Johnston County Public Schools Financial Wellness Study

CONDUCTED BY:

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Introduction

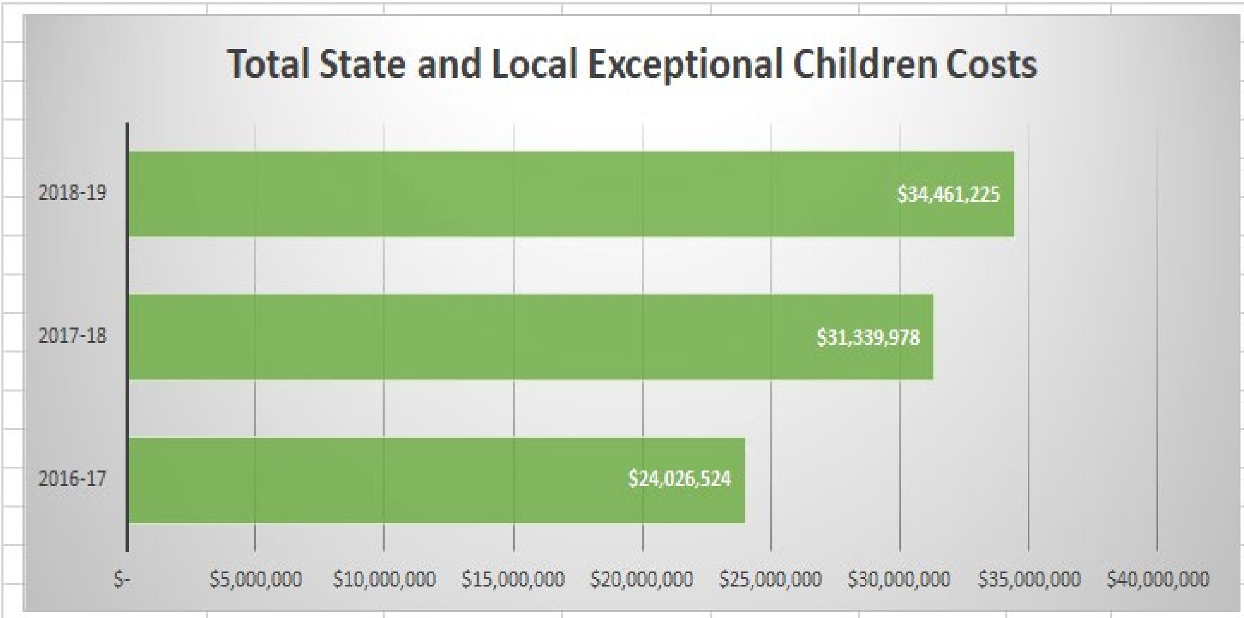
Mr. Kerry Crutchfield and Dr. Don Martin were engaged by the Johnston County Board of Education to complete a financial wellness review of the district. The consultants were asked to examine the central office organization and staffing levels, analyze financial records for the current year and previous three years, and review and analyze the budgeting process. The first section of this report deals with finance and budget and the second section summarizes the findings of the analysis of the central office staffing levels and central office organization and offers recommendations for improvement. The consultants used financial and budgetary data provided by the Finance Officer and other necessary information obtained from 25 interviews with the district leadership (which included the Interim Superintendent, Deputy Superintendent, three Chiefs, six Officers, and fourteen Executive Directors). The consultants want to express appreciation to the Board of Education and all of those interviewed for spending a great deal of time describing and explaining the responsibilities of their work groups and answering clarifying questions. Everyone interviewed was very candid and helpful. The consultants were impressed with the overall quality, knowledge, and commitment to the Johnston County Public Schools that was evidenced by those interviewed. Johnston County is fortunate to have excellent leaders serving the citizens of Johnston County.

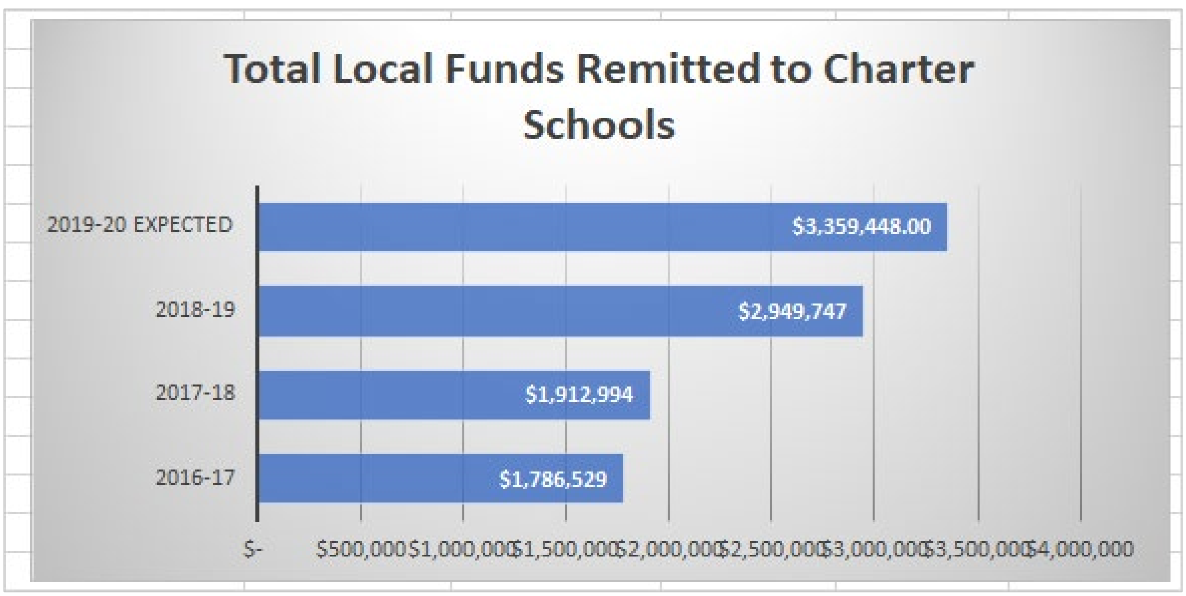
Financial and Budgetary Observations and Recommendations

The consultants spent many hours analyzing the 2019-20 Johnston County Public Schools (JCPS) budget, overall expenditures to date, staffing expenditures to date, and how all staff are being funded. Additionally, we examined detailed financial data for school years 2016-17 (considered our base year), 2017-18, and 2018-19, especially looking for trends to help explain the current financial status. With North Carolina's funding system and its numerous categorical allotments, some position allotments and some dollar allotments, much effort is needed in Payroll each year for a school district to maximize the use of state funding and minimize the use of local funding, especially for a district the size of JCPS. The experienced finance staff in JCPS has used various strategies to help minimize the overall budgetary shortfall and should be commended. The shortfall could have been much worse!

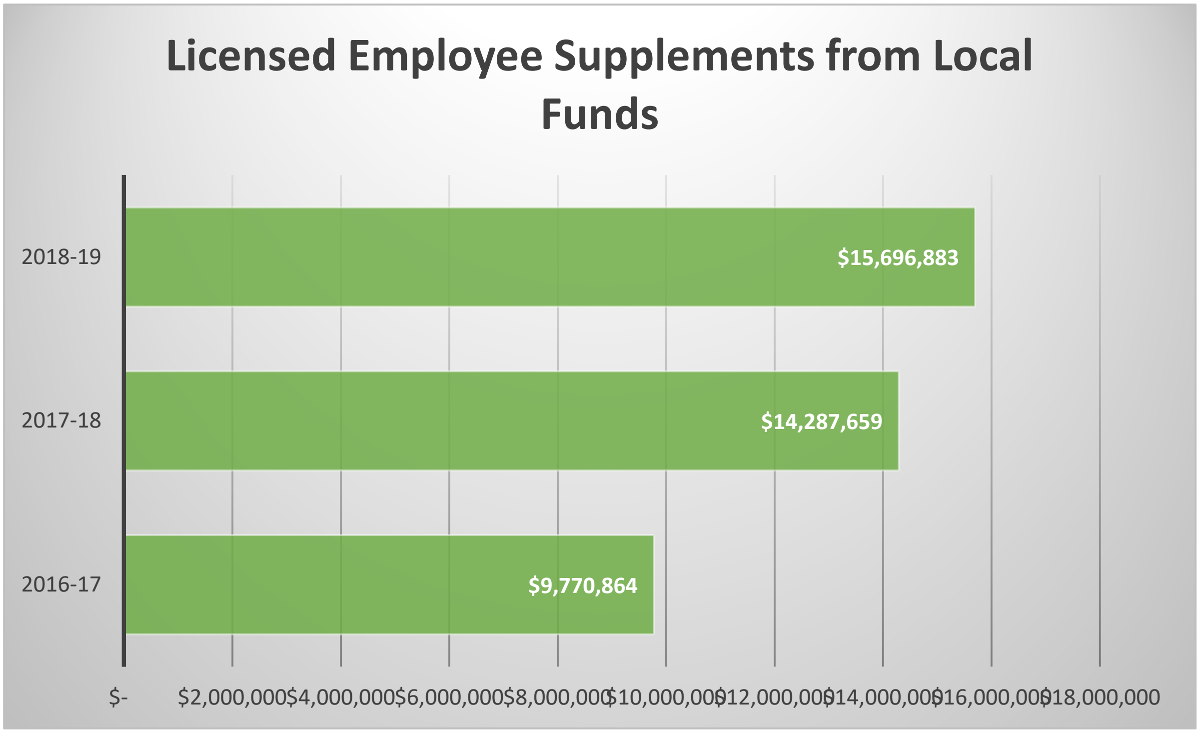
The financial landscape in North Carolina public schools is constantly changing. Flexibility in the use of most state allotments has been reduced significantly, offset somewhat by significant new flexibility with the financing of restart schools. The six restart schools in JCPS draw down state dollars by reducing position allotments at average salaries (one of the strategies utilized by the JCPS finance staff), whereas the positions actually funded from the restart allotment, Program Report Code (PRC) 037, are lower paid positions. This allows positions at the restart schools that normally would be paid from other state or federal dollar allotments to be paid from the state restart funds. At the spending rate in place as of March 2020, that allotment will have over $650,000 available, and the consultants have several recommendations on the possible uses of those funds later in this section of the report.

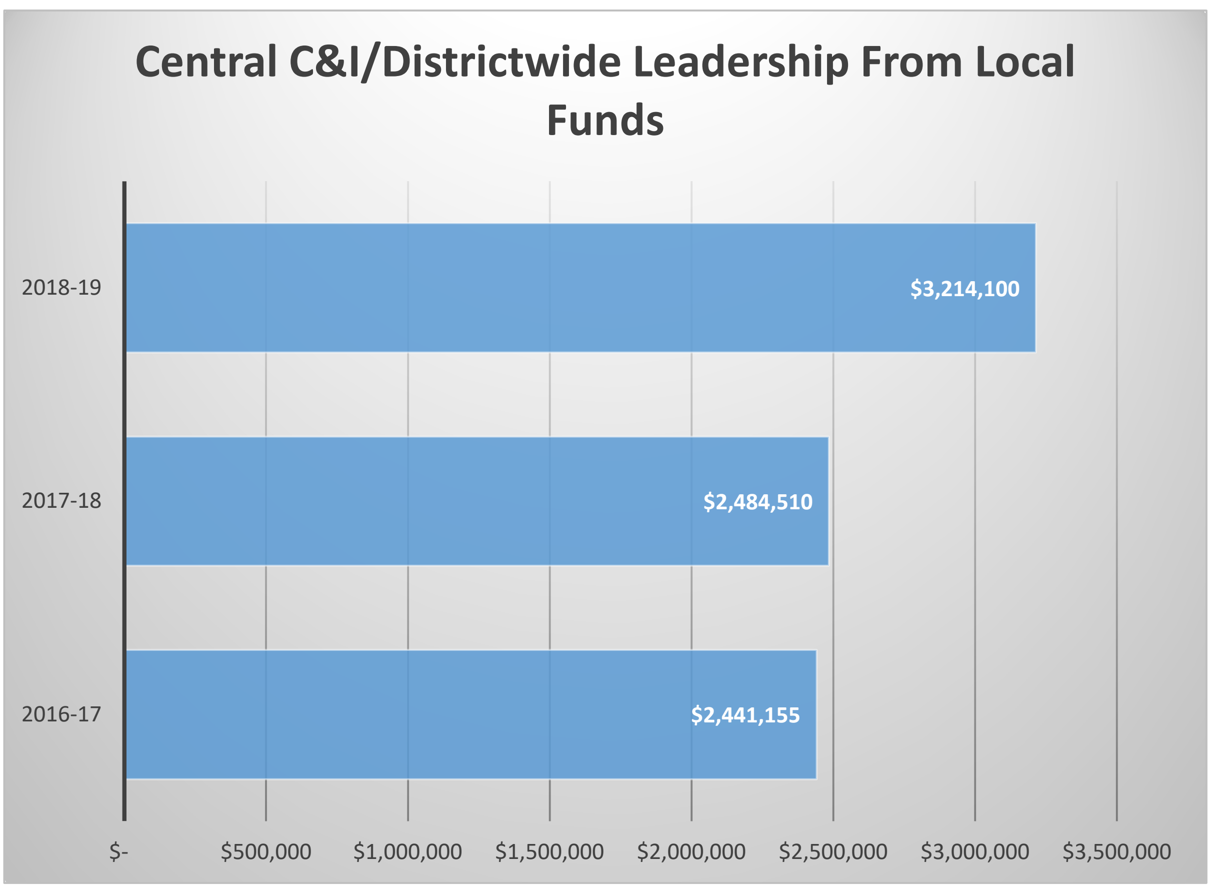
Nearly every school district in North Carolina is experiencing increased costs for Exceptional Children (EC) services and increased expectations from parents and guardians for special services for their children. JCPS has experienced both of those impacts plus a rapidly increasing charter school population. Charter schools often draw down more state EC funding than other categories of state funding. For 2018-19 and 2019-20, JCPS lost $210,444 and $44,551, respectively, of state EC funding to charter schools due to eligible students transferring to those schools. The increase in charter school students also requires increased outflows of local funds to various charter schools. The charts on the following page show the increases in total EC state and local costs and in local funds sent to charter schools.



