Department of Public Instruction |Catherine Truitt, Superintendent of Public Instruction

NORTH CAROLINA SCHOOL FOR THE DEAF

517 West Fleming Dr., Morganton, NC 28655

Mark D. Patrick, Director | Telephone: 828.432.5200 | Fax: 828.433.4044

North Carolina School for the Deaf Board of Trustees

Interim Report to the Joint Legislative Education Oversight Committee

SESSION LAW 2023-10 (HOUSE BILL 11)

Date Due: March 29, 2024
Date Submitted: March 27, 2024

NORTH CAROLINA SCHOOL FOR THE DEAF BOARD OF TRUSTEES

Sandra K. Turner, Chair
Appointed by: Speaker of the House of Representatives

Dr. M. Tammy Weiner, Vice Chairman
Appointed by: Speaker of the House of Representatives

Y. Mickie White
Appointed by: President Pro Tempore of the Senate

Jimmy R. Autrey
Appointed by: State Board of Education

Wallace M. Saunders
Appointed by: President Pro Tempore of the Senate

Dr. Candice M. Tate
Appointed by: Department of Health and Human Services - Ex Officio

Rey M. Castillo
Appointed by: Alumni Association – Ex Officio

Summary

Funding Essentials

- A recurring $400,000.00 appropriated for legal fees for fiscal year 2024-25 to be available immediately due to complex legal issues related to transition.
- A recurring $50,000 lease appropriation upgrade for the entire NCSD WIFI System.
- A recurring $300,000.00 appropriated for Transportation Costs to replace funds currently provided through NCDPI.
- Reallocate up the current Agency HR Consultant II to Human Resource Director.
- Add an additional HR position to assume duties done to date by DPI.
- Reallocate up the User Support Analyst to Information Technology Director I.
- Add an additional IT position to assume new duties necessary to maintain system and operations.
- Reallocate up current Business Officer II to Business Director.
- Add an additional Business office position to assume duties done to date by DPI.
- Create and fund an Account Technician II.
- Unless provided through DPI, provide funding for general liability and Directors and Officers insurance.
- Request per pupil EC funding for each student from the State. Currently, neither LEA's nor the schools receive per student EC funding for students placed at the three schools.

Legislative Corrections

1. Remove due process for admission denials and allow an appeal by the parents of the director's decision to the Board of Trustees.
2. The Board of Trustees should be given the authority to approve policies starting on May 1, 2024, to be effective July 1, 2024.
3. All contracts transferred to authority of the Board of Trustees by July 1, 2024, with authority given to the Board of Trustees to enter certain contract renewals starting on May 1, 2024.
4. The Board of Trustees authority to hire starting on May 1, 2024, for new positions and/or employees based on Director recommendations to begin work in July 2024.

The Board of Trustees has been presented the following recommendations and legislative requests by the *staff and administration of NCSD*:

These items are directly related to the House Bill 11 Transition and are of the utmost importance to maintain the day-to-day operation of the school and minimize disruptions to student education.

- A Legislative appropriation of $300,000.00 for the 2024-25 school transportation costs which DPI was previously funding.

- Three positions that will be needed to assume the work of DPI personnel:
    - Human Resources: Director
    - School Finance: Director
    - Information Technology: Director

- An annually recurring appropriation of $50,000.00 for school wide WIFI upgrade lease due to the age of the system and lack of replacement parts.

- An annual appropriation of $400,000.00 to be used exclusively to pay the Law Firm hired by the Board of Trustees.

Section #1. Response to any assessments, issues, or recommendations submitted by the Department of Public Instruction in reports submitted as provided in subsection 7. (a) of North Carolina General Assembly Session Law 2023-10 House Bill 11.

Regarding DPI's cost estimates and staffing recommendations related to administrative services currently provided by DPI:

Human Resources (HR)
NCSD has one Agency HR Consultant II and one HR Technician, both of whom rely on DPI to perform a range of tasks and system approvals that are outside of their job classifications.

DPI Interim Report #2 recommends that NCSD modify its current staffing to include one HR Director and two HR technicians to ensure proper segregation of duties and adequate staffing to handle the full breadth of duties to be transferred from DPI responsibility to NCSD staff.

Consistent with this recommendation, the NCSD Board of Trustees recommends the following steps are immediately implemented to ensure that NCSD is prepared to meet its HR requirements with proper segregation of duties as of July 1, 2024:

- Reallocate up NCSD's current HR Consultant II to Human Resources Director with commensurate salary adjustment.

- Create and fund an additional HR technician.

- Provide appropriate systems access and training for each member of the HR department on all relevant systems (e.g., Fiori, NCVIP, LMS, etc.) prior to July 1, 2024

- Designate an appropriate Point of Contact from DPI or OSHR to provide consultation to better understand the needed skills, training, access to key systems, and full extent of responsibilities and tasks to be transferred from NCDPI to NCSD staff.

