REGULAR MEETING
of the
CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

The Charlotte-Mecklenburg Board of Education held a Regular Board Meeting on May 10, 2011. The meeting began at 5:22 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; Joe I. White, Jr., Member At-Large; Rhonda Lennon, District 1; Richard Allen McElrath, Sr., District 2; Dr. Joyce Davis Waddell, District 3; and Timothy S. Morgan, District 6

Absent: Rhonda Lennon, District 1

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

Upon motion by Dr. Waddell, seconded by Mr. Tate, the Board voted unanimously of those present for approval to go into Closed Session for the following purpose:

- To consult with the Board's attorneys on matters covered by the attorney-client privilege, namely pending litigation regarding Learndi v. Charlotte-Mecklenburg Board of Education and Crabill v. Charlotte-Mecklenburg Board of Education.

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 5:22 p.m. until 5:30 p.m. in Room CH-14.

Chairperson Davis reconvened the Regular Board Meeting at 6:02 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;
Absent: Joe I. White, Jr., Member At-Large;  
Rhonda Lennon, District 1;  
Richard Allen McElrath, Sr., District 2;  
Dr. Joyce Davis Waddell, District 3; and  
Timothy S. Morgan, District 6

There were no absences.

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 6:02 p.m. and he welcomed everyone to the Board’s first meeting of the month.

A. Adoption of Agenda

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

Dr. Waddell moved that the Board adopt the agenda as presented, seconded by Mr. Tate, and the motion passed upon unanimous voice vote of the Board.

B. Pledge of Allegiance

Chairperson Davis called upon Kaye McGarry to introduce two students from Park Road Montessori Elementary School to lead those present and in the viewing audience in the Pledge of Allegiance and to speak on the May character trait of hope. Ms. McGarry introduced Eleanor Haviland, a Pre-K student, who loves to read and write and especially enjoys U.S. research. Attending the meeting with Eleanor were her parents, John and Elizabeth Haviland. Ms. McGarry also introduced Alvamir Jzar, a kindergarten student, whose favorite work in class is the 7 Long Chain. Attending the meeting with Alvamir were his parents, Wisdom and Cherie Jzar. Also attending the meeting with the students was their teacher, Sherry Herbert. Eleanor and Alvamir invited everyone to stand and join them in reciting the Pledge of Allegiance. Following the pledge, Eleanor and Alvamir shared what hope means and how hope impacts their lives.

II. REQUEST FROM THE PUBLIC

Chairperson Davis said the Public Request section is an opportunity for the Board to hear from the public and gain valuable feedback. Chairperson Davis outlined the speaker and audience protocol. 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. He encouraged the audience to be mindful of showing respect to the speakers and to refrain from either showing support or displeasure. Each speaker will be given three minutes to address the Board. 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 and their children. Eighteen speakers were signed up to address the Board regarding pay for performance, testing, and the proposed budget.
Nine people discussed concerns regarding the pay for performance initiative and testing.

- Chadwick Harvey said the initiative and the value-added measures will not capture all the aspects that teachers impact on students and is a set for failure for some teachers. A workable solution would be to set up an incentive fund in which teachers can invest and compete.

- Kayla Beckett, student in CMS, is now an “A” student and that is because she had a good teacher that worked with her. Testing will not measure the extra efforts that teachers do to help students learn and those are the reasons students stay in school. Students know who the good teachers are and learn through other ways than tests.

- Carol Sawyer spoke on behalf of the 2,000 people who signed a Mecklenburg ACTs Petition for Fair and Effective Teacher Assessment. Parents are opposed to the expansion of high-stakes standardized testing in CMS, object to the tests and the pay for initiative, and want CMS to back off on testing and withdraw House Bill 546.

- Judy Kidd said we all have a goal to strive to have the best education plan available for all students in CMS but our plan to get there is different. Teachers, parents, students, and community are concerned about the pay for performance process and the testing. This has alienated these groups and they feel they have not been communicated to properly. In addition, House Bill 546 has caused stress on teachers and created distrust. Trust and integrity are needed to move forward. She urged everyone to pause and work together. She asked the Board to plan this with teachers because good teachers have contributed to the successes of CMS.

- Steve Oreskovic, CMS teacher, reported that teachers have met with representatives in Raleigh and CMS staff to express concern about what is happening to the students in CMS and their profession. He reviewed research regarding the negative aspects of value-added measures, multiple measures, and summative testing and he noted that value-added data is not stable and could misidentify teachers; to be effective students should be randomly assigned to schools and teachers; and the tests were not developed to provide a value-added measure for teachers. He addressed concerns regarding the cost and time for videotaping, observations, and summative tests.

- Patrice Britt urged the Board to rethink the pay for performance initiative and over testing children. She asked the Board to support a more cohesive, fair, and balanced learning experience for educating children and to vote against all funding for testing to be used for the pay for performance initiative. Test scores do not prove the effectiveness of a teacher and the majority of the teachers in the District do not support linking their salaries to the results of a standardized testing results. She asked the Board to recall House Bill 546 and restore the confidence in the teachers in CMS.

- Kim Wajnowich expressed concerns regarding the testing, the time wasted for testing, and the tests do not prove teacher effectiveness. Teachers and students are frustrated with these tests. She expressed concern that her 2nd grader will be watching Peter Pan all week while the teachers are giving tests.

- Beth Christopher, represented many parents, and she asked the Board to stop the testing because it is not good for the schools, the teachers, or the students. She discussed concerns that the tests are not age inappropriate for younger children especially for kindergarten students.

- Lisa Caudle said China prepares students for testing but not for higher education. They are producing mediocrity. Testing is urbane pedagogy and failing students. She
expressed concern that teachers are teaching to the tests and she asked the Board to stop summative testing.

Three people discussed the proposed budget in general.

- Hans Plotseneder urged the Board to not dismiss good teachers and to implement a 10% cut. He expressed concern regarding inefficiencies in transportation, needless lawn care, and too many administrators. He asked the Board to stop the pay for performance initiative because the goals are not what they should be, it will not work, and multiple choice questions do not measure the success of a student.

- Erika Ellis-Stewart is the parent of two students in CMS. This year has been about tremendous change, emotional dialogue, and decisions. She expressed concern regarding shuttle stops, pay for performance, and closing of schools. Parents want to support CMS and parents have reached beyond to sustain public education and protect classrooms from further cuts. She said the use of a neutral tax is a method for the Board to get additional funding from the County and she urged the Board to ask the County to save teachers. She supports the additional funding because it will help the classrooms.

- Deshauna McLamb discussed the concerns of the community and asked the Board to rescind House Bill 546 and do the right thing for children. This involves more than testing and includes the social relationship between the teacher and the student to grow intellectually. She encouraged everyone to come together for learning.

Four people urged the Board to support the budget recommendation and to endorse the Five for Fifty-Five Coalition (fund the top five priorities for $55 million). They urged the Board to ask the County for what CMS needs to maintain positive momentum.

- Elyse Dashew represented MeckFUTURE and the Five for Fifty-Five Coalition. She has spoken with many families throughout the County and they have the same concerns. They want safe schools and students to have a good education. She has also talked with many faith groups and organizations and they are concerned about the impact of another $100 million cuts at CMS. Academic gains cannot continue if teachers, assistants and support staff are laid-off and that will negatively impact the future of our children. This is also a State concern and they are advocating the legislators to do what is right for our schools.

