Buncombe County

School Consolidation Feasibility Study - Final Report

January 2025

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Executive Summary

In April 2024, Buncombe County contracted Prismatic Services to conduct a study of the feasibility of consolidating the 2 public school systems within its boundaries: Asheville City Schools (ACS) and Buncombe County Schools (BCS). This study was in response to a mandate from the NC General Assembly (House Bill 142/SL 2023-12).

Prismatic followed an 8-task work plan to meet the County's requirements and provided a team of 11 consultants, supported technical and analytical staff. Project activities and report writing occurred from April through December 2024. Activities included data collection, observations, interviews, focus groups, and community forums. High school students, parents, ACS/BCS staff, and general community members provided input via online, confidential surveys. A summary of all forms of constituent input is provided in Chapter 3, while the results by input/constituent type are provided in the Appendices.

The legislative mandate required assessing the potential "economic and educational impact" as well as "any other relevant information." As there is no standard methodology or substantial historical precedent for assessing the feasibility of school system consolidation, Prismatic framed its work to respond to 3 key questions:

- *What does the research say?* A strong research base in favor of consolidation, yielding economies of scale, cost reductions, and/or improved academic outcomes would argue in favor of consolidation. A strong research base in favor of school systems of ~25k students (roughly the potential size of a consolidated ACS/BCS system) would also argue in favor of consolidation.

- *What do constituents want?* Constituents, including students, parents, community members, ACS/BCS staff, leaders of agencies/businesses that work with ACS/BCS, and government officials, have lived in the current dual system environment. Their experiences, thoughts on consolidation, and ideas for improvement matter. So do the factors that they deem most

important in considering consolidation. A constituent base that highly favored consolidation if it would likely save X% each year, combined with a research base that indicated consolidation could achieve X% savings each year, would lead the study to conclude in favor of consolidation.

- *Would consolidation improve things?* To answer this question, Prismatic consultants dove deeply into the operational areas required by the County's RFP:
  - Governance, Policy, Procedures
  - Educational Outcomes
  - Student Well-being
  - Instructional and Programmatic Offerings
  - Student Enrollment
  - Facilities
  - Business Operations/Fiscal Impacts
  - Management, Personnel, and Communications
  - Child Nutrition
  - Transportation
- For each area, consultants were tasked with answering 2 key questions:
  - *Are ACS and BCS equitable in this area?*
  - *Would there be financial, operational, or equity benefits to consolidation in this area?*

Conclusions

Prismatic reached 3 conclusions related to the current environmental conditions in which ACS and BCS operate and 6 conclusions specifically related to the study question of consolidation.

Environmental Condition – Enrollment Projections

From 2019-20 through 2023-24, Buncombe County K-12 enrollment declined by 5%. This was not just a COVID effect. Although the population of Buncombe County is expected to grow by 28% as of 2050, it will not include a proportionate number of K-12 residents. Countywide, the County is expected to grow just 8% among residents aged 5-18 as of 2050. Barring an unexpected disruptive event, level enrollment in ACS and BCS is the best case scenario for the near future.

Further details on enrollment and demographic projections are provided in Chapter 1 and the facilities section of Chapter 4.

Environmental Condition – Facilities

Although well-maintained, both ACS and BCS have many schools that are underutilized now, even before the effects of low population growth are considered. Using best practice standards for utilization (a measure of how many students the school is built for compared to the number actually using it), all ACS schools are underutilized and 37 of the 45 BCS schools are underutilized. Continuing to use schools that are substantially underutilized creates multiple additional cost burdens and opportunity costs for a school system.

Further details on facilities conditions are provided in Chapter 4.

Environmental Condition – Boundaries

The boundaries of ACS and those of the City of Asheville are not the same. Some students who live in the City of Asheville are zoned to attend BCS, rather than ACS. This situation is confusing among at least some residents; while the City has ~94k residents, only ~43k are zoned for ACS. Had the County prevented this lack of coterminous border lines as the City grew (or corrected it prior to now), ACS would likely have substantially larger enrollment than it does now.

Further details on boundaries are provided in Chapter 6.

Consolidation Consideration – Student Performance

Neither system is operating at a much higher level than the other – while in some cases ACS and BCS are outperforming state averages on EOCs, EOGs, and graduation rates, neither is far outpacing state averages or the other system. Both have disappointing current results with various student subgroups. Although both systems are making efforts to reduce achievement gaps, neither has yet demonstrated that it is on a certain path to success.

Further details on student performance are provided in Chapter 4.

Consolidation Consideration – Cost Saving Potential

Overall, Prismatic did not find areas of excess central office staffing in either ACS or BCS. With consolidation, Prismatic concluded that the likely savings in ACS/BCS central office staff positions would be only ~6%. Using aggressive salary and benefits assumptions, this would result in ~$3.3M in annual savings, a 0.80% reduction in overall expenditures. Assuming the consolidated system adopted 1 facility for its central office, there would be some cost savings there as well. Unless schools are closed or attendance boundaries redrawn as part of consolidation, there would be no savings in school-based staff positions.

These savings would be offset by 1-time expenditures related to the implementation of consolidation, a loss of ~$0.5M in annual state funding, and a likely substantial additional expense resulting from a need to adopt a consistent approach to salaries and supplements. Not only does pay differ between ACS and BCS for some positions, each offers a different level of salary supplement, tied to years of services and, in the base of BCS, position type. Reconciling these difference would likely only be in the upward direction. For example, if position A was paid at a higher level in ACS than in BCS, the ACS rate would be adopted. Then, if position B was paid at a higher level in BCS than in ACS, the BCS rate would be adopted. The net result would be overall higher salary expenditures in the new system than in either the current ACS or BCS. As salaries (and benefits) are more than 80% of the ACS/BCS budgets, this adjustment work could have a substantial impact on the new system budget.

Further details on department-level costs savings are provided in Chapter 4 and on overall cost savings potential in Chapter 5.

Consolidation Consideration – Collaboration

There is little interaction between ACS and BCS currently, from the leadership levels down. This has a potentially negative impact on the current operations of each system, as they face a number of common challenges and could likely join forces to better address them. They could explore more shared services in several areas in order to improve efficiency. Considering consolidation, the current lack of collaboration would mean that the 2 systems would have to engage in a much longer discovery process than County leaders might have expected.

Further details on collaboration are provided in various sections of Chapters 3-6.

Consolidation Consideration – Culture

Concerns over differing “cultures” were raised in interviews, community focus groups, community forums, and constituent surveys. Various constituents defined “culture” in different ways, and most described perceived cultural differences between ACS and BCS. While both ACS and BCS leaders spoke positively of the cultures of their own systems, none expressed a desire to become more like the other system in any substantive way. Considering consolidation, addressing the perceptions and potential realities around the issue of culture would mean that the completion of consolidation will likely take longer than County leaders might have expected.

Further details on culture are provided in various sections of Chapters 3, 4, and 6.

Consolidation Consideration – Constituent Support for Consolidation

There is little local appetite for consolidation. While constituents frequently approached conversations on the topic with an open mind, they wanted to know specifics of what a consolidated system would like look and whether there was strong evidence that consolidation would lead to improved student outcomes or financial standing.

Among those who voiced support for consolidation, it was generally phrased as "things are not great now, so trying something new might work." Others expressed support for consolidation because the historical leadership turnover problems in ACS and persistent achievement gaps were felt to be insurmountable challenges. Prismatic did not find any of these 3 opinions to be a compelling argument for consolidation. There are many other efforts to which ACS and BCS might apply themselves that could also lead to improvements. At this point, ACS seems to have addressed its leadership turnover problems; moreover, it only recently switched an all-elected board and that board should be given time to prove itself. Finally, both ACS and BCS have persistent achievement gaps; combining the systems would not clearly address this problem.

Further details on constituent opinions are provided in Chapter 3.

Recommendation

Based on the literature review, constituent input, local environmental factors, the current operations and academic outcomes of each school system, **Prismatic does not recommend consolidation of ACS and BCS.**

Chapter 1
Introduction

In September 2023, the North Carolina General Assembly mandated that the Asheville City and Buncombe County school systems jointly study the feasibility of a merger (House Bill 142/SL 2023-128):

> *The Buncombe County Board of Education and the Asheville City Board of Education shall jointly study the feasibility of the merger of the Buncombe County School Administrative Unit and the City of Asheville School Administrative Unit, including the potential economic and educational impact of merging the school units and any other relevant information. The Buncombe County Board of Education and the Asheville City Board of Education shall report findings and recommendations to the standing committees of the General Assembly hearing elections matters no later than February 15, 2025."*

Asheville City Schools (ACS) and Buncombe County Schools (BCS) Boards of Education voted to designate Buncombe County Government as the lead entity for the project.

In April 2024, Buncombe County contracted Prismatic Services to conduct a study on the feasibility of the consolidation of the two public school systems within the boundaries of Buncombe County, North Carolina. As noted in the district's request for proposals (RFP), the goals of the review were to:

- *Utilize a rigorous approach in the completion of the study, including analysis related to each of the following elements:*
  - *Student membership – student demographics, enrollment, and assignment*
  - *Academic – curricula, assessments, instructional and programmatic offerings, and educational outcomes*
  - *Student wellbeing – student safety, health & mental health, resilience, athletics, art, music, culture and leadership*

- *Policy & procedure – any school system-specific policies and procedures*
- *Operational – security, technology, transportation, and nutrition*
- *Facilities – facility & property inventory, funding/ payment/supervision/management of capital projects, maintenance*
- *Personnel – organizational structure, faculty and staff, compensation and benefits, recruitment, development, retention, separation*
- *Governance – school board and committee structures, including advisory groups, school board member electoral lines*
- *Financial – fiscal effects related to budget, revenues, tax rates, costs, assets and liabilities, local/state/federal funding implications, and grant award impacts*
- *Partnerships – contractual commitments & collaborative agreements*
- *Geographical – school district boundaries, population*
- *Community – direct and indirect impact on cultural and social factors within the schools and community, impact on external partners*
- *Historical – previous and ongoing studies, reports, and reviews of potential consolidation of Asheville and Buncombe County Schools as well as federal and state legislative action related to local schools (e.g. desegregation order)*
- *Contextual – outside factors impacting public schools such as trends related to non-public school enrollments, policy changes, and pandemic-related impacts*
- *Comparison – other comparable districts that consolidated and/or studied consolidation*

- *Identify significant similarities and differences between school systems and include short- and long-term impacts as well as projections and/or scenarios where relevant.*
- *Incorporate equity as a component of analysis for all elements within the study.*
- *Comprehensively include qualitative and quantitative sources of data to accurately identify the feasibility of a consolidation.*

This report is provided in fulfillment of the 1st required deliverable from the legislative mandate:

- *A comprehensive report including description of research method, summary of activities, findings, risks/benefits of*

consolidation, recommendations, and implementation considerations

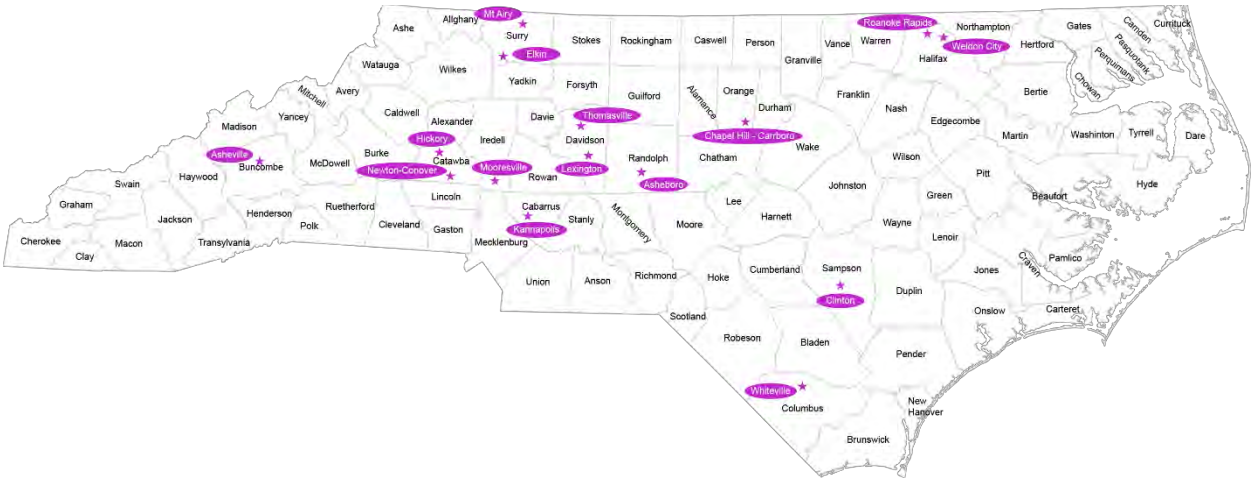
The other required deliverables are:

- *A summary of key information from the report in a concise, accessible format*
- *A slide deck summarizing the report*
- *a presentation of findings in public meetings, to include both Boards of Education and the Board of Commissioners*

Background

There are 115 school districts in North Carolina. Most are countywide districts, but 15 are city systems, including ACS (Exhibit 1-1).

Exhibit 1-1
School Systems in North Carolina



Source: Prismatic Services

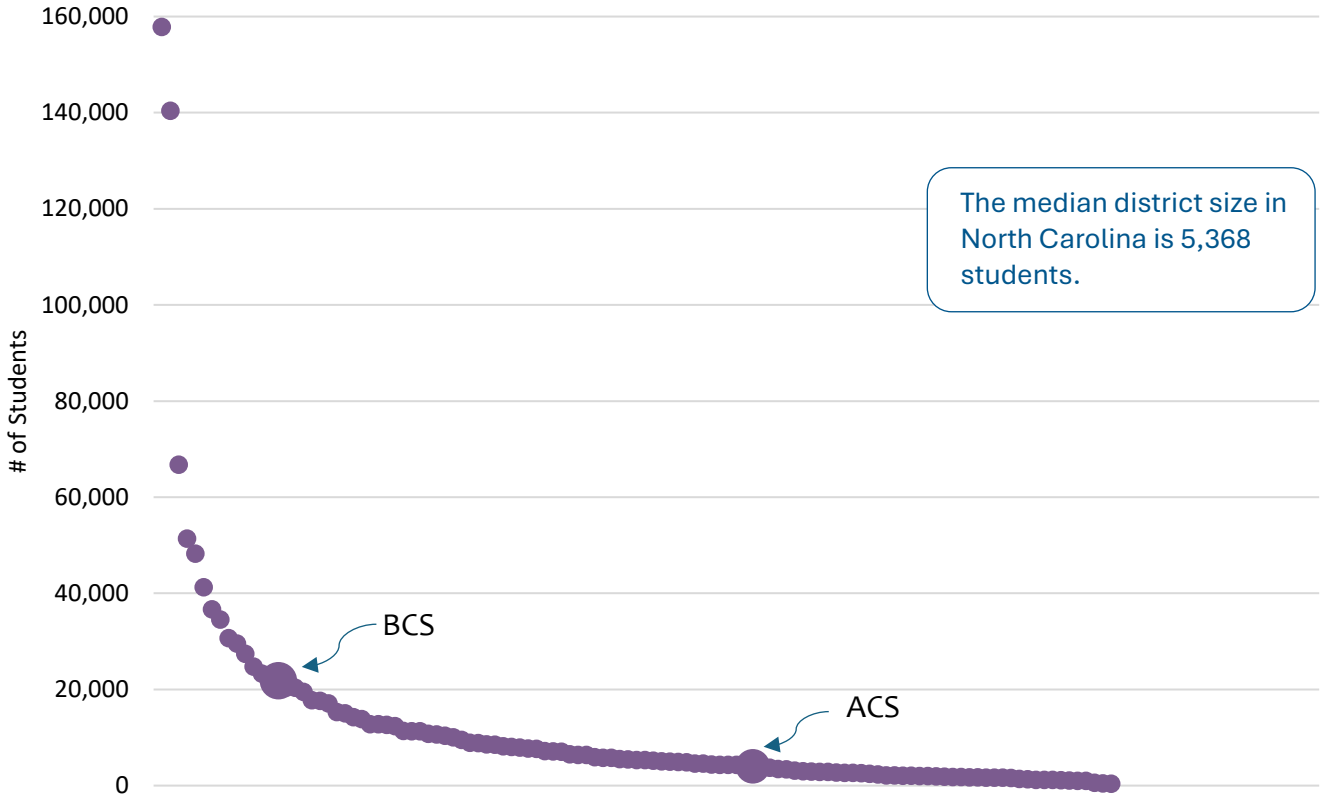
Mergers between multiple school systems within the same county in North Carolina were commonplace between the 1960s and the early 2000s – particularly in the 1990s (Exhibit 1-2). No mergers between school systems have been completed in the past 20 years.

Exhibit 1-2
Previous Mergers between North Carolina School Systems in the same County

Decade	School Systems With Previous Mergers
1960s	♦ Charlotte City Schools and Mecklenburg County Schools ♦ Winston-Salem City Schools and Forsyth County Schools ♦ Edenton City Schools and Chowan County Schools ♦ Elizabeth City Schools and Pasquotank County Schools
1970s	♦ Sandford City Schools and Lee County Schools ♦ Raleigh City Schools and Wake County Schools
1980s	♦ Tryon City Schools and Polk County Schools ♦ Fairmont City Schools, Lumberton City Schools, Red Springs City Schools, St. Pauls City Schools, and Robeson County Schools ♦ Salisbury City Schools and Rowan County Schools
1990s	♦ Statesville City Schools and Iredell County Schools ♦ Goldsboro City Schools and Wayne County Public Schools ♦ Durham City Schools and Durham County Schools ♦ Kinston City Schools and Lenoir County Schools ♦ Rocky Mount City Schools and Nash County Schools ♦ Greensboro City Schools, High Point City Schools, and Guilford County Schools ♦ Tarboro City Schools and Edgecombe County Schools ♦ Franklin City Schools and Franklin County Schools ♦ Hendersonville City Schools and Henderson County Schools ♦ Eden City Schools, Reidsville City Schools, Western Rockingham City Schools, and Rockingham County Schools ♦ Monroe City Schools and Union County Public Schools ♦ Washington City Schools and Beaufort County Schools ♦ Burlington City Schools and Alamance County Schools ♦ Albemarle City Schools and Stanly County Schools
2000s	♦ Cleveland County Schools, Kings Mountain District Schools, and Shelby City Schools
2023	♦ Rocky Mount students living in Edgecombe County were demerged from Nash County Public Schools and are attending Edgecombe County Schools as of the 2024-25 school year

School systems in North Carolina vary in the number of students they have (Exhibit 1-3). In 2022-23, school system enrollment ranged from 157,847 (Wake County) to 451 (Hyde County). In that year, ACS had 3,990 students, making it 72nd in the state, and BCS had 21,843, making it 15th.

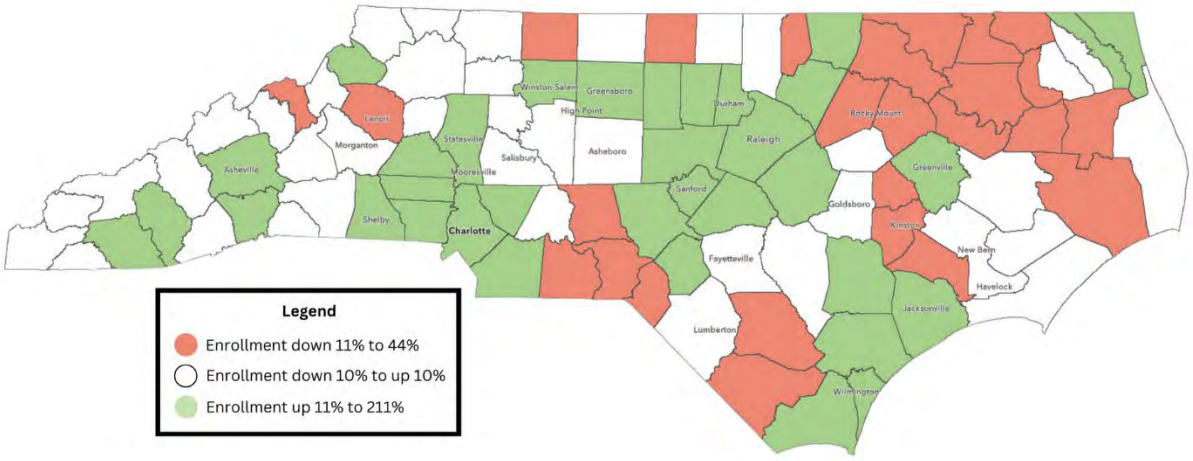
Exhibit 1-3
Enrollments of North Carolina School Systems, 2022-23



Source: https://ncreports.ondemand.sas.com/src/

As populations grow and shift over time, school enrollments vary over the years. Between 2004 and 2023, 65 North Carolina counties saw an increase in total K-12 enrollment, while 45 experienced decreases (Exhibit 1-4). Buncombe County had the largest increase, gaining 211% in enrollment. All of the counties surrounding Buncombe County had lower levels of growth.

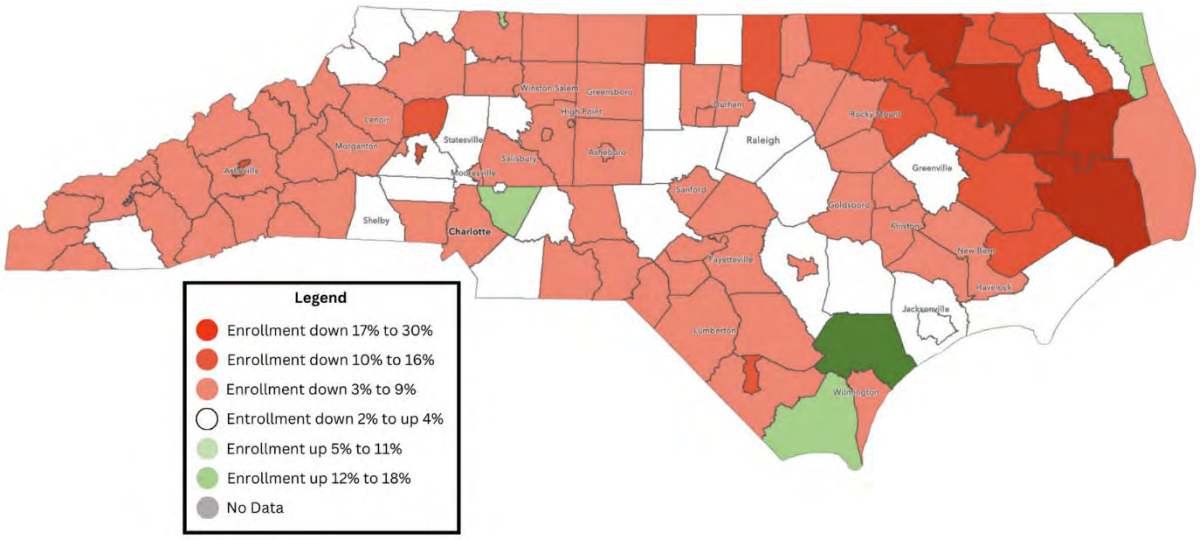
Exhibit 1-4
20-Year Change in Total School Enrollment (2004 to 2023)



Source:
https://public.tableau.com/app/profile/michael.baker7645/viz/20YearChangeinTotalSchoolEnrollment2004to2023/Sheet1

But the picture has changed in more recent years for school systems, as populations continued shifting and other forms of schooling increased in popularity (Exhibit 1-5). From 2018-19 to 2023-24, overall average daily membership in K-12 traditional public schools (the 115 NC school systems, not including charter schools) decreased by 3%. Nearly all school systems, 98 out of 115, experienced a decline. ACS and BCS were part of the group of 98 - ACS declined by 11% and BCS declined by 7%.

Exhibit 1-5
Change in K-12 Traditional Public School Enrollment, 2018-19 to 2023-24

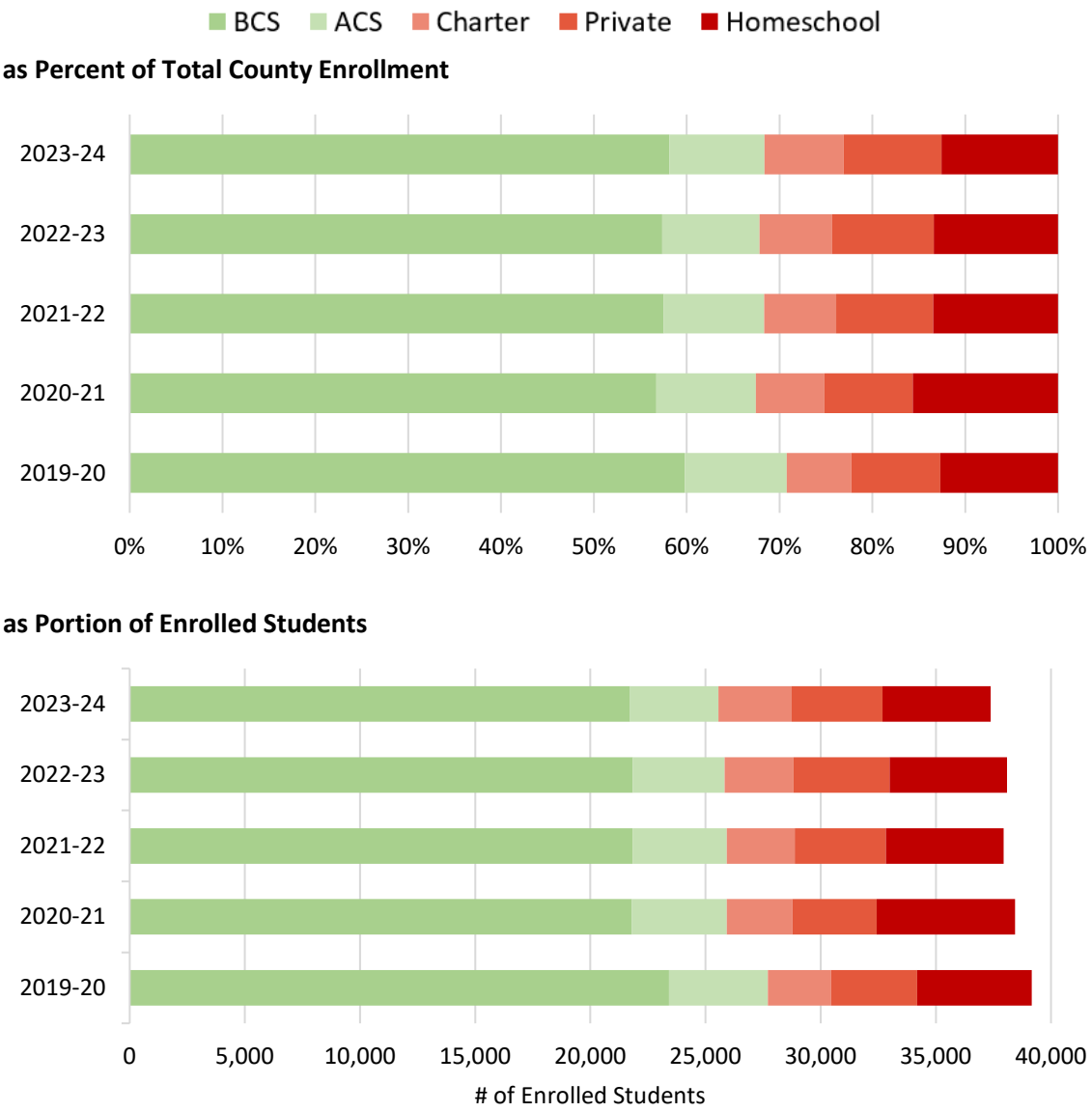


Source: http://apps.schools.nc.gov/ords/f?p=145:15:::NO:::

By 2022-23, charter and homeschool students each represented 8% of the overall K-12 student population across North Carolina. In 2023-24, the combined student enrollment in ACS and BCS comprised only 68% of the county total. The remaining students were divided among charter (9%), private (11%), and homeschools (13%). As shown in Exhibit 1-6, this is not a new phenomenon in Buncombe County; enrollment in a schooling type other than a traditional school system has been prevalent since at least 2019-20. What is changing is the overall number of K-12 students in the county. Since 2019-20, the overall number of K-12 students in Buncombe County has shrunk by 5%.

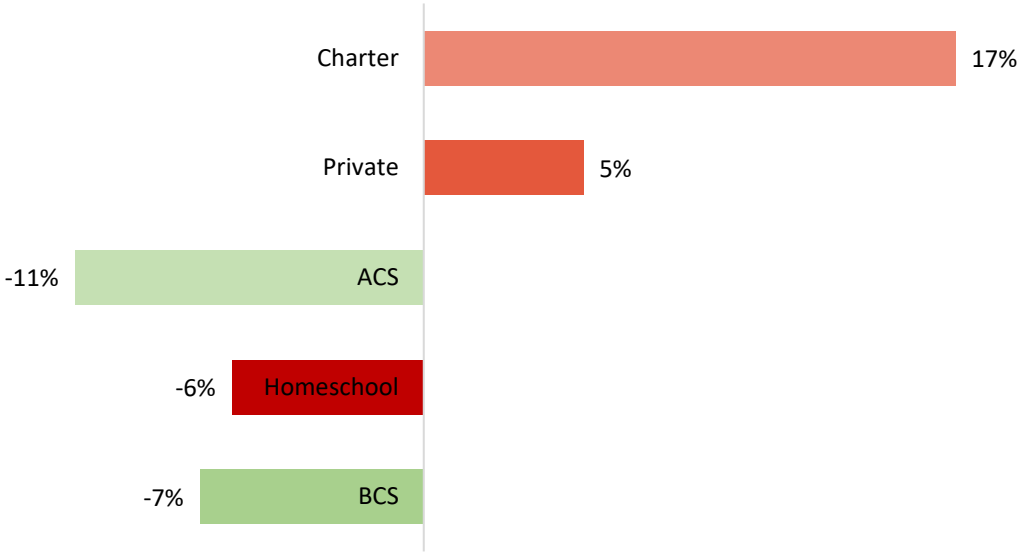
In 2023-24, only 68% of the K-12 students in Buncombe County were enrolled in ACS or BCS.

Exhibit 1-6
K-12 Enrollment by Schooling Type, 2019-20 to 2023-24



The decline in the overall K-12 student population within Buncombe County has impacted the various schooling types differently (Exhibit 1-7). Since 2019-20, ACS, BCS, and homeschooling have lost enrollment while private and charter schools have gained. However, charter growth has been slower in the county than statewide - statewide, charter school enrollment grew by 24% from 2019-20 to 2023-24.[1]

Exhibit 1-7
Change in K-12 Enrollment by Schooling Type, 2019-20 to 2023-24

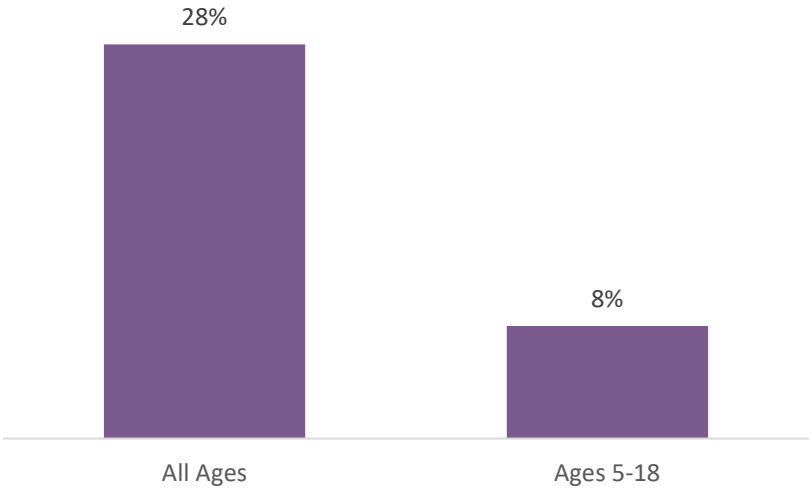


Source: NC DPI and NC DOA

Looking ahead, by 2050, Buncombe County is projected to be called home by ~356,000 people. While the overall population of Buncombe County is expected to grow 28% by then, the portion aged 5-18 years is only expected to grow by 8% (Exhibit 1-8). This will result in just an additional ~3,000 students more than the county has today, or only 115 additional students per year for the next 25 years. By 2050, those aged 65+ are projected to comprise 27% of the county population, up from the current 23% while the school-age population will decrease from 14% to 12%. Barring disruptive events, these projections indicate that ACS and BCS could be welcoming roughly the same number of students to their classrooms in 25 years as they welcome today.

