

The Role of County Commissioners in Public Education

Essentials of County Government 2017

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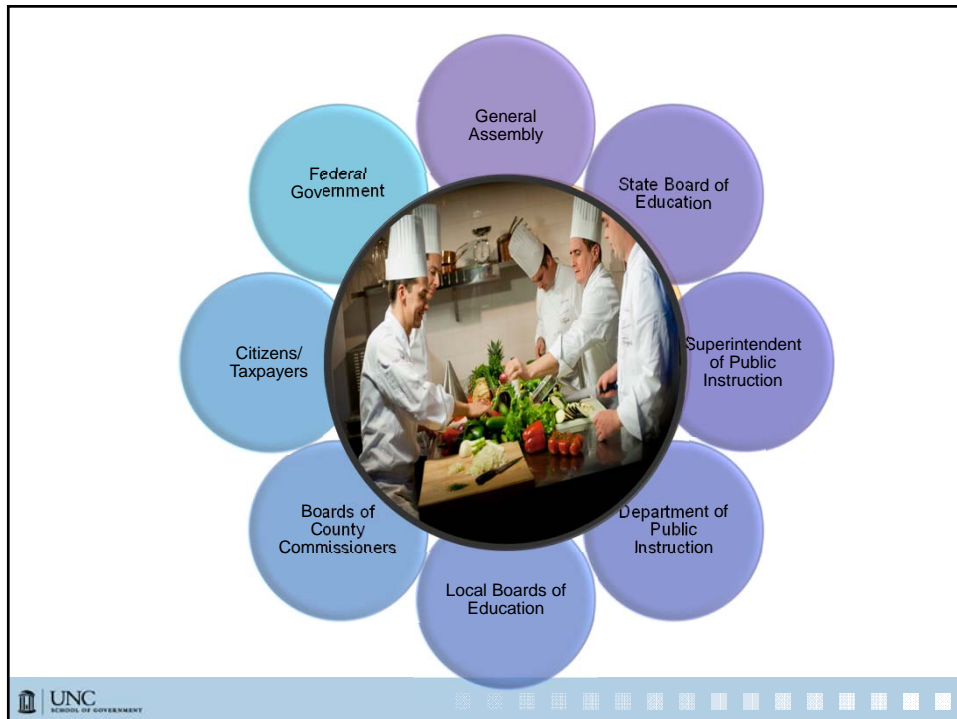



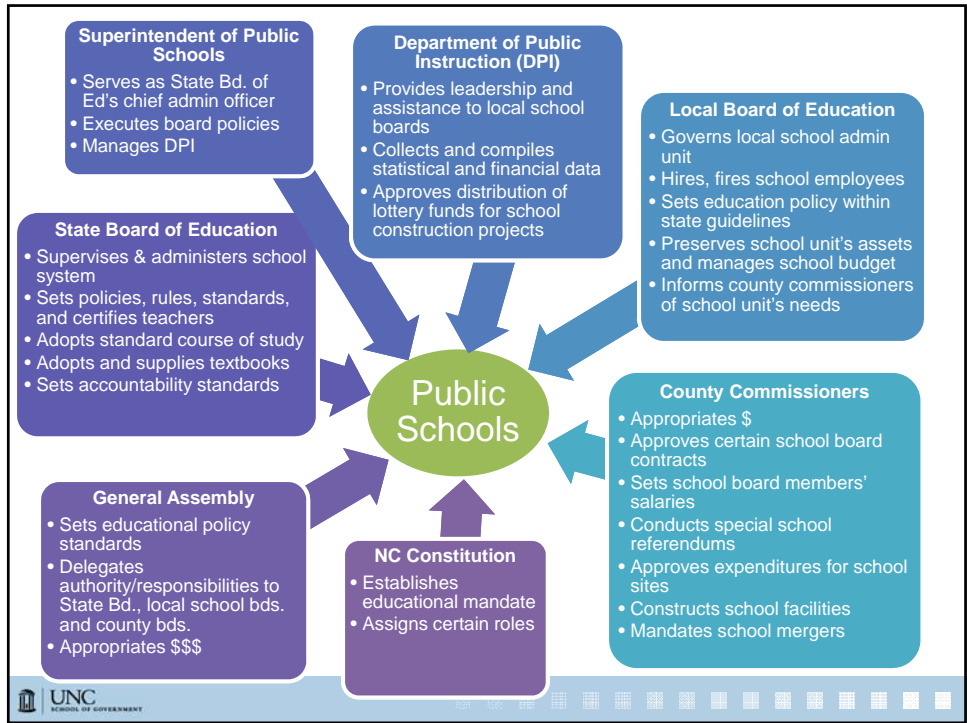
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Can County Board of Commissioners...

- ~~X~~ set amount of individual teacher supplements?
- ~~X~~ set classroom supplies?
- ~~X~~ reduce school administration staff?
- ~~X~~ select location of school?
- ~~X~~ prohibit school unit from implementing Common Core curriculum?
- ~~X~~ direct school unit to spend more money on math programs?





