

Approved by the Charlotte-
Mecklenburg Board of Education
February 9, 2010
Regular Board Meeting



Charlotte, North Carolina

January 12, 2010

REGULAR MEETING
of the
CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

The Charlotte-Mecklenburg Board of Education held a Regular Board Meeting on January 12, 2010. The meeting began at 4:35 p.m. and was held in Room CH-14 of the Government Center.

Present: Eric C. Davis, Chairperson, (District 5);
Tom Tate, Vice-Chairperson, (District 4);
Trent Merchant, Member At-Large;
Kaye Bernard McGarry, Member At-Large;
Joe I. White, Jr., Member At-Large;
Richard Allen McElrath, Sr. (District 2);
Dr. Joyce Davis Waddell (District 3); and
Timothy S. Morgan (District 6)

Absent: Rhonda Lennon (District 1)

Also present at the request of the Board were Dr. Peter Gorman, Superintendent; André F. Mayes, Acting General Counsel/Deputy General Counsel; Hugh Hattabaugh, Chief Operating Officer; LaToya Walker, Executive Director to the Office of the Superintendent; and Nancy Daughtridge, Clerk to the Board.

Upon motion by Mr. Merchant, seconded by Mr. Morgan, the Board voted unanimously of those present for approval to go into Closed Session for the following purposes:

- **To consult with the Board's attorneys on pending litigation matters: *Sugar Creek Charter School, et al. Charlotte-Mecklenburg Board of Education, et al. (07-CVS-6451) and W.N. by her parents K.N.v. Charlotte-Mecklenburg Board of Education (09-EDC 5899); and***
- **To consider a personnel matter.**

The motion was made pursuant to Section 143-318.11(a) of the North Carolina General Statutes.

The Board held a Closed Session meeting from 4:35 p.m. until 6:13 p.m. in CH-14.

Chairperson Davis reconvened the Regular Board Meeting at 6:24 p.m. in the Meeting Chamber of the Government Center. CMS-TV Channel 3 televised the meeting.

Present: Eric C. Davis, Chairperson, (District 5);
Tom Tate, Vice-Chairperson, (District 4);
Trent Merchant, Member At-Large;

Kaye Bernard McGarry, Member At-Large;
Joe I. White, Jr., Member At-Large;
Rhonda Lennon (District 1);
Richard Allen McElrath, Sr. (District 2);
Dr. Joyce Davis Waddell (District 3); and
Timothy S. Morgan (District 6)

Absent: There were no absences.

Also present at the request of the Board were Dr. Peter Gorman, Superintendent; André F. Mayes, Acting General Counsel/Deputy General Counsel; Members of Executive and Senior Staffs; Judy Whittington, Manager of Board Services; and Nancy Daughtridge, Clerk to the Board.

I. CALL TO ORDER

Chairperson Davis called the meeting to order at 6:24 p.m. Chairperson Davis welcomed everyone to the Board's first meeting of the new year. He thanked everyone for joining the Board in their work of reform of the school system. He apologized for starting the meeting late and noted that the Board had been conducting business in Closed Session.

A. Pledge of Allegiance

Chairperson Davis called upon Rhonda Lennon to introduce the student to lead those present and in the viewing audience in the Pledge of Allegiance and to speak to the January character trait of "justice and fairness." Ms. Lennon introduced Katie Husselbee who is a 12-year old, 7th grade honor roll student at Bailey Middle School. Katie is an active member of the student body, a member of the morning technical crew and yearbook staff, and plays tenor sax in the school band. Katie is an active athlete in her community and plays competitive soccer with the North Mecklenburg Soccer Club. Katie also enjoys art, baking, and playing guitar. Accompanying Katie were her mother, Karen Flemm; father, Scott Husselbee; brother, Kevin Husselbee, stepmother, Melissa Warlick; and her principal, Jennifer Dean. Ms. Flemm is the 7th grade lead counsel at Bailey Middle School. Katie invited everyone to stand and join her in reciting the Pledge of Allegiance. Following the pledge, Katie said January is the month in which we celebrate Dr. Martin Luther King, Jr. and he represents the January character trait of "justice and fairness." Dr. King spoke out for all to hear and made personal sacrifices to protest during the Civil Rights Movement. Katie shared the importance of treating people with justice and fairness.

B. Adoption of Agenda

Chairperson Davis called for a motion to adopt the agenda.

Ms. McGarry moved, seconded by Dr. Waddell, that the Board adopt the agenda as presented, and the Board voted 9-0 in support of the motion.

II. REQUEST FROM THE PUBLIC

Chairperson Davis said this is an opportunity to hear from the public. He encouraged the

audience to be mindful of showing respect to the speakers and to refrain from either showing support or displeasure. Each speaker will be given three minutes to address the Board. He asked speakers to direct comments to him as the representative of the Board.

Eight speakers addressed the Board on various subjects.

Mitzi Porter, parent of a son at West Charlotte High School and an active member of the PTSA, encouraged the Board to provide adequate resources to West Charlotte because the recent reductions in staff have drastically impacted the school. She asked the Board to not allow disruptive students from other schools to be reassigned to West Charlotte to continue their disruptive behavior. She expressed concern that the facility is not being maintained and noted school safety issues. She asked the Board to visit West Charlotte and to make it an inviting and well-maintained facility.

Alexis Turner, sophomore in the pre-IB Program at West Charlotte and class president, discussed school pride and concern for lack of resources. She commended the students at West Charlotte for being ordinary people achieving extraordinary things and staff for doing extraordinary things and supporting students. She has met many people who have graduated from West Charlotte who are successful and she encouraged the alumni to continue to be valuable mentors to the students. She asked the Board to support ordinary people doing extraordinary things

Julie Parsons represented Families for Strong Schools expressed concern that the Board's recent student assignment decisions have a negative impact on students and families. The Board represents the public and the public supports Families for Strong Schools but that was not the outcome of the Board vote. The Board decision divides families; does not support rising sophomores and juniors, and does not have the best education interest of these students because it removes them from a successful educational path. There is no bridge for the parents and the Board must rebuild that bridge and put the students caught in the transition first. She asked the Board to represent the public with common sense leadership and action.

Kenneth Simmons, represented the National Association for the Advancement of Color People (NAACP), and advised the Board that they are aware of the denial of a sound basic education for seven 4th and 5th grade African-American male students at First Ward Elementary School. The rights of these students have been violated for the first semester of this school year. Attempts have been made to notify key staff members at CMS of the specific concerns related to these violations and no action has been taken. Public law mandates that all Exceptional Children and Special Education students must be provided consistent instruction as all other non-Exceptional Children. These students have been labeled as having serious behavior problems and that should qualify them for federal services and an individual behavior plan. He expressed concern that staff is not addressing the needs, performance, and well being of these young men and as a result their behavior is out of control and that regularly disrupts the school environment. The NAACP serves notice to the Board that immediate and positive changes must be made to provide these students the best education possible and a plan of action must be implemented.

Blanche Penn, represented the Winners Plus Agency, shared her thoughts on company's

answering machines, IEPs and PEPs, and having five grandchildren in five different schools. She visited Vance High, Newell Elementary, Oaklawn Language Academy, Smart Kids, and Northeast Learning Community. She was impressed with Oaklawn and Newell and the involvement of the principal and she noted that the staff at Northeast Learning Community was informative. She said the Parent Educational Plan (PEP) has been in place since 1999 and that is supposed to help our children. She said PEPs have been around for a long time and she is not sure why there is a gap. She asked staff to include PEPs and IEPs in the Parent University Handbook, parents to visit their children's schools and meet their teachers, and the Board to educate all children well.

Queen Thompson, a former CMS employee, shared concerns regarding her termination and loss of insurance benefits. She was employed with CMS for thirty-two years with a blemish free work history and was terminated after requesting sick leave. Her disability claim was reviewed by staff and denied. She has written letters to CMS personnel and has received no response. She provided the Board with new evidence regarding her eligibility for permanent disability and requested an Administrative Review.

Esther Bruce, parent of a 9th grade student in the Academy of International Studies (AIS) at Independence High School, expressed concern that she recently received a letter from Student Placement that reassigns her daughter to Rocky River High School. Her daughter loves Independence High School, the staff, the AIS Program, and she feels safe at the school. She had no prior notice that her daughter would be reassigned and expressed concern that she will not be allowed to remain at the Independence and in the AIS Program. She believes this decision will also have a negative impact on demographics and the African-American community. She also asked the Board to not use Martin Luther King, Jr. holiday as a make up day because that is a slap in the face and an affront against Dr. King's legacy of freedom and justice.

Angie Byers is the parent of a Myers Park junior who has greatly benefited from the IB Program. She is a resident of the Myers Park Zone and spoke on behalf of the parents of the IB students at Myers Park who will not have the choice to complete their high school education at Myers Park (61% are minority and 27% are economically disadvantaged). She encouraged the Board to support the motion to allow the rising sophomores and juniors to remain at the school because it is reasonable for those students to remain in the IB Program at Myers Park High School. She thanked those Board members who have met with these families and listened to their concerns.