[1] https://publiccharters.org/news/2024-public-school-enrollment-trends-report/

Exhibit 1-8
Projected Growth in Buncombe County Population by 2050



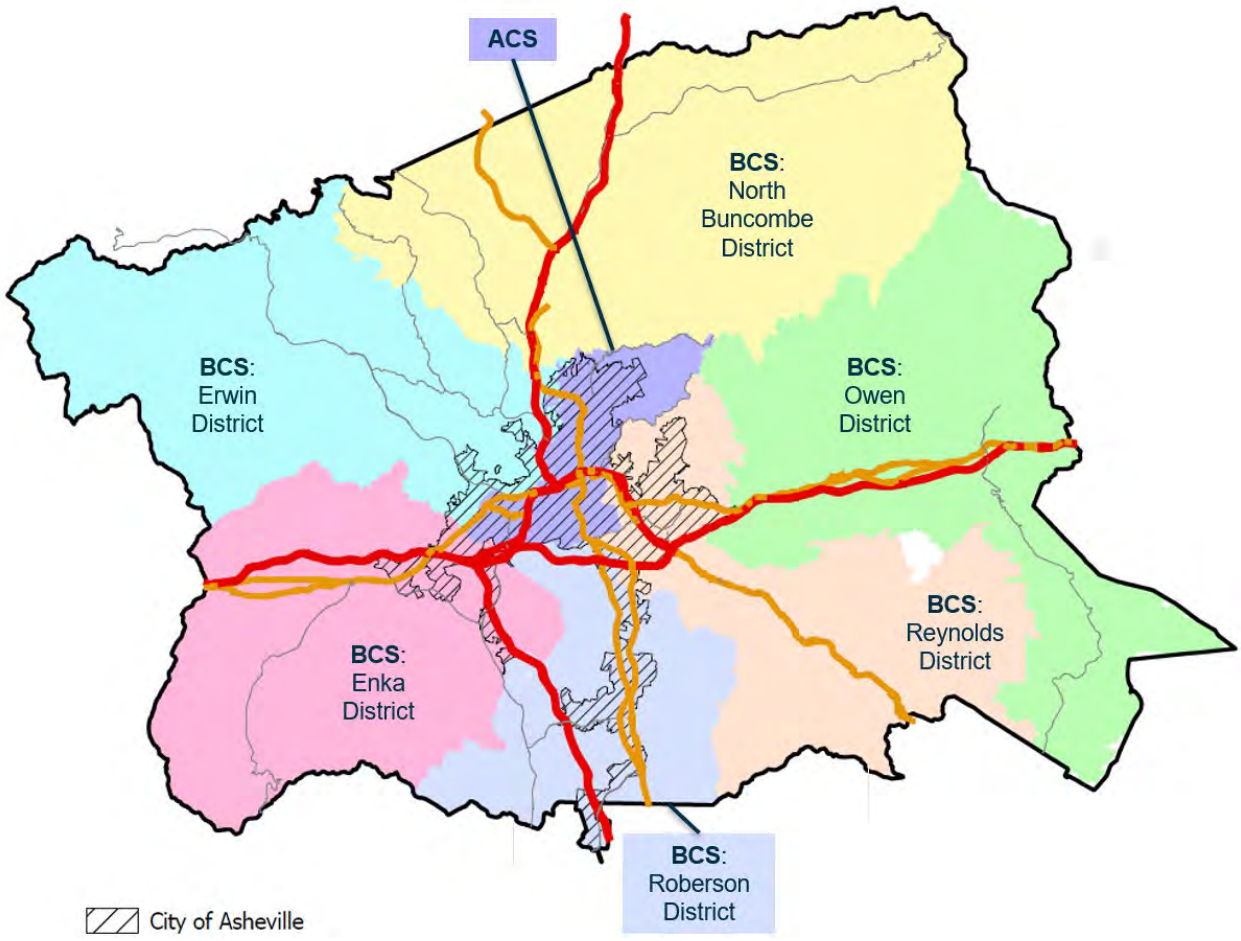
Source: NC Office of State Budget and Management

In 2050, the county's school age population is projected to be 41,292 - just 8% higher than in 2023.

ACS and BCS Today

The boundaries of ACS loosely follow the boundaries of the City of Asheville, but there are exceptions, with parts of the city not in ACS and some parts of ACS not within the city. BCS is composed of 6 attendance areas locally termed "districts" (Exhibit 1-8).

Exhibit 1-9
Map of ACS & BCS Boundaries with City of Asheville Overlay 2024



Source: Buncombe County

ACS and BCS vary on a number of points, beginning with their size (Exhibit 1-9). ACS is smaller geographically and has less than one-fifth the enrollment of BCS.

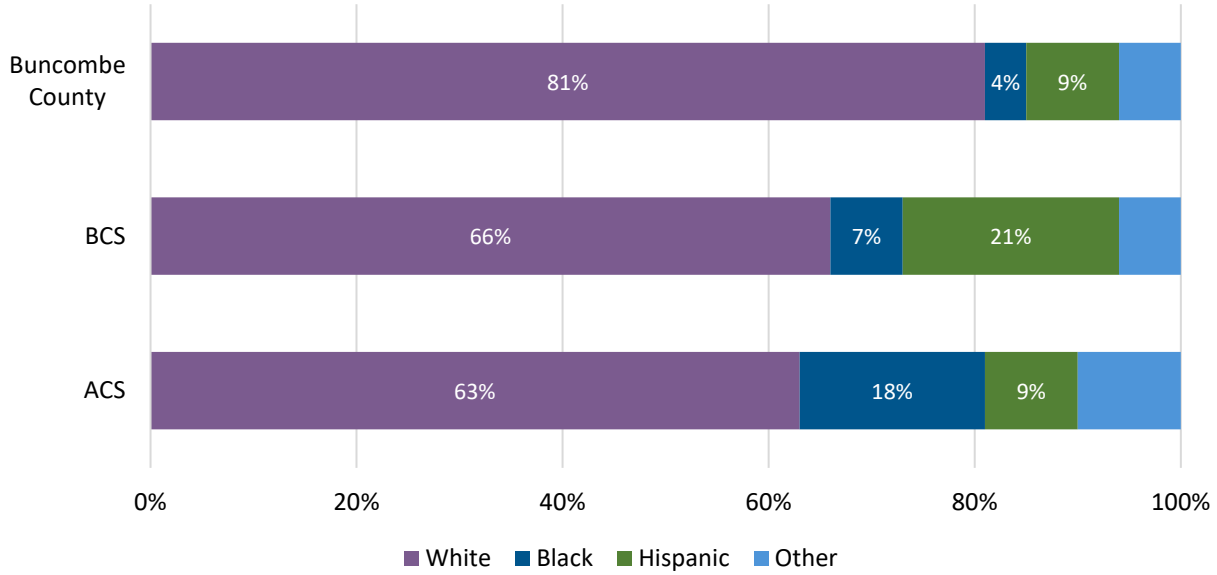
Exhibit 1-10
ACS and BCS Comparative Data

	ACS	BCS
Year Founded	1887	1881
Size, Square Miles	22	635
Start of Desegregation	1964	1964
Current Desegregation Order?	Yes	No
Student Enrollment, 2023-24	3,828	21,731
# of Schools	5 elementary 1 middle 2 high	23 elementary 4 intermediate 7 middle 11 high
	8 total	45 total
Budget, 2022-23	$79.3 million	$338.3 million
Per Pupil Spending, 2022-23	$16,476	$13,774

Source: ACS, BCS, Buncombe County

The racial demographics of ACS and BCS differ from each other and from Buncombe County (Exhibit 1-10). As a whole, Buncombe County is largely White (81%), followed by Hispanic (9%). In contrast, both ACS and BCS are only about two-thirds White. The 2nd largest group in BCS is Hispanic students, at 21%. The 2nd largest group in ACS is Black students, at 18%.

Exhibit 1-11
Racial Demographics, 2023-24



Source: https://data.census.gov/table/ACSDP1Y2023.DP05?q=2023%20buncombe%20count%20nc%20demographics and http://apps.schools.nc.gov/ords/f?p=145:220:5712348071390::NO::P220_SELECTLEA:110

Class sizes also vary (Exhibit 1-11). In most cases, ACS class sizes are smaller than BCS'.

Exhibit 1-12
ACS and BCS Class Sizes, 2023-24

Class Type	Average Class Size	
	ACS	BCS
K - 1st	13.3	16.4
2nd – 5th	16.3	19.6
K – 5th	15.3	18.5
6th - 8th	18.2	20.2
9-12 - Arts Education	23.3	22.8
9-12 - CTE	16.4	18.8
9-12 - ELA	18.8	21.6
9-12 - Health and PE	22.8	25.0
9-12 - Math	19.7	22.1
9-12 - Science	20.3	22.3
9-12 - Social Studies	20.5	23.9
9-12 - World Languages	21.2	20.4

Source: ACS and BCS

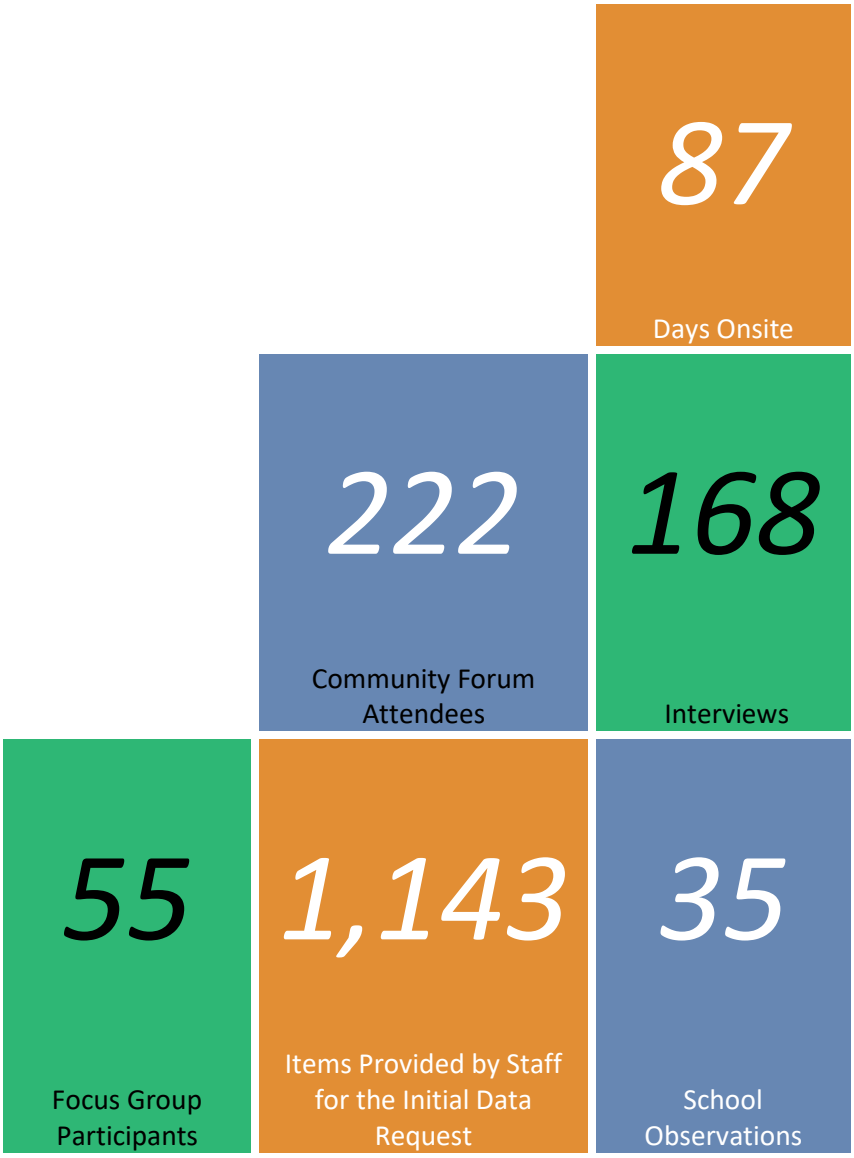
Project Approach

Prismatic proposed and followed an 8-task work plan to meet the county's requirements:

1. Initiate Project
2. Assess Current Operations
3. Develop Strategic Communications and Engagement Plan
4. Analyze Alternatives
5. Engage Community
6. Draft Report
7. Develop Final Report, Summary, and Slide Deck
8. Provide Presentations

Throughout the review, Prismatic coordinated with the Buncombe County Strategic Partnerships Director to discuss activities completed, review challenges or changes in project progress, review activities scheduled, and review upcoming project products and deadlines. Project activities and report writing occurred from April through December 2024. Activities included data collection, observations, interviews, surveys, community forums, focus groups, financial analysis, programmatic analysis, and reviews of the departmental structures of both districts. As part of this project, Prismatic:

- received 1,143 files from the districts in response to an initial data request of 221 items, then additional data items as the study progressed
- completed 168 interviews, with district staff, elected officials, and community leaders (some individuals were interviewed multiple times)
- hosted 9 in-person community forums at locations throughout the county
- hosted 1 online community forum
- visited 35 schools to conduct interviews, observe school nutrition and transportation operations, and tour facilities
- administered surveys to high school students, parents, school district staff, and the community
- met with the Local Project Team 4 times over the course of the project to discuss initial data and receive direction
- spent a total of 87 days onsite across all Prismatic staff, conducting interviews, focus groups, and community forums, leading project team meetings, visiting schools, touring facilities, observing school nutrition operations, and completing transportation observations
- developed draft and final reports



Project Limitations

All projects of this nature have time and resource constraints. Beyond those typical constraints, this project had these limitations:

- The details of a possible consolidation were not defined in the legislation requiring this study, largely because they could not be worked out until consolidation occurred. For example, constituents frequently asked whether consolidation would mean the closure of specific schools. However, the act of consolidation would not require that. Likewise, ACS and BCS staff members questioned whether consolidation would mean the elimination of their positions. However, aside from the obvious need to go from 2 to 1 superintendent in a consolidated system,

nothing about consolidation would require the elimination of positions. It would only be after consolidation that such matters would be determined, and they would likely be determined at the local level. The nebulous nature of "what might happen" made interviews and data analysis more difficult than they typically are. However, Prismatic endeavored to elucidate the most likely impacts of consolidation as it considered the question of whether consolidation should be recommended.

- Toward the end of September 2024, Hurricane Helene struck Buncombe County. The county endured devastating damage leading to long-term district closures, and emergency and recovery efforts. Some additional data were not obtained and 6 interviews were unable to be completed. It is not known whether the information they might have provided would have contributed unique knowledge to the project.
- Participation in the community forums was rather low, despite the efforts to host them at convenient locations throughout the county and the provision of multiple language interpreters. In Prismatic's experience, high or low community forum attendance is frequently dependent on 2 factors over which neither Prismatic nor clients have control. The first is the topic being discussed. Highly controversial topics like potentially closing schools or adjusting attendance boundaries typically draw a large crowd to forums. As Prismatic consultants found in talking with those who did attend a forum for this project, many constituents wanted further information on the topic of consolidation but at the time were generally undecided on the issue. The necessary lack of clarity as to what "consolidation" might mean likely depressed constituent forum attendance. The second is purely luck in the scheduling of events. Families often have many professional and social obligations. The date selected for the community forum near a particular constituent may not have been convenient. To the extent that the 222 constituents who attended a forum expressed their opinions, Prismatic has assumed they were generally representative of the population.

Report Organization

The remainder of this report is organized as follows:

- Chapter 2 – Literature Review
- Chapter 3 – Constituent Input
- Chapter 4 – District Operational Considerations
- Chapter 5 – Financial Considerations
- Chapter 6 – Conclusions and Recommendations
- Appendices

Acknowledgements

Prismatic Services would like to thank each of the individuals who served on the Local Project Team. Members of this local project team represent diverse areas of expertise (e.g. finance, facilities, curriculum) and varied perspectives (e.g. principal, teacher, parent, student). Their input, time, and energy were instrumental in this effort.

Marta Alcalá	Shannon Baggett
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Evva Hamilton	Dr. Stacia Harris
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Heidi Kerns	Tim Love
Avery Mays	Ian Nelson
Dr. Jennifer Reed	Sam Riddle
Lizzie Rogers	Rachael Sawyer
Tim Shelton	Tina Thorpe
Ken Ulmer	Ron Venturella
Megan Williams	Clark Wyatt

Chapter 2
Literature Review

The structure of a school system plays a pivotal role in shaping the educational experience, but the question of how district size impacts various educational outcomes has long been a topic of debate. Research regarding the size of school systems explores whether larger or smaller organizations offer more advantages in academic achievement, resource allocation, administrative efficiency, and community involvement. Proponents of smaller school systems argue that they allow for a more personalized educational experience and greater flexibility in meeting community or local needs. In contrast, advocates for larger organizations emphasize the benefits of economies of scale, greater access to resources, and enhanced program offerings.

The idea of school system consolidation has often been proposed as a potential solution to improve efficiency and educational quality, particularly in underfunded or low-performing areas. Supporters of consolidation suggest that it could lead to cost savings, improved educational offerings, greater resource accessibility, and the elimination of unused facilities. On the other hand, critics highlight potential downsides, such as longer travel times, administrative challenges, and the loss of community identity.

The question of consolidation has long been a topic of debate in Buncombe County, at least since 1963 (Exhibit 2-1). Interestingly, the 3 studies released between 1963 and 1976 recommended consolidation, but later studies either recommended against consolidation or refused to take a stand.

Exhibit 2-1
Previous Studies of ACS-BCS Consolidation Feasibility

Year	Report	Major Findings and Conclusions
1963	Buncombe County Citizens Committee for Better Schools, Subcommittee on School Consolidation Study	♦ Recommended consolidation of ACS and BCS. ♦ Suggested further study and consideration by local school authorities.
1967	Blue Ribbon Asheville-Buncombe County School Study Committee	♦ Recommended immediate merger of ACS and BCS. ♦ Emphasized the need for a strong financial base to ensure additional educational opportunities for all students.
1976	Local Study Committee Report Fragment by an unspecified "Commission"	♦ Recommended merging ACS and BCS. ♦ Advocated for a uniform countywide tax to support the school system.
1977	Report to City Board of Education Advisory on Consolidation by F. Jack Cole	♦ Reviewed excerpts from local and statewide studies on consolidation. ♦ Did not reach an explicit conclusion but emphasized the responsibility of providing for children's education.
1978	Asheville-Buncombe County Joint Consolidation, Fact-Finding Study Commission	♦ Determined that a merger was not necessarily required to correct inadequacies in the county. ♦ Emphasized that consolidation should only be approved if it increases educational opportunities and should not be pursued just to save money. ♦ Noted that ACS was in favor of consolidation, but BCS was not.
1982	"Considering School Consolidation in Asheville and Buncombe County" Report	♦ Recommended against consolidation due to potential tax increase, lack of evidence for savings or educational improvement, and overwhelming public opposition. ♦ Highlighted existing cooperative efforts between the systems.
1986	Report to Leadership Asheville on Consolidation of Schools by an unspecified author	♦ Reviewed previous studies and discussed opportunities and challenges associated with consolidation.
1996	"The Urge to Merge: Issues and Implications" Report by the Asheville-Buncombe League of Women Voters subcommittee	♦ Historical data showed that mergers were often motivated by the need to improve educational quality in small systems, address funding (and quality) inequities, and (less often) achieve racial balance. ♦ Evidence did not show a consistent relationship between school size and educational outcome. ♦ A combined system may make it more difficult for minority constituent groups to have an impact on policy. ♦ The perceived advantages of mergers included potential cost savings in administration, improved

Year	Report	Major Findings and Conclusions
		educational opportunities, and better resource utilization. ♦ The perceived disadvantages of mergers included increased busing, loss of community school identity, and potential for increased costs due to expanded programs and services. ♦ Concluded that it would be unlikely that savings will result from merger, as the areas identified as potential cost savings are the primary areas where the county and city already collaborate.
Undated	"Central Issues Related to Asheville City/Buncombe County School Merger"	♦ Addressed various questions associated with the merger, provided examples of existing cooperation, but did not draw any explicit conclusions.
Undated	"Consolidation: A Review of the Studies for the Asheville/Buncombe County School Systems"	♦ Explained ways consolidation could occur, reviewed past studies, and described alternatives. ♦ Hesitated to recommend for or against consolidation but advised authorities to be cautious, as merger may not solve intended problems.

Source: Prismatic Analyses.

The literature review in this chapter aimed to explore the existing research surrounding 2 questions:

- Does school system size matter?
- Would school system consolidation help?

By examining previous and current literature, this review seeks to provide a deeper understanding of how district size can influence various factors such as academic achievement, resource allocation, and administrative effectiveness, while also evaluating the potential benefits and drawbacks of consolidation. As this was not an academic research effort, both peer reviewed and non-peer reviewed sources were analyzed.

Does School System Size Matter?

The concept of a school system, typically referred to as a school district, with multiple schools organized under the direction of a central office, did not exist until the 1860s. By 1880, there were only 244 such "city" systems; most schooling occurred in single-room buildings with 1 or 2 teachers. By 1897-98, there were 626 city school systems, including ACS. By 1931-32, there were 127,422 school systems, serving an average of 204 students apiece. Since then, the number of school systems declined steadily, and the average size grew. By 2010, there were 13,629 school systems, serving an average of 3,524 students.

Concurrent with the growth of larger school systems has been an assumption that "bigger is better for the individual student" (Prieto,

2016) with some scholarship dating back to 1880 promoting larger school systems. However, there is little research demonstrating a relationship between larger school system size and greater student achievement. Walberg and Fowler (1987) found that attending a larger school system was associated with lower student achievement; the negative association began at a school system size of 3,900 students. Berry and West (2010) found some positive associations between student outcomes and larger school systems, but they were not statistically significant.

There is little research demonstrating a relationship between larger school systems and higher student achievement.

Another argument for larger school systems is the belief in "economies of scale." As noted in Prieto (2016):

> The idea of economies of scale is often touted during discussions of school district consolidation and is a generally accepted truism in consolidation efforts. The economies of scale concept assumes that a larger school district can yield greater efficiency and effectiveness, not just in purchasing power for things such as smartboards or school buses, but also greater efficiency and effectiveness in intellectual power.

Thus, both a small and large school system might require a facilities director, but only 1 such position is needed, even though the smaller system has far fewer schools.

Monk and Hussain (2000) found that a 10% larger school system resulted in reduction on central office positions and spending, but only a small amount – 0.093 fewer central office positions and less than 0.08% reduction in central office spending. Other research indicates that there is little evidence for economies of scale in central office spending once the system is beyond tiny:

- Duncombe et al. (1995) found negligible increases in economies of scale once a New York school system reached 2,000 students.
- Bothe (2001) found that: "Principals, assistant principals, superintendents, personnel directors, and other administrators all handle important administrative matters that teachers do not have the time nor the expertise to address. Slashing bureaucracy in public schools would almost certainly bring about declines in school performance as teachers assumed duties normally assigned to administrators. To put it another way, bureaucrats are best at "buffering," while teachers are best at "production."
- Imerman and Otto (2003) found that the central office expenditures per student curve flattened out once an Iowa school system reached 1,600 students.

- Walters (2005) found no statistically significant differences in administrative spending between small (501-1,250 students) and larger systems in Arkansas.

- Pandolfo (2012) found statistically significant differences between California school systems of 2,501-10,000 students and 10,000+ students with lesser central office spending in the larger systems, but those were counterbalanced by increased school-level administrative expenditures in the larger systems, resulting in just a 1% difference in overall administrative spending.

Howley et al (2011) found that:

- Policymakers may believe that they will save money by reducing the number of central office positions; however, larger districts need more mid-level administrators.

- Impoverished regions tend to benefit from smaller school districts.

- Research comparing pre- and post-consolidation expenditures shows that district consolidation does not on average reduce educational expenditures. Other studies report increased costs as operational budgets are affected by diseconomies of scale resulting from increased expenditures - transportation, operation, management and supervision, security, and guidance.

- Overall, state-level consolidation proposals appear to serve a public relations purpose in times of fiscal crisis, rather than substantive fiscal or educational purposes.

On average, system consolidations do not reduce expenditures.

Would School System Consolidation Help?

The question of whether school system consolidation would "help" is generally interpreted as whether consolidation would help a specific crisis being faced in 1 (or both) of the 2 systems considering consolidation or whether it would help improve student outcomes of some type. The current specific conditions in ACS and BCS are analyzed in chapters 4 and 5. Consolidation could result in cost savings that could be redirected to educational programs and services. Some studies suggest that consolidation can lead to financial efficiencies, freeing up funds that can be spent directly on instruction. Larger school systems can offer a broader range of educational opportunities, such as Advanced Placement and dual-enrollment courses, specialized vocational training, or extracurricular activities that may not be feasible in smaller systems due to budget or staffing constraints.

Of course, how a consolidated, larger system chooses to spend any cost savings would impact whether it might see improved student outcomes.

Some research suggests that consolidation may not necessarily lead to improvements in student performance. In 1971, the Education Research Service (ERS) concluded that:

- There is no universally accepted or supportable recommendation on the optimal size for schools or districts.
- The appropriate size for a school or district varies based on multiple factors, including the type of program offered, geographic location, and the specific needs of the student population.
- Both excessively small and excessively large schools and districts face significant challenges.

In 1986, after analyzing an NCDPI plan for school system consolidation on behalf of the NC School Boards Association, Sher and Schaller noted:

> …there is no solid foundation for the belief that elimination of school districts will improve education, enhance cost-effectiveness, or promote great equality and except for extraordinary circumstances, district reorganization should be a voluntary decision of local voters and school boards. Issues like mergers usually are a diversion from the greater tasks of finding new ways to positively influence children's lives and increase teacher effectiveness.

Looking at consolidation among Mississippi school districts, Carmel and Mozee (2019) found decreased test scores post-merger. They noted:

> …evidence suggests school consolidation may not be the best approach to improving academic performance in some small rural school districts…When considering district consolidation, other variables besides cost and efficiency deserve attention (e.g., current academic achievement levels, graduation rates).

One recent study that looked explicitly at the results of NC consolidation was completed in 2016. Honeycutt Barnette (2016) assessed the initial impact of consolidation on 5 NC school systems and found some improvements in student attendance but some decreases in student achievement. They noted: "The first implication is that, just as predicted in the literature, consolidation does not always save money or improve student achievement."

Perhaps the most recent relevant work for this project, Chin (2023) published findings from NC consolidations, looking at outcomes in 18 counties where consolidations happened after 1989-90 compared to 59 counties that either consolidated prior to 1966 or never consolidated. Buncombe County was not included among the 59 comparison counties.

Because it has been linked to school spending and school segregation, Chin analyzed the impact of consolidation on youth involvement in the criminal justice system in early adulthood. He also analyzed the impact on high school diploma attainment.

Chin found that, after merging, the consolidated school system:

- spent less per student on instruction and district support services
- expanded school integration by race
- had no significant changes in class or school sizes
- had no significant changes in the rate of youth involvement in the criminal justice system
- had no significant changes in high school diploma attainment

Exhibit 2-2 provides a summary of the more relevant research on consolidation in chronological order.

Exhibit 2-2
Overview of Research and Findings on School System Consolidation

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
1971	ERS	*Size of schools and school districts. ERS Information No. 8.*	♦ What are the optimal sizes for schools and school districts? ♦ What are the benefits and drawbacks of various school and district sizes? ♦ What can be done to minimize the inadequacies of a small school? A large high school?	♦ The optimum size of school districts varies widely from state to state. There is no universally accepted or supportable recommendation on the optimal size for schools or districts. ♦ The appropriate size for a school or district varies based on multiple factors, including the type of program offered, geographic location, and the specific needs of the student population. ♦ Both excessively small and excessively large schools and districts face significant challenges.
1987	Walberg and Fowler	*Expenditures and size effectiveness of public school districts*	♦ Looking at possible dependence of achievement on socio-economic status (SES), expenditures, and size, are larger and higher spending districts more efficient?	♦ Larger NJ districts operate less efficiently than smaller districts in the state. "In all cases, larger district enrollments are associated with lower test scores. The results contradict the hypothesis sometimes out forward that large districts are more efficient. When SES and expenditures are taken into consideration, large districts in NJ were generally less effective in enhancing achievements." (p. 12)

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
1989	Jewell	*Schools and school district size relationships: Costs, results, minorities, and private school enrollments.*	♦ What is the relationship between size (system size, district size, and school size) and the things that really matter in public education? ♦ Can we lower costs, improve efficiency, or improve the quality of the educational product by having larger or smaller school districts, schools, and/or classes?	♦ Smaller districts and smaller schools have higher SAT/ACT scores. ♦ Poverty levels have a bigger impact (lower SAT/ACT) scores than district/school size. When poverty levels are not included, the results are insignificant. ♦ Average-sized schools and schools with lower student enrollment within larger districts have higher graduation rates compared to larger schools and districts with higher enrollment.
1989	Webb	*A district of a certain size: An exploration of the debate on school district size*	♦ What constitutes the "right" size of a school district? ♦ What does the research say about the "best" size for school districts?	♦ No consensus on the long-term effects or organizational implications of increasing district size "However, researchers do not express anything resembling a consensus regarding the long-term effects or organizational implications of district size." (p. 137)
1995	Duncombe et al.	*Potential cost savings from school district consolidation: A case study of New York*	♦ Explore and determine a theoretical framework for potential cost savings from the consolidation of NY school districts	♦ Cost savings associated with increasing enrollment up to 500-1,000 students. ♦ Once enrollment exceeds 5,000 students, diseconomies occur (cost savings are exhausted or reversed). ♦ Suburban areas can be good for consolidation because they are geographically small, have above-average wealth, and are attached to a city.

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
				♦ Rural districts are not a good fit for consolidation because they are sparsely located. Transportation costs could be higher.
1995	Hess	*Restructuring urban schools: A Chicago perspective*	♦ How did the Chicago School Reform Act impact the allocation of resources in Chicago Public Schools?	♦ The Chicago School Reform Act aimed to reduce administrative costs and redirect resources to local schools. ♦ Despite increased funding, the presence of more funds does not automatically ensure a more effective school district; how funds are used is critical. ♦ Larger districts were not found to be more efficient than small schools and districts. "Our research…challenged the assumption that large urban school districts were more efficient than smaller districts through economies of scale." (p. 172)
2000	Monk and Hussain	*Structural influences on the internal allocation of school district resources: Evidence from New York state*	♦ Examine the potential for inconsistent resource allocation decisions to be made at different administrative levels of schools and districts	♦ Larger district sizes lead to reductions in instructional staffing. ♦ The research findings challenged the notion that there are universal "iron laws" governing resource allocation in education. In reality, there is a more complex interplay across various decision-making levels. This complexity is influenced by structural characteristics such as wealth, poverty, district size, and spending levels, which play a significant role in shaping resource allocation patterns.