The North Carolina Constitution guarantees “every child of this state an opportunity to receive a sound basic education in our public schools.”

--Leandro v. State, 346 NC 336 (1997)

UNC SCHOOL OF GOVERNMENT

Constitutional Education Standard

Each child has opportunity to receive a sound basic education



Constitutional Education Standard

Each child has opportunity to receive a sound basic education



Constitutional Education Standard



- Every classroom staffed with competent, certified, well-trained teacher
- Every school led by well-trained, competent principal with the leadership skills and ability to hire and retain competent, certified, and well-trained teachers; and
- Every school is provided, in the most cost-effective manner, the resources necessary to support effective instruction within that school so that all children, including at-risk children, have an equal opportunity to obtain a sound basic education.

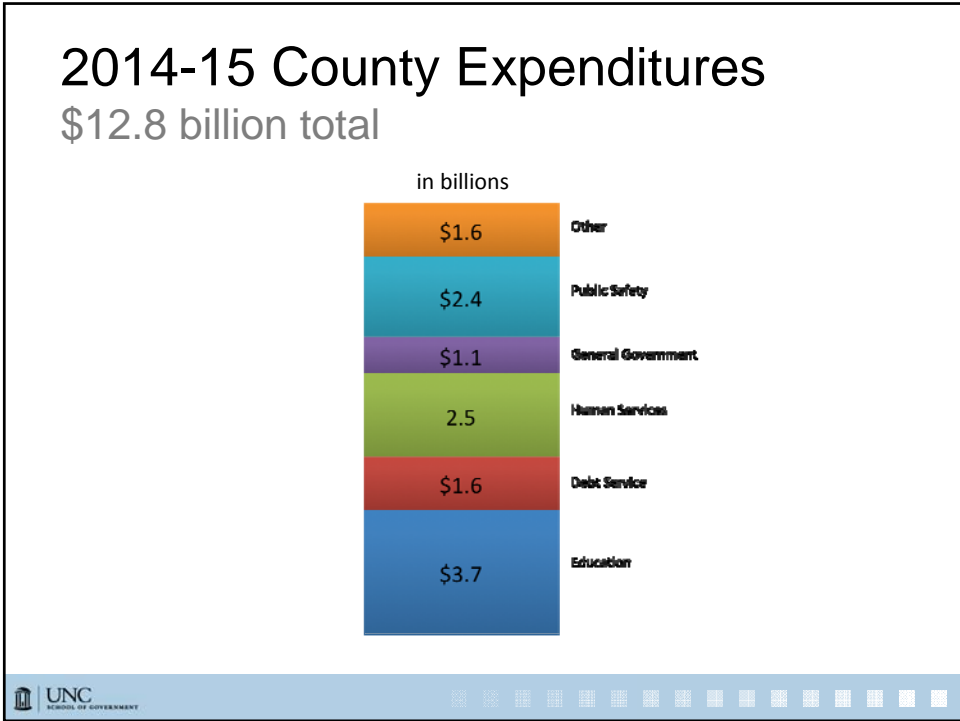


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What percentage of your county's budget is allocated to public school funding?

1. Under 10%
2. 10-20%
3. 21-30%
4. Over 30%
5. No Clue






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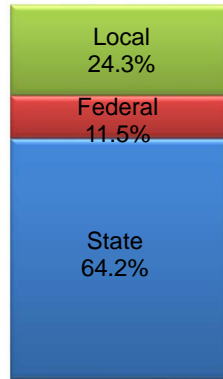
Which statement best describes a county's funding responsibility for its public schools?

1. A county must provide funding for capital outlay expenditures only
2. A county must provide funding for operational expenses only
3. A county must provide funding for both capital outlay and operational expenses
4. All county funding for the public school system is optional



NC is Unique

\$12,581,274,228



National Average is 46.4 percent

NC Public School Funding, 2014-15
 NC Department of Public Instruction, *Highlights of the NC Public School Budget*, February 2016