III. CONSENT ITEMS

- A. Recommend approval of Closed Session meeting minutes:
 - December 8, 2009.
 - December 10, 2009.
- B. Recommend approval of Open Session meeting minutes:
 - October 27, 2009 Regular Board Meeting.
 - December 8, 2009 Special Meeting/Installation Ceremony.
 - December 8, 2009 Regular Board Meeting.
 - December 14-15, 2009, Special Meeting/Reform Governance in Action Work Session.

- C. Recommend approval of licensed/non-licensed hires for December 2009 and licensed/non-licensed promotions for December 2009.
- D. Supplementary Funding/Grant requests from the North Carolina Department of the Institute of Electrical and Electronics Engineers, INC. (IEEE).

- 1. Recommend approval of supplementary funding request for *CMS Energy Saving Initiatives: Lighting Retrofits*.

The Energy Saving Initiatives Project will convert T12 fluorescent to T8 lamps at various facilities as prioritized by the Maintenance Department (CMS Senior Electrical Engineer). Gym lights HID to fluorescent conversions are also being considered. These lighting retrofits will reduce maintenance, improve light levels, save considerable energy, advance the goal of moving away from T12 lamps (which will be phased out), and improve the Energy Star rating of project schools. Funding requested from ARRA Energy Efficiency for Community Colleges and K-12 Public School Buildings Program, NC Department of Commerce, State Energy Office in the amount of \$200,000.00.

- 2. Recommend approval of supplementary funding request for *Engineering is Elementary at Hawk Ridge Elementary School* grant proposal.

The goal of this initiative is to introduce students in grades one through five to various engineering strands through literature, inquiry based cooperative learning and technology through units of study that are aligned with North Carolina Standard Course of Study (NCSCOS). Funding requested from Institute of Electrical and Electronics Engineers, Inc. (IEEE) in the amount of \$45,051.31.

- E. Recommend approval of one citizen appointment to the Equity Committee by the District 2 Board member, Richard McElrath.

Mr. McElrath recommended the appointment of Pam Grundy to the Equity Committee to fulfill a partial term ending November 30, 2012.

- F. Recommend approval of the adoption of a resolution authorizing the Director of Storage and Distribution to dispose of surplus school property by way of on-line bid in auction format.

The on-line auction time span will encompass the February 1 through February 12, 2010 period. GovDeals, (www.govdeals.com) an experienced and proven on-line government surplus sales service provide, will facilitate the process.

- G. Recommend approval of a temporary construction easement and a permanent sanitary sewer easement to the City of Charlotte on Charlotte-Mecklenburg Board of Education property located at 2400 Colony Road in connection with the Briar Creek Sewer Relief Project.

The City of Charlotte requires a Temporary Construction Easement of 33,201 square feet and a Permanent Sanitary Sewer Easement Storm 27,758 square feet to make improvements to storm drainage facilities, including the right to constructing installing, improving, operating, inspecting, repairing and maintaining storm drainage facilities within the Easement Area, at Myers Park High School, 2400

Colony Road; Parcel No. 140-04-634. Upon completion of the physical activation of newly installed sanitary sewer system and after completion of physical de-activation of the existing sanitary sewer system, the existing easement consisting of 4,298 sq. ft will be permanently abandoned. Fiscal implications in the amount of \$122,000.00 to be paid to CMBE by the City of Charlotte.

- H. Recommend approval to change the name of John M. Morehead Elementary School to John M. Morehead S.T.E.M. Academy.

The School Naming Advisory Committee was established according to Board Policy FF: Naming Facilities. The Committee consisted of seven parents, three community members, and fourteen members including the principal. John Motley Morehead Elementary School is located at 429 Neal Road and is a part of Governors Village. On November 12, 2008, the Board of Education voted to expand the Math, Science, and Environmental Studies Magnet Program at Morehead Elementary School and convert it to a K-8 program focusing on Science, Technology, Engineering, and Mathematics with the intention that the school be referred to informally as Morehead S.T.E.M. Academy. This change takes effect in the 2010-2011 school year with the addition of a sixth grade class (grades seven and eight will be added in the two subsequent school years).

- I. Construction items:

1. Recommend approval of construction contracts for interior up-fit of office space on the 5th floor of the Charlotte-Mecklenburg Government Center.

The interior up-fit construction contracts for the 5th floor of the Charlotte-Mecklenburg Government Center were bid on December 21, 2009 and December 28, 2009. Staff recommends approval of the construction contracts to lowest responsive bidders, D.E Brown Construction Company and Datacom Connections, Inc. The interior up-fit scope of work includes interior demolition, drywall partitions, doors, frames, hardware, interior finishes, electrical, technology, and mechanical work required to reconfigure the existing 5th floor office space to accommodate Charlotte-Mecklenburg Schools' requirements. The interior up-fit is scheduled to be complete in April 2010. Recommended Contractor D. E. Brown Construction Company with an approximate recommended award of \$196,248.00 and Datacom Connections, Inc. with an approximate recommended award of \$49,197.56. Fiscal Implications: 2008 School Administrative Facility COPS in the amount of \$245,445.56.

2. Recommend approval of construction contract for roof repairs at various schools.

The roof repair project for various schools was publicly bid on October 28, 2009. Staff recommends approval of the roof repair contract to the lowest responsive bidder, Roofing Service, Inc. The contract will include roofing, gutters, downspouts, maintenance, and labor needed to make repairs at various Charlotte-Mecklenburg Schools. Fiscal Implications: Local funds in the amount of \$109,910.00.

- J. Recommend approval of appointment of administrative personnel.

Appointments:

- *Richard Reynolds named principal at Olympic High School – Math, Engineering, Technology, and Science. Mr. Reynolds has a Master of Arts in School Administration from Gardner-Webb University and a Bachelor of Science in Computer Science from Johnson C. Smith University. Mr. Reynolds previously served as principal at Mooresville Middle School in Mooresville, North Carolina, with Mooresville Graded Schools.*
- *Michael Miliote named principal at Matthews Elementary School. Mr. Miliote previously served as assistant principal at Ballantyne Elementary School.*
- *Dr. Mark Robertson named principal at Sedgefield Middle School. Dr. Robertson previously served as principal at Martin Luther King, Jr. Middle School.*

Chairperson Davis called for a motion to adopt the Consent Agenda.

Mr. White moved, seconded by Dr. Waddell, that the Board adopt Consent Items A. through J., and the Board voted 9-0 in support of the motion.

IV. ACTION ITEMS

A. Recommend approval of 2010 Regular Board Meeting schedule for the Board of Education

Chairperson Davis called upon Dr. Gorman to present the recommendation. Dr. Gorman said the proposed 2010 Regular Board meeting schedule includes the meeting dates for each month. He said the second Board meeting in November is not included on the calendar for next year because in past that meeting date has been canceled so that date has been taken off the list. This calendar proposes one meeting in the months of July, November, and December and two meetings for the remainder of the months. The 2010 Regular Board Meeting schedule includes the following dates:

- January 12
- January 26
- February 9
- February 23
- March 9
- March 23
- April 13
- April 27
- May 11
- May 25
- June 8
- June 22
- July 27
- August 10
- August 24
- September 14
- September 28
- October 12
- October 26
- November 9
- December 14

Chairperson Davis called for a motion to adopt the proposed 2010 Regular Board Meeting schedule.

Mr. White moved that the Board adopt the 2010 Regular Board Meeting schedule for the Board of Education, seconded by Dr. Waddell, and the Board voted 9-0 in support of the motion.

B. Recommend approval of Board Chairperson, Eric Davis, to sign the *Race to the Top* Preliminary Scope of Work document

Chairperson Davis called upon Dr. Gorman to present the recommendation. Dr. Gorman said this is the approval of the Board Chairperson to sign the *Race to the Top* Preliminary Scope of Work document. Dr. Gorman called upon Robert Avossa, Chief Accountability Officer, and Mary McCray, president of the Charlotte-Mecklenburg Association of Educators, to present information regarding the potential funding.

Mr. Avossa provided the Board with an update on the State's application for *Race to the Top*. Mr. Avossa commended staff members for their efforts in facilitating this initiative.

- Overview:

The U.S. Department of Education has officially launched the *Race to the Top* (RttT) grant competition which is a competitive, stimulus grant program for education through the federal American Recovery and Reinvestment Act (ARRA) of 2009. States are eligible to apply and not school districts. North Carolina is applying for funding through *Race to the Top* and the districts that participate will receive funds according to the Title I, Part A formulas in which 50% of the State *RttT* funding will go to the schools districts that agreed to the Memorandum of Understanding (MOU). North Carolina is requesting \$400 million over the course of four years. The U. S. Department of Education has set two application deadlines: Phase 1 deadline is January 2010 and Phase 2 is June 2010. The state of North Carolina is applying for Phase 1 and should they be selected the awards for that phase will be dispersed in April 2010. The districts in the winning states will submit their final scope of work by July 2010. If the state of North Carolina is not funded in Phase 1 the State will have an opportunity to apply for Phase 2 in June. The federal government will obligate the funding for that phase by September 30, 2010 with issuance in early October or November.

