



STATE OF VERMONT
LEGISLATIVE JFO

REQUEST FOR PROPOSAL

EDUCATION FINANCING IN VERMONT'S FOUNDATION FORMULA

ISSUE DATE: August 27, 2025

QUESTIONS DUE BY: September 12, 2025

DUE DATE: October 3, 2025

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This Request for Proposals (RFP) may be updated and/or amended. The State will make no attempt to contact vendors with updated information. It is the responsibility of each vendor to periodically check <https://ljfo.vermont.gov/committees-and-studies/education-financing-in-vermonts-foundation-formula-study> for any and all notifications, releases, and amendments associated with the RFP.

1. INTRODUCTION AND BACKGROUND:

The Vermont Legislative Joint Fiscal Office (JFO) is issuing this Request for Proposal (RFP) in accordance with 2025 Acts and Resolves No. 73 (Act 73).¹ JFO is soliciting proposals for a consultant or consulting team (hereby referred to as the “Contractor”) to perform comprehensive analyses and make recommendations regarding changes to Vermont’s education financing structure.

In its 2025 legislative session, the Vermont General Assembly passed Act 73, which makes numerous changes to Vermont’s statewide education system and education funding system. Among other significant changes, Act 73 replaces the current education financing structure with a cost-factor foundation formula if certain conditions are met.² These conditions include legislative consideration of the analyses and recommendations of the Contractor for updating and refining certain components of the foundation formula.

Act 73 directs JFO to contract with one or more Contractors with expertise in Vermont’s education funding system to make recommendations regarding updates and details to the new education funding structure it established. JFO is issuing this RFP for the following recommendations to refine the foundation formula:

- Updating student weighting in the foundation formula, including:
 - To move from special education weights based on disability categories to weights based on reliance on the provision of special education services;
 - To update any other weights determined to be empirically necessary for an adequate and equitable education, taking into account the cost savings generated by new, larger consolidated school districts;
- Identifying suitable geographic measures for determining sparsity within the foundation formula;
- Determining whether it is more costly to educate secondary students than it is to educate elementary school students in Vermont;
- Determining how to account for the provision of career and technical education (CTE) in the foundation formula; and
- Updating other components of the foundation formula, including the base amount, as required by any undertaking above.

Contractors may submit proposals to address some or all of these topics as set out in this RFP. Should more than one Contractor be accepted for this work, coordination among Contractors will be required.

The proposed start date is upon execution of a contract between the Vermont General Assembly and the Contractor. JFO anticipates the contract to begin before the end of October 2025. Section 4 of this RFP outlines the deliverables of the contract, which will include preliminary results,

¹ JFO is a legislative office that provides the Vermont General Assembly with non-partisan services related to the fiscal operations of the State.

² A link to the full text of the legislation is included in Attachment B of this RFP.

recommendations, detailed analysis, and a final report to be completed by December 1, 2026. Following submission of the final report, the Contractor will train JFO and Agency of Education (AOE) staff in its methodology and be available for testimony to legislative committees regarding the report and its recommendations. The anticipated end date of the contract is June 30, 2027.

2. DETAILED REQUIREMENTS:

BACKGROUND:

Sec. 45(a) of Act 73 (See Attachment A) requires JFO to contract with one or more Contractors with expertise in Vermont's education funding system to make recommendations on topics related to funding changes in Act 73 to the Vermont General Assembly on or before December 1, 2026. JFO will consider proposals that address one or more topic areas listed in the Scope of Work. Detailed analysis supporting recommendations will be required.

In addition to submitted reports and supporting analyses, the Contractor will be required to train JFO and AOE staff on the methodologies underlying the proposed recommendations so they can update the work in future years. The Contractor will also be required to be available for testimony to legislative committees on its work. Depending on how the scope of work is divided, the Contractor(s) may also be required to coordinate with other Contractors regarding analyses and timing.

