

Approved by the Charlotte-
Mecklenburg Board of Education
March 8, 2011
Regular Board Meeting



Charlotte, North Carolina

January 25, 2011

**REGULAR MEETING
of the
CHARLOTTE-MECKLENBURG BOARD OF EDUCATION**

The Charlotte-Mecklenburg Board of Education held a Regular Board Meeting on January 25, 2011. The meeting began at 5:18 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;
Kaye Bernard McGarry, Member At-Large;
Trent Merchant, 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: Joe I. White, Jr., Member At-Large

Also present at the request of the Board were Dr. Peter Gorman, Superintendent; George E. Battle, III, General Counsel; Hugh Hattabaugh, Chief Operating Officer; and Nancy Daughtridge, Clerk to the Board.

Upon motion by Dr. Waddell, seconded by Ms. McGarry, 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 a matter covered by the attorney-client privilege concerning a pending litigation claim; and**
- **To consider a student matter that is privileged, confidential, and not a public record.**

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 5:18 p.m. until 5:38 p.m. in CH-14.

Chairperson Davis reconvened the Regular Board Meeting at 6:07 p.m. in the Meeting Chamber of the Government Center. CMS-TV 3 televised the meeting.

Present: Eric C. Davis, Chairperson, District 5;
Tom Tate, Vice-Chairperson, District 4;
Kaye Bernard McGarry, Member At-Large;
Trent Merchant, 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: Joe I. White, Jr., Member At-Large

Also present at the request of the Board were Dr. Peter Gorman, Superintendent; George E. Battle, III, 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 6:07 p.m. and he welcomed everyone to the Board's second meeting of the month which was held in the Meeting Chamber to accommodate the speakers for the three public hearings. Chairperson Davis reported that Joe White would not be attending the meeting.

A. Adoption of Agenda

Chairperson Davis called for a motion to adopt the agenda as presented.

Mr. Tate moved, seconded by Mr. Morgan, that the Board adopt the agenda as presented, and the Board voted 8-0 in support of the motion. Joe White was absent.

PUBLIC HEARINGS

Chairperson Davis said Public Hearings are an opportunity for the Board to hear from the public and gain valuable feedback. Chairperson Davis said there are approximately forty-five speakers signed up to speak at the three public hearings and he outlined the speaker and audience protocol. He encouraged the audience to be mindful of showing respect to the speakers and to refrain from either showing support or displeasure. Generally, personnel, confidential or specific school level matters are not proper subjects to discuss during the public comment period. Instead, those matters are more appropriately addressed in accordance with the appeal rights supported under North Carolina General Statutes. Each speaker will be given three minutes to address the Board. Chairperson Davis asked the speakers to direct comments to him as the representative of the Board and to refrain from comments directed at staff members. Chairperson Davis noted that the public hearings are topic specific and he asked the speakers to remain on topic.

B. Public Hearing on Proposed Amendments to Policy GCBC, Overtime and Holiday Work Pay

No speakers were signed up to speak to the Public Hearing on Policy GCBC and Chairperson Davis called the public hearing closed.

C. Public Hearing on Proposed New Policy JLCF, Do Not Resuscitate Orders

Pam Mange, a former CMS School Board member and nurse, commended the Board for addressing the challenging topic of Do Not Resuscitate noting that the community is fortunate to have a clinic close by that serves these students. She believes the proposed policy is geared to antiquated language and recommended specific modifications to incorporate 2010 legislation. Ms. Mange invited Board members to meet with her to discuss current trends.

Chairperson Davis called the Public Hearing on JLCF closed.

D. Public Hearing on Staff Budget Reduction Recommendations

Chairperson Davis reported forty-six people were signed up to speak to Staff Budget Reduction Recommendations and he noted that the public hearing was specific to the budget items addressed at the January 11, 2011 Regular Board meeting.

Michelle Brachten, mother of students at Torrence Creek Elementary, discussed concerns that the proposed Bell Schedule changes to add 45-minutes to the school day would take away family time and creative time; cause students to come home in the dark, do homework, and go to bed; and teachers would not get a raise to work the extra 45-minutes per day and they are already working hard with limited supplies.

Eight people discussed the budget recommendation in general and encouraged the Board to make decisions for all schools, all students, and all teachers; to keep the cuts away from the classroom; and to advocate for education.

- Blanche Penn.
- Destinee Clark, CMS student, expressed concern that CMS used Martin Luther King Day as a snow make up day. Chairperson Davis asked Ms. Clark to remain on the topic of the budget and Ms. Clark did not speak.
- Jennifer Lancaster, CMS parent.
- Pam Grundy, represented Mecklenburg ACTS, presented Mecklenburg ACTS priorities for the Board's consideration.
- Janet Brinkley, represented Charlotte Mecklenburg League of Women Voters, encouraged the Board to seek sustainable goals noting that they support the recommendation of Mecklenburg ACTS.
- Mia Hunt discussed concerns regarding the school closures.
- Erika Ellis-Stewart discussed concerns regarding academic excellence and equity and encouraged the Board to maintain Magnet Transportation and to delay the vote on Bright Beginnings.
- Nicholas Rose, CMS parent, encouraged the Board to outsource ancillary services and to focus on the core mission of educating students.

Twenty-nine people discussed concerns about reducing the budget for the Bright Beginnings Program and closing PreK centers; the benefits of the program; and the disadvantages that students of poverty face without early education. They encouraged the Board to delay the Board vote to provide a clearer picture of the budget situation and allow the public time to help find alternative solutions. Bright Beginnings is an investment in our children and our community.

- Anniah Grace, student at Oaklawn Language Academy.
- LaTonya Lewis and Gina Gilcher, CMS teachers in the Bright Beginnings Program.
- Annabelle Suddreth, an advocate for homeless children/A Child's Place.
- Ryan Kilmer, psychologist.
- Nicole Dunn, CMS parent.
- Timika Shafeek-Horton, Chairperson of Smart Start.
- Barbara Cantisano, represented an organization that serves Hispanic children.
- Kelly Stevens.
- Tashay Jefferies, registered nurse.
- Connie Cabbs, volunteer at Double Oaks PreK Center.
- Susan Patterson.

- Kathy Ridge.
- John Ellis, psychologist.
- Emilio Pacheco, student at Amay James PreK Center.
- Alexandra Pacheco, grandmother of Emilio.
- Stephen Dey, parent of a student with Down syndrome in the Bright Beginnings Program.
- Paul Buchanan, former CMS assistant principal, encouraged the Board to seek funding from the Board of County Commissioners, the Governor, Legislators, and the President to keep the Bright Beginnings Program intact.
- Levester Flowers.
- Veronie Gamble.
- Michelle Robinson
- Juwana Romer, parent of a student at Double Oaks PreK Center
- Rev. Cecil Alsobrooks, grandparent of a student at Double Oaks PreK Center.
- Terri Parkin, parent of a student in the Bright Beginnings Program.
- Melissa Smith, parent of a student with Autism in the Bright Beginnings Program
- Kim Dull, parent of three students in the Exception Children's Program at CMS.
- Theresa Vranek, CMS teacher in the Bright Beginnings Program.
- David Short, parent of a student with Down syndrome in the Bright Beginnings Program.
- Mary Covington.

Greg Brooks expressed concern regarding the complications of school bullying. Chairperson Davis informed Mr. Brooks that this was not an appropriate subject for this public hearing and Mr. Brooks ended his speech.

Two people discussed the benefits of Magnet Programs noting that their children are excelling and encouraged the Board to not cut Magnet transportation.

- Cherisse Hollingsworth, parent of two students in CMS (one at Double Oaks Bright Beginnings and at Phillip O. Berry Academy of Technology).
- DeShauna McLamb, CMS parent.

Chairperson Davis called the Public Hearing on Staff Budget Recommendations closed. He thanked the speakers for their comments and he noted that they will be considered as the Board deliberates on the upcoming budget items.

II. CONSENT ITEMS

- A. Recommend approval of construction contract for Olde Providence Elementary and Independence High schools.

The chiller replacement project is for Olde Providence Elementary and Independence High School. Staff recommends the approval of this contract to the lowest responsive bidder; Carolina Air Solutions. The contractor agrees to provide the labor, services, equipment, and materials needed to replace and remove existing McQuay chillers and install a new Trane Air Cooled Screw Chiller Model #RTAC200 at Olde Providence Elementary School and Independence High School. All work is to be performed in accordance with the standard terms and conditions outlined in the contract. Fiscal Implications: \$208,010.12.

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

Mr. Morgan moved that the Board adopt Consent Item A., seconded by Mr. Tate, and

the Board voted 7-0 in support of the motion.

Ayes: Board members Davis, McGarry, Merchant, McElrath, Waddell, Tate, and Morgan. Rhonda Lennon was out of the room at the time of vote. Joe White was absent.

III. ACTION ITEMS

A. Recommend Approval of Proposed 2011 Legislative Agenda

Chairperson Davis said this item is the approval of the proposed Board of Education 2011 Legislative Agenda. The Board discussion on this item at this time is timely given the financial challenges that CMS faces and given that 55% of the CMS funding as well as the majority of the rules and regulations that CMS is required to govern the school system under promulgates from Raleigh. For this item, the Board will receive the proposed 2011 Legislative Agenda and then the Board will discuss the recommendation. The Board members have a variety of opinions regarding the agenda and may not reach a consensus at this meeting. The Board members will provide input and direction and this item will be referred back to the Board's general counsel for additional work.

Chairperson Davis called for a motion to adopt the proposed 2011 legislative agenda.

Mr. Merchant moved, seconded by Mr. Morgan, that that the Board approve the proposed 2011 Legislative Agenda, and a discussion followed.

Chairperson Davis called upon George Battle, General Counsel, to present the proposed 2011 Legislative Agenda and open the Board discussion. Mr. Battle said before the Board is a draft document of the 2011 Legislative Agenda. It is submitted as a statement of the Board's legislative priorities and a guide for those involved to get those priorities enacted into law. The draft is succinct but broad and placed at a high level focusing on a few big items opposed to a detailed list of smaller items. The document is not sacrosanct and is meant to serve as a discussion touchstone for the Board as they determine the legislative priorities. The draft was devised from one-on-one input from the Board members, past Board of Education legislative agendas, legislative agendas from other organizations such as the North Carolina School Boards Association, and other points of research. In addition Mr. Battle considered the audience in Raleigh which will be the new republican majority and the Governor. The proposed 2011 Legislative Agenda is as follows:

THE CHARLOTTE-MECKLENBURG BOARD OF EDUCATION 2011 LEGISLATIVE AGENDA

The Charlotte-Mecklenburg Board of Education hereby adopts as its legislative priorities and requests that the North Carolina legislature take action on the following items:

1. Providing adequate funding and budget flexibility to local school districts.
2. Elevating and enhancing the teaching profession through reforms in evaluation, compensation and career status.
3. Providing flexibility to local school districts in reforming low-performing schools.
4. Providing taxing authority for local school districts.

Mr. Battle provided an overview of each item.

1. Providing adequate funding and budget flexibility to local school districts.

This item is a carryover from previous years' legislative agendas and a staple of any legislative discussion currently occurring in North Carolina. It is a request for adequate and appropriate funding as well as flexibility to make local decisions for where that funding goes.

