

2013-2015 North Carolina budget short-changes students, teachers and public education

BUDGET & TAX CENTER FACT SHEET

August 2013

North Carolina has made severe cuts to funding for local school districts since the start of the recession. The budget approved for the 2014 school year continues that trend and fails to fund public education at levels that would allow the state to maintain current service levels, let alone restore funding to pre-recession levels. Failure to adequately invest in education will only make it harder for the state to develop the skilled workforce needed to compete in today's global economy.

QUICK BY THE NUMBERS:

\$563 million less spent on K-12 in FY2014 compared to the FY2008 inflation adjusted budget **\$525 million** in revenue lost over the biennium because of the tax plan **\$117 million** is the amount that the K-12 budget in FY2014 falls short to maintain service levels

MORE DETAIL:

Education funding falls short in the 2013-2015 budget. Spending in the Final Budget for K-12 education fell \$117 million short of what was needed to continue an already inadequate level of education services due to a repeated pattern of cuts to education. When comparing the public education budget this year to the last budget prior to the recession and adjusting for inflation, North Carolina spends less today on education than it did five years ago, despite more students entering public classrooms over this period.

Education Cuts have harmful effects in the classroom. These cuts impact the quality of educational instruction in classrooms and, consequently, threaten educational outcomes for our children.

- Increasing teacher-to-student ratios which reduces total funding for teachers by \$286.4 million means local school districts may have to cut teacher positions. This loss of funding could result in 5,200 fewer teachers throughout our state.¹ Further, larger classroom sizes impact the quality of education children receive as one on one attention has to cover more students.
- The elimination of 21% of funding for teacher assistants, who play a vital role in helping children learn, equates to a potential loss of approximately 3,800 positions.²
- Nearly \$24 million in cuts to instructional support personnel and instructional supplies translate to inadequate funding for educational materials, which compromises our children's educational experiences. In addition, funding for textbooks is only 25% of what the Department of Public Instruction determined was needed.³

¹ NC Department of Public Instruction. "Summary of Special Provisions-Senate Bill 402." May 2013. Available at: http://www.ncpublicschools.org/docs/fbs/budget/summary-sb-402-2013.pdf

² Dalesio, E.P. (August 12, 2013). Debate on NC school funding rises as classes near. Charlotte Observer.

³ Ibid. In the 2013 budget, law makers enacted a one-time cut to textbook funding. The NC Department of Public Instruction requested the cut to be restored in the continuation budget for the 2013-15 fiscal year, but the Office of State Budget and

- The lack of pay raises for teachers, elimination of the salary incentive for teachers who earn advanced degrees, cuts to professional development and recruitment programs, and elimination of teacher tenure damages teacher morale, teacher quality and our ability to keep good teachers in the state and attract new teachers.
- The budget siphons \$10 million away from the public school system for children to attend private and religious schools through a permanent voucher program. Private schools are not held to the same standards as public schools, as they do not open their doors to all, nor are they required to provide transportation or free and reduced-price lunch. Studies have shown that student outcomes for those who received vouchers for private schools in other states are significantly lower.⁴

Management chose not to—meaning the one-time cut became permanent, eroding the baseline. DPI estimates that approximately \$100 million is needed in the 2014 fiscal year, but the new appropriation is only \$23.6 million.

4 Ellinw ood, Matthew . "Public Money for Private Schools: Vouchers and Neovouchers." NC Justice Center. April 2013. Available at:

[&]quot;Ellinw ood, Matthew . "Public Money for Private Schools: Vouchers and Neovouchers." NC Justice Center. April 2013. Available at http://www.ncjustice.org/?q=education/education-policy-perspectives-public-money-private-schools