SCOPE OF WORK:

This RFP calls for analysis and recommendations for updates to the new education funding structure established in Act 73. The body of work called for by Act 73 has been divided into the topics set out below. A Contractor may submit proposals to do the work associated with one or more of the following undertakings:

- a. Updating special education weights in the cost-factor foundation formula created in Act 73 to move from special education weights based on disability categories to a reliance on the provision of special education services.**

Act 73 Context: The base amount and weights used in the Act 73's foundation formula came from an April 2025 memorandum and reflect cost estimates based on Vermont's current education system. The special education weights are also from the April 2025 memorandum, and were derived from the Ohio Special Education Cost Study. The memorandum updated the education cost funding models originally developed in the 2019 Study of Pupil Weighting Factors Report.³

- b. Updating any other weights in the cost-factor foundation formula to be empirically necessary for an adequate and equitable education, taking into account cost-savings generated by new, larger consolidated districts.**

³ Link to the Memorandum and 2019 Pupil Weighting Factors Report are included in Attachment B of this RFP.

Act 73 Context: The base amount and weights used in the Act 73’s foundation formula came from an April 2025 memorandum and reflect cost estimates based on Vermont’s current education system. The memorandum updated the education cost funding models originally developed in the 2019 Study of Pupil Weighting Factors Report. Act 73 includes intent language that the General Assembly will enact new, larger school district boundaries that will impact cost estimates in the 2026 legislative session.⁴

c. Recommending suitable geographic measures for determining sparsity within the foundation formula.

Act 73 Context: Act 73 outlines that schools will be eligible for a sparse school support grant if they are located within a sparse area and are deemed “sparse by necessity.” A sparse area is currently defined in Act 73 as a city, town, or village with fewer than 55 people per square mile of land. The Act requires the Vermont State Board of Education to create standards of “sparse by necessity.”

d. Determining whether it costs more to educate a secondary student than an elementary student in Vermont and, if so, recommending an appropriate weight to capture the cost differential.

Act 73 Context: Act 73 does not include a grade level weight for elementary students nor secondary students. This reflects the findings in the April 2025 memorandum.

e. Recommending how to account for the provision of CTE within Vermont’s funding formula.

Act 73 Context: Act 73 does not account for the provision of CTE within the foundation formula but does include intent language for the General Assembly to enact updates to CTE in the 2026 legislative session.

The Contractor shall also recommend updates or changes to other components of the foundation formula, including the base amount, that would be required as a consequence of any recommendations made in response to each topic for which it chooses to submit a proposal.

MODELING AND TRAINING:

Any Contractor engaged to analyze the weights, base, or other related factors developed by the Contractor, will train JFO and AOE staff in the methodologies needed to recalibrate and recalculate these figures.

⁴ Act 73 created a School District Redistricting Taskforce Link to the School District Redistricting Task Force to recommend new school district boundaries and configurations to the General Assembly on or before December 1, 2025. A link to the Taskforce’s website is included in Attachment B of this RFP.

Any Contractor engaged to analyze factors that will need to be updated in future years beyond the weights must identify such analyses and set out the approximate schedule for such updates. The Contractor will be responsible for providing training to JFO and AOE staff in the methodologies needed to update those analyses.

BIDDER QUALIFICATIONS:

JFO will evaluate proposals based on multiple factors. JFO will prioritize proposals that address the following factors:

- a. Expertise in Vermont's education funding system;
- b. Knowledge of Act 73's education financing structure;
- c. Professional qualifications, experience conducting projects of similar scope, and evidence of related work;
- d. Knowledge and experience in methods for empirically deriving factors to be used in foundation formulae;
- e. Ability to operate independently from interest or advocacy groups involved in Vermont's education financing and education policy; and
- f. Cost of proposal.

Proposals will still be considered if they do not meet all factors listed above. These factors are not listed in any order of priority and are not exhaustive.

3. DELIVERABLES

The following lists the deliverables envisioned within this RFP. These deliverables have been outlined as if a Contractor were to take on the entire Scope of Work. If a proposal is submitted for only a portion of the Scope of Work, it should clearly identify any other portions within the Scope of Work that must be completed prior to the Contractor beginning their portion.