- Doug Swaim is the Co-chairman of MeckFUTURE and the parent of two students in CMS. He urged the Board to fund the top five priority items. They will advocate to the County and State to support education. In addition, they support an extension of the one cent State sales tax in order to prevent deep cuts in funding for public education and support the initiative “Our Children are Worth a Penny Campaign.”

- Belinda Cauthen, Co-chairperson of the NAACP Education Committee, reported the NAACP continues to support public education that maximizes achievement and provides opportunities for all children. They are in agreement with the Five for Fifty-five priorities and support funding these items as additional funding becomes available. She wants transparency in the process to ensure any additional funds are appropriately applied to the five items.

- John Maye represented Save Our Schools Initiative. They work with other organizations and support the Five for Fifty-five campaign. He asked the Board to endorse the initiative, to ensure any additional funding is applied to the top five priorities, and to show transparency for how the funds are spent. He asked the Board
and the Superintendent to be accountable to do what they say they will do; to consider the bullying and mental health issues students are facing; to consider the frustrations students, parents, and staff are experiencing from the closing of E.E. Waddell; and to build trust in the community.

Chairperson Davis closed the Request From the Public at 6:55 p.m.

III. CONSENT ITEMS

A. Recommend approval of Closed Session meeting minutes:
   • April 12, 2011.
   • April 14, 2011.
   • April 26, 2011.

B. Recommend approval of Open Session meeting minutes:
   • October 11, 2010 Work Session.
   • April 26, 2011 Regular Board Meeting.

C. Recommend approval of construction contract for Independence High School.

Chiller replacement project at Independence High School. Staff recommends approval of the contract to the lowest responsive bidder, Carolina Air Solutions. The contractor agrees to provide labor, services, equipment, and materials needed to remove and replace two existing York Screw Water Cooled chillers and install two new Trane Screw chillers at Independence High School. All work is to be performed in accordance with the standard terms and conditions outlined in the contract. The MWSBE participation for this award is 2% out of a possible 6% available to subcontractors and all minority contracting procedures were followed. The competing prime contractors included one minority firm, Superior Mechanical, who was the highest bidder. Fiscal implications: Local Funds in the amount of $219,883.73.

D. Recommend approval of Licensed/Non-Licensed Hires and Promotions for March 2011.

Monthly hire report includes prior month(s) hires not processed when report was presented to the Board of Education last month.


E. Supplementary Funding/Grant Requests:

1. Recommend approval of supplementary funding request for Elon Park Elementary School Science Club Grant Application.

The goal of the initiative is to increase students’ performance, attitude and interest in the science, technology, engineering, and mathematics (STEM) fields. All activities will be hands-on and infused with technology as students explore theme based activities ranging from the biological to environmental sciences, engineering to outer space. Teachers will engage students in science experiments and literacy experiences using the FOSS Kits, DELTA Kits requested in the grant. Fiscal Implications: Funding requested from American Honda Foundation in the amount of $59,758.67.

2. Recommend approval of supplementary funding request for Mobile Learning Devices for Reid Park Elementary School Grant Application.
The pilot project will expose students to essential skills such as the Four Cs: Critical Thinking, Collaboration, Communication, and Creativity. We anticipate student attendance to improve because of an increased level of interest and engagement in the classroom. We expect to see more homework completed, improved research skills, and better organizational skills among participating students. Most importantly, we expect to see academic gains in all subject areas as a result of this pilot. Fiscal Implications: Funding requested from American Honda Foundation in the amount of $59,903.84.

F. Recommend adoption of resolution authorizing the Chief Financial Officer to approve purchase orders for items required for the 2011-2012 School Year.

In order to be prepared for opening of school in August, there are some instances in which the purchase orders for certain items must be issued prior to July 1 in order to have those items on hand at the start of school. Adoption of this resolution authorizes the Chief Financial Officer to approve 2011-2012 purchase orders for those items. Fiscal Implications: Any purchase order issued prior to July 1 would be from local funds only and will be charged to the proper appropriation in the 2011-2012 Operating Budget upon adoption.

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

Mr. White moved that the Board adopt Consent Items A. through F. as presented, seconded by Mr. Morgan, and a discussion followed.

Dr. Waddell pulled Consent Item E.2.

Chairperson Davis called for a motion to adopt Consent Items A. through F. excluding E.2.

Mr. White moved that the Board adopt Consent Items A. through F. excluding E.2, seconded by Mr. Merchant, and the motion passed upon unanimous voice vote of the Board.

The Board discussed Consent Item E.2. Dr. Waddell said this is a grant proposal for Mobile Learning Devices at Reid Park Elementary School and she asked if this relates to students using computers to do their school work as a result of the additional students that will be attending that school? Dr. Gorman said he did not have that information at this time and he would provide the answer at a later time.

Chairperson Davis called for a motion to adopt Consent Item E.2.

Mr. Tate moved that the Board adopt Consent Item E.2., seconded by Mr. Morgan, and the motion passed upon unanimous voice vote of the Board.

IV. ACTION ITEMS

A. Recommend approval of the proposed 2011-2012 Charlotte-Mecklenburg Board of Education Budget

Chairperson Davis called upon Dr. Gorman to present the recommendation on proposed 2011-2012 Charlotte-Mecklenburg Board of Education Budget. Dr. Gorman called upon Sheila Shirley, Chief Financial Officer, to present the proposed budget recommendation. Dr. Gorman said developing the budget is a process. At the last Board meeting we reported the House Education Subcommittee had passed their budget recommendation. Now, the
House has passed their budget recommendation and it has changed from what the Subcommittee approved. The change is a substantially deeper cut for K-12 education. The Senate is now in their subcommittee process and they are discussing even deeper cuts. Dr. Gorman said it is important to note this information because staff is presenting a budget recommendation based on CMS not knowing the final numbers from State or the County. Dr. Gorman said this is a process and we will continue down this path and provide the Board updates as new information is received until the budget process is completed.

Sheila Shirley provided the Board with an overview of the proposed 2011-2012 Board of Education Budget. The outlook has not changed since January when staff first began to plan and project for the worst case scenario.

- Budget Development Framework:
  - Align resources to support Strategic Plan 2014.
  - Keep strong academic focus coupled with data driven decision making.
  - Recognize and plan for the impact of the economic environment and employ sound fiscal management, respond to signals from state and local sources that funding may be limited.
  - Acknowledge uncertainty regarding expected funding levels from all sources, but be prepared for the worst.
  - Request funding from County for growth and sustaining operations.
  - Pay for Strategic Plan 2014 initiatives through budget reductions or redirections.
  - Establish flexibility in the budget to allow for various reduction levels.

- Federal ARRA Funding Cliff:

  | ARRA State Fiscal Stabilization Funds | $35 million |
  | ARRA Title I - Bright Beginnings     | $9 million  |
  | ARRA Title I - Midwood High School   | $1 million  |
  | ARRA IDEA VI-B                      | $3 million  |
  | **Total funding cliff as of 2009-2010** | **$48 million** |
  | $(12M) permanently funded by ARRA positions with local savings in 2010-2011 | $(12 million) |
  | $(21M) plan to utilize EduJobs Funds to delay funding cliff until 2012-2013 | $(21 million) |
  | **Remaining cliff for 2011-2012**   | **$15 Million** |

- State Budget: In January, the Office of State Budget and Management requested all state agencies to provide a 5%, 10%, and 15% budget reduction plan and CMS has not received the final request from the State at this time.

- County Funding: The County budget process has not been finalized and we anticipate it to be finalized in mid-June.