State Appropriations



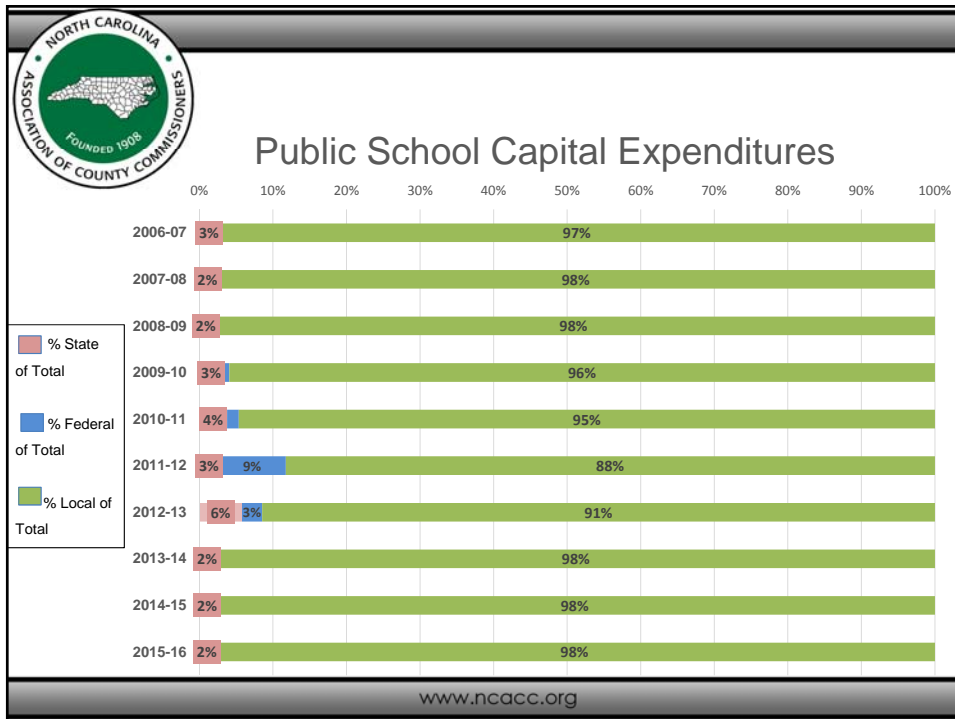
Position Allotments (per ADM)	Dollar Allotments (per ADM)	Categorical Allotments (budgetary formulas)
<ul style="list-style-type: none"> Teacher salaries / benefits Instructional personnel Administrators 	<ul style="list-style-type: none"> Textbooks Supplies Teacher assistants Central office admin personnel General operating expenses 	<ul style="list-style-type: none"> Low wealth counties Small counties Disadvantaged students Limited English proficiency students Academically gifted students Children with disabilities




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The county board of commissioners determines how much funding to provide to the local school board(s) each year for capital and operating expenses?

- 1. True
- 2. False
- 3. Sort of






2015-2016 Public School Facility Needs Survey

- The State Board of Education just released the most recent facility needs survey, which tracks LEA-reported funding priorities for next five years
- LEAs report significant needs in new school construction and renovations
- The last statewide school bond referendum was held in 1996, and the resulting \$1.8 billion was expended before 2005
- According to calculations in the 2015-16 Needs Survey, state funding (excluding debt service money) over the past five years would have addressed 1.6% of the reported total five-year need of almost \$8.1 billion.

	2005-06 Survey (2005 Dollars)	% of Total	2010-11 Survey (2010 Dollars)	% of Total	2015-16 Survey (2015 Dollars)	% of Total
New Schools	\$4,327,137,980	44.1%	\$2,814,328,286	34.5%	\$2,787,390,899	34.6%
Additions	\$2,256,214,566	23.0%	\$1,684,746,985	20.6%	\$1,632,766,326	20.3%
Renovations	\$2,281,415,049	23.2%	\$3,031,579,800	37.1%	\$3,098,241,811	38.4%
Furnishings/Equipment	\$760,759,206	7.7%	\$526,116,103	6.4%	\$486,474,110	6.0%
Land	\$194,332,411	2.0%	\$112,538,602	1.4%	\$57,883,543	0.7%
TOTAL	\$9,819,859,212	100.0%	\$8,169,309,776	100.0%	\$8,062,756,689	100.0%


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Public School Current Expense (Operating) Funding

