

The Public School Forum's Friday Report

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Governor Signs 1st Bill Enabling Governance Changes for K-12 Schools

This Wednesday, Governor Perdue signed into law a bill that cleared the way for Bill Harrison, the former Cumberland County Superintendent, to become the first person to serve as both the CEO and Chair of the State Board of Education. On Thursday, Howard Lee stepped down after serving 5 years as Chairman of the State Board and Harrison was elected to assume the office.

With JB Buxton resigning as the Deputy State Superintendent, this week's changes represent a major shift in the governance of North Carolina's K-12 school system. As both the CEO and Chair of the State Board, Harrison is clearly in charge of the Department of Public Instruction as well as policy directions for the public schools.

While the State Superintendent of Public Instruction position remains a member of the Council of State, her future duties have been described by the Governor as serving as an "ambassador" for schools.

Worsening State Budget Picture Forcing Tough Choices

Governor Beverly Perdue's decision to use lottery income earmarked for school construction to the general revenue fund, resulted in criticism from a number of quarters this week. The criticism, however, would probably have been louder if the Governor had ordered deeper across-the-board cuts to public schools.

"Thus far," said Forum Executive Director, John Dornan, "the Governor deserves credit for living up to her promise to avoid deep cuts to the education budget. While diverting lottery funds away from school construction may result in local funding cutbacks, it was far less painful than would have been cuts comparable to those in other state agencies."

Using lottery proceeds to patch the worsening budget deficit for this fiscal year was one of only a number of moves announced by the Governor's Office this week. "The real question is what will be necessary to balance the budget in the coming school year," commented Dornan. "While the federal stimulus dollars will help, the size of the projected budget deficit still leaves the Governor and the General Assembly with hard choices for next year."

Governor Perdue's plan is to release her proposed budget in mid-March. However, policymakers and the public will be given a preview of the Governor's budget when she addresses a joint session of the General Assembly on Monday night. With the projected state budget deficit increasing, will all cost reduction options, including lottery funds, be on the table? You can bet on it.

The Future of ABC Bonuses

Two bills introduced in the House of Representatives have the potential to end North Carolina's decade plus experiment with merit pay for teachers based on student performance. One of the bills would eliminate all ABC bonuses for the coming year and divert the funds to across-the-board pay hikes for all teachers. The other would reward only schools that exceed growth expectations, freeing up a projected \$20 million in funding that could be earmarked for across-the-board hikes.

ABC bonus pay was created as part of the 1997 Excellent Schools Act, an omnibus education package introduced by the Hunt Administration and enacted by the General Assembly. The bonus plan created financial incentives that reward all of the teachers and teacher assistants in schools that meet or exceed the annual student performance growth targets set by the Department of Public Instruction. Since the plan was established, the typical amount annually funded for ABC bonus pay has been in the \$90-100 million range.

Over time, however, the ABC bonus pay has come under increasing criticism. The most frequently voiced criticism of the plan is that all teachers and teacher assistants – those that do an excellent job and those that don't – receive equal bonuses under the plan.

More recently, the State Board of Education's administration of the plan has created what some label a "Lake Woebegone" effect – so named for NPR's fictional town of Lake Woebegone where all of the children are above average. In 2007-08, for instance, teachers and teacher assistants in roughly 80% of the state's schools received bonuses at the same time that reading scores plummeted because the tests were made more rigorous. Those scores, however, were not counted toward the ABC bonus eligibility, only math scores were counted resulting in very inflated results.

If the past is prologue to the future, if the ABC bonuses are converted to across-the-board hikes it is very unlikely that they will be resumed in the future. Merit pay plans in education have a long and depressingly similar history. Started with much fanfare, almost all educational merit pay plans have a relatively short life span and come to an abrupt halt, returning teachers to pay plans based on seniority and earned degrees.

If that happens, it is probable that annual teacher pay will decrease by roughly \$100 million per year. During the time ABC bonuses have been paid, across-the-board teacher pay increases have been modestly higher than those paid to state employees; however, the \$100 million, representing more than 2% across the board continued to be paid on top of annual salary increases. Once gone, it is extremely unlikely teacher pay raises will exceed those paid to other state employees by an equivalent amount.

