



Since election as school board chairperson, Joe White has been away from a regular haunt, the Tuesday Morning Breakfast Forum. Reconnecting Tuesday, White faced a barrage of questions. Story, Page 4.

New twists over budget

Annual county-level pleading more complex than usual

As Charlotte-Mecklenburg public education hurtles toward being a billion-dollar enterprise, the stakes are rising, and so is the complexity of the debate.

This year's installment features the usual financial documents, the usual political posturing, the usual tensions between a school board accountable to parents for academic results, and a county board accountable to residents for the property tax rate.

But it also features some major shifts in school policy being made seemingly

on the fly. When the dust and dollars settle and schools reopen this August, CMS may be headed on a new course.

Raising all boats

There's a breathtaking CMS priority shift built into the ongoing schools-county conversation about budget-setting ("Searching for a formula," below).

Former Supt. Eric Smith launched the drive for new resources to aid low-achieving and high-poverty children at so-called EquityPlus II schools.

Now successor Jim Pughsley wants additional

monies to address low-performing students wherever they are, and no matter their economic status.

No details have been spelled out. The plan is not even in the annual budget document that the school board will hold a hearing on Tuesday night.

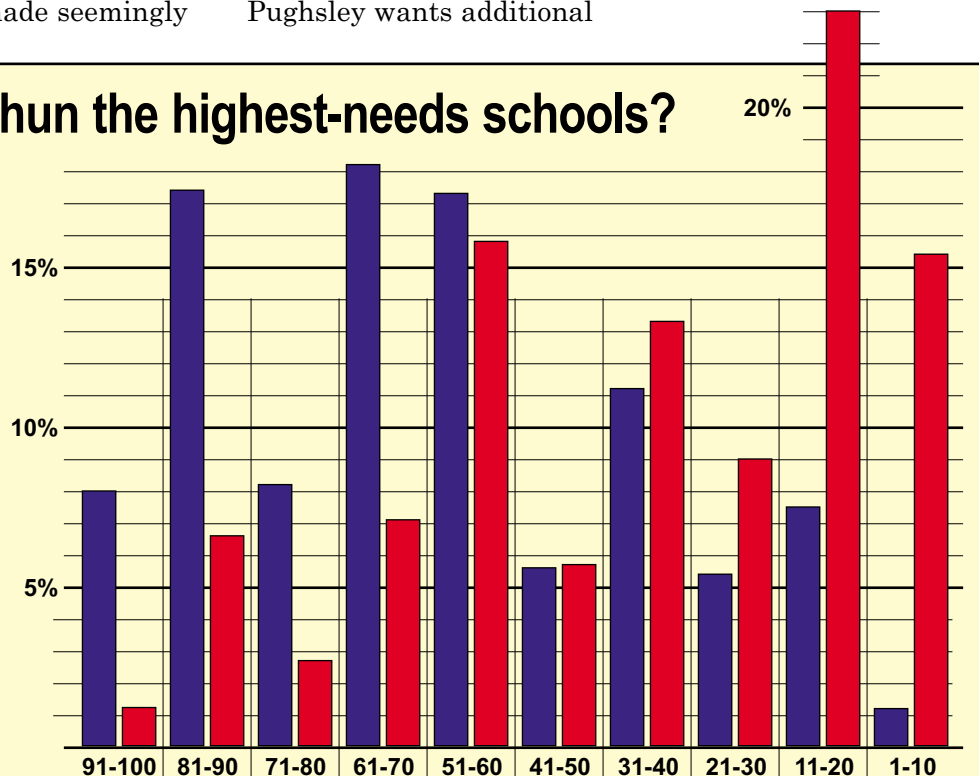
Unveiled Tuesday afternoon before county commissioners, the \$14.3 million fund would add a 20% increment in the county's per-pupil funding. The money would be spent on raising academic achievement among two groups.

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Do best teachers shun the highest-needs schools?

CMS's more than 550 National Board Certified teachers are paid extra for being the best. Annual stipends, depending on training and experience, range from \$3,700 to \$6,900. The need for such teachers is greatest in struggling, high-poverty schools. But in fact 47% of them are in the lowest-poverty schools that serve only 14% of CMS low-income kids.

