



Legislative Link

A Publication for the Members of the N.C. Association of School Administrators

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DPI Outlines Public School Cuts Of 3%, 5% & 7%

The Department of Public Instruction on Wednesday released a summary of options for public school budget cuts of 3 percent, 5 percent and 7 percent for the 2009-2010 fiscal year as directed by the Office of State Budget and Management, and the scenarios that were presented paint a dismal picture for public schools for the next budget cycle.

The reduction options, which have been required for all state-funded entities, are only proposals at this point, but any of the possible scenarios may be considered as the state budget for 2009-2010 is developed in the coming months. Some of the options that have been highlighted include increasing class sizes by cutting the jobs of 709 to 3,172 teachers, eliminating 4,663 teacher assistant positions by funding them only for Grades K-2, and cutting 188 assistant principal positions.

“Cuts in the magnitude of 3 percent or more for public schools not only would be detrimental to services offered in the classroom, they also would be counter-productive to efforts by the state and federal government to stimulate the economy,” said Bill McNeal, Executive Director of the North Carolina Association of School Administrators (NCASA). “Personnel layoffs and larger class sizes that detract from the learning experience for North Carolina’s 1.4 million public school students simply should not be considered. Now is the time to focus on moving forward with educating our young people, and not stepping back with cuts that detract from their public school experience.”

McNeal urged all NCASA members to review the possible cuts that have been outlined, determine the local impact those cuts could hold and then share that information with the district’s legislators.

“We must help our elected leaders realize that protecting public schools as much as possible should be their highest priority as they put the state budget together,” McNeal said.

NCASA members also are asked to send information on the potential local impact of the outlined cuts to kjoyce@ncasa.net to help the organization in our efforts to prevent these proposals from becoming a reality.

To view the memo sent out by the Department of Public Instruction and the options for possible public school cuts, go to: <http://www.ncasa.net/displaycommon.cfm?an=1&subarticlenbr=199>.

Analyst: Education Budget Cuts May Be Necessary

State lawmakers have been trying to steer clear of cutting education spending as they try to erase a \$2.1 billion budget deficit that is looming for the 2009-2010 fiscal year, but a legislative budget analyst said Tuesday that likely will be impossible.

Education and Medicaid account for about 70 percent of the state's general fund budget, and Analyst Evan Rodewald of the General Assembly's Fiscal Research Division told lawmakers that filling the \$2.1 billion hole in the budget will eventually require digging into those accounts. His message clearly resonated with lawmakers who were interviewed by reporters after the budget briefing.

"You can't cut more than 10 percent (of the \$21 billion budget) and not approach every part of state government," Senate Majority Leader Tony Rand, D-Cumberland, told WRAL-TV of Raleigh. "Everybody will feel the pain."

Over the past eight years, North Carolina's education budget has grown by more than 50 percent from \$7.58 billion to \$11.42 billion, as the state's population has grown. Rodewald said that the current \$7.8 billion public schools budget accounts for 37 percent of the state's General Fund and is the largest single program. He did not point out, however, that the percentage of the state budget dedicated to public schools has actually been declining over the last decade as other areas have gained funding.

Rodewald did note that the fastest growing portion of the education budget is the university system. He presented information showing that the budget for the state's public and private universities has grown 58 percent from \$1.7 billion in 2000-2001 to \$2.7 billion this fiscal year. In that same time period, the state's community college system's budget grew 53 percent from \$608 million to \$933 million, and the public schools budget grew by 48 percent from \$5.3 billion to the current \$7.8 billion.

"The university system is also where the annual cost per student is highest," Rodewald said. In the current fiscal year, the state is investing \$12,897 per student in the universities, \$4,903 per student in the community colleges and \$5,414 per student in the public schools.

Rodewald concluded his presentation on some of the key factors that have driven the growth in the overall state budget in recent years by offering the following summary points for lawmakers to consider:

- Growth in Medicaid from enrollment, inflation, utilization, new technologies and the economy will continue to pressure N.C. budgets for the foreseeable future.
- Because education programs comprise most of the budget, some portion of future budget reductions will likely come from education.
- Public school enrollment is beyond the control of the state, but teacher salaries and class sizes are not.
- The university system budget is growing faster than budgets for public schools or community colleges. Strong enrollment and higher salary increases, both of which are under state control, are responsible for this growth.
- The fastest-growing portion of the education budget, the university system, is also the most expensive on an annual, per-student basis.