- Purpose:

The purpose of the funding is educational reform. It is designed to encourage and reward states that are making significant reforms in four education areas. Applying states must address the four ARRA educational reform areas as follows:

1. Promote college and career-ready standards and aligned, improved assessments;
2. Enhance teacher and principal effectiveness and promote equitable distribution of effective teachers for low-income and minority children;
3. Strengthen data systems that foster fuller collection, sharing and use of data; and
4. Support turnaround of lowest achieving schools.

- Strategies:

The U. S. Department will gauge North Carolina on the following Six State Success

Factors:

1. Increasing graduation rates.
2. Career-ready and college-ready graduates.
3. Subgroups of students completing challenging capstone courses.
4. High school graduates who attend college.
5. Decreasing the post-graduate remedial courses in mathematics and language arts.
6. Student achievement in lowest performing schools.

North Carolina's draft application includes various proposed *RttT* initiatives. Key proposed initiatives that align with the CMS major initiatives include:

1. Realigning the North Carolina Course of Study to the Common Core State Standards Initiative.
2. Developing formative assessments, benchmarks, and summative assessments.
3. Human capital work, focusing on teacher recruitment, rewards and retention.
4. Developing and ensuring equitable distribution of effective teachers and principals (e.g., Strategic Staffing Initiative).
5. Turning around the lowest-achieving schools.
6. Creating professional development initiatives.

Key Actions taken by CMS Staff include the follow:

- Established a Work Team that includes staff from Accountability and Curriculum and Instruction departments.
- Stakeholder input from various partners including the president of the CMAE, principals, teachers, area superintendents, and other district leaders.
- Frequent communication with developers of North Carolina's proposal/application.
- Dr. Gorman, Board Chairperson and Vice-Chairperson, and CMAE president attended a special State *RttT* meeting in December.
- Funding:

The *RttT* funding is just for states to apply for and the schools districts are the beneficiaries of the funding. In addition, school districts and non-profits are eligible to apply for Investing in Innovation (III) funding and the application and final guidelines for that funding have not been released. CMS staff is working diligently to begin the process for applying for the III funding. The *RttT* funding is \$400 million over four years and based upon estimates by the State the portion for CMS would equal approximately \$4.2 million. The III funding is approximately \$5 to \$50 million and that grant period has yet to be determined. There are no matching funds required for the *RttT* funds but there is a 20% in-kind or cash matching requirement for the III funding. The intent of the *RttT* funding is to accelerate current reforms that are showing progress and the III funding is focused on innovated solutions that have yet to be proven.

- Results:

In the event North Carolina was to receive *Race to the Top* funding, the following CMS Board policy and regulations would apply: Policy DDA: Grant funding and DDA-R: Grant Funding. In keeping with federal requirements, North Carolina's *RttT* application includes annual evaluations of all major *RttT* initiatives and strategies. If North Carolina

receives *Race to the Top* funding, CMS will align its evaluation work with the State's *RttT* evaluation activities.

- Next Steps

The district's *RttT* Work Team is continuing to monitor developments through frequent communication with the developers of North Carolina's proposal. The team will continue to work together to meet deadlines and provide input on the State's application. Additional information will be provided as available. Mr. Avossa said the application requests that the school district's Superintendent, Board Chairperson, and representative of the teacher's association sign the MOU.

Board members were invited to make comments and ask questions.

- Ms. McGarry said CMS also has a classroom teacher's association and is that group not represented? Dr. Gorman said in this process they are not the designated group as designated by the state to signoff on the MOU.
- Dr. Waddell said she is pleased that CMS is applying for this money because it will help to address some of the needs existing in CMS as well as help CMS improve some of the goals that they have outlined. She is happy that teachers and administrators have been involved in the process from the beginning. Mr. Avossa clarified the state of North Carolina has yet to be selected for the process and the signing of the MOU allows CMS to be a part of the process should the State be selected to participate.
- Chairperson Davis asked is there a reason why CMS would not want to participate in this opportunity? Mr. Avossa said the state of North Carolina if selected will spend 50% of the dollars at the state level developing reform systems and the other 50% will be shared among the school districts based upon Title I funding. The *RttT* Work Team has discussed an interest in flexibility regarding some of the initiatives that CMS has outlined in the *Strategic Plan* 2014 such as selecting professional development providers and ideas regarding pay-for-performance. CMS has been very clear with the state regarding the initiatives that we are seeking flexibility and CMS has had some assurance that the State would work with CMS on many of the initiatives. The initiatives noted in the North Carolina application are also CMS initiatives. Dr. Gorman said after CMS signs the MOU, the district will also have to sign a final working agreement following the state selection process. The key point for CMS is the allowance of flexibility.

Dr. Gorman called upon Mary McCray to share information from the Charlotte-Mecklenburg Association of Educators. Ms. McCray thanked Mr. Avossa, Dr. Gorman, and her staff for their collaboration in working on the *RttT* plan. Ms. McCray reviewed the opinions of CMAE regarding the following areas:

- Access and data: CMAE agrees with everything that the State has put on the application and with some of the reservations that CMS has put forth.
- Standards and assessments: CMAE agrees with the Common Core State Standards Initiative in K-12 English, Language Arts, and Mathematics.
- Accountability and Curriculum Redesign Effort (ACRE): CMAE supports ACRE which was launched in fall 2008 and plans to be fully implemented by fall 2012.
- CMAE supports North Carolina's willingness to develop a Strategic Implementation

Plan for new standards and assessment and looks forward to CMS' role in the development and implementation of the plan.

- Principal and teacher effectiveness: CMAE would like to ensure principal and teacher effectiveness includes reliable and valid measures are utilized to reflect effective teachers and principals and that those conducting the evaluation are thoroughly trained. This effectiveness can be achieved by using multiple measures that evaluate multiple facets of what contributes to good teaching and involving all stakeholders to achieve buy in to the new evaluation process. CMAE hopes that feedback and targeted support will be provided to those being evaluated and that the new evaluation instrument will promote transparency and communication between supervisors and teachers.
- Part III B: Incentives should also be available for effective staff members remaining in a low performing school and to also obtain their Master's Degree in Education, Education Administration, or National Board Certification. CMAE encourages that many opportunities are incorporated for career advancement with teaching for any effective educator.
- Part III C: CMAE agrees with the district regarding professional development but with one stipulation: No one group should have priority handling of this professional development that is being rolled out as part of the State's *RttT* plan.
- Part IV, Turning around Low Performing Schools: CMAE encourages additional models of public school innovation such as Magnet and Theme programs. CMS has many of these programs but across the state they are not evident. CMAE hopes the State will consider initiatives incorporated in CMS and use them in other North Carolina school districts. CMAE asks that the State allow low performing schools the option of adopting the Transformation Model and give them four to five years to implement and use the results from innovations.
- CMAE wants to see the continued use of the North Carolina Restart Model and the New Schools Model as originated in the North Carolina Senate Bill 656: The 2003 Innovative Education Initiative Act.

Ms. McCray said CMS is more advanced than some of the other school districts across the state. CMS has many innovative ideas and plans and CMAE hopes they will also be a part of the State plan. CMAE also hopes for the flexibility and ideas as requested by Dr. Gorman and staff. Ms. McCray said as the spokesperson for the Charlotte-Mecklenburg Association of Educators they are prepared to sign the MOU regarding the *RttT* plan.

Board members were invited to ask questions and make comments.

- Mr. McElrath supports the document but expressed concern that the plan does not include the word "gap." He believes the Board should commit to improving the gap and expressed concern that they would approve a program that was not dedicated to eliminating the educational gap that exists between minority students and white students. He also expressed concern regarding the statement that states: "improve student achievement growth in low performing schools so that all public schools will show at least adequate performance and therefore be adequate." He believes if CMS does not close the gap then CMS will eliminate the word "low performing" and substitute it with the word "adequate." If the gap is not closed, this will result in CMS having the same framework in which "adequate" schools will include high percentages

of minority students. Mr. McElrath also expressed concern regarding enhance teacher achievement and promote equitable distribution of teachers throughout the community. This cannot happen if CMS continues to allow certain teachers to choose where they will and will not work. He encouraged the Superintendent to control where teachers work and place them where they are needed the most. He encouraged the Board to address the issues of committing to closing the gap, assigning teachers to where they work, and making schools successful.