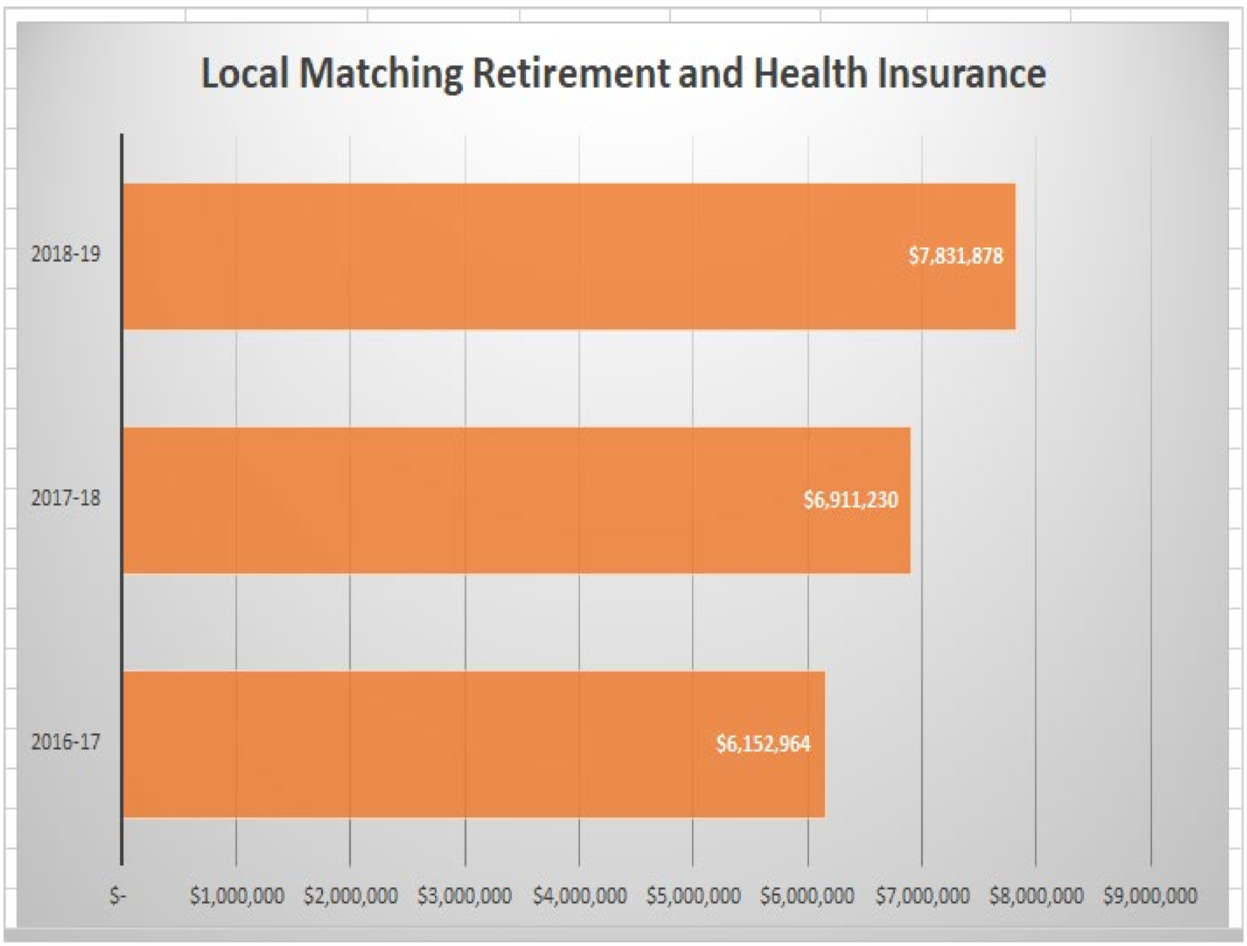


Two district initiatives implemented in 2017-18 also significantly impacted the JCPS budgetary shortfalls. One was a 1% increase in licensed employee supplements and the other was a central office reorganization that began in 2017-18 but had its full financial impact in 2018-19. Charts on the following page indicate the impacts of those decisions on local costs.


Licensed Employee Supplements from Local Funds
2018-19
2017-18
2016-17
$15,696,883
$14,287,659
$9,770,864
$-
$2,000,000
$4,000,000
$6,000,000
$8,000,000
$10,000,000
$12,000,000
$14,000,000
$16,000,000
$18,000,000


Central C&I/Districtwide Leadership From Local Funds
2018-19
2017-18
2016-17
$3,214,100
$2,484,510
$2,441,155
$-
$500,000
$1,000,000
$1,500,000
$2,000,000
$2,500,000
$3,000,000
$3,500,000

Increases in the matching retirement and health insurance rates by the NC General Assembly impact state, federal, and local budgets negatively. Federal and local funding in JCPS, as in many other North Carolina school districts, have not kept pace with the impacts of these increased costs. Even though the state supposedly increases categorical allotment funding rates to account for matching benefits cost increases, it has been the consultants' experience that the funding increases do not cover the full costs of the benefits increases. The chart below reflects the local budget impacts of those rate increases.



It is important to note that JCPS is not alone in financial stress caused by all the above factors. Nearly every school district in North Carolina has seen diminished local fund balances in the past few years.

It is also important to note that the current and immediate previous interim superintendents both instituted cost savings measures that have significantly improved JCPS's financial position. The additional Local Current Expense funding of $3.8 million by Johnston County seemed necessary back in the Fall of 2019. However, cost savings strategies implemented, combined with the savings caused by the unfortunate closing of schools due to COVID-19, will result in an increase in fund balance for 2019-20 with no need for additional County funding this year.

Recommendations by the consultants for immediate cost savings, if implemented, will increase that fund balance by at least $1.2 million, a strategy that should continue saving over $1 million per year until EC costs can be reduced and the strategy is no longer necessary. A recommendation by the consultants early in their study to move psychologist positions from EC funding to a state position allotment, already implemented, contributed over $250,000 to the expected 2019-20 fund balance. Additionally, funding some psychologists from a non-EC funding source is a practice that allows them more flexibility in serving the social/emotional needs of all JCPS students.

All funds saved this year will be important going into next year, when the recession caused by COVID-19 will undoubtedly decrease state and county revenue collections and, therefore, state and local funding for public schools. The consultants also have recommendations in this report for additional cost savings in future years.

The consultants noted the following financial issues during their study and our recommendations follow the description of each issue.

<u>Issue #1 – Exceptional Children Costs</u>

Exceptional Children (EC) costs are exceeding the dedicated state and federal funding sources by almost $10 million in 2019-20. Major factors contributing to this gap include:

- Identification of over 16% of the total student population as needing EC services, whereas the state caps funding at 12.75% of the total student population, approximately 1,200 students that require services but draw down no state funding
- Need for more monitoring of services being agreed upon for initial and reevaluation Individual Education Plans (IEP)
- Using EC funds for all pre-K classrooms other than those funded with state NC-Pre-K funds
- Contracting for several expensive categories of EC services (e.g. speech and psychology)
- Too many high-paid licensed staff paid from the state PRC 032 dollar allotment

Recommendations for Issue #1 – Exceptional Children Costs

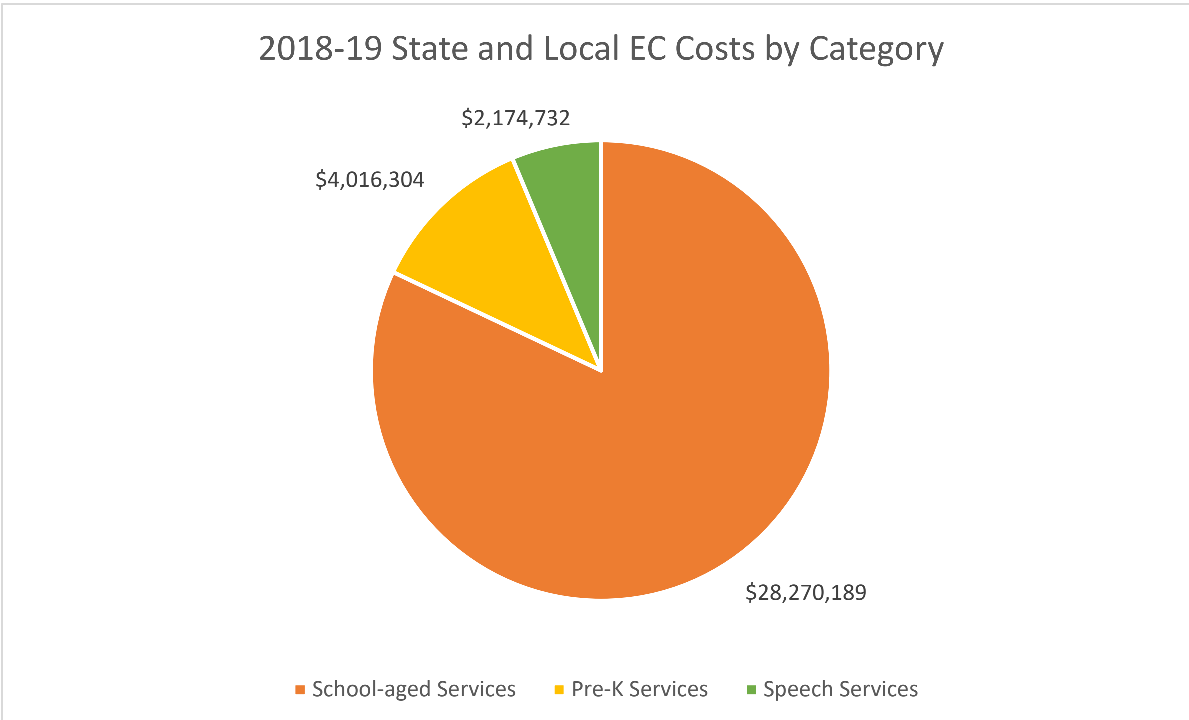
- Over-identification of students for EC-directed services is the largest single cause of the EC budget woes. If the extra 1,200 students above the state funding cap had drawn down state funds at the current rate, JCPS would have received an additional $5 million. JCPS has implemented an important but costly program called Multi-Tiered Support System (MTSS), which should reduce future increases in EC headcount but, as we will recommend later in the report, the program needs to be less costly in terms of central office positions. Continuous training of all necessary school-based staff in the use of MTSS and monitoring of implementation is still important and should be the focus of budgeted expenditures annually.
- Often solutions to reduce costs require some up-front investments, and ensuring the appropriate and desired outcomes of IEP team meetings with parents/guardians is a perfect example. All IEP team members must receive frequent training on all aspects of conducting the meetings and deciding on the appropriate services to be provided to students. Additionally, it is likely that the EC Department needs additional staffing (possibly just funded as teachers and in the schools nearly 100% of their time) to provide ongoing and timely training, guidance, and monitoring to the school-based team members.
- EC funds used for pre-K classrooms increased by over $2 million from 2016-17 to 2018-19, from approximately $2 million to slightly over $4 million, and is projected to increase another $500,000 this year. Instructionally and in terms of keeping classrooms full of students, blended (identified at-risk children, identified EC children, and fee-based children) pre-K classrooms make sense. However, funding such classrooms can be complicated and subject to various regulations. If all or some of the pre-K classes currently funded with EC dollars have some non-EC-identified students, that funding is problematic. Either 100% EC-funded classrooms need only EC-identified students or funding for the blended classrooms needs to be shared between EC, NC Pre-K, fee collections, and possibly Title 1 based on the status/identification of each student. Fees also need to be evaluated to ensure that they cover the total cost of the service provided for those students.

  The extra funding for the restart schools (state PRC 037) provides an opportunity to broaden the funding for pre-K classes. There are a couple of ways that could happen. The PRC 037 funds could be used to directly fund a percentage or all the EC pre-K class staff members at the schools. However, the consultants prefer a different method for at least 2019-20 – having the PRC 037 budget fund some Title 1 teachers to create enough Title 1 carryover to allow Title 1 to begin funding a share of districtwide pre-K classes (i.e., supplementing NC Pre-K funds). The consultants understand that there are competing needs for the leftover restart funds – the JCPS Child Nutrition Program is apparently in need of a cash infusion to avoid the need to borrow cash from the General

Fund each summer, and the restart funds can be used to reimburse Child Nutrition for some/all of the kitchen staff at the six schools. It is possible that JCPS will want to split the extra restart funds between these two needs. Additionally, the consultants will make a couple of recommendations directly to the JCPS Finance Officer that will create some additional leftover money in state PRC 037.

- The EC Director needs to be able to advertise and hire licensed speech therapists (and any other contracted positions) whenever possible, especially now when some of those contracted individuals might be experiencing a loss of income. A staff position can save up to 50% of the cost of a contracted person and provides the employee with job security and benefits they lack as a contractor. Quantifying the benefits package, including health care, retirement, workers' compensation, disability benefits, annual leave, sick leave, holiday pay, etc. can be an eye-opener for some contractors, especially those getting closer to retirement age. This is a golden opportunity to significantly reduce EC costs for the foreseeable future. Speech is also an area that needs to be evaluated in terms of how much per student is really needed. Based on the data reviewed by the consultants, the overall costs of EC speech therapy were reduced by almost $1 million in 2018-19, primarily by hiring more positions instead of contracting. The EC and HR departments should be commended for those efforts.
- The consultants are providing the finance officer a listing of high-paid EC licensed personnel that should be paid from a state position allotment and a recommendation of which lower-paid staff will be removed from those position allotments and what funding source should be used to pay them. The net result of these payroll switches will be a district local savings of a little over $1.2 million this school year and in future school years until total EC costs can be reduced. These payroll switches will require significant up-front time and effort by JCPS finance staff but very little additional effort will be required in future years. Almost no school districts were using this strategy until three years ago when EC costs started escalating in many of the urban districts to the point that significant investments in local funds were required. The mindset of categorical funding is ingrained and reinforced constantly by General Assembly actions, but school districts need to use all flexibility remaining to minimize the impacts on local budgets. The remainder of the overages in state EC funding in PRC 032 can be handled by transferring expenditures to available funds that were anticipated in the budget process in state Teacher Assistants (PRC 027) funding and state At-Risk (PRC 069) funding.

The chart on the following page shows the breakdown of state and local Exceptional Children costs in 2018-19 by the categories of school-aged services, pre-K services and speech services.