Perhaps more important, in 1997 when the bonuses began the state did not have the technical ability to measure the impact of individual teachers on the performance of their students. Today, thanks to the General Assembly, all schools have access to EVAAS, the value-added assessment system that enables principals to determine which teachers are making the greatest contribution to student performance gains. The ABC bonus plan could become a far more selective program than it is today and bonuses could be focused on teachers who are doing the best job. That said, if the past is prologue to the future, when the bonuses are over (even if only "temporarily"), they will probably be over permanently.

UNC President Doesn't Sugar Coat Budget Presentation

Erskine Bowles, the President of UNC, presenting to the Joint Education Appropriations Committee of the House and Senate didn't mince words in his Tuesday presentation. "Unknowns include the effect of the stimulus package. We don't know what the formulas are; we don't know what the requirements are. And we won't know the final revenue for the state until much later in the session."

"I am going to protect the academic core programs of UNC. Things that are not academic core are Centers and Institutes, many of which are favorites of you in this room and members of the Board of Governors. Some of them are the Center for International Understanding, \$603,000; NCCAT, \$7 million; the Arboretum, \$3 million UNC TV, \$14 million and the Center for School Leadership, \$5 million. None of these are in our academic core."

Bowles' three funding priorities presented to the hearing were: fully funded enrollment, estimated at \$45 million; fully funded need-based aid, and flexibility in making necessary cuts. He also asked that cuts be non-recurring to give the system the flexibility to restore cuts after the current economic crisis ends.

Some of the items singled out in Bowles' Institute and Center cuts are disturbing to people in the K-12 arena. NCCAT, the Center for the Advancement of Teaching, for instance, is the highly-regarded professional arm of UNC and a model for other programs across the nation. The Center for School Leadership includes the Principals' Executive Program and other programs providing support and professional development to public schools. The Center for International Understanding is making North Carolina a leader in establishing internationally-based curriculum offerings to young people.

All three programs cited above are examples of initiatives that logically would have ended up in the Department of Public Instruction, but because of politics or a lack of faith in DPI's ability to administer programs, were housed at UNC as a matter of convenience. Even when such programs, especially NCCAT and the Center for International Understanding, can point to a two-decade plus record of accomplishment, in a budget crisis they can become "political orphans" in search of champions when institutions like UNC "go to the mat" to protect what Bowles calls "core" functions.

Crocker Named Asst. Secretary of Community Development

Joseph D. Crocker has been named the Department of Commerce's assistant secretary of community development. Crocker, a former Forum Board Member from Winston-Salem, most recently served as director of operations and program officer for the Z. Smith Reynolds Foundation. Prior to that, he spent 26 years in leadership positions at Wachovia Corp., including senior vice president and Carolinas community affairs manager. Crocker replaces Cleve Simpson, who recently announced his retirement.

Education Still Seen as Major NC Concern

The Civitas Institute released its February 2009 poll results and education was tied for second place as the “biggest issue or problem facing North Carolina today.” Not surprisingly, improving the economy and creating jobs came in a resounding number one as the first choice of 54% of the respondents. Improving public education and taxes/wasteful spending were tied at 2nd place with 11% of respondents voting for one or the other.

When asked “what is the most pressing need in the public schools of North Carolina?” respondents answered:

- Classroom discipline, 23%
- Raising teacher salaries, 22%
- Lowering the dropout rate, 20%
- Reducing overcrowding, 20%

Superintendent Refuses Pay Increase

Guilford County Superintendent Maurice Green’s request to not receive a raise this year was unanimously approved by the school board last week. Although his contract calls for a 3 percent raise in July, Green felt that receiving a raise in the current economic climate would create a hardship for the schools system. Guilford County faces a potential \$8 million sales tax revenue shortfall this year.

Superintendent Green’s salary is \$250,000 a year, and a 3 percent raise would be \$7,500. “I don’t believe I should be eligible for that given this point,” Green said.

Legislative News...

Representative Phil Haire, D-Jackson, has filed a bill (HB 483) that would exempt six mountain counties from the requirement that the public school year begin no earlier than Aug. 25. The bill would allow schools in Cherokee, Clay, Graham, Jackson, Macon and Swain counties to begin the first day of classes each year on Aug. 11. The bill is the latest run on a 2004 law, pushed by the state's tourism industry, which established the uniform school start date. Mountain school officials have been some of the biggest critics of the law because of the higher incidence of snow days in most years.