- Mr. Merchant said words do matter and it is important to use the right words. He said the word “adequate” also bothered him but we are adopting the language of those providing the funds. Dr. Gorman said that is the language of the state of North Carolina and staff also felt the language was not strong enough. Ms. McCray said CMAE also agreed that it was not strong enough and recommended that it include achievement gap. Dr. Gorman said a part of the challenges of this document is the attempt to have 348 signers of the MOU that includes 115 school districts (three signatures each) and three signatures at the state level. Staff and CMAE believe they had some shaping of the document but did not have control of the document. Mr. Merchant said he would not address teacher assignment. He believes culture change requires a different style of leadership and that command and control does not create dynamic lasting sustainable change. Change takes collaboration and a style of influence that requires nuance. Mr. Merchant is excited that this process includes input from teachers in the beginning stages. He believes this is bigger than a process to get extra money. He hopes it will create a positive atmosphere of trust and collaboration between the Board, Senior Leadership Teams, and teachers. He commended CMAE for the items mentioned by Ms. McCray and in particular the career advancement for teaching. He thanked the CMAE association for their involvement in this process and their support. Mr. Merchant said this is a great model that will help CMS build for the future.
- Mr. McElrath discussed the importance of the Board committing to closing the gap even though it is not written in the document because ending up with the same framework called by another name will be a disservice to the students. Ms. McCray said during the “how” we could work on making the commitment to closing the gap.
- Dr. Waddell commended Ms. McCray and her staff for their research and hard work. She hopes the State will grant CMS flexibility so that the initiatives can be molded to fit the needs of CMS. She encouraged that the evaluations be fair and transparent and commended Ms. McCray for requesting varying evaluation measures.
- Mr. White thanked staff and the CMAE for their good work. He works with all 115 Local Education Agencies through the North Carolina School Boards Association. He said it is difficult to get the language that everyone would like but we were successful in getting some items removed that were unacceptable stipulations. Mr. White said he is tired of working to “closing the gap” and would prefer to work to “eliminate the gap.” He believes the Board will have an opportunity to help to eliminate the gap as the Board moves forward with its budget process.

Dr. Gorman said staff does not believe this is a perfect document but it puts CMS in the game. Dr. Gorman said staff recommends that the Board sign the document, he is committed to signing the document, and Ms. McCray has committed to sign the document on behalf of CMAE. Dr. Gorman said this process will also help CMS in reviewing

performance management and working together with staff to determine what is important.

Chairperson Davis called for a motion to approve the recommendation.

Dr. Waddell moved, seconded by Mr. Morgan, that the Board approve recommend approval of Board Chairperson, Eric Davis, to sign the *Race to the Top Preliminary Scope of Work* document, and the Board voted 9-0 in support of the motion.

- C. Recommend approval to extend an option to Myers Park High School International Baccalaureate 2010-2011 rising sophomores and juniors to complete their academic path in the Myers Park IB Program with no transportation provided, as requested by Kaye McGarry, At-Large Board member

Chairperson Davis called upon Ms. McGarry to introduce the recommendation. Ms. McGarry presented the following motion.

Ms. McGarry moved that that the Board approve extending an option to Myers Park High School International Baccalaureate 2010-2011 rising sophomores and juniors to complete their academic path in the Myers Park IB Program with no transportation provided, seconded by Ms. Lennon, a discussion followed.

- Ms. McGarry encouraged the Board to support the motion. She said she is presenting this motion with a heavy heart. This motion is for the students. She believes the decisions of Board members should be for the students but many of the decisions by this Board, present and past, have not been made for the students. She asked the Board to vote for this motion for the students. Dr. Gorman's original recommendation was to keep the Myers Park IB Program in place until a full review of all IB Programs at all locations was completed. She expressed concern that the Board's decision on two different votes supported the dismantling of the successful Myers Park IB Program rather than duplicating what made that program successful at other schools. She believes there will be consequences for that decision for the state of North Carolina, Mecklenburg County, and CMS. She discussed the Board's oath of office; the Board's Mission and Vision to maximize student achievement for every student at every school; and the precedent of a Board vote in 2001 when the IB Program was moved from Independence High School to East Mecklenburg High School and rising sophomore and juniors were allowed to remain at Independence to complete their consistent academic path. This motion will only impact 227 students and does not include transportation. Ms. McGarry discussed the hardships the previous Board decision has had on students; the negative impact on ESL and minority students; students being disrupted in the middle of their high school career causing a loss of continuity; and the number of parents who were disappointed with the Board vote. These students signed a program agreement that committed them to remain at Myers Park for four years and the Board decision is failing those students. She said there would be no additional costs, the school has space, and she encouraged the Board to support this motion because it is the right thing to do for the students.
- Ms. Lennon said she is speaking as a Board member and an IB parent of two high school students. Her family mirrors the families at Myers Park and she knows this because her daughter is a senior and has been accepted in college. She said the

sophomore and junior years are vitally important for their senior year because students must build a stellar resume to prepare them to get accepted at a top college and to receive scholarships. She expressed concern that the students being moved from Myers Park High School will not have that opportunity and it is heartbreaking to disrupt those students because they have taken the necessary steps to get into the right clubs and programs to be successful in high school and accepted at a college. She believes students must pad their academic resume to get into top colleges. She said supporting this decision will not cost CMS anything but it is costing those students everything. She encouraged the Board to support allowing the 227 students to remain at Myers Park High School in the IB Program.

- Mr. Tate said he knows first hand the value of an IB Diploma because his daughter was ably prepared for college through the IB Program. He believes all the students and families that value the IB Program will be able to find a very good IB Program at whichever of these three schools that they may attend. He encouraged the Board to maintain the Board vote that has already been taken and allow the students to move forward with their academic paths. He said their efforts would be rewarded as he recognizes they are the top students of CMS. He understands that some of the families are feeling pain with the process that began with the opening of a new school and has now cascaded to four existing high schools because of the proximity and needs of each of these schools. He recognizes that it is hard to change high schools in midstream under any circumstances but he trusts that those students who will choose to embrace their new assignments will very quickly become respected students in their new schools and will achieve many accolades as a result. This process began as a result of consideration for a new school boundary. As a Board member, he wanted to help one of those cascaded schools because it was losing too many students. He had originally hoped that the Board would consider a boundary decision but that did not happen. He said when the Board made that decision he did not continue to bring it up because the Board had taken action and that is the way we as a Board should act. The Board acts and we move forward. He encouraged the Board to move forward and to allow these students and families to move forward with the decisions of the Board. He encouraged the Board to not support this motion.
- Mr. Morgan said the concern that he has heard from many parents is that the last student reassignment efforts have instituted a piecemeal approach for student assignment. In reviewing the Rocky River and Hough high schools; Eastover, Selwyn, and First Ward elementary schools; and the Myers Park High School you can understand why parents feel that way because it looks like there were four different processes used. He said this Board has discussed the need to conduct a comprehensive review as a way to bring needed consistency to the process and he is supportive of taking that step. He anticipates a number of the issues that have been discussed will be addressed in that process and that would include feeder patterns, sibling guarantees, how to handle students at existing schools, and equity issues regarding transportation and transportation costs. He said the fact that this Board has already addressed this item on two different occasions, he would vote against the motion. He looks forward to working with this Board in crafting a comprehensive review starting at the January Board Retreat.
- Dr. Waddell said the Board members were elected to serve all the students in all of the

schools even though they are in various districts. Decisions have been made and studies have been made of the program. The students in the IB Program that are being transferred are not being denied and have the ability to achieve in other schools. She has met with five different groups and has not heard anything convincing for her to change her decision. She has received over 500 E-mails from students and parents, received certified letters, received hundreds of letters, and met with community leaders. She encouraged the Board to move forward and to help the students to adjust in their respective schools. She respects the decision made by the Board and believes that decision should stand.

- Mr. White said he has been working with and for young people since 1958. He takes the decisions that he makes very seriously and he follows his oath as a Board member. He looks, listens, and draws upon his many years of experience and in the end he votes his conscious as to what he believes is the best solution. These decisions may not be what we all would like for them to be but they are what they are. He truly does not believe there is a single child, as talented and as gifted as they are, that will not continue to succeed and will not get in the college of their choice. He based his decision on facts and not the emotional issue. These young people will be successful. This is about fairness. He would find it difficult to grandfather these students but not grandfather every other student that we have moved into the two new opening high schools. Mr. White encouraged everyone to put this to rest and to move on with educating students. One of the most important things that students can control in their life is their attitude and their attitude will determine how they play the hands they are dealt in life. He has a great faith in these students. He encouraged them to go to whichever school they attend with a great attitude and to make that school the best place possible.
- Mr. Merchant said he has nothing more to say about this issue because it has been discussed numerous times since this summer. He said it is most concerning and troubling to have motives questioned when you have previously addressed the reasons for your decisions. He believes it is a waste of everyone's time to repeat himself. He asked Chairperson Davis to take the lead on reviewing how items get on the agenda so that the Board can stop treading water and move ahead with the business of CMS. He said while the families in question are important, there are a lot of other families that we also serve. He said revisiting this issue for the third time takes away time, energy, and focus from the other issues that the Board should be addressing.
- Mr. McElrath said he agreed with Mr. Merchant and believes all Board members have previously shared the reasons for their decisions. He said when it is stated to be fair to the children, to which children are we going to be fair. He said if the Board had a policy in place we would not be facing this difficulty. He requested to be on the Policy Committee and he encouraged the Board to develop a policy because that would establish consistency. He expressed concern that should the Board grandfather these students they would also have to grandfather the next group of students and that would result in the same difficult situation. He said his grandson is an IB student at Harding University High School and he is getting a great education. Talented students will be talented regardless of the school they attend because they take their talent with them. If students can be successful at one school than they can be successful at any school. Mr. McElrath said an important factor is the attitude of the parents that support that child.

He encouraged the parents to have a good attitude and to encourage their children to take their good attitude and talents with them to their new assignment. This will help them be okay. He told these parents that any choice they have for their students is better than the other half of school system. These are good choices. He encouraged the Board to develop a policy and focus on the business of educating children. He will not support the motion because he is moving forward to where we are going and not looking back to where we have been.