The first two bars at right reflect all schools with 91%-100% of their students on subsidized lunch. Those schools have 8% of CMS's low-income students (shown in the blue bar ■) and 1.2% of the district's board-certified teachers (shown in the red bar ■).



Data grouped by schools' percentage of students on subsidized lunch

— Sources: CMS, N.C. Dept. of Public Instruction

Budget debate

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One group scored on Level 1 or Level 2 on state tests. Both levels are considered below grade level.

The second group scored at high Level 3 or low Level 4. Pughsley said he wants to push the 3s to 4, and the low 4s even higher.

A formula would count all Level 1 and Level 2 students, and 25% of the students at high Level 3 and low Level 4. Based on last spring's scores, 30,000 students

would be counted – 25.5% of all CMS students.

The Pughsley initiative could address a key parent concern – that the siphoning of resources to the EquityPlus schools, to meet very real needs there, has left in the lurch both high-achievers and low-achievers at other schools. Charlotte Advocates for Education Executive Director Margaret Carnes believes it is this funding gap that is driving middle-class parents out of the public schools.

One observer thought CMS officials didn't make a convincing

case Tuesday for the plan. Indeed, aside from sticker shock over the dollars, some commissioners were nonplussed that Level 4 students needed additional help. Few parents of Level 4 students will have trouble understanding the need for the initiative, Carnes said.

There is another risk. It is one that will remain as long as assignment policies isolate low-achieving and high-poverty students in EquityPlus schools. The risk is that money over time will shift away from the Equity schools to the non-Equity schools. Such a shift would leave Equity school staffs massively underfunded for the miracles they are asked to perform.

Another consideration: The initiative may raise unsupportable expectations. As large a number

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Do you really want county to set CMS funding based by ideology?

The writer represents District 6 on the Mecklenburg Board of County Commissioners.

I noticed that former teacher (and former political candidate) Richard McElrath said, in your March 12 issue, that he wanted the County Commission to withhold money and force the school board to adopt a pro-diversity student assignment policy (to get rid of high poverty, high FRL schools).

His exact statement was: "It is my hope that the county commissioners will say to this board of education, 'We will

**From
Readers**

NOT continue to fund an assignment plan that isolates children of color and children from low-income families.' This board of education has a legal, moral and ethical responsibility to provide a basic education for all children. Isolating children of color and children from low-income families is the least effective and most expensive way to educate children...."

Contrary to his statements there is NO legal obligation to assign children on the basis of color or income. In fact, there is a prohibition against forced assignment of children on the basis of color that was decided in the

recent court case.

If his position is as worthy as your newsletter seems to indicate by the prominence given the quote and the space devoted to it (on page 2); it would seem it would it also be appropriate for the County Commission to say we won't give CMS money until they get rid of excess magnets that are being used to bribe white parents to create selective voluntary "diversity" (raising the cost on County taxpayers by tens of millions)?

The point is that Mr. McElrath wants the County Commission to hold CMS hostage because of ideology. If that is "OK," then ANY ideological viewpoint could be justified to limit CMS funds as long as it got five votes.

If the Swann Fellowship thinks that is a good idea then perhaps the County Commission should have a debate about forcing CMS to eliminate the overuse of magnets and eliminate the last vestiges of race-based assignments.

While it sounds good to the Swannites and the raw meat diversity groupies, I look forward to being thrown into that briar patch and hope you all pursue Mr. McElrath's recommendation with all the sound and fury the Swann Fellowship can muster.

Bill James

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as \$14.3 million appears to individuals, it might mean only a few additional staffers at each of the targeted schoolhouses.

Search for a formula

For more than five years, Tom Cox has been searching for a way to take the heat out of annual school funding debates. There are now three proposals in one fashion or another on the table.

One, championed early by Cox and as recently as Tuesday by commissioners vice chair Dan Ramirez, would determine the county contribution to school revenues on a per-pupil basis.

Another, initially proposed by commissioner Ruth Samuelson, would give the schools a set percentage of the county's annual revenues.