2. Elevating and enhancing the teaching profession through reforms in evaluation, compensation, and career status.

This item is a call for the legislature to review all aspects of the teaching profession with a focus toward enacting those statutory reforms geared to developing, compensating, and promoting teachers in methods commensurate with ensuring effective teachers are in the classroom.

3. Providing flexibility to local school districts in reforming low-performing schools.

During the last legislative session a law was passed as part of the State's *Race to the Top* effort giving school districts some guidance and some flexibility in dealing with low-performing schools. The law, as passed, was not flushed out and was a last minute addition and did not provide school districts with new powers to reform low-performing schools.

4. Providing taxing authority for local school districts.

This was part of the Board's 2009 Legislative Agenda and it is a perennial part of the North Carolina School Boards Association's Legislative Agenda. Currently, over half of all the states (approximately thirty-five) have some taxing authority in their local school districts.

Mr. Battle said this is an overview of the issues and the Board has been provided a copy of the North Carolina School Boards Association's Legislative Agenda which provides more detail of the proposed items and lists specific examples of legislation for the Board's reference. Mr. Battle said at this point, his role for the Board's Legislative Agenda is as facilitator of information and he will become an advocate only when the Board exercises their prerogative to set the agenda. Mr. Battle said he would value the Board's input and that information will be used to refine the proposed agenda.

Board members were invited to ask questions and make comment.

- Ms. Lennon said with the new legislature in Raleigh the Board will have opportunities to share their ideas. She expressed concern regarding taxing authority for local school districts because the Board of Education is the only body elected in the County that serves a four-year term. She believes if Board members are able to tax residents, they should be able to vote Board members out of office every two years. She would support restructuring the Board of Education's current terms of office. Ms. Lennon also expressed concern that her district has almost 40% more voters and citizens than the other districts and CMS should redistrict the six districts so they were more balanced in population because otherwise CMS would be taxing without representation.
- Dr. Waddell supports some items but has questions about other items because they are very broad. She expressed concern about how teachers are paid and she hopes this will not change how teachers are paid and completely move away from the State scale. She said regarding #1, that has been tried in the past and there were issues regarding evaluations. She said before this moves forward the Board must have input from the

teachers and the Board must be clear on how this will be done. The Board has discussed taxing authority before and it may be a good thing because it will give school boards more opportunities for budgets and funding. The Board must be clear and strategic before moving forward to ensure it is fair and that CMS is meeting the requirements of getting funds and using funds. Dr. Waddell would like more details as it relates to implementation.

- Mr. Morgan asked does this include anything that is in direct opposition to the North Carolina School Boards Association's Legislative Agenda? Mr. Battle said, no sir. Mr. Morgan asked does budget flexibility include flexibility in the school calendar? Mr. Battle said, yes. Mr. Morgan encouraged that the Board highlight calendar flexibility or list it as a separate bullet to ensure it is a priority item. He noted that CMS parents have expressed concern about the calendar limitations imposed by the State because CMS has limited flexibility with snow make up days but the surrounding private schools are free from those requirements and that allows them more flexibility for scheduling exams and snow make up days. Mr. Morgan expressed concern about timing and flexibility needed by Mr. Battle for taxing authority because the legislative session begins tomorrow and he does not want the Board to delay Mr. Battle from having a legislative agenda to present at the session. Mr. Morgan discussed whether the Board should keep taxing authority broad, take it off the list, or take it to the Policy Committee or another group of the Board to develop recommendations for what it should include. Mr. Morgan agreed with Ms. Lennon that the Board of Education should go to a two-year term should the Board decide to pursue taxing authority but he knows other Board members have different ideas. Mr. Morgan said if taxing authority is going to be the item that prevents the Board from reaching consensus, he would suggest the Board remove taxing authority from the agenda so that more research can be completed and allow Mr. Battle to move forward with the other three items. Mr. Battle said he would do as the Board wishes as the Legislative Agenda is based upon the collective judgment of the Board. The advantages of flexibility would be the ability to go to Raleigh to see the different iterations of taxing authority and bring those back to the Board for their review and approval. Mr. Battle said taxing authority is a central tenet of the Legislative Agenda but the other three items do provide him a lot to work with in going forward to Raleigh. Mr. Battle wants to ensure the legislative items are within the comfort level of the Board and he would be glad to wait while the Board studies this item further. Mr. Morgan said he is comfortable with the first three items and he would support taxing authority with specific language.

Chairperson Davis said this is the opportunity for the Board to provide their thoughts on specific language that would garner the Board's support for any one of the four items in order for the Board to come to consensus.

- Mr. Merchant said Board members have made good points and he likes the brevity of the agenda because that will be helpful with the new key leaders in Raleigh. He stressed the importance that the Board be flexible and able to react because a legislative agenda is a template for beginning a negotiation on priority items. Mr. Merchant said if it looks like the Board can gain traction on any of these items in Raleigh, he will trust that Mr. Battle will be proactive, prompt, organized, and will provide the Board pertinent details. Mr. Merchant discussed the four items. Providing

adequate funding and budget flexibility to local school districts is not a “thing” we strive to get but part of an ongoing conversation. He said several of the public speakers tonight discussed their desire to work with the Board of County Commissioners to address funding issues and he encouraged them to initiate that step soon because this is not new news. Mr. Merchant regarding #2 (elevating and enhancing the teaching profession through reforms in evaluation, compensation, and career status), the current CMS graduation rate is 74% and 94% of the CMS teachers are rated at or above standard. This is a disconnect and CMS needs new methods to evaluate and compensate teachers. CMS is more discerning in evaluating teachers than most public schools districts and that is important because it is not fair to tell an average teacher they are doing a great job. Teachers want to get better and have the tools to get better. Mr. Merchant fully supports #3 regarding providing flexibility to reform low-performing schools because what works in Mecklenburg County is not what works in Dare County. Mecklenburg County has a history of innovation and strong leadership, and CMS should be able to take advantage of that intellectual capital and not be bound by what is happening in remote areas of the State. Mr. Merchant said regarding taxing authority, he vowed when he was a school board candidate that he would not support taxing authority for school boards but times have changed and we must react to those changing times. Mr. Merchant said rhetoric has been discussed a lot in this country and it is not always about violent rhetoric. He expressed concern that there has been zero will at the County, State, and federal levels to raise or alter tax structures. He believes there will be a move in North Carolina to restructure the tax code because North Carolina has a knowledge based economy but an agrarian and manufacturing based tax code, and that contributes to the current economy. He said should this come to pass, the Board must state they are willing to make the decisions that are right for our local community. We are the great State of Mecklenburg and the Board of Education must be leaders in this area. Mr. Merchant said taxing authority is part of an ongoing conversation and should that be granted, the Board would need to restructure the Board to rewrite their own rules.

- Ms. McGarry said in her opinion the first three items do not really say anything but taxing authority is clear. She understands the items are open ended to get feedback from the Board. Ms. McGarry said regarding #1, she is not sure what flexibility means because the County funds CMS but the Board chooses their priorities. She expressed concern about people blaming the other person. She cautioned the Board about reviewing the recommendations from the North Carolina School Boards Association because she has never agreed with their legislative agenda and what works in one county may not work in CMS. Ms. McGarry asked what is an example of budget flexibility? Mr. Battle said this would allow CMS the flexibility to designate dollars to specific line items or areas in which there is a greater need. Ms. McGarry said CMS needs flexibility but this item needs clarification before it goes forward to Raleigh. Ms. McGarry expressed concern about the longevity bonus because it pays automatically at the State level, ranging from 1.4 to 4.5 percent of annual pay, depending on the number of years of employment. She would like to know how much that equates to in CMS and she encouraged the Board to seek flexibility in the use of those funds. Ms. McGarry said she would support flexibility to the local school districts if she had specifics for what that would include. Ms. McGarry said regarding #2, the pay for performance is hiding in this item and it should specify that CMS needs a rigorous teacher evaluation document based upon performance and outcomes. Item

#2 could include a number of things and the Board should be more specific with what it means and clearer about where pay for performance is going and the source of that funding. Ms. McGarry said regarding #3, she does not agree with the terminology of the State Legislative Agenda concerning charter schools. She would support adding "lift the charter school cap" to the Legislative Agenda. She would not support charters within our school district but would support moving to a charter system where you do not have a school board or a superintendent but you have a commission that regulates the charter. Ms. McGarry said regarding taxing authority, ideally that would be the way to go and the Board should review the recommendations of the Citizens' Task Force of Mecklenburg County completed in December 2005 which recommended the school board be reduced to a seven member board and they run as At-Large members. Ms. McGarry would only support the Board have taxing authority if the Board members were voted on by the entire community so they would have the whole community at heart and not just segments of the community. Until that happens, Ms. McGarry would not support seeking taxing authority in Raleigh. Ms. McGarry does support having fewer items on the Legislative Agenda.

- Mr. McElrath said calendar flexibility is important and he encouraged the Board to add it as a separate item (Item #5). He recently worked with the Calendar Committee and it is difficult to coordinate the school calendar with the State restrictions.
- Mr. Tate expressed concern about the process because this is the first time the items have been presented to the public; the Board has not had an opportunity to have input from anyone; the information was only posted on the CMS Website today; and it is scheduled for a Board vote today. This is the Board's legislative agenda but the Board should ensure everybody knows what we are doing. Mr. Tate thanked Mr. Battle for his work on the Legislative Agenda and discussing the items with the Board members. Mr. Tate supports #1, budget flexibility, because he is concerned about the many restraints CMS must follow in using State funds and it would be helpful to have more flexibility. Mr. Tate does not believe flexibility in the school calendar was obvious and he would support adding calendar flexibility as a separate item (Item #5) to show clear Board direction that it is a priority. Mr. Tate wants the Board to do everything possible in our community to ensure CMS teachers are well respected as the professionals they are and they understand the Board views and treats them as professionals. He is not sure the reforms in #2 or the move to pay for performance takes that into consideration. He discussed the importance that as the Board takes this forward to Raleigh he wants to ensure this is in concert with the CMS teachers so that the Legislative Agenda is not developed separate from what they believe CMS should be doing. Mr. Tate is uncomfortable with the language in #2 but he has not developed language to modify the recommendation. Mr. Tate said regarding #3, he is not sure how much further the Board may be able to go with this recommendation. He discussed the restrictions of the law enacted last year, he would not support Ms. McGarry's recommendation of becoming a charter district because that would not be useful, and CMS has been using the State developed models for low-performing schools as well its own creative models for reforming low-performing schools such as Strategic Staffing. This shows that CMS already has flexibility to be able to implement initiatives that are outside of the box and CMS has received national attention for those initiatives. Mr. Tate is not sure what the Board wants to include in #3. Mr. Tate absolutely supports providing taxing authority to local school districts because that will allow the Board of Education to be more accountable to the

community and to stand on its own in terms of funding. He believes if the Board had this responsibility they would be very conservative in taxing and make the Board more engaged and involved then just saying, "This is what we need." This would allow the Board to lobby people for the needs and wants of CMS whereas currently the Board cannot do anything for getting more revenue beyond philanthropy, grants, etc. Mr. Tate would support keeping #4 in the Legislative Agenda.

