

The Public School Forum's Friday Report

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Court Rules in Favor of State Superintendent

Superior Court Judge Robert Hobgood issued a ruling at noon today that supported State Superintendent June Atkinson's contention that the Governor and State Board of Education violated her constitutional rights when they stripped her of authority over the Department of Public Instruction. He further instructed the State Board of Education to restore her authority immediately. The ruling is the latest chapter of a "who is in charge of North Carolina schools" saga that has been over a decade in the making.

Attorneys for Superintendent of Public Instruction June Atkinson argued in court Wednesday that Governor Perdue violated the state constitution by creating an overarching public education executive and giving him day-to-day administrative powers over Atkinson. Robert Orr, a former Supreme Court justice whose law advocacy group filed Atkinson's lawsuit argued that if this could be done to the State Superintendent, it could be done to any council of state position including the Lieutenant Governor or Attorney General.

The North Carolina Constitution establishes the superintendent as the chief administrative officer of the state Board of Education, whose voting members largely are appointed by the governor to supervise and administer the public schools. But the constitution also says the duties of the schools superintendent, and other elected executive offices like attorney general and agriculture commissioner, "shall be prescribed by law." That means the General Assembly can pass laws defining their duties, argued Mark Davis, a state attorney representing Perdue and the state school board. A 1995 law gave the state school board flexibility to shape the superintendent's job. Since then, the power of the post has ebbed and flowed, depending on who held the job.

In Atkinson's first term, the board gave most of the day-to-day authority of the schools to a deputy superintendent. Atkinson was elected to a second term in November. In January, Perdue said she wanted the new board of education chairman also to take the new title of schools chief executive officer (CEO), clearly making Perdue responsible for how the public schools educate about 1.5 million students. Former Cumberland County schools superintendent Bill Harrison took both posts in March. Atkinson subsequently filed a law suit challenging the action of the State Board and Governor.

Court Rules in Favor of State Superintendent (cont'd)

Today's ruling confuses even more what has been a confusing leadership situation for over a decade. With a state appeal to the Supreme Court a virtual certainty, the question of "who is in charge" of schools is likely to be unanswered for months or longer.

John Dornan, the Forum Executive Director, commenting on today's ruling said, "Twice in recent history the Senate has voted to propose a constitutional amendment that would have resolved the school leadership issue; however, in both cases, House members narrowly voted not to let voters decide the issue. Subsequently, we're now facing another school leadership crisis at the very time that strong school leadership is needed."

The Forum along with other groups including the NC Chamber, the NC School Boards Association and the NC Association of School Administrators has supported a constitutional amendment that would eliminate the position of elected Superintendent and make the position an appointed one. Ironically, legislation calling for a constitutional amendment vote has been introduced in both houses during the current legislative session, but action was deferred pending the outcome of the current lawsuit.

The *Friday Report* will give more extended coverage to today's ruling in next week's issue. It is highly likely that the state will launch a formal appeal to the Supreme Court, keeping the issue unresolved.

The Budget Process Continues

State government will continue operating without a permanent budget for a few more weeks. On Wednesday, the House and Senate approved a second stopgap spending plan, this one funding state government at 84 percent of the 2008-09 state budget. The second temporary spending plan will keep state agencies operating through July 31st in the absence of a state budget. The House voted for the plan in a 109-9 vote; the Senate voted 46-1. Governor Perdue signed the measure shortly after it cleared both chambers.

Nominations Confirmed to the State Board of Ed

Lawmakers have confirmed Governor Beverly Perdue's three nominations to the state Board of Education. Members of the House and Senate, meeting in an unusual joint session Monday night, voted unanimously to give eight-year terms to Wayne McDevitt, Patricia Willoughby and Reginald Kenan. McDevitt and Willoughby have been on the board since 2001. Kenan, a new board member, has been on the Duplin County school board since 1989. McDevitt was secretary of environment and natural resources under Gov. Jim Hunt. Willoughby was state Superintendent of the Department of Public Instruction during 2004-05. The governor appoints 11 of the 13 members of the board of education, which also includes the lieutenant governor and the state treasurer.

States Likely To Face Bigger Budget in Coming Years

According to Alan Greenblatt, “This year was a tough test for state budget writers. Next year will be a harder one.” In an article that appeared in the July issue of *Governing Magazine*, a Congressional Quarterly Publication, Greenblatt painted a dismal picture for state budgets in the coming two years. According to Greenblatt, states across the country are doing essentially what is being done in North Carolina – using reserve funds, making deep program cuts, relying on federal stimulus funds and attempting to keep tax increases as low as possible. However, Greenblatt predicts the years ahead may grow worse. He writes:

“Rather than planning ahead, lawmakers . . . have done their best to muddle through this year’s woes, hoping that an economic turnaround will make budgets easier to deal with in the near future. That, however, seems unlikely. Many states begin this new fiscal year looking at fresh shortfalls that will require action within a matter of months. State revenue sources tend to be lagging indicators, meaning that even if the economy were to start growing again tomorrow, it would take quite a while before tax collections perked up. The one-time funds that were used to close gaps this year are now largely depleted. There will still be some stimulus dollars to play with next year, but then those will run out. Over the next two years, the 50 states could easily be looking at a collective gap of \$200 billion beyond what the stimulus will cover, with no further help in store from the feds.”