Those two plans have the advantage of simplicity and predictability. But they don't hold out much prospect that the schools will have additional revenues to deal with the growing number of high-needs students arriving each year – or the resources to improve offerings for other students. They give little comfort to those who believe the schools have regularly been underfunded, and need more resources to meet the community's expectations.

Cox and school board chair Joe White have orchestrated a third proposal built on 10 principles written by Cox (story, Page 8), and fleshed out by staff.

At meetings this week, commissioners raised objections. Some of the objections were simply about the cost of the proposal. But many of the objections go to the heart of Cox's principles. While White assured the school board Tuesday night that the proposal would go forward, it was unclear that the proposal would win five votes.

At stake is a key part of the schools' annual budget. Pughsley has warned that a third year of flat county funding would be felt far more broadly across the coun-

ty this year than last year.

County Manager Harry Jones, who negotiated the formula proposal with Pughsley, told commissioners Tuesday he likes the plan.

"I as a manager see a framework that offers some predictability, and that is important to me," he said.

The formula starts with the previous year's budget, adds 4% to cover CMS's trend in student growth, adds in money for staffing of new or reopening schools, pays for county matches for state-set salary increases, provides enhanced funding for underperforming students (Raising all boats, above), allows for additional funds for unanticipated student increases, and pays debt service on school buildings.

The staff proposal tracks the costs both forward and backward. The bottom line:

While the formula for the coming year would cost the equivalent of 5 cents on the tax rate more than the county is now spending, that amount would be less than the tax rate committed in 2002-03. Even the 2006-07 county contribution under the formula –

\$431 million compared to this year's \$332 million – would still represent fewer pennies on the tax rate than in 2002-03.

For some school board members huddling Tuesday night, there was deep irony in the day's complaints from commissioners. The formula was their idea in the first place, they said. And now they don't like it.

New accountability

To win additional money from the county, Pughsley has agreed to show, on an annual basis, that the additional investment is raising achievement.

The pledge responds to one of the principles Cox built into a funding formula proposal: "Ensure that funding is based on demonstrable results."

The vehicle for such accountability is already in place: the so-called Balanced Scorecard, which sets 2005 goals for everything from achievement test scores to levels of family involvement and teacher training.

There may be potholes ahead, however, if the schools must show

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Calendar

MARCH

- 19** Board Personnel Committee, Room 414, Education Center.
- 23** Board Curriculum Committee, 3 p.m., Board Conference Room, Education Center.
- 23** School board meets, holds public hearing on superintendent's '04-'05 proposed budget, 6 p.m., Board Room, Education Center.
- 24** School board budget workshop, 6 p.m., Board Room, Education Center.
- 25** School board Personnel Committee, 2 p.m., Board Conference Room, Education Center.
- 26-28** AAUW N.C. Convention, "Making an Impact: Education Equity for Women and Girls," Marriott Executive Park. Information: www.aauwnc.org or

704-661-6568.

- 27** Gospel Extravaganza, at which Dr. Reginald A. Hawkins and the late Kelly M. Alexander Sr. will be honored for their civil rights work, 6 p.m., United House of Prayer for All People, 2321 Beatties Ford Rd.
- 30** "Child Poverty in Mecklenburg County," a speech by Director of Social Services Richard W. Jacobsen Jr., at Mecklenburg Ministries' Spring Council Meeting, 7 p.m., Myers Park Baptist, 1900 Queens Rd.

MAY

- 19** Chamber Education Lobbying Trip to Raleigh to visit with members of the N.C. General Assembly about public education needs, 7 a.m.-7 p.m. Day includes lunch with delegation and forum on taxing authority for school boards. To reserve seat on bus, call 704-378-1301 or e-mail kcramer@charlottechamber.com

School leader defends review of bond funds

School board chairperson Joe White Tuesday defended a controversial school board decision to review how bond monies may be spent.

While saying his own vote would probably be to keep money allocated as earlier promised to voters, White said there was a potent lobby for reallocation of monies earmarked for renovation to build new seats to relieve suburban overcrowding.