- Chairperson Davis supports this approach and having a broad field that highlights the fact that we have a state run public education system in North Carolina that is trying to serve the needs of 100 counties with schools and students that have a variety of needs. Many households have children with different learning styles and that shows the essence of education is connecting with the child and that cannot be accomplished top down. The Board, through the Legislative Agenda, is advocating for greater flexibility in a host of ways that are geared to the heart of education and being able to tailor each individual child's educational experience in order for them to learn. That is the type of culture that Dr. Gorman and his staff are creating in CMS through the implementation of reforms and initiatives. Chairperson Davis believes the Board members should have frequent interaction with what is going on and that information should be shared with the Board members as well as the legislators so that the Board maintains control on what they hear from the legislators and the information they share for what CMS needs. Chairperson Davis discussed the State transportation funding formula which is setup to ensure rural school children are not disadvantaged by transportation. That is a great concept for those children but the students in CMS also have needs. That formula is a disincentive to this Board to create greater efficiency because it negatively impacts the funding for CMS. That formula is a great example of the need to have budget flexibility. Another example is CMS is not given funds but given positions and the positions needed in CMS are different from other counties. Chairperson Davis supports #2, elevating and enhancing the teacher profession. He expressed concern that we trust our health to a trained and skilled physician, we trust our rights under the law to a trained and skilled lawyer, but then we trust our most precious gift to someone we pay \$35,000 per year. Many teachers go into teaching only because they have a calling and it is unfortunate that the system does not promote, enhance, or encourage any other reason to go into teaching. Teachers are impacting our most precious gift and the Board must thoughtfully work out the details for compensating effective teachers in a fair way. This must be accomplished working with teachers and ensuring they understand they are not the problem but the solution. The highest professions are based upon performance and not longevity. The highest professions are rewarded based upon contribution to society and not the number of graduate degrees, and the Board should incorporate those issues in this reform. Chairperson Davis discussed flexibility for local school districts for reforming low-performing schools and the importance that public school districts have the same flexibility as charter schools. If children in charter schools are not restricted by Human Resources' policies and rules than children in public schools should have the same flexibility. Public schools should not be restricted by who they hire, who they promote, and who they dismiss. Chairperson Davis said regarding taxing authority, he is not interested in another entity in Mecklenburg County levying taxes. He would prefer this be tied to City and County consolidation and the time has come for that reform. He said given the issues that the Board is about to debate, the Board does not have the ability to stand before the community and say based upon the funds we are

given we are going to lay off teachers, close facilities, and eliminate transportation. Or, the Board could ask the community for another "x" tax percent and they would know that every dollar would go to the education of children. Then, if the Board is not delivering the results, the community can vote the Board members out. Chairperson Davis said what should be addressed is a clear accountability for the betterment of our children and taxing authority would provide a clear direction for accountability.

- Mr. Merchant agreed that calendar flexibility should be a separate item.

Chairperson Davis said the Board has varying views on the Legislative Agenda and he encouraged the Board members to provide clear input to Mr. Battle to develop some refinements. Chairperson Davis would like to see examples to solidify the Board's interpretation of the priorities.

Chairperson Davis asked for a motion to postpone the Board vote on the adoption of proposed 2011 Legislative Agenda.

Dr. Waddell moved, seconded by Mr. Morgan, that the Board postpone the Board vote on the adoption of proposed 2011 Legislative Agenda until the February 8, 2011 Regular Board meeting, and the Board vote 8-0 in support of the motion. Joe White was absent.

B. Recommend Approval of Proposed Budget Reduction Recommendations

Chairperson Davis called upon Dr. Gorman to introduce the recommendation on Proposed Budget Reduction Recommendations. Dr. Gorman called upon Sheila Shirley, Chief Financial Officer, to present the recommendation. Dr. Gorman said this information is a follow through on staff's commitment to the Board at the January 11th Board meeting and it is our best thinking as of January 11th. At this point, CMS does not have any more clarity from the State or the County on the overall funding outlook. Staff has expanded its best thinking to provide the Board prioritization and the context of the entire budget reductions. The Board also asked that staff bring forward information or reductions that needed to be made to provide timely decisions for parents, community, and staff. At the January 11th meeting staff presented three recommendations that required an early Board decision.

Ms. Shirley provided an overview of the prioritized list of the proposed reduction recommendations categorized into four tiers and reviewed the three items that staff is asking the Board to vote on at this meeting. The purpose of this discussion is to accomplish two key steps as a part of the budget process. Present and get feedback from the Board on the prioritized items and seek approval on three significant areas included in the reduction recommendation:

1. Change Weighted Student Staffing formula from 1.3 to 1.25 in all grades.
2. Change bell schedules to obtain transportation efficiencies and create a seven hour school day for all students.
3. Reduction in the number of classes for Bright Beginnings.

Prioritization of Staff Budget Reduction Recommendation as of January 17, 2011:

Operationalized:

Comprehensive Review - School Closures

\$5,237,746

Subtotal - Operationalized

\$5,237,746

Efficiencies:

Average salary adjustment	\$2,176,485	
Midwood relocation	969,617	
Redirect contracted services to state technology funds	651,321	
Eliminate annual maintenance fee for AAL NC WISE	245,000	
Utilities	1,903,552	
Eliminate prior year extended employment	79,713	
Transportation - Bell schedule and extending the elementary school day	4,000,000	
Subtotal – Efficiencies		\$10,025,688

Tier 1:

Central Office Reductions	\$8,785,421\$	
DSSF funding for high school plans	1,229,914	
Achievement Zone - school based positions	689,290	
Media Specialists (2 positions)	138,038	
Bonuses- Incentive, Critical Needs, Signing	4,293,933	
Subtotal - Tier 1		\$15,136,596

Tier 2:

Reduce funds for equitable supplies and materials	\$125,000	
CTE (38 teachers)	2,504,830	
Alternative Education	1,146,108	
Campus Security Associates (10 Rapid Response)	362,880	
School Quality Reviews training	135,000	
Building Services - trade positions	712,422	
Custodians	1,734,753	
Academic Competitions	87,559	
Subtotal - Tier 2		\$6,808,552

Tier 3:

Career and Technical Education (10 teachers)	659,170\$	
Extended Day allotment to schools	1,052,532	
Talent Development (6 teachers)	412,380	
Campus Security Associates (16 positions)	543,160	
107 teacher-level positions for Zones and leave	6,338,359	
Bright Beginnings reduction of classes	10,417,921	
Teacher Assistants	9,295,201	
Subtotal - Tier 3		\$28,718,723

Tier 4

Eliminate one support position at each school (164 positions)	11,152,000\$	
Change Weighted Student Staffing weight from 1.3 to 1.25 (134 teacher positions)	7,937,758	
Increase class size +2 for grades 4 th -12 th (255 teacher positions)	15,105,435	
Subtotal - Tier 4		\$34,195,193

GRAND TOTAL **\$100,122,498**

Ms. Shirley reviewed that the Board's decisions regarding the Comprehensive review (schools closures) are included in the category Operationalized and the proposed

recommendation for transportation efficiencies/bell schedule changes are included in the Efficiency category. The Tier recommendations will follow the same logic from previous years and should CMS receive additional funding the items would be added back beginning at the bottom of Tier 4 but it is unlikely that process would reach Tier 1 or Tier 2. The \$10.4 million reduction in the Bright Beginning classes is included in Tier 3 and that is followed by the teacher assistant reduction (eliminating the allocation for teacher assistants in 1st and 2nd grade and maintaining an allocation in kindergarten at 1:22). Tier 4 includes the elimination of one support person at each school which will be at the principals' discretion, change in Weighted Student Staffing from 1.3 to 1.25, and increasing class size by 2 or the allocation ratio by two students in all grades 4th through 12th which equates to a reduction of 255 teacher positions. The early Board decisions would be helpful because the teacher Transfer Fair is scheduled to begin January 28th and principals need time to make decisions regarding staffing and building schedules in order to be prepared for school next year. The decisions regarding the bell schedules will obtain transportation efficiencies and establish a seven hour day for all students in the district. The early decisions will provide parents early notification in order for them to make time sensitive decisions regarding Magnet choices and before/after school care, and provide the Transportation Department time to prepare schedules for next year. The Bright Beginnings recommendation will reduce the number of classes from 175 to 70 plus inclusion classes for Exception Children. This would mean that CMS would close the PreK centers and the Non-Title I PreK sites and offer PreK classes at select Title I schools. This recommendation equates to \$10.4 million and addresses a significant amount of the pending ARRA funding cliff. An early decision provides families advanced notice in order to prepare for the change, allows an opportunity to encourage partners in the community to offer programs, and allows private PreK providers to expand. In addition, our staffing timeline is very critical in the early decisions.

Dr. Gorman said CMS has already reduced or redirected its budget over the last several years by well over \$150 million. Every item in the recommendations today were not included in that first \$150 million and they were not included in the reductions or redirections that were began four years ago with smaller amounts. These are not reductions that we like, that we want, or we prefer but in many cases they are the best decisions compared to other choices. The majority of the better choices have already been eliminated in previous years and they are gone. CMS spends approximately 82% of its budget on salaries and benefits, and 87% of that is at the schoolhouse level. Unfortunately, when reductions of this size are needed, it is difficult to make those reductions without touching schools. CMS has made reductions every year equivalent or larger than the percentage at the district office level and will continue to do so. Recent data shows that North Carolina has already made significant cuts to educational administration and now ranks 49th in state and local spending on central office personnel in public schools. This is the same situation that CMS is in and we do not have some of those areas to cut but we will continue to look because we want to make cuts as far away from the classroom as possible. It is difficult to make \$100 million in cuts without impacting what happens in the classroom. CMS is in the situation of making the best decisions possible out of some very challenging and difficult decisions.

Board members were invited to ask questions and make comments.

- Mr. Merchant asked should CMS receive an additional \$4 million, how will those dollars be brought back? Dr. Gorman said staff's recommendation is to start at the bottom of Tier 4 and spend those dollars first to reduce the class size in high school from plus two to plus one and cascade to middle school and elementary school.
- Chairperson Davis asked Dr. Gorman to respond to several questions.
 1. Explain why the 255 teacher positions associated with grades 4th through 12th are the highest priority to bring back? Dr. Gorman said budget reductions have impacted all areas in CMS as well as the classroom and this will have an impact on all students and all schools. All of our schools have students who are excelling and who are failing and this is a way to provide support back to all schools across the district. This starts with the high school because the cuts have been the most severe at the high school level.
 2. Why is Weighted Student Staffing number two on the list of items to bring back? Dr. Gorman said staff believes next to teacher effectiveness, Weighted Student Staffing has been the most important for increasing student achievement. Principals utilizing Weighted Student Staffing dollars have been able to provide educational opportunities for students (tutoring, enrichment, and access) and that has helped some of our most challenged students. Staff believes this is the second most valuable item to bring back.

Chairperson Davis said this initiative is a great example of the flexibility that the Board is seeking from the State through the Legislative Agenda. This initiative provides flexible resources to skilled principals to match those resources to the needs of those children attending that school because the needs of the school and students are different from school to school. Dr. Gorman noted that this plan is still allocating over \$40 million and 670 CMS teachers beyond the formula for Weighted Student staffing which is the right thing to do.
 3. The next item to bring back is one support position at each school at the principal's discretion and why is that decision being made at the school level? Dr. Gorman said the support positions would include academic facilitator, literacy facilitator, math facilitator, media specialist, or counselor and the principals would make the decision on what would be the most appropriate reduction for their site because this could change from school to school.