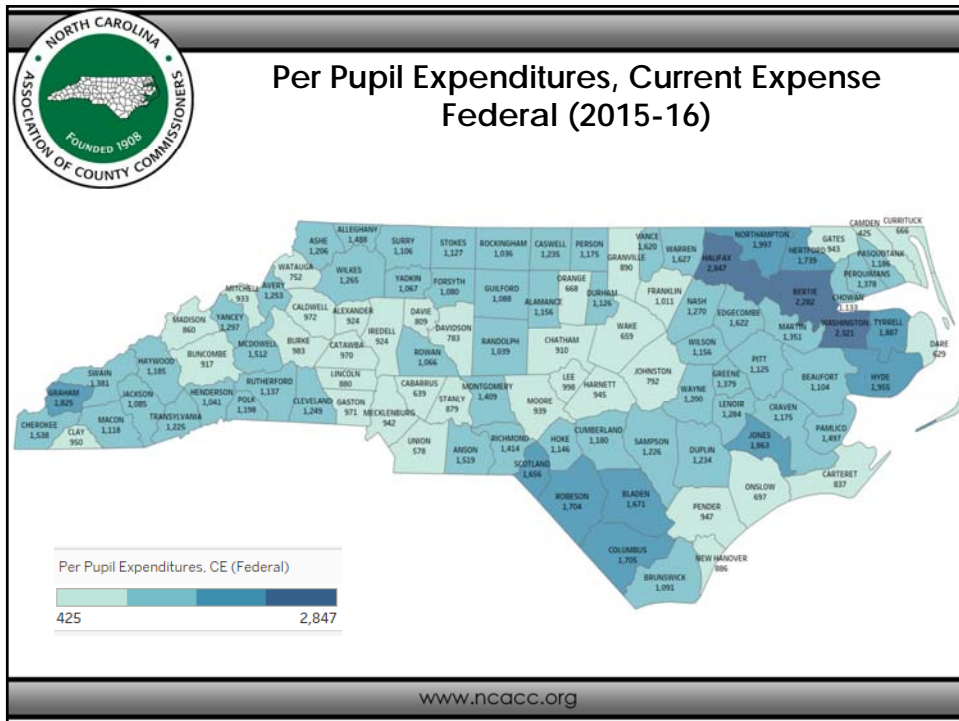
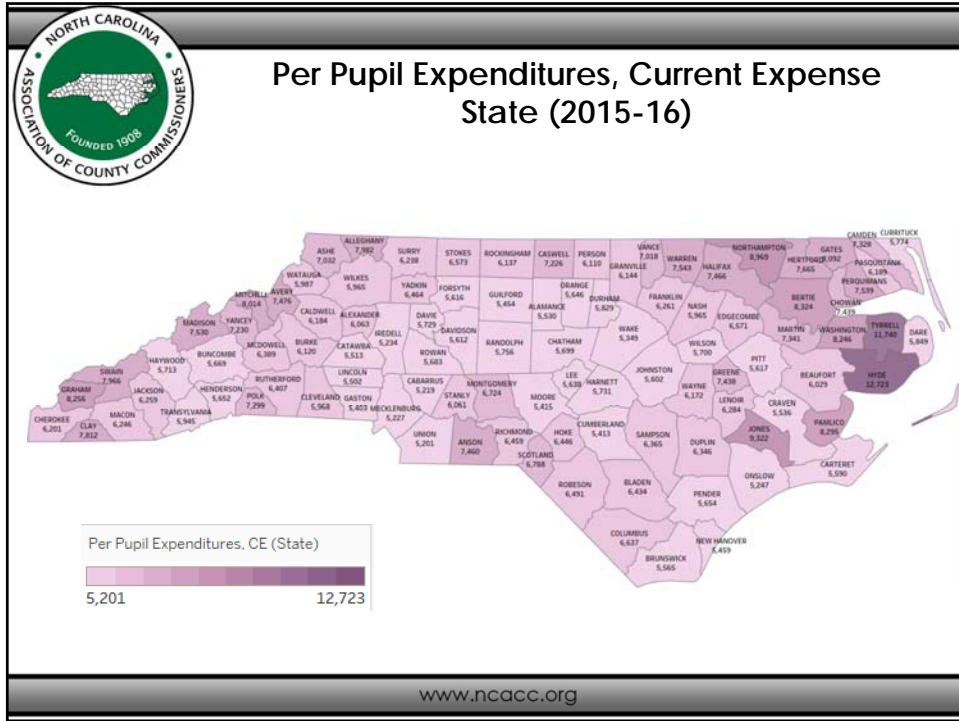
Per Pupil Expenditures, Current Expense

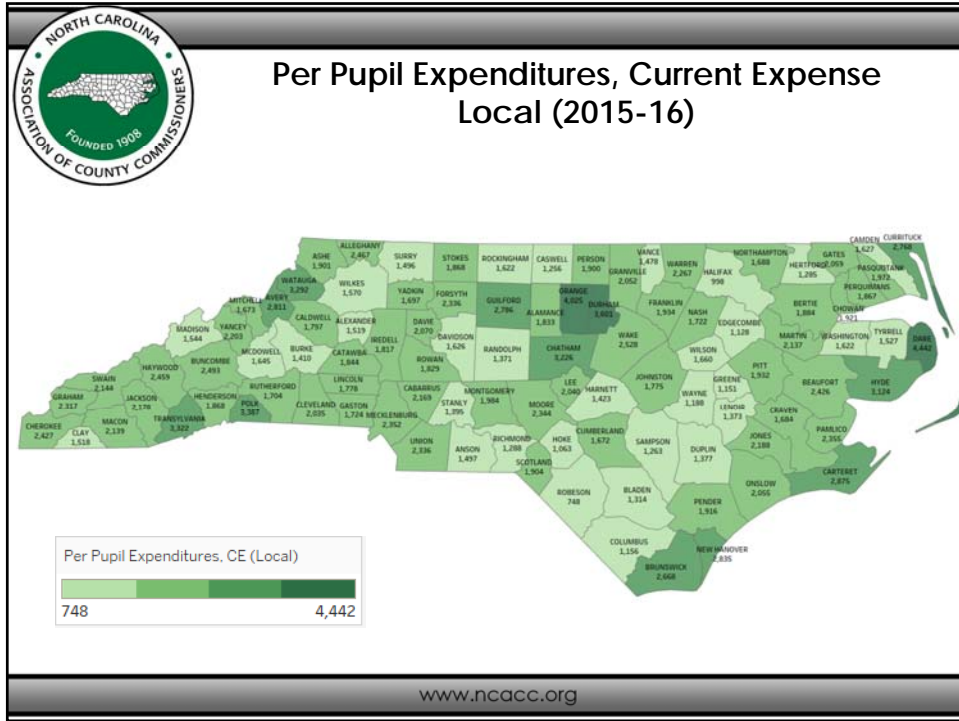
The local share of current expense funding is increasing, while the state proportion is declining on a per pupil basis