The conversation drew groans from the predominantly black audience dominated by Charlotte natives personally aware of how promises of new schools in minority and low-income communities have been broken time after time.

White, a self-described “eternal optimist,” was the first to arrive for the Tuesday Morning Breakfast Forum, which now meets at a recreation center near West Charlotte High School.

The at-large member elected last December said it was “a fact that a lot of people want to take a look at bond money that has already been passed and dedicated to certain uses.”

White said that “unless you can show me a very good reason, my vote will be to leave it where the people voted to put it.”

But he added that “there’s nothing wrong at looking at anything” and that moving money to new projects from those temporarily delayed by, for example, sewer service is “not taking that away from those people forever. It is simply reprioritizing what we’re



White, left, with Community Link CEO Floyd Davis.

going to do right now.”

Also during the 90-minute conversation, White;

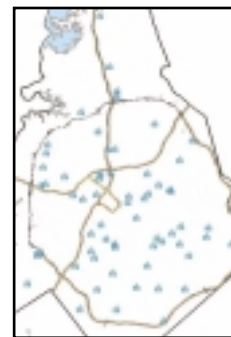
– Called Supt. Jim Pughsley’s budget proposal “a good document.... Whether we can get it fully funded is another matter, but we’re working on it.”

– Labeled as “myth” that “if we the board just made people use” seats now empty in some schools that overcrowding would end. “We’d still be 15,000 short.”

– Acknowledged safety concerns, but noted, “We haven’t issued a single gun. We don’t have a single class teaching kids to be vio-

lent....It is a community problem.... How do we deal with it locally when we live in a country where our entire foreign policy is based on bullying? ... We’re stronger than you, and unless you look like us, act like us and believe like us, we’re going to kick your butt.” White said he thought history “will identify ours as an age of violence.”

– Labeled as “misconception” the public’s sense that the schools that need repair are just on one side of town. “They are all over this community,” making reference to the adjoining map.



– Asked how CMS would retrain staff to teach low-income children, White said, “What we really need, to get at it better, is for the institutions that train our teachers to do it better.” In earlier introductory remarks, when addressing professional development plans for teachers, White said, “We need to teach them how to deal with these kids.”

He added that the district was looking at importing a Great Expectations professional development program that originated in Oklahoma but that’s expanded to 14 states (map).



www.greatexpectationsok.org

But the ex-high school coach said all teachers should be ready to engage with all CMS students. “If teachers don’t want to deal with our kids, I’ll help them pack.... If pay is all that motivates them, they won’t help our kids.”

– Asked about the student assignment plan, White acknowledged that crowding left parents “less and less choice.” He noted he was not part of the board that



White with Jackie Walton, left, board member Louise Woods.



White with community activist Dwayne Collins.

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Budget debate

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annual increases on such measures. Many of the measures are controlled by the state, and are volatile. The fourth-grade writing scores plummeting statewide a few years ago is a recent example of the danger.

Pughsley last week also agreed with a proposal from the Education Budget Advisory Committee to ease future accountability, not with a new yardstick, but by combining two documents: the budget and the portions of the Balanced Scorecard that deal with academic achievement.

Pughsley said Wednesday he had no problem with the idea.

New cost-cutting

In his budget proposal, Pughsley wrote, "In addition, we are seeking the support of the business community in our efforts to become more efficient and effective. With the help of key business leaders, we have begun an efficiency and effectiveness review of eight CMS areas to determine ways that we can improve our operations."

No financial goals for this cost-cutting have been announced. They follow a period running up to the current budget proposal during which CMS department heads were asked to identify 6% of their budgets that could be axed. Pughsley told board members the process didn't result in

across-the-board 6% cuts. In some cases, one department's "lost" money went to higher-priority projects elsewhere.

Wednesday, Pughsley said he contemplated four working panels of business leaders in this new review of operations. He said the project was at his initiative, and that Wachovia's Peter Sidebottom would be involved.

While managing partner of McKinsey & Co.'s North Carolina office, Sidebottom headed an earlier efficiency study that pushed CMS to streamline its non-instructional operations. Many of the study's recommendations were implemented. Others were tabled because of legal barriers.