Dr. Gorman said regarding providing adequate funding and budget flexibility to local school districts, he would like the ability to allocate per pupil dollars to a school. Should there be a reduction and instead of saying cut teacher assistant positions, this would allow the principal to develop a budget and a school operating plan within that budget that fits the needs of the school. This is a small way to allow principals the flexibility to customize the needs of their school.
 4. Why would support positions be a priority ahead of Bright Beginnings? Dr. Gorman said in many ways the support positions and teachers assistant positions enhance the learning at the school. These are not items we would like to cut because it impacts the direct instruction of our students and act as an adjunct to the teacher. Staff believes the Bright Beginnings Program is also important but the challenge is which of these other areas are less important or less integral to education.

- Mr. Tate asked how will the 134 positions in changing Weighted Student Staffing be chosen throughout the district, what schools will be impacted, and how will that be implemented? Dr. Gorman said every school would potential lose funding. CMS allocates teachers in portions (half teacher or full teacher) and they would come out of the formula and budgeted in those increments. Some schools would be more impacted than others and a school with single digit poverty would feel the least impact but they do not get nearly the support of the poverty schools. Mr. Tate said he would not change any items in Operationalized, Tiers 1 and 2, and most of the items in Tier 3. He thanked staff for presenting the total amount of funding reductions needed early in the process because it will assist the Board in making decisions. He expressed concern that the level of cuts is causing people in the community exasperation and he understands this is staff's best judgment as of today. Mr. Tate shared his best thinking as of today. Mr. Tate hopes, because it is early in the process, that staff will give this more consideration especially the items in Tiers 3 and 4. He is most concerned about the last five items on the list and he hopes staff can find other items to cut. Dr. Gorman said staff does believe our best thinking will change along the way, we commit to bringing back new ideas should they develop, and we hope the funding structure will change and the reductions will get better. Mr. Tate said because it is early in the process, it is hard for him to operationalize anything else. Mr. Tate said regarding support positions, did CMS add a counselor position in every elementary school last year? Dr. Gorman said two years ago, CMS transitioned from a Student Services Specialists (SSS) position to a counselor and in many cases the same person stayed at the school. Each of the schools either had a SSS or a counselor but that was not a change in headcount. This change balanced positions with the services being provided to the school and provided principals staffing flexibility while giving them the authority to reduce staffing.
- Ms. McGarry expressed concern that this is a request for \$100 million and at this point CMS does not know what the parameters will be but she understands the Board must plan ahead. She said the budget sets its priorities and she is distressed that this focuses on teachers first versus administration. CMS has approximately 19,000 employees and approximately 8,500 of those are teachers. She believes there are inefficiencies in the other employees and CMS should stop hitting the classroom so hard. She has a sense of urgency and CMS should remove the teachers who are not getting results and that can be done on an ongoing basis. She asked staff to provide her a list of grants. She believes some grants may be more costly to administer than the grant is worth and it may behoove CMS to stop accepting grants. She encouraged staff to review grants and programs to ensure they focus on the Board's core mission. Ms. McGarry discussed the cost to test and retest students for End-of-Grade (EOG) and End-of-Course (EOC) tests. She believes testing and retesting is not totally funded by the State and that is a CMS budget item because it costs CMS to have teachers administer tests, score test, and retest students. Ms. McGarry asked is CMS doing a textbook adoption this year? Dr. Gorman said there is no money in the budget for textbook adoption. Dr. Gorman said regarding grants, CMS charges indirect costs to grants in order for CMS to receive a portion to cover the overhead for the grant. Regarding the cost for EOG and EOC testing, CMS does not have a choice for administering assessments. This is a piece of holding people accountable, how students perform, and how students grow. There is not a definitive line item for scoring tests because that is a part of the teacher's regular job but there are some costs for those services. Ann

Clark, Chief Academic Officer, said there is no money for textbook adoption in the proposed budget. CMS is using some one-time funding this year to advance the middle school math adoption and English Language Arts adoption to align with the implementation of the Common Core. In addition, some decisions may be needed regarding the purchase of textbooks that are no longer in print. Ms. McGarry asked clarifying questions regarding the one-time ARRA funds used to purchase textbooks, staffing vacant positions, and cuts to security services. Dr. Gorman provided clarification. Ms. McGarry said staff at the schools value Campus Security Associate positions the most for keeping the school in order and she expressed concern about those cuts because safety is hugely important. Dr. Gorman said the reductions to security will not be across the board but targeted reductions based upon the needs of the school. Ms. McGarry said she does not agree with the order of the tiers, she would support some of the reductions, and she is most concerned about the cuts to teachers and security.

Dr. Gorman wanted to ensure that everyone understood the reductions do not include any reductions to the services for the Exceptional Children in the Bright Beginnings Program.

- Ms. Lennon said the real number that CMS is facing is \$100,000,000.00. She shares the concerns of parents who believe changes to the bell schedule will be inconvenient for their family and the elimination of middle schools sports will have an adverse affect on their child but the Board must consider the best areas to reduce the budget by \$100 million. Ms. Lennon expressed concern about the continual comments regarding layers of management in CMS and the waste at Central Office. She highlighted that Tier 1 has \$8.7 million in reductions to Central Office that includes reductions in custodians, alternative education, and building services which are non-classroom areas. She said the real facts are the first two tiers are not coming back and those cuts will be made regardless of the final budget from the State. But, Tiers 1 and 2 only equate to \$21.9 million of the \$100 million in reductions needed. Ms. Lennon wants the public to understand that the first cuts being made are in Central Office, administration, building services, and non-classroom areas and teachers are not the first cuts.
- Dr. Waddell asked what is the difference between PreK sites and non-Title I schools? Dr. Gorman said there are three schools that are not part of the Title I Program that have PreK. CMS would not be able to continue to offer PreK at those sites because they would not qualify for Title I dollars and the 70 Bright Beginnings classes cannot be located at those sites. Dr. Waddell asked does this budget include new initiatives? Dr. Gorman said this does not include any new initiatives. There are some new initiatives that will use *Race to the Top* dollars related to teacher effectiveness and hiring math, science, and special education teachers but those initiatives will be short term. Dr. Waddell said these early decisions are a first round of cuts and most likely there will be additional cuts and she asked when can the Board expect the next round of cuts? Dr. Gorman said staff will, most likely, come to the Board with a similar format as last year in that at certain times staff asked the Board for authority to operationalize cuts or to notify certain individuals. This will be necessary for planning purposes as well as notifying staff in order to provide them lead time, and a large part of this process will be driven by information CMS receives from the State. Dr. Waddell asked clarifying questions regarding the Career and Technical Education positions and the timeframe for notifying teachers. Dr. Gorman provided clarification and information regarding the

reduction in force criteria.

- Mr. Morgan said regarding outsourcing, what is the status of CMS reviewing options for outsourcing and the trial of outsourcing janitorial services? Dr. Gorman said there are a number of schools that outsource their custodial services and opted out of our traditional format. CMS has been partnering with Mecklenburg County and City of Charlotte on insurance and risk management. Operationally, CMS has privatized and contracted out over \$50 million in various services and support areas. In addition, CMS has been developing a model with City of Charlotte and working with their Privatization and Competition Committee to develop a format for CMS. Staff has also worked with George Battle, General Counsel, to develop a format that meets Department of Public Instruction rules. CMS is in the process of developing a Request for Proposal (RFP) format for two particular areas in CMS. The first area is the Transportation Department which requires some analysis because it includes the tort liability that is assumed by the State and the buses are owned by the State versus a privatized bus. The other area is Child Nutrition and that area requires deep consideration because it is a separate fund. Child Nutrition is a special revenue fund and it should be noted that CMS has not increased the cost of a meal in ten years. Over those ten years, CMS has continued to receive high ratings from the nutritional rating process. Dr. Gorman said CMS staff is working to develop the same process as the City of Charlotte. The process will include establishing an Advisory Committee for the contracting guidelines, organizing the RFP, developing the content and criteria of the RFP, proposal review process, establishing costing methodology, providing employee impact statement, developing and implementing a cost implementation plan, and establishing contract and monitoring process. Through this process, the City of Charlotte found many areas that they could continue at a better rate. This may also be the case for CMS and that is why it is important that this include a competitive piece in which the CMS team will also submit a competitive bid to determine who can do it best. Staff has received clear advice that this process should pursue large dollar areas first because CMS could spend a lot of money reviewing a small dollar revenue area or an item that resulted in a ten percent change. Staff has been working on this process for about six to eight months and working as quickly as possible based upon the reductions of staff in that department. Mr. Morgan asked who will be on the Advisory Committee and will it include citizens, staff, and people with expertise? Dr. Gorman said CMS must be careful with the role that staff plays on the committee because staff would have the ability to compete for the contracts. Dr. Gorman reported that the Board is scheduled to get an update on the status of this effort soon in an upcoming *Board Update*. Mr. Morgan encouraged the Board to explore the transportation component as quickly possible, to consider partial component quickly, and to review how Durham schools have implemented privatization of buses. The Citizens' Task Force in 2005 wanted CMS to have an RFP beginning 2007. Mr. Morgan said based upon the budget restraints it is time to move forward on privatization efforts because CMS must review areas to save dollars and people in the community are interested in sharing their expertise on an Advisory Committee. This effort should be expanded to Information Technology and beyond. Should this process result in CMS being the cheapest method, then that information must be shared with the public. Dr. Gorman said staff with outside services has reviewed areas for efficiencies and CMS has a low cost print shop but staff is happy to put those areas out to bid. Dr. Gorman said it is important to note that in 2005, when that report came out the Board members at the time had different ideas about privatization. Mr. Morgan asked why is

reductions in Magnet transportation not included in the Tiers? Dr. Gorman said Magnet Transportation has been reviewed by staff and the Board two years ago with the Comprehensive Review of Magnet Programs and most recently with the Comprehensive Review of CMS. The judgment of the Board and staff was Magnet transportation should remain as part of the CMS portfolio. Staff believes if CMS is offering Magnet Programs then CMS must offer transportation or access to all those programs. This is not a part of staff's recommendation for \$100 million but that may change should the reductions move to \$130 million. Mr. Morgan said he would support those dollars being taken out and going directly into the classroom but not all Board members would support that recommendation.