Business Office
NCSD currently has one Business Officer I supported by an Administrative Specialist II. These individuals currently rely on DPI to perform a range of tasks and system approvals. Many of the tasks slated to be transitioned from DPI to NCSD staff are not within these current job descriptions or classes. DPI has already begun to shift some of these responsibilities to NCSD's current staff, with no increase in staffing or compensation.

To ensure the full range of transferred duties and responsibilities are maintained within the appropriate job classification description and that segregation of duties remains in compliance with applicable state regulations, the Board of Trustees recommends the following steps are immediately implemented to ensure that NCSD is prepared to meet its Business Office requirements as of July 1, 2024:

- Reallocate up the current Business Officer I to Business Director with commensurate salary adjustment.

- Add an additional Business office position to assume duties done to date by DPI.

- Create and fund an Accounting Technician II.

- Provide appropriate systems access and training for each member of the Business Office on all relevant systems (e.g., NCFS, etc.) training prior to July 1, 2024.

- Designate an appropriate Point of Contact from DPI or OSBM or OSC to provide consultation to better understand the needed skills, training, access to key systems, and full extent of responsibilities and tasks to be transferred from NCDPI to NCSD staff.

Information Technology (IT)

As a result of the transition, NCSD will be newly responsible for Information Technology software, hardware, staffing, and training previously provided to NCSD through DPI. These areas are not in NCSD's current or projected budgets. In addition, the required responsibilities previously managed by DPI are outside the job descriptions and classifications of NCSD's current IT department. The Board of Trustees recommends the following steps are immediately implemented to ensure that NCSD is prepared to meet its Information Technology requirements as of July 1, 2024:

IT Software and Hardware:

- NCDIT requires NCSD to obtain authentication through Microsoft Office 365 licensure which requires annual subscriptions. To date, NCSD has paid $17,575 for the 23-24 school year but has not yet received access to these accounts from NCDIT. Require NCDIT to provide immediate access to these accounts. DPI should ensure that both the new and old domains run simultaneously for the entire 24-25 school year to ensure business operations are not interrupted.

- In May 2024, NCSD will be required to pay an additional $17,575 for Microsoft Office 365 licenses for the 24-25 school year out of the 23-24 school year budget. Budget the $17,575 needed annually to maintain compliance with NCDIT requirements.

- NCSD will be required to pay $6 per staff member per month for their NCID log-ins. This is a new transition cost and the Board requests additional funding to support this transition cost. Budget the $10,800 needed annually to maintain NCID compliance.

- The NCSD student body requires a strong and reliable Wi-Fi system to receive equal and accessible access to educational materials and systems as well as the security of up-to-date emergency response and support technology. The current Wi-Fi system is over 6 years old and compatible access points can no longer be purchased or supported causing increasing degradation of the Wi-Fi access across campus: <u>Fund the upgrade to lease annually for a quality system to replace the outdated and antiquated system ($50,000).</u>

IT Staffing and Training

- To ensure the transferred IT duties and responsibilities are maintained within the appropriate job classification description: Reallocate up the current User Support Analyst (DT06) to Information Technology Director I (DT12), with commensurate salary adjustment.

- To achieve compliance with current NCDIT regulations not previously required for NCSD staff: Fund and provide access to the necessary training for Information Technology staff to meet all state Information Security Regulations.

- To appropriately manage the large number of responsibilities being transferred from DPI to NCSD: Create and fund an additional Information Technology position.

- Provide appropriate systems access and training for each member of the IT department on all relevant systems (e.g., Email domain, NCID, etc.) training prior to July 1, 2024.

- Designate an appropriate Point of Contact from DPI to DIT to provide consultation to better understand the needed skills, training, access to key systems, and full extent of responsibilities and tasks to be transferred from NCDPI to NCSD staff.

School Planning

School Directors were recently informed that School Planning services via DPI will discontinue after the transition. Losing the DPI Engineer will be largely impactful given the nine fully funded projects that NCSD has. Due to this unintended loss of the support from DPI, the board would like to request:

- Reallocate up the current Maintenance Construction Supervisor VI to a Maintenance Construction Project Manager II with commensurate salary adjustment.

- Allocate funds for contractual services with an Engineering Firm to complete all paperwork for submission from NCSD to State Construction.

- Provide appropriate systems access and training for each member of the Facility Engineering department on all relevant systems prior to July 1, 2024.

- Designate an appropriate Point of Contact from DPI or State Construction to provide consultation to better understand the needed skills, training, access to key systems, and full extent of responsibilities and tasks to be transferred from NCDPI to NCSD staff.

Board Expenses

No state or legislative funds have been allocated for the Board of Trustees. The Board continues to have many needs and expenses that fall outside of the ability for the school to fund using current operational funds. Examples include:

- Board Training and continued CUEs are required annually.
- Travel expenses for all members, especially the out-of-state Trustee.
- Interpreters for board meetings: Three to four ASL interpreters are needed for each Board meeting to ensure access for all Trustees and the public.
- Updated technology to meet the needs of meetings.
- Unless provided through DPI, provide funding for general liability and Directors and Officers insurance.

This board would like to request appropriate recurring board funds to ensure all requirements are met per ADA and HB 11.