Issue #2 – Overtime Costs

As of the middle of April, JCPS has spent $1,020,000 in overtime pay in State and Local funds. The federal Fair Labor Standards Act (FLSA) allows governmental entities to use compensatory time off in lieu of overtime pay if certain conditions are met. Based on discussions with JCPS staff, the consultants understand that part of the issue is a payroll software issue related to overtime resulting from employees with dual employment roles, such as custodian/child nutrition worker, bus driver/child nutrition worker, and teacher assistant/bus driver. When an employee in a single role works more than 40 hours per week, the JCPS payroll software allows the extra hours worked to be considered compensatory time, but when a dual role employee works more than 40 hours in a week, the JCPS payroll software automatically pays the overtime and spreads the cost of the overtime to the two budget codes of the two roles. Based on those same discussions, the consultants understand that all JCPS non-exempt employees, even those not in dual roles, have been accustomed to being paid for all overtime hours worked/reported.

Recommendations for Issue #2 – Overtime Costs

The consultants are not legal experts. We know that the FLSA requires governments to notify non-exempt employees in advance of the intention to compensate overtime with compensatory time off, but we do not know if that notification has to be done on or before their initial employment date or if compensating an employee with overtime pay initially and possibly for years makes overtime payments required for that employee for the duration of his/her employment term. The consultants are also unsure as to whether it could be considered discriminatory to change the overtime compensation policy for new hires only.

The consultants recommend that the Board consult with a knowledgeable attorney through the North Carolina School Boards Association if they are interested in saving some or all of the $1+ million per year being spent on overtime pay. The consultants also recommend that the Board provide additional training to supervisors on strategies to reduce the overall cost of overtime compensation. There are strategies authorized by the FLSA, including granting time off during the same workweek whenever an employee has worked more than 8 hours on days earlier in that workweek. For example, if a non-exempt employee works 9 hours per day Monday-Thursday, the employee could be instructed to leave work after 4 hours of work on Friday. The total hours worked that workweek would be 40, requiring no overtime payment or compensatory time accrual.

Additionally, the consultants recommend that the Board consider other alterations of work schedules for dual role employees to attempt to limit overtime. If an employee in a dual role is granted duty-free time (with no required travel involved) of at least 30 minutes between the end of one role and the beginning of the other role, such time would not be considered time worked and therefore not compensable time. For example, if a teacher assistant/bus driver was allowed 30 minutes of duty-free time after their morning bus run or before their afternoon bus run, such time would reduce or eliminate overtime worked. This would save an average of $2,600 per year per employee if their current normal work schedule includes at least 8.5 hours per day.

If the current Payroll system cannot be enhanced to allow more timekeeping flexibility with dual role employees, the consultants encourage JCPS to switch to one of the modern software systems recently approved by the state as soon as financially feasible.

The consultants also recommend that JCPS explore ways to reduce or eliminate the need for dual role employees. Overtime and full-time benefits for dual role employees is a major contributing factor in the cash shortfall in Child Nutrition and in the need for local funds to supplement the State Transportation budget. The additional pay is at 1.5 times the regular rate of pay and almost always creates full-time roles with eligibility for matching retirement and health insurance, which is even more costly than the additional pay. JCPS could afford to increase hourly rates for part-time employees if that would entice more employees to work in a single role less than 30 hours per week. With no end in sight to increases in matching retirement and health insurance costs, every dual role job that remains increases the budgetary pressure annually.

Issue #3 – Local Supplements

The JCPS licensed employee supplements are a graduated percentage of the eligible state base teacher salary schedule pay and are paid twice per year. The consultants are in favor of the graduated feature, especially since the state schedules top out after only 20 years and base pay has increased little over the past 10+ years for experienced teachers. The consultants also commend and understand the relatively high percentages of the supplements, considering neighboring Wake County Schools' supplements. However, using the state base pay as the basis eliminates Board flexibility and locks JCPS into matching percentagewise the increases granted by the General Assembly even when local funding is not increasing, In the opinion of the consultants, the state base pay increases have often been less than totally equitable in recent years and a percentage-based supplement exacerbates those inequities.

The 1% increase in the supplement percentages for 2017-18 increased the overall cost of the supplements by almost $1.7 million, half of the total County Appropriation increase for the year of $3.3 million. School year 2018-19 is a perfect example of how the state-approved base pay changes impact a percentage-based supplement. Due to state-approved base pay increases for teachers and assistant principals, without an increase in the supplement rate the overall cost of the supplement increased again in 2018-19 by $1.1 million.

Paying the supplement twice per year is easy and possibly is preferred by many staff members, but it also forfeits a potential for FICA matching cost savings of over $100,000 annually.

Recommendations for Issue #3 – Local Supplements

The Board should consider de-coupling their supplements from the state teacher pay schedules and should consider switching to paying the supplements monthly. The current year supplement amounts generated by the current percentages could become the supplement schedule, subject to changes adopted by the Board annually. If the Board wanted to focus on attracting new college graduates, any new money could be focused on those entry level and/or early years' amounts. If the Board wanted to continue rewarding very experienced employees, any new money could be focused on the 21+ year amounts. The Board would have complete flexibility.

If the supplements were converted to monthly pay, it would add a little work to the Payroll staff but In many cases the amounts would be large enough to tie the dependent health insurance deduction and/or Flexible Benefits Plan deductions to the monthly local supplement, saving the 7.65% matching FICA for the local district instead of for the state. These savings could exceed $100,000 per year.

Issue #4 – Preferred Use of State Funds

The consultants favor, whenever flexibility allows, using state funds for permanent positions and using local funds for supplies, materials, equipment, contracts, and temporary positions. The rationale is that permanent positions draw down non-allotted state funds for longevity (classified personnel only), annual leave and bonus leave payouts, workers' compensation, unemployment insurance, and short-term disability. It is hard to quantify the total savings of this strategy, and the amount will vary from year to year, but there will always be local savings from using this strategy. JCPS has traditionally used state Non-Instructional Support funding (PRC 003) for teacher substitutes, which draw down none of the state non-allotted costs listed above. As of the middle of April, $1,170,000 has been spent on subs from this state allotment.

Recommendations for Issue #4 – Preferred Use of State Funds

There are enough eligible local-funded central office clerical personnel to use more than an equivalent amount ($1,170,000) of the state PRC 003 funding, and the consultants recommend budgeting and setting up the payrolls that way in future years. Substitutes could then be budgeted and paid from local funds. Any central office clerical people earning longevity would have that annual bonus paid from state non-allotted funds instead of local funds. Whenever one of those people resigned or retired, their annual leave and/or bonus leave termination payment would be paid from state non-allotted funds instead of local funds. The local budget would save the workers' compensation premiums based on these employees' total salaries.

Additionally, as of the middle of April, over $500,000 of state Low Wealth funds (PRC 031) have been spent for instructional supplies and contracted services. An equivalent amount of local-paid central office technology support positions could be budgeted and paid from state Low Wealth funds and the supplies and contracts paid from local funds.

The overall local budget savings should be at least $30,000 annually and, depending on turnover in these positions, some years as much as $60,000 or more. The effort to make these changes is one-time, and the local savings, though not huge, are real.

As noted in the next section of our report and as reflected in the numbers below, the Johnston County Commissioners are near the top of the state in their relative funding effort and have provided significant funding increases each of the previous two years and for the current year. However, as mentioned above, overall revenue increases have not matched expenditure needs/increases. A summary of some of the largest financial challenges facing JCPS over the previous two years is reflected in the numbers that follow:

	2016-17 Fiscal Year	2017-18 Fiscal Year	Increase/(Decrease)
County Appropriation	$56,842,825	$60,104,953	$3,262,128
Local-Paid Supplements	$13,021,045	$14,683,344	$1,662,299
State and Local EC Costs	$24,026,524	$31,339,978	$7,313,454
Local Matching Benefits	$6,152,964	$6,911,230	$758,266

Charter School Payments	$1,786,529	$1,912,994	$126,465
Local Central Leadership	$2,441,155	$2,484,510	$43,355

	2017-18 Fiscal Year	2018-19 Fiscal Year	Increase/(Decrease
County Appropriation	$60,104,953	$64,008,102	$3,903,149
Local-Paid Supplements	$14,683,344	$15,792,087	$1,108,743
State and Local EC Costs	$31,339,978	$34,461,225	$3,121,247
Local Matching Benefits	$6,911,230	$7,831,878	$920,648
Charter School Payments	$1,912,994	$2,949,747	$1,036,813
Local Central Leadership	$2,484,510	$3,214,100	$729,590

Issue #5 – Child Nutrition Profitability

Based on a review of the JCPS annual audit reports, the district is forfeiting more than $500,000 annually in eligible indirect cost payments from the Child Nutrition Program to the Local Current Expense Fund. The Program's cash reserves are not adequate to make those payments and, as noted in the organizational and staffing section of the report, the Local Current Expense Fund is having to loan the Program money annually until the Program revenues start flowing when school starts. The review of the annual audit reports also reveals that Child Nutrition Program assets are nearly fully depreciated (indicating aging assets) and that very little Program money is being spent to replace those assets. On a positive note, the operating results for 2018-19 were significantly improved from many of the previous years. In the consultants' experience, a district with Johnston's level of federal food service reimbursements should be able to operate a profitable Program.

Recommendations for Issue #5 – Child Nutrition Profitability

In the experience of the consultants, the best and often only way to operate a Child Nutrition Program profitably is to control labor costs. Labor costs are a function of the number of hours of labor per serving site and the number of staff members qualifying for full-time benefits. As mentioned in Issue #2 above, combination employees where one of the roles is in Child Nutrition causes the funding sources for both roles to absorb full-time benefits costs that would not be payable for a single role employee. A repeat recommendation is for efforts to be made to reduce dual role employment in every function possible.

Also, as recommended in the organizational and staffing section of the report, the consultants recommend that the Board consider a Request for Proposals (RFP) for Child Nutrition management services. Experienced contract food service managers not only have excellent experience and track records in managing labor hours, but also they bring marketing, nutritional, and volume food purchasing expertise to the school district operations they manage. Internal Child Nutrition managers can do the same things, but in consultants' experience, probably not as quickly, and the lack of asset replacement will make Program improvements increasingly difficult.

Issue #6 – Driver Training Service Model

JCPS staffs the Driver Training Program with hourly-paid instructors, generally a more efficient model than staffing with DPI-licensed teachers, and charges student fees to generate additional program revenues. However, the instructors' hourly rates are either $25 or $30, which approach or exceed the hourly rates of a maximum experience Masters' Degree teacher. Many of these instructors are retirees and do not earn any full-time benefits, but some are eligible for retirement benefits at the current rate of 19.7% of wages paid. The consultants noted no money in the current year's Budget for vehicle replacements and a rather healthy budget for repair parts, with over $44,000 expended and encumbered to date.

Recommendations for Issue #6 – Driver Training Service Model

The consultants recommend that the Board consider issuing a Request for Proposals (RFP) for contract Driver Training instruction with bids required for two scenarios – one for the contractor providing the vehicles and one for the district providing the vehicles. If many of the district's vehicles are in need of replacement, it might be less expensive in the short-term for the contractor to provide the vehicles. Typically though, in the consultants' experience, it is less expensive for the district to own the vehicles due to state contract prices on the vehicles, in-house maintenance, tax-free fuel, and possibly less expensive vehicle insurance. Contracting should be less expensive than the current in-house model in at least two ways – the cost of salaries/wages and the cost of matching benefits. If the Board does contract, some of the current instructors could be hired by the contract provider, although not likely at their current hourly rate, and one current instructor should be maintained on staff to coordinate the Program.

Should the Board decide not to contract the Program instruction, a budgeted replacement cycle for vehicles should be instituted. Additionally, at least for this year with less in-car driving occurring, JCPS should charge an appropriate share of the district's vehicle insurance to the Driver Training Program. It is an eligible cost in the state funding, PRC 012, or could be funded from the student fees receipts if no state funding is left available. This could save the local budget $25,000 or more for 2019-20.

Issue #7

The central office reorganization implemented in 2017-18 and 2018-19 had organizational and budgetary impacts that are evaluated, with specific consultant recommendations, in the next section of the report. Other than the local supplement formula, the consultants were not asked to and did not study or evaluate the JCPS compensation systems. The consultants have expertise in that area and are available if the Board decides a thorough compensation study is needed.

Organization and Staffing

Comparison with other similar-sized school districts in North Carolina

The consultants examined data from four school districts in NC that have similar enrollments to the Johnston County Public schools. The four comparison districts listed from largest to smallest include: Union, Cabarrus, Durham, and Gaston County School Districts. Table 1 below shows the enrollment, the number of teachers at the end of the school year, the pupil-teacher ratio, the percent of economically disadvantaged students, and the percent of charter school students as a percent of the total number of students attending public schools.

Table 1 - Comparison data from four districts similar in size to Johnston County

School District	Students	Teachers(local)	P/T Ratio*	% Eco. Dis.**	% Charter Students
Union County	42,215	2502 (98)	16.9	26.5	7.0
Johnston County	37,353	2345 (38)	15.9	42.7	4.9
Cabarrus County	33,898	1953 (178)	17.4	40.0	5.7
Durham County	33,773	2414 (252)	14.0	60.0	17.4
Gaston County	31,966	1908 (17)	16.7	48.4	6.6

*Pupil-Teacher Ratio

** % Economically Disadvantaged

Data Sources: The enrollment and number of teachers were taken from the Statistical Profile of NC Public Schools (2018-19). The percent economically disadvantaged was calculated from the NC School Assessment and Other Indicators Workbook and represents the number of students who were included in the economically disadvantaged subgroup of all End of Grade (EOG) and End of Course (EOC) tests as a percentage of the total number of EOG and EOC test takers in each district in 2019, and the percent of students enrolled in charter schools came from the Division of School Business, Dept. of Public Instruction report, “Charter School Membership by County” 2018-19.

The number of teachers listed in Table 1 includes teachers paid from all sources. A district with more Title 1 and/or Exceptional Children teachers may artificially reduce the district’s average per-pupil teacher ratio. Durham has the lowest pupil-teacher ratio but also has the largest percentage of economically disadvantaged students.

Table 2 displays several indicators of school district wealth – the local expenditures per student, the local effort as a percentage of the current spending per student, and the property assessment per pupil.