Some Republicans said wasteful spending could be cut from the education budget, and money could be used more efficiently.

"I'm not sure we're getting a bang for our buck in our educational process," Sen. Neal Hunt, R-Wake, said in an interview aired by WRAL-TV. "We've seen a 30 percent dropout rate. We see we're not keeping up with test scores very well."

Sen. Rand said the state has no control over the number of students in public school, but lawmakers can control spending on teacher salaries and the size of classes in schools, which Rodewald had pointed out in his presentation.

"Those are things within our control and things we'll really have to look hard at," he said, although he declined to elaborate on possible cuts.

The legislative briefings on the state budget continued on Wednesday with a more in-depth look at the university budget. A briefing on the public school budget is set for 11:30 a.m. on Feb. 17 and may be accessed by clicking on “Appropriations Committee Room (Room 643)” at the following link: <http://www.ncleg.net/Audio/Audio.html>.

Agreement Reached On Federal Stimulus Package

WASHINGTON – The U.S. Senate and House were making plans late Thursday to finalize the American Recovery and Reinvestment Act that negotiators for the two chambers had trimmed into a compromise package of roughly \$789 billion in federal spending and tax relief that is intended to stimulate the sagging U.S. economy. The initiative, proposed and shepherded by President Barack Obama, was expected to receive a favorable vote in both chambers on Friday, Feb. 13, since a coalition of Democrats and moderate Republicans have pledged support for it.

Details of the compromise plan remained sketchy and were still subject to change until formal votes to approve the package occur in both chambers of Congress. According to information released from U.S. House Speaker Nancy Pelosi’s office, funding to be allocated for education initiatives across the nation include \$53.6 billion in state fiscal relief to prevent cuts in state aid to school districts, with great flexibility to use the funds for school modernization and repair; \$12.2 billion to school districts to fund special education; \$13 billion in Title I grants to help disadvantaged K-12 students reach high academic standards under the No Child Left Behind law; \$17 billion to boost the maximum Pell Grant by \$500 to \$5,350; and \$2 billion for Head Start.

In addition, U.S. Rep. Bob Etheridge's school construction proposal has been restored to the stimulus package. The original House bill included the Lillington Democrat's long-standing proposal to give tax credits that would allow local schools to get zero-interest bonds for construction and renovation projects. The amount of bonds that would be provided by the credits was cut in the Senate version from \$25 billion to \$13 billion, but it has been restored to the full amount in the compromise package, according to Etheridge spokeswoman Joanne Peters.

The American Association of School Administrators (AASA) has worked diligently on Capitol Hill to ensure that these much-needed education initiatives are part of the final package. The organization will be preparing a summary on actual details of that package, and NCASA will post that summary on our website at <http://www.ncasa.net/displaycommon.cfm?an=1&subarticlenbr=229> as soon as that information becomes available. A copy of the preliminary information provided by House Speaker Pelosi is now available on that same website.

Forum Seeks Constitutional Change On State Superintendent

After six months of examining the state’s management and accountability systems for public schools, a Study Group of the Public School Forum is calling on the General Assembly to let voters decide if today’s system should be overhauled through changing the state Constitution.

The Forum recommendation comes on the heels of Governor Perdue announcing the creation of a Chief Executive Officer (CEO) of public education who also is expected to be selected as the Chairman of the State Board of Education. While the Forum commended the Governor for taking steps to clarify a system that many view as outdated and dysfunctional, it contends that the state should go even farther to end the confusion around leadership of the state’s public school system that serves 1.4 million students.

At the heart of the issue is the position of State Superintendent of Public Instruction, one of 11 statewide offices elected by a vote of the people. Since the mid-1990s that position has been invested with less and less authority even though many voters and educators presume that the State Superintendent is in charge, thus underscoring the lack of clarity around accountability and management of the public schools.

When compared to other state agencies or to the state's Community College and University Systems, the Department of Public Instruction is the "odd man out," according to the Forum report. Other state agencies with an elected leader are clearly under the direction of the elected official who is accountable to the people every four years. In both the Community College and University Systems, appointed boards of directors hire a President who is accountable to the Boards in much the way that a private corporation CEO is accountable to a corporate board.

