



# PUBLIC SCHOOLS OF NORTH CAROLINA

DEPARTMENT OF PUBLIC INSTRUCTION | Catherine Truitt, *Superintendent of Public Instruction*

WWW.DPI.NC.GOV

November 8, 2021

Gov. Cooper, Speaker Moore, and Senator Berger,

As you all are very aware, the past three school years have been incredibly trying for our students, educators, and parents. The challenges of COVID-19 have caused our public-school education system great uncertainty, and this has only been exacerbated by the delay in our state's budget and continued reports that the General Assembly and Governor are not any closer to reaching an agreement.

I would like to start off by saying that I understand the budget process requires compromise and negotiation. Because of this, I recognize the Department of Public Instruction will not get everything we have asked for. However, the bi-partisan proposals by the General Assembly show the good faith effort underway to create a budget that addresses the needs of all of our citizens.

I am hopeful that a conference budget can be reached soon. A new budget is necessary to address the needs of our school districts and the challenges that have transpired because of COVID-19. No matter the number, \$0 and 0% increases should not be the state's goal when it comes to increased funding for education after three years of pandemic hardship that has undoubtedly created new needs and new priorities for educators and students on top of what already existed pre-pandemic.

I'm hopeful to see many things in this budget, but most importantly, I'm hopeful that we have a budget after nearly four years without. I like to think there is widespread agreement that perfect cannot be the enemy of the good and while more can be done with more resources, \$330 million dollars to address unfinished learning and issues stemming from COVID-19 school years is better than \$0 dollars; a 3%, 5% or 10% raise for teachers is undoubtedly better than no raise; and roughly \$80 million in funding to modernize school business platforms and provide cyber security to PSUs across our state is much better than \$0. The list could go on, but the facts remain that a budget is needed to move us beyond the status quo so that we can strategically begin to execute on long-awaited plans.

I'd also like to bring your attention to the many crises on the horizon in K-12 education if a budget does not become state law. Without a budget, the Department expects, at minimum, the following state education programs and services to either 1) cease to exist or 2) result in surprising costs unfairly deferred to locals. The current at-risk education programs and services are outlined below:



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## Licensure System:

- The current licensure system contract expires in June 2021. DIT has indicated that only short-term exceptions would be allowed, and the current licensure system has several large issues that will not be able to be resolved. If either DIT or the vendor refuse a longer-term emergency extension of the contract, **DPI will be unable to license teachers electronically and this has the potential to cause massive delays.**

## Transition of Costs to Districts:

- The Human Resource Management System was receipts-funded from districts until Race to the Top in 2013. This moved these systems to the cloud and funding was sustained by School Business Systems Modernization until this system can be retired.
  - **Without continued funding, this cost (\$1.85M) would need to be shifted back to the districts using a receipts-funded model.**
- Since 2015, NCDPI has paid for an applicant tracking system (TeacherMatch) for any PSU that opted in to use. This was paid for through UERS and School Business Systems Modernization. Without SBSM funding, the program cannot be continued.
  - **Total fiscal burden to PSUs to continue current services: \$3.25M**

## ERP Systems:

- \$33,662,240 has paid for ERP modernization in 13 districts. **No further funding will be available to complete additional projects.**
- Districts will be able to leverage \$6,184,804 for the ERP “Golden Templates” to support implementation in each district, but **the costs of implementation will fall on the district** and the Template will not be updated or maintained.

## Agency Financial Systems:

- DPI needs to update allotment, cash management systems, and ledgers to align the needs of the Division of School Business with the new NCAS Replacement that is occurring at the state level. In addition, DPI’s financial systems will go out of support in June of 2023. Without funding and an immediate start, there is significant risk that **DPI will not being able to allocate money to districts** with the launch of the NCAS replacement in 2023.

## Teach NC and Statewide Job Board:

- The Teach NC initiative has been able to enroll 675 future teachers in educator prep programs during the 2019-2020 school year. 2020-2021 results are still being calculated, but it looks to be a significant increase from 2019-2020. **This contract expires in November.**



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## Student Information Systems (SIS):

- The last competitive bid for the SIS was in 1997. The current SIS needs to be sent for an RFP and will be unable to be updated without a budget. As a result, **UERS funding is on an unsustainable trajectory and will be in deficit as early as next year** causing the department to either stop paying the bills or cut services elsewhere.

## E-rate and the FCC:

- Changes to E-rate by the FCC will cause more than 150 of our schools (consisting of more than 14,000 students) to **lose funding that provides basic wireless access impacting classroom instruction**. Many are charter schools and schools focused on addressing special needs.
- To continue providing Wi-Fi to these classrooms at no local cost, School Connectivity requires an additional \$4.6M for each of the next five years.
- Each dollar of state funding spent on E-rate eligible goods and services delivers \$3.81 in value, a return-on-investment of 281%. **Without the expansion funds, North Carolina will lose \$17,526,00 in eligible goods and services each year.**

While I understand that negotiations continue to play out, I want to make it clear that the Department of Public Instruction – and NC’s K-12 education system at large - is facing considerable obstacles while we wait in limbo. If a budget is not signed, hardship will be experienced, yet again, across our state with severe implications for our students, our teachers, and our school support staff.

If both branches of government are unable to reach a compromise, my hope is that a budget can still be put forth for a vote. Should this vote come to fruition, I would hope that no pressure be applied to legislators in voting for or against it, as they should be allowed to represent their constituents rather than feel pressured to support a political party.

Our state and its education leaders need budgetary certainty so they can continue carrying out their vision and mission during what has been one of the most challenging times in their lives.

Thank you for your work, service, and time.

A handwritten signature in black ink, appearing to read "C. Truitt", with a long, wavy flourish extending to the right.

Catherine Truitt

Catherine Truitt, *Superintendent of Public Instruction* | catherine.truitt@dpi.nc.gov 6301 Mail Service Center,  
Raleigh, North Carolina 27699-6301 | (984) 236-2200 | Fax (984) 236-2349  
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