National News...

Cost of Yale’s Tuition, Room & Board to Top \$47,000

Undergraduates attending Yale University will pay 3.3% more next year, or \$47,500 for tuition, room and board. Yale and other colleges including Harvard, the University of Pennsylvania and Northwestern have recently announced increases ranging from 2.4% to 3.9% for the coming year.

Cost of Yale's Tuition (cont'd)

Impacting Ivy League and other selective universities is the stock market decline of endowment funds which have typically fallen by double-digits. According to the College Board, the cost of attending a private four-year college rose 5.6% in the current school year to an average cost of \$34,132.

Forum News...

NC CAP SYNERGY 2009 Conference

The North Carolina Center for Afterschool Programs (NC CAP) is pleased to announce the upcoming the statewide afterschool SYNERGY Conference, scheduled for April 29 – May 1, 2009, at the Koury Center in Greensboro. The event will feature over 30 workshops, 20 vendors, networking receptions, and Pre-Conference opportunities on curriculum training and building effective partnerships with businesses.

NC CAP extends a special invitation to elected officials to attend a youth-led Forum on Afterschool from 4:15 pm - 6:15 pm on April 30. Youth leaders will share their perspectives on the importance of high quality afterschool programs. The event is meant to foster dialogue between afterschool providers, community leaders, parents and others on the issues surrounding quality afterschool care.

SYNERGY is held in collaboration with the NC Department of Public Instruction, NC Department of Health and Human Services, NC Department of Juvenile Justice & Delinquency Prevention, Support Our Students Program, Boys & Girls Clubs, NCSU 4-H Youth Development, and the Charles Stewart Mott Foundation.

For more information, or to register for the Youth Forum, visit: www.nccap.net/about/conference.cfm or contact Katie Biggerstaff at 919-781-6833 x132.

2008 Local Finance Study is Here!

The Public School Forum's annual Local Finance Study is available for order. This study has become the "last word" in county expenditures on schools. The study annually ranks North Carolina's 100 counties on their actual spending on schools as well as the effort they make in supporting schools. School boards, finance officers, and county commissioners routinely rely on the Forum's annual study as budget decisions are made.

"The Public School Forum's annual finance study has been in many respects the keystone for school financial reform since its first publication, twenty years ago. It emerged when the state first confronted the reality of local school funding inequity and has proven to be the essential benchmark for progress in pursuing equal educational opportunities at least from the funding perspective. It was critically important in the justification for additional funding for low wealth and small schools." – Jim Barber; Senior Education Advisor, UNC Chapel Hill School of Education.

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Technology Feature ...

The following feature article was written on behalf of MCNC in an effort to highlight great technology stories across the state. This story is about the use of technology in schools in Rutherford County.

Leveling the Playing Field

Dream big. That's the advice from technology professional Benny Hendrix, of Rutherford County, N.C. The size of your community or its location should not limit the opportunities students have available - not when technology is on your side. And thanks to the work of a Rutherford County Blue Ribbon 21st Century Commission, some dedicated individuals and partnerships with North Carolina technology organizations, students and teachers are gaining access and connectivity that is taking K-12 education into the 21st century.

Before July 2007, connectivity in Rutherford County was limited to a DSL or fractional T1 connection, both of which lack the bandwidth to integrate technology into teaching the way instructors desired. Basically, the pipeline for information was too small. Most classrooms, at best, had one computer per class, but this was generally reserved for teacher use only. Computer labs were present in the schools, but internet access was limited and slow. Frustration levels ran high.

To help alleviate these problems, Rutherford County Schools sought all possible funding sources to obtain the best fiber Wide Area Network (WAN) possible for the students and educators of Rutherford County Schools. A high-speed fiber network would increase the number of educational technology tools available to schools. Along with Rutherford County funding, grants from the Golden LEAF Foundation, the federal Universal Service Fund, commonly known as "E-rate," and North Carolina School Connectivity Program were optimized to connect all 18 schools and three administrative sites to a state-of-the-art high speed fiber network.

Rutherford County Schools also sought expertise and planning advice from the e-NC Authority, a state initiative to connect all North Carolinians, especially in rural areas, to the Internet at high speed. For Rutherford County, the e-NC Authority helped to facilitate several public-private partnerships to maximize the availability of funding options and technical expertise.