- Proposed 2011-2012 Board of Education Budget based upon the current information available:

<table>
<thead>
<tr>
<th></th>
<th>Proposed 2011-2012 Budget</th>
</tr>
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<tbody>
<tr>
<td>County</td>
<td>$352,250,000</td>
</tr>
<tr>
<td>State</td>
<td>580,155,041</td>
</tr>
<tr>
<td>Federal/Other Grants</td>
<td>140,812,296</td>
</tr>
<tr>
<td>Other and Special Revenue</td>
<td>13,402,000</td>
</tr>
</tbody>
</table>
Total Operating Budget | $1,086,619,337
---|---
Capital Replacement | 4,960,000
Child Nutrition | 66,499,202
After School Enrichment Program | 13,962,253
Total Proposed Budget | $1,172,040,792

- The budget has been modified to reflect the changes approved by the Board and the cuts in Tiers 1 through 4.

2011-2012 Proposed Budget - 2010-2011 Adopted Budget Comparison:

<table>
<thead>
<tr>
<th></th>
<th>Proposed 2011-2012 Budget</th>
<th>2010-2011 Adopted Budget</th>
<th>Variance +/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>County</td>
<td>$352,250,000</td>
<td>$302,250,000</td>
<td>$50,000,000</td>
</tr>
<tr>
<td>State</td>
<td>580,155,041</td>
<td>634,731,052</td>
<td>$(54,576,011)</td>
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<tr>
<td>Federal/Other Grants</td>
<td>140,812,296</td>
<td>185,891,151</td>
<td>$(45,078,855)</td>
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<tr>
<td>Other and Special Revenue</td>
<td>13,402,000</td>
<td>27,313,842</td>
<td>$(13,911,842)</td>
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<tr>
<td>Total Operating Budget</td>
<td>$1,086,619,337</td>
<td>$1,150,186,045</td>
<td>$(63,566,708)</td>
</tr>
</tbody>
</table>

- State, Federal, and Other are not requested funds but the expected and projected estimates based on the funding CMS expects to receive.

- County request is an increase of $50,000,000. In the past several years CMS has used federal funding in order backfill cuts at the State and Local level. This year, CMS is asking the County to help offset some of the cuts expected at the State and Federal levels and to restore the funding to the level of recent years.

2011-2012 County Appropriation Request:

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<thead>
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<tbody>
<tr>
<td>2010-2011 Adopted County Budget</td>
<td></td>
<td>302,250,000</td>
</tr>
<tr>
<td>I. Redirections/Reductions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Operationalized/Efficiency Reductions</td>
<td>(14,781,272)</td>
<td></td>
</tr>
<tr>
<td>B. Tier 1-4 Reductions</td>
<td>(15,504,445)</td>
<td></td>
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<tr>
<td>Total Redirections/Reductions</td>
<td>(30,285,717)</td>
<td></td>
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<tr>
<td>II. Sustaining Operations</td>
<td></td>
<td></td>
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<tr>
<td>A. Salaries and Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Health Insurance Increase (7.1%)</td>
<td>836,448</td>
<td></td>
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<tr>
<td>2. Retirement Rate Increase (10.5% to 11.62%)</td>
<td>1,909,667</td>
<td></td>
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<tr>
<td>B. Program Continuation</td>
<td></td>
<td></td>
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<tr>
<td>1. Increase for Charlotte-Mecklenburg Police Department Security Resource Officer contract</td>
<td>958,426</td>
<td></td>
</tr>
<tr>
<td>2. Rate Increase for Utilities</td>
<td>915,790</td>
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<tr>
<td>3. Charter School Enrollment Growth</td>
<td>2,165,318</td>
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</tr>
<tr>
<td>4. Mileage Rate Increase to IRS Standard Rate</td>
<td>16,282</td>
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<tr>
<td>5. Increase in Lease Payments</td>
<td>93,696</td>
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<tr>
<td>6. Intervention Team Specialists</td>
<td>258,867</td>
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<tr>
<td>C. Replacement of ARRA Cliff *</td>
<td>14,781,272</td>
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<tr>
<td>Total Sustaining Operations</td>
<td>21,935,766</td>
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</tbody>
</table>
III. Student Growth

A. Enrollment Increases (2,543 students)

1. Enrollment - Staffing and Non-Personnel 3,434,609

Total Student Growth 3,434,609

New Request for Sustaining Operations and Growth $25,370,373

IV. Critical Funding

A. Restore Previous Cuts in County Funding 50,000,000

B. Reinstate Remainder of Tier 4 Reductions 4,915,344

Total Other 54,915,344

2011-2012 Proposed County Appropriation** $352,250,000

Change from 2010-2011 County Appropriation $50,000,000

* Includes funds to replace a portion of the American Recovery and Reinvestment Act (ARRA) funding expiring in 2011. This funding will be used for school-based clerical and custodial positions, a portion of the Bright Beginnings Program, teacher-level positions for the Midwood Program at Hawthorne High School and school-based Exceptional Children positions.

** As a point of reference, County funding in 2008-2009 was $351,366,785.

- CMS Budget Trends by Budget Source:
  - 2002-2012 Adopted State Budget: The budget has declined over the past several years and the 2010-2011 current request ($634,731,052) restored State funding to the approximate levels of the 2006-2007 school year ($623,777,628). The 2011-2012 State budget request has dipped to $580,155,041.
  - 2002-2012 Adopted Federal and Other Budget: The budget has declined but the overall Federal dollars have increased significantly starting with the 2009-2010 school year at $165,827,056 but declined approximately $45 million this year to $140,812,296.
  - 2002-2012 Adopted County Budget: The budget has declined and the additional $50 million request will restore the funding level to the 2008-2009 school year ($351,366,785). The County adopted budget dropped to $317,367,391 in the 2009-2010 school year and dipped to $302,250,000 in the 2010-2011 school year.
  - 2002-2012 Adopted Budget - Other and Special Revenues has declined. This is impacted by fund balance and the majority of this declined is related to CMS had $13.9 million in fund balance dollars appropriated in the current year's budget which had to be removed because fund balance dollars are one-time funds.
  - 2002-2012 PreK-12 Enrollment has significantly increased each year with a slight decline in 2009-2010. This year's projected enrollment is 138,181 compared to last year of 135,638.
  - 2002-2012 Per Pupil Funding: The changes in the funding levels from the State, Federal and Other Grants, and County have had a dramatic impact on the CMS per pupil spending levels. At the State level per pupil spending has dropped from $4,680 in 2010-2011 to $4,199 in 2011-2012. At the Federal level it has dropped from $1,370 in 2010-2011 to $1,019 in 2011-2012. At the County level with four years of flat funding and increasing student enrollment, the per pupil funding went from $2,621 in 2008-2009 to $2,374 in 2009-2010 and dropped to $2,228 in 2010-
2011 which was equivalent to the 2004-2005 school year. With the additional $50 million funding request, the per pupil spending for the 2011-2012 school year will be $2,549 which is equivalent to the 2001-2002 and 2007-2008 school years.

