### StarNews ONLINE

### Charter school company refuses to disclose salaries



A Douglass Academy kindergarten teacher assistant works with students on a colors and numbers lesson at the school in Wilmington on Wednesday, August 28, 2013.

Buy PhotoPhoto by Matt Born By Pressley Baird Pressley.Baird@StarNewsOnline.com Published: Monday, June 9, 2014 at 4:41 p.m. Last Modified: Monday, June 9, 2014 at 4:41 p.m.

The company that runs three charter schools in Southeastern North Carolina is refusing to release detailed salary information to the StarNews.

## False. Charter Day School, Inc. has fully released its employees salaries. The company that runs the three charter schools had no involvement in the record request.

The Roger Bacon Academy, which operates Charter Day School in Leland, Columbus Charter School in Whiteville and Douglass Academy in Wilmington, released the total costs of employee salaries for each of its schools rather than individual employee salaries.

## False. Charter Day School, Inc. released all of the salary information responsive to the request. The law does not require manufacture or release of information that does not exist.

Local school leaders say the lack of transparency raises concerns about the schools, and an April letter from the state Office of Charter Schools reminds schools that their charters could be revoked if they don't comply with state public record laws.

Annual independent government audits costing tens-of-thousands of dollars and thousands of individual test scores are publicly available for all charter schools. These transparent documents prove that traditional public schools spend more money and produce inferior results. Last year's audits showed Brunswick County received \$10,156 per pupil while Charter Day School received only \$7,399. Yet Charter Day School had superior results in spite of being a Title I school. Parents know these facts, and that is why Charter Day School, Inc. has over 450 students on its waiting lists trying to escape the schools run by these "local school leaders." Why aren't the media looking into the waste and

### mismanagement of the traditional systems instead of harassing charter schools for their efficiency and superior results?

Three other charter schools in the area – Wilmington Preparatory Academy, Island Montessori Charter School and Cape Fear Center for Inquiry – did release individual salaries to the StarNews.

"Charter staff are not employed by a public school board but by a private nonprofit board and, as a result, their salaries are not subject to public records law the way public school board employees' or state employees' salaries are," Jeter replied, saying she had consulted with DPI legal staff. "I don't think the charter law or public records law speaks to charter salary information."

[A Charlotte Observer article from April 24, 2014. Vanessa Jeter is Director, Communication and Information Services, NC Dept. of Public Instruction]

#### Law covers charters

The state law governing employee's personnel records - N.C. General Statute 162A-6.1 - says that individual salaries, as well as salary increases and decreases, are public record. "Salary" includes pay, benefits, incentives, bonuses "and all other forms of compensation paid by the employing entity," according to the law.

### Totally Stupid: General Statutes 162A-1 through 162A-19 apply only to <u>Water</u> and <u>Sewer Authorities</u>. Maybe that is what is confusing these news editors.

After the Charlotte Observer requested employee salary information from charter schools in the Charlotte area, the state Office of Charter Schools sent a letter to all schools reminding them that they must comply with public records requests such as that one.

### Charter Day School, Inc. fully complied with all public record requests.

"The charter agreement requires all charter schools to follow the public records law," wrote Joel Medley, director of the state Office of Charter Schools. "This provision has appeared in the charter agreement since 1996 and currently states 'The nonprofit (charter board of directors) is subject to the public records law, Chapter 132 of the General Statutes."

Each charter school signs a charter agreement when it opens. If a school doesn't comply with "all conditions contained in the charter agreement," Medley writes, its charter can be revoked.

Note that Dr. Medley cites the correct statute and states correctly to whom it applies for those under the current contract. The email he sent to local media on May 30, 2014 at 11:16 a.m. also stated, "We are not responsible for interpretation of laws applicable to charter schools as each school retains their own private counsel for such purposes and to give legal advice to them.... The Department of Public Instruction consistently tries to assist charter schools in navigating their obligation to comply with applicable laws or policies. We do not, however, give them legal advice regarding timeframes when they are confronted with public records requests."

Medley was out of the office Monday and did not immediately return requests for comment for this story.

### Dr. Medley had it correct the first time. He has better things to do than to keep repeating himself.

#### Salary list 'does not exist'

In a letter to media outlets, Roger Bacon chief financial officer Mark Dudeck said that while the charter schools would release salary information, they were not required to release individual employees' salaries.

"(The law) allows that 'nothing in this section shall be construed to require a public agency to respond to a request for a copy of a public record by creating or compiling a record that does not exist," he wrote. "(Charter Day School) simply does not maintain salary lists of the type you requested."

### Mr. Dudeck is Treasurer of Charter Day School, Inc. and responded to the request for salary information.

It's not clear whether the totals Roger Bacon released include administrator's salaries.

(This is getting monotonous.) Roger Bacon is not involved at all. He was one of the 13<sup>th</sup> century's greatest teachers. He died in 1292 after ten years in solitary confinement by school officials ["local school leaders?"] who did not agree with his teachings.

Dudeck did not immediately return calls to answer questions.

#### Mr. Dudeck's letter requested that questions should be mailed to him in writing.

Brunswick County Schools Superintendent Edward Pruden has been complaining for months about The Roger Bacon Academy's lack of transparency and failure to comply with public records laws. He's sent multiple letters to the state Board of Education voicing his complaints and alerting the board to a U.S. Department of Education investigation into Charter Day School and Columbus Day School, which Pruden said revolved around allegedly fradulent [sic] enrollment numbers at the schools.