- Mr. Merchant clarified that this recommendation it not hitting teachers first and they are listed in Tier 4 as they have been in previous years. He said regarding prioritization, he hopes the Board will not move items between Tiers 1, 2, and 3 because those items are gone. Mr. Merchant said with Tiers 1, 2, and 3, the savings that have already been operationalized, and the savings from banking \$20 million from last year we are still \$66 million short. CMS is actually looking at reductions from \$60 million to \$170 million with a target of \$100 million. He said the only way a Board member can save a particular item is to put it in Tier 4. Mr. Merchant would not support cutting Magnet transportation because he believes if CMS has those programs than CMS must offer transportation to those programs. He would prefer to eliminate a school rather than set schools to be dramatically segregated as a result of eliminating transportation. Mr. Merchant asked does the Child Nutrition Enterprise fund cover salaries, benefits, etc.? Dr. Gorman said, yes, it includes everything and some of those funds can be used for the construction of new schools. Mr. Merchant would like to see selected opportunities for outsourcing but the Board must be strategic about the process. Mr. Merchant asked Chairperson Davis to share insight on privatization because he previously chaired the City's Privatization Committee. Mr. Merchant said it is expensive to reply in an informed manner to an RFP and to have it be an apples-to-apples comparison. He expressed concern that it could be a hardship on CMS staff to reply to an RFP in the same apples-to-apples way as vendors because we are continuing to cut the staff that would reply to an RFP. Mr. Merchant said the Board should review privatization but it should be done in a targeted way. Mr. Merchant said regarding CMS selling assets, CMS cannot convert capital dollars to operating dollars because the County treats those dollars (debt service or operating) as the same type of expense. This is a down economy and commercial real estate values are down but CMS has marketable properties which have readily, identifiable potential buyers. These properties may contribute to a better use for the community because they have a limited use for CMS at this point. Mr. Merchant asked staff to explore conversations in which there may be ways to generate additional revenues for Mecklenburg County through the sale of certain assets. The County has first refusal but they are not in a buying position and they may welcome the opportunity to reduce their debt load. Dr. Gorman said talks related to this matter have progressed amongst staff. Mr. Merchant said we have asked staff to do more with less and he asked have we thought about cutting the level of academic offerings, for example we no longer teach Math? Dr. Gorman said, yes, and we are offering fewer electives at a number of schools as well as offering fewer electives and languages in high school. Mr. Merchant asked has staff begun to develop a potential list for a Tier 5 or a Tier 3.5? Dr. Gorman said we are in progress of that as well as monitoring the discussions at the legislature level and the State revenue forecast.

- Mr. McElrath asked Mr. Merchant for clarification regarding his reference that if CMS does not fund transportation to Magnet schools, the Magnet schools would become segregated and does that mean CMS is busing in order to integrate Magnet schools and if so are you suggesting CMS bus to integrate home schools? Mr. Merchant said CMS transportation offers some level of access to Magnet Programs and without that transportation there are certain students for whom that access would no longer exist because they cannot get to the school. Mr. McElrath asked Mr. Merchant to clarify his reference to segregation. Mr. Merchant said he was not making a point about segregation and his reference to segregation was economic segregation because the families who do not have a car or a single parent who works two jobs would have difficulty getting their student to a Magnet Program.
- Mr. Tate asked should the cuts for CMS go beyond \$100 million and a Tier 5 was established, would the Tier 5 be the first to come back? Dr. Gorman said, yes, but the Board should understand he may bring another alternative because there is another funding cliff for the 2012 budget year which includes a structural deficit of \$20 million for the Jobs Act which will be hanging over our heads for two years out. The Board would need to discuss how to spend those dollars should the budget already be approved at that time. Staff has said we would bring items back but the question would be do we bring items back or do we replace permanent expenditures? The Board has been fiscally prudent throughout this process. Last year, the Board brought back teachers and took away some of that debt but that brought harsh comments. Dr. Gorman said had the Board not made that decision last year we would be discussing \$120 million in reductions. Mr. Tate said he would be careful about privatizing an enterprise that is part of the CMS budget that actually breaks even, makes money, and keeps costs down such as the Child Nutrition Program. He is concerned about privatizing Child Nutrition because it has maintained the cost of meals for ten years and provided better nutrition for our students. He encouraged the Board to pursue privatization carefully noting that it could work well in certain areas. Mr. Tate asked could CMS make more money for the use of its athletic facilities and keep faith with the community about a fair use of their public schools through Community Use of Schools? Dr. Gorman said, yes, the Community Use of Schools is structured so that the costs can be changed and that process is reviewed on a periodic basis. Currently it is on a breakeven budget and staff could review this but increasing those costs would not generate millions of dollars. Dr. Gorman said at the last review, the Board said the buildings belong to the community; we want to make them available to the community beyond the school day; and not price them out of the market. Mr. Tate said he was a part of the Board that did not want to overcharge the community for the use of their public school facilities but that was before CMS had to cut \$100 million from its budget in people, programs, and other areas. Dr. Gorman said staff would develop a projection of a revenue increase. Mr. Tate said regarding a prioritization of Tiers 3 and 4, he would like to eliminate Bright Beginnings from the tiers or at least move it to Tier 4.
- Ms. McGarry believes every item should be on the table in the budget process. She said Mr. Morgan talked about the findings and recommendations of the Citizens' Task Force on CMS in 2005 and they urged outsourcing non-instructional services. The report indicated that services such as transportation, food services, cleaning, and printing were necessary but they distract time from the core business of CMS. They suggested those services would be best performed by those for whom a particular non-instructional service is the core business. The committee recommended that CMS choose one major

non-instructional service to competitive bid per year by areas and suggested transportation be a priority because it was the largest non-instructional service currently offered by the district. Ms. McGarry believes there is support by the Board to have a feasibility study done which can be done free of charge by whomever. Ms. McGarry made the following motion.

Ms. McGarry made a motion that the Board develop a Board charter by the next Board meeting, February 8th, which would include how to appoint a prioritization committee to ascertain the feasibility of outsourcing all of transportation or a portion thereof, seconded by Mr. Morgan.

- Ms. McGarry said this would develop a committee charter in order for the Board to appoint a community study group. Ms. McGarry asked George Battle, General Counsel, to help with the correct wording. George Battle, General Counsel, said he would need to review the Board policies regarding this motion.

Chairperson Davis asked Ms. McGarry to restate her motion.

Ms. McGarry moved that the Board develop a Committee Charter in order for the Board to appoint a citizens' committee and that charter would include what the Board would like a privatization committee to do to ascertain the feasibility of outsourcing the CMS transportation function, seconded by Mr. Morgan. A Board discussion followed.

- Mr. Merchant said Chairperson Davis has experience in this area and he asked Chairperson Davis to explain the realistic timeline and detail of what would be required to develop a charter; put a committee together; charge the committee; have the committee complete its investigation; make recommendations; and complete the RFP and Request for Quotation (RFQ) process?
- Chairperson Davis said this process must be incredibly thoughtful because we could spend a lot of time chasing activities that burn up a tremendous amount of staff's time that result in little good. The City crafted, based on work by staff, a proposed charter and policy for the board to consider around a Managed Competition Program in its entirety and not focused on any particular issue. The City had members of their staff who were disconnected from any of the competitions work with the Citizens' Advisory Committee to review opportunities for managed competition by the City. A key area that the Citizens' Advisory Committee considered was the potential savings versus how much time it would take to review the opportunity. The end result, once those things were determined, was nine out of ten cases the City won the bid. The City won the bid because they were freed from whatever restrictions they may have had to face before. A good example of this is the City's Solid Waste. The City's Solid Waste team put together a winning bid, overhauled their staff and equipment, created a tremendous service, and everyone won. The main point is that process was very deliberate, thoughtful, and methodological. The City Council did not dictate the areas to be reviewed and the City Advisory Committee worked with staff to develop those ideas. Chairperson Davis believes the Board of Education should follow that same approach and Dr. Gorman has stated that he is moving in that direction. Chairperson Davis said he agreed with the spirit of the motion and he believes the Board has indicated they want movement in that direction but he does not want the

Board to lose their focus on the budget items being discussed at this meeting. Chairperson Davis wants CMS to make progress in this effort and he is confident that Dr. Gorman will bring the Board a report on staff's work in this area in the near future. Chairperson Davis said he would not support this specific motion but believes the Board is sending a clear message to Dr. Gorman to move forward on this issue and bring back a status report on the progress being made to the Board by the second meeting in February. Chairperson Davis believes this is a reasonable request.

- Mr. Merchant agreed with Chairperson Davis and he would not want the Board to focus on just one area if the opportunity was in another area.
- Dr. Waddell expressed concern that there are unanswered questions. The Board already has several committees and perhaps the Board could use an existing committee. Dr. Waddell said in the Board assigning committees, we must consider who is going to do it, what it will be charged with, and when it will be completed. The Board needs more parameters and clarity regarding this matter. Dr. Waddell asked does this include all transportation or Magnet Transportation because CMS already has some existing contracted services. Dr. Waddell said she would need more clarity on what this will include and the results we hope to achieve.
- Mr. McElrath is concerned about this motion because it is recommending the appointment of citizens to work on something that Dr. Gorman is already working on. Mr. McElrath asked Dr. Gorman if he did say he was moving in this direction in several areas? Dr. Gorman said, yes, that is correct and staff has been working on this for several months. One of the pieces that have potential challenges regards the legalities and Mr. Battle has people working on an analysis of what school districts must comply with regarding outsourcing. Dr. Gorman said he would recommend that a first step would be to have Mr. Battle report to the Board regarding the legalities of outsourcing but he is not sure how thoughtful staff can be by the next Board meeting.

Mr. McElrath asked Ms. McGarry to delay this motion to allow the Superintendent time to report back to the Board on the work of staff regarding this issue because the Board has real needs that must be resolved now.

- Ms. McGarry said outsourcing should be done with companies for which that service is their core business. When transportation is outsourced, as it has been done throughout the country, employees do not lose their job. Core transportation companies carry their own insurance and tort claims, they are performance driven, have safety concerns, train better, and provide better customer service. Someone could complete a feasibility study on those companies in a couple of weeks. They could do a pilot program for two hundred buses. Ms. McGarry said rather than review options for bell schedules or Magnet transportation for a few million dollars, she would like to have the whole transportation picture reviewed because she believes CMS could easily save \$5 million to \$10 million. That would provide CMS longevity savings versus piecemeal savings here and there, and the turnaround for this request would be very quick.
- Mr. Morgan said last year was the first time he went through the budget process. Last year, it was much later in the process when Dr. Gorman provided the Board with a list of unpopular budget reduction choices and asked if the Board would support and of the options. At that time, all nine Board members took no action. The Board had major budget decisions to make and the Board did not make those decisions until the

very end of the process. Like Mr. Merchant said, Tiers 1, 2, and 3 are gone. Staff has done the work on those items and the Board will potentially have more if the economy does not turnaround. People hope things will get better but based upon the information from the State hope is not an option or a viable plan to solve the \$100 million deficit for CMS. The Board is beginning budget process earlier than in the past and most likely the Board will end up arguing over the items in Tier 4. Mr. Morgan said this is an onus that falls on this Board, the Board has the expertise to work with this committee, the community has experts that want to work on the committee, and we have business leaders who in 2005 studied this and said we are ready to move forward. There are people in the community who are ready to help the Board out. This does have to be a thoughtful process but the Board must get it started. The Board should move forward to design the committee and develop a charter on a parallel track as Mr. Battle completes his study regarding the legalities. Mr. Morgan would support waiting until the second meeting in February as well as expanding the role beyond transportation. There is a group in this community who believe transportation can be outsourced and he would support moving forward with that item.

- Ms. Lennon supports the comments by Mr. Morgan and moving forward because the committee may find savings that might help to keep some staff and programs. This should have started a year ago and if that had happened perhaps some of these items would not need to be cut. Ms. Lennon encouraged the Board to take action on this matter because the timing is right to move forward and she would support waiting until the second meeting in February.
- Chairperson Davis expressed concern that the motion is prescriptive about the particular area for review. The City did not do that and that served them well. Chairperson Davis said he understands the sense of sense of urgency and as a path to move forward he would ask Mr. Battle and Dr. Gorman to bring before the Board by the second meeting in February a status report on their research. In addition, in the course of that meeting the Board would provide guidance to Dr. Gorman regarding any further schedule that the Board would like for him to meet in terms of delivering an update on privatization and competition. Chairperson Davis said he resists focusing on transportation because there may be other more important areas to focus.