- **2011-2012 Proposed Operating Budget:**
  - **Redirections/Reductions - Budget Reductions (Tiers 1-4):** Should CMS receive additional funding, reduction budget items will be brought back starting with the bottom of Tier 4 and moving up.
  - **Redirection of Funds to Alternative Uses:** $(15,245,323).
  - **Tier 1:** $(15,067,577):
    - Central Office Reductions: $(8,785,421).
    - DSSF funding for high school plans: $(1,229,914).
    - Achievement Zone, school-based positions: $(689,290).
    - Media Specialists, 1 position: $(69,019).
  - **Tier 2:** $(6,808,552):
    - Reduce funds for equitable supplies and materials: $(125,000).
    - Career and Technical Education, 38 teachers: $(2,504,830).
    - Alternative Educations: $(1,146,108).
    - Campus Security Associates (CSA’s) 10 Rapid Response: $(362,880).
    - School Quality Report (SQR) Training: $(135,000).
    - Building Services, trade positions: $(712,422).
    - Custodians: $(1,734,753).
    - Academic Competitions: $(87,559).
  - **Tier 3:** $(28,718,723):
    - 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 (CSA’s), 16 positions: $(543,160).
    - Bright Beginnings reduction of classes: $(10,417,921). CMS currently has approximately 175 Bright Beginnings and this cut would reduce those to approximately 95 classrooms.
    - Teacher Assistants (1st and 2nd grade, 3rd grade was cut previously): $(9,295,201).
  - **Tier 4:** $(35,202,222):
    - Eliminate one support position at each school, 164 positions: $(11,152,000).
    - Change Weighted-Student Staffing from 1.3 to 1.25, 146 teacher positions: $(8,648,602).
    - Increase class size +2 for 4th - 12th grades, 260 teacher positions: $(15,401,620).

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<tr>
<td>Capital Replacement</td>
<td>4,960,000</td>
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Chairperson Davis called for a motion to adopt the proposed 2011-2012 Charlotte-Mecklenburg Board of Education Budget.

Mr. Morgan reported that since 2007-2008, CMS has made over $185 million in budget reductions and redirections. This year, the State is poised to cut funding to CMS by an additional five percent to fifteen percent. Since 2009-2010, in only two short years, the Mecklenburg Board of County Commissioners alone has cut approximately $50 million directly from the CMS public school budget giving Mecklenburg County the dubious distinction of being the only county in the state of North Carolina to cut public education funding at this level both percentage-wise and dollar-wise. Since 2007-2008, CMS has lost over 2,300 positions including over 1,800 school-based positions. As it currently stands, the CMS budget situation will result in the loss of more than 1,600 additional positions. Mr. Morgan said in addition to this motion, he calls on the State to carefully consider the effect the budget will have on public education in Charlotte-Mecklenburg and around the State; to reverse the trend of making devastating cuts and the resources allocated to society’s most important function of educating its children and to empower local boards of education, not politicians and bureaucrats in Raleigh, to make the difficult budgetary and operational decisions associated with the potential loss of significant State revenue. Mr. Morgan said he also calls on Mecklenburg County to restore the approximately $50 million in cuts from public education in this community over the last two years. Mr. Morgan said it is in this spirit that he makes the following motion.

Mr. Morgan moved that the Board approve the proposed 2011-2012 Charlotte-Mecklenburg Board of Education Budget request for $1,086,619,337 including the funding request to the Mecklenburg Board of County Commissioners in the amount of $352,250,000 and the Capital Replacement, Child Nutrition, and After School Enrichment budgets, seconded by Mr. White, and a discussion followed.

Ms. McGarry offered an amendment to the motion regarding pay for performance. Ms. McGarry said this will provide time to pause, rethink, and focus on effective teachers today and at a later date reconsider what direction to take with pay for performance. Ms. McGarry is not aligning herself with those who oppose House Bill 546 nor does she support some of the groups that have advocated against the CMS pay for performance plans. She discussed concerns regarding those who have maligned the Superintendent and individual Board members, those who have used misinformation to further their cause and create confusion, and the ill-will that has been created is not healthy for the school system. She commended those who have thoughtfully and respectfully addressed this issue both within CMS and the community.

Ms. McGarry moved to amend the motion to add the following paragraph: All local funds allocated for costs associated with Pay for Performance for the 2011-2012 proposed budget shall be reallocated to pay for K-12 classroom teachers or other school-level positions. The specific cost items shall be identified by the Superintendent and disclosed to the Board. All grant monies designated for use for costs associated
with Pay for Performance shall be redirected to fund other initiatives or reverted to the granting agency, in accordance with the terms of the grant. The amendment to the motion was seconded by Richard McElrath and a Board discussion followed.

- Dr. Waddell said the Board should pause, rethink, and review the local funds that are channeled into pay for performance because there needs to be more than just testing as a way of providing for pay for performance. Dr. Waddell said the process includes multiple measures and she encouraged the Board to review those additional measures. Testing in its place is good but she is concerned CMS has too much testing. She suggested the Board evaluate what they are doing; to properly communicate to those who do not understand the initiative; to get input from those who are doing the testing; and to more involve teachers and the community in the process. We are in a tough budget situation and it is critical we use our dollars wisely, review our priorities, and ensure we do not take away good instructional time for testing. The evaluation process must be fair to everyone who works with children, those in the classroom and those who provide support to teachers.

- Ms. Lennon asked what is the amount of local funding this involves and how many teacher positions would this cover? Dr. Gorman said the initiative for the Center for Human Capital is approximately $451,000 and that is the equivalent of nine teachers.

- Ms. McGarry said this amendment indicates anything associated with pay for performance and the TIF-LEAP initiative has a $3.039 million budget for the 2011-2012 school year. Ms. McGarry asked do the TIF-LEAP funds not revert to a pay for performance initiative. Dr. Gorman said TIF-LEAP is a performance compensation initiative but he does not have that data at this time. Ms. Shirley said the TIF-LEAP initiative in next year’s budget is approximately $3.1 million in local funds and that amount has increased over time. The TIF-LEAP grant was an initiative to provide bonuses for teachers who meet certain criteria and over time the plan was to shift from being federally funded to local support.

- Mr. McElrath will support the motion for several reasons. He believes our problem is not what we are doing but what we have done because it is important to do the right thing first to avoid patching up what was done wrong. He has not read any research that indicates pay for performance will work. CMS is spending a ton of money on something we cannot promise we can deliver to anyone while we are not addressing the real problems. The first step the Board should take is to get on solid footing to deal with student assignment plan matter of assigning children to the schools closest to their home knowing those assignments are going to economically segregate the school system. Mr. McElrath commended Dr. Gorman for stating that one of the CMS problems is the aggregation of poverty which is caused by the housing patterns. Mr. McElrath believes this is what needs to be addressed if we are serious about educating children. The children in poverty rate in America is 21.9% and Mr. McElrath is concerned that CMS will continue to isolate poor and minority children in neighborhoods because he believes black children cannot learn in the communities that do not have the type of amenities that support those children. He believes good schools are aligned with the named brand supermarkets. The community and the Board must make an honest effort and a commitment of doing the right things. He does not want to spend any more time working on something that will not work. We have an achievement gap linked to poverty and race because many of our schools lack economic
diversity based upon the housing patterns in the community. Mr. McElrath said the achievement gap is linked to poverty and difficult family circumstances and the high dropout rate can also be linked to the same factors. Mr. McElrath will support the Superintendent but he will not support spending money on a pay for performance plan because there is no research to indicate that it will make a difference.