Pughsley told the Education Budget Advisory Committee that he expected recommendations from the groups by September. While the timing suggests that results might affect only the 2005-06 budget and beyond, CMS budgeting lately has taken on a 24/7 flavor, with cuts being made in the current year three months after the year had begun.

Betting on bonds

For CMS, one of the key comforts in the initial version of the funding formula proposal is the number \$150 million.

That's the number that staff used as the annual amount the county would make available from bond sales to finance new school construction and renovations. Here's how Deputy County Manager Russ Crider explained that number:

Cox's principles envision building a seat for every new child, and reducing the number of mobile classrooms over time.

Bonds will be needed to accomplish both goals. CMS put together two scenarios, \$130 million a year and \$150 million. Crider said the north Mecklenburg citizens group FUME advocated an amount in the middle.

"We chose \$150 million," he said. "You can drop it to \$130 million, but you're just going to extend out the time for building

School board chair takes questions

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approved the current plan, and "would prefer that my 12 grandchildren would be in diverse schools.

"But if you're asking me am I willing to even attempt, can I get the votes, the public support to put this community into an uproar of another assignment controversy, the answer is no.

"I don't think there are the votes, the political will or the support of the community" to end the current plan, which has resegregated schools and concentrated minorities and the poor in a third of the district's 145 schools.

Accused of consigning children to "live the misery of Plessy," White replied, "I don't think there's the votes out there to change that right now."

– Said Pughsley "will continue to look at things for ways to do better, cheaper and to do things more efficiently," adding later that CMS should build schools more cheaply, and on

smaller pieces of land.

– Said he "was amazed" at how many parents got their first choice in the lottery. School board member Louise Woods noted that most of 85% who got their first choice sought their guaranteed home school. "I didn't get my first choice," chimed in at-large member Kit Cramer.

– Asked about declining dress standards for both students and teachers, White said he supported uniforms, as well as crackdowns on gang colors. But he added, "I think I'd get struck down in court anywhere in the country if I set a dress code for teachers."

– Asked about his absences from the breakfast forum since his December election as board chair, White said the workload had "killed my tennis game" and that "everybody wants a piece of the school board chair... Unfortunately it's a pretty full day," adding that his absences are "not because of a lack of interest."

White's public day Tuesday ended after 8 p.m., when a school board budget workshop concluded at a deserted Education Center.

Budget debate

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the schools.” And extending the time means buying more trailers.

Some county commissioners have argued for annual bond sales of \$90 million.

Pay for performance

In a 266-page, \$903 million budget proposal, much of the discussion thus far has focused on a \$1.2 million proposal and the following six sentences:

“Charlotte-Mecklenburg Schools is a recognized urban leader in linking student achievement to bonus pay initiatives, including the Local Accountability Bonus and the Annual Retention Incentive in EquityPlus II Schools for Master Teachers. To further enhance employee performance and student achievement, CMS proposes a unique pilot program for performance-based pay in pilot schools.

“A total program involving most positions within the school will offer employees the option of an express pay schedule, focused on selected elements appropriate to the position, such as student achievement, attendance and professional development.

“To accomplish the full vision of Charlotte-Mecklenburg Schools, Balanced Scorecard 8.1 states that the job related knowledge, skills and abilities of all CMS personnel will improve to better perform all jobs in support of district objectives. Through this pilot program, employees will be provided the opportunity to gain additional salary based on enhancing employee and student performance. Funding of this program will assist the district in meeting the Balanced Scorecard Objective 7.1.”

The proposal aims to build competence, cut absenteeism and boost test scores. Employees volunteering for the program would have to meet targets in all three categories. A new teacher who met the new standards every year could, by the 14th year, be mak-

Briefings available

CMS is not just one of the county’s largest employers, operating at more than 150 locations.

Its proposed \$903 million budget touches the lives and preparation for life of about 117,000 children and youth.

School officials stand ready to brief groups of 20 or more people about the goals behind what’s in a much-discussed but little-read document.