Table 2 Indicators for Wealth by Selected Districts Public School Forum				
School District	Local Spending per pupil*	Effort as a % of Revenue per student (current spending*)		Adjusted Property Values Per Pupil*
Union County	$2,000	36.49%		$582,696
Johnston County	$1,623	45.85%		$462,629
Cabarrus County	$1,785	31.02%		$583,126
Durham County	$3,376	29.90%		$976,496
Gaston County	$1,429	35.30%		$494,646
*2020 Local School Finance Study (Public School Forum)				

Durham County's property assessment per each student is considerably more than the other four districts; however, their effort as a percent of local revenue per pupil current spending is the lowest. The adjusted property assessment per student in Union and Cabarrus Counties is similar and the property assessment per pupil in Johnston and Gaston Counties is similar. Johnston and Cabarrus Counties are very similar in local spending per pupil. The consultants would like to commend the Johnston County Commissioners for making the greatest effort as measured by their allocation of local dollars per-student for education expressed as a percent of total revenue. Johnston County's relative support for education is not only much greater that the other four counties but is the fifth highest among all counties in NC.

Looking at Tables 1 and 2 Durham County is an outlier from the other four counties. The only close similarity with the other four districts is total number of students. The three most similar district school districts are Cabarrus, Gaston, and Johnston counties. The districts are similar in the number of students, the percent of economically disadvantaged students, the over-all pupil-teacher ratio, and the percent of charter school students. Cabarrus County has a much higher property value per student than Johnston or Gaston counties (26% higher than Johnston County's and 18% higher than Gaston County's). While Cabarrus's effort is not as high, their property wealth is generating more local per-pupil funding and accounts for the large difference in number of locally paid teachers between Cabarrus and Johnston and Gaston Counties.

Central offices in North Carolina are organized in many ways and there is no "best" organizational pattern or recommended number of employees. In general, central offices staffing patterns and numbers of staff are a function of resources and tradition. Comparisons are difficult since some districts "count" certain staff in their central office even though the staff are assigned to schools and provide direct services to students. In addition, school districts customize their central office job titles and attach school support functions to various supervisors. Consequently, it is difficult to provide an "apples-to-apples" comparison of central office staffing in a chart. However, it is reasonable to assume that the staffing in the Finance and Human Resource Departments might be similar since the functions performed by both departments are similar and the total number of employees and volume of work should result in proportional differences. However, the consultants caution that some functions of these two departments may be decentralized to schools; for example, purchasing may be more decentralized to schools in one district and more centralized in another. Similarly, some personnel functions may be handled centrally in one district and be more decentralized in another. Table 3 displays the number of employees in the Finance and Human Resources departments in the three most similar school districts reviewed in Tables 1 and 2: Cabarrus, Gaston, and Johnston County Public Schools.

Table 3
Positions in Finance and Human Resources Departments
(based on available web-site data)

School District	**HR Staff**	**Finance Staff**	**Total**
Gaston County	21	17.0	38
Cabarrus County	11.5	16.0	27.5
Johnston County	17	15	32

Table 4 displays the different Finance Department job titles used by each of the comparison districts and the number of people with that title.

Table 4

Number of Finance Staff Positions by Job Title

Job Title	Gaston	Cabarrus	Johnston
CFO/Chief	1	1	.5
Adm. Assistant to Chief			.5
Finance Officer			1
Adm. Assist. to Finance Officer			1
Asst. Finance Officer/Director	1	1	1
District Budget/Capital Analyst	1		
Purchasing Officer	1		1
Purchasing/School Specialist	1		
Payroll Supervisor/Accountant	1	1	2
Payroll Specialist	5	4	4
Accounting Manager/Supervisor	1	1	
Accounts Payable Specialist	2	3	3
Finance Assistant	1		
Internal Auditor	1		
Safety Officer	1		
Accountant		2	
Accounting Technician		1	
Bookkeeper		2	
Employment Systems Adm.			.5
Adm. Assist. Employment Sys. Adm.			.5
Total Finance Staff	17	16	15

While there are differences in titles, the overall staffing between the three districts is similar. Gaston County Schools has a safety officer that the consultants suspect is more of a risk management position regarding insurance purchasing and paying claims. In Johnston County the Auxiliary Services Executive Director and Safety Officer is responsible for security and student safety as well as risk management. Gaston County also identifies an internal auditor position. All districts perform internal audit functions but often do not dedicate a position for that purpose. In some districts, the internal auditor supports school level bookkeepers. Gaston

County does have one position that appears to be a technology support position; Cabarrus County has an Accounting Technician and Johnston County has an Employment Systems Adm that is shared with the HR department. Cabarrus County has no staff title that mentions purchasing. While purchasing can be decentralized, someone in the Cabarrus Finance staff is responsible for the purchasing function. Cabarrus County does not identify any administrative assistants, so their total staff may be understated. Gaston County identifies one "Finance Assistant." Without detailed conversations with the HR directors in Cabarrus and Gaston Counties, it is impossible to make an apples-to-apples comparison of the three departments, but it appears that Johnston County School's financial services staffing level is somewhat more efficient when these three similar districts are compared.

Table 5 displays the different Human Resources Department job titles used by each of the comparison districts and the number of people with that title.

Table 5

Number of HR Staff Positions by Job Title

Job Title	**Gaston**	**Cabarrus**	**Johnston**
Assistant Supt./Chief		.5	.5
Adm. Assistant to Chief			.5
HR Executive Director/Officer	1	1	1
Adm. Assist. to Officer			.5
Licensure Coord./Director	1		1
Adm. Assistant to Licensure			1
HR Specialist	4		
Compensation Analyst	1		
Applications Specialist	1		
HR Personnel Coordinator	1		
Health Benefits/Retirement	1	2	
Workers' Comp. Specialist	1	1	
Disability Coordinator	1		
Personnel Administrator	1		
Substitute Support/Executive Dir.	1		1
Adm. Assist. Support Exec. Dir.			1
Teacher Support Coord.	1		
Mentor Support Coord.	1		
HR Tech. Coord./ Emp. Syst. Adm.	1		.5
Adm. Assistant Emp. Syst. Adm.			.5
DRM Maintenance	1		
Records Specialist	1		
Administrative Assistant	1		
Receptionist	1		
HR Operations Supervisor/Exec. Dir.		1	2
Adm. Asst. Support Cert./Classified			1.5
Lead HR Specialist		1	
HR Classified Specialist/Director		1	1
HR Certified Specialist/Director		1	1
HR Classified Spec. Adm. Asst.		1	
HR Resources Coord.			
HR Employment Specialist		1	
HR Specialist		1	
Director of Benefits			1
Benefits Specialist			1

Employment Verification Specialist			1
Adm. Assist. Employment Ver. Spec.			1
Total HR staff	21	11.5	17

Unlike the finance office comparisons, the HR departments are very different. Aside from the title difference, the HR department in Gaston County houses the support for beginning and new teachers. Both Cabarrus and Johnston County Public Schools have an administrator over more than one department. In Cabarrus the Assistant Superintendent also supervises the Communication and Public Information department, and the Chief in Johnston County leads the Finance and HR departments. The organizational chart in Cabarrus only includes one position with a title that includes administrative assistant, "HR Classified Specialist/Administrative Assistant." Just as in the Finance Staff listing for Cabarrus County there are no administrative assistants, the consultants suspect that the administrative assistants' numbers are understated. In Johnston County there are the equivalent of six positions that are titled administrative assistants. In Gaston County there are two positions that have the title "administrative assistant" or "receptionist." But the consultants suspect that many of the listed HR staff in Gaston County are performing functions completed by administrative assistants in Johnston.

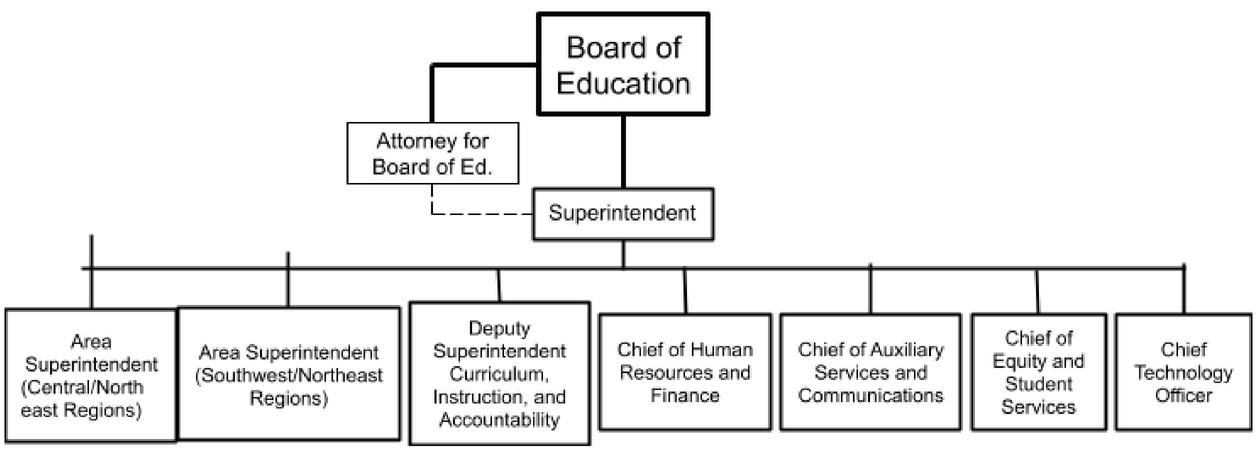
Processes for Proposed Central Office Staff Reorganizations

Johnston County Public Schools has experienced significant leadership transitions over the last eight months. And the organizational chart for the district has changed as various staff members were reassigned to school level positions or left the district and their positions were not replaced. The consultants interviewed the following leadership staff members: Interim Superintendent; the Deputy Superintendent, the Curriculum, Instruction, and Accountability Officer (CIA), the ten Executive Directors who currently report to the CIA Officer; the Chief of Human Resources and Financial Services, the Finance Officer, the director of Finance, the Human Resources Officer; the Chief of Equity, Information, and Student Services (EIS), the three Executive Directors who report to the Chief of EIS; the Chief of Staff and Communication, and the four officers and one executive director who report to the Chief of Staff and Communication. In all, twenty-six key staff members were interviewed. Each interviewee described their current duties/responsibilities, and each answered three questions: (1) Is there any task that you or your department performs that you think would be better if it were performed somewhere else in the organization? (2) Is there any task or function that is performed in another department or by another person that you think would be better if it were performed in your department? And (3) do you have any observations about the overall organizational reporting structure in the school district? Most conversations were detailed and lots of questions were asked and answered. As stated in the introduction, Johnston County is fortunate to have an excellent staff serving the students and families in the county.

After re-reading all the notes and collecting additional information from staff members, the consultants are recommending a new organizational chart. We believe that this reorganization will achieve some efficiencies and foster better communication and decision-making among staff and promote a better understanding by the community about how the central office accomplishes its work. We are fully aware that we do not know every nuance, history, and detail of the Johnston County Public Schools but hope that our work will be helpful as the district moves forward. We are also aware that the pace of any implementation may have to be gradual due to the contractual commitments between the Board of Education and its employees. All consultant recommendations will be highlighted in yellow.

Overview of Cabinet Recommendations:

Currently the Superintendent's cabinet has six members: two area superintendents who have primary responsibility for assisting the superintendent with the evaluation of principals and investigating parent concerns, managing student disciplinary appeals, and assisting the superintendent and Board of Education with policy revisions and changes; the Deputy Superintendent who supports the Curriculum and Instructional programs and the student accountability department; and three Chief Officers in Human Resources and Finance, Auxiliary Services and Communication, and Equity, Information, and Student Services. The consultants will recommend changes in each of the last four areas but are recommending that one additional cabinet position be created – a Chief Technology Officer. The proposed new Board of Education, Superintendent, and Cabinet organizational chart follows:



A discussion of recommended changes in each cabinet area will follow and will begin with the new technology area.

1. Technology

One cannot overestimate the importance of the effective use of technology to deliver quality instruction to students. In all school districts significant investments have been made in the purchase of classroom technology, keeping technology operational and current, and training in the use of software to manage many administrative functions for all departments – from

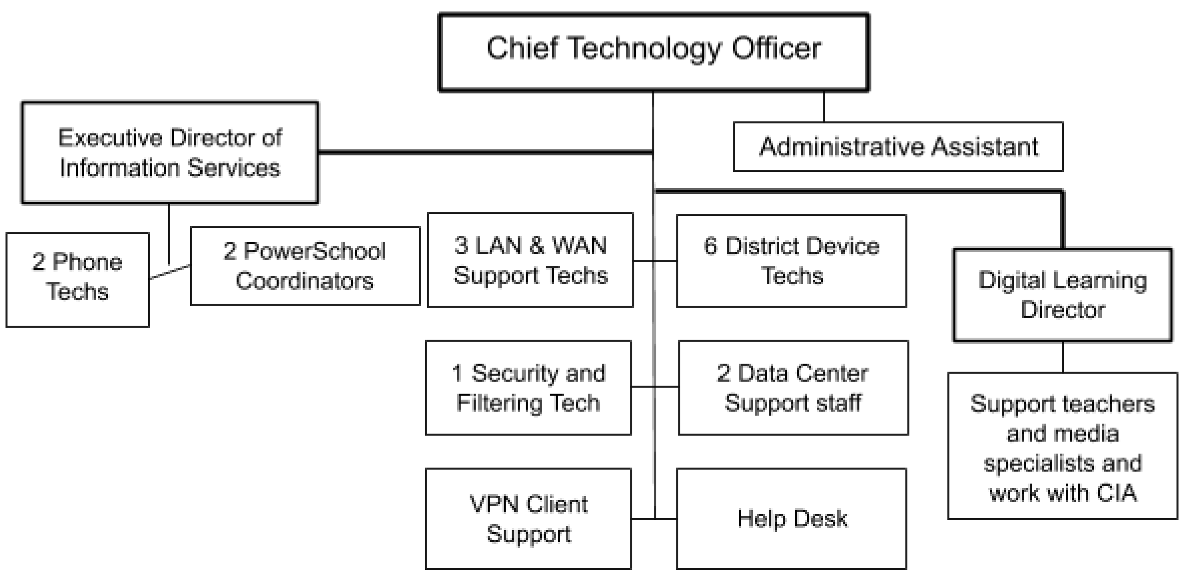
"School Dude" in maintenance, to Power School for student accounting, scheduling, student records management, teacher support and staff development training platforms, to "LINQ" in Human Resources and Finance. But rarely is there enough investment of time and resources in training teachers on how to use technology to improve student achievement.