- Ms. McGarry said there is room for the 227 students to continue the IB path at Myers Park. She expressed concern that the majority of the Board has determined that these students should put their life on hold while the Board goes through bureaucracy to develop a policy. She takes this seriously and believes the students are the losers in this decision. She does not believe this is rehashing the Board votes in November and December because the Board has already approved dismantling the IB Program at Myers Park. She believes this decision will negatively impact the families' trust of the Board, jeopardize the stability of students, and cause families to lose faith in the Magnet Program agreement.
- Chairperson Davis thanked his colleagues for presenting the logic behind their decisions in a professional manner regardless of the side of the issue they represented. He said this demonstrates that we have heard the feedback and that the Board needs to do a better job of presenting our logic. He said the opinions of Board members will always be open to debate and criticism and we accept that as a part of the role of Board member. He commended the Board for making a better effort of communicating and that fact should not be lost in the midst of this debate. He also has spoken with many students and parents since December and he felt their passion and wrath. He can understand any parent's desire for stability and lack of change because he is a parent of a high school age child. He originally shared in the idea of a gradual student assignment transition as a solution for East Mecklenburg High School but now he is more aware of the challenges of implementing that type of solution. He believes it has merit and should be considered in the upcoming Board student assignment discussions. He encouraged the Board to find solutions that enhance one school without impacting another school. Chairperson Davis said this decision is particularly tough because this is the high school zone in which he resides. He said in terms of consistency and fairness approval of this motion would require a host of changes in order to implement it in a consistent manner. Chairperson Davis believes this request is a subset of the motion considered in December and as a result he would honor the same decision he made in December. He said in November he made a commitment to the Myers Park PTA and IB Leadership Team that he would explore alternative solutions. After having explored alternative solutions and finding difficulty with those he has chosen to face the reality of the decision. He believes he can impact how this decision will be implemented. Chairperson Davis said he would be comfortable sending his child to one of these schools and he has faith in the staff at these schools. He also has faith in the Myers Park Team and he believes it is a strong school with great parents and a terrific staff. He is confident that the leadership of Myers Park will transition through this decision effectively and the students that continue to go to Myers Park will receive a great education and the students who go to the other schools will also get a great education.

Chairperson Davis called for the Board vote on Ms. McGarry's motion.

The Board voted 2-7 and the motion failed. Board members McGarry and Lennon voted in support of the motion. Board members Davis, Tate, Merchant, White, McElrath, Waddell, and Morgan voted against the motion.

V. REPORT/INFORMATION ITEMS

A. Report on Budget Amendments for November 2009

Dr. Gorman said Report Items A., B., and C. are the monthly reports and they are as presented.

B. Report on Capital Project Ordinances for November 2009

Report Item B. was presented with Report Item A.

C. Report on Financial Statements for November 30, 2009

Report Item C. was presented with Report Item A.

D. Report on Community Use of Schools for Fiscal Year July 1, 2007 through June 30, 2008 and Fiscal Year July 1, 2008 through June 30, 2009

Chairperson Davis called upon Dr. Gorman to introduce the report. Dr. Gorman said this is a report on Community Use of Schools. This report reviews how we are making our schools available to the public, how the public is availing themselves of using our facilities, costs, and utilization. Dr. Gorman called upon Guy Chamberlain, Associate Superintendent for Auxiliary Services, and Phil Goodman, Director of Property Management and Quality Assurance, to present the report. Mr. Chamberlain said two years ago staff presented a report on Community Use of Schools and at that time it was noted that the program was operating at a loss. As a result, the Board agreed to an adjustment to the rates and the rates were adjusted in a reasonable fashion. Today, the program is basically operating on a revenue neutral basis.

Mr. Chamberlain called upon Mr. Goodman to present the report.

- Overview:

Mr. Goodman said the Community Use of Schools Department exists to serve the public's usage of CMS school facilities. CMS encourages the community to use school buildings and grounds for educational, recreational, civic, and cultural activities as much as possible. The community may use school buildings and grounds for these purposes as long as such use does not conflict with the CMS use of public schools buildings and grounds. There are three different methods in which the community may use our facilities and grounds: Community Use, Extended Use, and Joint Use of schools. This report will focus on the Community Use of Schools. Community Use of Schools is short-term rental agreements with a maximum duration of three months. This report will be the first report to the Board since the 2006-2007 fiscal year and will cover two fiscal years.

- Governance: The Community Use of Schools Department and the Community Use of Schools by the public are governed by the following:
 - Board Policy KF: Community Use of Facilities, which states CMS will encourage usage of schools buildings and grounds by the community within the Regulations of KF-R.
 - Regulation KF-R: Community Use of Facilities, outlines regulations for using facilities and includes CMS will cooperate with other city and county agencies in fostering that use; grant usage to school sponsored or school related groups (PTAs, School Leadership Teams, Booster Clubs) without charge; grant use to other groups on a non-profit fee schedule or for profit fee schedule depending upon the group; will require a signed contract; and will maintain a log of the usage.
 - North Carolina General Statute §115C-524.
- Facility Contracts Summary (Applications):

Fiscal Year	2006-2007	2007-2008	2008-2009
Number applications received	1,234	1,287	1,180
Number applications approved	874	1,016	977
Number of applications denied	360	271	203
% Approved	71%	79%	83%
% Denied	29%	21%	17%

- The decline in the 2008-2009 fiscal year is attributed to the economic conditions.
- The number of applications denied is tracked to determine patterns of denial from specific principals to specific users. The Community Usage Department does not deny or approve applications. The department processes the applications and sends them to the principals for approval. Most often the reason a facility is denied is because the facility is already in use by the school or another user.
- 2007 through 2009 Contracts by Activity Type:
 - Recreational: 1,549.
 - Faith-based: 505.
 - Meetings: 130.
 - Educational: 101.
 - Culture/Social: 120.
 - Other: 62.
- Facilities Usage Data:

Fiscal Year	2006-2007	2007-2008	2008-2009	Total Last Two Fiscal Years
Number of Times Used	27,480	28,282	24,833	53,115
Number of Hours Used	121,055	122,857	101,895	224,752
Number of Youth Participants	2,980,804	2,123,641	1,467,085	3,590,726
Number of Adult Participants	1,552,221	2,289,662	2,372,976	4,662,638

- 2007 through 2009 Usage Hours by Learning Community:

Learning Community	Hours Used	Percentage
Achievement Zone	10,262	4%
Central	44,348	20%
East	12,278	5%
North	21,473	10%
Northeast	30,807	14%
South	75,966	34%
West	29,618	13%
Total	224,752	100%

- The South Learning Community had the highest hours of usage.

- Costs of Operations:

Fiscal Year	2006-2007	2007-2008	*2008-2009
Utilities Costs (best estimate)	\$1,100,003	\$1,078,766	\$890,562
Staff Costs	\$ 795,040	\$ 634,780	\$ 617,073
Total Costs	\$1,895,043	\$1,713,546	\$1,507,635
Revenue Deposited from fees	\$ 711,056	\$ 903,864	\$1,397,419
Value to the Community	\$1,183,987	\$ 809,682	\$ 110,216

- 2008-2009 school year, the costs have dropped to approximately breakeven which was the direction of the Board. (* Board approved a rate increase effective July 2008.
 - Utilities cost reductions as a result of efforts to conserve energy by decreasing energy consumption and lighting retrofits.
 - Efficiencies in utilities and rate increase have helped to reach approximate breakeven loss at \$110,000.
- Other ways to use facilities:
 - Extended Use Agreements: These are generally three year contracts and instead of paying a fee they make another type of contribution to the district such as an upgrade to the facility, building concession stands and dugouts, or installing irrigation systems. Generally, the extended use agreements are for athletic league play on outside fields.
 - Joint Use Agreements: CMS and various Mecklenburg County agencies have teamed to build schools adjacent to existing libraries and recreational centers or on vacant land where both a new school and public building can be jointly built. Taxpayers benefit when projects can be coordinated.
- Goals:
 - Investigate software upgrades to integrate data with utilities and facilities software, and the Lawson system.
 - Make user access to the system and the application process web-based and more user-friendly.
 - Investigate the feasibility of accepting application fees and payments from users via credit card/Paypal.

Board members were invited to make comments and ask questions.