Year	% State of Total	% Federal of Total	% Local of Total
1999	73.4	4.9	21.7
2000	72.8	5.2	22
2001	72	5.3	22.7
2002	70.8	6	23.2
2003	70	6.9	23.1
2004	68.9	7.7	23.4
2005	68.2	8.1	23.6
2006	68.3	8.1	23.6
2007	69.5	7.4	23.1
2008	69.8	7.1	23.1
2009	69.3	7.4	23.3
2010	65.3	12.3	22.4
2011	64.7	13	22.3
2012	67.2	10.6	22.2
2013	67.2	8.6	24.3
2014	67.3	8	24.6
2015	67.9	7.7	24.4
2016	68.1	7.3	24.6

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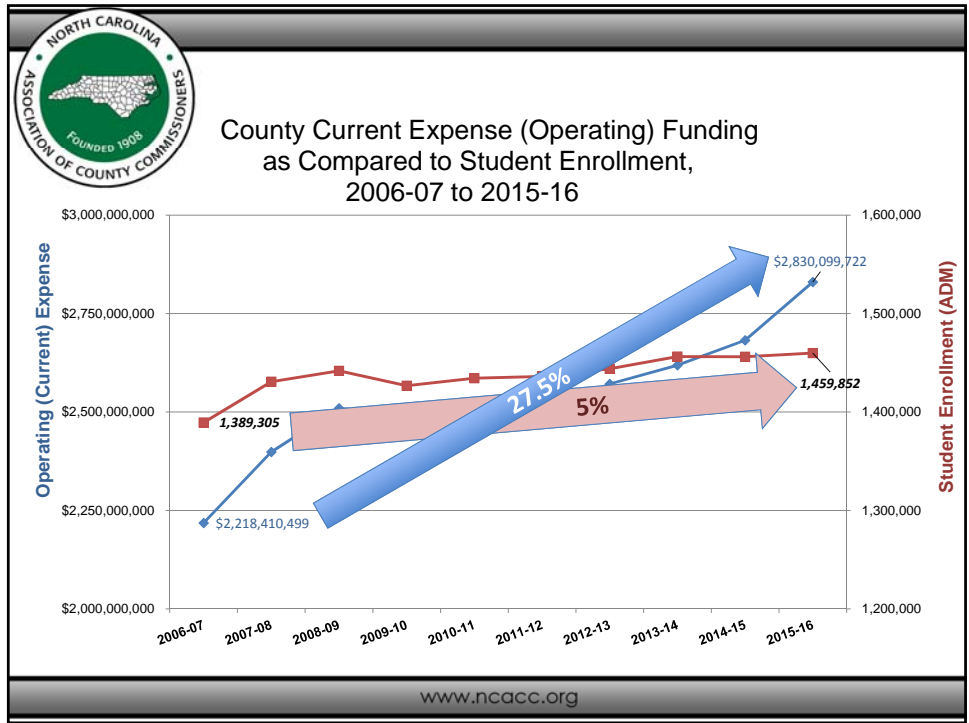




Per Pupil Expenditures, Current Expense City School Districts (2015-16)

LEA Name	Per Pupil Expenditures			
	State	Federal	Local	Total
Asheville City Schools (Buncombe)	\$5,631	\$969	\$4,550	\$11,150
Kannapolis City Schools (Cabarrus)	5,684	1,194	2,163	9,041
Hickory City Schools (Catawba)	5,760	1,031	1,848	8,639
Newton-Conover City Schools (Catawba)	5,686	1,003	2,417	9,107
Whiteville City Schools (Columbus)	6,767	1,620	1,469	9,857
Lexington City Schools (Davidson)	6,391	1,615	1,844	9,850
Thomasville City Schools (Davidson)	6,041	2,078	2,091	10,210
Roanoke Rapids City Schools (Halifax)	6,091	1,140	2,046	9,278
Weldon City Schools (Halifax)	8,838	2,239	3,154	14,231
Mooreville City Schools (Iredell)	5,206	507	2,767	8,481
Chapel-Hill/Carrboro City Schools (Orange)	5,249	535	5,879	11,664
Asheboro City Schools (Randolph)	5,866	1,171	1,830	8,867
Clinton City Schools (Sampson)	5,877	1,306	1,756	8,938
Elkin City Schools (Surry)	6,792	884	2,341	10,017
Mount Airy City Schools (Surry)	6,519	1,492	2,134	10,145

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Budgeting Process

- Step 1 • Ongoing Discussions Between Boards
- Step 2 • Public School Superintendent Presents Superintendent's Budget to Local School Board (by May 1)
- Step 3 • Local School Board May Hold Hearing on Superintendent's Budget
 • Local School Board Makes Changes and Adopts Proposed Budget
- Step 4 • Local School Board Submits Entire Proposed Budget to County (by May 15)
 • Board of County Commissioners May Request Further Information from Local School Board

Step 5

- County Board of Commissioners Makes Appropriations to Local School Administrative Unit
- May appropriate operating funds by purpose and function code