With funding and expertise in place, the county focused on putting the right strategy to integrate technology in learning in place. Enter Benny Hendrix, chief technology officer for Rutherford County Schools. While Hendrix handles tactical and operation issues for the schools, including staffing, he is also responsible for developing long-term strategies for implementing technology in the classroom. As a part of these responsibilities, Hendrix, who considers himself an ambassador for technology in schools, worked to help initiate and engage a blue ribbon commission, focusing how to better use technology in Rutherford County schools. Few counties in North Carolina have this type of commission or the same level of commitment from county leaders, Hendrix says.

Leveling the Playing Field (cont'd)

"I feel that it's my role to push the razor's edge with county leaders to achieve our goals," says Hendrix. "They have stepped up and shown their commitment to making learning in our county as engaging and dynamic as anywhere in the state."

Some of the technology tools making their way into classroom are giving students access to information and new ways of learning not possible before July 2007. This includes the interactive e-whiteboards that are being utilized in 212 of approximately 600 classrooms in Rutherford County. These "21st century chalkboards" are connected online and include a projector, electric pen and sound system. Used in all grades and subject areas, the e-whiteboards are increasing student engagement by allowing students to better interact with teachers and their lesson plans. Hendrix hopes to gain an additional 100 e-whiteboards for classrooms this summer.

Another technology tool being successfully integrated into teachers' lesson plans is a subscription service to Discovery Education online. The subscription, purchased by the county for every school, provides online video streaming and access to thousands of video clips in all subject areas. Discovery Channel television is traditionally known for its history and science programs, but Discovery Education also includes digital content in math, English and literature, all categorized by subject area.

"Having access to this type of video, and the range of topics, gives our students an edge in learning," says Hendrix. "Many of our students don't have the option to travel abroad or even outside our state. Technology tools like Discovery Education are providing access to information and digital content beyond county, state and national borders."

Beyond the technology, Hendrix admits that streaming video would not be possible without the connectivity and bandwidth provided by the North Carolina Research and Education Network (NCREN). The network provides broadband communications technology services and support to K-12 school districts, higher education campuses and academic research institutions across North Carolina.

MCNC, which manages NCREN, provides advanced communications technologies and support services that enable access to 21st century learning applications to improve teaching, learning, research and collaboration among North Carolina's K-20 education community. In late 2008, Hendrix received the Empower Award from MCNC in recognition of his impact on education through technology.

Having access to a high-speed network and classroom technology opens doors to students regardless of where they live or their economic situation. While there is statewide and nationwide inequality in resources for students, there is also inequality within the county. Connectivity is providing all Rutherford County students with access to the same information available to students in large urban areas.

"Zip codes aren't going to limit students in how they learn, their access to information, or their ability to attend college," says Hendrix. "Our students have the same information available as students in larger counties, or cities around the world."

Leveling the Playing Field (cont'd)

According to Hendrix, the changes happening in the classroom are also changing the way we approach education. While a student's sick day would normally result in missed assignments and make-up work, technology in the classroom allowed one Rutherford County student to "attend" class from home. Using an interactive teaching tool called DyKnow, the student used his home computer to connect to his classroom, interact with the teacher and receive the day's lessons. In addition to the success of these tools in engaging students, teachers and principals also report fewer disciplinary issues since their implementation.

And while more students are getting engaged in their daily classroom experience, technology is also helping more of them to get ahead. According to Hendrix, a higher percentage of high school students are taking advantage of expanded academic options offered by North Carolina Virtual Public School (NCVPS) and online college credit initiatives such as North Carolina Earn and Learn Online.

Network connectivity is allowing students to take online courses and gain up to two years of free college credit while still in high school. Earning free college credit may help alleviate the financial stress students and families may feel when facing four years of tuition.

While the current progress is encouraging for equalizing education for all areas, Hendrix notes that true success will require better access in homes as well.

"Our blue ribbon commission is also looking at how to improve connectivity throughout the county," says Hendrix. "Technology is changing the way we educate and how students learn. We have seamless technology in our schools. That same learning should be accessible - no matter where you live in our county."

The *Friday Report* is published weekly by the Public School Forum of NC and is distributed to Forum Board members, legislators active in education policy, the press, and Forum subscribers. Archived editions can be found at www.ncforum.org/doc.