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
2002	Andrews et al.	*Revisiting economies of size in American education: Are we any closer to a consensus?*	♦ Impact of size on costs and student performance	♦ Notable cost savings occur from moving from a small district (~500) to a district of 2,000-4,000 students, in both instructional and administrative areas. ♦ At enrollment of ~6,000, diseconomies of scale start. ♦ Consolidation of small districts will save money only if kept to moderate size and consider transportation. ♦ Larger districts can decrease student motivation because they don't have a strong sense of belonging - staff/admin have a harder time knowing every student by name.
2002	Duncombe	*Revisiting economies of size in American education: Are we any closer to a consensus?*	♦ After three decades of empirical research on educational production and costs are we any closer to a consensus on the effects of size on costs and student performance?	♦ Consolidation of small, rural districts can save money, but the schools must be moderately sized and offer feasible transportation. "While cross-sectional regressions can be suggestive of potential economies of size, ultimately, consolidation is a policy change that should be evaluated using longitudinal methods." (p. 256) "The basic story seems to be that moderation in district and school size may provide the most efficient combination." (p. 256)

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
2003	Imerman and Otto	*A preliminary investigation of school district expenditures with respect to school district size in Iowa*	♦ How do school district expenditures vary with respect to school district size in Iowa?	♦ There is a reciprocal relationship between district size and expenditure per student. Expenditures rise as district size gets below 750 students.
2005	Leland and Thurmaier	*When efficiency is unbelievable: Normative lessons from 30 years of city-county consolidations*	♦ Identify key factors and strategies that contribute to the success of consolidation	♦ The common element that creates successful consolidation is that civic elites developed a vision for the community's economic development-- that encompassed the whole county, not just the city ♦ Despite popular acceptance that consolidation is only successful under a crisis, the authors found that the central issue was whether or not the community as a whole is facing economic decline or growth. ♦ Arguments for consolidation based on increased equity or efficiency fail
2005	Walters	*Efficient allocation of fiscal resources for student achievement in Arkansas public school districts*	♦ Is there a difference in the allocation of fiscal resources by school district size?	♦ The allocation of fiscal resources varies significantly across school districts, with disparities influenced by district size and poverty levels. ♦ Larger districts tend to allocate a higher percentage of their budgets to instructional costs, whereas smaller districts allocate more to administrative and support services.
2007	Coulson	*School district consolidation, size,*	♦ Is there an optimal size for school districts?	♦ The most cost-effective size for school districts in Michigan is approximately 2,900 students.

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
		and spending: An evaluation	♦ How does forcing "small" districts to consolidate compare to other possible reforms as a means of saving taxpayers money?	♦ The potential savings from consolidating small districts was significantly less than the potential savings from breaking up large districts. The author estimated that the potential savings from mergers are 12x smaller than the savings from breakups. ♦ Both excessively large and exceedingly small school districts are less cost-effective. ♦ The actual savings from mergers or breakups are likely to be much smaller than the theoretical maxima.
2008	Berry	*Growing pains: The school consolidation movement and student outcomes*	♦ Did the school consolidation movement produce improved outcomes for students born between 1920-1949?	♦ Students in states whose school sizes increased during the consolidation movement received lower returns to education (ROE) and completed fewer years of schooling compared to the US population. ♦ Students in smaller districts had higher ROE and completed more years of education. ♦ Smaller schools within a larger district were best for ROE. "Although there may have been modest gains associated with larger districts created as a result of the consolidation movement, these gains were outweighed by the harmful effects of larger schools." (p. 24)
2010	McHenry-Sorber	*A governor's final days in office: A*	♦ What are the values and contexts underlying the new school	♦ School consolidation could lead to longer bus rides, loss of local school control, and potential negative impacts on

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
		confluence of policy problems for rural schools.	consolidation policies in Pennsylvania?	community identity, and student achievement and attendance.
2011	Howley et al.	*Consolidation of Schools and Districts: What the Research Says and What it Means*	♦ Describe what to expect from consolidation ♦ Synthesize evidence - experience/results of consolidation	♦ Consolidation research is historically divided. ♦ Deconsolidation should be done to enhance community/family well-being in poor/minority communities.
2012	Pandolfo	*The effect of economies of scale on California school districts' expenditures*	♦ How does the size of California school districts affect the allocation and efficiency of fiscal resources? ♦ What are the financial impacts of school district consolidations in California?	♦ Small and very small districts direct more funds per pupil towards operational activities rather than educational services directly associated with student learning. Medium and large districts show fewer and smaller differences in per-pupil spending. ♦ Merging small districts into moderately sized ones has financial benefits, but merging into large districts does not yield the same advantages. ♦ Reorganizing small districts, particularly elementary ones, into larger entities could lead to more efficient use of resources. "Merging of a small district [<500 students] into a moderately sized district [2k-4k students] had financial benefits that were not seen in mergers resulting in large districts [6k+ students]." (p. iv)

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
2013	Boser	*Size Matters: A Look at School-District Consolidation*	♦ Could we reform the structure of our education system in ways that might increase student achievement?	♦ States should generally avoid one-size-fits-all approaches to maximizing district size. ♦ States and districts should consider regionalization and the sharing of services and resources where possible.
2014	Cobb	*Relationship between school district size and patterns of school expenditures*	♦ Is there a significant relationship between school district size and instructional expenses? ♦ Is there a significant relationship between school district size and administrative expenses?	♦ District size has an impact on spending patterns (instructional and administrative); larger districts spend more of their budget on admin than smaller districts; smaller districts allocate higher percentages of their budget to instructional costs. ♦ Economies of scale exist in larger districts, which results in a more efficient use of resources. However, the author's analysis was limited to school districts in Oklahoma, where the average district size was 1,100 students at the time of the study.
2016	Honeycutt Barnette	*A case study of the consolidation of five North Carolina school districts: Motivation, process and impact*	♦ What was the impact of school consolidation?	♦ For the former students of ABC district, student attendance increased slightly after consolidation, but achievement and graduation rates decreased. ♦ For the former students of XYZ district, student attendance, and graduation rates slightly. "The first implication is that, just as predicted in the literature, consolidation does not always save money or improve student achievement." (p. 106)

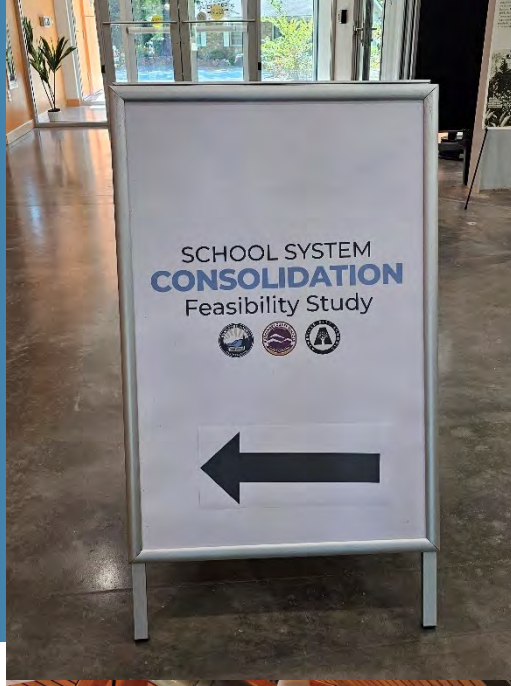
Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
2017	Superville	*When a Community Loses its Schools*	♦ State Act 60 (2004) requires districts that enroll fewer than 350 students for two consecutive years to consolidate or annex with another school system. What are the impacts	♦ Students gained more access to AP & dual-enrollment courses in their new district. ♦ Transportation was the biggest hurdle. ♦ Parents were mixed in their support of the consolidation. Some said their students were getting the academic support they needed, while others were falling through the cracks or being reprimanded more often for behavior.
2018	Ray	*District consolidation: What does the research say?*	♦ What does existing research say about the effects of district consolidation on various outcomes, including student performance and economic efficiency?	♦ The impact of consolidation on student performance and economic efficiency varies and is often context-dependent on the school/district/community in question. ♦ Consolidation does not consistently lead to cost savings or improved academic outcomes. "Consolidation reforms driven by a state policy focus on inputs. Today the reform agenda is focused on higher test scores—and consolidation appears to be a very unlikely contributor (and more probably an impediment) to improved outcomes." (p. 15) "Any proposals designed to reduce operational costs through consolidation of small districts needs to be carefully evaluated to ensure there are no indirect impacts on performance (achievement) and increased transportation costs." (p. 10)

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
				"Consolidations might be more successful if undertaken on a case-by-case basis, with community support and identified benefits." (p. 11)
2019	Camel & Mozee	*The impact of school district consolidation on academic achievement in Mississippi*	♦ Did academic performance (as measured by standardized test scores) increase or decrease after consolidation?	♦ Pre-consolidation to post-consolidation, test scores decreased in Language Proficiency, Language Advanced, Math Minimum, Math Proficiency, and Math Advanced. The only pre/post increase found was in Math Basic. "…assuming the primary goal of school consolidation is improving student academic performance, this study recommends policymakers proceed cautiously before mandating future school consolidations. The research evidence suggests school consolidation may not be the best approach to improving academic performance in some small rural school districts." (p. 1)
2020	Burnette II	*Why don't struggling K-12 districts just dissolve?*	♦ What are the challenges and implications involved in dissolving [consolidating] districts?	♦ Hundreds of school districts face a cycle of declining enrollment and budget cuts. Large parts of the US are experiencing substantial demographic shifts due to urbanization, a changing economy, and declining birth rates. However, district lines remain unchanged which resulted in disparities among school districts. ♦ The process of dissolution [consolidation] is messy, emotionally charged, and can be nearly impossible to carry out.

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
2021	Northern	*How school district consolidation affects student outcomes and economic efficiency*	♦ Do consolidations result in increased economic efficiency? ♦ Do consolidations have an academic impact on students?	♦ Consolidation has no or only small positive impacts on student outcomes in both math and ELA. Impacts remain mostly statistically insignificant or small 4+ years post-consolidation. ♦ The low number of initial school closures and retention of staff after consolidation might undermine the intended boost in efficiency. "The key finding is that consolidation has null or very small positive impacts in both math and English language arts. The researchers also looked to see if impacts vary over time, under the premise that students may require several years to adjust to their new surroundings. But again, impacts are mostly insignificant or modest over four years post-consolidation." (np.)
2022	Smith & Zimmer	*The impacts of school district consolidation on rural communities: Evidence from Arkansas reform*	♦ What are the effects of school district consolidation on rural communities?	♦ Consolidation decreases town population, community schools, and property values. ♦ Communities with larger racial minority populations may be disproportionately affected by consolidation.
2023	Chin	*School district consolidation in North Carolina: Impacts on school*	♦ Does school district consolidation impact theoretically related K-12 school- and district-level	♦ Consolidation resulted in less spending on administration, instructional support services, and pupil support services. ♦ Consolidation decreased state revenue.

Year	Author	Title	Relevant Areas Reviewed Research Question	Major Relevant Findings
		composition and finance, crime outcomes, and educational attainment	mechanisms, such as school finance, composition, and operational status? ♦ Does consolidation impact the long-term outcomes of youth, specifically their criminal activity in early adulthood and educational attainment?	♦ Consolidation increased school integration by race. ♦ Consolidation did not impact long-term academic achievement/attainment. "Results thus indicate that, overall, consolidation efforts can indeed help address between-district segregation and reduce schools' operational costs as theorized. The insignificant findings largely suggest that consolidation in North Carolina on average did not affect the number of schools in operation, nor did enrollment patterns change." (p. 6)
2023	Kelly	*School Consolidation Conversation Should Focus on Fact, Not Emotion*	♦ What does a 2017 study say around consolidation in Indiana? (opinion piece)	♦ Sentimentality tied to school/community should be separated from the facts about school consolidation. ♦ Smaller school districts(<2,000k students) offer less (second languages, AP, STEM, etc.). ♦ If small school districts increased in size to ~2,000 students, academic achievement would increase.

Chapter 3
Constituent Input



Constituent Interviews

A total of 168 interviews were conducted from May to September 2024. Interview participants included elected officials, representatives from community agencies and interests, and employees from ACS, BCS, Asheville City government, and Buncombe County governments. Several participants were interviewed by multiple consultants, each focusing on different aspects of the consolidation study.

Group/Interest Area	# of Participants
Community Organizations	4
Elected Officials	19
Government Agencies	14
School Systems	87
Total	**124**

Interviewees were asked about potential benefits and concerns related to consolidation. Consultants tailored the interview questions to align with their specific area of focus and the interviewee's background, ensuring a comprehensive investigation. A summary of overall themes is shared here.

Participants shared similarities, differences, strengths, and opportunities for improvement for both school systems (Exhibit 3-1 and 3-2). Several participants shared their perceptions of cultural differences between the school systems. Examples provided included the differing approaches to meeting student needs, student access to diverse resources, and racial diversity. The variation in staff retention rates was identified as another factor influencing the culture of the school systems.

Exhibit 3-1
Perceived Strengths of Each School System

ACS	BCS
♦ *Funding from supplemental property tax provides increased per pupil funding*	♦ *Technology infrastructure*
♦ *Open enrollment for elementary students*	♦ *Systematic processes*
♦ *Rigorous course work for high-achieving students*	♦ *Positive, structured learning environment*
♦ *Arts and CTE offerings*	♦ *Protected time for PLCs*
♦ *Technology – 1:1 for students*	♦ *Teacher Advisory Council provides feedback to leadership*
♦ *Services offered and engagement with community organizations*	♦ *Challenges students academically*
♦ *Offers wide range of AP courses*	♦ *Committed, hard-working leadership with minimal system leadership turnover*
♦ *Performs higher academically*	♦ *Graduation rate*
♦ *Smaller class sizes*	♦ *Promotes racial and economic integration*
♦ *Give parents a voice in child's education*	♦ *Academic excellence*
	♦ *Robust CTE and arts program*

Exhibit 3-2
Perceived Opportunities for Improvement for Each School System

ACS	BCS
♦ *Lack of consistency in personnel in leadership*	♦ *Leadership predominantly white*
♦ *Achievement gaps*	♦ *Available funding*
♦ *Recruiting and retention of non-certified staff*	♦ *Need for full-time nurses*
♦ *Disproportional discipline*	♦ *Inequities across schools with funding for supplies and field trips from PTOs and other groups*
♦ *Student absenteeism*	♦ *Provide more school choice for students*
♦ *Inequities across schools with funding from PTOs*	♦ *Facilities maintenance and building infrastructure*
♦ *Age of facilities*	♦ *Hiring bilingual staff*
♦ *Increase non-white teachers*	♦ *Declining enrollment*
♦ *Declining enrollment*	♦ *Equitable services for low-income students*
♦ *Revisit the budget allocation process*	♦ *Increase non-white employees*
♦ *Equitable services for students of color*	

Participants indicated that in weighing the pros and cons of consolidation, the following should be deciding factors:

- *Student success and well-being*
- *Equity*
- *Safety*
- *Impact on families and students*
- *What will make us have the strongest school system for our kids, a system that really values and supports its staff so we don't*

have that turnover and that we have a path that is financially sustainable?

- *Community buy-in*
- *Money should not drive this. We have to be able to see a path toward better outcomes for students of poverty/color.*

While interviewees would need additional information on a consolidation plan before supporting consolidation, several areas of concern were noted if consolidation was decided:

- *The impact on the administrative structure*
- *Teacher retention*
- *Funding allocation*
- *Impact on the current tax structure*
- *Impact on the desegregation order*
- *Potential for losing more students to private or charter schools*
- *How school boards will consolidate to provide equal representation*
- *Preservation of the rich traditions of each system*
- *Preservation of small system feel and neighborhood schools*

Participants also shared potential impacts of consolidation that would be positive including:

- *Additional accountability*
- *More efficient operations*
- *Shared resources between systems*
- *Unification of the county*
- *Could lead to changes that get charter school and homeschool kids back*

Participants felt that if things were left the way they are, their biggest concerns would be:

- *In the past there have been recommendations, and no one followed through. Hopefully, we get it done this time.*
- *Hopes the districts would look for opportunities to work together and share resources.*
- *How are the schools going to try to work to increase teacher pay, increase diversity in teachers, more focused efforts in bringing in therapists, and do more preventive work?*
- *Hopes to talk about what still needs to be done*
- *Things would not change*

Focus Groups

A total of 7 focus groups were held August 5-8, 2024. Combined, the focus group participants worked with students from Birth-PreK through After High School. There was both racial/ethnic and gender diversity in the groups.

Community Group/Interest Area	# of Attendees
Business/Foundation	7
Community/Student Supports #1	11
Community/Student Supports #2	7
Community/Student Supports #3	8
Health/Behavioral Health	10
Homeschool, Charter, Private School Operators	4
Secondary/Postsecondary	8
Total	**55**

The 1st set of focus group questions revolved around ACS and BCS as they exist today, what they have in common, how they differ, where they each excel, where they could each do better, and any existing inequities. The last few questions turned toward the topic of consolidation to discuss whether consolidation might address any of the current concerns about the 2 systems, which factors should be considered most important in weighing the pros and cons of consolidation, and any concerns attendees would have should the two systems consolidate or not consolidate.

A summary of many of the major focus group themes is presented here. The full results of the focus groups are provided in Appendix E.

In discussing the educational environment in the 2 school systems, many perceived strengths and opportunities for improvement were discussed about both systems (Exhibit 3-3 and 3-4). Participants indicated there are fundamental differences in the culture and focus of the 2 school systems. Some attributed this to the city versus country mindsets and demographics, but others pointed out that the demographics of different regions within BCS vary widely. Poverty looks different in the 2 systems, as do the populations of students who struggle with state testing. Some participants felt that some of these differences are seen on a school-by-school basis rather than reflecting differences between BCS and ACS.

Exhibit 3-3
Perceived Strengths of Each School System

ACS	BCS
♦ *More money per student*	♦ *Stronger academics*
♦ *Small, nimble, and well-resourced*	♦ *Better school food*
♦ *Places resources intentionally*	♦ *More money overall*

ACS	BCS
♦ *Child-centered approach* ♦ *Serves high-performing students well* ♦ *Strong early childhood program* ♦ *Variety of afterschool programming* ♦ *Staff has compassion for families and kids* ♦ *Celebrates diversity* ♦ *More equitable access to AP and dual-enrollment classes*	♦ *Consistent and easily accessible leadership* ♦ *Compassionate staff* ♦ *Schools feel like communities* ♦ *Artist in residency, dual language ES, and tech and career pathways are positive new programs* ♦ *Diversity is growing. BCS is making translators available for events.* ♦ *Better access to alternative programs*

Exhibit 3-4
Perceived Opportunities for Improvement for Each School System

ACS	BCS
♦ *Leadership predominantly white* ♦ *Achievement gap largely income-based* ♦ *Lacks resources to address food and housing insecurity* ♦ *Tries to leverage community members as leaders, but does not do this well* ♦ *Losing students to charters because of perceived violence* ♦ *Lower-income students are "pushed through" and labeled as "bad" kids, regardless of race* ♦ *Does not follow through with initiatives. Throws a lot of things at the wall.* ♦ *Transparency, support for children with special needs, and support for mental health are lacking.* ♦ *Ineffective administrators are simply moved to the CO* ♦ *Middle school culture is viewed as a challenge for every child. Described as a "dreamcrusher place"* ♦ *Diversity of staff does not reflect that of the students* ♦ *Regular changes in leadership, large central office, feeling of more "red tape" to get things done*	♦ *Leadership predominantly white* ♦ *Achievement gap largely race-based* ♦ *Lacks resources to address food and housing insecurity* ♦ *Does not leverage community members as leaders* ♦ *Losing students to charters because of perceived violence* ♦ *Embracing diversity is a work in progress for BCS* ♦ *Dual-enrollment and AP classes are rumored to be available only to "certain students"* ♦ *Attendance boundaries drawn oddly. Push richer families toward some schools and more diverse populations toward others* ♦ *LGBTQ students report feeling unsafe at BCS* ♦ Community partnership is almost nonexistent. ♦ Lack of diverse teachers and staff ♦ English Language Learners often pushed into inclusion classrooms without any support

Participants overwhelmingly agreed that they needed more information about what the details would look like before they could say that consolidation would be a good or a bad thing. Many felt that if ACS just became 1 district inside of BCS, none of the problems with either district would be solved. On the other hand, participants saw where taking the strongest leadership resources from each district and combining their efforts could have positive results and would also help combat the problem with teacher attrition. Some felt that consolidation would allow the community to get behind 1 school system, which would unify the citizens.

Participants indicated that in weighing the pros and cons of consolidation, the following should be deciding factors:

- *Student success*
- *ACS cannot just get "folded into" BCS. There has to be a true merger to take in the good parts of ACS. It should feel completely different from what exists now, with choices of differently sized HS, academies, etc.*
- *If a merger can make free breakfast and lunch available to all kids and provide access to better resources to combat childhood poverty, then it should be considered.*
- *How much money could be saved and how much of that money would be spent on the kids?*
- *Would there be additional funding available to help with the transition? How long would the transition period be?*
- *Could a merge provide more unified access to NC Pre-K?*
- *What is best for students and families? Politics and money should be left out of it.*

Participants felt if the decision was to consolidate, their biggest concerns would be:

- *That families would move their kids to charter and private schools out of fear of what may happen.*
- *Tackling the achievement gap. These students could get even more lost in a larger school system.*
- *That a merger is "such a great opportunity for something great to happen", but that opportunity was squandered post-COVID.*
- *Would we lose our best and brightest teachers?*

- *How much will the focus on consolidation take away from focusing on the kids?*
- *Fear that the work of ACS around racism will be thrown out. Would we be able to have those conversations?*
- *Fear that this is just another "defunding effort" on the part of the legislature.*
- *Fear that marginalized and poor kids will be left out.*
- *General concerns that there would be a short-term harm to students, might not lead to more stability, and could take a long time to see positive outcomes.*

Participants felt that if things were left the way they are, their biggest concerns would be:

- *This would be a lost opportunity for both systems to learn efficiencies and best practices from one another.*
- *Will both systems be okay financially going forward? There is community talk that ACS is not as stable financially.*
- *Privileged kids will benefit the most in either situation.*
- *Lost opportunity to come to the table with the charters and/or create some public charters to provide more options for more kids.*

Community Forums

In September 2024, Buncombe County and Prismatic Services hosted a series of 9 in-person community forums and 1 online forum. The in-person forums were stationed-based and allowed attendees to move around and provide feedback at each station. Similar activities were available in the online forum using polling options. A total of 222 people attended the forums and included representation from across the county (Exhibit 3-5).

Date	Location	Attendees
09SEP24	Owen MS	19
10SEP24	East Asheville Library	26
12SEP24	Cane Creek MS	11
13SEP24	Weaverville Community Center	30
16SEP24	Isaac Dickson ES	35
17SEP24	Erwin HS	4
18SEP24	Enka IS	5
19SEP24	Hall Fletcher ES	49
20SEP24	Skyland/South Buncombe Library	19
23SEP24	Online	24
	Total	**222**

Exhibit 3-5
Communities Represented at Forums

Area	%
Arden	4%
Candler	1%
City of Asheville	36%
Emma Community	1%
Fairview	4%
Flat Creek	1%
Leicester	3%
Swannanoa	4%
Unincorporated Buncombe County	4%
Other	43%

A summary of major community forum themes is presented here. The full results of the community forums are provided in Appendix F.

Forum participants were asked to share their opinions on various factors related to consolidation in order to assess whether it is the best option, by ranking these factors. The factors ranked the highest were education quality improvements and education option improvements (Exhibit 3-6).

Exhibit 3-6
Consolidation Deciding Factor Station Results

Option	Owen MS	E Asheville Library	Cane Creek M	Weaverville CC	Isaac Dickson ES	Erwin HS	Enka IS	Hall Fletcher ES	Skyland Library
Education Quality Improvements	#1	#1	#2	#2	#1	#1	#1	#1	#1
Education Option Improvements	#2	#2	#1	#1	#2	#2	#2	#2	#2
Large Cost Savings	#3	#3	#3	#4	#3	#3	#4	#3	#3
Small Cost Savings	#4	#4	#4	#3	#4	#4	#3	#4	#4

Education quality improvements and education option improvements were the top 2 deciding factors among forum participants.

Cost savings was not in the top 2 at any forum.

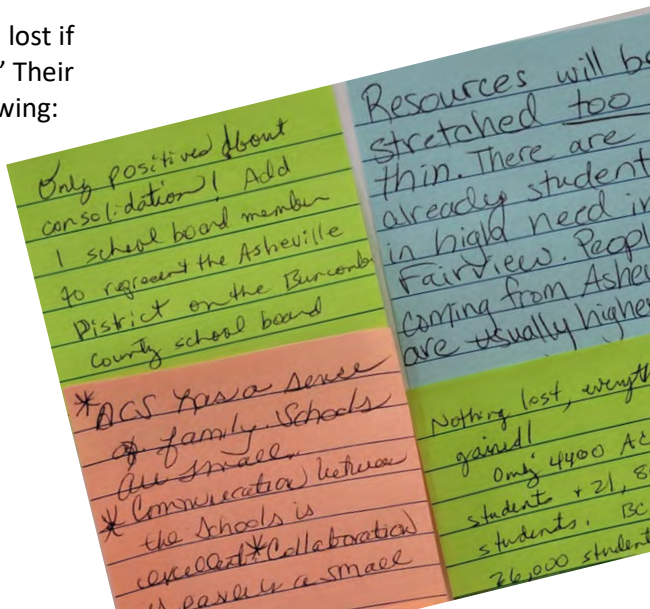
Participants were asked if they believed statements related to consolidation to be fact or fiction (Exhibit 3-7). Of those who responded, 69% felt it makes sense to have 1 countywide school system. When asked if consolidation would improve educational opportunities for students, 62% felt it would not.

Exhibit 3-7
Community Forum Fact or Fiction Station Results

Statement	Fact	Fiction
Consolidation would save a lot of money.	50%	50%
It makes sense to have 1 countywide school system.	69%	31%
Something special about Asheville City Schools will be lost if the systems are consolidated.	62%	38%
Something special about Buncombe County Schools will be lost if the systems are consolidated.	46%	54%
Home property values in my area would be impacted if the school systems consolidate.	20%	80%
Consolidating systems will likely improve educational opportunities for all students.	38%	62%

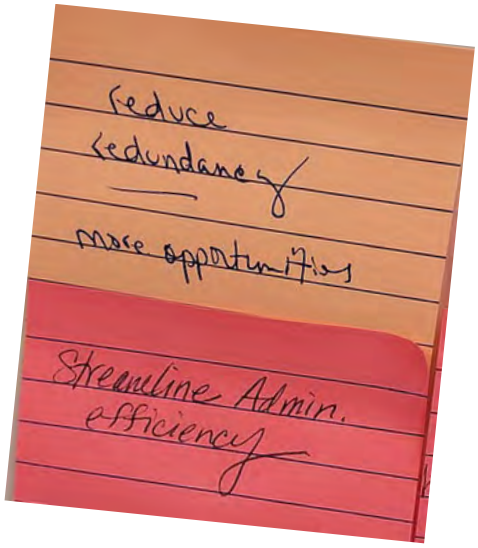
Participants were asked, "What is something special that might be lost if Asheville City Schools and Buncombe County Schools consolidate?" Their responses indicated the participants did not want to lose the following:

- *Smaller class sizes*
- *Smaller* school *system*
- *Services found in smaller districts*
- *School system staff*
- *Magnet schools*



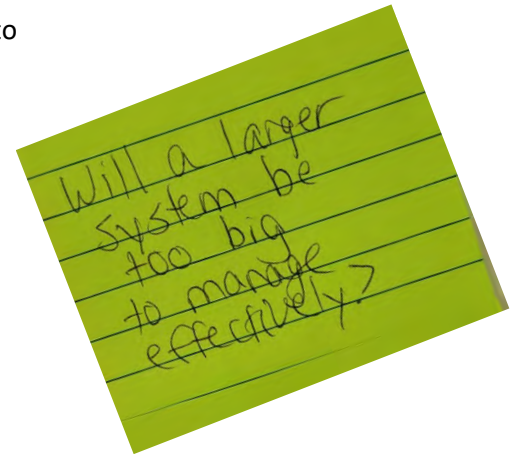
- *Collaboration that is possible in smaller systems*
- *Families living close to schools*
- *Clubs, AVID, AP class choices*

Participants were asked, "What would be the biggest benefit to this community if Asheville City Schools and Buncombe County Schools consolidated?" Their responses indicated they believed consolidation would provide the following benefits:



- *Access to more resources*
- *Additional course offerings for students*
- *Cost savings that could be redirected for additional services for students*
- *Increased pay for all teachers*
- *Sharing resources, ideas, and staff cultures would enhance a larger unified district*
- *Reduction of duplicated services*
- *More choices for students and families*
- *Improved fiscal management*

The biggest concerns about school system consolidation according to community forum participants were:



- *The differences in the ways the systems approach discipline, which would have to be aligned.*
- *Prioritizing equitable educational services for all students*
- *Will each district be able to keep what is working well?*
- *Redistricting in a way that racially integrates all schools*
- *A bigger system could cause parents and community groups to feel less connected and less willing to be involved.*
- *How will book bans be handled if there is a merger?*
- *Impact of different cultures on each district*
- *Will there be more stipends offered for those who want to send their students the private route? They are limited now.*
- *Will people lose their jobs?*

When youth forum participants were asked about the best thing about their school, answers included the teachers, opportunities, class options, and inclusivity.

Constituent Fall 2024 Surveys

Specific surveys for high school students, parents, ACS/BCS staff members, and general community members were available online in September 2024. County, ACS, and BCS staff members communicated survey availability through various means.

Student Survey

While there was a good response rate overall, ACS high school students responded at a lower level than BCS high school students, with an 11% response rate compared to a 37% response rate. For this reason, comparisons should be viewed with some caution.

Thinking about their school, ACS and BCS students were largely positive. A majority agreed their school has many desirable aspects (Exhibit 3-8).

Exhibit 3-8
Students' Opinions of Their ACS/BCS High School

	% Strongly Agree + % Agree	
	ACS	BCS
My school can be described as a good place to learn.	91%	83%
I have plenty of choices when selecting academic and elective courses.	94%	80%
I feel appropriately challenged in my classes.	83%	78%
My school connects me to real-world issues and experiences.	79%	53%
Most staff in our school have high expectations for all students regardless of their race, ethnicity, language, or other factors.	87%	80%
Most adults in my school respect student diversity.	92%	82%
I feel welcomed and accepted by other students in this school.	82%	67%
Education is the main priority in our school system.	88%	82%

When asked about the quality of specific aspects of their school, a majority of ACS and BCS students rated their school facilities, instructional materials, and afterschool/extracurricular activities as excellent or good. They were less enthusiastic about their school bus transportation and school lunch (Exhibit 3-9).

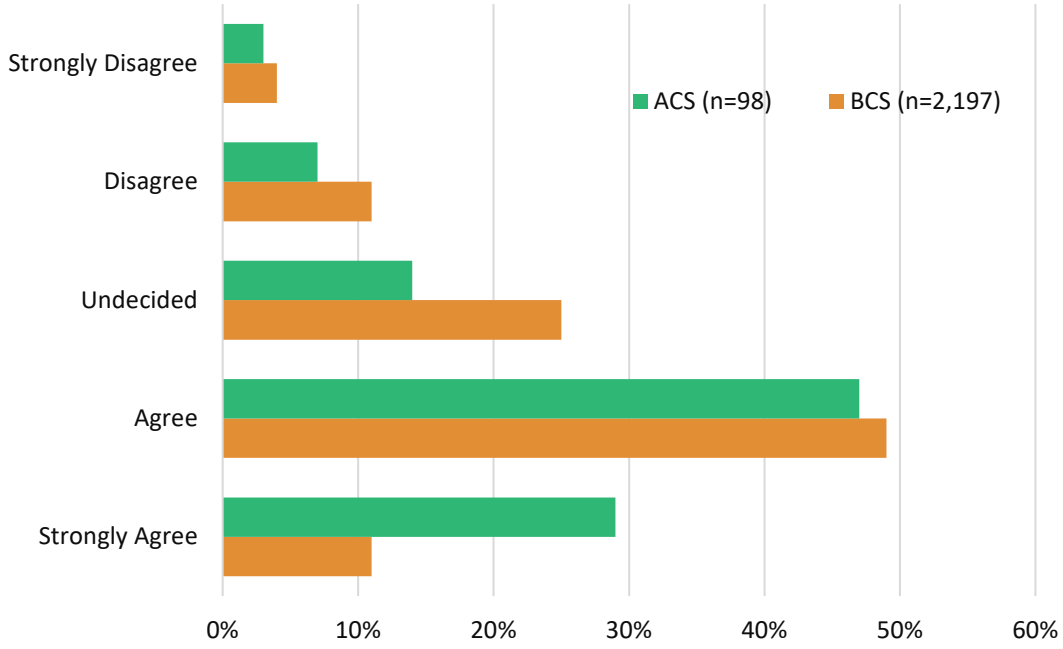
Both ACS and BCS students generally reported positive opinions about most aspects of their high school.

