To: The Rivendell Interstate School District Board  
From: Rivendell Review Committee- David Hooke, Chair

The Rivendell Review Committee has met 7 times since Dr. Mike Harris convened the group in March. The committee:

- David Hooke, Vershire, Chair
- Mark Blanchard, Orford
- Mark Burger, Orford
- Doug Tifft, Fairlee
- Erin Mansur, West Fairlee
- David Gagner, Fairlee, RISD Board rep
- Jan Cole, administration
- Dr. Elaine Arbour and Marc DeBois, ex-officio

We began with Dr. Harris's overview of the annual reports and current practices. Stacie Marshall was hired as Secretary. We then developed an "evaluation rubric" to allow us to assess how the Articles of Agreement are working and/or are being applied, which includes the following questions for each of the "allocation item" (formulas) that are presently used:

1) What do the Articles say

2) What is currently being done

3) If what is currently being done is not in compliance with the Articles, how much impact does that have, and is the impact biased between towns?

4) If what is being done is not in compliance, can/should we revert to strict compliance, and would that remove bias?

5) If we are not in compliance with the Articles and we can't/shouldn't follow the Articles, what option do we recommend: a) Board memorandum b) revise articles c) other

We divided up the allocation formulas among the committee members to allow us each to do the needed study, report back, and collect all our responses in one place where we can evaluate.

We made good progress on many of the formulas. The combination of changing laws and changing administrations over 18 years have made clear the need for better definition of terms used and mechanics of some articles. Some can be interpreted in different ways, and appear to have been handled differently at various times. Some topics, for example Voc. Ed. are simply not addressed at all. We have come across a number of specific questions of interpretation or application where we feel we need some expert guidance, to help us with understanding of state law, interstate compact law, etc. At our most recent meeting, we agreed to write a memorandum, recommending to Dr. Arbour that she hire an expert on interstate compact law and the education laws of the two states, and we posed a number of specific questions for that expert to
review. We are in the process of finalizing the letter that frames these questions. We understand that the Board budgeted funds for this purpose, we plan to list the questions in priority order.

There are essentially three levels of questions. The first are technical and relate to specifics in interpreting and applying state (and federal) laws in handling certain expenses/revenues in assessing the towns. The second group are more strategic and relate to how much latitude RISD as an interstate district has in complying with specific state laws. The third: Given that actual amendment of the Articles is cumbersome, RISD needs guidance on the least onerous legal path to overcoming the deficiency of the current Articles to arrive at a combination of articles and better defined terms, intents, and processes governing allocations.

We have set our next meeting for November 16 and are hoping that this expert counsel can be hired and can come up with responses by then.

In the meantime, a subset of our committee plans to meet soon with Dick Paulson to learn his specific practices in some of these areas.

We are hoping that, based on all the study we have done and discussion we have had, plus this new information and advice we hope to get, that we would be able to move quickly after our November meeting to come up with a set of specific recommendations for the Board. These likely will include a revised format and process for the Annual Reports, to make the process as transparent and simple as possible. We also are talking about instituting an annual review of new state laws and business office practices with reference to how these impact member towns and how these conform to the Articles — perhaps as a duty of the auditors. We are hoping that the new mechanisms can be in place for the coming budget cycle and well documented for the next Business Manager. Finally, and depending on recommendations from counsel, we would likely propose some combination of Board memorandum, guidance document, or actual amendment of Articles to address the deficiencies in the Articles now and in the future; timeframe for those changes will depend on the path to be taken.

We see this process as an overall positive sign that Rivendell is passing out of its initial entrepreneurial phase into a mature organization. It is natural and appropriate that the initial governing documents and financial processes need to evolve as well.

We look forward to presenting our recommendations to you.