Currently, the Technology Infrastructure Officer reports to the Chief of Staff and Communication, the Executive Director of Information Services reports to the Chief of Equity and Student Services, and the Director of Digital Learning reports to an Executive Director of Teacher Effectiveness. The consultants learned in staff interviews that the Technology Infrastructure Officer was not consulted on the decision to purchase the LINQ program that supports both Finance and Human Resources, the "Vidio" System (a video editing system which did not work well for three years), and the video conferencing software, Polycom. Since technology staff support all areas of the Johnston County Public Schools, there are times when technology staff may be assigned to other departments. But when major decisions are being made that will involve the use of technology, the new Chief Technology Officer (CTO) and technology staff need to be involved. The consultants are suggesting that the current title of Technology Infrastructure Officer would become CTO. The consultants believe that a Chief Technology Officer serving on the Superintendent's cabinet would result in better technology purchases, vendor management before and after purchase, and avoid technology purchases that may not be compatible with existing equipment.

The new CTO would assume the duties of the current Technology Infrastructure Officer. These duties consist of managing tens of thousands of devices. The current device/per pupil ratio is excellent in the district (almost one-to-one). The CTO would manage the six district technicians, three wide area/local area network administrators, one security and filtering support position, two data center support personnel, a VPN client support position, a help desk director, and an administrative assistant. The CTO also provides tech support to the Career and Technical Education Dept. and the Financial and Human Resources area. The CTO would also supervise the Executive Director of Information Services (currently reporting in the Equity, Information, and Student Services area) who also supports many areas (two power school coordinators, e-rate filing, updates to the Department of Public Instruction's EDDIE program, the operation of 4000 phones supported by two technicians (one already located in the Technology Infrastructure area) and one in Information Services (the phone technicians also collaborate with the facilities office on electrical support for phones), civil rights surveys (every other year), and serves as a consultant to other departments on the preparation of Request for Proposals (RFPs)). Finally, the CTO would supervise the Director of Digital Learning (currently reporting to the Director of Teacher Effectiveness in the CIA area) who would support teachers and media specialists in the use of digital resources across the district. The Director of Digital Learning would have to meet regularly with the subject area directors in the K-12 Curriculum area (the subject area directors' recommendation will be discussed more later). In addition, the Digital Learning Director needs to work with the CIA staff to determine how digital resources are being used in every content area and what programs are the most effective. In the past there were as many as fifteen digital learning specialists. The consultants believe that some or all the K-12 subject matter directors need to be providing that training and support; some additional coaches/specialists may need to be employed in the future. With enough training, it should be possible to have school level media coordinators at all levels serve as a school level technology equipment support person before district technicians are deployed. The consultants suspect that the six technicians are overloaded and school level trouble shooting would allow the technicians to be more productive.

The consultants learned that the district had created standards for technology devices that would be available in every classroom. While purchase orders for technology devices at the school level are reviewed by technology staff, two people interviewed indicated that the standards were not always being followed and exceptions were made. Since the district maintains, replaces, and provides connectivity to all devices, it is imperative that technology standards be followed. Failure to do so increases maintenance costs and many times renders equipment ineffective in delivering district-wide instructional resources. Interviewees indicated that insufficient resources have been budgeted annually to support an adequate refreshment cycle. While the technology refreshment cycle may have to be stretched beyond the ideal, it must be followed if all students are going to have equal access to technological devices in the future.

The recommended organizational chart for the Technology area follows:



2. Human Resources

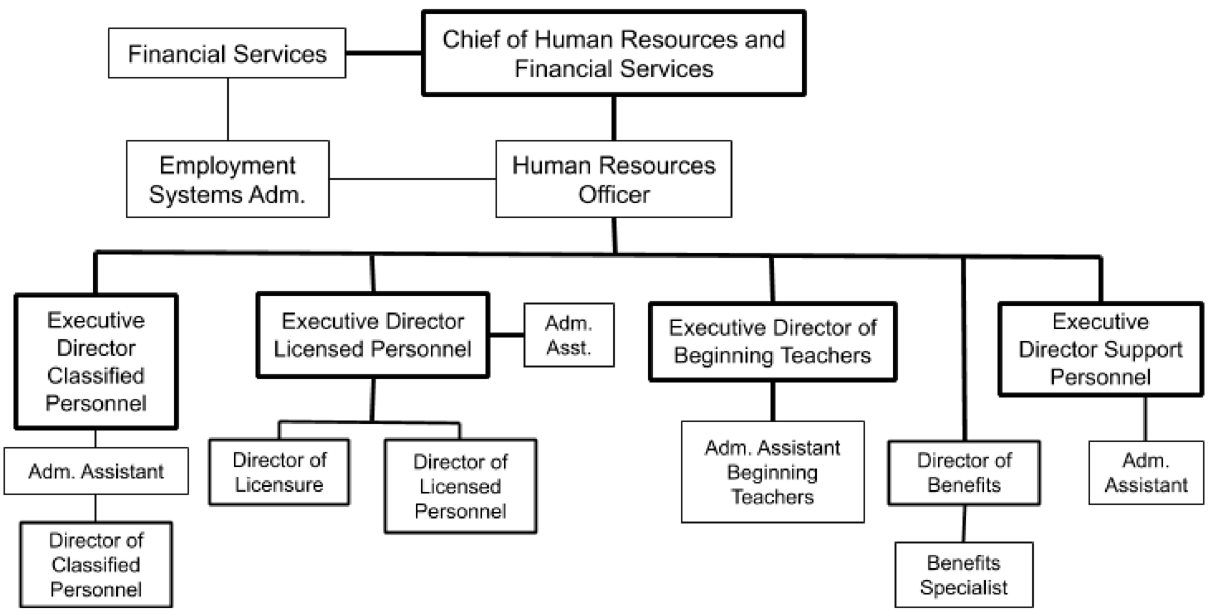
The HR department reports to the Chief of Human Resources and Finance, a cabinet position. The consultants believe that this arrangement gives a voice at the cabinet level for both departments. However, NC General Statute (115C-435) states that the school finance officer "serves at the pleasure of the superintendent." The Finance Officer could report directly to the superintendent and maintain representation at the cabinet level.

The day-to-day management of the HR office is handled by the Human Resources Officer. Johnston County is very fortunate to have a seasoned HR veteran in this position. As Table 5 above indicates, the Johnston County HR staffing levels are consistent with the other comparison districts. The consultants asked many questions about recruiting, applicant screening, drug testing, background and reference checking, and license review for teachers. The processes used in Johnston County are good and staff assignments are clear. Technology support is provided by an Employment Systems Administrator that supports both Finance and HR. The consultants discovered that the current teacher hiring process involves completing and documenting two telephone reference checks – a sound practice. Currently both of those reference checks are completed by central office staff. This is a very time-consuming process to complete all reference checks by central office staff. Part-time staff have to be employed during the summer to manage the large volume of teacher reference checks. While managing documentation of reference checks completed by 45 principals may be cumbersome, the consultants believe that principals would appreciate expediting the hiring process so as not to lose good candidates to surrounding school districts. Principals can complete interview forms electronically to simply documentation. The consultants believe that principals can often tell by the enthusiasm, hesitation, or tone of voice of a reference whether the applicant will be successful in their school. Similarly, principals can ask follow-up questions about extra-duty assignments that a teacher may or may not be able to perform. The consultants recommend allowing principals to complete one reference check and have the other reference check completed by HR staff. Hopefully this practice would expedite the hiring process and reduce the need to employ additional part-time staff in the summer. The consultants are aware that errors in hiring have occurred in the past when principals were more involved in the hiring process. But with training, all principals should not only be able to perform this task but want to do it.

The Beginning Teacher (BT) program is currently housed in the Curriculum Instruction and Accountability (CIA) area. The Beginning Teacher program provides support to the over 400 first, second, or third year teachers in Johnston County and is currently led by an executive director, two directors, and one clerical position. In addition to the three-day new teacher orientation program, the district offers a one-day late hire orientation once a month. The BT program staff also provides approximately eight after-school support sessions for new teachers throughout the school year entitled “Igniting the Flame.” The BT program ensures that mentors are assigned and the evaluation system in up to date for all new teachers. While mentors are not paid, they can “swap” time off with their principal’s approval. (The consultants want to caution against using the term “comp-time” with mentor teachers so as not to confuse teacher leave with comp-time requirements for classified employees specified by the wage and hour law.) In addition, the BT program provides “snapshot” observations for first- and second-year teachers – over 500 a year. Written feedback is provided back to the teacher and principal. Currently this office is staffed with two directors. The BT program works closely with the Human Resources department and the consultants recommend that the program move from the CIA department to Human Resources. The consultants are impressed with the scope of the BT program, but question whether the 500 snapshot observations are valuable due to the limited number of observations per teacher and the inability to follow-up. Each school principal is responsible for evaluating and supporting their new teachers. The consultants recommend asking principals to evaluate the effectiveness of the snapshot observations. Depending upon the principals' assessment, the BT program could operate without one or both Directors. The Executive Director and if warranted the two directors would report to the Human Resources Officer. The current part time clerical assistant in the BT program is shared with a staff member in CIA.

When the consultants talked with the Food Service Director, they learned that in the past cafeteria workers were selected by the principal. Now cafeteria managers make those decisions. The consultants agree that principals need to focus on leading their schools and support cafeteria managers hiring and evaluating their own workers. However, the hiring process takes time and there is a fair amount of paperwork required. When cafeteria managers go on-line to look at available applicants, they are required to verify that there are three references on file with phone numbers and determine that the applicant has a high school diploma. For cafeteria managers, this can be a time-consuming process. The consultants suggest that the hiring process for cafeteria employees be re-examined.

The recommended organizational chart for Human Resources follows:



3. **Financial Services**

As mentioned earlier, the Chief of Human Resources and Financial Services supports both departments. The Finance Officer reports to the Chief and is responsible for managing the budget for all departments of the Johnston County Public School System, purchasing for the district, paying all bills (accounts payable), and handling payroll and benefits for all employees. As shown in Table 4 above the financial services staff for Johnston County Public Schools is consistent with the two comparison districts.

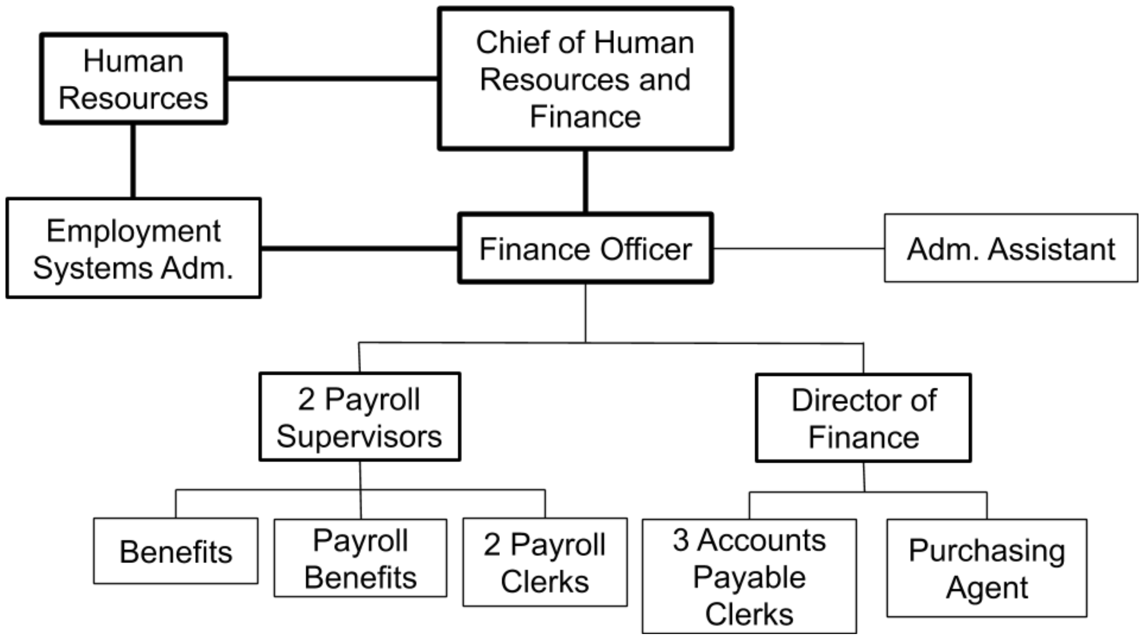
The most unusual features of the Johnston County Public Schools Financial Services organization are the two payroll supervisors and, for the size of the district, only having a single purchasing agent. The consultants understand that the two payroll supervisors originated more than ten years ago when it became imperative to bring in an experienced payroll person to help train and manage a team of very inexperienced payroll specialists. The consultants also understand that both supervisors process some payrolls along with their supervisory duties and that both are nearing retirement.

The more typical staffing arrangement in a payroll office this size is a single payroll supervisor and a lead payroll specialist. When the first of the current payroll supervisors retires, the consultants recommend that the vacant position be advertised and filled as a lead payroll specialist at a pay level between that of the payroll specialists and the payroll supervisor.

The consultants understand that the majority of purchasing functions have been decentralized to the schools and departments and that the purchasing agent in Financial Services is primarily an on-call resource to the various school and departmental staff. While efficient from a staff cost standpoint, this staffing is not sufficient to provide proper oversight for districtwide purchasing. The consultants recommend that JCPS consider adding or expanding their warehousing of commonly used supplies, materials, and small equipment as a cost savings measure. (This will be discussed in the Operations area of the report.) The district currently warehouses custodial supplies and already staffs that function.

If JCPS does expand their warehousing functions, three accounts payable specialists should not be needed in Financial Services. If this happens, the consultants recommend converting that third accounts payable position into a second purchasing agent to provide additional districtwide oversight of the purchasing functions

The recommended organizational chart for Financial Services follows:



4. Curriculum, Instruction, and Accountability Services

The consultants had difficulty understanding the current organizational structure of the Curriculum, Instruction, and Accountability services area. Conversations with the Deputy Superintendent, CIA officer, and the Executive Directors confirmed that those directly involved realized the value of reorganizing CIA. Several staff members suggested that there were "too many chefs and not enough cooks." A key indicator of the lack of cooks, was the lack of specialists supporting specific content areas. Currently there is no "go to" math person or social studies person. The current curriculum staff serve as generalists and interviews with staff made it clear that there were very few Executive Directors or Directors with secondary curriculum or teaching experience. The Deputy Superintendent shared that her role had changed during the year and at this time she was only supporting the CIA area and did not have any district-wide responsibilities. The consultants have no recommendation on whether to retain the title "Deputy Superintendent." However, the duties between the Deputy and the CIA Officer need to better delineated. The consultants observed that the CIA department would likely function better if all the CIA staff were located on the same campus. The consultants will begin the examination of the CIA reorganization with a discussion of groups/positions that are recommended to be assigned to other areas.