Ms. McGarry said she would keep the motion on the floor but she would agree to wait until the 2nd meeting in February, if Mr. Morgan would agree because he seconded the motion.

- Ms. McGarry said she would prefer to get the logistics ready in case the Board wants to move forward and she would agree to wait until the 2nd meeting in the February. Mr. Battle said the Board would need a motion to approve the charter. The motion would be more appropriately stated the Board to consider approving a charter because Board Policy BDF includes the criteria that would be required in a charter such as number of members, duration, etc. Mr. Battle asked Ms. McGarry if she envisioned for the second meeting in February bringing forth a draft charter for the Board to consider. Ms. McGarry said, yes. Mr. Battle said the motion would be more appropriately stated the Board to consider adopting a charter which would be brought forth the second meeting in February.
- Mr. Morgan said he likes the suggestion by Chairperson Davis to make it a privatization committee as opposed to strictly transportation with the expectation that

the first report the Board would hear is on transportation.

- Ms. McGarry said that would be okay if it is clear that it is outsourcing and that at the second meeting in February it could be expanded but transportation would be first.
- Mr. Merchant expressed concern that the Board does not know what it is being asked to vote upon.

Dr. Gorman expressed concern that Ms. McGarry talked about outsourcing and Chairperson Davis said managed competition. Dr. Gorman said he would more direction because this will be directed to Hugh Hattabaugh, Chief Operations Officer, who is the same person who is developing the reduction in force procedure and leading the Human Resources Department. Ms. McGarry said she believed Mr. Battle understood the intent of the motion. Dr. Gorman said it will be the responsibility of staff to provide the information and he would need to know the exact charge. Chairperson Davis said to Dr. Gorman's point, outsourcing and managed competition are two different items. Managed competition is a government agency competing with the private enterprise which might result in the private enterprise winning the work or the government agency keeping the work. Managed Competition is the City's program. Chairperson Davis believes before the Board launching a charter, the Board should receive a briefing on the City's program so that all Board members understand what the program could include. Following that, the Board could provide clearer direction to Mr. Battle and Dr. Gorman because currently we are sending them conflicting signals and misdirection. Dr. Gorman said his intent would be that staff would provide the Board a status report to include information from Mr. Battle regarding the legalities of outsourcing, what the City does, and a potential format or structure. The Board would then develop a charter. Dr. Gorman said let us know what you want and we will do it.

- Ms. McGarry said she has a sense of urgency and outsourcing is what we need to explore. The Citizens' Task Force put expertise in that report, it includes good information, and it should not have been ignored. Some of the information may not work at this point in time but because of the budget constraints the timing is right. She would like the Board to form a charter for outsourcing and she would agree to not mentioning transportation, food service, IT, and print shop but it would be outsourcing non instructional functions.

Chairperson Davis expressed concern that the Board was getting ready to vote on outsourcing because that is the term Ms. McGarry used and he is not sure the Board members know what that term means. Chairperson Davis said he would prefer Ms. McGarry withdraw her motion in order that the Board have the briefing from staff, the Board be more informed about what outsourcing and managed competition means, and the Board read the City's policy and charter so that the Board understands what our sister agency is doing. This would allow a more informed discussion that would create more urgency rather than the Board hastily voting on a motion tonight. Ms. McGarry said this is not hastily because it has been going on for years and CMS is the one with the transportation system with over 1,000 buses and she did not withdraw her motion.

Chairperson Davis called for a motion to vote on Ms. McGarry's motion as originally stated.

The Board voted 3-5 on Ms. McGarry's motion to develop a Committee Charter and

the motion failed.

Ayes: Board members McGarry, Morgan, and Lennon.

Nays: Board members Davis, Merchant, McElrath, Waddell, and Tate.

Joe White was absent.

Chairperson Davis said the Board has conveyed a message to Dr. Gorman to move forward in this area and we look forward to being more informed. Ms. Lennon encouraged the Board members to begin their education on their own via the intranet.

The Board continued the discussion on the budget reduction recommendations.

- Ms. Lennon said regarding Magnet transportation, she does not support incrementally disassembling the Magnet Program as we have today. She has not led the charge to cut Magnet transportation but she does have concerns about its costs. She would support a Comprehensive Magnet review because the Board did not take a deep enough dive into Magnets and the Board should review every Magnet Program, location, and transportation. She asked Chairperson Davis to consider this as a next project for the Board following the end of the budget process and she encouraged the Board to pursue a comprehensive review of Magnets because it will strengthen both the home schools and the Magnet schools.
- Chairperson Davis reported that the *Charlotte Observer* recently published a list of community ideas for raising funds and cutting costs but staff has already explored many of those recommendations. Chairperson Davis asked the following questions to provide clarification to the public.
 1. Can CMS advertise on yellow buses? Mr. Battle said, no, it is contrary to State law.
 2. Can CMS cut salaries across the board? Dr. Gorman said, no, that is considered a demotion for employees and each employee would have an individual hearing right.
 3. What are the pros and cons of charging a fee for students to ride buses? Mr. Battle said there may be a way to charge but based upon staff's research in the Legal Department there is not clear answer for charging students. Two issues with this involve enforcement (what to do should a family not pay) and exemption (a process for families who cannot afford to pay). San Diego, a Unified School District, is in the midst of charging for transportation and they found it to be quite problematic.

Chairperson Davis said the Board welcomes ideas from the community but this is an example that demonstrates staff's thoroughness in reviewing recommendations. Dr. Gorman reported that staff is reviewing about thirty-five recommendations from staff and the community, and that information will be posted on the CMS Website. Staff will continue to review recommendations and should a recommendation be feasible, it will be incorporated into the budget recommendations.

Chairperson Davis reported the Board would now discuss the three proposed budget reduction recommendations regarding Bell Schedules, Weighted Student Staffing, and Bright Beginnings. Chairperson Davis called for a motion concerning new Bell Schedules.

Mr. Tate moved that the Board approve the recommendation for new bell schedules and in anticipation of a revenue shortfall; in order to reduce the CMS budget for the 2011-2012 school year by approximately \$4 million; to provide the most efficient use of bus transportation services; to give the CMS Transportation Department time to

develop new bus routes; and to give families time to prepare for changes in school opening and closing times, the Board adopts the following motion: The Board directs the Superintendent to, as appropriate, develop new bell schedules for schools throughout the district and gives the Superintendent authority to extend the length of the instructional day for elementary schools and the Superintendent is directed to move forward to operationalize this decision, seconded by Mr. Merchant, and a discussion followed.

- Ms. Lennon said she would support this motion. She heard the concerns from parents and she can empathize with their issue that a change in school time would cause their family and personal life an inconvenience. Ms. Lennon said with this Board vote she is striving to save eighty teachers their job and that is more important.
- Dr. Waddell said this is a difficult decision but she would support this recommendation. She also has received E-mails both for and against this recommendation. This will impact teachers and the Board must ensure this change allows the teachers adequate time for planning, breaks, and lunch. Dr. Waddell said there are no easy answers to solve the concerns with this recommendation. Many teachers believe they do not have enough time to teach or be with the students but this will provide additional time. In addition, teachers have concerns because this will disrupt their afternoon job or their childcare services for their own child. There are no easy answers for parents or teachers but this is an initiative that the Board can do until CMS is able to receive more funding.
- Ms. McGarry expressed concern that this will create an upheaval for families and schools. CMS completed an analysis of the extended day program implemented at Billingsville Elementary School in 2008 and the findings on results were mixed. In addition, national research on an extended day program was not very positive but it did indicate it could improve teaching and learning but there are essential components that it must include. Ms. McGarry believes CMS has not put enough time into planning and expressed concern that this initiative did not involve feedback from teachers and a comprehensive reconfiguration of the use of the day has not been developed. Ms. McGarry said this proposal may be good for transportation but she is not convinced that it is in the best interest of the students, families and teachers. Ms. McGarry believes outsourcing transportation could save CMS \$5 to \$10 million and she would prefer doing that rather than create an upheaval for families and teachers and planning this in a piecemeal fashion. Ms. McGarry will not support this recommendation.
- Mr. Morgan has heard the concerns from parents and the concerns about the Board making this decision so early in the process. This is the earliest the Board has ever made budget decisions but it will give parents an eight month notice for how they will prepare for this change. He has heard the concerns that the extra 45 minutes will cause their children to be tired and unable to do after school activities. The families at Smith Academy of International Languages have been attending school for seven hours per day for some time and they are some of the highest performing students in CMS. Mr. Morgan said he met with some of the families from Smith and they shared the benefits of the extended day and how well their children are performing. Mr. Morgan understands there will be some challenges to implement this initiative and families will have to adjust their schedules but after meeting with the Smith families he is excited about the recommendation.
- Mr. Tate asked Dr. Gorman to assess the educational value of a longer school day? Dr. Gorman said longer day will be beneficial and particularly helpful in the areas of social

studies, science, and math. CMS will need to provide support for teachers and that is a reason the Billingsville Elementary program did not become a district model. Staff has met with principals and discussed models for schedules to extend the day and allow planning for teachers. Mr. Tate understands the concerns of parents, he expressed concern that the Board is making a decision without more input from teachers, and he is happy this will provide teachers time for planning. Mr. Tate will support this recommendation because he believes it is important that teachers spend more time with students in school and it will save money.

Chairperson Davis called for the Board vote on the motion regarding new Bell Schedules.

Mr. Tate read the motion and the Board voted 7-1 in support of the motion to develop new Bell Schedules.

Ayes: Board members Davis, Merchant, Lennon, McElrath, Waddell, Tate, and Morgan.

Nays: Board member McGarry.

Joe White was absent.

Mr. Tate said this is early in the process and he hopes staff will have redundant methods to communicate this to the public as soon as possible. Dr. Gorman reported that staff will use a variety of methods to ensure parents are properly notified of the Bell Schedule changes.

Chairperson Davis called for a motion to discuss the recommendation concerning Weighted Student Staffing and Bright Beginnings.

Dr. Waddell moved that the Board postpone the Board vote on the recommendations concerning Bright Beginnings and Weighted Student Staffing until the first Board meeting in February, seconded by Mr. McElrath, and a discussion followed.

Dr. Waddell encouraged the Board to support this motion and discussed concerns regarding the Board hearing from the public and voting on these items on the same night. Dr. Waddell discussed the benefits of Bright Beginnings noting that it is a preschool program designed to ensure that students enter kindergarten with the skills necessary to succeed. The parents and the community have discussed concerns regarding reductions to Bright Beginnings and have encouraged the Board to postpone the Board vote. She expressed concern that this recommendation not only cuts the Bright Beginnings Program but also closes PreK schools (Double Oaks, Plaza Road, Starmount, and Tyron Hills). Dr. Waddell expressed concern regarding the changes to Weighted Student Staffing and the elimination of 134 teachers. She discussed why weighted student staffing was implemented in CMS, the benefits of smaller class size which has helped reduce the achievement gap, and the negative impact this recommendation will have on economically disadvantaged students.

Mr. McElrath asked Dr. Waddell to separate her motion so that the Board could vote on Weighted Student Staffing and Bright Beginnings separately.

Dr. Waddell withdrew her motion to postpone the Board vote.

