

Budget Presentation to Guilford County Board of County Commissioners June 8, 2017

Presented by: Sharon L. Contreras, Ph.D., Superintendent of Schools

Thank you for inviting us today, and for your support of our schools, and of me personally and professionally. I've enjoyed meeting with several of you individually, and look forward to a productive working relationship as team members and colleagues. County Manager Marty Lawing and Deputy Manager Clarence Grier have been incredibly helpful and insightful as we worked through this budget process.

Since we're on the same team and since we share the same goal of making sure that Guilford County is a great place work, live, play, and raise a family, let's be frank with one another.

GCS is a good district – that's part of what attracted me here. We have many, many schools that excel. In addition to sending our graduates to North Carolina's outstanding public universities, our Class of 2017 is headed for The U.S. Naval Academy and The U.S. Military Academy at West Point, Harvard, Yale, Duke, Carnegie Mellon, Auburn, American University, Wake Forest, Davidson, Elon, High Point University and even as far away as the Kings College of London and United World College in Thailand.

We're also a national leader in creating highly effective early and middle colleges, and in creating robust and award-winning choice schools within a traditional public school system. We're known nationally for our strong comprehensive high schools.

For example, in 2017:

- Weaver was named the best high school in North Carolina and number 39 in the U.S. by *US News and World Report*; the Early College at Guilford was ranked third.
- The Early College at Guilford was ranked as the top public high school in North Carolina, and 64th overall by *Niche*. It was named the 4th best public STEM high school in the nation by *U.S. News and World Report*, while the *Washington Post* placed the school in its "Public Elite List," a category with schools with academic expectations and student achievement so above the norm that researchers don't feel it's fair to compare these schools to other public high schools nationwide.
- The STEM Early College at NC A&T State University was ranked 3rd in NC by the *Washington Post's* Most Challenging High Schools annual review, followed by Grimsley (5)Page High (8), Penn-Griffin School for the Arts (9), Weaver Academy (11), Northern High (20), Northwest High (21), Southwest High (28), High Point Central (29), Ragsdale High (48), the Academy at Smith (50), the Middle College at UNCG (53), Smith High (58), Southern High (67), Southeast High (71) and Greensboro College Middle College (74).
- Penn-Griffin School for the Arts in High Point was ranked 22nd in North Carolina, and 104th best magnet school in the country by *US News and World Report's* annual listing of America's Best High Schools. Three other GCS schools were ranked top 50 in North Carolina: The Academy at Central (39), The Academy at Smith (45) and The Middle College at UNCG (48).
- The Middle College at GTCC-Jamestown, the Middle College at Bennett, the Middle College at N.C. A&T, the Middle College at GTCC-Greensboro and the STEM Early College at N.C. A&T also earned national recognition.
- In addition to the Early College at Guilford (1), *Niche* Magazine rated several GCS schools among the Top 100 schools in North Carolina: Grimsley High (8), Weaver Academy (27), Northwest High (42), Northern High (58), Southwest High (72), The Academy at Smith (74) and Page High (75).

We also have some schools with deep and longstanding challenges – challenges that we will have to tackle together as a district and as a community.

- As educators, we know how to turn these schools around. There is extensive research as to what works, and what doesn't, and we are focusing our efforts on those strategies that align with this research.
- Making the changes needed is tough and requires political capital and will – most people want better schools but they don't want painful changes and decisions – you cannot drive one without the other. We have to focus more on the needs of children than those of the adults if we're going to give children the education they need and deserve.
- Turning around schools also requires a sustained investment. While money isn't the only solution, it is part of the equation.

Excellence for some students isn't good enough if we want this community to attract and fill high-wage, high-demand jobs that support families.

- Job creation nationally is growing rapidly in STEM-related fields, cyber safety and security, advanced manufacturing and health care – many of these jobs pay good, middle class wages, right out of high school or community college. And, if students want to complete their undergraduate degree in engineering or another high-demand field, they may be able to take advantage of employer tuition programs and incentives.