# Executive Editor Pam Sander, did "local school leader" Pruden also teach you how to misspell "fraudulent?" And why does local school leader Pruden not acknowledge that Charter Day School, Inc. produced 3,816 pages in responding to his 16 item public record request last fall?

Pruden also urged the state Board of Education not to approve another charter school opening under The Roger Bacon Academy. That failed, and the state granted approval for South Brunswick Charter School to open in August.

Appropriately, even the State Board of Education saw through all of Pruden's ridiculous "urgings," and South Brunswick opens under control of Charter Day School, Inc. with orientation on July 18, 2014. This date has been on the web site, in fb postings, mailers, radio announcements, flyers, and signs for months. BTW, did you know that just after the meeting where Pruden (BrunsCo Superintendent) "urged" SBE to disapprove the SB charter, the Superintendent of the New Hanover Schools (Tim Markley), who was the Chairman of the committee which reviewed SB's application for a charter school, was overheard in the hallway apologizing to Pruden for not being able to squash the application. Is it possible these two profligate wasters of public dollars don't think they can learn anything new from charter schools and instead are formally conspiring to reduce their competition and maintain their bloated monopoly? Sorry you missed the real story, Pam.

#### Salary spending

Charter schools frequently tout their ability to operate at low costs.

The Roger Bacon Academy's schools spent less than half their budgets on employee salaries in 2012-13, according to data from the N.C. Department of Public Instruction. Charter Day School spent 42 percent of its budget on employee salaries, while Columbus Charter School spent 38 percent on salaries.

By comparison, Brunswick County Schools – where Charter Day School is located – spent 62 percent of its budget on employee salaries. Columbus County Schools spent 61 percent of its budget on employee salaries.

# Whoopee! So why are the test scores so abysmal under the management of these concerned "local school leaders?" What are all their salaried people doing? And remember, since they (unlike charter schools) have no facility costs, they indeed have more of their money to pay salaries.

Charter schools are funded mostly through state and local funds sent over from local school districts. Each charter school receives per-pupil funding – or the average costs of educating each student – for all its students who would normally attend a local school district. They also receive small amounts of federal funding.

Charter schools are granted the right to operate and overseen [sic] by the state Board of Education. They aren't governed by local school districts or local school boards, instead answering to private boards and education management companies. Those can be nonprofit or for-profit, and they aren't required to disclose detailed financial information.

Charter schools are indeed overseen by the State Board of Education, which has the right to inspect all records for their oversight. But they do not answer to education management companies; instead, the management company answers to the charter school board.

That lack of detailed transparency is harmful to taxpayers, said StarNews executive editor Pam Sander.

Taxpayers have been harmed by "lack of *detailed* transparency?" Charter Day School and Columbus Charter School consistently show top scores and cost the taxpayers 28% less than the schools managed by "local school leaders." Is it harmful to better educate the students while saving the taxpayers' money?

Additionally, we need to understand the difference between "inspection" of records by an overseeing government agency and "disclosure" to the public of private information. The State Board of Education has the right to inspect information for transparency and oversight, but not the blanket right to publicly disclose many details such as student information and most employee information.

"It's disappointing that Roger Bacon continues to ignore the public records law. Everyone who pays taxes has a right to know how their money is being spent," she said. "Roger Bacon does not get a pass on this. They are ignoring the law as well as the state's top education officials."

Roger Bacon is a hero, but he is dead (unfortunately). However, The Roger Bacon Academy, Inc. is a private contractor answerable to the board of Charter Day School, Inc. and to the PARENTS whose schools it manages. Pearson Education, McGraw-Hill Textbooks, SAS Institute, and many other private companies receive hundreds of millions of NC public funds and, similarly, none are subject to public records laws. If their products or services are inferior, no one is forced to continue using their services. Competition, not transparency, is the guardian against waste.

Sander said the StarNews would continue to pursue the information.

Perhaps a more beneficial effort for your readers would be to determine why the traditional system has such low test scores in relation to the huge amount of money it spends.

### **BY THE NUMBERS**

The state Department of Public Instruction collects data from charter schools and school districts each year about funding sources and how much money goes toward employee salaries. These are the total amounts schools and districts reported they received from state, local and federal sources in 2012-13, the most recent year for which data was available.

The total funds received do not include funds for new buildings, building renovations, equipment purchases, community service programs or transfers between district funds.

Correct. District schools get additional funds for buildings, etc. But charter schools do not receive additional funds for "new buildings, building renovations, equipment purchases, community service programs or transfers between district funds." Charter schools must pay for these costs out of operating funds which reduces salary totals but is a large saving for taxpayers. In contrast, Brunswick County audits show a debt for school facilities of \$72,000,000 costing \$8,000,000 per year that is not reflected in the school system's finances. Charter Day School has operated with no debt for its facilities. For more information on the relative costs of successful tests see: Charter-schools-need-to-tell-taxpayers-what-theyre-getting-for-their-money/

Information for Island Montessori Charter School and Douglass Academy was not available because those schools didn't open until 2013.

### TRADITIONAL SCHOOLS

Brunswick County Schools: 12,201 students \$109.8 million received 62 percent spent on salaries

### According to the Brunswick County LGC audit available on the county's web site, the per pupil expenditure is \$10,156 not including facility costs.

Columbus County Schools: 6,259 students \$54.74 million received 61 percent spent on salaries

#### CHARTER SCHOOLS

Charter Day School: 898 students \$6.65 million received **(\$7,405 per student incl. building funds)** 42 percent spent on salaries

Columbus Charter School: 726 students \$4.81 million received (\$6,625 per student; \$1,366 less than county, not incl. building funds) 38 percent spent on salaries

Source: N.C. Department of Public Instruction