Chairperson Davis called for a motion to discuss the recommendation concerning Weighted Student Staffing.

Mr. Merchant moved that the Board approve the recommendation for Weighted Student Staffing and in anticipation of a revenue shortfall; in order to reduce the CMS

budget for the 2011-2012 school year by approximately \$8 million; and to give principals adequate time to do planning and make school staffing decisions, the Board adopts the following motion: In the adopted 2011-2012 budget, the Board intends to change the Weighted Student Staffing formula in all grade levels from 1.3 to 1.25, thereby reducing 134 teacher level positions and the Superintendent is directed to move forward to operationalize this decision, seconded by Mr. Morgan, and a discussion followed.

Dr. Waddell made a motion that the Board postpone the Board vote on Weighted Student Staffing until the first Board meeting in February (February 8th), seconded by Mr. McElrath. The Board voted 3-5 and the motion to postpone the Board vote on Weighted Student Staffing failed.

Ayes: Board members McElrath, Waddell, and Tate.

Nays: Board members Davis, McGarry, Merchant, Lennon, and Morgan.

Joe White was absent.

The Board discussed the original motion to change the Weighted Student Staffing formula from 1.3 to 1.25.

- Mr. Merchant said originally the Board backed into the 1.3 formula as a method to provide additional support to help students of poverty while being mindful of the CMS budget at the time. Currently, CMS has less revenue and more students of poverty and cannot continue to afford that same multiplier and provide adequate service delivery to all of our students.
- Mr. Tate would have preferred the Board postpone the vote on this item. He is happy the Weighted Student Staffing formula only slightly changed and that it will remain in Tier 4. He expressed concern that this will hurt every school that has a majority of economically disadvantaged students and it will balance the budget by negatively impacting the neediest students in CMS. Mr. Tate will not support this recommendation, does not support voting on this item this early in the process, and believes it should remain in the budget as a Tier 4 item.
- Mr. Morgan said the Board just made an early decision on Bell Schedules to provide parents ample opportunity to prepare for next year. This is an example of the Board giving staff ample opportunity and flexibility to prepare for next year. Mr. Morgan would like to review other options but the only other option was outsourcing and that failed to go forward. Mr. Morgan has not heard any other ideas from the Board members and he will support this recommendation.
- Ms. Lennon will support staff's recommendation. She believes the number could be lower and should the budget reductions go over \$100 million this option should be considered. The Board backed into this formula as a method to provide additional funds to schools with high percentages of poverty. She would prefer that the Board review new methods of developing a formula that may include the success of the school. If a school is not successful it does not matter whether it is high or low percent poverty because that is where resources need to go. She expressed concern that the economically disadvantage paperwork is a federal program for the nutrition program and that documentation carries over for how CMS allocates resources. This is taking that program out of context and that paperwork should not be used to determine can afford to pay athletic participation fee, Magnet transportation, or how a

school system allocates resources for teachers and staff. Ms. Lennon encouraged the Board to review options for how a school system allocates resources because she has a real concern that the middle class in the County must continue to carry the larger percentage of the burden for extra fees.

- Dr. Waddell said she would not support this recommendation. She expressed concern that the majority of the budget cuts thus far affected a certain segment of the community and this decision will also affect the same economically disadvantaged students again. This will eliminate 134 teachers and that will negatively impact students. A smaller class size makes a difference and the Board should look elsewhere for cuts because the Board's decisions should focus on serving students, academic achievement, and ensuring students succeed. She encouraged the Board to keep the current Weighted Student Staffing formula because it will not save much money.
- Ms. McGarry discussed concerns regarding using the economically disadvantaged student (EDS) percentages for free and reduced lunch and distributing millions of dollars of resources. She believes that number is fraudulent and she encouraged the Board to develop another method to distribute resources based upon student achievement. If the Board is going to use the economically disadvantaged student formula, the Board should require parents to submit their W-2 forms. Ms. McGarry will support this motion in the hopes that it will be an avenue to determine a more accurate picture of where resources need to be placed.
- Mr. Tate asked Dr. Gorman to review why staff is recommending a change in the formula, why CMS uses the EDS percentages to apply resources, and the research on the correlation of EDS and student achievement. Dr. Gorman provided clarification noting that the relationship between the academic performance of students and their qualification in the EDS Program correlates with a decline in student achievement. CMS is closing the achievement gap but not fast enough. With this recommendation, CMS is still allocating 670 teachers and \$40 million above the formula. Staff put a larger portion of the budget recommendation on Weighted Student Staffing but we cannot raise class sizes any higher without having a greater impact on the \$100 million in reductions. This program has had great results but based upon our choices this is one of the best choices.
- Chairperson Davis said last year when this topic came up, Dr. Gorman defended Weighted Student Staffing and urged the Board to not make changes to the formula because it and effective teachers have contributed to the success of CMS. Chairperson Davis said he would reluctantly support this recommendation.

Chairperson Davis called for the Board vote on the motion regarding Weighted Student Staffing.

The Board voted 6-2 in support of the motion to change the Weighted Student Staffing formula from 1.3 to 1.25.

Ayes: Board members Davis, McGarry, Merchant, Lennon, McElrath, and Morgan.

Nays: Board Members Waddell and Tate.

Joe White was absent.

Chairperson Davis called for a motion to accept the recommendation to reduce the monies allotted to the Bright Beginnings Program.

Ms. Lennon moved that the Board approve the recommendation for Bright Beginnings and in anticipation of a revenue shortfall; in order to reduce the CMS budget for the 2011-2012 school year; and to give families time to prepare for changes in the Bright Beginnings Pre-K Program, the Board adopts the following motion: The Board intends to reduce funds appropriated for the Bright Beginnings PreK Program by \$10,417,921 in the adopted 2011-2012 budget, resulting in a commensurate reduction in the number of PreK classrooms and the closing of certain PreK centers and non-Title I PreK sites and the Superintendent is directed to move forward to operationalize this decision, seconded by Morgan, and a discussion followed.

Chairperson Davis called upon Dr. Gorman to speak to the recommendation. Dr. Gorman said he has discussed this recommendation with Board members since it was put forward and he would ask that the Board delay the Board vote on this recommendation. Dr. Gorman said he has heard the concerns from the public as well as their willingness to help CMS to find a solution. It is time for the public to step up and speak to the Board of County Commissioners because they are holding a retreat to discuss budget priorities soon. CMS added Bright Beginnings a number of years ago when the budget was growing. CMS has taken \$50 million in local funds out of the budget in the last two years and those reductions did not touch the Bright Beginnings Program. At this point, Dr. Gorman understands the Board would like more time to review this recommendation and would like staff to review the other options. Dr. Gorman said he would welcome additional input from the Board members and he would ask that the Board put this item on the agenda for the next Board meeting scheduled for February 8th. Dr. Gorman said the Board has asked for additional time and consideration but at this time he does not have a better option. A delay comes with a huge challenge because CMS has a Transfer Fair scheduled and a delay will prevent PreK center teachers from participating in the Transfer Fair.

Dr. Waddell made a motion that the Board postpone the Board vote concerning Bright Beginnings and that this item be put on the agenda for the next Board meeting scheduled for February 8th, seconded by Mr. McElrath, and a Board discussion followed.

- Ms. Lennon will support the postponement and expressed concern that this will block teachers from participating in the Transfer Fair. The Board has discussed budget reductions in Bright Beginnings for the past year and this should not be a surprise to anyone. During that time, no one stepped up with an alternative solution or formed an advocacy group to go to the Board of County Commissioners or State legislators to ask that PreK funding be separate from State mandated K-12 education. The CMS staff developed a way to save part of the Bright Beginnings Program and the community must come up with something else to cover the \$10.4 million budget. Ms. Lennon said unless something comes up in two weeks she will support this motion at the next Board meeting.
- Mr. Merchant clarified that teachers could participate in the Transfer Fair but if they made the decision to take another job they could not return to their previous job. Mr. Merchant expressed concern about the myths and isolated facts about PreK and whether it is PreK that makes a difference, or the fact that the student in PreK had a parent who was involved in the student's education, or it is one or more other factors. Mr. Merchant supports Bright Beginnings over Weighted Student Staffing because students

are identified by academic risk. He would like know what would have happened to the students if they had not been in the PreK program because these are the students at the greatest risk. He believes the Board still has choices available and must make those choices in the context of what is best for the community. Mr. Merchant encouraged the Board to balance the present needs of financial survival with the need to develop human capital for the future. This community, CMS, and Charlotte Mecklenburg County are disciplined in developing capital structures and buildings for the future but not efficient in developing people and human capital for the future. The reality is CMS must make significant cuts and the situation is dire but not hopeless. Mr. Merchant said the traditional funding sources are not going to come to the rescue and he encouraged the public to be more actively engaged and get involved. He expressed concern that the results of this recommendation (reduced students, larger classes, elimination of teacher assistants) are not a recipe for community success. He believes if the Board would make a smart investment in the Bright Beginnings Program it would do more than investments in security. Mr. Merchant said this is a difficult job and he wants to help his community and the students. He hopes the Board and the community can work together to find innovative solutions to rescue Bright Beginnings because otherwise it will be gone. He will support delaying the Board vote in hopes more dollars may become available from multiple sources or another option may become feasible. Mr. Merchant said if other options are not developed, he will support the recommendation.

- Mr. McElrath said this process has been good and he hopes the Board members will learn from the past decisions because many of the budget cuts have been on the backs of poor and minority children. He expressed concern that these decisions will also be on the backs of poor and minority children because that is where all the CMS programs are located. He said the Board knew when CMS assigned students to the school closest to their home it would economically segregate the school and create an aggregation of poverty. He said the Bright Beginnings Program was created to help us do the right thing and he discussed the benefits of the program because the success of one child will tie into the success of all children.
- Mr. Tate said Bright Beginnings is an educational opportunity for 4-year olds that helps them make it from kindergarten through 12th grade with a better than average opportunity to be on grade level, proficient, and to graduate. CMS research has indicated a dramatic improvement for students who were in Bright Beginnings compared to their peers who were not in the program. Bright Beginnings makes a difference on the long range. Mr. Tate expressed concern the Board is considering cuts to the Bright Beginnings because reducing the number of seats will dramatically limit the educational possibility and services to students. He would support delaying the vote on this item because he would prefer the Board and the community have conversations on creative ways to save the entire Bright Beginnings Program.
- Dr. Waddell said when deciding whether to keep a program the Board must consider if it is good for students, is it fiscally responsible, and is it educationally sound. The Bright Beginnings Program meets all these criteria and it is doing a great job. Research in CMS indicates the Bright Beginnings Program makes a difference and has helped to reduce the achievement gap. Data also indicates the value of early education because the investment provides a cost benefit to the entire community. Frequently, children who do not develop the love for learning early end up costing the community much more than the cost of high quality education. Dr. Waddell encouraged the Board to support postponing the decision because the public wants it postponed and it is in the

best interest of the community.