Mr. Merchant believes Mr. McElrath’s comments are a good reason to not support the amendment to the motion. Several schools districts implemented various forms of a pay for performance initiative and many failed because they were implemented too quickly, used practices that were not scalable, did not use multiple measures, and did not have sustainable funding. CMS is following a different path. Regarding evidence, evidence shows that status quo is not working because only 70% of our students graduate on time. That is not acceptable, we must do something different, and this is a chance to do something different. In 2007, CMS began the TIF-LEAP initiative and next year will be year five of a five year program. CMS has partnered with a third party that has expertise in this area and has been recognized as national experts in developing student learning objectives that many states, including North Carolina, are now recognizing as a measure of effectiveness that can go from pilot to full scale. This is new, unknown territory and it appears to be a lot of money but it is less than 1% of our local funding request. Money is tight and it will not get better soon but this is a time to continue to be strategic. The Board realizes we must get better in the implementation process, we are working on this effort, and we are seeing how the different pieces will be tied together. What people see now is the summative tests because that is what is currently affecting the teachers, students, and families but there are other pieces in the background that are coming into shape and becoming unified. Dr. Gorman has been here for five years and four of those five years CMS has been moving in a direction that involves a form of pay for performance. Dr. Gorman has said all along that pay for performance is a lever for change and not a cure all. Mr. Merchant said this initiative is realizing the Board’s vision and achieving our mission to maximize the achievement of all students regardless of any predictive factors they bring to the schoolhouse. This is not perfect and we have not rolled it out right but we have been clear that this is a process that is evolving and going in the right direction. A Board vote for this amendment is voting against everything that the Superintendent has put forward in five years. In the short-term this will help boost our tax base by producing better graduates and more graduates who can be productive citizens and that in the long-term will improve the housing patterns.

Mr. Morgan agreed with Mr. Merchant’s comments. He said if TIF-LEAP is in this motion then the strategic staffing model should also be included because it is a form of pay for performance. The Strategic Staffing Program has shown real merit, it is working, and we are beginning to see positive results. That program is a prelude of what could happen with a pay for performance plan. The pay for performance initiative will not go into effect until 2014 and that is three years out. We have been asked to take a pause and that this is a pause before the plan is formally adopted. There is time to work on the proposed plan and some of the concerns that have been voiced will be addressed by staff. Mr. Morgan will not support this motion.

Mr. Tate expressed concern that CMS has gotten on a road, we do not know how to get off that road, and we are not sure it will work. Mr. Tate believes the Board should get off the road for pay for performance for a moment. He would have preferred to follow a
different path than to take Board action but he will support the amendment. He thought by moving to a pay for performance process, staff would have been able to find more evidence that this has worked to help more students academically and to graduate. Mr. Tate said if there was more evidence he would be more willing to support this initiative. He said CMS is moving in the right direction with what we are currently doing and making progress. He is not sure how this testing will help students achieve or make teachers more effective. CMS does know what is working long-term elsewhere and PreK is one of those initiatives that studies have shown more students are achieving, graduating from high school, and leading productive lives. Weighted Student-Staffing and class size has also been effective in CMS. Mr. Tate encouraged the Board to demonstrate that we are listening to teachers, students, and parents and he will support the amendment to take some action now.

- Mr. White said people have different opinions about doing the right thing and many people believe you are only doing the right thing if you do what they believe is right. People also talk about personal agendas. His agenda has always been about children and education. He was a teacher and coach for many years and he may have been a better teacher if a pay for performance was in place at that time. He cares about education and making the right decisions because he has grandchildren in CMS and he wants the same thing for his grandchildren that parents want for their children. Mr. White said public education as we know it is under attack and we have a choice. We either change drastically or we watch public education die because there are those that want it buried. Mr. White believes measurement and compensation must be a part of the reform. Change is scary but no significant change in the history of mankind has taken place without great opposition and naysayers. This week in honored the Freedom Riders which was a group of people who brought about significant and drastic change. Where would we have been today if we did not listen to the Freedom Riders? Mr. White urged everyone to move forward to make it better for the children.

- Mr. McElrath discussed the importance of starting today to make changes to housing patterns to impact education. This step will impact education and graduation rates in areas that have clusters of poverty. He reviewed research that teacher pay incentives in New York did not increase student achievement and he wants more information on how this initiative will work in CMS.

- Ms. Lennon said she would not support the amendment because we should not stop initiatives that CMS has been working on for the past two years. She also is concerned about the aggregation of poverty in our schools but that will not be impacted by stopping pay for performance. We must move forward to stop paying and educating teachers like we are still living in the 70s. We must catch up to the new millennium and pay for performance makes sense. This is a process that is still in progress and being tweaked to learn how to do it better and ensure we do it right. Ms. Lennon encouraged the Board to not pull off the road and to continue to move forward with pay for performance so that CMS can catch up to be more efficient and effective in 2014.

- Ms. McGarry said pay for performance is a worthwhile end but she does not support the railroading approach to get there. She said there are existing State tests that can be used and expressed concern about the strain of the additional testing on students and the time that testing takes away from the instructional day. She is opposed to using students as guinea pigs in order to get data for adults to be used in two or three years. She said
there are other ways to have a pay for performance system and the Board should take
time, think, and stop pouring millions of dollars into this initiative because it has not
been proven it will work. Teachers should be number one, money is not the real reason
teachers teach, and there are other ways to measure teachers and empower principals to
do their job. Research indicates for a pay for performance initiative to be successful it
must include four things: communication, buy-in, fairness, and comprehensiveness. At
this point in time we do not have any of those. Ms. McGarry asked the Board to stop
and rethink this initiative.

- Dr. Waddell discussed teacher concerns regarding how the excessive testing dominates
the instructional day; creates anxiety for teachers and students; may cause students and
teachers to be competitive to meet test grades; cause teachers and schools to want the
better students so their scores will be higher; and may cause teachers to not want to go
to the hard to staff schools. Dr. Waddell encouraged the Board to pause, reevaluate, and
review other measures that can be used for teacher evaluations.

- Chairperson Davis said this process included missed steps in our quest to elevate the
academic achievement of all CMS students. The issue the amended motion raises is
how to respond to those missed steps. The amendment seeks to kill the path we are on
without an alternative solution. The amendment will satisfy some in our community but
not create the potential for greater academic outcomes. It will lock CMS into the status
quo and a status quo that has been criticized by members of this Board and community
for years. Chairperson Davis said leadership requires acknowledging missed steps and
not just saying what not to do but proposing solutions. Chairperson Davis said the
emphasis thus far has been on only two parts of our system that need to change. First, a
single method of assessing student achievement. And second, teacher compensation.
Both are important elements but not close to the holistic, systematic change that is
needed. The Board failed to articulate a compelling vision of how we will achieve our
mission of successfully educating all CMS students. Chairperson Davis believes in
order to elevate the trajectory of all students we must commit ourselves, as a school
system and community, to elevate the profession of teaching to its rightful place in our
society. To change our school system’s culture such that we recruit, develop, support,
defend, retain, recognize, and ultimately reward our teachers based primarily on how
they help our students learn. Our teachers are the reason for our success now and they
are essential of the greater success that we must deliver. That is the reason our focus
must be on helping teachers enhance their skills, supporting their career path, and
praising their success. In addition at some point in the future, once we have
collaboratively created a fair evaluation method and a sustainable funding stream,
compensating teachers in a manner worthy of their contributions to the education of our
students. Chairperson Davis said he is not satisfied with our current work on achieving
this vision but he does not believe the solution is to stop. We must adjust our schedule
to provide sufficient time to find common ground, to move through our polarizing
dialogue, and to work together to elevate the profession of teaching.

Chairperson Davis called for the Board vote on the amendment to the motion.