Exhibit 3-9
Students' Opinions of Select ACS/BCS Programs/Operations

	% Excellent + % Good	
	ACS	BCS
Afterschool and Extracurriculars	84%	66%
Instructional Materials	79%	59%
School Facilities	71%	54%
School Bus Transportation	45%	39%
School Lunch	42%	23%

Of the ACS/BCS high school students who also completed middle school in their same school system, opinions were somewhat divided as to whether their middle school classes prepared them well for high school. ACS students felt more strongly that middle school prepared them well (76% agreed or strongly agreed) than did BCS students (60% agreed or strongly agreed).

Q1. My middle school classes prepared me well for high school academics. (n = 2,306)



When asked what factors should be considered in assessing the feasibility of school system consolidation, a majority of ACS and BCS students each identified 3:

- whether it will improve school life for students
- whether it will improve academic quality for students
- whether it will improve academic course options for students

When asked to narrow down factors to their top 3, ACS and BCS students agreed on the top factor - whether it will improve school life for students. Overall, 43% of students identified this a 1 of the top 3. The students varied in their choices for 2nd and 3rd factors (Exhibit 3-10).

Both ACS and BCS students think that the most important factor in weighing consolidation is whether it will improve school life for students.

Exhibit 3-10
Top Student Consolidation Considerations

	ACS	BCS
#1	♦ whether it will improve school life for students (46%)	♦ whether it will improve school life for students (43%)
#2	♦ whether all current staff will keep all of their positions after consolidation (40%)	♦ whether it will improve academic quality for students (36%)
#3	♦ whether it will improve academic quality for students (38%)	♦ whether it will improve academic course options for students (23%) ♦ whether it will save money (23%)

When asked what factors should not be considered in assessing the feasibility of school system consolidation, none of the options were selected by a majority of ACS or BCS students (Exhibit 3-11). Nevertheless, money and individual high school traditions were among the factors ACS and BCS students did not consider to be important in weighing consolidation.

Exhibit 3-11
Factors Students Would Not Consider

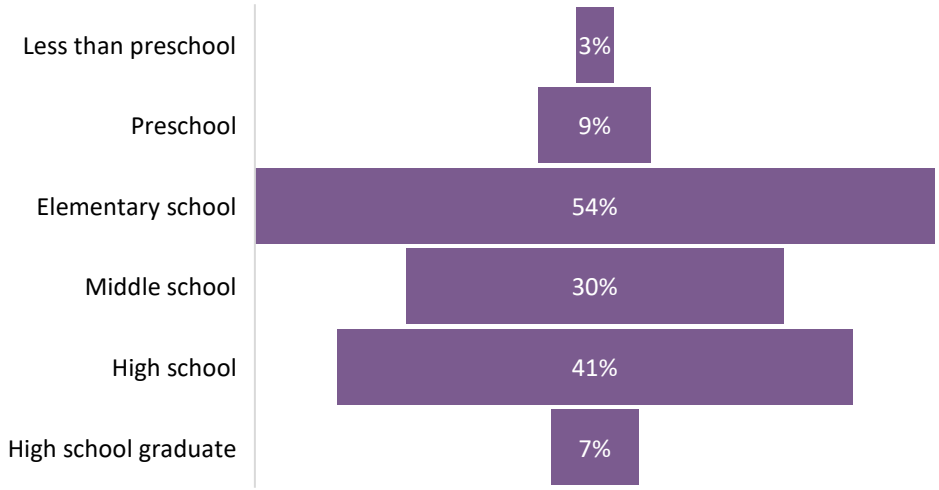
	ACS	BCS
#1	♦ whether it will save money (33%)	♦ whether individual high school traditions will be continued (21%)
#2	♦ whether individual high school traditions will be continued (27%)	♦ whether it will cost money to make the change (19%) ♦ whether parents of current students want consolidation to happen (19%)
#3	♦ whether it will cost money to make the change (24%)	♦ whether it will save money (18%)

Parent Survey

Of the 2,560 parents who provided input, 21% have children enrolled in ACS, 67% have children enrolled in BCS, 1% don't have children enrolled in school currently, 1% have children enrolled in a charter school, and 8% have an assortment of school enrollments within their family (where one or more children are enrolled in ACS or BCS and others may be enrolled in charter, private, or homeschool options).

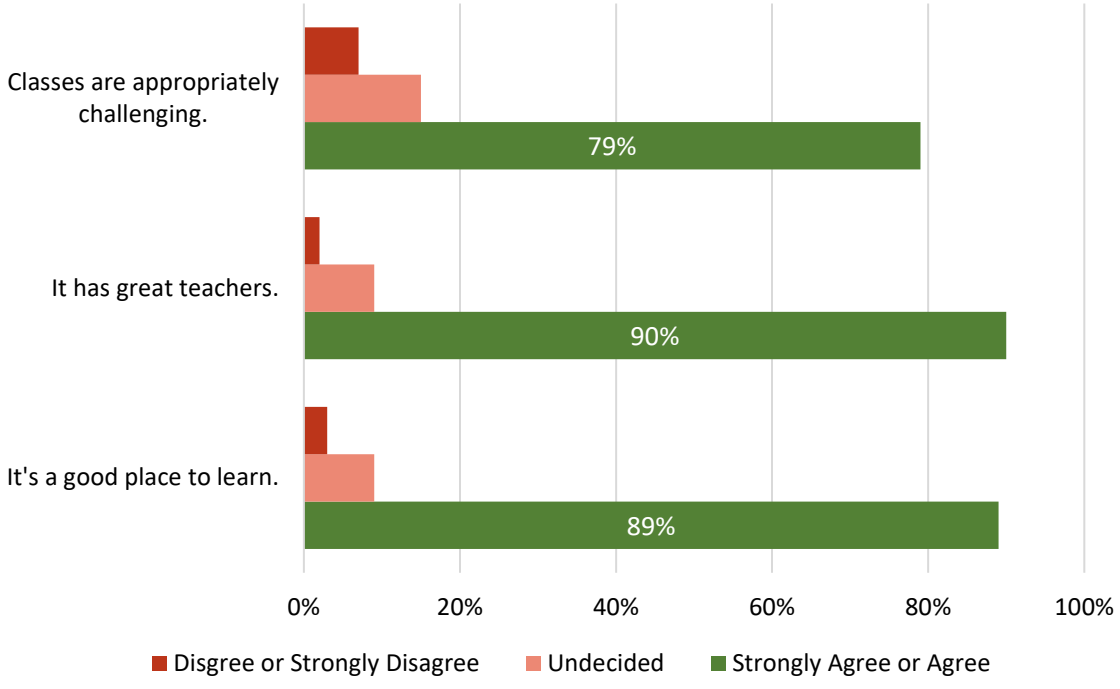
More than half of the survey respondents currently have a student enrolled at the elementary school level. Exhibit 3-12 shows the age groups of the children of survey respondents.

Exhibit 3-12
Children of Survey Respondents by Age Group



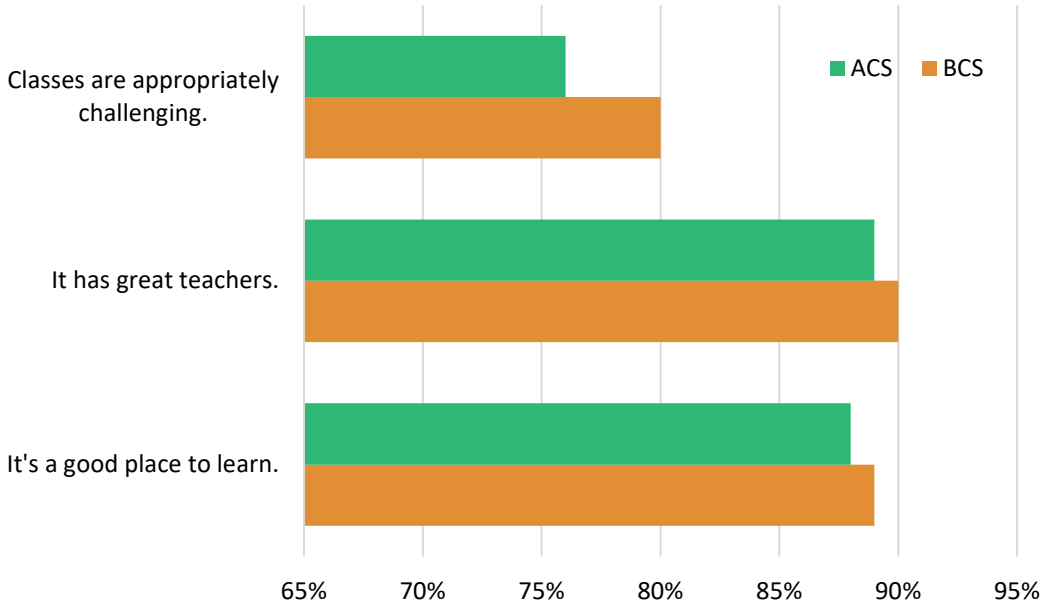
When asked to consider the current school of their oldest child, an overwhelming majority of parents agreed that their child's school can be described as a great place to learn, that their child has great teachers, and that their child is appropriately challenged in their classes.

Q3. Thinking about your oldest child and their current school: (n=2,282)



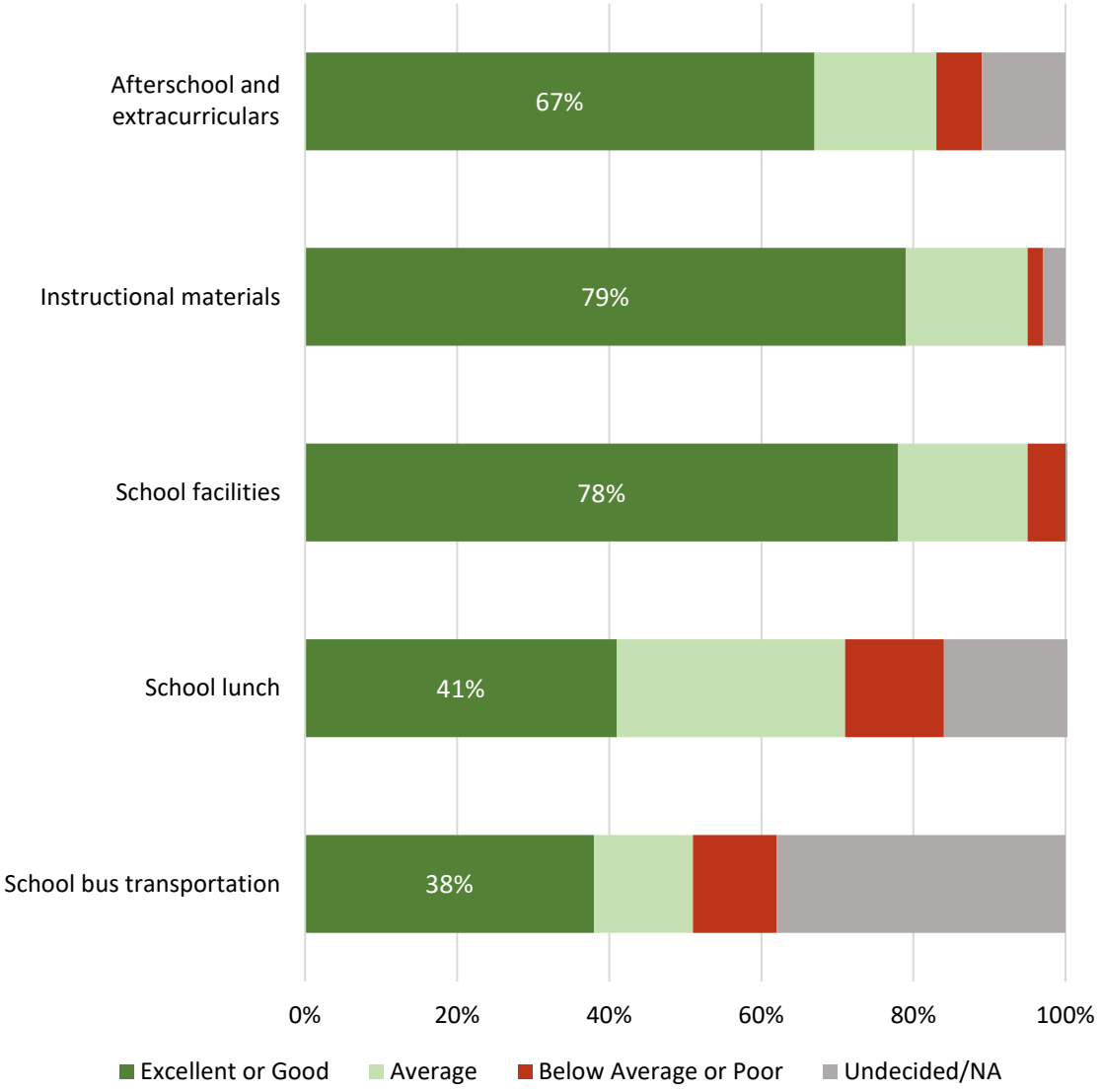
The percentage of parents who agreed with these statements did not vary much between parents of ACS and BCS students (Exhibit 3-13).

Exhibit 3-13
Parent Responses About Their Oldest Child's School,
Percent Who Agreed or Strongly Agreed

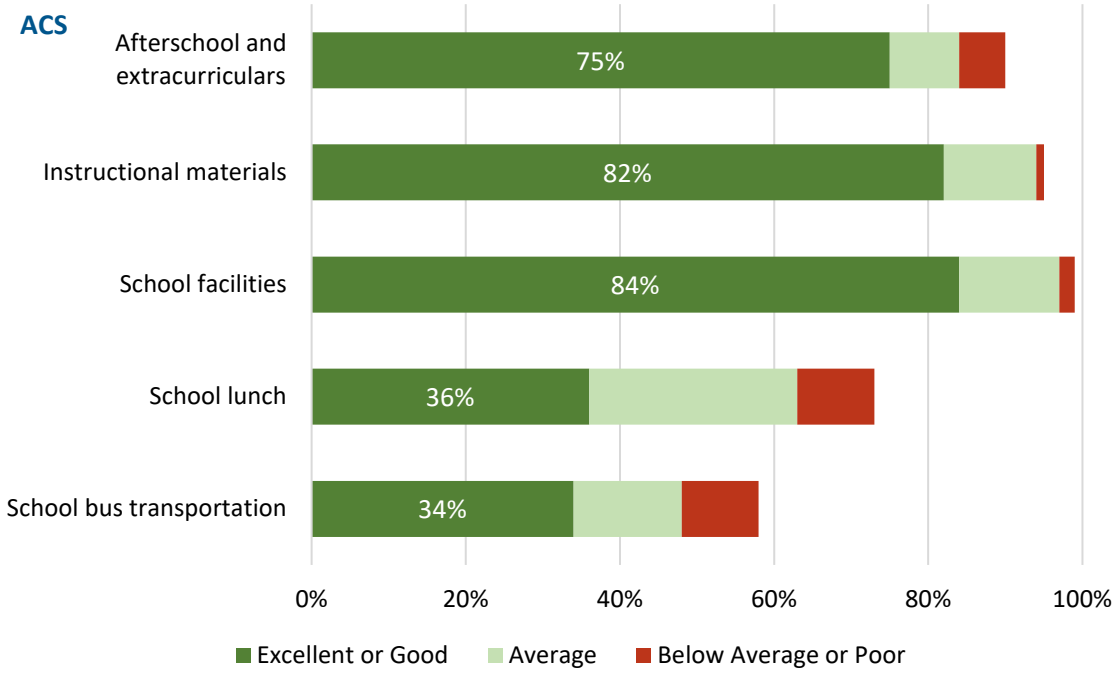


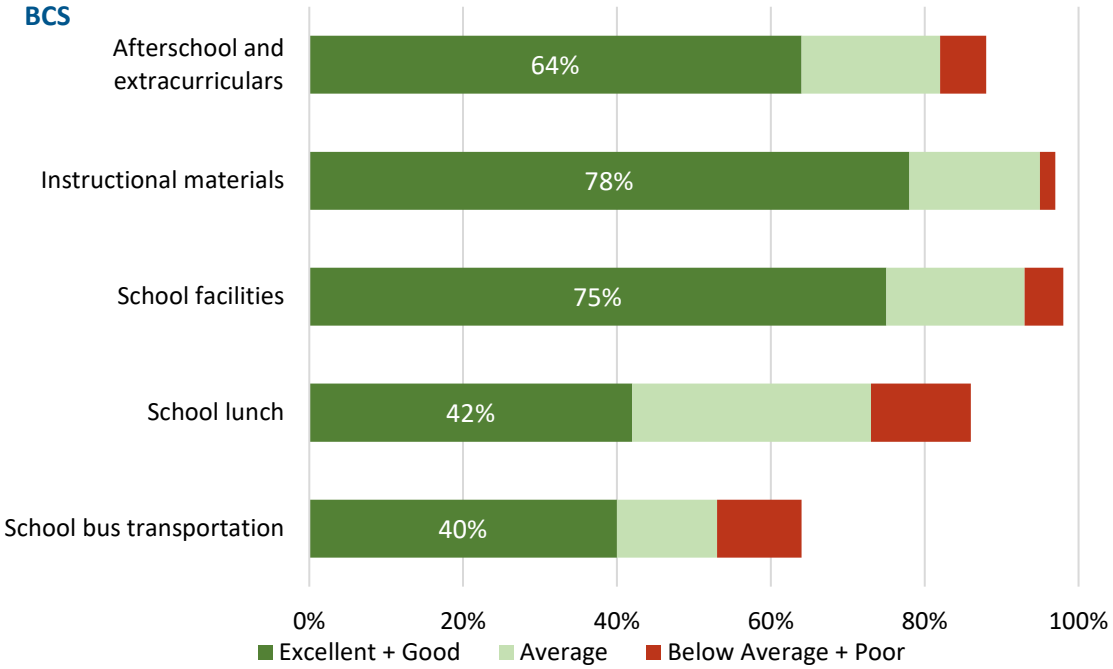
When asked to rate various aspects of their child's school, parents in both systems rated the school facilities, instructional materials, and afterschool and extracurricular activities the highest. They were less complimentary about school lunches and transportation.

Q4. Please rate the quality of these aspects of your child's school (n-2,260)



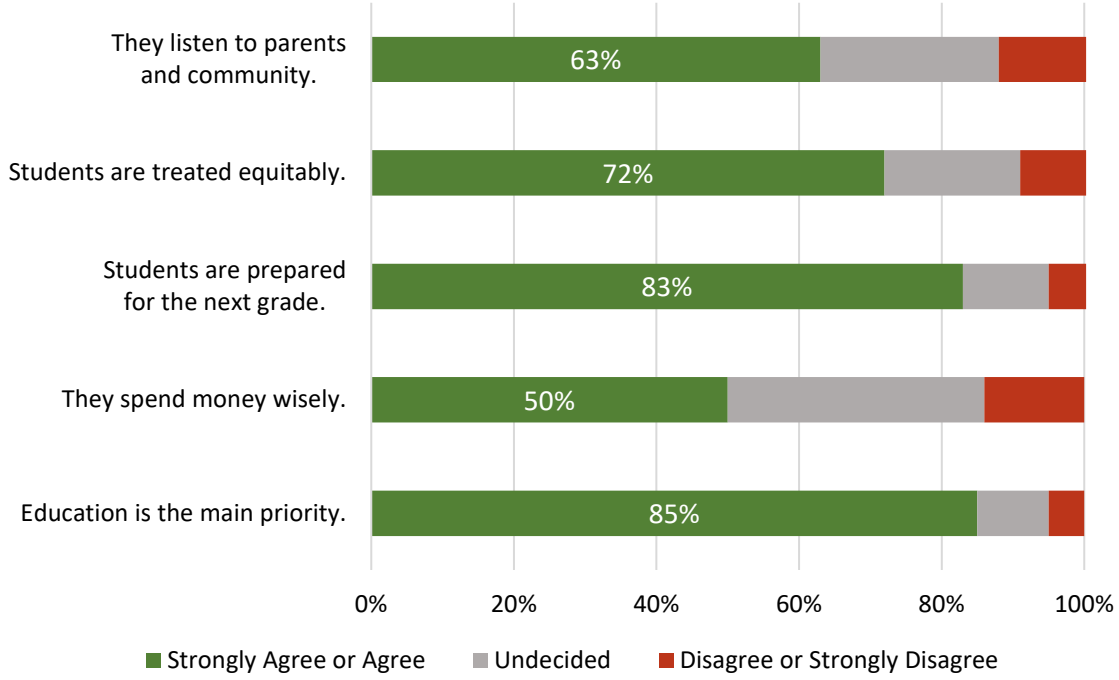
Although they scored well in both systems, ACS parents rated the school facilities, instructional materials, and afterschool and extracurricular activities higher than did BCS parents. BCS parents were more complimentary about the school food and transportation than ACS parents.



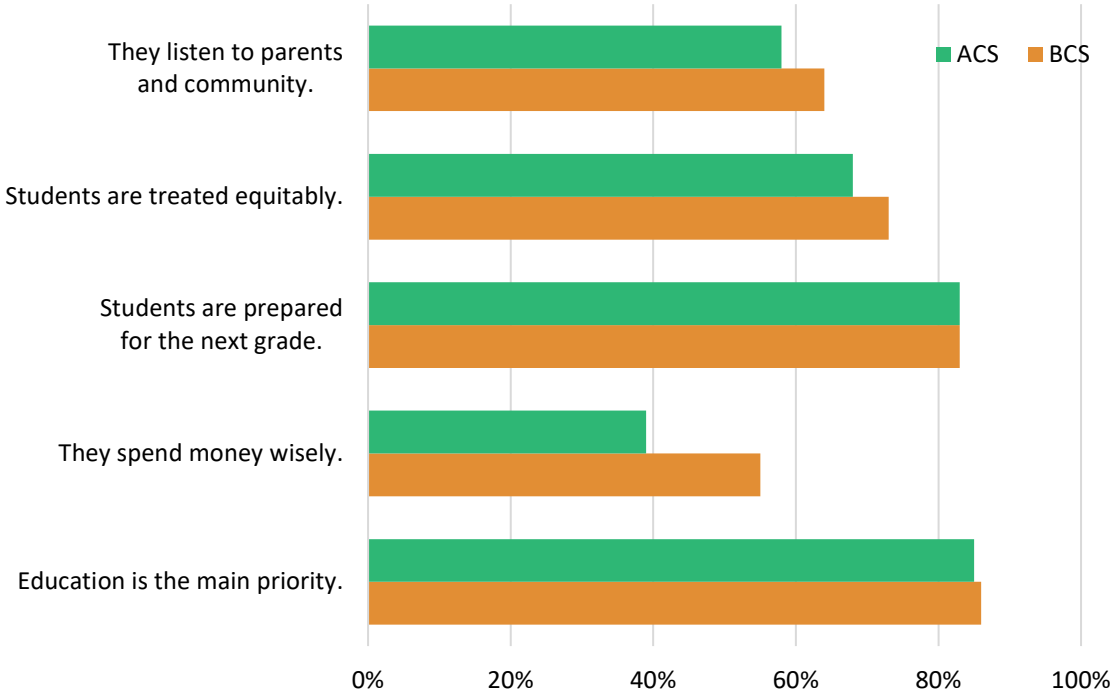


When asked about the school system in which they have their children enrolled, most parents agreed that education is the main priority of the school system and that students learn the necessary materials to be prepared for the next grade. A majority also felt that students are treated equitably in the school system and that the school system listens to the opinions and desires of the parents and community members. Parents were split on whether they felt their school system spends its money wisely.

Q5. Thinking about the school system in which you have children enrolled, respond to the following statements (n=2,172)



BCS parents generally answered these questions more positively, with BCS parents slightly more likely than ACS parents to agree or strongly agree that students are treated equitably in the school system, that the school system listens to the opinions and desires of the parents and community members, and that the school system spends its money wisely.



When asked which factors should definitely be considered when deciding whether to consolidate the school systems, parents from both school systems agreed that the following 4 factors were the most important – in the same order:

- whether it will improve academic quality for students (*85% overall*)
- whether it will improve school life for students (*81% overall*)
- whether it will improve academic course options for students (*67% overall*)
- whether all current staff will keep their positions after consolidation (*55% overall*)

Both ACS and BCS parents think the most important factor in weighing consolidation is whether it will improve academic quality for students.

Parents in both school systems similarly agreed that the following factors should NOT be considered – in the same order:

- whether it will lower property taxes (*44% overall*)

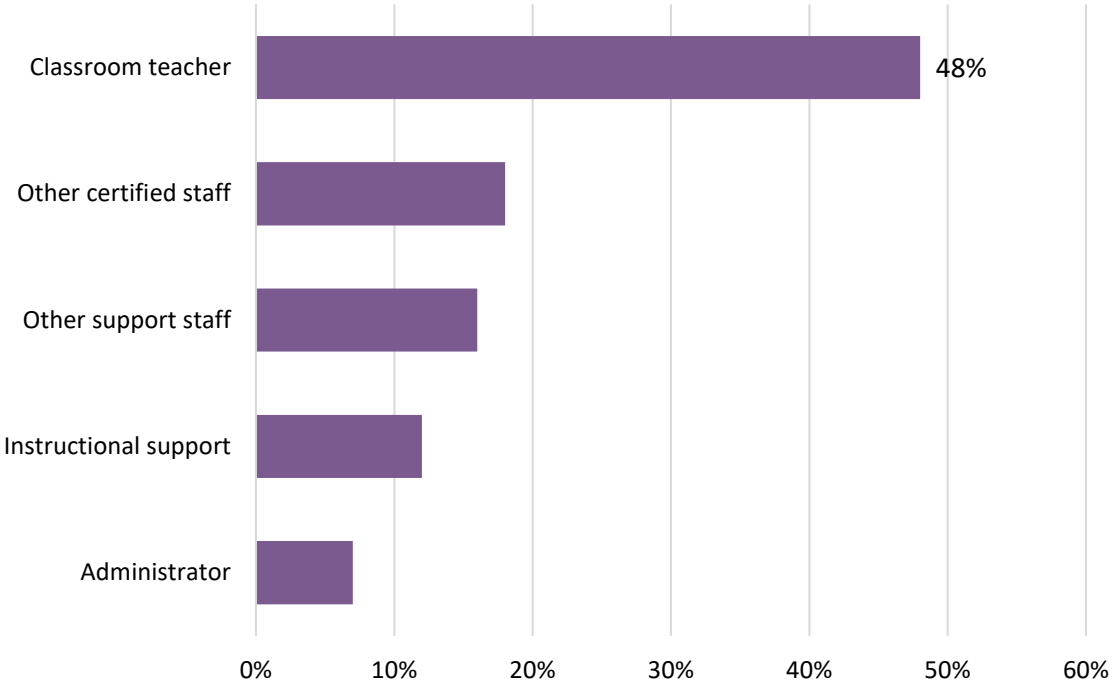
- whether current high school students want consolidation to happen (*36% overall*)
- whether individual high school traditions would be continued (*35% overall*)
- whether it will save money (*22% overall*)

School System Staff Survey

Of the 1,286 staff members who provided input, 268 (21%) indicated that they worked for ACS and 764 (59%) indicated that they worked for BCS.

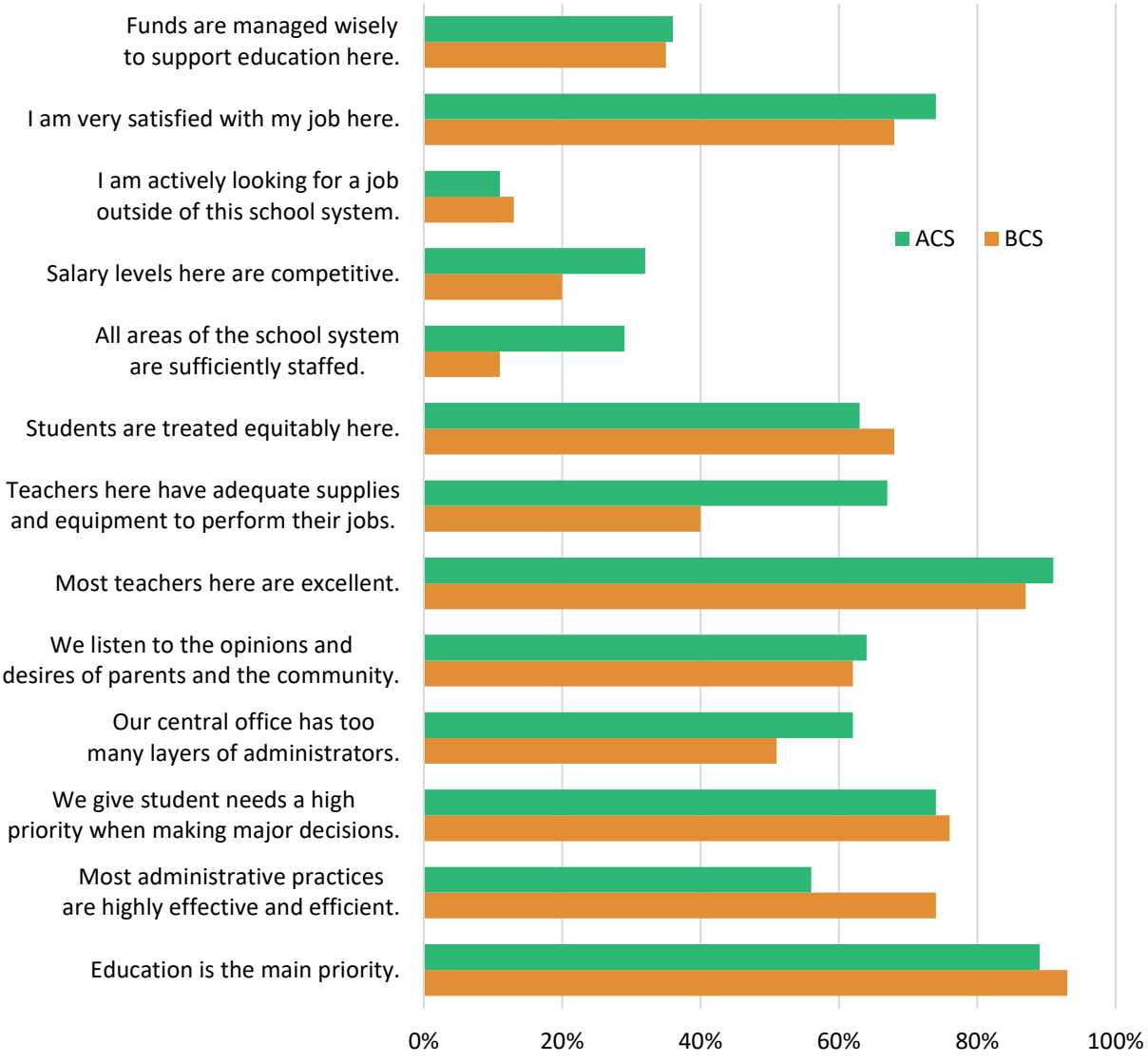
Staff members were asked to identify their role in the school system for which they work. Most (48%) indicated they were classroom teachers. Nearly equal percentages have worked in their school system for less than 5 years (30%) or 16+ years (33%). The rest were divided into 6-10 years (21%) or 11-15 years (16%).

Q6. What is your current role in the school system? (n=1,014)



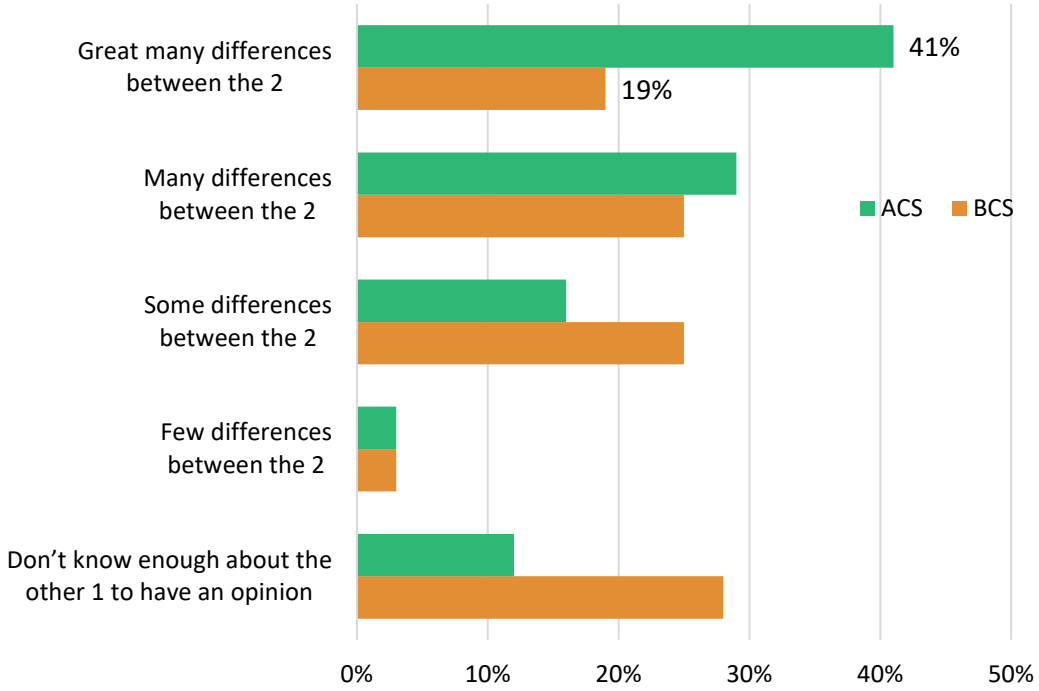
Respondents were asked to consider a number of aspects about the school system in which they were employed. The percentage of staff members who agreed or strongly agreed with many of the statements varied between ACS and BCS.