We need a great school district and great schools – one that gives all students the kind of education they need to create successful lives and careers now and in the future.

- Our annual GDP could increase by as much as \$525 billion if we were to close the gap between white students and their black and Latino peers. (McKinsey Study: "The Economic Impact of Closing the Achievement Gap in America's Schools", 2009)

We need to strengthen, deepen and expand our career and technical education program to align with the needs of business and industry and our economic development efforts:

- For example, North Carolina is the #2 state in Information Technology (IT) employment growth and we have two metro areas nearby – Raleigh and Charlotte – that are ranked in the top nationally in tech-oriented job growth, depending on the study and the years analyzed.
- In 2015, *Forbes* noted that Raleigh has the highest percentage increase in new STEM jobs (science, technology, engineering and mathematics) in the past decade, at 39 percent – second only to San Francisco and beating out Silicon Valley, Austin, Nashville, and other better known tech hot spots. Charlotte was sixth in 2015, but moved to first in tech job growth in 2017.
- So, we have job growth in this state and we, as a district and as a community, are not adequately preparing our students. If we want young adults to stay or come back to this region and contribute after they graduate we need to bring jobs here to Guilford County.
- We need a new early college high school and a state-of-the-art career center that focuses on advanced manufacturing and partners with businesses and GTCC to keep the curriculum, equipment and technology current:
 - Indianapolis – which we just visited with the Greensboro Chamber – ranks no. 5 in STEM-related job growth. STEM employment in Indianapolis is up 18% since 2006. Tech employment has grown rapidly, with the job count at tech companies up an impressive 68% since 2006, led by 1,700%
 - One of the primary drivers of Indianapolis' growth is the region's investment in its mega site and its K-12 education and career/technical education. We have a mega site underway in a

neighboring county, and the *News and Record* announced a developer's intention to develop advanced manufacturing sites in Guilford County. How are we preparing students for these jobs and careers? Currently, for example, we don't have AP Computer Science courses.

- During the Chamber's tour of the Honda automotive plant there, plant officials said it is key that students use the technology and equipment they're going to use at work – yet, once again, our Weaver Center facility is outdated and too inadequate space-wise to house the most modern equipment and technology – assuming we could afford to purchase it.
- The same is true with our aviation program – it's a good start – but it can't compete with what the rest of the country is doing in terms of facility, equipment and experiences for our high school students.
 - Houston just built a new 237,000 square-foot aviation high school that includes a two-story, 7,100 square-foot hangar where students work on actual aircraft and engines – including Cessnas and Skyhawks; the school also has welding and automotive labs, a high-tech paint room and state-of-the art science labs where students study elements of flight, along with two full size flight simulators and an observation deck to watch planes take off and land at the nearby William P. Hobby airport.
 - These are the kinds of educational opportunities other students across the country are getting – our graduates will be competing with them when it comes to jobs, whether in NC or globally.
- Leisure and hospitality job hiring has surged in recent months with 55,000 such jobs added in April. If this is where the job growth is – and it's a significant sector in North Carolina – how do we prepare our students for the business and leadership side of the equation so they're not stuck in low-wage, low-skill jobs that don't support a family? (*Skift*, 2017)
- Greensboro has a new Arts Center coming on line – how are we preparing our students to lead and work in the growing arts-and-entertainment related industries – an industry that generated \$1.2 billion to North Carolina's economy in 2013, with Guilford County 3rd in the state behind only Wake County and Charlotte-Mecklenburg.
- We also have one more year to leverage the Folk Festival, which brings an economic impact of \$150 million to our community – how are we going to build on that and leverage further growth of our vibrant local arts scene, recognizing that cultural opportunities are a key driver for business relocations and economic development?
- We need a state-of-the-art visual and performing arts school for our students so they can take full advantage of the growth in this region. Music and film production, gaming, and the business and law of entertainment are also viable career fields that require strong arts and technology backgrounds.
- We need to raise the ceiling and lift the floor on our expectations for what children and young people can learn and do – and we need better and more robust curriculum and instructional materials in every classroom, in every subject, in every grade;

We need great teachers, great principals and great leaders at all levels to improve student learning and life outcomes –

- Nothing educationally good happens for children without great teachers and principals – those are the two key levers we have to improve outcomes for children and young people.
- North Carolina currently ranks 4^{1st} in teacher pay and 5^{0th} in principal pay. It takes about 20 years for a GCS teacher with a bachelor's degree, teacher's license and the required continuing education to earn \$50,000 per year.