- a. Work Plan
Prior to beginning the work for which it has been engaged, the Contractor shall submit a project plan for the completion of this work to JFO, including specific timelines and methodologies for the work. The work plan shall be submitted no later than one month upon signing of the contract. The work plan must be agreed to by the Contractor and JFO.
- b. Preliminary Analysis, Findings and Recommendations
The Contractor shall submit preliminary results of their work to JFO no later than July 1, 2026, or earlier if agreed to in the work plan.
- c. Draft Report
The Contractor shall submit a first draft of its report to JFO no later than September 1, 2026.

d. Analysis, Findings, Modeling, and Updated Draft Report

The Contractor shall submit its analysis, modeling, and an updated draft report to JFO for review by November 1, 2026.

e. Final Report

The final report and recommendations shall be submitted to JFO for submission to the House Committee on Ways and Means, the Senate Committee on Finance, and the House and Senate Committees on Education no later than December 1, 2026.

f. Coordination

The Contractor will be required to have regular check-ins with JFO regarding their work and progress. Depending on how the scope of work is divided, the Contractor(s) may also be required to coordinate with other Contractors regarding analyses and timing.

g. Training and Support

If relevant to the scope of work, the Contractor shall train JFO and AOE staff in the methodologies needed to recalibrate and recalculate the base, weights, other factors/calculations, and any other analyses agreed upon within the contract. Training will be completed no later than January 15, 2027.

The Contractor shall be available to answer questions and support training of JFO and AOE staff through June 2027.

h. Testimony

The Contractor shall be available for legislative testimony regarding findings through the 2027 legislative session, which typically runs January through May.

4. GENERAL REQUIREMENTS:

- a. **EVALUATION CRITERIA AND CONSULTANT INDEPENDENCE:** Proposals will be evaluated for their responsiveness to the scope of work and other specifications in this RFP. As outlined in Act 73, the State intends to select one or more Contractors with expertise in Vermont's education funding system. Further, the State intends to select consultant(s) that are professionally qualified and have demonstrated an ability to operate independently from interest or advocacy groups involved in the discussion of education financing and education policy in Vermont.
- b. **CONFIDENTIALITY:** All responses to this RFP will be public records. The successful response will become part of the contract file.

If the response includes material that is considered by the bidder to be proprietary and confidential under 1 V.S.A. §§ 315-320, the bidder shall clearly designate the material as such, explaining why such material should be considered confidential.

The bidder must identify each page or section of the response that it believes is proprietary and confidential with sufficient grounds to justify each exemption from release, including the prospective harm to the competitive position of the bidder if the identified material were to be released. Under no circumstances may the entire response or price information be marked confidential. Responses so marked may not be considered.

- c. **CONTRACT TERMS:** The selected consultant will enter into a contract with the General Assembly to perform work set out in this RFP at an agreed-upon cost. The contract will include the standard State provisions described in Attachment C. This contract will be subject to review throughout its term.
- d. **STATEMENT OF RIGHTS:** The State reserves the right to obtain clarification or additional information necessary to properly evaluate a proposal. Failure of a bidder to respond to a request for additional information or clarification could result in rejection of that bidder's proposal. The State reserves the right to accept or reject any and all bids, in whole or in part, with or without cause, and to waive technicalities in submissions.
- e. **TAXES:** Most State purchases are not subject to federal or state sales or excise taxes and must be invoiced tax free. An exemption certificate will be furnished upon request covering taxable items. If taxes are to be applied to a purchase, it must be so noted in the response.
- f. **NO COLLUSION:** The State is conscious of and concerned about collusion. Signing bid and contract documents constitutes agreement that the prices and costs quoted have been arrived at without collusion and that no prior information concerning these prices has been received from or given to a competitive consultant. All bidders and contractors are hereby placed on notice that any collusion or improper anticompetitive activity will be pursued by the General Assembly and/or other State entities to the full extent of the law.

5. BIDDER RESPONSE CONTENT AND FORMAT:

The content and format requirements listed below are the minimum required for JFO's evaluation of proposals. These requirements are not intended to limit the content of the proposals; bidders may include additional information or offer alternatives that may be considered.

- a. **SUBMISSION:** Submit electronically as a PDF to JFORFP@leg.state.vt.us.
- b. **BACKGROUND AND EXPERIENCE:** Provide a description of the technical experience and qualifications for key personnel and the role each of them is expected to play. Additionally, please provide a list of any work done for entities in Vermont related to education finance and a brief description of work done independently of any interest

or advocacy group involved in education funding issues. Additionally, please indicate any work done on behalf or funded by interest or advocacy group related to education funding or education policy in Vermont.