Q1. Thinking about the school system in which you are employed, respond to the following statements. (n=1,266)



Staff members were then asked to think about the other school system in the county and assess the level of differences between them. BCS staff members were more likely to think there are a "great many" or "many" differences between the 2 school systems. ACS staff members were more likely to think that there are "some" differences between the 2 school systems or that they do not know about BCS to have an opinion.

Q2. Thinking about the other school system in the county, with which statement do you most agree? (n=1,157)



Of those who thought there are a "great many" or "many" differences between ACS and BCS, the 4 most frequently cited areas were:

- differences in culture/climate/values – 33%
- differences in diversity – 25%
- differences in education quality or options – 24%
- differences in budgets or finances – 21%

When asked which factors should definitely be considered when deciding whether to consolidate the school systems, ACS and BCS staff agreed that the following 3 factors were the most important – in the same order:

Collectively, the responding staff from both school systems agreed that the 3 most important factors when deciding whether or not to consolidate the school systems should be:

- whether it will improve academic quality for students – *80% overall*
- whether all staff would keep their positions after consolidation – *75% overall*
- whether it will improve school life for students – *73% overall*

Both ACS and BCS staff members think the most important factor in weighing consolidation is whether it will improve academic quality for students.

The staff of the 2 school systems did not agree on which factors should definitely NOT be considered when deciding whether to consolidate (Exhibit 3-14).

Exhibit 3-14
Factors ACS/BCS Staff Would Not Consider in Assessing Consolidation

	ACS	BCS
#1	whether it will lower property taxes (60%)	whether current high school students want consolidation to happen (52%)
#2	whether current high school students want consolidation to happen (30%)	whether it will lower property taxes (41%)
#3	whether it will save money (29%)	whether individual high school traditions would be continued (36%)

Community Survey

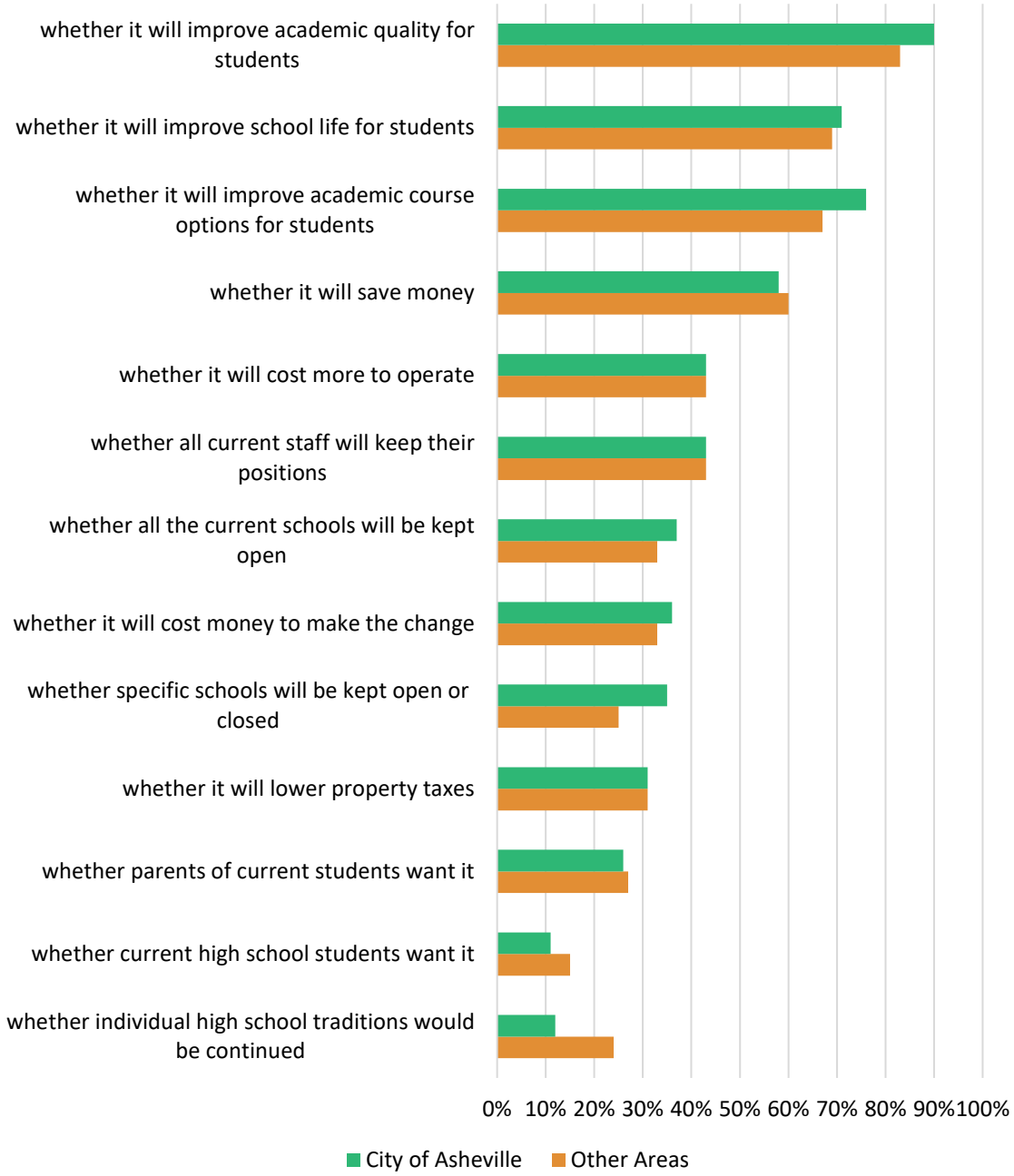
Of the 308 members of the community who provided survey input, 46% were 56+ years old. The rest were divided among 26-35 years old (11%), 36-45 years old (11%), and 46-55 years old (18%). A majority, 58%, had lived in Buncombe County for 21+ years, while 24% have lived in the county 10 years or less.

When asked which factors should definitely be considered when deciding whether to consolidate the school systems, community members felt the following were the most important:

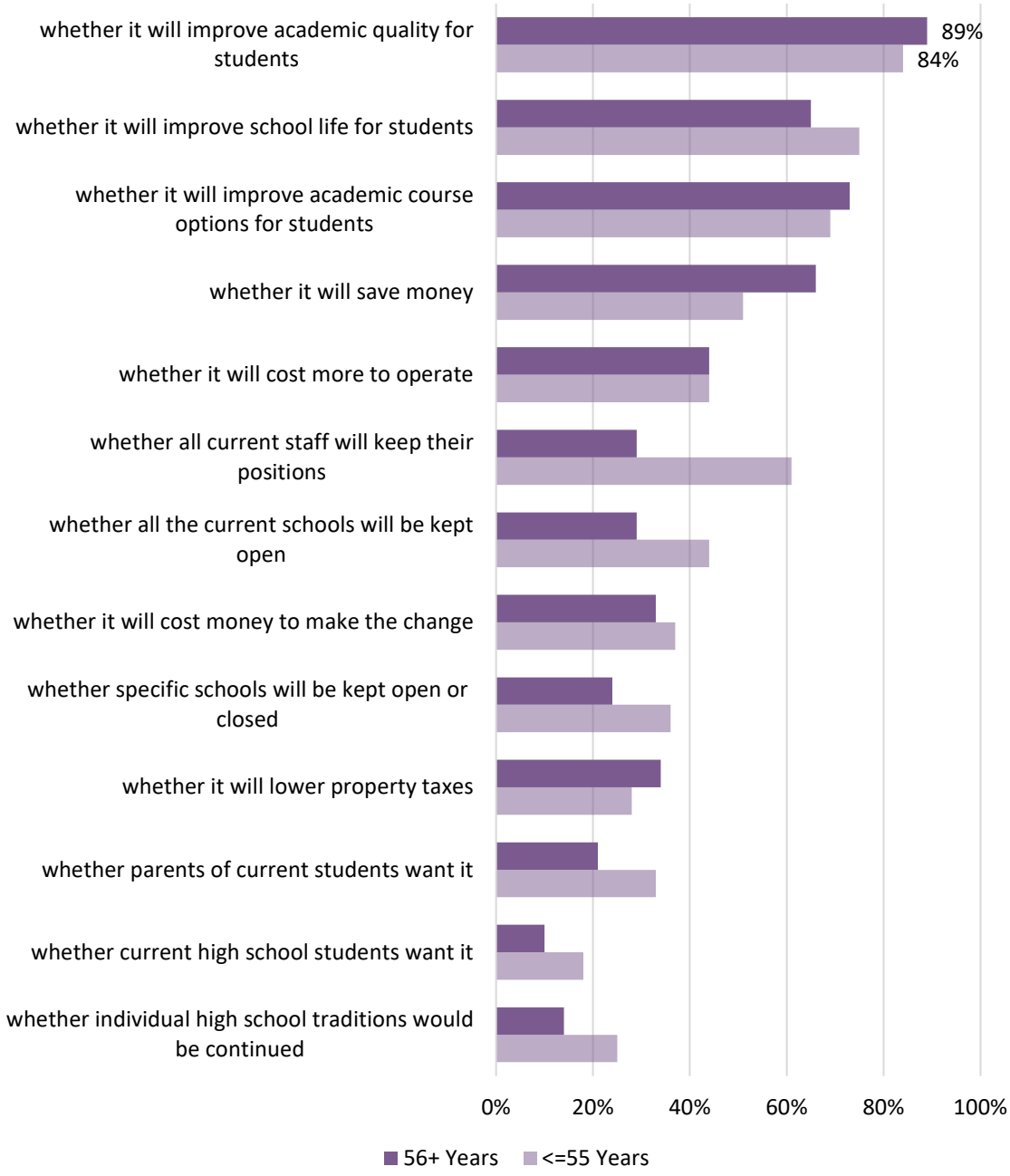
- whether it will improve academic quality for students (86%)
- whether it will improve school life for students (69%)
- whether it will improve academic course options for students (69%)
- whether it will save money (56%)

Community members think the most important factor in weighing consolidation is whether it will improve academic quality for students.

Responses did not vary much whether the community member lived inside or outside of the City of Asheville.



Results varied more widely by age, however. Survey respondents over 55 were much more likely to feel that saving money and lowering property taxes were more important factors than preserving the jobs of all current staff, along with the individual school buildings and their traditions. They also voted the more heavily in favor of considering whether consolidation would improve academic quality for students and whether it would improve academic course options for students.



Survey respondents were then asked which factors should definitely NOT be considered when deciding whether to consolidate the school systems. As a group, they felt that the 4 least important factors to consider were as follows:

- whether current high school students want consolidation to happen (47%)
- whether individual high school traditions would be continued (35%)
- whether it will lower property taxes (32%)
- whether parents of current students in the school systems want consolidation to happen (29%)

For this question, the ranking varied between City of Asheville residents and those in other areas (Exhibit 3-15). They also varied by age group (Exhibit 3-16).

Exhibit 3-15
Factors Community Members Would Not Consider in Assessing Consolidation, by Area of Residence

	City of Asheville	Other Areas
#1	♦ whether current high school students want consolidation to happen (55%)	♦ whether current high school students want consolidation to happen (41%)
#2	♦ whether parents of current students in the school systems want consolidation to happen (33%)	♦ whether individual high school traditions would be continued (38%)
#3	♦ whether individual high school traditions would be continued (32%)	♦ whether it will lower property taxes (32%)
#4	♦ whether it will lower property taxes (31%)	♦ whether parents of current students in the school systems want consolidation to happen (27%)

Exhibit 3-16
Factors Community Members Would Not Consider in Assessing Consolidation, by Age

	<=55 Years Old	56+ Years Old
#1	♦ whether current high school students want consolidation to happen (39%)	♦ whether current high school students want consolidation to happen (53%)
#2	♦ whether it will lower property taxes (37%)	♦ whether individual high school traditions would be continued (38%)
#3	♦ whether individual high school traditions would be continued (34%)	♦ whether parents of current students in the school systems want consolidation to happen (36%)

Chapter 4
District Operational Considerations

The decision whether or not to consolidate comes with many systemic operational considerations for both ACS and BCS. These considerations begin at the highest levels, with the ways the boards of education function and their policies and extend all the way down to the classroom level.

In this chapter, we will discuss the major functional areas in which the differences between ACS and BCS would need to be considered when discussing consolidation. These areas include:

- Governance, Policies, and Procedures
- Academic Outcomes
- Central Office
- Instructional Programming
- Human Resources
- Facilities and Facilities Management
- Child Nutrition
- Technology
- Transportation
- Safety and Student Well-Being

Boards of Education

Selection of Board Members

Until 2 years ago, the ACS Board of Education consisted of 5 members appointed by the governing body of the City of Asheville. To be appointed, an individual had to be a resident of ACS and be eligible to hold public office. Appointments were nonpartisan, with each member serving a 4-year term. The terms were staggered such that as nearly equal to one-half of the members as possible were appointed every 2 years. Additionally, members could not serve for more than 2 consecutive terms.

The process for selecting ACS board members changed 2 years ago. At that time, at-large elections were held to select board members. Under the new procedures, all 7 seats are elected at-large and are non-partisan, but only 4 positions were initially determined by election. The terms of the ACS board members are staggered so that 4 seats are selected in 1 election cycle, and 3 are selected 2 years later. As of November 2024, all current members were determined by election. The 1st fully elected ACS school board consists of 4 White women, 1 Black man, 1 Hispanic man, and 1 White man.

The entire ACS board of education became elected rather than appointed only in November 2024.

The BCS Board of Education consists of 7 members. One member is elected from each of the 6 districts (each comprised of a HS attendance zone), and 1 is elected at large. Voters in each district vote for candidates from all districts and for the at-large candidate. To be elected, an individual must be a resident of the school district and possess qualifications for election to public office. Elections are nonpartisan, with each member serving a 4-year term. The terms are staggered such that as nearly equal to one-half of the members as possible are elected every 2 years. As of November 2024, the BCS school board consisted of 4 White women, 2 White men, and 1 Black man.

As required by state legislation approved in June 2023, the selection of board members changed. They use electoral districts based on population rather than current districts corresponding to high school attendance zones. While the new electoral zones closely resembled the previous ones, it is now possible that 2 board members could be elected from what previously constituted 1 electoral district. Instead of voters voting for all 7 members, they only vote for 2: the board seat that represents their district and the at-large seat.

Board Operations

Interviewees consistently described the ACS board as professional in its operations. The ACS board conducts 1 work session and 1 regular meeting each month. The board does not use standing committees.

Board members serve on a variety of the district's administrative and staff committees.

The ACS Board wants to be highly informed. Asheville has an array of viewpoints, and the board solicits lots of input. Additionally, board members seek professional training. New members participated in "School Board 101," a new board member professional development program through the NC School Boards Association (NCSBA), and in-house training sessions offered by the superintendent and board attorney. Members are encouraged to attend other professional development sessions provided by NCSBA.

The ACS Board was described as an effective governing body that respects its policymaking role. While highly inquisitive, the board remains apart from the executive functions of the superintendent. One participant said, "They trust their superintendent and legal counsel."

Interviewees also described the BCS board as professional in its operations. The BCS board conducts 1 regularly scheduled meeting each month; no work sessions are regularly scheduled, but there tends to be 1+ work sessions per month. The Board has 1 standing committee, the policy committee.

The new members of the BCS Board participate in NCSBA's "School Board 101" training and are encouraged to participate in other NCSBA training sessions offered. The Board's attorney provides some in-house training.

Interviewees described the BCS board as an effective governing body that respects its policymaking role. It was described as a "congenial board that works collaboratively and trusts administration."

Perceptions of Board Effectiveness

The ACS and BCS boards of education were consistently described as effective governing bodies. Both appear to be focused on meeting the needs of all children and families in their districts, and both respect their roles as policymakers and their superintendents as chief executive officers. Both boards are responsive to feedback from internal and external stakeholders.

In interviews, constituents described the ACS board as an effective governing body that seeks consensus and tries to build trust. One participant captured the essence of this sentiment:

> *We are totally dedicated. We looked at the last 2 years as make or break. We have clarity of purpose and mission, focused on stable leadership. We take our role as policymakers and the superintendent as our CEO. We are questioning, transparent, inquisitive, vocal, collaborative, curious, and hard-working.*

While the overall feedback about ACS board effectiveness was positive, some concerns arose. First, some expressed frustration that the selection of superintendents by previous boards led to instability in the organization. Second, some expressed concerns about what was described as "the inefficiency of meetings." Excessively lengthy meetings were described, with some suggesting that standing committees could be used to manage time more effectively.

Additionally, the 2024 NC Teachers Working Conditions Survey results reveal positive perceptions of the district from teachers. For example, 87% of ACS teachers agreed or strongly agreed with the statement, "My school is a good place to work and learn." Additionally, 74% agreed or strongly agreed with the statement, "My school has an atmosphere of trust and mutual respect."

Multiple data sources indicated positive opinions of the ACS and BCS boards of education.

These sentiments from the statewide survey were corroborated in the staff and parent surveys undertaken for this study (Exhibits 4-1 and 4-2).

Exhibit 4-1
Staff Responses to Questions about ACS

	ACS (n=268)	
	SA + A	D + SD
Education is the main priority in this school system.	89%	4%
Most administrative practices in our school system are highly effective and efficient.	56%	24%
The school system gives student needs a high priority when making major decisions.	74%	9%
The school system listens to the opinions and desires of the parents and community members.	64%	14%
Most teachers in this school system are excellent.	91%	2%
Teachers in this school system have adequate supplies and equipment needed to perform their jobs effectively.	67%	22%
Students are treated equitably in this school system.	63%	18%
I am very satisfied with my job in this school system.	74%	10%

Source: Prismatic.

Exhibit 4-2
Parent Responses to Questions about ACS

	ACS (n=629)	
	SA + A	D + SD
Education is the main priority in this school system.	85%	4%
In this school system, students learn the necessary material to be prepared for the next grade.	83%	6%
Students are treated equitably in this school system.	68%	10%
The school system listens to the opinions and desires of the parents and community members.	58%	20%

Source: Prismatic.

In interviews, constituents described the BCS board as an effective, collaborative governing body. The BCS board also appears to have much trust in its superintendent. One participant captured this sentiment: "We all have the same goal of taking care of all children. We all support our superintendent."

While the overall feedback about BCS board effectiveness was positive, some concerns arose. Some expressed the desire for more collaboration between the administration and the board regarding major decisions. The desire for more dialogue was expressed.

The results of the 2024 North Carolina Teachers Working Conditions Survey reveal positive perceptions of the district from teachers. For example, 85% of BCS teachers agreed or strongly agreed with the statement, "My school is a good place to work and learn." Additionally, 80% agreed or strongly agreed with the statement, "My school has an atmosphere of trust and mutual respect."

These sentiments from the statewide survey were corroborated in the staff and parent surveys undertaken for this study (Exhibits 4-3 and 4-4).

Exhibit 4-3
Staff Responses to Questions about BCS

	BCS (n=746)	
	SA + A	D + SD
Education is the main priority in this school system.	93%	3%
Most administrative practices in our school system are highly effective and efficient.	74%	10%
The school system gives student needs a high priority when making major decisions.	76%	11%
The school system listens to the opinions and desires of the parents and community members.	62%	13%
Most teachers in this school system are excellent.	87%	3%
Students are treated equitably in this school system.	68%	17%
I am very satisfied with my job in this school system.	68%	12%

Source: Prismatic.

Exhibit 4-4
Parent Responses to Questions about BCS

	BCS (n=1,515)	
	SA + A	D + SD
Education is the main priority in this school system.	86%	5%
The school system spends its money wisely.	55%	10%
In this school system, students learn the necessary material to be prepared for the next grade.	83%	5%
Students are treated equitably in this school system.	73%	10%
The school system listens to the opinions and desires of the parents and community members	64%	10%

Source: Prismatic.

Policy Development

The policy manuals of ACS and BCS are similar, largely for 2 reasons:

ACS and BCS policy manuals are similar.

- Both boards have the same legal representation, Campbell and Shatley, PLLC, an Asheville-based firm. This firm is highly respected throughout the state for its experience and expertise in education law. Chris Campbell is the lead counsel for ACS, and Dean Shatley is the lead counsel for BCS. They work closely on issues affecting their districts.

- Both boards subscribe to an NCSBA service that provides model policies to school systems. This service ensures that policies are regularly updated and compliant with state and federal laws and regulations.

Student Assignment to Schools

ACS and BCS have distinctly different approaches to student school assignment. Under a desegregation order, ACS uses an open enrollment choice plan in its elementary schools. Parents prioritize their top choices of schools. While trying to honor parents' top choices, ACS reviews the racial and gender composition of schools before making final assignments. As a result, schools are generally racially integrated. With only 1 middle school and co-located high schools, the choice program primarily affects elementary schools.

In contrast, BCS student assignments are based primarily on geography and space considerations. Students typically are assigned to schools serving specific neighborhoods or regions closest to their homes, with housing patterns determining the composition of schools. BCS has a reasonably open transfer policy, allowing some choice of assignments. Some interviewees mentioned concerns about students seeking transfers because of athletics.

Student transfers between ACS and BCS are allowed, provided space is available in the receiving school. BCS students who attend ACS are required to pay $300 tuition annually, with an additional $100 fee per transferring sibling. BCS receives a $35 application fee for ACS students transferring to BCS schools and transfers within BCS. In 2023-24, ACS recorded 88 students as transferring out to BCS, with similar numbers in 2022-23. BCS staff estimated that ~600 BCS students currently attend ACS.

Student Discipline

ACS and BCS both work to ensure student success in safe and orderly environments. In a symbolic measure illustrating their focus on restorative rather than punitive practices and meeting students' social and emotional needs, the *ACS Code of Student Conduct* was re-named the *Code of Student Success*. ACS has a high focus on discipline equity, not wanting student discipline to contribute to disparate achievement outcomes. Likewise, the new *BCS Code of Character, Conduct and Support* includes interventions to keep students in school. BCS also has an alternative to suspension program and focuses on students' social and emotional needs. Some interviewees suggested that BCS gives its principals greater autonomy regarding the discipline of students than ACS. This delegation may exist partly because of the difference in size between the 2 systems.

The 2024 NC Teacher Working Conditions Survey raised some concerns in this area (Exhibit 4-5). The results suggest a higher percentage of ACS teachers are frustrated with the management of student behavior than their counterparts in BCS or across the state. They reported more problems with students following rules and leadership enforcing rules.

Exhibit 4-5
Selected Results, NC Teacher Working Conditions Survey, 2024

Statement	% Agree or Strongly Agree		
	State	ACS	BCS
Students follow rules of conduct	68%	52%	73%
School leadership routinely enforces rules for student conduct	77%	55%	81%
School safety issues are addressed quickly	87%	73%	87%

Source: NCDPI.

They were also more likely to feel that bullying, disorder in classrooms, gang activity, and disrespect of teachers were more problematic in their school than their counterparts (Exhibit 4-6). While these findings are a sample from the NCTWC survey, they suggest further examination of ACS discipline practices.

There are differences in perceptions of student conduct. BCS is on par with the state average, while ACS is somewhat more negative.

Exhibit 4-6
Selected Results, NC Teacher Working Conditions Survey, 2024

Student Conduct Issues in the Classroom	% Agree or Strongly Agree		
	State	ACS	BCS
Bullying	47	63	51
Disorder in classrooms	50	68	47
Gang activity	10	15	9
Disrespect of teachers	62	80	60

Source: NCDPI.

Several interviewees and focus group attendants also identified perceived differences in discipline philosophies between ACS and BCS as a concern. As shown in Exhibit 4-7, ACS had lower rates of out-of-school and in-school suspension. Over the last 2 years, ACS office referrals decreased and BCS office referrals increased. In both ACS and BCS, disciplinary suspensions decreased over the past 2 years. Disaggregated data indicate that in both ACS and BCS students of color are more likely to be suspended than White students, and male students are more likely to be suspended than female students.

Exhibit 4-7
ACS and BCS Student Discipline Data

	2022-23		2023-24	
	ACS	BCS	ACS	BCS
ADM	3,990	21,843	3,828	21,731
# of Office Referrals	2,825	21,587	2,122	22,342
Office Referrals per ADM	0.71	0.99	0.55	1.03
# of Out-of-School Suspensions (OSS)	549	3,919	238	3,591
# of OSS per ADM	0.14	0.18	0.06	0.17
Days of OSS	1,082	10,647	599	9,864
Days of OSS per ADM	0.27	0.49	0.16	0.44
Days of In-School Suspension (ISS)	513	6,727	318	6,416
Days of ISS per ADM	0.13	0.31	0.08	0.29

Source: ACS, BCS, and NCDPI.

School Calendar

ACS and BCS school calendars are not aligned, but there are families with students in both systems.

North Carolina calendar law is prescriptive, with rules governing the start and end dates of the year, the amount of instructional time, and the number of annual leave and teacher workdays. Staff and leadership interviewees consistently stated that the calendars used by ACS and BCS are more similar than dissimilar because both adhere to the state school calendar law and collaborate when developing their calendars. Both districts recognize the same traditional holidays and try to have spring break simultaneously. However, some parent constituents pointed out that they perceived differences in calendars and found the differences to be challenging when they had students in both ACS and BCS. In a review of the 2024-25 calendars adjusted after Hurricane Helene, Prismatic found several dates where there were differences, with some days of early dismissal in 1 of the systems that were not in the other, different dates for parent-teacher conferences, and different last days of school for students.

Considering Consolidated Governance

A new board will have to form if a merger occurs. An undetermined process would replace the current selection processes for both boards. This new process would be more complicated than just adding a seat to the existing BCS board to represent ACS because Asheville has a higher population density than the current BCS districts. ACS has 38,137 registered voters while the BCS districts average 29,939 voters apiece. In terms of students, ACS as a district of the hypothetical consolidated system would have a similar level of enrollment as an average BCS district.

Likewise, merging both existing boards to form a board of 12 would leave ACS families with a greater degree of representation than that of BCS families. In addition, it is rare that school boards are comprised of an even

number of members. Whatever the configuration, there is no assurance that a new board would be more effective in providing sound governance. A new board would have to address an array of new and substantial leadership, governance, and logistical issues. For example, tasks facing a new board will include but are not limited to the following:

- transfers of property
- contracts for staff members
- reduction in force issues
- insurance
- the development of a new policy manual
- determination of a student assignment process - ACS offers families more input into where students attend school than BCS. This choice is not something that ACS families would willingly give up and may cause resistance to consolidation.
- the equalization of salaries and supplements

These needs will increase legal costs.

The issue of the desegregation order under which ACS currently operates would have to be resolved. Legal advice on the impact of a merger on the desegregation order sought by Prismatic was inconclusive, meaning that its resolution will likely also result in legal costs.

ACS and BCS appear to have high trust in their current administrative leaders. While ACS went through a period of tumult and turnover in the superintendency, that unrest seems to have been settled by the current superintendent. There is excitement about the new ACS superintendent and her staff. They are regarded as hard-working, trustworthy, and genuinely committed to ACS. BCS also has a positive perception of its superintendent and administrators. One individual echoed this sentiment: "I think highly of our county office. I would give all of them high marks – straight A's." There is no assurance that a merged district would create better leadership performance and outcomes.

Organizational identity issues must also be considered because of historical and cultural differences between the school systems. Many constituents pointed to a rural-urban divide, with ACS having more challenges related to serving children from public housing developments and BCS having challenges like those facing rural school districts. This contributes to the significant focus of ACS on meeting the needs of Black children and BCS facing challenges related to English learners. While both seek to meet the needs of all children, ACS appears to be more

progressive on racial and gender diversity issues, reflecting the views of its diverse community. The ACS board also includes racial and gender diversity, whereas the BCS board was until recently entirely White. Economic gaps appear in both districts, although these are especially prominent in ACS. In the community forums, various interviews, and the constituent surveys, concerns over the differences in "culture" between ACS and BCS were raised repeatedly. Bridging the cultural divide, whether it is real or only perceived, will be a substantial challenge if the systems are consolidated.

There is no assurance that the organizational identity of a merged system would be more positive or productive than the existing ones. While a merger could create the opportunity to re-imagine education, there are fears that a merger could have harmful effects on traditionally marginalized communities served in ACS. Some noted that the ACS focus on marginalized students and the services they receive could be lost through a merger. Others said they fear the loss of ACS identity, pride, and traditions in a larger, merged district. Additionally, the tight connection between the ACS board and its constituents could be negatively affected if a merger occurs.

Academic Outcomes

School Assignments

ACS has been under a federal desegregation order since 1970. To ensure adherence to this order, families may request which elementary school their child attends. The student assignment office tracks the race of students to ensure adherence to the federal order. Generally among constituents, this was viewed as school choice and a positive aspect of ACS.

ACS operates 1 preschool program, 5 elementary schools, 1 middle school, and 2 high schools. Students residing outside of school boundaries may apply and may be accepted if space is available. There are 3 district programs available Exhibit 4-8).

Exhibit 4-8
ACS District Schools

School/Program	Grade Levels	School Focus	Process
Preschool Program	Age 3-4	5 Star Pre-K	Application – must be 3 or 4 Assigned by lottery
School of Inquiry and Life Sciences	9-13	College-Prep	Application
Randolph Campus	9-12	Drop Out Prevention	Application
AVID	7-12	Preparing students for college eligibility and success	Application Staff placement

Source: ACS, 2024.

BCS is home to 23 primary/elementary schools, 4 intermediate schools, 7 middle schools, and 11 high schools, divided into 6 attendance districts. Within each district are elementary, middle, and high schools to serve students residing within the district boundaries. Students are assigned to schools according to the address of their residence for elementary, middle, and high school. There are 7 district programs available requiring district placement and/or student application. Any student may apply to district programs, whether living within or outside of BCS boundaries with the exception of BCEC (Exhibit 4-9).

Exhibit 4-9
BCS District Schools, 2023-24

School/Program	Grade Levels	School Focus	Process
Pre-K	Age 3-4	5 Star Pre-K	Application – must be 3 or 4 Must be potty-trained
Progressive Education Program	K-12+	Moderate to severe disabilities	Individual Education Team referral required
Virtual Academy	K-12	Asynchronous and Synchronous core instruction	Application Interview
Community High School	9-12	Drop Out Prevention	Application
Martin L. Nesbitt Discovery Academy	9-12	STEM	Application Review of middle school grades 2 School Staff Recommendations
Early College	9-13	Students who may struggle to go to college	Application Written reflection 2 School Staff Recommendations
Center for Career Innovation	9-13	Career-focused school	Application Written reflection 2 School Staff Recommendations

Source: BCS, 2024.

ACS and BCS share several similarities in their educational structures. Both systems feature a multi-tiered school system that includes elementary, middle, and high schools, providing a variety of programs to cater to diverse student needs. They assign students to schools based on residential addresses, ensuring local access to education, and both offer specialized programs designed to enhance educational opportunities.

ACS offers school choice driven by the ACS desegregation order. Both ACS and BCS allow some flexibility for out-of-district applicants if space permits, with the exception of BCEC. Additionally, BCS hosts a much larger network of schools.