Step 6


- *OPTIONAL: Dispute Resolution Process*

Step 7

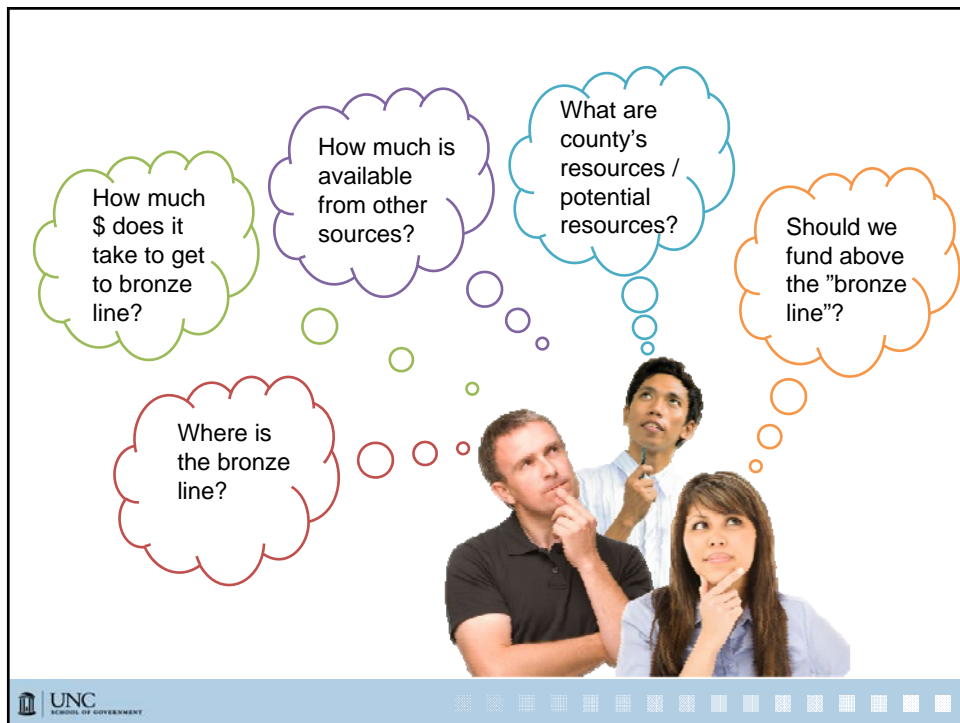
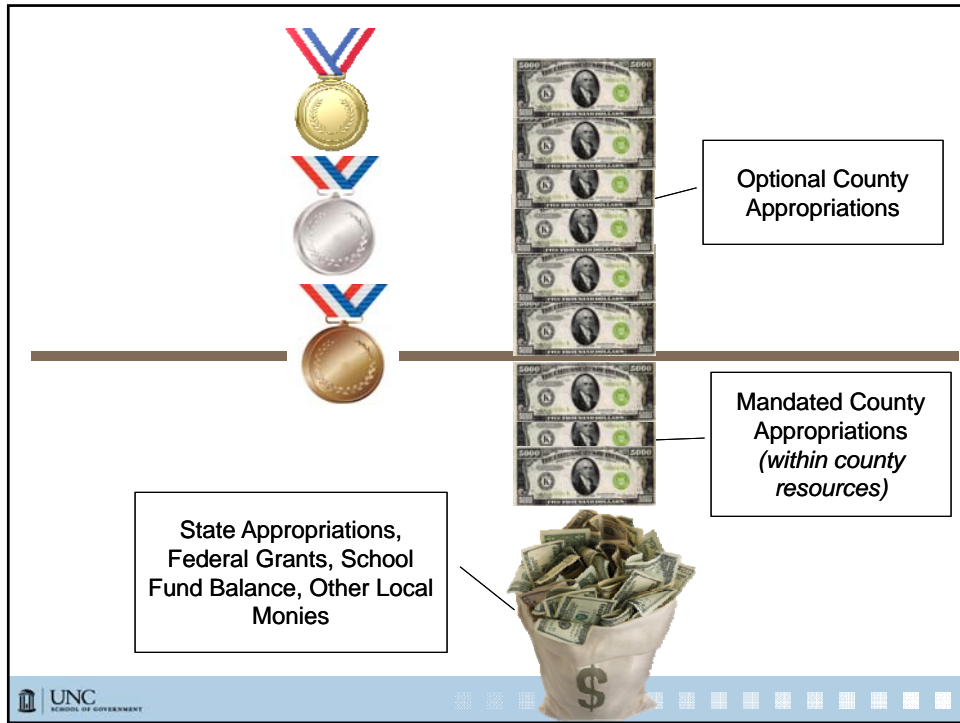
- The local board of education adopts a budget resolution