- Mr. Tate thanked staff for the presentation and their hard work in facilitating this process. Mr. Tate said, on behalf of the Policy Committee, please inform him if there are any policies that need to be updated or changed so that the committee can address those concerns. Mr. Chamberlain said there is a few holes in the policy that need to be reviewed. There are some high schools that have the latitude to enter into contracts and we would prefer that they not have that capability. Staff has discussed updating that and we are currently tweaking the policy.
- Mr. Merchant thanked staff for the report. Mr. Merchant asked if the decline in youth usage resulted in an increase in extended use agreements. Mr. Goodman said there has not been a significant increase in extended use agreements and he believes the drop in participation is due to the economy. Mr. Merchant encouraged staff to take steps to improve communications such as distributing flyers from outside groups and across departments. He also encouraged staff to be proactive to entice groups into extended use agreements to utilize fields that are underutilized and to attempt to increase building partnerships to promote usage. Mr. Goodman said staff has done this but they could do a better job of updating the CMS Website on a more regular basis.
- Mr. Morgan said he has many years of experience with athletic associations. He said in addition to renting the fields he is aware of volunteers spending their own time to do maintenance and other improvements to the field. Mr. Morgan asked are we able to track or quantify the added value that community usage (maintenance, improvements, taking care of fire ants, etc.) brings to CMS? Mr. Goodman said staff does not have the ability to track those services and value to CMS. He also has been involved with athletic associations and they do bring a great benefit to CMS and they have built terrific facilities, put in irrigation systems, reseed, and bring a tremendous value. CMS does not have the internal staff or ability to track that usage.
- Mr. White expressed concern that even though the losses have been reduced there was a loss of approximately \$110,00 and that is a good deal of money. He also has a great history with Community Usage. This is a part of the budget and this year the budget process will be a more difficult than last year. The schools and facilities are built with taxpayer money and they should be able to use those facilities but the Board has a budget to meet. Dr. Gorman said \$110,000 is a lot of money but if that is averaged out we believe that is within reason because it will be difficult to be able to break even. We also do not want to make money. We want to be closer to zero and we are getting closer. At this time, staff is not asking for a change in fees. Staff will continue to review opportunities for utility savings and we may need a fee change in the future. Mr. White said he is a great supporter of the program but he is concerned about the balanced budget.
- Dr. Waddell thanked staff for the report and their hard work in facilitating the program. She is also familiar and been involved in the program over the years. She expressed concern that the fees are not consistent with all schools. She is happy that the goals include making the program web-based and user-friendly. Mr. Goodman said he is not aware of a different fee for different schools. He said the software for the program is antiquated and he will investigate the costs.
- Mr. McElrath said when he was in the schools he preferred his athletic fields in use because that cuts down on vandalism. Dr. Gorman said we do want schools in use

because that is an extra set of eyes on our campuses but we have not calculated a dollar value on that return. Mr. McElrath believes applying a cost to that value would help justify a zero balance. Dr. Gorman said, yes, staff agrees.

E. Report/Budget Briefing

Chairperson Davis called upon Dr. Gorman to introduce the report. Dr. Gorman said this report would open the discussions on the 2010-2011 Board of Education Budget and the budget process. The budget process is not a short or easy one. This year it is likely to be even longer and more difficult than usual. Dr. Gorman said he would provide the Board with some information that will provide context for the first Board Budget Work Session which is scheduled for January 25th. CMS has been working with Education Resource Strategies for more than a year. Education Resource Strategies (ERS) is a non-profit organization that works closely with leaders of urban public school systems. The organization has worked with CMS to find ways to streamline district and school-level resources to improve instruction and student performance. ERS specializes in helping districts ensure district spending aligns with district priorities and that has been the focus of staff. In a time of tight budgets and that is certainly an accurate description of the times we're in, it is more important than ever that we make sure that we use the money we have wisely. The ERS work is helping staff make intentional, careful decisions regarding priorities and spending. The Board has been provided the ERS analysis as it has developed and tonight Jonathan Travers, Director/consultant with Education Resource Strategies, will provide the Board a review and update of that analysis.

Dr. Gorman said it is early in the budget process and at this time we do not have the specific funding amounts from the State and County which are our largest funding sources. The State has indicated that money will be tight and perhaps even tighter than last year and Philip Price, chief financial officer for the Department of Public Instruction (DPI), informed the *Charlotte Observer* that more cuts seem likely this year. The State Budget Office has asked DPI for a variety of budget scenarios similar to the tiers that CMS used in planning the budget last year. The request is for one scenario with a three percent increase and then three scenarios with decreases of three, five and seven percent. Bill Harrison, the chairman of the State Board of Education, informed the *Charlotte Observer*, that the options are not good. Dr. Gorman said three of the four scenarios involve cuts and cuts are the likely option. We will not know for some time how much we will have to cut and whether it will be as large as last year when we had to cut \$87 million from our budget. Based upon the early indicators, it is likely that CMS will have some reductions in State funding this year. Staff has not received much information from the local funding but again there is indication that the money will be tight.

Dr. Gorman said as we begin to build the budget and decide how much local funding to request, there are items that he would urge the Board to keep in mind. First, we took the biggest cut in local funding in the state last year which was \$34 million. That reduction was more than ten times the next biggest local cut in North Carolina, which was a \$3 million reduction in Wake County, so CMS had a large reduction last year. Second, we have not had any kind of fiscal irregularity. The CMS budget is transparent from start to finish and CMS used the money we were given in exactly the way we said we would.

CMS has had no cost overruns or emergency requests. This despite the fact that we had to make several hastily announced state and local reversions last year that required CMS to make some transitions mid year. Dr. Gorman recognized the outstanding work of Sheila Shirley and the budget and financial staff. In a year marked by widespread financial uncertainties, Ms. Shirley and her staff have ensured CMS' finances were managed carefully and well. Dr. Gorman thanked Ms. Shirley for the work that she and your staff do everyday to keep CMS financially healthy. CMS is fortunate to have Ms. Shirley's financial leadership and expertise in our district. Dr. Gorman also recognized all the employees of CMS who have done more this year with less. Their contribution to the progress of the district is substantial as well.

Dr. Gorman said CMS is supporting the state application for *Race to the Top* and although the national amount is very large, four billion dollars for education, the amount CMS would likely receive should the state of North Carolina be successful in being selected is estimated at \$4 million. CMS is eager to receive this funding because it will help CMS pursue some of the innovative measures in the *Strategic Plan 2014* and the efforts that teachers are already doing in their classrooms. That funding will not shield CMS in any way from state and local cuts, and it is not intended to be a stopgap for shortfalls in our normal funding. Dr. Gorman said it is important to note that CMS has a funding cliff after next year when the federal stimulus money to the state stops. For CMS, that funding cliff is approximately \$47 million and that means that this coming year will not be the end of our budget difficulties. CMS has a significant funding cliff on the horizon for the 2011-2012 budget year. In addition, as we begin the budget process, we must keep in mind our mission. We are a public school district funded with public money and open to any child in Mecklenburg County. We educate the community's children. It is also our responsibility to be advocates for children. Our citizens want Charlotte-Mecklenburg Schools to educate their children comprehensively and competitively. This community has a long-standing commitment to funding education. Dr. Gorman said the budget shortfalls of the present are a reality but he does not believe they have diminished the community's commitment to supporting and providing the best public education possible for its children. The citizens of Mecklenburg County want to see the public schools receive a fair share of resources from the State, County, and federal. If financial resources are limited, all of us may have to make do with less money. But we should also ask ourselves: Does this community want a budget with disproportionate cuts that fall most heavily on children and schools? Does that serve the long-term public interest in Mecklenburg County? Dr. Gorman said while we do not know in the end whether there will be a budget increase or a budget decrease, staff can be sure that the signs indicate caution ahead. Dr. Gorman encouraged everyone to move ahead cautiously, thoughtfully, and in a manner that involves a transparent process.

Dr. Gorman called upon Sheila Shirley, to share specific information regarding how the budget is developed, the budget basics, and the next steps.

Ms. Shirley provided the Board with a 2010-2011 budget overview.

- 2009-2010 Operating Budget preview:

Source	Adopted Budget	% of Total
State of North Carolina	\$ 635,656,201	55.7%
Mecklenburg County	\$ 317,367,391	27.8%
Federal	\$ 165,827,056	14.6%
Other Local Revenue	\$ 21,658,572	1.9%
Total Revenues	\$1,140,509,220	100%
Capital Replacement	\$ 5,200,000	
Child Nutrition	\$ 64,487,817	
After School Enrichment Program	\$ 16,240,650	

- Revenue sources:
 - State: 56%.
 - Local County: 28%.
 - Federal/Special Programs: 14%.
 - Other Local: 2%.
- Sources of Revenue Trend/Shift: State and County funding, as a percentage of overall budget, is declining while the federal budget is increasing. This is concerning because our federal funding is targeted for specific populations and is our most restrictive funding source. This funding stream is due to a substantial influx of ARRA funding in this current year but that is expected to be depleted over the two-year cycle. This will be discussed in the funding cliff that is on the horizon.
- Revenue Category Descriptions: CMS receives three different funding sources from the state.
 - Position Allotment: Funds used to pay the amount required to hire a specific number of certified teachers and other educator positions based on the state salary schedule, without being limited to a specific dollar amount (i.e. teachers, principals, instructional support staff, and literacy coaches).
 - Dollar Allotment: Funds used to hire employees or purchase goods for a specific purpose but must stay within the allotted dollar amount (i.e. teacher assistants, non-instructional support staff, and classroom supplies).
 - Categorical Allotment: Funds are used to purchase all services necessary to address the needs of a specific population or service. These funds may be used to hire personnel, to provide a service, or to purchase supplies and materials for the specific population or service only (i.e. Drivers Education, Limited English Proficiency, Children with Disabilities, Vocational Education, Title I, and other federal funds).
- Federal Revenue Categories
 - State Position Allotment: 35%.
 - Federal/Other Categorical Allotment: 13%.
 - Federal/Other Dollar Allotment: 7%.
 - State Categorical Allotment: 12%.
 - State Dollar Allotment: 5%.
 - County Purpose/function: 28%.
- Federal Revenue Categories.