Class Size and Course Enrollment

In 2023-24, the average class size for K-1 classrooms in ACS was 13.3 students and 16.4 in BCS (Exhibit 4-10). Grades 2-5 had average class sizes of 16.3 students in ACS and 19.6 in BCS. In the majority of elementary class size comparisons, ACS had an average of 3.2 fewer students per class than BCS. Middle schools experienced a similar pattern. In grades 6-8, ACS averaged 18.2 students per classroom while BCS averaged 20.2. ACS had an average of 2 fewer students per class in grades 6-8 than BCS.

Exhibit 4-10
Class Size Comparisons Grades K-8, 2023-24

Grade	ACS	BCS
K-1st	13.3	16.4
2nd-5th	16.3	19.6
K-5	15.3	18.5
6th-8th	18.2	20.2

Source: ACS and BCS, 2024.

In 2023-24, the average class size for high school classrooms in ACS and BCS varied by subject area (Exhibit 4-11). The largest difference was in social studies classrooms where ACS averaged 20.5 students per classroom and BCS averaged 23.9. Language Arts classes had the next largest difference where ACS averaged 18.8 students per class and BCS averaged 21.6. ACS had slightly larger average class size in arts education World Language classes.

Exhibit 4-11
Class Size Comparisons High School Subjects, 2023-24

Subject	ACS	BCS
Arts Ed	23.3	22.8
CTE	16.4	18.8
ELA	18.8	21.6
Health & PE	22.8	25.0
Math	19.7	22.1
Science	20.3	22.3
Social Studies	20.5	23.9
World Languages	21.2	20.4

Source: ACS and BCS, 2024.

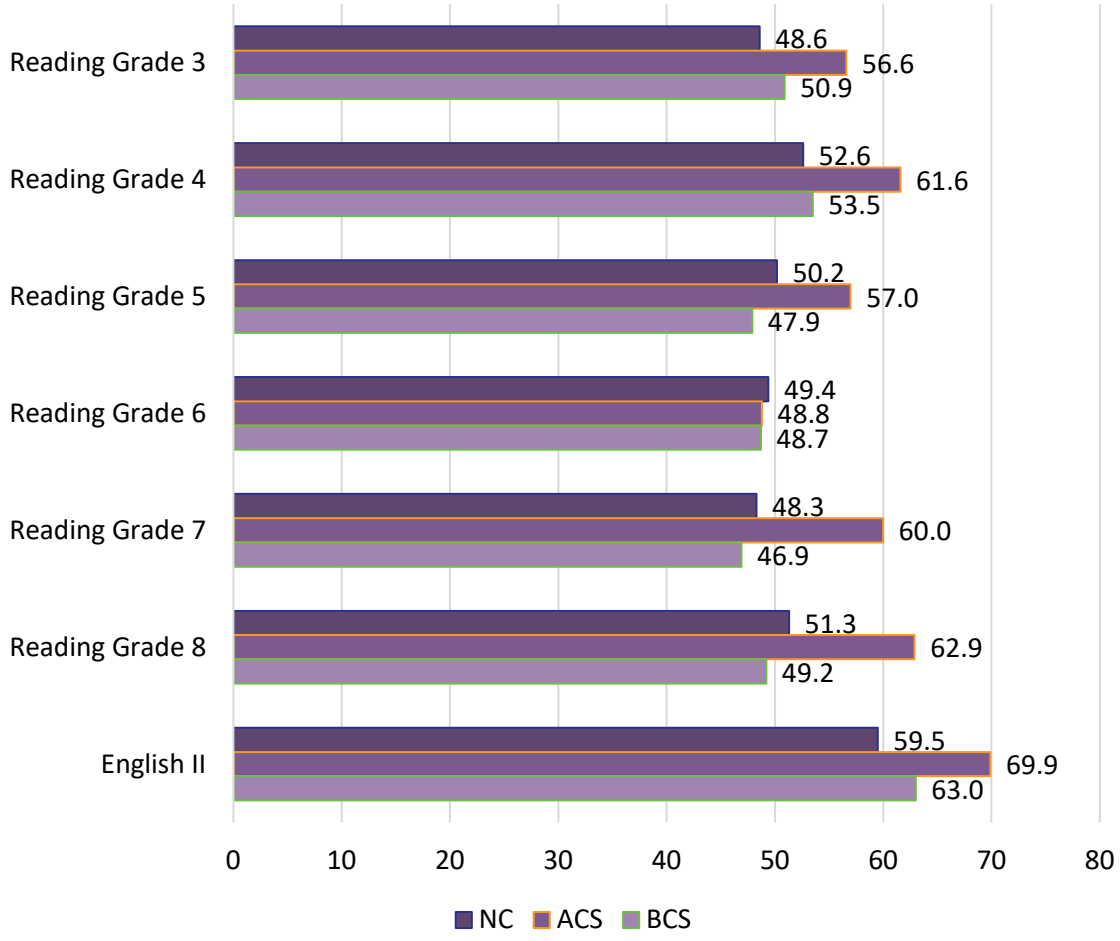
ACS tends to have smaller class sizes than BCS.

Overall, ACS tended to have smaller class sizes across most grades, suggesting a potential advantage for more individualized attention, while BCS maintained slightly larger averages.

Academic Outcomes

In 2023-24, both ACS and BCS students in grades 3 and 4 outperformed the state average on reading end-of-grade (EOG) assessments (Exhibit 4-12). After grade 4, ACS students continued to outperform the state average with the exception of grade 6, where the percentage of proficient ACS students was less than a point behind the state average. After grade 4, the proficiency rate of BCS students fell behind the state average until the English II end-of-course (EOC) assessment. At all points, ACS posted higher rates of student proficiency than BCS.

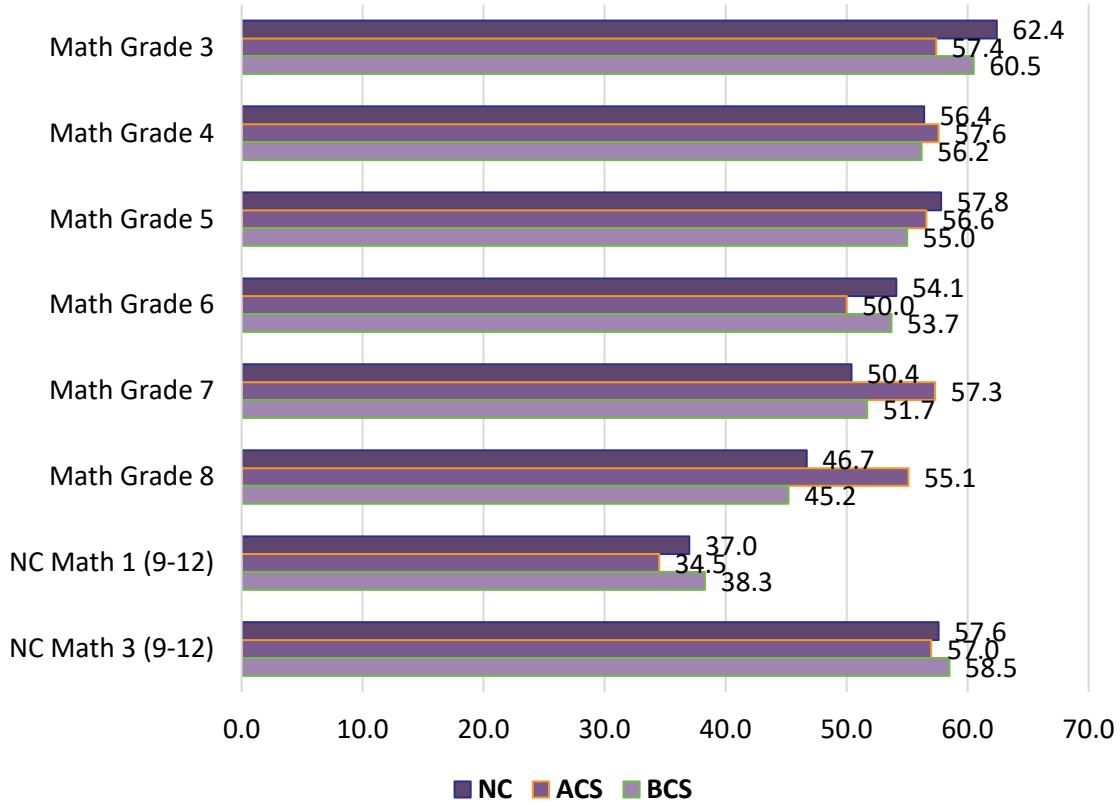
Exhibit 4-12
ACS, BCS, & NC Percent Proficient on Reading EOGs/EOCs. 2023-24



Source: NCDPI, 2024 https://www.dpi.nc.gov/districts-schools/accountability-and-testing/school-accountability-and-reporting/accountability-data-sets-and-reports#2023-24Reports-4468.

In 2023-24, proficiency rates on math EOGs were varied (Exhibit 4-13). A higher percentage of ACS students in grades 4, 7, and 8 were at or above grade level compared to the state average. A higher percentage of BCS students who took the NC Math 1 and 3 EOCs were at or above grade level compared to the state average. When compared to each other, ACS and BCS split the results, with ACS outperforming BCS in grades 4, 5, 7, and 8, while BCS outperformed ACS in grades 3, and 6 as well as Math 1 and 3.

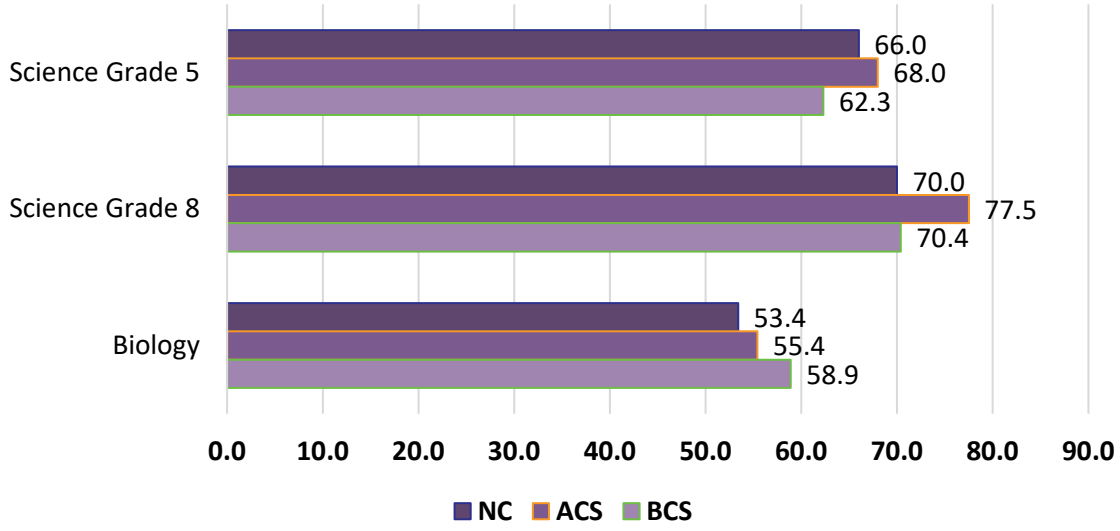
Exhibit 4-13
ACS, BCS, & NC Percent Proficient on Math EOGs/EOCs, 2023-24



Source: NCDPI, 2024 https://www.dpi.nc.gov/districts-schools/accountability-and-testing/school-accountability-and-reporting/accountability-data-sets-and-reports#2023-24Reports-4468.

In 2023-24, ACS outperformed the state on all 3 science assessments and BCS outperformed the state on 2 science assessments (Exhibit 4-14). ACS had higher rates of proficiency than BCS on grade 5 and 8 science EOGs. BCS had a higher rate of proficiency than ACS on the Biology EOC.

Exhibit 4-14
ACS, BCS, & NC Percent Proficient on Science EOGs/EOCs, 2023-24



Source: NCDPI, 2024.

Overall, in 2023-24, 58% of ACS and 54% of BCS students were proficient on EOGs and EOCs combined (Exhibit 4-15). Comparing subgroups of ACS students, 76% of White students and 17% of Black students were at or above grade level. In BCS, 64% of White students and 26% of Black students were at or above grade level. ACS experienced larger gaps between the performance of White and Black students on all EOGs and EOCs when compared to BCS.

Exhibit 4-15
ACS, BCS EOG and EOC White/Black Subgroup Comparison, 2023-24

	All Students		% At or Above Grade Level				Gaps Between White-Black		
EOG/EOC	ACS	BCS	ACS White	BCS White	ACS Black	BCS Black	ACS	BCS	ACS-BCS
Reading 3-8	57.8	49.6	77.1	59.7	15.8	22.8	61.3	36.9	24.4
Math 3-8	55.7	53.7	74.2	63.1	15.2	23.3	59.0	39.8	19.2
Science 5/8	73.1	66.3	91.0	76.3	31.1	40.4	59.9	35.9	24.0
Math 1	34.5	38.3	45.2	46.2	10.6	19.0	34.6	27.2	7.4
Math 3	57.0	58.5	68.2	66.0	14.3	26.4	53.9	39.6	14.3
Biology	55.4	58.9	74.0	68.1	10.0	29.2	64.0	38.9	25.1
English II	69.9	63.0	84.1	71.8	23.7	37.3	60.4	34.5	25.9
All Subjects	**58.0**	**54.2**	**75.6**	**63.7**	**16.8**	**26.2**	**58.8**	**37.5**	**21.3**

Source: NCDPI, 2024 https://www.dpi.nc.gov/districts-schools/accountability-and-testing/school-accountability-and-reporting/accountability-data-sets-and-reports#2023-24Reports-4468.

Continuing the comparison of subgroups, the 2023-24 results also showed performance disparities between White and Hispanic students in ACS and BCS (Exhibit 4-16). In ACS, 76% of White students and 48% of Hispanic students were at or above grade level. In BCS, 64% of White students and 38% of Hispanic students were at or above grade level. At every point, the gap between White and Hispanic students within each school system was smaller than the gap between White and Black students. ACS experienced larger gaps between the performance of White and Hispanic students on all EOGs and EOCs except Math 1 and English II when compared to BCS.

Exhibit 4-16
ACS, BCS White/Hispanic Subgroup Comparison, 2023-24

	All Students		% At or Above Grade Level				Gaps Between White-Hispanic		
EOG/EOC	ACS	BCS	ACS White	BCS White	ACS Hispanic	BCS Hispanic	ACS	BCS	ACS-BCS
Reading 3-8	57.8	49.6	77.1	59.7	44.9	30.7	32.2	29.0	3.2
Math 3-8	55.7	53.7	74.2	63.1	43.5	37.7	30.7	25.4	5.3
Science 5/8	73.1	66.3	91.0	76.3	63.4	49.2	27.6	27.1	0.5
Math 1	34.5	38.3	45.2	46.2	42.2	27.2	3.0	19.0	-16.0
Math 3	57.0	58.5	68.2	66.0	46.9	48.1	21.3	17.9	3.4
Biology	55.4	58.9	74.0	68.1	45.5	39.9	28.5	28.2	0.3
English II	69.9	63.0	84.1	71.8	70.7	47.8	13.4	24.0	-10.6
All Subjects	**58.0**	**54.2**	**75.6**	**63.7**	**48.1**	**37.5**	**27.5**	**26.2**	**10.6**

Source: NCDPI, 2024 https://www.dpi.nc.gov/districts-schools/accountability-and-testing/school-accountability-and-reporting/accountability-data-sets-and-reports#2023-24Reports-4468.

Comparing the performance of students without and those with disabilities, the 2023-24 results also showed performance disparities (Exhibit 4-17). In ACS, 65% of students without disabilities and 17% of students with disabilities (SWD) were at or above grade level. In BCS, the figures were 60% and 16%. ACS experienced larger gaps between the performance of SWD and those without disabilities in all assessments except Math 3 and Biology EOCs compared to BCS.

Exhibit 4-17
ACS, BCS Students with Disabilities/Students without Disabilities Comparison, 2023-24

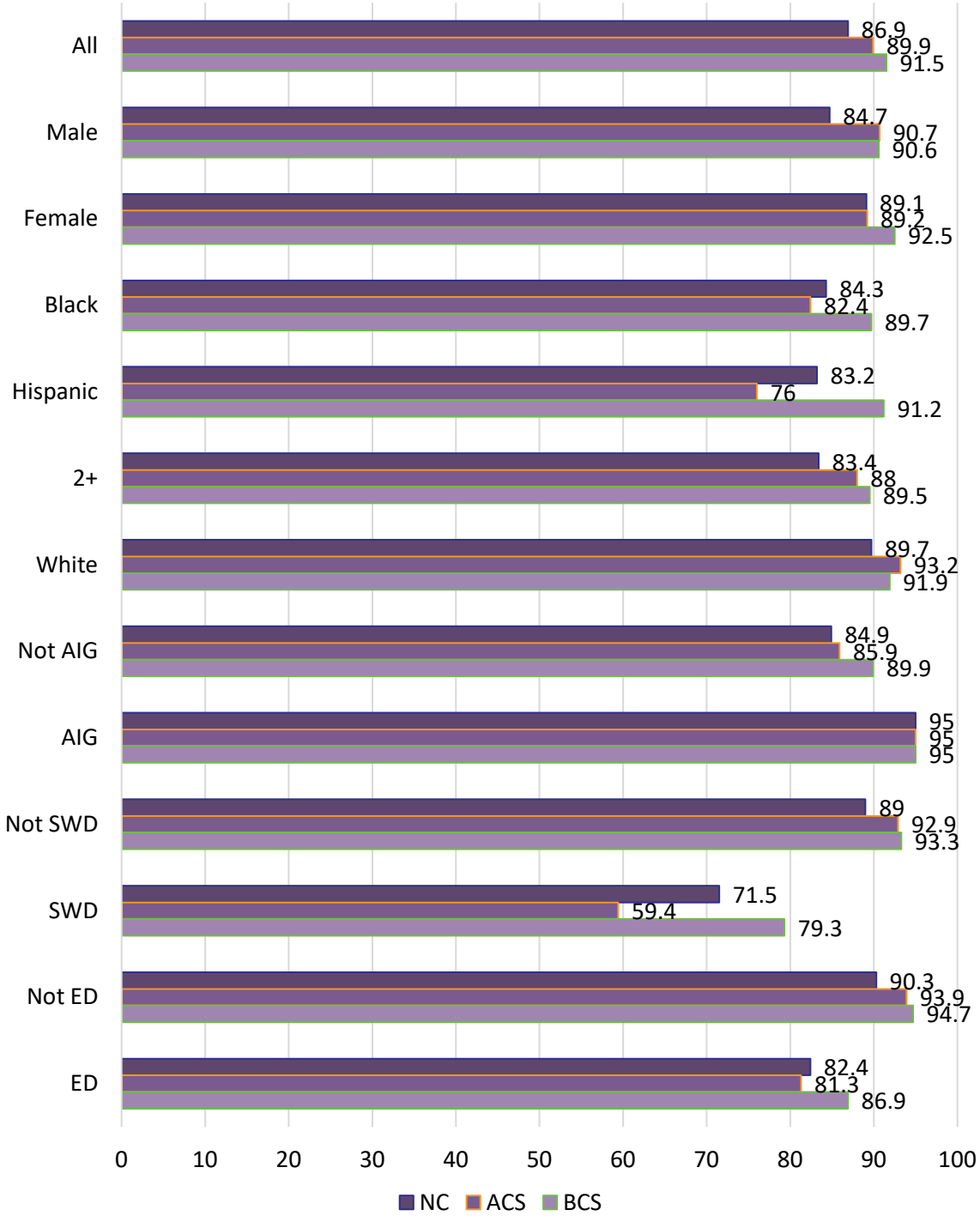
	All Students		% At or Above Grade Level				Gaps Between SWD-Not SWD		
EOG/EOC	ACS	BCS	ACS Not SWD	BCS Not SWD	ACS SWD	BCS SWD	ACS	BCS	ACS-BCS
Reading 3-8	57.8	49.6	66.0	55.5	14.9	12.1	51.1	43.4	7.7
Math 3-8	55.7	53.7	63.3	59.5	15.7	16.7	47.6	42.8	4.8
Science 5/8	73.1	66.3	80.0	72.9	31.4	27.2	48.6	45.7	2.9
Math 1	34.5	38.3	38.6	43.0	5.4	14.5	33.2	28.5	4.7
Math 3	57.0	58.5	59.7	62.1	22.2	16.9	37.5	45.2	-7.7
Biology	55.4	58.9	60.6	65.0	16.7	16.4	43.9	48.6	-4.7
English II	69.9	63.0	77.5	68.8	22.6	15.9	54.9	52.9	2.0
All Subjects	**58.0**	**54.2**	**64.9**	**59.9**	**17.2**	**16.2**	**47.7**	**43.7**	**4.0**

Source: NCDPI, 2024 https://www.dpi.nc.gov/districts-schools/accountability-and-testing/school-accountability-and-reporting/accountability-data-sets-and-reports#2023-24Reports-4468.

Graduation rates track the number of students who graduate from high school in 4 years. In 2023-24, both ACS and BCS had higher graduation rates than the state overall (Exhibit 4-18). ACS students had a 4-year graduation rate of 89.9%, lower than the BCS rate of 91.5%. When comparing graduation rates of subgroups, ACS had higher graduation rates for White and male students than both BCS and the state overall. BCS had higher graduation rates of SWD, Economically Disadvantaged (ED), females, and non-White students than both ACS and the state overall.

The difference in graduation rates between subgroups was evident for ACS, BCS, and the state. ACS had larger gaps than BCS in SWD and those without disabilities (33.5%), ED students and those not economically disadvantaged (12.6%), White and Black students (10.8%), and White and Hispanic students (17.2%). BCS had a larger gap between male and female students (1.9%).

Exhibit 4-18
4 Year Cohort Graduation Rate by Subgroup, 2023-24



Source: NCDPI, 2024 https://www.dpi.nc.gov/districts-schools/accountability-and-testing/school-accountability-and-reporting/accountability-data-sets-and-reports#2023-24Reports-4468.

Overall, in the 2023-24 academic year, ACS had higher percentages of students at or above grade level; however, BCS exhibited smaller achievement gaps between White and Black students, and between White and Hispanic students compared to ACS. Both systems had similar proficiency rates for SWD, with ACS slightly higher overall. When comparing graduation rates, ACS had a slightly lower rate than that of BCS, though both exceeded the state average. BCS had higher graduation rates for various subgroups, while ACS had higher rates for White and male students. Substantial gaps in graduation rates were evident between different subgroups, with ACS showing larger disparities than BCS, particularly among SWD and ED students.

In 2023-24, ACS had higher rates of student success on state assessments, but BCS had smaller achievement gaps between White and students of color.

Considering Consolidation on Academic Performance

If consolidation were to happen, the 2 school systems would need to align:

- curriculum
- course offerings
- approaches to interventions

Neither ACS nor BCS consistently outperforms state results on assessments. Both ACS and BCS have achievement gaps. Prismatic found little evidence that consolidation would be likely to directly ameliorate those problems.

Central Office

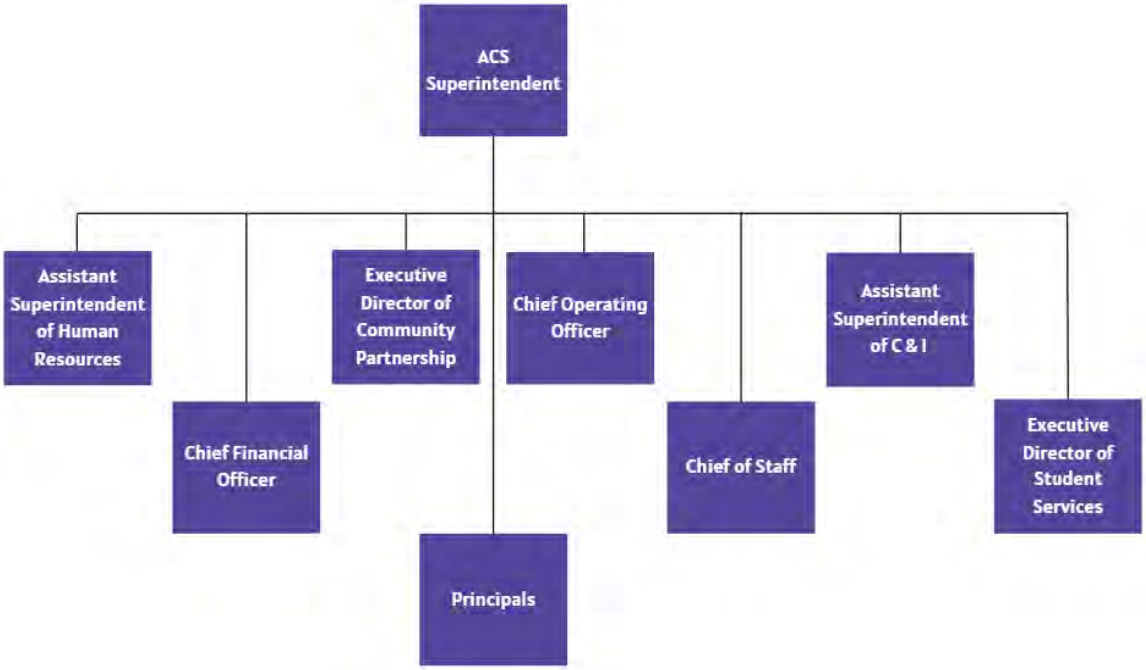
In both ACS and BCS, the superintendents have built organizational structures that support student learning and achievement through sharing, designating, and distributing their leadership for overseeing the district's day-to-day operations, budget management, resource allocations, and personnel decisions.

Both ACS and BCS superintendents are relatively new in their assignments – July 2023 and November 2022, respectively. Both served as superintendent of schools in other systems before coming to their new assignments. The turnover rate of ACS superintendents has been notable; for example, between 2013 and 2023, 5 different superintendents received appointments in ACS along with interim superintendents between the official appointments. The issue of ACS superintendent turnover was raised multiple times across the various constituent input sessions as a concern, with some perceiving that leadership stability was out of reach. However, ACS has only now switched to an all-elected school board and the current superintendent gives every indication that she plans to remain in the position long-term. The superintendency of BCS has been more stable; the current BCS leader in 2022 replaced a superintendent who served since 2009.

The major difference in the organizational structures of the 2 systems is the number of employees deemed "central office." Because BCS serves a larger number of students from a larger geographical area, there are more schools, more teachers and administrators, and therefore more support staff in its central organization. The top line organization of each central office is similar (Exhibits 4-19 and 4-20). The ACS central office had 84 positions while the BCS central office had 312 positions. These figures do not include school resource officers, other contracted positions, or support positions that are primarily assigned to schools or primarily interact with students, such as cafeteria workers, custodians, and bus drivers.

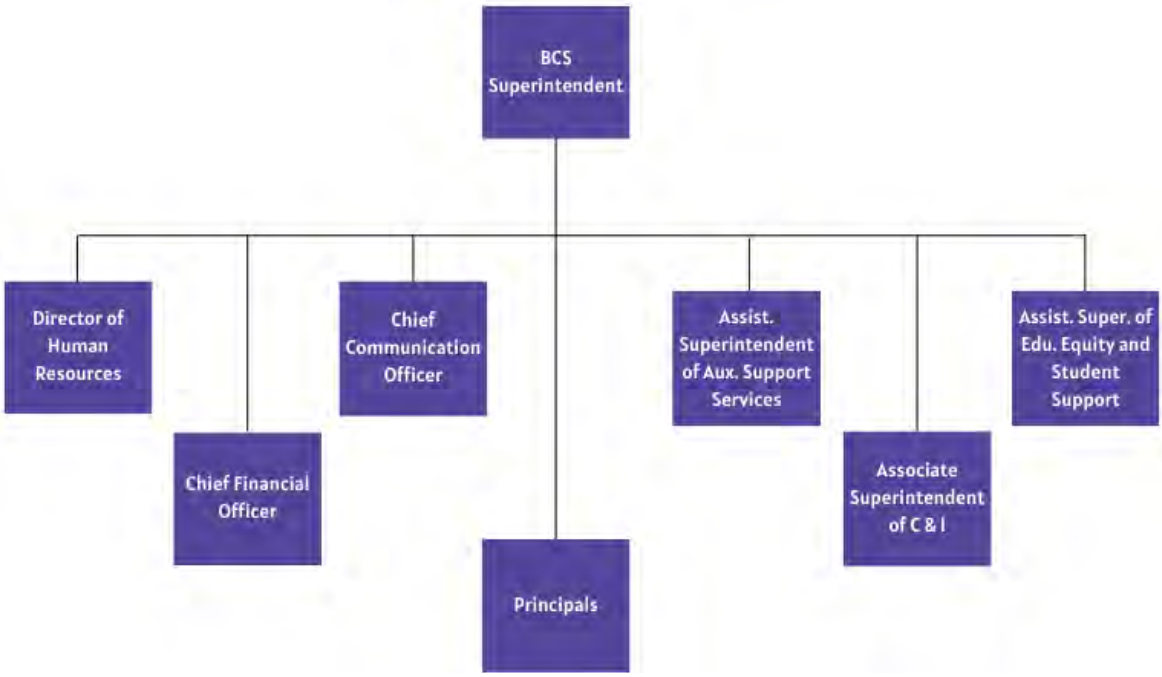
The rest of this chapter compares major central office functions and considers the potential impact of consolidation on each.

Exhibit 4-19
High-Level Organization of ACS Central Office



Source: ACS.

Exhibit 4-20
High-Level Organization of BCS Central Office



Source: BCS.

Instructional Programming

The primary purpose of any school system is educating children. Effective schools deliver quality instruction based upon a school system's capacity to manage and implement a rigorous, relevant curriculum. The instructional program, along with its allocation of resources, is how a school system attempts to meet the educational needs of all students. A well-designed and managed process for developing curriculum and directing instruction, collecting assessment data to evaluate and monitor programs, and providing the resources needed to support educational efforts are essential components.

The ACS curriculum and instruction department oversees curriculum, CTE, federal programs, instructional technology and media services, testing and accountability. The department's vision is to provide all staff "with the training, support, and resources necessary to ensure pedagogical and content knowledge and to create responsive classroom cultures…" They offer various services and programs, including MTSS, exceptional education, and gifted education.

The BCS curriculum and instruction department oversees curriculum, CTE, federal programs, special services, instructional technology, and media services. The department's goal is to create a sense of belonging, foster authentic connections, and drive student achievement. They offer various services and programs, including differentiation, MTSS, gifted education, and inclusion. For elementary students, they offer after-school clubs. For middle school students, they offer advanced math courses, use data to identify students' needs, and provide language support. High school students have options that include CTE, CCP, Early College, and specialized programs like BCCI and the Discovery Academy.

The BCS department aims to improve equitable support for teachers, especially in curriculum and instruction. They are also working to enhance support for multilingual learners and provide more intentional guidance for schools and teachers. Specific areas of focus include elementary, middle, and high school levels, with a particular emphasis on strengthening curriculum materials and support for high school teachers.

To ensure teacher training, the BCS department provides professional development for elementary, middle, and high school teachers, including those teaching honors and AP courses. They are also reviewing AP course requirements and exam policies.

Comparison of Instructional Programming

ACS and BCS are similar in that they both want the best for their students. Prismatic found evidence that both work to provide the best academic environment for their students.

ACS and BCS constituents largely gave aspects of instructional programming and afterschool/extracurricular options positive marks. As shown previously in Exhibit 3-8, a majority of ACS and BCS students agreed that:

- Their school can be described as a good place to learn.
- They have plenty of choices when selecting classes.
- They feel appropriately challenged in their classes and their classes are connecting them to real-work issues.

At the high school level, students had a range of opinions regarding instructional materials and afterschool options (Exhibit 4-21). BCS students were most positive about instructional materials at Nesbitt and least positive at Owen HS, and most positive about afterschool options at Reynolds HS. ACS students were most positive about instructional materials at Asheville HS and afterschool options at SILSA.