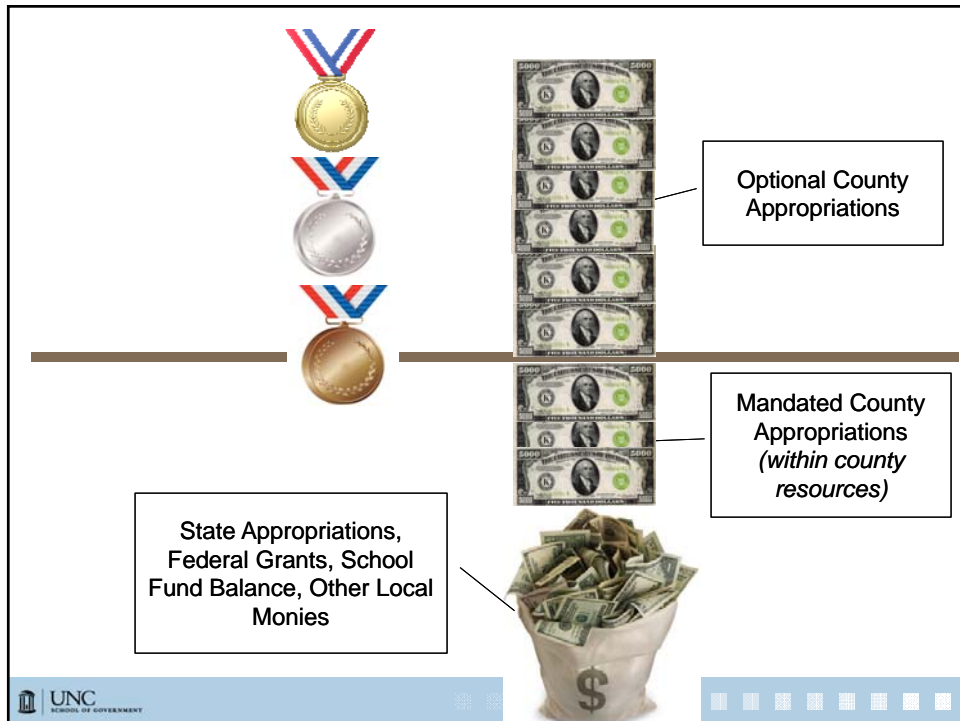
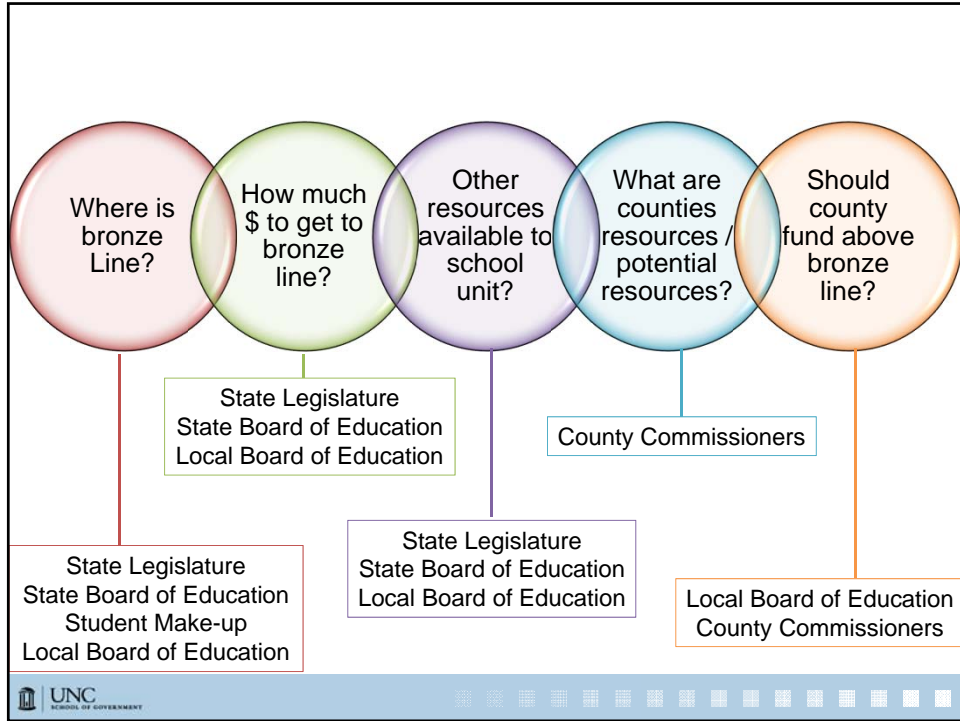
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A school board may challenge a county’s appropriation of capital outlay funds or operational funds, or both, if it feels the amount appropriated is “not sufficient to support a system of free public schools.”