**The Board voted 4-5 and the amendment to the motion failed.**

*Ayes: Board members McGarry, McElrath, Waddell, and Tate.*

*Nays: Board members Davis, Merchant, White, Lennon, and Morgan.*
The Board discussed the main motion.

- Dr. Waddell asked questions regarding the costs and savings for closing schools, if the costs exceeded the originally projections, schools with excessive mobiles, and if CMS is spending more than they are saving? Mike Raible, Executive Director of Planning and Project Management, said the estimated construction costs were a little over $3 million but the costs are closer to approximately $4 million and the costs did exceed the original projections. Regarding mobile classrooms, three of the schools with the new configuration will require additional mobile classrooms for several reasons including a number of students attending those schools decided to remain at those schools instead of continuing to a Magnet program. This has resulted in increase enrollment greater than the capacity of the buildings and mobile classrooms will be added at Berryhill, Ashley Park, and Thomasboro elementary schools as well as other schools in CMS that are over enrollment for their capacity. Dr. Waddell said this is concerning because our goal was to eliminate mobiles and to put students in buildings. Dr. Gorman said we have always said mobiles would be a part of our plan as campuses ebb and flow with their total population and mobiles would be used as needed to avoid building new construction. Dr. Gorman said we would prefer to not use mobiles but will use them as part of our strategy. Dr. Waddell asked do you expect at some point in the near future that some of the school campuses will be reopened as student enrollment increases and classroom spaces are depleted? Dr. Gorman said it is not our intention to reopen these schools in the near future. The closed schools are not located in the areas where we anticipate long-term growth. CMS has a Ten-Year Capital Needs and Project plan that has been approved in priority order and that plan includes relief schools for the high growth areas. CMS is awaiting funding from the County for those projects. Dr. Waddell expressed concern that the K-8 schools are mainly located in one community and combines poverty with poverty. Dr. Gorman said in many instances we are moving students to a school that is achieving at a higher level than the school they previously attended. One of the goals for combining schools was to not combine two low performing schools. Mr. Raible reported some of the increased costs were a result of principals making requests that would allow those schools to be more successful such as curriculum or facility changes. The goal of this process was to make those schools successful and we allowed those changes to occur. Dr. Waddell said she is concerned about the increased costs for closing schools over projection and the aggregation of poverty for combining schools.

- Mr. White noted that many of those are a one-time cost and not a recurring cost for keeping the schools open. Mr. Raible said, yes, that is correct.

- Ms. McGarry said she is not in favor of asking the Board of County Commissioners for another $50 million until CMS has uncovered all the rocks to find other money like other school systems have done. Teachers must be number one. Ms. McGarry asked is Project Lift a part of the CMS budget? Dr. Gorman said Project Lift is not a part of the CMS budget and our students will benefit from that initiative but that plan is still being developed. Ms. McGarry said the Spangler Foundation gave the Superintendent $250,000 in November 2009 and she asked where is that in the budget book? Ms. Shirley said that would be listed in other revenue when it was received as a donation and it would have been appropriated at that time. If the Board adopted the budget in September 2009 and the funds were received in November 2009, they would not appear
in the 2009-2010 adopted budget book. The Board would have been notified through a budget amendment and the funds would have been appropriated at that time. The remaining funds would be listed in the other category in the subsequent years until the funds are expended. Ms. McGarry said she requested an itemized statement of how those funds were spent and she did receive that information but in addition she would like to know when those expenditures were made. Dr. Gorman said he would provide that information at a later time.

- Mr. Merchant said he hopes there will not be a lot of discussion on this item because the Board has been discussing the budget scenarios since November and this is really step one of the process to move the budget forward. The Board has not received the final numbers from the State and we are hoping the State budget will not be worse than our estimate. With the additional request that the Board has put forth to the County, it will return CMS to the per pupil funding level of 2006. Without that additional funding, CMS will return to the 2004 per pupil spending level. To be clear, the Board is requesting additional funding over the funding that the Superintendent recommended to the Board but even with the additional funding CMS will face a $64 million budget cut. Mr. Merchant said this request recognizes the current economic situation and the Board is doing their job by submitting the request to the County, by being honest about the needs of CMS, and understands the pressures the Board of County Commissioners are facing. Mr. Merchant looks forward to working with his colleagues from the County to come to agreement to do what is right for children.

- Ms. Lennon said two weeks ago she said she would not support an increase in funding request to the County and therefore she will not support the motion. Ms. Lennon recognizes the importance of a comprehensive PreK Program but she has questions regarding its administrative costs. Ms. Lennon appreciates the need to return our County’s funding to the 2008 level of $351 million but it is the Board’s responsibility to make tough decisions and not put the burden on the County Commissioners. The Board must make tough decisions and utilize the tiers that have been established. CMS has received the most severe funding cuts from the State and the Board should continue to lobby to the State for them to restore the CMS funding. Until the Board knows the final numbers from the State and County, the Board should use the tier system to make the reductions. She encouraged the Board to allow the Board of County Commissioners to make their best financial decisions based upon the needs of the taxpayers in Mecklenburg County and to allow the State Legislators to make their best decisions based upon the taxpayers in the State. Ms. Lennon said the Board must make the CMS budget work based upon the funding received from the funding sources and she will not support requesting additional money from the County.

- Mr. White said this is just a step in the process and not the end product. The Board should ask for what CMS needs and it will be the job of the Board of County Commissioners to decide if we receive that funding or not. Mr. White trusts them to do the best they can. Mr. White reported last Friday he spoke in Raleigh on behalf of the North Carolina School Boards Association and the Quality Schools Coalition, which represents over forty organizations, to advocate for the State Legislators to extend the one cent sales tax as a funding source for public schools. Their slogan is “Our children are worth a penny and we are already paying it.” That funding and the additional funding from the County would help restore the CMS funding levels. As we stated at
the beginning of the budget process, any additional funding that CMS receives will go back into the tiers working from the bottom up. The Board made the commitment to be transparent and CMS has been transparent throughout the entire process. Staff has shown what will happen in CMS based upon the various levels of funding. Many of the teacher positions could be saved if CMS were to receive the funds from these two sources. Mr. White encouraged the public to communicate to the representatives in Raleigh that they support the request to maintain the one cent sales tax to fund education.

- Mr. Morgan said the public has talked about accountability and transparency as it relates to the Five for Fifty-five and he asked Dr. Gorman to explain that should CMS receive those funds how will the public know that we are actually following the established tier priority list. Dr. Gorman said this is not the final budget adoption. The final budget will be presented to the Board in the same format with the tiers and include any additional dollars from the initial plan will be applied to Tier 4 moving up. Dr. Gorman reported he has a recommendation for the Board should there be additional funding to exceed the Five for Fifty-five. He would recommend the Board not continue up the tiers but to go to last year’s bottom tier, which was class size, and work up. This would bring back positions for classroom teachers.

- Ms. McGarry said her primary interest as a Board member has been addressing the Board’s core mission of educating all our students. She believes that mission is achieved primarily by supporting teachers and she has struggled with the lack of will by the administration in making tough decisions. Ms. McGarry said she was sorry if at times she has appeared shrill but she has a passion for what CMS should be and can be. She said Dr. Gorman presented the proposed budget to the Board in January and she expressed concern that since that time the Board canceled four Budget Work Sessions. She believes that resulted in the Board not having enough discussion to dig deeper into administration and if the Board had more discussion they would have developed better decisions. She said for her to support a $1.2 billion operating budget, effective teachers must be the number one priority to fulfill our State mandated mission of K-12 education. Ms. McGarry said this budget does not put effective teachers as a priority and she will not support the motion.