Exhibit 4-21
Student Opinions of Their Instructional Materials and Extracurriculars

		Instructional Materials			Afterschool & Extracurricular		
		Excellent + Good	Average	Below Average + Poor	Excellent + Good	Average	Below Average + Poor
ACS	Asheville HS	80%	17%	3%	83%	14%	3%
	SILSA	78%	22%	0%	88%	10%	2%
BCS	BCS Early/Middle	73%	23%	4%	38%	40%	22%
	Enka HS	58%	38%	4%	69%	26%	5%
	Erwin HS	52%	39%	9%	55%	36%	9%
	Nesbitt	83%	17%	0%	62%	23%	15%
	N Buncombe HS	58%	31%	11%	67%	26%	7%
	Owen HS	51%	36%	13%	61%	33%	6%
	Reynolds HS	61%	32%	7%	82%	16%	2%
	Roberson HS	60%	32%	8%	73%	21%	6%

Source: Prismatic Survey.

A majority of ACS and BCS parents each agreed that:

- Classes are appropriately challenging.
- Their oldest child's school has great teachers.
- Their oldest child's school is a good place to learn.
- Students are prepared for the next grade.
- Education is the main priority of ACS/BCS.

ACS and BCS parents were almost equally positive about students' course options (Exhibit 4-22). ACS parents were slightly more positive than BCS parents about students' afterschool and extracurricular opportunities.

Exhibit 4-22
Parent Opinions of ACS/BCS of Curriculum Aspects and Extracurriculars

	Parents					
	ACS			BCS		
	Excellent + Good	Average	Below Average + Poor	Excellent + Good	Average	Below Average + Poor
Instructional Materials	82%	12%	1%	78%	17%	2%
Afterschool and extracurricular opportunities	75%	9%	6%	64%	18%	6%

Source: Prismatic Survey.

A majority of ACS and BCS staff each agreed that:

- Most teachers here are excellent.
- Education is the main priority in ACS/BCS.

More than 60% of ACS staff survey respondents agreed that teachers have adequate supplies and equipment to perform their jobs. In contrast, only 40% of BCS staff survey respondents said the same. A majority of staff in each school system felt that there are many or great differences between ACS and BCS. Of those staff, 24% felt there were differences in education quality or options.

ACS staff was somewhat more positive about students' course options than BCS staff (Exhibit 4-23). The same was true regarding ACS staff opinions of afterschool and extracurricular opportunities.

Exhibit 4-23
Staff Opinions of ACS/BCS of Curriculum Aspects and Extracurriculars

	ACS			BCS		
	Excellent + Good	Average	Below Average + Poor	Excellent + Good	Average	Below Average + Poor
Students' course options	75%	13%	3%	58%	23%	8%
Afterschool and extracurricular opportunities	84%	10%	3%	67%	21%	6%

Source: Prismatic Surveys.

Curriculum

Core curriculum offerings in ACS and BCS are similar. This includes the areas of English/ELA, math, science, and social studies. Although the process and requirements differ, both offer an opportunity for middle school students to take Math 1 for high school credit.

Beyond the core curriculum, there are many similarities between the school systems in other curricular areas, including:

- Art and Music – ACS and BCS have similar offerings. At the high school level, both offer dance, vocal music, band, theatre arts, and visual arts. As an example of the breadth of options, both districts offer ceramics and photography classes. ACS offers The History of Rock and Yoga as part of their arts curriculum options.

- Additional Languages – ACS and BCS offer similar opportunities to learn an additional language, with 1 exception. Both offer courses in Chinese, French, and Spanish. There are a few differences in the number of courses within each language. For example, ACS offers French IV Honors, but BCS does not. BCS offers Spanish V Honors, but ACS does not. Only BCS offers courses in Latin. Through the NC Virtual Public School (NCVPS), ACS and BCS can also access online courses for other languages.

One area of difference is the Advancement via Individual Determination (AVID) program. The AVID program is for students who may be the 1st in their family to attend college. ACS offers AVID for its students; BCS does not.

Another difference is that BCS has a Dual Language Spanish Immersion program in grades K-5 in each of the 6 districts. Conexiones is also offered as a continuation of Spanish Language and Culture in grades 6-8, which allows middle school students to earn high school credits.

Another area of difference related to instructional programming involves academically or intellectually gifted (AIG) students. AIG services in ACS include pull-out and push-in support, cluster grouping, and whole-class lessons. To prioritize equity, ACS identifies the top 10% of each student subgroup for AIG programming, while also recognizing that some of these students may have academic gaps and may need support to grow to their potential. Prismatic found that BCS provides more traditional AIG services. Neither ACS nor BCS students identified for AIG programming are representative of student demographics.

A final area of difference is early college. BCS offers an early college option, but ACS does not. Located on the A-B Tech campus, the BCS early college program offers students an opportunity to earn a high school diploma and an associate's degree at the same time.

Career and Technical Education (CTE)

CTE is important for both school systems. The ACS and BCS directors are focused on showing students what careers and opportunities are available to them; ACS and BCS collaborated on a project to introduce CTE careers to Grade 5 students. Both systems offer an alternative high school focused on CTE. Both ACS and BCS offer many similar CTE opportunities (Exhibit 4-24). It was not clear from the data ACS provided how many of their CTE courses lead to industry certifications. BCS offers 41 industry certifications.

Exhibit 4-24
CTE Pathways in ACS and BCS

Area	ACS	BCS
Agriculture	✓	✓
Architecture & Construction	✓	✓
Arts, AV Technology & Communications	✓	
Business, Finance & Marketing		✓
Business Management & Administration	✓	✓
Career Development		✓
Computer Science, IT & Technology		✓
Family & Consumer Science		✓
Health Science	✓	✓
Hospitality & Tourism	✓	✓
Human Services	✓	✓
Information Technology	✓	✓
Law, Public Safety, Corrections & Security	✓	✓
Marketing	✓	✓
Science, Technology, Engineering & Math (STEM)	✓	✓
Trade & Industrial Education		✓
Transportation Distribution & Logistics		✓

Source: ACS and BCS, 2024.

Dual Enrollment and Advanced Placement

Both ACS and BCS offer opportunities for students to earn credentials for the world of work and college credit via dual enrollment and advanced placement (AP) courses. For dual enrollment in 2023-24:

- Both offered options in partnership with Asheville-Buncombe Technical Community College (A-B Tech Career & College Promise). There are a wide range of STEM, arts, and foreign language courses available. There are also a range of career training courses available, including culinary skills, engine repair, and nursing options.

- The path to dual enrollment varies somewhat between the systems. ACS students primarily access dual enrollment through CTE classes or SILSA. SILSA students are able to take some courses that AHS students cannot. BCS students have to qualify and make sure they will graduate on time by taking courses that fulfill graduation requirements first.

- Neither ACS nor BCS covered the programmatic costs students might incur in taking dual enrollment courses. This could include student fees, textbooks, and supplies. In BCS, Nesbitt and Early College have some dual enrollment options and receive funding specifically to help offset textbook costs. Some BCS high schools were reported to provide some assistance with these costs as well.

- Both ACS and BCS had students in 72 of the same dual enrollment courses, ranging from Art Appreciation to Juvenile Justice to Web Markup and Scripting.

- ACS had students in 14 dual enrollment courses that BCS did not. These courses ranged from Introduction to Architecture Technology to Linear Algebra to Organic Chemistry.

- BCS had students in 106 dual enrollment courses that ACS did not. These courses ranged from American Literature to GIS Data Models to Pharmacology.

For AP classes in 2023-24:

- Both offered 17 of the same AP classes, ranging from Studio Art to Environmental Science to United States History. Both offered some AP classes through the NCVPS, but not the same courses, which could just indicate student preferences in that time period, as the entire Virtual HS catalog should potentially be available to NC high school students.

- ACS offered 4 AP classes (not via the NCVPS) that BCS did not:

    - Art History
    - Microeconomics
    - Physics 2: Algebra-Based
    - Spanish Language and Culture

- BCS offered 4 AP classes (not via the NCVPS) that ACS did not:

    - African American Studies (online via NC School of Science and Mathematics)
    - Comparative Government and Politics
    - European History

- Psychology

- Within each school system, AP offerings varied by high school. In ACS, AHS offers more AP courses than SILSA, but SILSA students can cross-enroll in AHS to take desired AP classes. The AP offerings also vary among the BCS high schools. For example, only 2 BCS high schools offered AP Statistics in 2023-24, while a different high school was the only BCS one to offer AP European History.

Athletics

At the traditional high schools, both ACS and BCS have a number of athletic options (Exhibit 4-25). A review of school websites showed that some high schools also work with external organizations to provide access to other sports options; those were not included here. AHS offers 15 sports, including 15 in which boys can participate and 13 in which girls can participate. The BCS high schools offer a variety of sports, with T.C. Roberson offering the most options.

Exhibit 4-25
Athletics Options in ACS and BCS

	ACS	BCS					
Sport	AHS	EHS	CAEHS	OHS	NBMS	RHS	TCRHS
Baseball – Men's	✓	✓	✓	✓	✓	✓	✓
Basketball – Men's & Women's	✓	✓	✓	✓	✓	✓	✓
Cheerleading – Men's & Women's	✓	✓	✓	✓	✓	✓	✓
Cross Country – Men's & Women's	✓	✓	✓	✓	✓	✓	✓
Field Hockey – Women's	✓						
Football – Men's	✓	✓	✓	✓	✓	✓	✓
Golf – Men's & Women's	✓	✓	✓	✓	✓	✓	✓
Indoor Track – Men's & Women's	✓	✓	✓	✓	✓	✓	✓
Lacrosse – Men's & Women's	✓						✓
Soccer – Men's & Women's	✓	✓	✓	✓	✓	✓	✓
Softball – Women's	✓	✓	✓	✓	✓	✓	✓
Swimming – Men's & Women's	✓	✓	✓	✓	✓	✓	✓
Tennis – Men's & Women's	✓	✓	✓	✓	✓	✓	✓
Track & Field – Men's & Women's	✓	✓	✓	✓	✓	✓	✓
Volleyball – Men's		✓					✓
Volleyball – Women's	✓	✓	✓	✓	✓	✓	✓
Wrestling – Men's	✓	✓	✓	✓	✓	✓	✓
Wrestling – Women's	✓	✓	✓	✓	✓	✓	✓
Total Sports Offered	**15**	**14**	**14**	**14**	**14**	**14**	**16**
Men's Options	**14**	**13**	**12**	**12**	**12**	**12**	**14**
Women's Options	**14**	**12**	**12**	**12**	**12**	**12**	**13**

Source: ACS and BCS, 2024.

Comparison of Instructional Programming Staffing

In their curriculum and instruction department, ACS has 15 positions:

- Assistant Superintendent
- Administrative Assistant
- Director of Elementary Education
- Director of Exceptional Children
- Exceptional Children Budget Manager
- Coordinator of Secondary Education
- Middle School Academic Coach
- Director of Career & Technical Education
- Administrative Assistant
- CTE Curriculum Coordinator
- WBL Coordinator
- SPC/CDC Coordinator
- IT Project Manager
- Director of Testing, Accountability, Multilingual
- Data Analyst and Academic Coach

In comparison, BCS has 45 positions in the curriculum and instruction area and another 44 in the special services department (Exhibit 4-26). The special services department is focused on the needs of exceptional students. The early childhood education (ECE) Workforce coordinator position is grant-funded through Dogwood Health Trust. The Title I instructional coaches are funded by Title I; as such, their numbers could fluctuate as Title I funding varies. Of the 3 curriculum specialist positions, 1 covers K-12 science, 1 covers K-12 arts, and 1 covers K-12 healthful living. Based on a comparison of several data items provided by BCS, there have been some changes in department positions in recent years.

Exhibit 4-26
BCS Curriculum and Instruction Department Staffing

C & I Position	FTE	Special Services Position	FTE
Associate Superintendent, Curriculum & Instruction	1	Director of Special Services	1
Administrative Assistant	2	EC Admin./Curric. Manager	2
Teacher/PD Coordinator	1	Audiologist	1
Curriculum Specialist	3	Autism & Behavior Support Services	9
Director Elementary/Inter.	1	Day Treatment Liaison	1
Director Secondary	1	Homebound Services	4
Literacy Coach	1	Lead SLP	1
Secondary English & Social Studies Coach	1	Lead Occupational Therapist	2
Dual Language & World Language Specialist	1	Lead Physical Therapist	1

ECE Workforce Coordinator	1	Lead Psychologist	2
Title I Instructional Coach	18	Assistive Technology	1
Elementary Math Coach	2	EC Curriculum Coaches	2
Health Educator	2.5	EC Data Manager Clerical	2
Secondary Lead Math Coach	1	EC Program Specialists	10
Secondary Math Coach	1	Visually & Hearing Impaired	4
Secondary Instructional Coach	6	Lead Sign Language Interpreter	1
MTSS Coach	0.6		
Total	**44.1**	**Total**	**44**

In interviews, Prismatic found there is little to no coordination or collaboration between ACS and BCS in this functional area. There has been some collaboration between the CTE directors but beyond that ACS and BCS staff tended to operate as if the other school system did not exist. This ran counter to the experiences of Prismatic staff members with experience in similar "split county" areas of the state, where coordination and collaboration with peers in this functional area were valuable and routine. Prismatic also found that a number of staff in 1 of the systems considers theirs to be the superior system, even though counterparts tend not to communicate or interact. Some staff in that system noted that the students of the other system would be "saved or rescued" if consolidation happened.

Considering Consolidation on Instructional Programming Functions

If consolidation occurred, the core responsibilities for curriculum and instruction would remain. However, there would be opportunities for reductions in the number of positions to some extent. For example, the consolidated system would not need:

- 2 leaders for the department, only 1
- 2 directors of elementary education, but the new system would benefit from a separate director for middle school
- 2 directors of similar areas such as CTE and exceptional education, only 1

However, some of the leadership de-duplication would need to be offset with new subordinate positions to handle what would otherwise be an increased workload on the existing subordinates. In addition, some of the counterpart positions to ACS positions within the C&I department are housed in other BCS departments. Prismatic estimates that a consolidated curriculum and instruction department could be reduced to 93 positions from the current combined 104 and still effectively perform all critical functions and responsibilities.

Human Resources

Every human resource (HR) function in virtually all U.S. school districts supports the core areas of recruiting, staffing, onboarding, retention, compensation, benefits, training, and development. The work is the same regardless of district size or location. The only substantial difference in how these responsibilities are completed and how the department's goals are met is the size of the workforce assigned specifically to HR.

Comparison of HR Functions

An analysis of the functions and responsibilities of the HR departments of ACS and BCS revealed some minor exceptions to the typical model. In both school systems:

- compensation or payroll is an assigned function of the finance departments
- training and development reside in curriculum and instruction departments

Logically, based on the overall number or total employees who work in each school system, the number of professional and clerical support personnel who have HR responsibilities is larger in BCS. Exhibit 4-27 shows the current staffing of the ACS and BCS human resources departments. Overall, there are 14.5 positions across the 2 departments.

Exhibit 4-27
Staffing of HR Departments, 2023-24

Position Description	# of Positions	
	ACS	BCS
Assistant Superintendent	1	
Director of Human Resources		1
Assistant Director of Human Resources		1
Director of Teacher Recruitment and Induction	1	
HR Specialist	2	1
Licensure Specialist		1
Benefits Specialist		2
Leave/ADA/Workers Comp Manager		1
HR Coordinator		2
Administrative Assistant and Receptionist	1	0.5
Total	**5**	**9.5**

Source: ACS and BCS.

The overall or routine, daily work of each department is essentially the same, but, of necessity, HR staff in ACS have more comprehensive HR demands whereas those in the BCS are more specialized in their work

routines. In ACS, a minor difference is that the specialist responsible for employee benefits administration is assigned to the finance department, but the BCS employee with the same general responsibilities is a staff person within the HR department.

HR's reliance on electronic data management, especially regarding personnel records storage and how time and attendance are captured and reported, and other Human Resources Information System (HRIS) reporting is more advanced in BCS, but the existing records management system in place in ACS is adequate and satisfactory considering the smaller number of employees. In both systems, data entry, cooperation and interactions with payroll are not problematic.

Exhibit 4-28 compares the staffing of each HR department to the number of staff positions and ADM. Comparing ratios for staffing to ADM and staff positions supported, the ACS HR department positions each support 135 employees and 798 ADM while the BCS HR department positions each support 330 employees and 2,427 ADM.

Exhibit 4-28
Staffing of ACS and BCS HR Departments, 2023-24

	# of Positions	
	ACS	BCS
HR Department Staff	5	9.5
District Positions Supported	676	2,972
ADM Supported	3,990	21,843
Ratio Department Staff to District Position	1 : 135	1 : 330
Ratio Department Staff to ADM	1 : 798	1 : 2,427

Source: ACS and BCS.

Given the smaller size of ACS and the rurality of BCS, Prismatic does not recommend the use of available industry staffing metrics. They do not sufficiently consider HR functions specific to school systems or they are based upon larger generally urban school systems. It appeared to the consulting team that staffing in each HR department was appropriate for the size of the respective system, each was being operated efficiently, and workloads were reasonably assigned. Overall, individual salaries of employees assigned to HR in both districts are equitable, based on experience, job worth, and market comparability.

Considering Consolidation on HR Functions

Core areas of HR responsibilities would remain the same if consolidation occurred. There would not be a substantial reduction in HR responsibilities for a consolidated HR department. Prismatic estimates that a consolidated HR department could be reduced by 2 positions from the current combined 14.5 and still effectively perform all critical functions and responsibilities. Exhibit 4-29 shows the staffing Prismatic

would recommend for a consolidated HR department. It includes these considerations:

- The assistant superintendent and HR director positions are the heads of the respective HR departments. Only 1 HR head would be needed to direct the combined HR department.
- 2 HR specialists would be able to handle HR work routinely performed by the current 3 "HR generalists."

Exhibit 4-29
Prismatic Recommended Staffing of HR Department if There is Consolidation

Position Description	# of Positions		
	Current	Possible Reduction	Total After Reduction
Assistant Superintendent	1	1	1
Director of Human Resources	1		
Assistant Director of Human Resources	1		1
Director of Teacher Recruitment and Induction	1		1
HR Specialist	3	1	2
Licensure Specialist	1		1
Benefits Specialist	2		2
Leave/ADA/Workers Comp Manager	1		1
HR Coordinator	2		2
Administrative Assistant and Receptionist	1.5		1.5
Total	**14.5**	2	12.5

Source: Prismatic.

Facilities and Facilities Management

For this portion of the project, in addition to constituent input, data review, and interviews, the Prismatic facilities consultant visited 5 ACS and 7 BCS schools and assessed them using a pre-determined facilities rubric that covered the areas shown in Exhibit 4-30.

Exhibit 4-30
Prismatic Facilities Review Areas

Related to Building Construction, Use, and Maintenance	Related to Safety
Acoustics	Building Access Control
Bathrooms	Electrical Safety
Classrooms	Emergency Communications
Conveyance (elevators, wheelchair lifts)	Exterior Lighting
Electrical Systems	Fire Safety
Exterior Enclosure (exterior walls, windows, and doors)	Means of Egress
Indoor Air Quality	Natural Surveillance
Interiors (partitions, interior doors, floors, and ceiling finishes)	Roof Access
Kitchens	Site Security/Territorial Reinforcement
Lighting	
Locker Rooms	
Mechanical Systems	
Playgrounds/Athletic Facilities	
Plumbing Systems	
Roofing	
Site (roadways, parking lots, pedestrian paving, landscaping, fencing)	
Space Use and Suitability	
Space Utilization	
Superstructure (floors and roof construction)	

Source: Prismatic.

Other Prismatic consultants provided additional facilities insights based on their school visits for other purposes. In total, Prismatic visited 26 separate schools in 35 visits across both systems.

Comparison of Facilities and Facilities Management Functions

The proper maintenance of facilities is critical to ensuring support for an effective instructional program. Research has shown that appropriate heating and cooling levels, building and room appearances, the condition of restrooms and other facilities, as well as occupant safety, all impact how students and staff members can carry out their respective responsibilities. Ineffective or inadequate maintenance provisions have

proven to lead to increased costs of facility operations by shortening the useful lifespan of equipment and buildings.

ACS and BCS constituents largely gave facilities high marks. With 1 exception, a majority of high school students ranked their school facilities as excellent or good (Exhibit 4-31). A majority of parents and staff did likewise (Exhibit 4-32).

Exhibit 4-31
Student Opinions of Their School Facilities

		Excellent + Good	Below Average + Poor
ACS	Asheville HS	69%	10%
	SILSA	78%	2%
BCS	BCS Early/Middle	68%	3%
	Enka HS	57%	7%
	Erwin HS	46%	10%
	Nesbitt	79%	6%
	North Buncombe HS	50%	11%
	Owen HS	53%	8%
	Reynolds HS	57%	9%
	Roberson HS	52%	10%

Source: Prismatic Survey.

Exhibit 4-32
Parent and Staff Opinions of ACS/BCS School Facilities

	ACS			BCS		
	Excellent + Good	Average	Below Average + Poor	Excellent + Good	Average	Below Average + Poor
Parents	84%	13%	2%	75%	18%	5%
Staff	69%	24%	7%	55%	31%	13%

Source: Prismatic Surveys.

Prismatic's onsite observations generally concurred with constituent opinions. The overall facility condition rating in each school system is considered good. Both school systems have management personnel with decades of practical experience in Facilities Maintenance Operations (FMOs). Both ACS and BCS facilities are well maintained with organized systematic preventative maintenance. The facilities and operations of ACS and BCS are also similar in several other areas:

- Both ACS and BCS implement equal regularly scheduled preventative maintenance.
- Both have similar facilities management philosophies.

- Both utilize the FMX software in their work order process.
- Both noted that plumbing repairs continue to be the largest ongoing maintenance challenge, primarily caused by vape pens being disposed of in toilets.
- The administrative staff of each system reported being overall satisfied with their maintenance operations.

The ACS facilities maintenance department is considerably smaller than that of BCS. Not including the COO and their assistant, the ACS department includes 19 positions:

- 1 maintenance director
- 1 assistant maintenance director
- 15 manual trades positions
- 1 administrative assistant
- 1 safety officer

Not including the assistant superintendent for auxiliary support services, the BCS department includes 100 positions:

- 1 director of maintenance and facilities
- 2 assistant directors (1 for facilities and 1 for maintenance)
- 7 managers
- 6 coordinators
- 7 foremen
- 3 safety positions
- 44 trades/technical positions (HVAC, plumbing, painting, etc.)
- 10 workers
- 7 custodians (with other custodial positions assigned to schools)
- 13 other positions (courier, capital projects, facilitator, bookkeeper, etc.)

Looking only at the positions explicitly allocated for building maintenance, Exhibit 4-33 compares the maintenance staffing per square footage of facilities to be maintained. The ACS square footage figure includes the Randolph facility; although it is not in active use as a school, the building must still be maintained.

Exhibit 4-33
ACS and BCS Maintenance Staffing

	ACS	BCS
Total Square Footage	934,779	4,665,679
Facilities Maintenance Staffing, FTE	17	52
Ratio, Square Footage per FTE	54,988 : 1	89,725 : 1

Source: ACS, BCS.

There is no single, universally accepted staffing standard for maintenance services, for a number of reasons, including:

- Some routine and preventive maintenance can typically be easily completed in-house while other larger jobs (often requiring specialized expertise and tools) are typically outsourced as needed.
- The school system's choice of building materials and systems can impact the level of maintenance staffing needed.
- Smaller school systems can end up with lower staffing ratios, as it can be difficult to find 1 individual who is an expert in multiple trades (plumbing, electrical, HVAC, etc.).

The Florida Department of Education promotes the use of 45,000 square feet per FTE, while the Wyoming Department of Education uses a formula that includes 60,000 square feet per FTE, with adjustments for number of schools, overall enrollment, and district revenue levels. The NCDPI appears to be silent on the topic. The APPA recommends the development of maintenance staffing that considers gross square footage, worker factors (days of work, productivity), adjustment factors (campus size, age, etc.), and desired service level. The 5 desired service levels with associated facilities square footages calculated using several reasonable assumptions for educational facilities are:

Level	Square Footage per Maintenance FTE
1 – Showpiece Facility	47,220
2 – Comprehensive Stewardship	67,456
3 – Managed Care	94,439
4 – Reactive Management	118,049
5 – Crisis Response	236,098

As a rough guideline, Prismatic considers 75,000 to 90,000 square feet per FTE to be within the initially adequate range. Given these ranges and the various system-specific factors that can impact maintenance staffing needs, ACS is somewhat richly staffed while BCS is adequately staffed for facilities maintenance. However, they reported differences in preventive maintenance staffing needs. The BCS facilities maintenance director reported the staffing level for preventive maintenance as adequate. In contrast, the ACS facilities maintenance director reported staffing for preventive maintenance as inadequate with a deficit of 5 maintenance trades positions. ACS is challenged with insufficient full-time plumbers and painters. Other differences include:

- BCS has a 5-year and 15-year facilities master plan in place. As of June 2024, ACS was in the process of establishing its facilities master plan. The ACS facilities maintenance director reported

there was 'no real facilities master plan' in place when he started approximately 2 years ago.

- BCS and ACS both have competent and capable leadership in their facilities maintenance operations. However, the BCS leaders have been in place somewhat longer (6 years compared to 2 years).

- The comprehensiveness of the BCS facilities operations center stood out. Their carpentry and metal working shops in-house and their organized parts/equipment warehouse benefit operational efficiency. ACS recently relocated their Facilities Operations Center to an old building that was once the Asheville Primary School. They're exploring a phased repurposing plan for the building but at the time of the onsite work, it had not been confirmed if the location will be a temporary or permanent home for their facilities operations center.

- While both districts are challenged with reductions in enrollment and declining utilization rates that impact operations budgets, ACS appears to be impacted more adversely than BCS.

- BCS identified their largest immediate capital need for facilities as roof replacements. Many BCS roofs are in poor condition. In contrast, ACS reported no specific system-wide immediate capital needs.

- ACS has some poorly constructed facilities in its building stock. Isaac Dickson ES is one of the newest ACS schools, constructed in 2016. Its overall design concept and plan is appealing. However, it presents an unfortunate example of sub-standard construction quality or inappropriate systems utilized for this building type. For example:

    - The installation/craftmanship of the cementitious lap siding is very poor with larger than standard gaps between abutting boards of siding. The installers attempted to conceal these gaps with sealant but much of that sealant is cracked or completely failed. Moisture infiltration has accumulated behind the lap siding which could compromise the interior wall construction.

    - The northwest courtyard does not drain adequately away from the building during heavy rain events. Sandbags that have reportedly been used to keep rainwater out of the building were observed adjacent to the egress doors to the courtyard.

- The HVAC system is not running efficiently, leading to uncomfortable temperatures for occupants. Maintenance work orders occur more than normal to adjust service components.

Prismatic faults a lack of using 3rd-party inspections from qualified consultants to verify construction quality and basis of design for the resulting problems with Isaac Dickson ES. Prismatic found some evidence that BCS may also not be adequately benefiting from 3rd-party inspections.

One key difference between facilities maintenance operations and other ACS/BCS operational areas is the level of coordination between ACS and BCS staff. ACS has benefitted from implementing the FMX work order software with training assistance from BCS.

Adequacy of Facilities for Enrollment and Uses

Most ACS and BCS facilities are underutilized and are projected to continue to be underutilized at least through 2028-29 (Exhibit 4-34). Best practices resources vary, but an ideal utilization range for elementary schools operating on a homeroom model is typically considered to be 85%-100%. Due to the movement of students in middle and high schools and the variety of specialized spaces, an ideal utilization range for secondary schools is typically considered to be 80%-90%. None of the ACS facilities currently meet or are projected to reach those utilization levels. Only 5 BCS elementary schools currently meet best practices utilization levels, while 2 elementary schools (North Buncombe and W. W. Estes) and 1 high school (Discovery) exceed best practice levels. By 2028-29, only 5 BCS elementary and 2 secondary schools (AC Reynolds HS and Enka HS) are projected to reach best practices utilization levels, while 2 elementary schools (North Buncombe and W.W. Estes) and 3 secondary schools (North Windy Ridge IS, North Buncombe MS, and Discovery) are projected to exceed best practice levels.

Exhibit 4-34
Current and Projected Facilities Utilization

	# of "Seats" (Capacity)	% Capacity Utilized	
		2023-24	2028-29
ACS[1]			
Elementary School Average	2,562	64%	66%
Lowest ES Utilization		51%	52%
Highest ES Utilization		76%	78%
Middle School	1,212	62%	55%
High School (AHS and SILSA)	2,439	61%	53%
Total	**6,195**	**62%**	**59%**
BCS			
Elementary School Average (including primaries)	11,000	77%	77%
Lowest ES Utilization		43%	48%
Highest ES Utilization		107%	107%
Intermediate School Average	3,766	61%	70%
Lowest IS Utilization		52%	54%
Highest IS Utilization		69%	112%
Middle School Average	6,155	61%	66%
Lowest MS Utilization		53%	54%
Highest MS Utilization		82%	112%
High School Average[2]	9,746	67%	70%
Lowest HS Utilization		33%	40%
Highest HS Utilization		94%	99%
Total	**30,667**	**69%**	**71%**

Source: ACS, BCS, Cooperative Strategies, NCDPI, and Prismatic calculations.

Based on the available projections, by 2028-29, each school system will have too much capacity overall (Exhibit 4-35). By 2028-29, ACS is projected to have between 40% and 61% more seats than it will need, while BCS is projected to have between 15% and 31% more seats than it will need.

Both ACS and BCS have substantially more facility capacity than they need now or in the near future.

[1] DPI Standard used for capacities of Claxton, Hall Fletcher, and Ira B. Jones. Cooperative Strategies design capacity used for rest.
[2] Includes Community HS and Nesbitt, but not PEP, early middle college, or Virtual Academy.

Exhibit 4-35
Projected Excess Capacity Based Upon Best Practices Levels of Utilization

		Calculated ADM as Best Practices Levels of Capacity Utilization			Excess Capacity	
	# of "Seats" (Capacity)	Low End	High End	Projected 2028-29 ADM	Low End	High End
ACS						
Elementary Schools	2,562	2,178	2,562	1,671	507	891
Middle School	1,212	970	1,091	671	299	420
High Schools	2,439	1,951	2,195	1,290	661	905
Total	**6,195**	**5,099**	**5,848**	**3,632**	**1,467**	**2,216**
BCS						
Elementary Schools	11,000	9,350	11,000	8,580	770	2,420
Intermediate Schools	3,766	3,013	3,389	2,495	518	894
Middle Schools	6,155	4,924	5,540	3,889	1,035	1,651
High Schools	9,746	7,797	8,771	6,928	869	1,843
Total	**30,667**	**25,084**	**28,700**	**21,891**	**3,192**	**6,808**

Source: ACS, BCS, Cooperative Strategies, NCDPI, and Prismatic calculations.

Excess capacity leads to higher costs for building maintenance, repair, cleaning, renovation, and eventually replacement. It can also lead to higher staffing costs, if class sizes trend lower in smaller schools within a system, or the system allocates certain staffing types at the school building level without regard for the resulting staff type to student ratios that result.

However, the locations of excess capacity and shortages of capacity matter. For example:

- In the case of 2 elementary schools that are relatively closely located, it could make sense to seek to consolidate into 1 facility. In the case of BCS, for example, Woodfin ES could be absorbed by Emma ES.

- In the case of 2 schools that serve different grade spans but that are relatively closely located, it could make sense to seek consolidation into 1 facility. In the case of BCS, for example, this could be a solution to the projected substantial excess capacities of C.A. Erwin MS and HS or Eblen IS and C.A. Erwin MS.

- In some remote communities, it may not make sense to shift elementary students from a small school to the next closest primary/elementary school if the transportation time increases by more than 30 minutes, even if those next closest schools have the space to accommodate the student influx. Instead, depending on the age and level of repairs/renovations needed, it

could make more sense to develop a new elementary school in between the schools in question and thereby only marginally increase the transportation time for all students. In the case of BCS, for example, the underutilization of Barnardsville ES, Weaverville ES, and Weaverville Primary could potentially be addressed with the construction of a new facility near North Buncombe HS.

Exhibit 4-36 provides the locations of schools that in 2028-29 are projected to be at less than best practices capacity utilization in red and those projected to be at best practices levels of capacity utilization in green. As shown, the schools that will be underutilized are spread throughout the County.

Exhibit 4-36
Projected Excess Capacity Based Upon Best Practices Levels of Utilization, 2028-29

Source: ACS, BCS, Cooperative Strategies, NCDPI, and Prismatic calculations and mapping.