- Revenue Uses (Expenditures):
 - Salaries: 66%.
 - Benefits: 18%.
 - Supplies and Materials: 5%.
 - Purchased Services: 10%.
 - Other: 1%.
- Expenditures Trend by Purpose: Instructional, Instructional Support, Operations, Leadership.
- Budget Process Timeline:
 - November: Establish Superintendent's Goals and Priorities.
 - December: Department heads, executive staff, and professional organizations submit budget requests. Identify budget reductions/redirections.
 - March: Formal budget presentation to Board by Superintendent.
 - April: Board Budget request approved by Board.
 - May: Board Budget request delivered to County Manager
 - June: Board of County Commissioners approves County Budget.
 - July – September: County and State budget allocations received. Superintendent presents final budget recommendations to Board.
 - September: Board adopts operating budget.
- Framework for Budget Development
 - Align resources to support *Strategic Plan 2014*.
 - Keep strong academic focus coupled with data driven decision making.
 - Recognize and plan for the impact of the economic environment and employ sound fiscal management, respond to signals from state and local sources that funding may be limited.
 - Acknowledge uncertainty regarding expected funding levels from all sources but be prepared for the worst. Plan for the worst and hope for the best.
 - Request funding from County for growth, sustaining operations and opening new schools.
 - Pay for *Strategic Plan 2014* initiatives through budget reductions or redirections.
 - Establish flexibility in the budget to allow for various reduction levels.
- Alignment with *Strategic Plan 2010*.
 - How people are spending time and resources – aligned with resources.
- Budget Development Cost Drivers:
 - Sustaining Operations.
 - Student Growth.
 - Opening New Schools.
 - Program Expansions/New Initiatives.
 - Reductions/Redirections.
- Budget Reductions and Redirections by Area.
- Local Budget Outlook: Excerpts from recent memo to County Departments/Agency Directors re: FY2010-2011 Operating Budget Process
 - Anticipate that there will be limited or no growth revenue for FY 2011.
 - Greatest challenge will continue to be juggling competing needs for county, debt, and education services.
 - Possibility that departments/agencies will be asked to use existing resources to fund

- increased service demands.
 - Encourage every department to think about what it means if you get no additional resources or another reduction this year.
- State Budget Outlook: In the December 2009 General Fund Revenue Report and Economic Outlook, the Fiscal Research Division reported the following:
 - Economy-based taxes remain weak and general fund collections are below the forecast target (1.5% below target through November equals \$110 million).
 - National recession has significantly impacted the state's employment conditions.
 - Income tax withholdings on wages and salaries are down 3.8%.
 - Sales tax collections are down from last year almost 12%.
 - 85% of the State's General Fund revenues in 2008-2009 were derived from the Personal Income Tax (53.7%), the Sales and Use Tax (26.5%), and the Corporate Income Tax (4.7%). These three sources of revenue are directly affected by changes in the economy.
 - No consensus by economic forecasters as to the timing of the recovery but most agree sluggish recovery is ahead.
 - Under these conditions, austere revenue conditions would persist and revenue growth is unlikely to rise significantly.
 - Mounting budget pressures for remainder of 2009-2010 and beyond:
 - Budget includes a one-cent increase in the State's sales tax rate.
 - Expenditures for Medicaid and other income assistance programs may exceed budgeted amounts.
 - A looming issue on the horizon will be the FY 2011-2012 revenue picture.
 - DPI reported to State Board of Education expecting an announcement lowering growth revenue projections for 2010-2011 (budget anticipated a 3.2% revenue growth).
 - State budget office has asked for education budget recommendations showing cuts of 3%, 5% and 7%.
- What does this mean for CMS?
 - Best guess most likely facing another austere budget for 2010-2011.
 - Revenue growth from taxes and fees will likely be slow to recover from the recession – at state level and locally – our two primary funding sources.
 - County is signaling that funding may not be available to cover growth, sustaining operations, and opening new schools.
 - Reductions will be required to cover a \$7.3 increase in the state “discretionary reduction” planned in 2010-2011.
 - Lagging state revenues may require additional cuts in addition to those originally planned for 2010-2011 – another 7% cut would equate to \$45 million for CMS.
 - Preparations to address funding cliff in 2011-2012 of \$47 million must begin.
 - Budget alignment to *Strategic Plan 2014* and employing the strategic use of resource strategies gleaned from ERS work will be essential.
 - Emphasis must be on making education a priority at all levels.
- Potential impacts on 2010-2011 Budget:
 - State discretionary reduction increase: \$7.3 million.
 - Possible reduction in state funding of 3% to 7%: \$19 to \$45 million.
 - Possible flat funding from the County**: \$15 to \$20 million.

- (** Early estimate for growth, sustaining operations, and opening new schools.)
- Possible New dollars needed for *Strategic Plan 2014*: To be determined (million).
 - Preparing for the funding cliff in 2011-2012: \$47 to \$50 million.
 - 2010-2011 Budget Calendar Key Dates:
 - January 12th: Board of Education Budget Preview.
 - January 25th: Board Budget Work Session.
 - February – April: Board Budget Work Sessions (as needed).
 - March 9th @ 6:00 p.m.: Formal Budget presentation made to Board of Education by Superintendent at Regular scheduled Board meeting.
 - March 23rd @ 6:00 p.m.: Public Hearing on the FY 2010-2011 Operating Budget.
 - April 13th @ 6:00 p.m.: FY 2010-2011 Board of Education Budget approval.
 - May TBD: Board of County Commissioners 2010-2011 Budget Work Session for CMS and CPCC.
 - June TBD: FY 2010-2011 County Operating Budget and three-year CIP adopted at Regular Meeting of Board of County Commissioners.

Dr. Gorman said at this time we are not able to say whether we will have budget cuts or an increase. It is appropriate to say we need to plan, be aware, and be knowledgeable. Last year, we began talking about a \$35 million dollar reduction for CMS and we were accused of using scare tactics. CMS ended up with a reduction of \$87 million. At this time, we do not know what the number will be but we must plan for all possible scenarios, do our homework early, be prepared for challenges that may arise, and review where we can best spend the dollars that we do have available. Dr. Gorman called upon Jonathan Travers to share timely information regarding the budget.

Mr. Travers said ERS is happy to be working with CMS to review options for resource use. The reason for our work is to help districts to make the most of the resources that they have available. Make the most in terms of impact on student performance for students. ERS has been working with CMS for eighteen months and completed a Strategic Resource Use Analysis for CMS that has been shared with the Board members. Mr. Travers said this will provide an overview of the big picture of Resource Implication/Resource Reallocation Implication. This information will provide an insight for the Board's Budget Work Session scheduled for January 25th. The information will include the following:

- The CMS current environment: Current Resource Environment and what it means to CMS and to districts across the county (CMS picture and a national context).
- Reallocation options to generate savings in CMS: The challenge is how to reduce spending yet in ways that enables CMS to move forward on the *Strategic Plan 2014* and improving performance for students.
- Reallocation options seen in other districts given the particular resource landscape for CMS would not be applicable to pursue in this budget cycle.

The ERS idea is, in particularly during tough time, we need to focus our discussion at the leadership level on the high return actions that will enable CMS to invest more in the items that will improve student outcomes. Focus on those actions that are reallocations that result in both savings and have the potential to improve performance. In the context of the Strategic Plan and the overall resource landscape we want to be aggressive and make the

tough decisions in these areas. Mr. Travers said from the ERS work with CMS from last year and their work nationally, this means fundamentally focusing on resources in the following methods:

- Focus relentlessly on teacher effectiveness.
 - Teacher effectiveness and instructional leadership is a core and the foundation of the 2014 Plan and it should be a guiding principle for the upcoming discussion on the 2010-2011 budget.
- Strategic school leadership means strategic management of resources.
 - The analysis includes the importance of ensuring resources at the school level are used as effectively as possibly and that staff has the capacity, flexibility, and the data/information to be able to organize resources at the school level for maximum impact.
- Investing more in the highest priority areas.
 - The importance of being able to fund the plan and cutting beyond to reach a balanced budget and a bottom line of zero. Reallocate more in order to invest in initiatives that will move CMS forward.
- Focus on long term transformation strategy.
 - Must take a multi-year approach regarding the decisions. This is a multi-year issue and it is best not to just focus on items that will get us through this year.
- Focus on strategies over inputs.
 - Focus on strategies, outcomes, and accountability for those items.

The Current CMS Environment:

Through the *Strategic Plan 2014*, Dr. Gorman has laid out a set of ambitious strategies and addressed the need to reallocate from within the bottom line in a way that funds the core parts of the plan. This is particularly challenging in the current and ongoing revenue environment. In reviewing the picture nationally, CMS is not alone in facing these same challenges. National concerns include falling tax revenue, declining enrollment, and the state stabilization funds filling the revenue gap in the short term as they will be eliminated next year. Regarding national costs, teacher salaries are growing at 3.5% annually, benefits are growing at 10% annually, and Special Education staff and students continue to grow. The core message is there are declining revenue and increasing spending pressure. Many school districts are heading toward a funding gap/cliff when the federal stimulus funds end in the 2011-2012 school year. During hard times, school districts have two choices: do less with less or take dramatic steps now to transform their systems to be able to operate via this different method at a different funding level moving forward.