As mentioned in the earlier discussion describing the proposed Technology area, the Digital Learning director was recommended to move into the newly created Technology department and Beginning Teacher Support was moved to the Human Resources Department. Two other moves are recommended: (1) reassign the school psychologists in the Exceptional Children's staff into the Student Services area; and (2) reassign the Title III Parent Liaison and the five

Family Engagement Assistants to the Director of Student Services. These two moves will be discussed below:

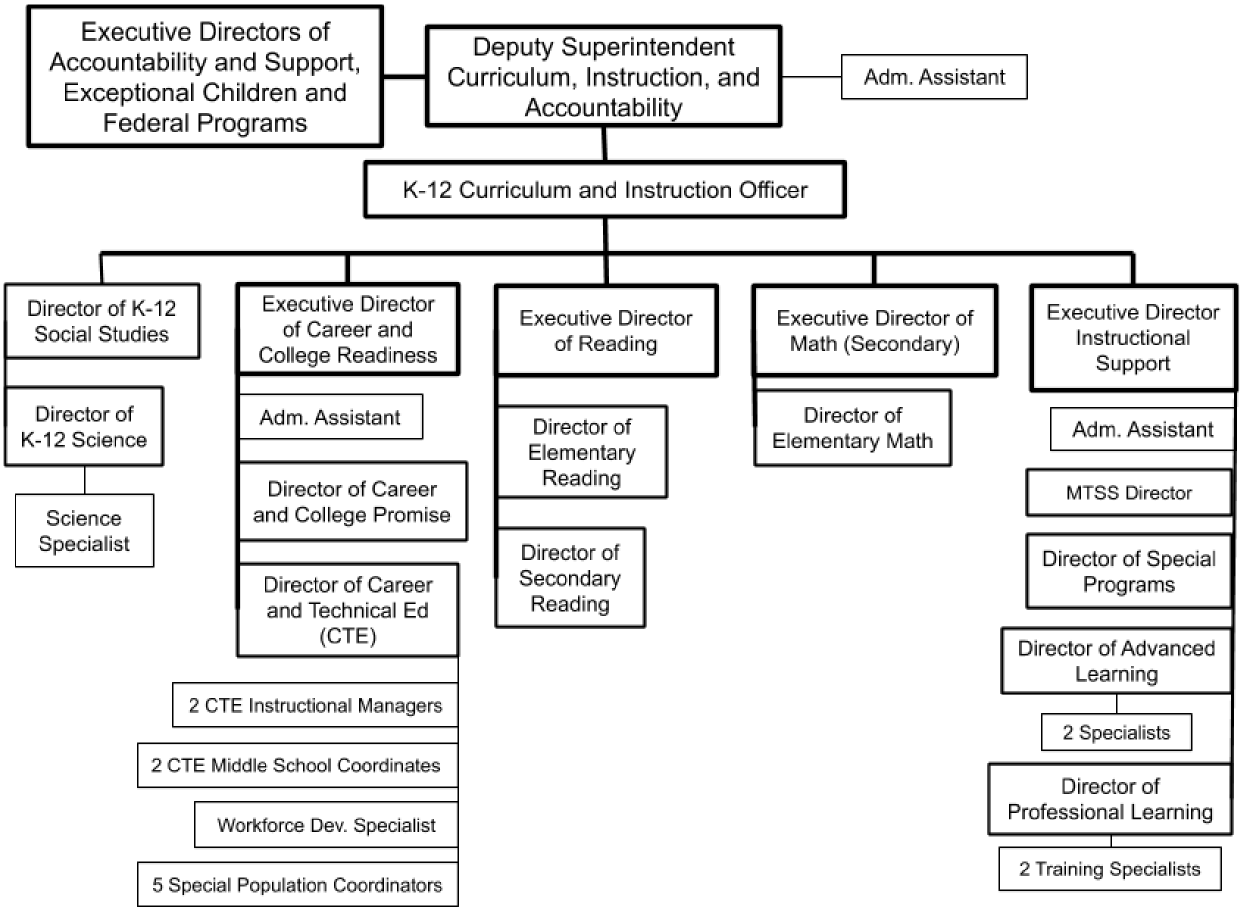
Since school psychologists complete student evaluations that determine placement in EC programs, reassignment to Student Services assures that psychologists work independently from the EC Dept. Similarly, when the consultants realized that that the Title III Parent Liaison and the Family Engagement Assistants serve as translators for families that do not speak English as their first language, assignment to the Student Services area appeared to be a better organizational home for this group who directly supports families.

The consultants recommend that staff with content area expertise, the existing Career and College Readiness department, and a newly created Instructional Support area report to a K-12 Curriculum and Instruction Officer. The consultants also recommend that the following content area directors be represented on the CIA staff: elementary literacy, elementary reading, secondary English Language Arts, elementary math, secondary math, K-12 science, K-12 social studies, K-12 foreign languages, K-12 health and physical education, K-12 Arts, and Career and Technical Education courses. The first seven content positions listed represent what is often referred to as the core academic areas (reading (three positions), math (two positions), social studies, and science) and should be represented by seven full-time positions. As K-5 literacy scores improve across the district one of the two elementary positions could be eliminated. The consultants suggest that one of the three reading positions serve as a K-12 Executive Director of Reading and one of the math positions serve as K-12 Executive Director of Mathematics. The next three content areas (foreign language, health and physical education, and arts) could be represented by existing CIA staff members with other responsibilities who could be supported in part or whole by lead teachers. There are many curriculum related activities that could be assigned to these content area specialists (activities such as "Battle of the Books," Science Olympiad, Spelling Bee, MATHCOUNTS, Quiz Bowl, etc.). The district has committed to an Inquiry Science approach and use science kits in elementary and middle school. The science director will need a curriculum specialist to support the refurbishing, distribution, and training associated with these kits. The two executive directors (reading and mathematics), and five directors (two reading, one math, one social studies, one science, and one science specialist should be selected from the current executive directors, directors, specialists, and coaches.

The Career and Technical Education program serves many students in Johnston County and is currently supported by an Executive Director of Career and College Readiness and two Directors. The Career and College Promise Director works closely with Johnston Community College on dual enrollment course offerings. The CTE director is supported by two middle school coordinators, two instructional management coordinators (each supports a portion of the CTE program areas, provides new teacher support, and coordinates the CTE testing program), a workforce development specialist, and five special population coordinators who support workforce placements for special needs students. There is one clerical support person. The district purchases many college textbooks to support students taking Community College courses. In the past these books were purchased through the Community College bookstore, but to save cost, the district is now purchasing many books directly from the publisher. For next year, Johnston Community College will be using e-books for most of their course. This change will save a significant amount of money in next year's budget that can be focused on other needs of the CTE programs.

The new recommended Instructional Support area would be created by consolidating several existing areas that support curriculum and instruction into one umbrella department. The Instructional Support area would be led by an Executive Director and would focus on training teachers and administrators and supporting special district-wide programs. The consultants recommend creating four Director positions: MTSS, Professional Learning, Advanced Learning, and Special Programs. Currently there are 16 MTSS coaches serving 45 schools. Four coaches serve the eight high schools and the remaining 12 coaches serve two or three elementary or middle schools each. But coaching only occurs four days a week with a day of planning. The consultants recommend that coaches work in schools five days a week except for two hours one morning a week for planning and coordination. In addition, the MTSS Director could serve the school closest to his or her office. The same number of hours of support could be provided using 12 full time coaches and the MTSS Director. As schools develop their own MTSS capacity, the number of MTSS coaches should be steadily reduced over the next three years. The Professional Learning area would coordinate all district-wide staff development and provide support to individual school level staff development requests. All subject matter directors and executive directors in the K-12 Curriculum and Instruction area will be able to provide training in their content area. The district currently has several district-led training initiatives - such as Cognitive Coaching, "Literacy is for Everyone (LIFE)", Standards-Based Grading, Project-Based Learning (PBL), and the use of Professional Learning Communities (PLCs). The Deputy Superintendent for CIA and K-12 Curriculum and Instruction Officer should lead discussions with a cross-section of district-wide staff to determine which of these initiatives the district is going to support, what training is required for which groups of teachers, and how many trainers are needed to effectively continue these initiatives. The consultants have reserved two Specialist/Coaching positions to report to the Professional Training director. The consultants observed that currently there is a director of leadership development for teachers who want to become assistant principals. The consultants suggest that this program could be directed by one or both Area Superintendents with the help of other central office staff. The Advanced Learning and Special Programs Director would support the academic and intellectually gifted (AIG) programs, the advanced placement (AP) programs, the Advancement Via Individual Determination (AVID) program, the International Baccalaureate (IB) Program, and Dual Language programs. In addition to the Director, the consultants have reserved two Specialist/Coaching staff to support these programs.

The recommended organizational chart for the K-12 Curriculum and Instruction Officer follows:



Remaining Curriculum, Instruction, and Accountability program areas

The consultants have reviewed the remaining CIA program areas and suggest that they be combined into three large program areas that all report to the Deputy Superintendent of CIA. The three program areas would be Exceptional Children, Federal Programs, and Accountability and Assessment. Each of the four program areas will be discussed below:

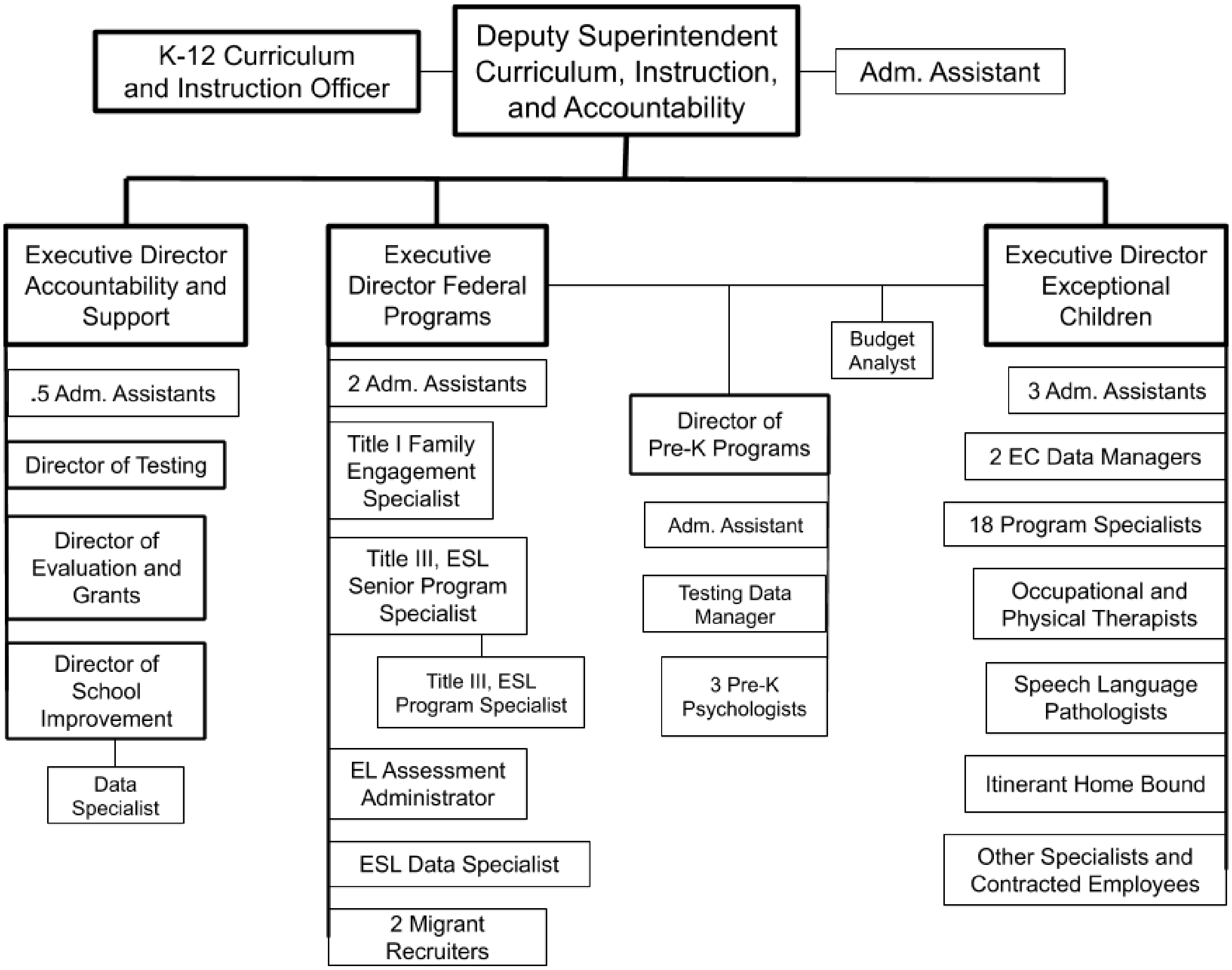
The Accountability and Assessment area would coordinate testing in all content areas except CTE, analyze formative and summative test results and surveys, assist schools with the development of their school improvement plans, provide the data necessary to support the preparation and evaluation of grants, and prepare periodic reports for the Board of Education and key decision-makers comparing student performance to similar school districts and the state. The consultants recommend that the staffing in this area remain the same – an Executive Director, a Director of Testing, a Director of School Improvement, a Director of Evaluation and Grants, one data specialist, and a .5 administrative assistant. The consultants realize that direct central office support of school improvement teams would require one or more data managers in the future. Currently schools receive formative data from MAPS, NC Check-ins as well as school data sheets, summary data reports, student subgroup reports, and Teacher

Working Conditions Survey results. The school data sheets should be used by other central office staff, particularly those staff that participate in the evaluation of principals. One of the most important functions of the Accountability and Assessment staff is to teach school level staff how to use their data reports to formulate, evaluate, and adjust school improvement goals. The consultants were very impressed with the data support that schools are receiving, and the large amount of competitive grant funds secured for the district.