“We want to give them some information directly, as opposed to what they get through media filters,” says Tony Bucci, executive director of CMS Student, Family and Community Services.

Contact Bucci or his staff at 980-343-5986 for details.

ing the salary now available only after 30 years of service.

Such “express pay” could have a mighty impact on teacher retention. The recent annual turnover rates of up to 21% have eroded the district’s ability to educate all children, Pughsley has said.

To qualify for express pay, staff could miss only four or fewer days to be eligible. There would be no waivers for serious illness or any other reason. Professional development would be individually tailored and involve 30 or so hours, possibly involving online learning opportunities.

William Sanders’ pioneering research in Tennessee gave new credibility to the effort to link teacher evaluations or pay to students’ academic outcomes. Some teacher groups are still uncomfortable with such proposals.

Pughsley said part of the \$1.2 million annual cost would be covered by lower expenses for substitute teachers.

Teacher and staff groups have not yet weighed in on the proposal. Pughsley said they would have a role in setting the details, but he told the school board Tuesday

night he would retain control so there would be no watering down of the objectives.

Leading for children

A year ago, Pughsley’s financial forecast said the community would need an additional \$14.9 million in local support for the current year. Commissioners gave nothing more.

The forecast said the 2004-05 budget – the one now being debated – would require an additional \$96.4 million. Yet, the budget proposal sought only \$25 million.

Asked Tuesday night why he had requested \$25 million, Pughsley said, “I have to take a realistic position.”

But if last year’s forecast was truly based on educational priorities, then a realistic position for the educator in a politics-driven discussion would seem to be to stick to the children’s needs.

“There are some people who thought I should have asked for more. There are some people who thought I should have asked for less – a whole lot less,” Pughsley said. But he acknowledged the forecast, and said “I have confidence in that forecast – and I can defend it.”

Indeed, by Wednesday morning, he was couching his \$14.3 million request for low-achievers as an outgrowth of the financial forecast – and an attempt to push the community toward a greater financial commitment in its children’s education.

Ken Harris, the former Charlotte mayor who now heads both the Bond Oversight Committee and the Education Budget Advisory Committee, was upbeat Wednesday morning, despite the tension level as commissioners debated the funding formula Tuesday afternoon.

Harris, a veteran of past county-school budget wars, was upbeat because “they are actually talking to one another. Nobody stormed out.”

The school board is scheduled to approve a budget on April 13. The budget formally goes to the county May 11.

Briefly

... in the Carolinas

Board-certified: A study conducted in North Carolina found that National Board-certified teachers are more effective at raising students' test scores, the News and Observer reported. Students with National Board certified teachers gained an average of 7% more on end-of-grade tests than students with teachers who tried and failed to receive national board certification. Gains were as much as 15% greater among low-income children who had Board-certified teachers.
www.newsobserver.com

... in the Nation

Small schools: New York City will open 60 small theme high schools this fall, the New York Times reported. The effort is designed to reduce dropout rates.
www.nytimes.com

Charity begins at...: The Philadelphia schools have, like CMS, established an in-house nonprofit corporation to handle donations to schools, the Philadelphia Inquirer reported. Individuals and businesses contributing money will be able to designate where they want their donations spent and will receive annual reports of expenditures.
www.philly.com

Budget whacked: Among the programs cut when \$16.5 million had to be eliminated from the West Contra Costa, Calif., school district: all high school sports, all libraries, and layoffs for all music teachers and counselors by fall, the San Francisco Chronicle reported.
www.sfgate.com

2nd language?: Mandarin Chinese will be the future must-know language, National Geographic reported. Today, Mandarin Chinese is the most widespread native language. The

Kids ultimately thrive

From "Resiliency: What We Have Learned," by Bonnie Benard, a lengthy research review asserting that three-quarters or more of children manage to overcome, by adulthood, a variety of horrible conditions that marred their childhoods. The book's credo isn't "they'll get over it" but that help from adults is essential:

"Young people learn what is lived around them, for the most part through modeling, cultural practices, and direct experience. Positive youth development, then, depends on the quality of the environment – the available supports, messages, and opportunities young people find in the people, places, and experiences in their lives."