- Chairperson Davis said for the past couple of years the CMS staff has been finding ways to keep this program going despite budget reductions and that demonstrates the support staff has for this program. Chairperson Davis said he supports the Bright Beginnings Program because that is what he wants for his children. He discussed the benefits of children attending school with students who are prepared for school and the disadvantages for students and the hardships for teachers who are in class with a student who is not prepared to learn. This is what he wants but that will not change the reality in two weeks because the State and County are unlikely to provide any additional funding. The community is interested in this initiative and the Board and the community have two weeks to explore opportunities and discuss solutions with the entire community the value of education for those who are the youngest and least prepared.
- Mr. McElrath asked would it be appropriate to make a motion to move the reductions in Bright Beginnings to Tier 4? Chairperson Davis said there is a motion on the floor to postpone and the Board must vote on that motion first but Mr. McElrath's recommendation could be addressed at the next Board meeting. Mr. McElrath said he would consider this motion for another time.

Chairperson Davis called for the Board vote to postpone the decision concerning Bright Beginnings until the February 8th Board meeting.

The Board voted 8-0 in support of Dr. Waddell's motion to delay the Board vote on Bright Beginnings until the February 8th Board meeting.

Joe White was absent.

IV. REPORT/INFORMATION ITEMS

A. Report/Update on Athletics Department

Chairperson Davis called upon Dr. Gorman to introduce the report. Dr. Gorman called upon Vicki Hamilton, Director of Athletics, to present the report. Dr. Gorman announced that this would be the last Board meeting that Ms. Hamilton will present a report because she has announced her retirement. Dr. Gorman said Ms. Hamilton leaves a strong legacy in CMS and will be greatly missed. Ms. Hamilton's commitment to not only athletics but also academics has been outstanding and no one stands stronger for ensuring that CMS has great student athletes. Dr. Gorman said he is proud and sad to introduce Vicki Hamilton: Proud because she is a wonderful individual and sad because she is leaving CMS for her well deserved retirement. Dr. Gorman also introduced Sue Doran, Assistant Director of Athletics, who will be the Interim Director of Athletics when Ms. Hamilton retires at the end of February. Dr. Gorman said from a staff standpoint, we are grateful Ms. Hamilton touched our lives.

Chairperson Davis invited Board members to make parting comments to Ms. Hamilton. All Board members individually thanked Ms. Hamilton for being a wonderful person and commended her for her great service to CMS and the State; for making a difference for students, and coordinating the graduation ceremonies. Ms. Hamilton said thank you, she is humbled by the comments by the Board members and Dr. Gorman, and she thanked everyone for being her extended family throughout the years.

Ms. Hamilton provided a brief overview of the Athletics Department.

- History:
 - 20 high schools with 33 comprehensive athletic offerings.
 - 32 middle schools with 13 comprehensive athletic offerings.
 - Metro School with 6 athletic offerings.
 - 10 schools without athletic programs where student-athletes play at their home schools.
 - In 2009-2010:
 - 10,000 plus high school student athletes participated on athletic teams.
 - 6,500 plus middle school student athletes participated on athletic teams.
 - 85 plus Metro School student athletes participated on athletic teams.
 - 1,730 athletic directors, coaches, athletic trainers, and sports medicine first responders served on coaching staffs.
- Driving Governance: High schools and middle schools are governed by national, state, and local policies and regulations for interscholastic athletic programs.
 - National: National Federation of State High School Associations (NFSHSA).
 - State: North Carolina High School Athletic Association (NCHSAA), North Carolina Department of Public Instruction (NCDPI) administers the State's interscholastic athletic program for middle schools.
 - Board of Education:
 - Policy JJJ, Extracurricular Activity, includes 2.0 grade point average and the felony policy.
 - Policy JFACA; Regulation JFACA-R: Interscholastic athletic participation regulations include residency and the 365-day sit-out policy, middle school student athletes, students at schools without athletic teams and recruitment by staff, coaches or third party.
- Budget: \$3.7 million.
 - \$3.7 million:
 - \$3.4 million High School Athletics
 - \$330,000 Graduations: Includes May and June Graduations, Mid-Year Graduations, and Summer School Graduation.
 - \$1.25 million Middle School Athletics (funded separately from the Athletics Department budget).
 - ✓ Participation fees.
 - ✓ \$1 surcharge on high school regular season ticket sales.
 - ✓ Community donations.
 - Athletics Participation Fees: Fee waived if student athlete approved as economically disadvantaged student.
 - \$100 per high school student athlete per sport season.
 - \$50 per middle school student athlete per sport season.
 - Athletic Participation Fee/Waiver Percentages: This data is provided through the Child Nutrition Department.

	High School	Middle School
Fall Season:		
Participants	4,022	2,299
Paid Fee	2,703 (67%)	1,266 (55%)
Waiver Granted	1,319 (33%)	1,033 (45%)

Winter Season:		
Participants	2,862	1,190
Paid Fee	1,924 (67%)	584 (49%)
Waiver Granted (winter season figures as of 1/14/11)	938 (33%)	606 (51%)

- Athletic Participation Numbers:

	High School	Middle School
Fall Season:		
2010-2011	4,022	2,299
2006-2009 (4-year average)	3,987	2,403
Winter Season:		
2010-2011	2,862	1,190
2006-2009 (4-year average)	3,242	1,198

➤ Includes the opening of two new high schools in 2010 and two middle schools in 2008.

- Revenue:

Fall Season:	\$\$\$	
Fall Season: High school participation fee	\$270,300	
Fall Season: Middle school participation fee	63,300	
High School \$1 surcharge on regular season ticket sales	146,474	
Community Donations	317,205	
Fall Season revenue total		\$797,279
Winter Season:		
Winter Season: High school participation fee	\$192,400	
Winter Season: Middle school participation fee	29,200	
High School \$1 surcharge on regular season ticket sales	23,578	
Community Donations	5,000	
Winter Season revenue total (as of 1/14/11)		\$250,178
Total combined Fall and Winter revenue (as of 1/14/11)		\$1,047,457
It costs \$1.25 million to sustain middle school sports and \$3.4 million to sustain high school sports on a yearly basis. The high school money is rolling over into the middle school fund in order to sustain middle school for this year.		

- Goals, Objectives, and Measures:

- Athletic directors and CMS personnel will become more knowledgeable about athletic eligibility requirements and better communicate them to the public.
- Student athletes in grade 7th – 12th will earn a 2.0 grade point average or better to qualify for athletic participation.
- Secondary schools will create a safe and orderly athletic environment by implementing safety procedures for all athletic contests.
- Secondary schools will increase athletic sportsmanship ratings and decrease

- penalties and violations in interscholastic athletic contests.
- Major Initiatives:
 - Develop strategy and implement procedures to fund middle school athletics for the 2010-2011 school year.
 - Implement, through a partnership with Carolinas Medical Center (CMC), the first year of a \$1 million five-year plan to place certified athletic trainers hired by CMC in all CMS high schools.
 - Improve athletic eligibility training for high school and middle school personnel including athletic directors, principals, assistant principals, coaches, registrars, and school counselors.
 - Improve lines of communication with departments that directly impact athletic eligibility including but not limited to Student Placement, Student Information Systems, and School Counseling.
 - Improve communication strategies with parents, the community, and the media on the correlation between athletic participation and increased student achievement.
 - Partner with Carolinas Medical Center, OrthoCarolina, and the Sanger Clinic to provide free health screenings and electrocardiograms (EKGs) for 1,200 rising 10th – 12th grade CMS student athletes.
 - Partner with Charlotte Regional Sports Commission and Johnson & Wales University to continue the leadership and nutrition summit for CMS high school student athletes.
- Results:
 - Implemented athletic participation fees in high schools and middle schools to fund middle school athletic sports teams.
 - Placed full-time certified athletic trainers in four CMS high schools through a partnership with Carolinas Medical Center (CMC).
 - Conducted seasonal athletic eligibility training for high school and middle school personnel, including but not limited to athletic directors, principals, assistant principals, and coaches
 - Organized the Leadership and Nutrition Summit for select high school student-athletes in conjunction with Charlotte Regional Sports Commission and Johnson & Wales University and hosted the North Carolina High School Athletic Association (NCHSAA) Region 6 Athletic Summit attended by superintendents, high school principals and athletic directors from western North Carolina
 - Coordinated and directed June graduation exercises for 23 high schools, mid-year graduations and summer school graduations
- Lessons Learned/Next Steps:
 - High school money is rolling over to fund middle school sports. High schools do not keep any of the money, surcharge, or donations. With the budget cuts and the 10% reduction in the Athletic Department, CMS cannot continue to fund middle school sports at the current level.
 - Recommend eliminating middle school athletics beginning 2011-2012.
 - Recommend shifting the revenue from high school athletic participation fees and the \$1 surcharge to support high school athletics (to pay for services that were formerly paid for by the Athletics Departments but are now going to be cut as a part of the budget reductions).
 - Implement the next phase of the \$1 million partnership with Carolinas Medical Center (CMC) by placing certified athletic trainers in an additional four CMS high

- schools.
- Continue athletic eligibility training requirements and accountability at the school level.
- Maintain effective partnerships with community businesses and organizations to enhance leadership and educational opportunities for CMS student athletes.
- High School Graduations:
 - The Athletics Department began overseeing high graduations in 2000.
 - 2010-2011 Graduation Ceremonies:
 - Summer School (August): 2 ceremonies.
 - Mid-year (January): 2 ceremonies.
 - End-of-year (May/June): 24 ceremonies.
 - 2009-2010 (May/June) Graduations:
 - 7,681 plus graduates (largest class in CMS history) and 84,467 guests.
 - CMS partners with several community facilities:
 - Bojangles' Coliseum.
 - Central Piedmont Community College.
 - Ovens Auditorium.
 - The Blake Hotel.
 - Time Warner Cable Arena.
 - University of North Carolina-Charlotte.

Ms. Hamilton introduced Sue Doran who will be named Interim Athletic Director and she commended Ms. Doran for her service to CMS. Ms. Hamilton said this report was brief due to the lateness of the hour and we would be glad to meet with Board members to answer questions and discuss numbers. Dr. Gorman noted that athletics has not been exempted from the budget reductions and the Athletics Department proposed a budget to ensure CMS is able to meet the requirements to keep high school athletics and recommend the revenues generated by high school athletics be applied to maintain high school sports. CMS cannot count on the sport donations to be permanent and ongoing and cannot end a year with a deficit in athletics and use general funds to make up the difference. Dr. Gorman said we would like to keep sports at its current levels and hope there will be some community support.

Board members were invited to ask questions and make comments.

- Mr. Morgan encouraged the Board to meet with Ms. Hamilton and that staff also be available to meet with community groups to make this a community topic. Mr. Morgan asked clarifying questions regarding the CMS efforts to work with other athletic groups and options to make CMS facilities available at the middle school level for next year. Dr. Gorman said should CMS remove middle school sports there will no longer be an athletic director or coach stipend. CMS wants to partner with other groups but there will not be staff to open and close the facilities or an infrastructure in place. Mr. Morgan encouraged the community to help save middle school sports noting that it costs CMS \$1.25 million on a yearly basis.
- Ms. Lennon encouraged the community to partner with CMS to save middle school sports and encouraged CMS to make the fields accessible to leagues that are willing to provide sports for students.

ADJOURNMENT

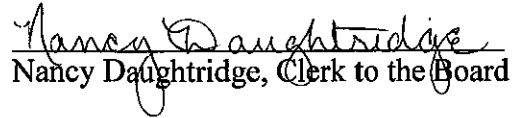
Chairperson Davis called for a motion to adjourn the meeting.

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 11:56 p.m.



Eric Davis, Chairperson



Nancy Daughtridge, Clerk to the Board