- Dr. Waddell said she will not support this motion. She supports the Board asking the Board of County Commissioners for the additional $50 million but because this is not the final budget adoption she will not support this motion. Dr. Gorman said the Board is required by law to adopt a budget by May 15th to present to the Board of County Commissioners. The Board of County Commissioners will then adopt a budget which will come back to the Board of Education and the State will adopt a budget. CMS will then have to align its budget with those budgets. Dr. Gorman said his point regarding last year’s budget, was that we must continue to bring dollars back into the classrooms and to bring back some of the reductions in the classroom that occurred over the past two years.

Chairperson Davis called for the Board vote to approve the 2011-2012 Charlotte-Mecklenburg Board of Education Budget request which includes funding of an additional $55 million.

The Board voted 5-4 and the motion to approve the proposed 2011-2012 Charlotte-
Mecklenburg Board of Education Budget as presented passed.

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

V. REPORT/INFORMATION ITEMS

A. Report on Budget Amendments for March 2011

Chairperson Davis called upon Dr. Gorman to present the report. Dr. Gorman reported agenda items V.A., B., and C. are the monthly reports and are as presented.

B. Report on Financial Statements for March 2011

Agenda Item B. was presented with A.

C. Report on Capital Project Ordinances for March 2011

Agenda Item C. was presented with A.

D. Report/Update on Teacher Effectiveness

Chairperson Davis called upon Dr. Gorman to introduce the report/update on Teacher Effectiveness. Dr. Gorman called upon Dan Habrat, Chief Human Resources Officer, to present the report. Dr. Gorman reported he has heard comments from teachers, parents, and community members regarding the CMS work on teacher effectiveness and compensation. The majority of that feedback was on the two main areas of pay for performance in general and how it relates to testing. The discussion included pointed, emotional comments and it is important that we listen to and review all that valued feedback. Dr. Gorman said when we began this work we really wanted to focus on teacher effectiveness and helping our teachers to be more effective every day. Our teachers are effective, do a good job, and powerfully impact the lives of our students and families every day throughout the entire District. There are great teachers throughout CMS. Dr. Gorman said he wants to help teachers impact the lives' of our students and do a better job every day because he does not believe teachers are satisfied that only 70% of the CMS students graduate. He wants the teachers and principals to understand that CMS is successful because of what happens in the classroom and he wants to provide teachers better support. He believes teachers want feedback and the opportunity to get better every day to become a master teacher. He believes the focus of teacher effectiveness has been drowned out by the discussion on pay for performance and testing. Dr. Gorman said he takes responsibility for this and he regrets beginning this initiative by introducing data from the Harvard Research. The budget troubles compounded the introduction of this initiative and it is understandable that some teachers and staff are concerned. Dr. Gorman said we have shared facts about how the testing data will be used for professional development and by Curriculum and Instruction for planning. Unfortunately, the facts have been overcome by the unknown and the concerns. Dr. Gorman said he is committed to helping our teachers improve but we must reexamine the method we have followed. We must follow a process that is thoughtful and staff will review options for how this process can be reset to involve more teachers and input from everyone. Dr. Gorman said he regrets how we have approached this initiative to this point in time and we will do it differently. Dr. Gorman called upon Mr. Habrat to provide an overview of how CMS will move forward.
Mr. Habrat provided the Board with an overview on the status of teacher effectiveness work regarding feedback received, lessons learned, and process activities. Mr. Habrat said his role and accountability as the Chief Human Resources Officer and the Human Resources Department is to share the focus of the talent within the District and to be laser focused on the engagement level, quality, and aspiration to perform and succeed of that talent and to provide supports systems to enable that talent. Mr. Habrat said he is new to the organization and he would like to share his objectivity and insight of what he has seen in the last forty days. He is still building the characteristic of who CMS is as an organization but he has observed foundations that are driving CMS.

- CMS has a laser focus on student achievement. This has been the focus of every individual Mr. Habrat has spoken with and that includes individuals in Auxiliary Services, Leadership Teams, and Zone Superintendents. Everyone wants to ensure it makes sense for kids.
- CMS as an organization has gone under significant change which has been internally directed and externally directed and that reality has affected how we are responding to events in the District. That has affected our ability on how we are moving forward through change in the District and impacted the teacher effectiveness initiative dramatically.
- The pursuit of self-improvement is by far more impressive than many environments that he has been involved. This is a team and a District that leans into the project to continuously look for the next way to grow and be more effective.
- CMS is already a high performing organization. Mr. Habrat previously worked with a high-performing organization and he has worked with organizations that were not and he understands the difference of the two. He has met with staff at the schools to discuss pay for performance and was impressed with the intelligence of the questions regarding the call on integrity of accountability and the underlying values of what the implementation mistakes represent and those discussions reinforces to him that CMS has a high performing team that is moving forward responsibly.
- CMS is a responsive organization. CMS is an embracing organization that sees the value of different perspectives and experiences and has the ability to determine how to quickly leverage that new information to drive the organization forward.

Mr. Habrat reviewed the pay for performance from a personal philosophical perspective based upon his experience because the mantel of moving some of this work falls under the boundaries and governance authority of Human Resources. Mr. Habrat recapped the following:

- CMS has the opportunity to effect how well individuals are performing in the District.
- CMS titled the process and couched the discussion incorrectly. The correct conversation is not about whether dollars drive improvement because most research indicates it does not. What drives improvement is development focused on providing rich information so that highly skilled, highly capable professionals can go to the next level and beyond. It is a continuous enduring pursuit. Typically, organizations focus on gathering a lot of data first to create an interesting scorecard but CMS failed to follow that step.
• CMS will succeed when the information that is gathered becomes relevant and valuable to the teachers in our classrooms, the leaders of our schools and zones, and the people focused on curriculum to help an individual achieve their next level of performance. The next level of performance is the value-added, improved effectiveness, and professional growth.

• CMS has not been able to focus on the teacher effectiveness and professional growth aspects because the word “compensation” created a survivoristic topic centered on my pay, my family, and my reputation. This moved from a rational discussion on development to a protectionist discussion. Discussing this in the construct of performance can also create concerns because most people do not like a performance review because they believe it is not a reflection on their best work. Some people do not find it valuable to have a meaningful discussion about how they are performing, what they are doing or not doing well, and addressing how other stellar performers do the same job. While, some people find it exciting to learn how other people perform their same job fundamentally different and become enriched and challenged to pursue those new methods.

• Status quo is not enough but CMS does not have a clear enough picture at this point because we are not finding all the opportunities and nuances for the opportunity for improvement. Status quo is not enough and it will never be enough because there will be a continual evolution to pursue improvement but based upon what we know what will be the best path forward.

• Moving forward, we must address this effort from a true improvement and effectiveness perspective first. Leave evaluation and compensation behind. In addressing compensation and compensation reform, the conversation should stand on its own merits. We as an organization should talk about compensation reform for many of the reasons that have been addressed and it stands whether it should be aligned to performance or not. If the CMS charter is to attract the best talent to the schoolhouse and provide the opportunity for a sustainable career in the classroom then CMS must review compensation reform. Currently, CMS does have an enduring compensation plan that reflects the current marketplace and the only way an individual can grow in salary is by the amount of time he/she commits to education and the number of years employed. Most industries in the broad marketplace average three to five years employment but education averages twenty to thirty years. How does the current compensation philosophy and methodology reflect that and enable CMS to reward the individuals that are making achievements the year that they perform. This is a disadvantage for the education industry compared to the private sector and that should not be the case.