Section # 2. An assessment of employment rights, salaries, and benefits for current employees of the schools for the deaf and blind under state Human Resources Act and State Salary schedules as compared to those rights, salaries, and benefits of local school administrative unit employees under Chapter 115C of the General Statutes and Identification of any areas where the transition may provide lesser protections, salaries, or benefits not addressed by North Carolina General Assembly Law 2023-10 House Bill 11.

The Board of Trustees would like clarification about the status of NCSD as a Public-School Unit, an LEA, or other designation. The Board of Trustees also needs clarification of 115-C certified employees and GS-126 state employees, as well as on the new recommendations for newly hired staff who will become 115-C classified employees.

Section #3. An Assessment of the most effective administrative structure for the Schools for the Deaf and Blind.

More information and discussions are needed before the Board of Trustees can make affirmative decisions. There has not been sufficient time to review the Organizational Chart and meet with the school administration and staff to make informed decisions as to what changes, if any, are necessary.

Section #4. Any other issues identified as part of the transition process and any legislative recommendations necessary to effectuate the transition.

Effective Communication with Transition Project Manager
To date, Dr. Chip Buckwell, who was hired in November 2023 as Project Manager to assist DPI and the Schools with the transition, has held multiple meetings with the NCSD School Director, but has not been in any direct communication with the NCSD Board of Trustees, with the exception of the March 4, 2024 Board meeting.

The Board has been informed that there is not a formal transition plan. Given the short amount of time that remains before the July 1, 2024 transition date, the NCSD Board of Trustees' observation is that there is not enough time for intermittent communication through a liaison, which can result in mis-communications and delays.

Therefore, the NCSD Board of Trustees requests Dr. Buckwell make a formal presentation to all three Boards on the status of transition. Specifically, which issues have been fully addressed and what questions remain unresolved to assist each school in the transition. All three schools are currently working on a list of concerns that will assist Dr. Buckwell in his presentation. In addition, we request that Dr. Buckwell attend all Board meetings between now and July 1st (remotely as needed) to address Board questions and concerns. Finally, we ask that Dr. Buckwell be available to speak to the Board Chairs informally as issues arise.

Funding the Transition:
House Bill 11 did not provide for the necessary legal services that would be required by the Board for transitional matters prior to July 1, 2024. To address this oversight, DPI approved the services of the legal firm of Campbell Shatley, and directed each school to spend a certain amount (either 25,000.00 or 30,000.00 is our understanding) on pre-July 1, 2024 legal fees from existing school funds. However, NCSD did not have funding to support the request. Thus, we recommend the following revision:

It is imperative that the school administration and the Board of Trustees have access to effective legal services immediately given the complex issues involved in the transition. Legal fees were not appropriated by the State or DPI for transition issues prior to July 1. Subsequently, the Board of Trustees was approved to retain counsel

prior to July 1, 2024 using existing school funds. Due to preexisting priority needs, available funding is not sufficient to address legal fees between now and July 1, 2024. Thus, the Board of Trustees requests that the $400,000.00 in legal fees to be appropriated as recurring funds for the 2024-25 fiscal year, be restricted for legal fees, and be available to the Board as of May 1, 2024.

Budgetary Inflation Adjustments

It is the NCSD Board of Trustees' understanding that apart from Legislative Increases, NCSD has had the same budget for at least the last 10 years. According to CPI data, annual inflation over time has averaged between 2.5-3.0% amounting to a cumulative erosion over time of more than 30% in real dollars. Appropriate operating budgetary adjustments are long overdue. While the NCSD Board of Trustees works with NCSD staff to develop specific fiscal recommendations to bring future budgets into alignment with realistic operating costs we recommend that a minimum budgetary increase of 30% be allocated in the budget for 2024-25.

The Board of Trustees should be kept informed of any Legislative Increases. The Board should be able to review the Budget for 2024-25.

In Conclusion

Legislative appropriations need to increase for the Residential Schools to meet inflation. The NCSD Board will take a harder look at staffing in the next few months, not that we foresee any changes, but at this time we feel any increase in funding should help the staff that is in place. The WIFI and technology has shown many of the inadequate tools since we have a hybrid Board with one member in Maryland. Money should be provided so enough skilled certified interpreters can be hired to provide our deaf Board members with equivalent access and voice at official Board meetings.

The school is telling the Boards that there are insufficient funds for legal fees. The Board of Trustees need an attorney present at every meeting while the Board is being established.

As stated in our December 2023 report, we state once again:

During the remainder of the Transition period prior to July 1, 2024, NCSD Trustees see significant value in the opportunity for appropriate discussions with members of the NCSD Administration, Leadership, Faculty, and Staff.

Similarly, NCSD Trustees need to thoroughly tour the campus grounds and buildings to form a complete understanding of associated capital and operating needs. To date, the NCSD Trustees have not had these opportunities but see them as an essential component of preparing for a formal transition on July 1, 2024, and expect to work with the school Director to establish appropriate forums to do so as soon as feasible.