- To put that in perspective, we spend an average of \$32,594 in North Carolina to incarcerate one prisoner each year. Electronic monitoring costs an average of \$2,686 per parolee per year; probation/parole supervision costs \$1,770 per parolee per year,

However,

- If five percent more young men in high school graduated, America would see an annual savings of \$4.9 billion in crime-related costs. (Alliance for Excellent Education, 2006)
- Sixty-five percent of those convicted of criminal offenses are high school dropouts; lack of education is one of the strongest predictors of criminal activity.
- For each additional year of schooling, the odds that a student will someday commit a crime like murder or assault are reduced by almost one third.
- Each cohort of dropouts costs the U.S. \$192 billion in lost income and taxes. (Amos, 2008)

Lastly, we need to recognize that the current trend of increasing poverty and decreasing resources is not sustainable – it is not sustainable for our schools, it is not sustainable for our community, and most importantly, it is not sustainable for our children and young people and their families.

- American social mobility is increasingly becoming a thing of the past. Nearly two-thirds of children born to parents in the bottom income quintile remain stuck in the lowest two quintiles as adults. (*Education & Economic Mobility* – February, 2008)

We can't do this alone. We are already running lean – and you don't have to take my word for it – at least two outside studies (one by Schoolhouse Partners and one by the Broad Foundation) have confirmed this - and we're tackling tough issues. Prior to developing the request you have before you, we had already made cuts of \$10 million.

- Cut \$4.6 million to address the State class-size reduction mandate
- Closed a school - \$1.2 million
- Raised class sizes in grades 6-12 = \$2.6 million
- Cut central office staff and expenses by \$750,000
- Redirected \$1.6 million to address instructional technology and our lateral entry licensure program previously funded by federal grant dollars
- I would also note – because I know it has been a concern for this body in the past based on my conversations with you – that 95% of all capital funds you provided to us for 2016-17 have been spent or committed to projects that are completed, underway, or scheduled for this summer.

We're already working to address challenges and recommendations developed by our Transition Team, which included a member of your leadership team, Deputy County Manager Clarence Grier, along with other local business and community leaders, educators, parents, and national experts.

In particular, we are working with City, County & GTCC operations staff to explore:

- The feasibility of using one transportation hub to service/maintain city, county and school buses – this would expand our capacity and increase safety and efficiency;
- Performance contracting, with an initial focus on improving energy efficiency and lowering utility bills; and,
- We also look forward to pursuing cooperative purchasing opportunities and moving the joint facility study forward to address longstanding capital needs.

We worked very hard to provide a reasonable request that focuses resources where they matter most – on the children in our classrooms and in our schools.

This hasn't been an easy process; GCS has cut more than \$120 million – this will bring it to \$130 million – since 2008-09 and has reduced positions by more than 500 during that same time period.

I would like to say that by fully funding this budget request we can start addressing the vision I've laid out for you regarding where we need to go as a school system and as a community. However, the reality is that such a request would have exceeded \$40 million or more.

What I'm asking for is funding to keep us afloat and the commitment to work with us to create and invest in better and more equitable educational opportunities for our students – opportunities that will also advance this region's economic development priorities and quality of life for its citizens.

We have a great foundation upon which to work – we have smart, talented students; good schools, good teachers and good principals; we have engaged and supportive parents and a community that cares deeply about the quality of education our students receive; we are poised with a new mega site and new arts center and other potential development to grow our job base. We need to invest in our schools so that in the future, when *Forbes* and other pundits look at our region, they rank us at the top of the charts in job growth and quality of life. Thank you.