Greenblatt’s predictions were echoed in an article posted on *Slate.Com* which was written by former New York Governor Eliot Spitzer. He pointed out that rapid declines in tax revenue coupled with long-term unfunded pension liabilities resulting from state pension losses in the stock market are creating short and long-term problems for states.

Spitzer cited sobering numbers. In 25 of the 41 states with income taxes, revenues are sharply down from previous years. New York income tax revenue, for instance is down 49%; California 20 percent; and North Carolina 9 percent. The same drops can be seen in state sales tax revenue. California is down 13 percent; Michigan down 8 percent; Washington down 14 percent. And while corporate taxes account for only about 6 percent of state tax revenues, the declines are large. North Carolina is down 26 percent; Connecticut 33 percent; Florida 25 percent.

Spitzer also focused on a little-discussed issue – mounting unfunded state pension liabilities. He points out that the nationwide shortfall in public pension funds is now “estimated to be about \$1 trillion. In New York alone, where the state pension fund lost \$44 billion, or about 28 percent of its value, during the last year, local government contributions to the pension fund are going to have to triple over the next six years to make up the shortfall.”

Like Greenblatt, Spitzer’s prognosis for the future is glum. He contends, “The danger we face from incipient state bankruptcy is both short-term and long-term. Short term, state spending cuts will exacerbate the economic decline . . . state cuts now will merely deepen and lengthen the Recession. Longer term, a failure to support needed education spending will put us further behind in the single most important area of government.”

Lost in the Shuffle . . .

Budgets About More Than Numbers . . . They're About People

As time marches on, the scheduled date for school employees to return to work draws closer – now less than one month away for most. In Western Counties, students will begin classes in less than a month. And in virtually all of North Carolina's 115 school districts employees are waiting to hear if there is funding for their jobs; administrators are waiting to finalize class schedules because of uncertainty around the number of teachers that will be employed.

While newspapers dutifully report about legislative gridlock on the budget, little is written about the human toll the delayed budget process is taking on thousands of school and state employees whose jobs hang in the balance. What is described by some as cutting beauracraacy are to others families who are living in fear of a bread winner becoming unemployed, bills not being paid and the potential of looking for work in one of the worst employment environments the state has seen in recent history.

A quick informal survey of school districts around the state underscores the human dimension of the budget process. In Wake County, the state's largest district, almost 1,500 employees have been put into "suspension" as it relates to their employment. In Charlotte the number is 1,300. Looking at smaller districts, 45 teachers in Wilson County have been non-renewed. In Alamance the number is 187. Nash-Rocky Mount will lose up to 150 teachers, 16 non-instructional personnel and as many as 80 teacher assistants. In Haywood County 55 teachers and 62 teacher assistants face unemployment. And the list goes on.

In all 115 North Carolina school systems the budget debate is about far more than numbers. It is about people about to join the growing ranks of the unemployed.

National News...

Executive Director -Teach/Here Teacher Residency Program

The Public Education Foundation in Chattanooga TN, a well-established local education fund with a national reputation for innovation and successful school reform, seeks an experienced, entrepreneurial professional to develop and lead its newly created Teacher Residency Program called *Teach/Here*, in collaboration with its partners, the Hamilton and Knox County school systems and the University of Tennessee, Knoxville.

Executive Director (cont'd)

The mission of *Teach/Here* is to improve learning and life outcomes of students by recruiting, preparing and supporting nontraditional candidates to become exceptional, effective teachers serving in high-need positions of the Hamilton and Knox County school districts. The program will begin in summer of 2010 with a focus on math and science teachers. It is one of just a few new programs endorsed and supported by *Urban Teacher Residencies United*, the only national organization to model the teacher residency concept based on the prototypes in Boston, Chicago and Denver. Teacher residencies blend a yearlong apprenticeship in the classroom of a highly effective, trained mentor teacher with rigorous coursework leading to a master's degree and state of TN certification, followed by at least two years of induction support.

The *Teach/Here* executive director will report to the President of PEF but have full responsibility to guide the development and implementation of all components of this new program, in collaboration with the *Teach/Here* partners. The director will recruit and hire staff as the program develops, beginning with a Recruiter in fall of 2010. The director will be responsible for managing foundation relationships with current supporters – including the National Science Foundation and the Benwood Foundation – as well as helping to secure new relationships with AmeriCorps and other funders.

The ideal candidate is an energetic self-starter with a master's degree or above and relevant experience in K-12 education, teacher preparation, and nonprofit management at an executive or senior management level. Academic and/or business-related expertise in STEM fields and skill in working with adult learners are important. PEF is looking for a creative, collaborative, charismatic innovator with a deep commitment to public education and the social justice mission of this enterprise. A competitive compensation package based on experience and demonstrated expertise will be negotiated. If interested, please send letter of interest and resume to:

Teacher Residency Search Committee
HR@pefchattanooga.org
100 East 10th Street, Suite 500, Chattanooga TN 37402
(by 9/1/09)

Forum News...

Call for EPFP Applications

Applications are now being accepted for the Forum's Education Policy Fellowship Program (EPFP). The ten month seminar program meets weekly on Tuesday night from 5:30 to 8:30 pm from September 15, 2009, to May 11, 2010. The program addresses issues related to policy and leadership development. North Carolina boasts almost 600 EPFP alumni. The program seeks high energy individuals committed to enhancing their professional career through networking and exploring leadership and policy in the "real" world. An application may be obtained at the Forum's website. Go to www.ncforum.org and click on EPFP. The deadline is July 31st. Don't delay. Apply today!

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