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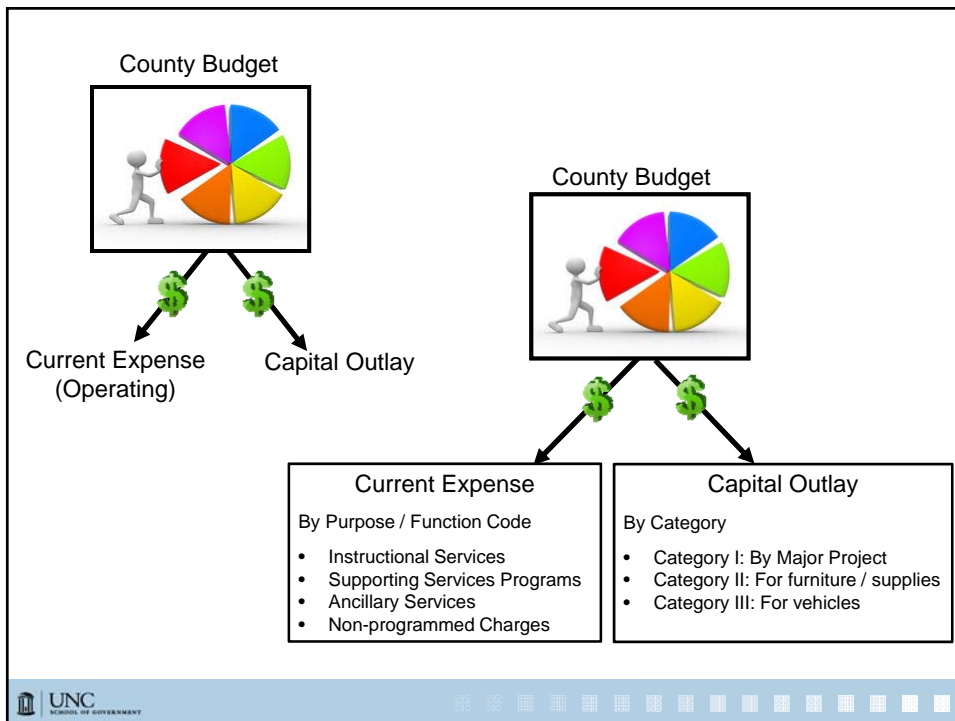




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A county board of commissioners may direct how county appropriations are spent by the local school unit.

1. True
2. False
3. A Little



A county board of commissioners is required to provide funding to charter schools that serve county students.

1. True
2. False
3. Indirectly

Charter Schools



- Direct funding
 - Counties have no authority to directly fund charter schools
 - Counties have no authority to donate real property (or sell it at less than fair market value) to charter schools
 - Counties may donate personal property (or sell at less than fair market value) to charter schools
- Indirect funding
 - Local school units must provide proportional share of most county operating funding to charter schools

What Now?


- Understand legal authority / responsibilities
- Understand school financials
- Open / maintain lines of communication with local school board
- Consider all funding factors
- Engage in long-term planning

You are in it Together

Resources



- School of Government Public School Funding Workshops
 - April 5: Raleigh
 - April 7: Asheville or New Bern
 - April 12: Asheville or New Bern
- Association of County Commissioners Advocacy Work




NCACC Legislative Goals

2015-16

Seek legislation to repeal the statutory authority under NC G.S. 115C-431(c) that allows local school boards to file suit against a county board of commissioners over county appropriations for education.

- G.S. 115C-431(c) expressly authorizes school boards to sue counties over "sufficiency" of current expense or capital funding levels, leaving courts to determine sufficiency.
- School boards are not expressly permitted to sue the state or federal governments for lack of sufficient funding, and no other entity is specifically granted this power to sue a taxing authority over funding sufficiency.
- This statutory authorization creates an adversarial relationship between the school boards and the boards of county commissioners and has cost taxpayers hundreds of thousands of dollars in legal fees and litigation expenses.

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Legislative Actions

HB 561 (SL 2016-116)


- Provision directs the Program Evaluation Division (PED) in the NCGA to study funding dispute process between Boards of County Commissioners and School Boards
- Report due May 1, 2017

HB 1030 (SL 2016-94)

- Provision in budget directs PED to contract for school construction needs assessment
- Consulting group also directed to determine which LEAs have highest facility needs in relation to ability to raise revenue
- Consultant visiting **nine counties**: Anson, Bertie, Clay, Davie, Greene, Harnett, Jones, Scotland, Yancey
- Report due March 2017



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Legislative Actions

SB 881 (SL 2016-18)

- Placed a moratorium on Union County Board of Education for litigation in 2016-17 year
- Directs the BOCC and School Board to meet periodically during school year

SB 382 (SL 2016-14)

- Places a moratorium on the Nash-Rocky Mount Board of Education for litigation for ten years

PED Report: “Allotment-Specific & System-Level Issues Adversely Affect North Carolina’s Distribution of K-12 Resources” (Nov. 2016)

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NCACC Legislative Goals 2017-18



- **Three Public Education Goals approved by NCACC Board of Directors**
- **Will be voted on during Legislative Goals Conference**

PE-1: Seek legislation to establish a new state-county partnership to address statewide public school capital challenges—including but not limited to maintenance, renovation, construction and debt—through a dedicated, stable funding stream that is consistent from county to county and sufficient to meet the school facility needs of all 100 counties.

PE-2: Support legislation to repeal the statutory authority under N.C. Gen. Stat. 115C-431(c) that allows a local school board to file suit against a county board of commissioners over county appropriations for education.

PE-3: Support legislation to provide for an overall increase of funding based on average daily memberships outside of the current formula system.

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- Thank you -

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