- ERS suggests the importance of seven transformational strategies to support high performance: Many of these strategies are consistent with the content of the CMS *Strategic Plan 2014*. The objective of the strategies is to have a system of schools that are using resources to maxim effect, organizing their resources around their instructional model, and making investments in teaching effectiveness, academic time, and individual attention.
 - Ensure equitable, transparent, and flexible funding across schools.
 - Restructure the teaching job.

- Support schools in organizing people, time, and money to maximize learning.
 - Ensure access to aligned curriculum, instruction, assessment, and professional development.
 - Build school and district leader capacity.
 - Redesign central roles for empowerment, accountability, and efficiency.
 - Partner with families and communities.
- ERS identified four reallocation options that could help CMS implement its plans while operating in the context of available resources moving forward:
 1. Increase class sizes in the context of an overall strategy of improving teacher effectiveness.
 - Trade-off between investments in class size versus investment in teacher effectiveness. As classes are reduced there is a need more teachers in more classes and therefore a greater need for more effective teachers and a greater need for investment in professional development.
 - Research supports incremental increases in class size to build teacher effectiveness.
 - Multiple studies show that reducing class size incrementally does not make statistically significant difference in student performance, all else being equal.
 - Dramatic class size reductions, which are very expensive, show increases in student performance, particularly in younger grades... but increases vary widely among classrooms (attributed to teacher effectiveness variations).
 - Return on investment: Other investments with similar or less expensive than dramatic class size reductions show even more significant gains in student performance. Research indicates that teacher quality differences have higher impact than class size impacts.
 - CMS class sizes at the high school are comparable to other school districts studied, despite lower overall funding level.
 - Scenario 1: Increase class size by one student across the board:

Grade Level	Current Ratio	Proposed Ratio	Change in number of Positions	Change in Cost (Million)
K-3	1:22	1:23	(106)	(\$5.3M)
4-5	1:27.5	1:28.5	(28)	(\$1.4M)
6-8	1:24.5	1:25.5	(53)	(\$2.7M)
9	1:25	1:26	(20)	(\$1.0M)
10-12	1:28.5	1:29.5	(30)	(\$1.5M)
Subtotal			(237)	(\$11.9M)
K-3 Focus	1:17	1:17	40	\$2.0 M
Total			(197)	(\$9.9 M)

- Scenario 2: Increase class size for grades 6-12 (1 to 1.5 students) and keep only student-weighted staffing for K-3 Focus schools: Change in number of positions (169) and change in cost (\$8.5M).
- Scenario #: Increase class size by 0.5 students across the board: Change in

- number of positions (100) and change in cost (\$5.1M).
- The scenarios for increasing class size could save \$5 to \$10 million.
- ERS perspective on implementation challenges related to this reallocation:
 - Reductions in FTEs must be driven by effectiveness. Defined effectiveness measures and strong evaluation system necessary to identify least effective teachers.
 - Clear, transparent plan is essential for principals and others to have sufficient information and lead time to make adjustments.
 - Parallel implementation of *Strategic Plan 2014* teacher effectiveness strategies is key to return on investment of smaller teaching force with slightly larger class size.
 - Second consecutive year of layoffs will be challenging for culture and morale.
- 2. Reduce costs of smallest elective and non-core classes in high schools.
 - ERS updated the previous analysis regarding high school cost-of-class using 2009-2010 data using the same methodology but the numbers are not apples-to-apples to the 2007-2008 school data.
 - 74% of high school classes are costing approximately \$500 to \$1,000 per student and they are providing 82% of the seats.
 - 4% of all high school classes are costing \$2,000 or more per student. The most expensive classes are serving a disproportionately low amount of pupils and are providing only 1% of the seats.
 - Schools with high concentrations of more expensive classes tend to be smaller. Some subjects tend to have a higher percentage of very expensive classes than other subjects.
 - Majority of most expensive classes are disproportionately Vocational/Career and Arts/Music.
 - If schools eliminated the 7.5% most expensive classes, and moved the students to classes with a more typical cost, CMS could save up to \$5 million.
 - It is not likely viable to realize all these savings and certainly not in the 2010-2011 school year.
 - ERS perspective on implementation challenges related to this reallocation:
 - Reduction in advanced, career, and elective class offerings unless alternative means can be provided.
 - Cost of alternative means (e.g., transportation, technology) will offset savings.
 - Multi-year implementation – full savings will accrue overtime.
 - Class consolidation through attrition only is unrealistic.
- 3. Reduce extra spending on small-scale schools.
 - General education per pupil spending in elementary school is related to size. Middle and high schools show a similar pattern.
 - For various reasons, the reallocation option having to do with small-scale schools was removed from consideration. This may not be as leveraged an opportunity to press forward in this budget cycle given the other circumstances.
- 4. Shift a portion of student-weighted staffing resources flowing to high needs schools and additional classrooms in ways that are better invested in instructional support and expertise.
 - Elementary schools that receive more ADM teachers through student-weighted

staffing have greater need for instructional support and less favorable teacher to facilitator ratios.

- Class size reduction is making it more difficult for higher needs schools to execute other aspects of district instructional strategy (intended effect versus unintended effect and implication).
- For various reasons, this reallocation option was removed from consideration.
- Reallocation options seen in other school districts that ERS is not advising CMS to pursue in 2010-2011 school year:
 - School closures: CMS enrollment is not decreasing and CMS schools are much larger than other school districts studied.
 - Reduction in overall teacher compensation and/or restructure benefits: Evolution of compensation structure should be part of *Strategic Plan 2014*. CMS has less control over benefit costs than other schools districts studied.
 - Consolidation of Special Education to realize efficiencies: CMS per student spending on Special Education does not appear to be viable source for significant reallocation.
 - Reductions to Central Office: Central Office spending is already low relative to other school districts studied. Central Office capacity central to executing the *Strategic Plan 2014*.

Mr. Travers said this is a challenging environment and cycle. He looks forward to supporting CMS through this process and meeting with the Board on Monday.

Dr. Gorman said the intent of this agenda item was to not get into recommendations for reductions at this time. That will begin at the Board Budget Work Session on January 25th. This was to introduce a thorough baseline as we review CMS specific data tied to research and begin the preliminary process. Dr. Gorman said Board members may ask questions at this time or meet with staff on an individual basis. Board members did not have any questions at this time.

VI. REPORT FROM SUPERINTENDENT

Dr. Gorman said information regarding the Budget and Education Resource Strategies (ERS) reports will be sent to staff today and there will also be a link to those presentations on the CMS Website. Staff is striving to be transparent in the process and provide a broad base of knowledge to staff and the community. Staff has not made any final determinations on the financial direction of CMS and this is an effort to provide clear information on potential options, alternatives, and scenarios. There is a long road ahead and there will be many turns in that road. Staff is striving to work together in this process and to be transparent. Nothing will be final until the Board of Education votes upon the final 2010-2011 Board of Education Budget. More information will be shared at the Board Budget Work Session scheduled for January 25th.

VII. REPORTS FROM BOARD MEMBERS

Kaye McGarry invited everyone to join her for “Kaye About Town” on January 14th at the Starbucks at the corner of Park Road and Woodlawn from 7:30 a.m. to 9:00 a.m. She will be available to discuss school related business and answer questions regarding CMS. She

expressed concern regarding the Board decision regarding the Myers Park IB Program and she encouraged the community to hold the Board accountable for the consequences of that decision. Ms. McGarry thanked the public for their feedback and input because that information is valuable in helping her to make decisions. She will continue to study the issues, do her homework, and vote responsibly.

Richard McElrath thanked Ann Clark, Chief Academic Officer, and Curtis Carroll, Area Superintendent for the Achievement Zone, for their assistance in placing certain students from West Charlotte High School in a school environment in which they will have the opportunity to learn academics and a skill.

Rhonda Lennon invited students to join her on her Facebook page that is designated for students only. This is an effort to engage students in the civic process and she has received some great questions from the students thus far. Ms. Lennon sent prayers to a North Mecklenburg student on the Track Team who was recently injured at the state event.

Dr. Joyce Waddell visited several schools and saw good things happening in CMS. She visited Bishop Spaugh Middle School and commended the principal on his efforts to initiate community partnerships with businesses. She met with several principals in the low achieving schools and they wanted the Board to know that they value most Strategic Staffing. She expressed concern that several community groups are concerned that CMS has designated Martin Luther King Day as a make up day for snow. She encouraged the Calendar Committee in the future to consider Martin Luther King Day as a celebration day because there are many preplanned scheduled events, competitions, and community celebrations for that day in which students and families can participate.

ADJOURNMENT

Chairperson Davis called for a motion to adjourn the meeting.

Mr. Morgan moved that the Board adjourn the Regular Board meeting, and by consensus, the Board agreed to adjourn the meeting.

The Regular School Board Meeting adjourned at 9:39 p.m.

Eric Davis, Chairperson

Nancy Daughtridge, Clerk to the Board