– www.wested.org/cs/we/view/rs/712

Geographic also reported that 90% of the world's 6,000 languages may become extinct by the next century, with new hybrid languages may take their place. Experts already count 100 forms of English.

www.nationalgeographic.com

Unwanted advances: A study called for by No Child Left Behind concludes that possibly 10% of children receive some type of unwanted sexual advance by a school employee during their school-age years, Education Week reported. Hofstra researcher Charol Shakeshaft said the research was skimpy, but that the levels of abuse could be far higher than that recently tallied among Catholic priests. An AAUW study looked not only at physical contact but sexual remarks, jokes and gestures.

www.edweek.org

Teacher shortage: A new limit on H-1B visas, used by U.S. schools to hire foreigners to fill teaching slots, will make it more

difficult to recruit outside the U.S., the Washington Post reported. Urban districts regularly recruit foreign-born teachers to fill critical vacancies in math, science and foreign languages.
www.washingtonpost.com

Single-sex: Federal officials plan this spring to give schools more flexibility in opening single-sex schools and programs, USA Today reported.
www.usatoday.com

Less homework: Hours spent doing homework are decreasing for high school students, the Weekly Standard reported. In a 1988 survey, 17% of 13-year-olds reported they had no homework the night before. In 1999, the response was 24%.

www.weeklystandard.com

Internet cheats: In high schools and college, more students are using the Internet to access ready-made papers to turn in as their own, the Christian Science Monitor reported. Teachers are becoming savvy, however. Some ask for writing samples at the beginning of the term, while others use technology to search the Internet for copied passages.

www.csmonitor.com

Deterring suicide: Explaining to teen-agers the connection between depression and suicide cut high school students' suicide attempts by 40% at five test schools, Reuters reported. Among the messages of successful programs is to tell teens that it is not a "betrayal of trust" to tell an adult if they think that a friend is suicidal.

www.reuters.com

Exit exam: In Washington State, a bill would require that students pass a state test to graduate high school, the Seattle Times reported. Each student would get four chances to pass. Those failing the fourth time would be given an alternative assessment.

www.seattletimes.com

Staff Devt. Center Art

– Leah Sofirstein, Hopewell High,
in the style of Chuck Close



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Principles, assumptions underlying budget talks

Discussion between county and school boards over how to regularize school funding focused this week on a staff-driven funding framework.

County commissioners Chairman Tom Cox Tuesday identified the principles below as his work. The assumptions below appear to be the result of staff discussions.

Principles

1. Ensure funding is predictable and sustainable.
2. Recognize operating and capital (debt-service funding) would come from a single appropriation.
3. Ensure that funding relationship is multi-year; know over a 3-year period.
4. Ensure framework is designed to identify a minimum allocation, not a maximum.
5. Provide for responsiveness to growth in the student population.
6. Ensure that funding is based

on demonstrable results.

7. Build a new seat for each new child.

8. Adopt a refurbishment program – target would be to provide funding to sustain a seat refurbishment program over a period of time.

9. Adopt a program to reduce the need for mobile classrooms to an acceptable time frame.

10. Commitment by the Board of County Commissioners not to request refund of Board of Education monies remaining at year-end.

Assumptions

1. Minimum of 4% increase over prior year adjusted base allocation amount – designed to correlate with student population growth and provide maintenance of current effort.

2. The components of two half-cent sales taxes would continue to be applied to CMS debt service.

3. Opening of new facilities – designed to allow for increase in funding based on the per-square-foot amount (derived from the previous year) the new square footage to be added. In addition, this also includes funding for new staff required to open the new facility.

4. Debt service reflected is based upon annual bond sales of approximately \$150 million.

5. Salary increase above 2%. For example, if the state provides a 5% increase, the funding framework would include additional funding to provide for the 3% salary increase for locally paid employees (the percentage above the 2%). In 2004-05, this would equate to approximately \$5.3 million. There is a placeholder on the spreadsheet for this trigger in future years; however, no projections of the amounts are reflected beyond 2004-2005.