The Exceptional Children's area manages a large program that serves approximately 6000 students (not counting pre-school handicapped students) and is led by an Executive Director. Through staff interviews, the consultants learned that there had been several lawsuits filed in recent years which suggests that additional training and monitoring may be needed. Earlier in the recommendations for Issue #1 in the first portion of this report, it was recommended that more monitoring for Individual Education Plan (IEP) meetings could result in more consistent placement/services recommendations. Staff interviews identified that there were eighteen EC specialists that reported to the current EC Director, but their duties were not examined. Possibly some of these specialists could perform the suggested monitoring function at individual schools. While the consultants are not recommending changes in the number of staff in this department, additional monitoring and training needs to take place at the school level. The consultants are recommending that the Pre-K Director jointly report to the Executive Directors of Exceptional Children and Federal Programs. As stated earlier in the Issue #1 recommendations, a careful analysis is needed to determine if the Pre-K fees are paying the full costs of the "slots" that these students are occupying. Many districts use Title 1 funds to pay for some of their Pre-K programs. There are or should be significant carry over funds in Title 1 and currently only portions of three Pre-K classes (1.5 teachers and 1.5 teacher assistants) are paid by Title 1 funds. If students qualify for Title 1 support, then Title 1 funds can pay for Pre-K programs. The consultants did not discuss the screening process for students who are entering Pre-K handicapped programs. Without careful screening, Pre-K students can be overidentified as qualifying for Exceptional Children's' Services. The Department of Public Instruction should be able to recommend exemplary Pre-K screening programs that Johnston County staff could visit.

The Federal Programs area would support the following Federal Grants: Title 1, English as a Second Language (ESL), the Migrant Education Program (MEP), Title IV, Comprehensive Support and Improvement (CSI), and Targeted Support and Improvement Schools (TSI). Other than recommending that the Title III Parent Liaison and the six Family Engagement Assistants move to the Student Support Services area, the consultants are not recommending any staff changes. However, the Title 1, CSI, and TSI funds must be directed to specific qualifying schools. The Federal Programs area would account for the funds, but the training, equipment, and materials should be directed by school principals, the Deputy Superintendent for CIA, and the appropriate K-12 content area specialists.

The organizational chart for the Deputy Superintendent of Curriculum, Instruction, and Accountability follows:



Summary Comments for the Curriculum, Instruction, and Accountability area

The consultants realize that there are many regularly scheduled meetings that occur in this large department. If a significant portion of this new CIA reorganization were to occur, the Deputy Superintendent and K-12 Curriculum Officer would need to identify all standing meetings and develop a process for preparing agendas and for facilitating the meetings. Principals should be included in the preparation of elementary, middle, or high school principal meeting agendas and either the Deputy Superintendent or K-12 Curriculum Officer should attend all these meetings. In the interviews that were conducted for this study, several interviewees indicated that various district-wide curriculum initiatives were not implemented across the district. Follow-up questions revealed that principals were able to decide whether to implement a district initiative or not. Without any "non-negotiables" (like length of time for literacy instruction, textbooks, staffing for art, music, and physical education teachers, standards for the purchase of classroom technology that the district is capable of supporting, and the implementation of certain district-wide instructional strategies that would require specific training for all teachers) students will be disadvantaged when they move between schools, or students will not be provided equal access to educational opportunities. The consultants believe that the superintendent's cabinet must agree on Johnston County's non-negotiables and hold everyone accountable for implementing them. Opportunities should exist for schools to pilot programs or experiment with different instructional materials within the framework of the district-wide non-negotiable curriculum strategies. Of course, the bottom line for all educational efforts is the instructional outcomes for students. One interviewee shared that 10 years ago, Johnston County typically ranked in the top 20 percent of districts in NC in student performance and now ranks in the bottom 20 percent. A commitment to consistently implementing a limited number of researched-based practices should improve the performance of Johnston County students.

If all of the consultant's recommendations included in the Curriculum, Instruction, and Accountability area were implemented, the Executive Director of Beginning Teachers and two Directors of Beginning Teachers would be moved to Human Resources and the Director of Digital Learning would be moved into the newly created Technology Dept. The other changes described in detail above would result in a net reduction of two executive directors, three directors, and nine specialists/coordinators. As stated earlier, implementation of these recommendations may take some time. Staff retirements and transfers to other positions can accelerate full implementation.

5. Chief of Staff and Communication

The Chief of Staff and Communication area currently has four Officers and one Executive Director. The Officers are in the following areas: Auxiliary Services and Safety; Construction Management; Technology Infrastructure; and Facilities, and the Executive Director of Communications. Earlier, the consultants recommended that the Technology Infrastructure officer become the Chief Technology Officer for the district and serve as a member of the Superintendent's cabinet. In addition, the Facilities Officer has just retired, and the current thinking of the district leadership is to merge that department with the Construction Management Dept. After interviewing the Chief of Staff and Communication and the Construction Management Officer, the consultants are very supportive of that merger. Since district operational matters are central to this department, the consultants suggest renaming the department - "Operations and Communication."

The Construction Management Officer is responsible for all the renovation and construction projects associated with the recent $61 million bond issue. He works with the design teams (architect and engineers) for the projects, manages the biding process, and monitors the budgets after contracts are awarded, and prepares change orders for submission to the Board of Education. The Construction Management Officer also monitors student growth trends, the condition of existing buildings, and the placement of the district's 200 plus or minus mobile classrooms (both location and annual moves). Assuming the former Facilities Officer's duties is a natural fit for the Construction Management Officer. A more intimate knowledge of the existing facilities will inform future new construction and major renovations. Clearly there are times when the replacement of all or part of a 50-year old building is cheaper in the long run than renovating. Having more knowledge about the general condition of facilities informs the Construction Management Officer's work. Preventative maintenance on all existing facilities can extend their useful life. Maintaining painting cycles, flooring, HVAC filters, boilers, roof inspections, etc. cost money today but save money in the long run. Good playground maintenance improves the safety for students and the public and provides liability protection from playground injuries.

The consultants' conversation with the Construction Management Officer indicated a very thorough knowledge of all aspects of both the current bond issue projects and the over-all operation of facilities. The consultants discussed some current challenges in handling community facility use, surplus property, staff development, and warehousing. The consultants suggest centralizing the scheduling and billing for school rentals and sharing a certain percentage of the rental income with schools. The public should be able to schedule on-line or by phone. A designated person centrally can prepare a rental contract, collect insurance certificates if required, schedule the facility use, request utilities, and prepare and send bills using the program "School Dude" (already used by the district). If schools purchase their own custodial supplies, then these funds can help offset the increased use of paper towels and toilet paper. When the schools are receiving some of the rental income, they are more positive about dealing with the inconvenience of facility rentals and are motivated to report uses that inevitably never get scheduled or billed. A careful analysis of facility operating costs needs to be done to assure that the hourly rental rates are realistic. The consultants also recommend disposing some surplus property using Gov Deals – a free on-line surplus property system. The district might want to have a local auction for certain items but choose to sell some equipment or other large items on Gov Deals by simply posting a picture and requiring the buyer to pick it up. For classified employee staff development, the consultants would suggest evaluating a software package such as SAFESCHOOL which is an on-line training program that contains many established training modules and can deliver custom-made modules. This is a helpful "on-boarding" tool whenever a classified employee is hired. After an initial investment in building or the conversion of an old school to a warehouse space, quantity purchasing of many maintenance and instructional supplies can save tens of thousands of dollars in annual operating costs. The location of the warehouse is important – if must be centrally located to avoid ‘windshield time” of courier vans or other district vehicles. Because Johnston County is so large, a satellite warehouse might be a viable option.

The consultants also talked about the possibility of contracting for custodial services. While there is a great potential for saving large sums of money, it can be a very controversial topic. Durham County Public Schools has had a lot of publicity changing to contract services and then changing back. The consultants suggest that the type of contract cleaning model selected can eliminate controversy. The Human Resources office can provide the number of custodians who resigned over the past two or three years. The consultants suspect that number approaches 100. A contract cleaning service can provide trained employees whenever a district custodian resigns, and then entire schools can convert to contract cleaning over time. The consultants have experimented with several staffing models and recommend that the lead custodian remain an employee of the district and that he or she becomes the district’s contact person for the contract cleaning service and handles daily communications. The lead custodian would be responsible for opening the building up in the morning, cleaning the cafeteria after breakfast and lunch, complete spot cleaning and inspections of all restrooms during the day, an assist with deliveries and emergency cleaning situations. The contract cleaning staff would arrive fifteen minutes before the lead custodian workday ends and he or she would communicate with the cleaning service staff. While this approach takes a while to implement, it begins saving money from day one and no existing custodian loses his or her job or benefits. As temporary custodians begin working, the district saves over 19% of the current matching retirement benefit plus all the health insurance cost for full-time school classified employees. Generally, the consultants recommend that other operational services be considered for contracting. In some cases, contracting grounds maintenance and HVAC repair can save money. In addition, whenever it is possible to create part-time positions, the same 19% matching retirement costs and full health insurance costs can be saved. The consultants are aware that the use of part-time employees increases turnover since many employees are looking for work that provides benefits. The consultants suggest that retirees returning part-time often is successful. The consultants did not examine the staffing for all work groups that report to the Construction Management and Facilities officer and cannot make any recommended staffing changes.

The Auxiliary Services and Safety Officer supervises two large operations areas – transportation and child nutrition services – as well as school district safety. The state transportation efficiency rating for Johnson County is 96% and the district operates 314 buses. One of the tools to achieve greater efficiency is the Transportation Information Management (TIMS) bus-routing program. This state developed software package uses linear programming and GPS data to route buses in the most efficient manner possible given various constraints. One of the key constraints in routing school buses is the starting times for schools. Whenever a given school bus can complete multiple runs in the morning and afternoon huge efficiencies are achieved. The Chief of Staff and Communications shared with the consultants that individual school requests to change starting times had resulted in less efficient routes. School start times have now been centrally managed for next year and many buses should be able to complete three runs in the morning and three runs in the afternoon. Even though Johnston County's efficiency rating is excellent, efficiency should improve next year. Every school district in NC struggles to find an adequate number of substitute drivers. With efficiency improvements fewer buses are needed, routes are longer and pay more, and fewer substitute drivers are needed. The consultant suggest that the district consider experimenting with hiring several full-time substitutes who report to work each day and drive where they are needed. This is more costly since these drivers will qualify for benefits. But when a substitute driver cannot be located, dual bus routes have to be operated and families are inconvenienced with late arrivals home, and schools are inconvenienced with the supervision of students who remain at school until the bus completes a route and returns to pick them up. The district currently uses other classified staff, e.g., cafeteria workers, custodians, or teacher assistants to drive bus routes. As discussed in Issue #2 and Issue #5 above, If bus drivers also have another job role, attaching a bus route to their job creates an overtime situation that is very expensive for the district. Increasing more routes to three per day should allow more drivers to be full-time without the need for a second job role and, therefore, overtime costs.

From a cash operating standpoint, the Child Nutrition program is self-sufficient; no local dollars are spent in Child Nutrition. However, as Issue #5 points out, over $500,000 of indirect cost reimbursements are not being paid to the general fund of the district. At the beginning of each school year, the program does not have enough cash on hand to meet payroll requirements until the Federal Child Nutrition reimbursements are received in the fall. However, local dollars transferred into Child Nutrition in the early fall are returned by June 30. The consultants also suggest that the district consider contracting food service management. Just as with contract cleaning services, the consultants recommend that all kitchen staff and managers continue to work for the district. A successful bidder for food service program management would have control over food purchasing, menu planning and evaluating, allocating labor hours available for each school based upon student participation, training cooks, and marketing the program (by cafeteria enhancements, and administering "customer" satisfaction surveys). A successful contractor should guarantee that the Program return all eligible indirect costs to the district. A schedule for contractor payments and school district payments would determine what percentage of funds are paid to the district after operational costs and indirect cost reimbursements are satisfied. The consultants can verify that such an arrangement can generate enough funds to pay for kitchen equipment in new schools and the replacement kitchen equipment in existing cafeterias.

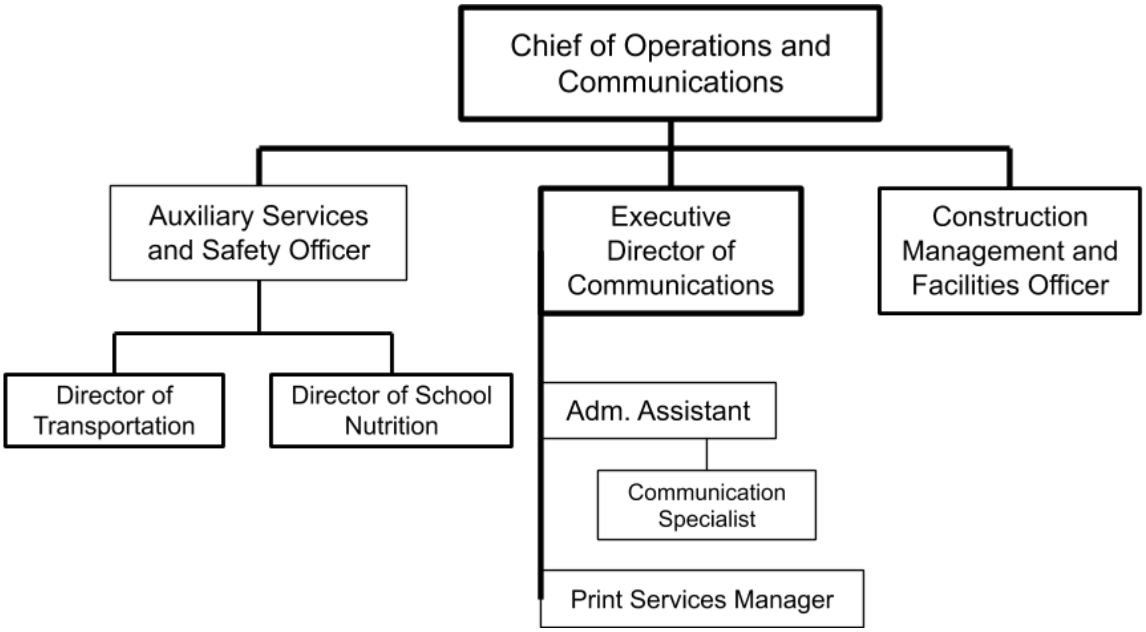
The safety challenges for school districts have grown exponentially over the past few years. The Auxiliary Services and Safety Officer manages many safety functions. He works with local police departments, the Sheriff's office, and all Fire departments in the cities and county. Each school principal has a "black box" at each school with emergency plans and instructions inside. These black boxes receive updates (some can be digital) and must be checked annually to ensure that they are current. Principals must receive updated emergency procedures and threat assessment training as well as practice lockdown drills. The district has been able to install a public access control system at all schools (a camera/buzzer system for admittance to the building). Similarly, the district provides all high school students with ID access cards. All these systems are supported and managed by the Auxiliary Services and Safety Officer. Security camera purchase, installation, placement, repair, and budget are handled by the Construction Management and Facilities Director with consultation from the Auxiliary Services and Safety Officer. The consultants recommend that Law Enforcement be consulted when decisions about camera locations are made.