- c. **PROJECT PLAN:** Clearly identify which topics within the Scope of Work will be addressed by the proposal. Describe the project management structure, major project milestones, and timing of periodic updates. Identify and highlight any deliverable or workplan dates that would differ from the dates outlined in Section 3 this RFP.
- d. **DATA SETS AND MODELS:** Summarize the analytic approaches and data sets expected to be used.
- e. **REFERENCES:** Provide names, addresses, and telephone numbers of at least two clients with whom you have transacted similar business in the last three years. Must include contact names who can speak knowledgeably about your performance.
- f. **PRICING:** Any and all costs that you wish the State to consider must be submitted. The cost structure for the project should be described including billing rates and estimated hours for key staff, payments to any subcontractors, overhead rates, and estimated non-salary expenses, including travel.

6. SUBMISSION INSTRUCTIONS:

The closing date for the receipt of proposals is 3:00 PM ET on October 3, 2025. Questions will be accepted until 3:00 PM ET on September 12, 2025.

Questions regarding this RFP should be emailed to JFORFP@leg.state.vt.us no later than September 12, 2025. After the question period has closed, a copy of all questions and the State's responses will be posted to <https://ljfo.vermont.gov/committees-and-studies/education-financing-in-vermonts-foundation-formula-study>. Every effort will be made to have these available as soon after the question period ends, contingent on the number and complexity of the questions.

7. ATTACHMENTS:

- a. Attachment A: Relevant Legislation (2025 Acts and Resolves No. 73)
- b. Attachment B: Additional Resources
- c. Attachment C: Standard State Provisions for Contracts and Grants

ATTACHMENT A: LEGISLATION

Note: A link to the full text of the legislation can be found at:

<https://legislature.vermont.gov/Documents/2026/Docs/ACTS/ACT073/ACT073%20As%20Enacted.pdf>

Sec. 45a. FOUNDATION FORMULA; JOINT FISCAL OFFICE; REPORT

(a) The Joint Fiscal Office shall contract with one or more contractors with expertise in Vermont's education funding system to recommend updates to the cost-factor foundation formula created by this act to move from special education weights based on disability categories to a reliance on the provision of special education services and to update any other weights determined to be empirically necessary for an adequate and equitable education, taking into account the cost savings generated by new, larger consolidated school districts. Additionally, the contractors shall make recommendations regarding the following:

(1) suitable geographic measures for determining sparsity within the foundation formula;

(2) whether it costs more to educate a secondary student than an elementary student in Vermont and, if so, an appropriate weight to capture the cost differential of educating secondary students; and

(3) how to account for the provision of career and technical education within Vermont's foundation formula.

(b) The contractors shall submit the foundation formula, analysis of geographic measures, and the other recommendations required under subsection (a) of this section, along with a detailed analysis to support the contractor's recommendations, to the House Committee on Ways and Means, the Senate Committee on Finance, and the House and Senate Committees on Education on or before December 1, 2026.

(c) The sum of \$400,000.00 is appropriated to the Joint Fiscal Office from the General Fund in fiscal year 2026 to hire one or more contractors for the purposes in subsection (a) of this section.

(d) The contractors shall be required to train the Joint Fiscal Office and the Agency of Education in the methodologies needed to recalibrate and recalculate the base and weights in accordance with 16 V.S.A. § 4010(f).

ATTACHMENT B: ADDITIONAL RESOURCES

1. Full text of Act 73 of 2025.
<https://legislature.vermont.gov/Documents/2026/Docs/ACTS/ACT073/ACT073%20As%20Enacted.pdf>
2. Fiscal note of Act 73 of 2025.
https://ljfo.vermont.gov/assets/Publications/2025-2026-House-Bills/GENERAL-382378-v16-H_454_fiscal_note-v3.pdf
3. Memorandum presenting numbers used in the foundation formula established in Act 73 of 2025: “Updated cost estimates and recommended weights for a student-based funding formula in Vermont”.
https://ljfo.vermont.gov/assets/Subjects/H-454-As-recommended-by-House-Ways-and-Means-Draft-4-1/W_Tammy-Kolbe_Weighting-Update-Memo_4-3-2025.pdf
4. 2019 Pupil Weighting Factors Report.
<https://education.vermont.gov/sites/aoe/files/documents/edu-legislative-report-pupil-weighting-factors-2019.pdf>
5. Website of the School District Redistricting Task Force per Act 73 of 2025.
<https://aoa.vermont.gov/school-district-redistricting-task-force>

**ATTACHMENT C: STANDARD STATE PROVISIONS
FOR CONTRACTS AND GRANTS**