner_memos/changing_demographics_demand_examination_of_educational_delivery.html

3 http://www.nea.org/assets/docs/HE/NEA_Rankings_and_Estimates010711.pdf

4 http://www.vermontbiz.com/node/16310/

5 http://www.uvm.edu/~jeffords/reports/pdfs/Voluntary_School_District_Merger.pdf

6 http://www.uvm.edu/~vlrs/Education/Chittenden_East_RED_exit_poll.pdf

7 "Vergennes Voters Reverse Field, Go Against Unification" Andy Kirkaldy, Addison County Independent, May 19, 2011.

8 http://education.vermont.gov/new/pdfdoc/board/packet_archives/2011/05-17/EDU-SBE_Item_H_Act_153_Implementation_May_17_2011.pdf

9 http://frontporchforum.com/

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