For the public schools, however, the State Board of Education is Constitutionally in charge of day-to-day operations and the State Superintendent's position has been losing its authority in recent years.

While Governor Perdue's creation of a Chief Executive Officer for public schools may lessen the confusion by making that individual the Chairman of the State Board, there continues to be a blurring of lines of accountability, in sharp contrast to the State's other educational systems, according to the Forum's findings.

The Public School Forum also is recommending changes in the composition of the State Board of Education. Specifically, it recommends that not only the Governor but the State House and Senate should make appointments to the State Board of Education. A copy of the report and its recommendations is available at: <http://www.ncasa.net/displaycommon.cfm?an=1&subarticlenbr=228>.

"Our ultimate goal is to remove politics from the governance of public schools as much as that is possible and to give the management of public schools more stability and continuity than it has had in recent years," said Phil Kirk, the Chairman of the Forum Board. "If ever there was a time when we need our schools to be well managed and led, it is today, and we don't think half-way measures will do it. It is going to take Constitutional change that will fundamentally overhaul today's system."

The Public School Forum is an educational policy and research center that has focused on the schools of North Carolina since 1985. It is a non-profit organization led by a board of more than 60 educators, elected officials, business leaders and others.

House Committees Will Keep Key Leaders From 2007-2008

House Speaker Joe Hackney on Wednesday unveiled committee assignments for 2009-2011, and in so doing, reappointed many of the same chairmen who had led key committees in the House of Representatives for the past two years.

The House Appropriations Committee will again be led by Rep. Mickey Michaux, D-Durham, as the senior chair, along with seven other co-chairs that include Reps. Alma Adams, D-Guilford; Martha Alexander, D-Mecklenburg; Jim Crawford, D-Granville; Phil Haire, D-Jackson; Maggie Jeffus, D-Guilford; Joe Tolson, D-Edgecombe; and Doug Yongue, D-Scotland.

The Appropriations Subcommittee on Education also will keep its previous co-chairs who include Reps. Rick Glazier, D-Cumberland; Marian McLawhorn, D-Pitt; and Ray Rapp, D-Madison. Vice Chairs are Reps. Larry Bell, D-Sampson; Linda Johnson, R-Cabarrus; Marvin Lucas, D-Cumberland; Earline Parmon, D-Forsyth; and Cullie Tarleton, D-Watauga; and members include Reps. Hugh Blackwell, R-Burke; Mark Hilton, R-Catawba; Bryan Holloway, R-Stokes; and Laura Wiley, R-Guilford.

The House Education Committee, which handles policy issues pertaining to public schools, community colleges and universities, again will be chaired by Reps. Marvin Lucas, D-Cumberland; and Larry Bell, D-Sampson.

One new member of the education policy leadership team is Rep. Tricia Cotham, D-Mecklenburg, who has been named Co-Chair of the House Education Subcommittee on Preschool, Elementary & Secondary Education, along with Rep. Earline Parmon, D-Forsyth. Also serving on that committee are Reps. Curtis Blackwood, R-Union; Maggie Jeffus, D-Guilford; Edith Warren, D-Pitt; and Laura Wiley, R-Guilford, as Vice Chairs; and Reps. Hugh Blackwell, R-Burke; Becky Carney, D-Mecklenburg; Susan Fisher, D-Buncombe; Dale Folwell, R-Forsyth; Rick Glazier, D-Cumberland; Pat Hurley, R-Randolph;

Darren Jackson, D-Wake; Linda Johnson, R-Cabarrus; Ray Rapp, D-Madison; and Paul Stam, R-Wake, as members.

Separate listings of all House and Senate committees, including those that impact public schools, is available at: <http://www.ncleg.net/gascripts/Committees/Committees.asp>.

Summary Of This Week's Action On Bills Affecting Public Schools

For a complete summary of this week's legislative actions on legislation affecting public schools and their personnel, please see this week's "Weekly Bill Action Summary" at: <http://www.ncasa.net/displaycommon.cfm?an=1&subarticlenbr=227>. The same site offers a status report on all bills NCASA is tracking for our members during the 2009 legislative session, and that information is arranged in categories to make it easier to locate specific legislation of interest.

*For additional information on these or other legislative issues, contact
NCASA Assistant Executive Director Katherine W. Joyce at 919-828-1426 or kjoyce@ncasa.net.*