The Executive Director of Communications manages a wide array of marketing and communication tasks and events. The Executive Director supervises five people. The marketing and communication coordinator manages social media and conducts website training for schools and teachers. The district maintains a Facebook presence and Instagram and Twitter accounts. The marketing and communication coordinator supervises the communications specialist who supports the district's website, serves as a photographer and video journalist (e.g., produces marketing videos), and records and live streams School Board meetings with captions. The print services manager provides graphic design services, designs and prints large banners, prints large orders for the district (like high school graduation programs, handbooks, etc.). The print services manager supervises the graphics technician who operates a printing press and prints envelopes, invitations, and prints the discipline forms on NCR paper. The consultants recommend that the district investigate using a discipline referral process that eliminates the use of NCR forms. Discipline record-keeping can be managed and stored on-line. Similarly, the consultants recommend exploring out-sourcing all printing work and eliminating the graphic technician's position.

The Communications office is responsible for several other areas. Public records requests are facilitated by the Executive Director. Information is shared with relevant parties and the School Board attorney is involved when necessary. Mass notifications to parents using the district's Blackboard system is managed by the Communication office. The director is hoping to implement a Blackboard app to improve communication with families. Many special district events are coordinated by the Communications office – the Employee of the Year reception, the Veteran's Day annual program, the Teacher of the Year celebration (coordinated with the CIA Dept.) and a new recognition gala, "Leading with the Best." The Executive Director did indicate that some of the large district events were managed by multiple people and that it would be a lot easier to have one person in charge of a planning team that would determine what groups were responsible for what part of the program.

The consultants have extended an invitation to the Chief of Staff and Communications to meet with the Winston-Salem/Forsyth County Schools (WSFCS) Assistant Superintendent of Operations and the consultants to (1) tour the district's warehouse operation, and (2) learn about the district's housekeeping and the food service management contracts.

The recommended organizational chart for Operations and Communications follows:



6. Equity, Information, and Student Services

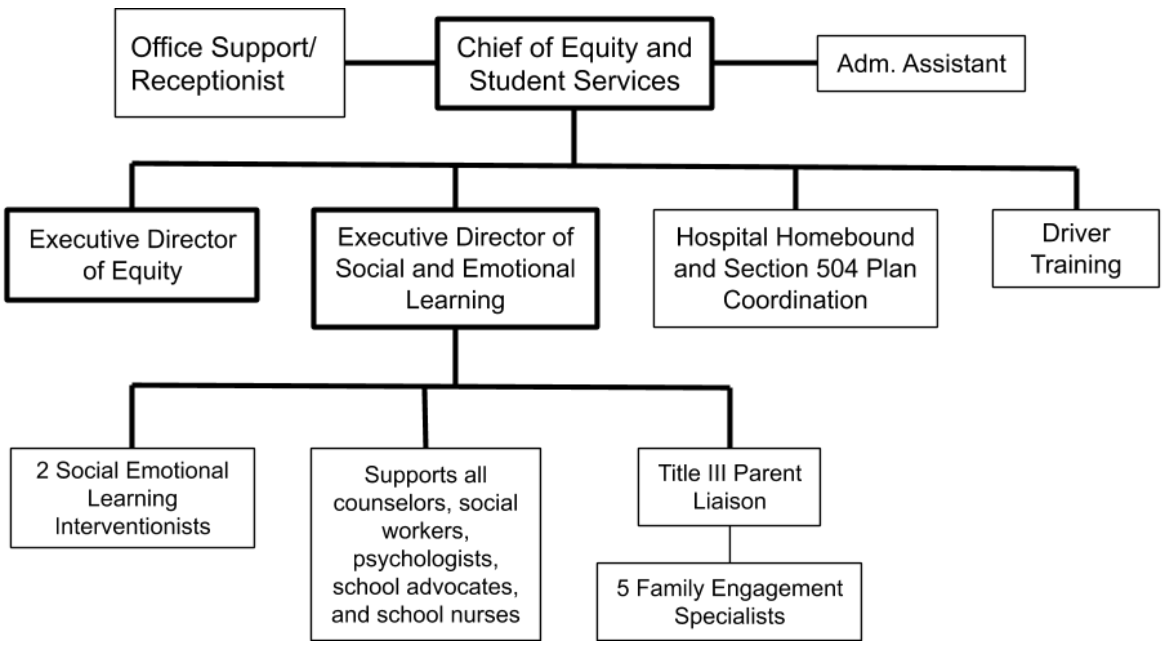
Since creation of a new Technology department would result in the transfer of the Executive Director of Information Services from the Equity, Information, and Student Services area to Technology, the consultants suggest changing the name of this department to Equity and Student Services. Two executive directors would report to the Chief of Equity and Student Services - the Executive Director of Equity and the Executive Director of Social and Emotional Learning.

The Executive Director of Social and Emotional Learning supports several areas. The consultants have already recommended moving two additional groups of employees to the Social and Emotional Learning department – school psychologists and translators. The rationale for moving the school psychologists was provided earlier; namely, so that the staff who recommend students for placement in special education classes would work independently from the staff who serve the students. The current psychologists in the district are paid from Exceptional children's funds. As the recommendation in Issue #1 discuss, staff with higher salaries in the EC department should be moved to regular state allotments to maximize the use of state position allotments. Any psychologists whose salary continues to be paid with EC funds will only be able to complete academic and ability testing for students who are referred for placement into Exceptional Children's programs. However, those psychologists paid from regular state position allotments, can also provide support to counselors and MTSS staff when needed. The Executive Director of Social and Emotional Learning would monitor the psychologists' progress on meeting the 90-day timelines for completing testing, assessment, and convening school level placement meetings for students referred for special education placement. In addition, the Title III Parent Liaison and the five Family Engagement Assistants were recommended earlier to move from the CIA area. School level requests for translators as well as requests from social workers and psychologists would be coordinated and managed by the Title III Parent Liaison. The Executive Director of Social and Emotional Learning already supports school counselors, social workers, school advocates, and school nurses and conducts monthly meetings with all three groups. The consultants recommend that one staff member from each of these groups (as well as school psychologists) be designated as "lead" to improve coordination and communication. The eight School Advocate positions are placed at each regular high school to work with students of not graduating on time. High school counselors are involved in the determination of Section 504 plans that are prepared for regular education students who are experiencing barriers to learning and require some limited accommodations (e.g., testing accommodations and pregnant teens). Occasionally students require homebound services or hospitalization and services must be coordinated for them. Regular classroom teachers are paid an hourly rate to provide hospital/homebound services. (One Exceptional Children's Coordinator provides hospital/home bound support for EC students.) The Executive Director of Social and Emotional Learning provides training for all school level hospital/homebound contacts and issues contracts for teachers providing hospital/homebound services. Two social emotional learning interventionists are supported with Title IV funds and report to the Executive Director of Social and Emotional Learning. Plans are underway for each interventionist to work with a school that is experiencing high numbers of suspensions and low school climate scores. Finally, the Executive Director of Social and Emotional Learning supports the Driver's Education program that is discussed in Issue #6 above. This program has a lead Driver's Education teacher who arranges for classes, contacts students, and coordinates behind-the-wheel driving experiences. The state of NC provides an allocation to support Driver's Education and allows the district to charge a fee. Currently Johnston County operates an in-house program and pays an hourly rate to instructors (current or retired teachers) who work after normal school hours. Again, the consultants recommend that the district explore the possibility of contracting for Driver's Education services and compare that cost to the current expenses of the in-house program.

The Executive Director of Equity is responsible for developing training modules for all employees to improve cultural awareness, identify implicit biases, and cultural blind spots. For teachers, the training modules are addressing how implicit bias affects student outcomes. School level data is being compiled to help identify schools with indicators of success and those that need improvement on a number of school data points: such as student discipline by race, ethnicity, and gender; subgroup performance on state tests; the percentage of students by race and ethnicity identified as qualifying for academically gifted services; and the number of students by race, ethnicity, and gender referred for testing to determine whether students qualify for exceptional children's services. The Executive Director also coordinates and leads a district equity committee with broad representation from teachers, counselors, coaches, and classified employees. In addition, the Executive Director participates on a regional equity committee. Work in this area has been going on for over two years and at least twenty schools have participated in training as well as several groups of classified employees. The Executive Director also works with Human Resources on improving the diversity of the workforce.

Since the Director of Information Services will report to the Chief Technology Officer (if the separate Technology Dept. is created as recommend), the consultants suggest two programs that used to report to the Director of Social and Emotional Learning now report to the Chief of Equity and Student Services – Driver's Education and the Hospital/Homebound programs and Section 503 plans.

The recommended organizational chart for Equity and Student Services follows:



Summary of Recommendations

The consultants have made many detailed recommendations regarding the Johnston County organizational chart and a summary of some of the more significant recommendations are repeated below. Readers are encouraged to go back to the department and find the item being discussed to read the rationale. Potential staff position changes are highlighted in yellow.

- Create a new Technology Department led by a Chief Technology Officer (CTO) that reports directly to the superintendent and services on the superintendent's cabinet.

- The new CTO would assume the duties of the current Technology Infrastructure Officer who would supervise the Executive Director of Information Services, and the Director o Digital Learning.
- Technology standards must be enforced, and a replacement cycle must be followed.
- The Technology department must be involved in the purchase of all major district-wide software packages to insure compatibility with equipment.
- The Beginning Teacher Program should move into the Human Resources Office and principals should evaluate the effectiveness of the current classroom observations to determine if the two Beginning Teacher Directors are needed. (Potential savings of 2 Director positions)
- Principals should complete one teacher reference check with the other required reference check completed by Human Resources staff. (Saves part-time summer hires)
- Re-examine the hiring process for cafeteria employees and consider the employment of a half-time administrative assistant (paid by Child Nutrition funds) to assist in completing the hiring process. (potential addition of a half-time administrative assistant)
- Reassign all district psychologists from Exceptional Children's department to the Student Services area.
- Reassign the Title III Parent Liaison and the five Family Engagement Assistants from the Federal Programs area to the Director of Student Services.
- Create a K-12 Curriculum and Instruction area consisting of content area support, the Career Readiness department, and a new Instructional Support department who would report to the Deputy Superintendent of Curriculum, Instruction, and Accountability Standards.
- The Exceptional Children, Federal Programs, and Accountability and Assessment departments would report directly to the Deputy Superintendent for Curriculum Instruction, and Accountability.
- Determine whether the fee charged to "typical" pre-K students is covering the actual cost of the "slots" that they occupy, review screening practices for Pre-K students entering Exceptional Children's handicapped Pre-K programs, and explore the use of substantial funding of Pre-K programs using Title 1 funds.
- Utilize multi-tiered system of support (MTSS) best practices to reduce the number of students identified for exceptional children's services – state currently reimburses 12.75% and Johnston County is over 16%.
- The implementation of all recommended staffing changes in Curriculum, Instruction, and Accountability would result in a net reduction of two executive directors, three directors, and nine specialists/coordinators.
- Rename the Chief of Staff and Communication as the Chief of Operations and Communication.
- Explore contracting for custodial services, food service management, grounds maintenance, HVAC repair, printing services and Driver's Education. These

recommendations are discussed in detail in the Operations Area review and in the Equity, Information, and Student Services review. Outsourcing the printing work for the district would allow the reduction of the printing technician's position. Other position savings can occur if any of the other areas transitioned to contracting, but the savings would not be realized in FY 21)

- Rename the Chief of Equity, Information, and Student Services as the Chief of Equity and Student Services.
- Have Driver's Education and Hospital/Homebound, Section 504 plans report to the Chief of Equity and Student Services rather than the Executive Director of Social and Emotional Learning.

Appendix A: Consultant Team Bios

Don Martin, Ed.D.

Don Martin has served 33 years as a superintendent of schools in four districts – two in Kentucky and two in North Carolina. During his last 19 years he served as superintendent of Winston-Salem/Forsyth County Schools (53,500 students). In 2011 Dr. Martin was named the NC Superintendent of the Year and in 2009 he received the NC Distinguished Educator Award by the North Carolina Association for Supervision and Curriculum Development. He received his undergraduate degree in physics and his master of arts in teaching degree in math from Duke University and his Ed.D in Educational Administration from the University of Kentucky.

Dr. Martin has served as a County Commissioner in Forsyth County, NC since 2014. He is currently serving as Vice Chairman of the Board of Commissioners.

Kerry Crutchfield

Kerry Crutchfield has spent 38 years in school finance in Winston-Salem/Forsyth County Schools, including 30+ years as the Chief Financial Officer. Prior to joining the school system in early 1981, he was in public accounting for four years, auditing WS/FCS, other government programs, insurance companies, textile firms, hospitals, and car dealerships. He is a Certified Public Accountant and has served on the Governmental Accounting and Auditing Committee of the North Carolina Association of CPAs since its inception in the early 1980s, serving as its Chairman for two years. Additionally, he has served as President of the North Carolina Association of School Business Officials and of the North Carolina Association of School Administrators.

In addition to managing an annual budget of over $500 million, Kerry loves to teach school finance to other school district finance staff, to principals and assistant principals, to school treasurers (bookkeepers), and to school district auditors. He has taught or helped teach school finance to education doctoral students at UNC-G, Gardner Webb, and High Point University. He has served on multiple statewide commissions and study groups, including the Committee that developed the initial charter school application in North Carolina, and chairing the Committee that revised the State Uniform Chart of Accounts. Besides the typical areas of school finance, Kerry also has expertise in compensation plans and benefits selection and administration. He has provided consulting services for multiple school districts in North Carolina and South Carolina.

Kerry is a Morehead Scholar graduate of The University of North Carolina at Chapel Hill.