• Compensation reform should stand on its own. Teachers deserve to be paid well but CMS does not have a model that addresses differentiation of performance. Mr. Habrat said he has talked with staff at the schools and the conversations began with resistance but moved to questions about how will local flexibility support the ability to reward individuals who are performing at a higher level? Those discussions also included they are high performers but they see individuals who are not high performers and they are frustrated because they want to be rewarded for their accomplishments in a comparative differential manner.

• Compensation reform should stand alone as an item for discussion but the
terminology “pay for performance” should be reviewed. Compensation by most practical organizations aligns with performance and if you are a high performer and aspiring to improve then we believe that our few levers of reward should enforce that behavior. Mr. Habrat said philosophically he believes the direction that CMS is heading in the right approach but how we address it, the priority order of the work, and what needs to be connected to what must be different.

- How do we take what has been learned and the anecdotal feedback to go forward? First we acknowledge we are in design mode, have been in design for a year, and will continue to be in design for another nine months. In design we are asking the questions regarding what are the ways, what are the strategies, and what are the methodologies we should use to help us be more effective? These are fundamental questions that should have been asked earlier in the process. Mr. Habrat would encourage the Board and the District while still in the design mode to review the strategies, the questions to ask, what to learn from other districts or industries, and what actually helps people be better at doing their job. In addition, we need to apply some basic constructs of change management principles. Mr. Habrat believes we are at the point we are today because of the reaction that individuals are having to the change. Change is difficult but it is also largely predictable. We must organize going forward around that predictability change so that we are discussing the right topics at the right time so that we are meeting people where they are in their transference and acceptance of that change. We must move through the cycle together to align and pace ourselves with each other as a community to be on the same step of the process.

- Principles and practices will be put in place to ensure the CMS talent in the District, both teachers and non-teachers, as well as the community and parents have an opportunity to hear the design ideas, to influence the questions being asked, and to affect how they move to the next phase which is development. Not everything will be moved at the same pace but we will move faster on the elements of compensation and significant culture change that is bound within the construct of a performance-based system.

Mr. Habrat said CMS is in a position to succeed with this work and will be effective moving forward. CMS is focused on talent and believe people drive the difference. This is a pilot that has good working parts and we must talk about the picture we want to paint and while we are in design mode every voice matters. Mr. Habrat thanked community members, teachers, staff, and the Board for sharing their comments on this topic and he encouraged everyone to continue the discussions.

Chairperson Davis thanked Mr. Habrat for his candor, objectivity, and recommendations for moving forward. Board members were invited to make comments.

- Mr. Merchant welcomed Mr. Habrat to CMS. Mr. Merchant commended Mr. Habrat for his firm grasp on CMS in such a short period of time, his approach of meeting with the staff that will be most directly affected, his direct reporting approach to the Board, and his recommendations to the Board for moving this initiative forward. Mr. Merchant believes it is advantageous that the Board can leverage Mr. Habrat’s expertise in the private industry to positively impact this initiative and engage
discussions with staff and the community.

- Mr. Tate asked does talent equate with people or the abilities of people? Mr. Habrat said for him it equates to people. Mr. Tate asked Mr. Habrat how he defines teacher effectiveness at this point? Mr. Habrat said he would define teacher effectiveness as the leadership and qualities that an individual brings to the classroom, the impact on the students on a multi-faceted level, and the unintentional value that a teacher imparts on their student. The intrinsic aspects of how a teacher grew a student’s thinking of who they are, their self-worth, and the nuts and bolts of did they learn what they were suppose to learn while in that particular classroom. It also includes how the individual is contributing to the larger picture as a whole whether that is their colleagues in the schoolhouse, the District, or the community. Mr. Tate said we indicate that student achievement is a key focus yet the Board’s vision for CMS is that we provide the best education available anywhere preparing every child to lead a rich and productive life. Mr. Tate believes Mr. Habrat’s comments recognize there is a difference between student achievement and preparing a student for a rich and productive life. Mr. Habrat said to achieve as a District we should be focused on the whole person and the whole development of that person.

- Dr. Waddell thanked Mr. Habrat for his comments and she looks forward to working with him in the future. Dr. Waddell asked Mr. Habrat what should be the area of focus going forward? Mr. Habrat said he would recommend a restatement of what this initiative is; agreement upon the micro-objectives to be achieved to ensure that anyone discussing this initiative is focused on the same end; and know how it will be measured at the end of the process.

- Ms. McGarry thanked Mr. Habrat for the report and she will ask her questions at an upcoming meeting with Mr. Habrat.

VI. REPORT FROM SUPERINTENDENT

Dr. Gorman reported that CMS had a terrible incident on a bus yesterday that involved a student who made a poor choice and brought a gun on the bus. The bus driver, Evans Okoduwa, did an excellent job of handling the situation and looked out for the safety of all the students as well as the safety of the student with the gun. Dr. Gorman said CMS has some great talent and this particular individual did a heroic job in defusing the situation.

VII. REPORTS FROM BOARD MEMBERS

Kaye McGarry reported “Kaye About Town” would be held on May 25th at Julius Coffee Shop, 1133 North Wendover Road at Monroe Road, from 7:30 a.m. to 9:00 a.m. to discuss school related issues. She commended the principal, staff, and students at Cotswold Elementary School for their academic achievement and she thanked them for inviting her to participate in their yearly Run for Cancer event. Ms. McGarry discussed her budget priorities and urged the Board to focus on providing an outstanding education for K-12.

Ms. Lennon thanked CMS staff for making this a great and successful prom season and she commended principal, Matt Hayes, at North Mecklenburg High School for his great leadership and activities to improve the school.

Dr. Waddell said this has been an active month and she enjoyed attending several events: Delta Days in the City which was a wonderful event for sharing information; Teach for
America luncheon which shared the great things happening in the school district; and the Mecklenburg Youth Voice Forum which encourages civic engagement among teens. Dr. Waddell visited numerous schools and enjoyed talking with the teachers to better understand their concerns. She commended staff for their great service to CMS.

Mr. White reported that last week he attended the North Carolina High School Athletic Association Board of Directors meeting and he congratulated two people from CMS who have been appointed to the Realignment Committee: Dr. Terry Cochrane, principal at Hough High School and Tim Morgan, CMS Board of Education member.

Mr. Morgan announced that the CMS students were in the process of taking Advanced Placement exams and he commended them for their good work, their efforts, and he wished them much success on the exams. Mr. Morgan reported Board members must make appointments to the Privatization Committee. The Board adopted the Privatization Charter last month and Board members must appoint members within three months. Board members may turn the names of those appointments into Ms. Whittington, Manager of Board Services.

Chairperson Davis reported that the Board of Education is now accepting applications for the following Board Committees: Central Piedmont Community College Board of Trustees, Charlotte Mecklenburg Public Broadcasting Authority, and the Citizen Transit Authority Group. People interested in serving on these boards may contact the Board Services Office. These positions will be advertised from May 15 – 22, 2011.

ADJOURNMENT

Chairperson Davis called for a motion to adjourn the meeting.

**Dr. Waddell moved that the Board adjourn the Regular Board meeting, and by consensus, the Board agreed to adjourn the meeting.**

The Regular School Board Meeting adjourned at 9:17 p.m.

![Signature]

Eric C. Davis, Chairperson

![Signature]

Nancy Daughtridge, Clerk to the Board