Considering Consolidation on Facilities and Facilities Management Functions

If ACS and BCS were to consolidate, there could be some benefits to the facilities management function. ACS facilities would potentially benefit from access to more full-time staffing resources. Both systems would

benefit from sharing resources. ACS and BCS already have some experience in collaborating with each other, including using the same FMX software and sharing funding with the assistance of the Capital Commission. Both systems have a current need to:

- implement practices that use 3rd-party inspections to verify construction quality.
- develop long-range plans to limit their direct digital controls (DDCs) to no more than 3 vendors – this will result in more efficient maintenance and management of mechanical systems.
- develop long-range plans to address the large amount of excess facility capacity.

All of these needs could potentially be addressed more efficiently by a consolidated system than 2 separate school systems. However, ACS and BCS could also address these issues independently.

As evidenced by the large amount of excess capacity and the small enrollment growth projected, consolidation could be used to close a number of schools. For example, there are 8 under-enrolled BCS schools located within the limits of the City of Asheville, of which some could potentially be consolidated with ACS schools. However, ACS and BCS could also address their problems of excess facility capacity independently.

If ACS and BCS were to consolidate, Prismatic estimates that initially only the leadership positions would be consolidated, yielding a savings of 2 positions (combining the 2 director positions into 1 and the 3 assistant director positions into 2). Without assuming any school closures, the consolidated facilities staffing ratio would be 83,589 square feet per FTE. Prismatic would not recommend position reductions beyond the leadership level.

Child Nutrition

Today's child nutrition programs stem from the 1946 *National School Lunch Act*. The breakfast program was added in 1966. Successful administration of a school system's child nutrition program depends on consistent program organization, strong financial reporting, and precise personnel management.

Child nutrition programs are unique in a school system because they are operated as an independent fund. They earn revenues primarily from federal reimbursement and student payments. If the programs do not operate with fiscal soundness, at a level of at least financial breakeven, they must be subsidized by general funds. Both ACS and BCS are large enough that their leadership should expect their child nutrition programs to successfully operate without general fund subsidies.

For this portion of the project, in addition to constituent input, data review, and interviews, the Prismatic child nutrition consultant visited 7 ACS and 16 BCS schools to review kitchen/cafeteria facilities and observe cafeteria operations.

Comparison of Child Nutrition Functions

The ACS and BCS child nutrition programs have a number of similarities:

- Both implement multiple federal programs: School Breakfast, School Lunch, Farm to School, Fresh Fruit and Vegetables, and Afterschool Snack. Each program has nutritional component requirements, when it can be served, and how much Federal reimbursement is provided per qualifying item served.
- Both ACS and BCS offer a variety of meal service modes besides cafeteria service, including hallway breakfast cart service and breakfast in the classroom.
- Both use the *Meals Plus* software program to manage their operations.

BCS offers a few things that ACS does not:

- BCS provides meals to the Head Start Program and operates a Summer Meals Program.
- BCS offers Breakfast After the Bell.

Other differences include:

- ACS outsourced their child nutrition operations to Chartwells beginning in 2023-24, while BCS operates their program internally. According to staff, the primary reason ACS outsourced

was financial. At the forums, representatives of the AHS student government credited Chartwells for improvements in the quality of food. Meal participation rates in 2023-24 were slightly increased over the previous year: breakfast participation was 20.15%, up from 19.25%, and lunch participation was 43.62%, up from 39.34%.

- BCS began participating in the Community Eligibility Program (CEP) in all schools except Nesbitt in 2023-24. This allows them to provide meals at no cost to all students. Students at Nesbitt also receive meals at no cost. ACS does not participate in the CEP. ACS students eligible for reduced-price meals receive them at no cost and students who are not eligible for free or reduced-price meals have to pay for their meals.

- There are differences in the 2023-24 hourly salary ranges, with BCS offering higher pay before the local supplement is included:

	ACS	BCS
Cafeteria Managers	$17.50 - $20.28	$17.66 - $23.19
Cafeteria Assistants	$15.00 - $17.16	$16.31 - $21.76
Local Supplement	11.0% - 18.5% depending on years of experience	10.77%

Currently, some ACS cafeteria staff are ACS employees while others are Chartwells employees.

- ACS provides only basic orientation training and staff does not receive paid registration to conferences. Manager's meetings are not held on a regular basis and managers do not receive financial reports on their operations. Staff in BCS, at both the manager and assistant levels, have multiple avenues for training and 1 field supervisor is a dedicated trainer. They are encouraged to attend the state school food service summer conferences with a paid registration and all managers are School Nutrition Association (SNA) members. Manager's meetings are held monthly, and managers receive financial reports and training at these meetings.

- ACS does not have a warehouse. Most purchases are made by Chartwells, and school kitchens receive all deliveries from vendors. BCS operates a warehouse for the child nutrition program and delivers food and supplies to the school kitchens. They make some purchases through several Cooperatives. They develop and administer bids for their purchases.

ACS and BCS constituents largely gave child nutrition services average marks. With the exceptions of Asheville HS and Nesbitt, the largest

proportion of high school students ranked their school lunches as average (Exhibit 4-37). Although slightly more positive, neither ACS nor BCS had a majority of its parents rate school lunches as excellent or good (Exhibit 4-38). In contrast, a majority of ACS and BCS staff members rated school meals as excellent or good. In Prismatic's experience, students and parents are typically more critical of school meals programs than they are of many other areas.

Exhibit 4-37
Student Opinions of Their School Lunches

		Excellent + Good	Average	Below Average + Poor
ACS	Asheville HS	49%	34%	17%
	SILSA	24%	56%	20%
BCS	BCS Early/Middle	16%	52%	32%
	Enka HS	24%	51%	25%
	Erwin HS	24%	44%	32%
	Nesbitt	47%	45%	8%
	N Buncombe HS	23%	48%	29%
	Owen HS	23%	44%	33%
	Reynolds HS	24%	47%	29%
	Roberson HS	21%	50%	29%

Source: Prismatic Survey.

Exhibit 4-38
Parent and Staff Opinions of ACS/BCS School Lunches/Meals

	ACS			BCS		
	Excellent + Good	Average	Below Average + Poor	Excellent + Good	Average	Below Average + Poor
Parents	36%	27%	10%	42%	31%	13%
Staff	64%	19%	8%	59%	28%	10%

Source: Prismatic Surveys.

Prismatic's onsite observations and review of BCS were largely positive. The BCS program is well managed and staff, both in the central office and in the kitchens are well trained, professional, and perform at a high level. There is a strong emphasis on maintaining good customer service and meeting student needs and interests. BCS's financial management is impressive, and planning and decisions are made to ensure the program remains in a positive financial position. There is a good working relationship between the BCS financial department and the child nutrition director.

Prismatic's onsite observations and review of ACS were more mixed. ACS staff at the site level do a good job of food preparation, meal service, and

customer service. Overall food quality and presentation is high. However, prior to outsourcing, the overall management of the program had been lacking, especially in the financial area. Staff, especially managers, are not well trained in the importance of financial management. There has been frequent change in the ACS finance department staff which has overall supervision of the child nutrition program. The analysis and final decision to outsource the program did not adequately involve child nutrition management and staff.

Looking at financial and performance metrics, there are also substantial differences. Overall, the ACS program has operated at a financial loss for the past several years, has lower meal participation, and lower staff productivity using the industry standard of Meals Per Labor Hour (MPLH).

As shown in Exhibit 4-39, the ACS child nutrition program has operated at a loss since prior to COVID. The 2021-22 school year was uncharacteristically positive financially, largely due to temporary COVID regulations in effect for all child nutrition programs. Combined with a lack of fund balance, the ACS program has had to rely upon general fund subsidies. The BCS program has had more variable financial performance but has a healthy fund balance to lean upon. The BCS director seeks/receives numerous grants to help fund special programs in addition to the regular meal programs.

Exhibit 4-39
ACS and BCS Child Nutrition Fund Revenues and Expenditures Over Time

ACS	2018-19	2019-20	2020-21	2021-22	2022-23
Revenues					
Sales	$420,795	$367,685	$30,367	$115,888	$549,940
State Reimbursement	$2,892	$2,251	NA	NA	$2,703
Fed. Reimbursement	$1,075,696	$1,144,869	$1,088726	$2,166,726	$1,279,344
Other	NA	NA	NA	$1,792	$568
Total Revenues	**$1,499,383**	**$1,514,805**	**$1,119,093**	**$2,284,406**	**$1,832,555**
Expenses					
Salaries and Benefits	$704,327	$719,285	$1,130,744	$919,481	$1,128,815
Food	$731,576	$741,605	$423,941	$787,443	$857,747
Other Expenses	$171,943	$156,706	$248,518	$184,682	$194,448
Total Expenses	**$1,607,846**	**$1.617,596**	**$1,803,203**	**$1,891,606**	**$2,181,010**
Revenues - Expenses	**($108,463)**	**($102,791)**	**($684,110)**	**$392,800**	**($348,455)**
Fund Balance	**($461,833)**	**($341,462)**	**($782,528)**	**($48,965)**	**($177,909)**

BCS	2018-19	2019-20	2020-21	2021-22	2022-23
Revenues					
Sales	$3,100,502	$2,501,659	$198,514	$692,129	$3,400,406
State Reimbursement	$43,985	$34,789	NA	$1,248	$68,,979
Fed. Reimbursement	$8,438,382	$10,167,000	$9,399,986	$14,778966	$10,346,536
Other	$78,178	$140,365	$50,277	$10,856	$141,468
Total Revenues	**$11,661,047**	**$12,843,813**	**$9,648,777**	**$15,483,199**	**$13,957,389**
Expenses					
Salaries and Benefits	$5,677,770	$6,887,276	$2,833,370	$5,846,365	$7,567,725
Food	$5,935,532	$6,345,141	$3,703,820	$6,890,356	$6,914,563
Other Expenses	$1,168,824	$1,044,804	$879,016	$885,896	$1,030,052
Total Expenses	**$12,782,126**	**$14,277,221**	**$7,416,206**	**$13,622,617**	**$15,512,340**
Rev - Exp	**($1,121,079)**	**($1,433,408)**	**$2,232,571**	**$1,860,582**	**($1,554,951)**
Fund Balance	**($3,230,788)**	**($3,162,221)**	**$99,208**	**$3,309,260**	**$2,891,349**

Source: ACS Statement of Net Position and Statement of Revenue and Expenditures – Proprietary Fund 2018-2023, BCS Statement of Net Position and Statement of Revenue and Expenditures – Proprietary Fund 2018-2023.

Operating ratios provide another method to assess the financial performance of child nutrition programs. There are industry standard ranges for program expenditures of labor (salary/wages, benefits, substitute pay, contractual work), food (purchased food, USDA foods, processing fees), and other (chemicals, paper, supplies, indirect costs) categories as a percentage of total revenues (Exhibit 4-40). If the total of the 3 categories does not exceed 100%, then the program is operating within its financial constraints. If the total exceeds 100%, the program is spending more than it brings in. The operating ratios of ACS have fluctuated over time and largely not met standards. BCS operating ratios have been more consistent and closer in line with standards. School closures, due to COVID, in 2019-20 and 2020-21 as well as supplemental reimbursements received, distorted typical food and labor costs.

Exhibit 4-40
ACS and BCS Child Nutrition Operating Ratios Over Time

Category	2018-19	2019-20	2020-21	2021-22	2022-23	Average	Industry Standard
ACS							
Labor/Benefits	47%	47%	101%	40%	62%	59%	40-45%
Food	49%	49%	38%	34%	47%	43%	40-45%
Other	11%	10%	22%	8%	11%	12%	15-20%
Total Expenditures	**107%**	**106%**	**139%**	**82%**	**120%**	**114%**	**100%**
BCS							
Labor/Benefits	49%	54%	29%	38%	54%	45%	40-45%
Food	51%	49%	38%	45%	49%	46%	40-45%
Other	10%	8%	9%	6%	7%	8%	15-20%
Total Expenditures	**110%**	**111%**	**76%**	**89%**	**110%**	**99%**	**100%**

Source: Prismatic Calculations from ACS and BCS Statements of Revenue and Expenditure- Proprietary Fund 2019-23.

Meal participation levels are substantially different in the two systems (Exhibit 4-41). ACS breakfast and lunch participation levels are well below those of BCS and also well below best practice levels. At the program level, BCS exceeds best practice levels. BCS' participation in the CEP program is likely a major contributor to its higher participation rates.

ACS school meal participation levels are below best practice levels. BCS school meal participation levels exceed best practice levels, likely because BCS participates in CEP.

Exhibit 4-41
ACS and BCS Breakfast and Lunch Participation Levels, 2023-24

	ACS	BCS	Best Practice
Breakfast Participation	20.15%	52.62%	Elementary/Middle – 35% High – 25%
Lunch Participation	43.62%	73.20%	Elementary/Middle – 75% High – 65%

Source: ACS, BCS, Statement Essential KPI's for School Nutrition Success, 2017.

The most common means of measuring employee productivity in child nutrition is the MPLH measure. This is calculated by dividing the number of meal equivalents produced and served in a day by the number of labor hours required to produce those meals. BCS defines meal equivalents as:

- 1 lunch equates to 1 meal equivalent
- 2 breakfasts equate to 1 meal equivalent
- 2 breakfasts in the Breakfast After the Bell program equate to 1 meal equivalent
- 4 snacks equate to 1 meal equivalent
- à la carte or supplemental sales of $4.75 equate to 1 meal equivalent

BCS assigns cafeteria staffing using industry standards for MPLH (Exhibit 4-42). Most BCS schools meet these standards regularly. The average MPLH across all BCS schools was 15.5 MPLH in 2023-24. In contrast, the average across all ACS schools was 10.0 in 2023-24. The contract with Chartwells allows for 201.5 labor hours per day. Their goal is 16 MPLH.

Exhibit 4-42
BCS MPLH Standards Compared to Industry Standards

	Meals Per Labor Hour (MPLH)				
	Conventional System		BCS	Convenience System	
Meal Equivalents	Low	High	50/50	Low	High
Up to 100	8	10	10	10	12
101-150	9	11	11	11	13
151-200	10-11	12	12	12	14
201-250	12	14	14	14	15
251-300	13	15	15	15	16
301-400	14	16	16	16	18
401-500	14	17	17.5	18	19
501-600	15	17	17.5	18	19
601-700	16	18	18.5	19	20
701-800	17	19	19.5	20	22
801-900	18	20	20.5	21	23

Source: Pannell-Martin, D. and Boettger, J. 2014). School Food& Nutrition Service Management, and BCS.

Considering Consolidation on Child Nutrition Functions

If ACS and BCS were to consolidate, there could be some benefits to the ACS child nutrition function. With outsourcing, ACS pays a management fee to Chartwells that it would not have to pay if the operation were run in-house. Combining the food service programs should make it financially feasible to implement CEP in the current ACS schools, which would benefit parents who now pay full price for meals as all meals would be free to all students. Switching those schools to CEP would also likely increase student participation.

The BCS warehouse has enough capacity to store and deliver food to ACS schools. Using the purchasing power and availability of cooperative buying groups through BCS should reduce overall food costs for the ACS schools. Managers and staff in the ACS schools would benefit from the training opportunities currently offered to BCS kitchen staff. The current ACS director used to work in the BCS child nutrition department; her familiarity with the program would make the transition fairly simple.

BCS cafeteria managers indicated they are allowed to customize food choices based on the tastes and interests of students in their schools. Since this practice already exists, it should be fairly easy for former ACS cafeteria managers to accommodate the differences in their students' tastes to the main menu of the consolidated school system.

The ACS contract with Chartwells is not multi-year. The renewal period is only 1 year at a time. Thus, contract termination should be fairly simple.

There would likely be only a reduction of a few positions if the child nutrition operations were consolidated (Exhibit 4-43). Other than the elimination of 1 director position and the Chartwells position, Prismatic would not recommend the elimination of any other central office positions. As kitchen staff resign or retire, or as meal participation in schools improves, the staffing of former ACS kitchens can be brought in line with MPLH industry standards.

Exhibit 4-43
ACS and BCS Child Nutrition Staffing

Location	Position	ACS	BCS
Central Office	Director	1	1
	Chartwells CO	1	0
	Associate/Asst Director	0	2
	Field Supervisor/Manager	0	4
	Other CO positions	1	5
School	Cafeteria Manager	8	40
	Cafeteria Assistant	25	161

Source: ACS and BCS.

However, consolidation is not the only way in which improvements in ACS child nutrition operations could be achieved. There are a number of actions ACS could take to improve its child nutrition operations, including:

- ACS could enter into a shared services agreement with BCS and have BCS manage its child nutrition functions. Beyond likely financial/participation improvement, this would eliminate the fee that ACS currently pays to Chartwells.
- ACS could elect to switch to the CEP program and offer all meals for free to students. This would likely increase student participation.
- ACS could continue to contract with Chartwells, as some improvements need several years to realize results.

Technology

The International Society for Technology in Education (ISTE) has created standards for the use of technology to enhance education, with specific standards for students, teachers, education leaders, and coaches. In 2019, North Carolina became the 15th state to adopt the ISTE Standards for Students. A student who meets all 7 ISTE standards is an:

- empowered learner
- digital citizen
- knowledge constructor
- innovative designer
- computational thinker
- creative communicator
- global collaborator

Comparison of Technology Functions

The ACS and BCS technology functions have a number of similarities:

ACS and BCS offer students a 1:1 technology environment, but on different device types.

- Both are 1:1, meaning each student has an assigned device. However, they deploy different devices. ACS uses Chromebooks for grades 2-12, with a mixture of Chromebooks and iPads in grades K-2. BCS uses laptops in grades 3-12 and iPads in grades K-2.

- Each teacher is issued a device, but the specifics differ. ACS provides most teachers with a Chromebook, with some who have a specific need getting a laptop. BCS provides teachers with a laptop.

- Both adhere to technology replacement cycles. In ACS, student devices are replaced every 5 years while in BCS they are replaced every 4 years. ACS teacher Chromebooks are replaced every 4 years while in BCS teacher laptops are replaced every 6 years. In total, ACS has 8,303 devices (including Chromebooks, laptops, desktops, and tablets). BCS has 30,551 devices (including laptops, desktops, iPads, and tablets).

- All ACS classrooms have some form of a 75" flat panel display; most are touchscreen. All BCS classrooms have a SmartBoard and a projector, but the school system is working to eliminate the projectors, which is older technology.

- Both have hardware standards to help ensure that schools/teachers do not make technology purchases that will not work well within the school system technology environment.

- Both offer and support a wide variety of instructional software programs.
- ACS and BCS technology staff rated the technology skills of their teachers as generally below average to average.

The only constituent input that touched on technology came from the staff survey (Exhibit 4-44). A majority of ACS and BCS staff rated staff and student technology as excellent or good. BCS staff were somewhat less enthusiastic overall and 12% of them rated the staff technology as below average or poor.

Exhibit 4-44
Staff Opinions of Technology

Technology for:		Excellent + Good	Average	Below Average + Poor
ACS	Staff Use	84%	15%	1%
	Student Use	82%	16%	~0%
BCS	Staff Use	61%	26%	12%
	Student Use	73%	21%	4%

Source: Prismatic Survey.

Within its technology department, ACS has 14 staff (Exhibit 4-45). Another 24 FTE based in schools also provide support for technology. The digital lead teachers are tasked with technology training and demonstrating lessons for their fellow teachers; they are not tasked with technology troubleshooting. The media coordinators in the ACS schools do provide basic troubleshooting, in addition to traditional media functions. All but 1 of the ACS data managers are also the school front desk staff and not dedicated solely to data management.

Within its technology department, BCS has 58 staff. Another 4 positions within other departments handle PowerSchool, which is the student information system. The 10 positions assigned to the low voltage area include technicians to support the BCS phone systems, its door security, and security alarms. Half of the blended learning coaches were funded through ESSER. Those positions were eliminated in June 2024.

Exhibit 4-45
ACS and BCS Technology Staffing 2023-24

ACS – Technology Department	FTE
Director Inst'l Tech & Media Svcs	1
WAN Engineer	1
Technician III	1
Technician II	2
Technician I	4
Media & Technology Assistants	3
Inst'l Tech Help Desk Technician	1
Coordinator SIS PowerSchool	1
Total	**14**

BCS – Technology Department	FTE
Director of Technology	1
Administrative Assistant	1
Assistant Director	1
Budget Clerk/E-Rate Coordinator	1
Customer Service/Field Technicians	20
Low Voltage Specialists/Security	10
Data & Virtual Support	1
Network Engineer/ Technician/Cybersecurity	9
Inst'l Tech & Media Svcs Facilitator	1
Distance Learning & Data Warehouse Coordinator	1
Blended Learning Coaches	12
Total	**58**

ACS – School-Based Support	FTE
Data Manager	8
Digital Lead Teacher	6.5
Media Coordinator	9.5
Total	**24**

BCS – Within Other Departments	FTE
SIS PowerSchool Team Lead	1
Instructional Tec Specialist	3
Total	**4**

Source: ACS and BCS.

Over the years, there have been some industry standards promoted for technology staffing. For example, ISTE historically promoted explicit numbers of technology support staffing per number of devices supported. However, ISTE now only states that "skilled and sufficient technical support" is 1 of 7 essential conditions for success. This shift reflects the varied nature of technology environments as well as growing expectations that teachers bring to their classrooms more than rudimentary technology skills.

Both technology directors noted they routinely have trouble recruiting and retaining high-quality technology staff. Both noted areas where they would like to have increased staffing.

Considering Consolidation on Technology Functions

If ACS and BCS were to consolidate, the new school system would need to determine whether to standardize device type or continue to have the specific devices in use vary by school. Standardizing on 1 device type would likely be a multiyear process due to the cost involved; not standardizing could lead to equity concerns. Similar decisions would need to be made regarding other technology specifics from telephone to door alarms to security cameras. Both systems use PowerSchool, so there would be no conversion challenges for student information systems. Prismatic would not recommend any FTE reductions in creating a consolidated technology department. The elimination of 1 director position should be repurposed into another technician/support position.

Transportation

For this portion of the project, in addition to constituent input, data review, and interviews, the Prismatic transportation consultant visited 3 ACS and 3 BCS schools to observe transportation operations.

Comparison of Transportation Functions

The ACS and BCS transportation programs have a number of similarities:

- Both follow state guidelines for transportation eligibility (students K-12 must live 1.5 miles or more from school), but also provide busing for any student who lives along or near a bus route to school and can be efficiently included on the bus and as space allows. Inclusion of additional students who live less than 1.5 miles from school is permitted under the state's transportation regulations. The ACS transportation director described each district's bus eligibility standards as "exactly the same."

- Both provide the services required by NCDPI and federal government mandates, including home-to-school transportation, transportation for classified students according to the requirements of their IEP, McKinney-Vento busing for homeless students, and athletic and field trips.

- Both plan routes in the morning so that students are dropped at school 15-30 minutes prior to school start. This allows students to partake in school breakfast and is a best practice.

- They are organized similarly, with a director, assistant director or someone who is entrusted with leadership in the absence of the director, staff to handle dispatch and routing functions, bus drivers, and bus monitors/attendants.

- Both transportation programs operate 12-14 hours per day.

- Both have their drivers park their buses each afternoon at 1 of the schools they serve, rather than returning all buses to a bus yard.

The current ACS transportation director held a leadership position in BCS transportation for years before moving to ACS. Unlike a number of other functional areas, the ACS and BCS transportation staff are in regular contact with each other. They share the use of the 1 bus garage in the county at the BCS bus yard for bus maintenance. Interpretation of NCDPI regulations demonstrates only 1 bus maintenance facility is funded per county).

ACS and BCS share 1 garage for bus maintenance and repair.

Despite their many similarities, there are differences between the 2 programs, most notably in the types of communities they serve. ACS is a much smaller (~35 square miles) and more densely populated system than BCS (~660 square miles). While ACS had just 22 bus routes at the end of 2023-24 to transport almost 1,900 students, BCS had 203 to transport slightly more than 11,000 students. By Fall 2024, ACS was operating 26 bus routes and BCS ~220. The largest differences between the programs are driven by school choice and school start times:

- All ACS elementary schools operate as theme-based, magnet schools and families can choose the school they wish to attend. An outgrowth of a long-standing desegregation order, this school choice program is supported with bus transportation. BCS does not offer a similar school choice program and bus transportation is only provided to the zoned home school of the student.

- ACS operates with 2 bell times: 8:00a for elementary schools and 8:30a for secondary schools. This allows ACS to double-tier its buses, which is more efficient than a single-tier. In contrast, nearly all BCS schools start between 7:45a and 8:00a, so buses can only be single-tiered. This is less efficient. Moreover, starting secondary schools prior to 8:30a is not a best practice. The American Academy of Pediatrics and other organizations have recommended not starting secondary schools prior to 8:30a since 2014. A large body of research supports the academic, physical health, and mental health benefits of starting secondary school at 8:30a or later. A few BCS alternative secondary programs start between 8:25a and 8:40a.

ACS operates its buses with double-tiering, which is more efficient than the single-tiering of BCS.

Other key differences include:

- ACS provides “late bus” service in the afternoons, after the conclusion of after school activities. These late runs allow students whose parents cannot provide transportation to participate in after school activities and support equity of enrichment/remediation opportunities. BCS does not provide late bus services.

- ACS provides transportation for Pre-K students with or without disabilities. It does so on separate bus runs for the most part and with buses equipped with integrated child seats that are needed for 3-4-year-old students. BCS has some PreK programs at its schools but only provides busing for SWD on a limited scale.

- ACS provides transportation for summer programming for non-IEP students. BCS does not. Both ACS and BCS provide any required summer transportation for IEP students.

- ACS staff estimates that ACS bus drivers earn 10-20% more than BCS drivers when bonuses and incentives are added.

- ACS recently adopted new routing software (Bus Planner). For decades, NC school systems were required to use and report their bus routes via TIMS, a now dated software package originally built on a commercial package. ACS staff reported that Bus Planner is much easier to use and provides greater functionality. Because they must still report transportation data to the state using TIMS, ACS still keeps its TIMS data updated but reported that the superiority of Bus Planner is worth the effort. As the state made the selection of TIMS alternatives possible just a few years ago, it is conceivable that in the near future Bus Planner will be automatically linked to the reporting systems NC requires and ACS will no longer have to maintain 2 systems. BCS only uses TIMS.

- For communications, ACS uses digital bus radios, supplemented when needed by a driver's cell phone. BCS relies exclusively on cell phones.

- As of May 2024, ACS was able to routinely cover all their bus routes, with occasional instances where central office transportation staff provided support by driving a route. At that time, BCS did not have all routes covered with assigned drivers. Occasionally, a BCS route had to be canceled or run an hour later due to the driver shortage.

ACS and BCS constituents largely gave school transportation average marks. Students in most of the high schools were more likely to rate transportation as average than excellent or good (Exhibit 4-46). The largest proportions of ACS/BCS parents and staff rated transportation as

excellent or good, but only in the case of BCS staff did a majority rate transportation as excellent or good (Exhibit 4-47).

Exhibit 4-46
Student Opinions of Their School Transportation

		Excellent + Good	Average	Below Average + Poor
ACS	Asheville HS	48%	39%	13%
	SILSA	37%	53%	10%
BCS	BCS Early/Middle	55%	37%	8%
	Enka HS	38%	50%	12%
	Erwin HS	43%	45%	12%
	Nesbitt	38%	49%	13%
	North Buncombe HS	44%	44%	12%
	Owen HS	35%	53%	12%
	Reynolds HS	43%	49%	8%
	Roberson HS	31%	53%	16%

Source: Prismatic Survey.

Exhibit 4-47
Parent and Staff Opinions of ACS/BCS School Transportation

	ACS			BCS		
	Excellent + Good	Average	Below Average + Poor	Excellent + Good	Average	Below Average + Poor
Parents	34%	14%	10%	40%	13%	11%
Staff	47%	25%	17%	55%	26%	13%

Source: Prismatic Surveys.

Prismatic's onsite observations generally concurred with constituent opinions.

The funding process used by NCDPI assigns the transportation operations of each school system an efficiency rating, which includes bus efficiency and cost efficiency components:

- The bus efficiency component compares the number of buses per 100 students with all other counties in the state.
- The cost efficiency component compares expenditures per student compared with all other counties in the state.

The data for the efficiency rating are collected via TIMS. The basis for the annual transportation allotment is obtained by multiplying the funding base of eligible expenditures by the school system's efficiency rating.

Roughly, a school system's efficiency rating determines the percentage of transportation costs reimbursed by the state. If the efficiency rating is 93%, the state reimbursement is 93%. One of the primary ways to increase efficiency is to use fewer buses by running multiple routes. ACS, with its double-tiering and more urban geography, can consistently have a higher TIMS efficiency rating compared to BCS, with its single-tiering and more rural geography. According to former NCDPI leadership, the TIMS efficiency rating is calculated at the county level for ACS and BCS combined, in part due to the shared maintenance facility.

Considering Consolidation on Transportation Functions

If ACS and BCS were to consolidate, there could be both challenges and benefits with transportation. The biggest challenges would be reconciling the major current differences:

- ACS provides PreK, late run, and summer busing that BCS does not. To not provide similar services throughout the system would create inequity. It might not be possible to eliminate these services in a consolidated system; a more likely scenario would be the expansion of these services into former BCS areas. This would result in increased transportation costs.

- ACS bus driver pay is currently higher than that of BCS. The most likely result would be adjusting BCS bus driver pay upward, rather than expecting ACS drivers to take a pay cut. This would result in increased transportation costs.

- ACS offers school choice for its elementary students with transportation provided. If the combined system does not offer a similar type of choice program, and former ACS elementary students are rezoned back to their neighborhood schools, ACS staff estimates that more than 75% of the students would no longer be eligible for transportation as they would reside within 1.5 miles of their school. This could reduce transportation costs but could also create disruptions for current ACS students. If consolidation occurred, the new system would likely grandfather current students to their current schools until they progressed into middle school. The new system could also choose to continue the choice program and perhaps expand it to former BCS schools where it makes sense, potentially as part of a rightsizing of the number of the facilities in use.

- BCS operates as a single-tier system. If the former BCS schools were double-tiered as the ACS schools currently are, there could be substantial savings via bus driver/attendant position reductions. BCS could also adopt a hybrid system, with double-tiering in more populated areas and single-tiering in the most rural areas, with the goal of establishing the most efficient bus

routing that also adheres to best practices in school start times. However, this is a functional improvement BCS could undertake without consolidation.

Regarding benefits, a consolidated system would:

- have more opportunities to combine special education runs. While typically serving less than 20% of a system's student enrollment, it is not unusual for special education transportation to consume 50%+ of the transportation budget. There could be opportunities to combine MKV and vocational education runs as well.

- potentially be able to reconfigure bus runs around the edges of the current ACS borders to transport a combination of former ACS/BCS students in schools around those areas. The specific results of potential school boundary reconfigurations and/or changes in how transportation is provided absent boundary changes cannot be accurately projected at this time, but could reduce transportation costs. For example, a former BCS school near the current ACS boundary could be tiered with a former ACS school, resulting in a reduction of 1 bus driver position. A consolidated system would not likely affect transportation operations in the remote corners of the county.

There would likely be only a reduction of a few positions if the transportation operations were consolidated (Exhibit 4-48). Other than the elimination of 1 director position and 1 position to function as the assistant director, Prismatic would not recommend the elimination of any other central office positions. The current ACS dispatcher works a longer day than would be considered a best practice. Depending on how the consolidated system elected to reconfigure school start times, tiering options, school choice options, and special education routing, the number of bus drivers and attendants could potentially be reduced.

Exhibit 4-48
ACS and BCS Transportation Staffing

Position	ACS	BCS	If Consolidated
Director	1	1	1
Assistant Director	0	1	1
Lead Driver/Fleet Support	1	0	
Router	1	2	3
Dispatcher	1	2	3
Other CO positions	1	2	3
Mechanics	0	18	18
Bus Driver	22-28	~220	Could be fewer
Bus Attendant	?	?	than current

Source: ACS and BCS.

Safety and Student Well-Being

Students, teachers, and other system employees deserve a safe school environment in which to work and learn. As society's understanding of adolescent development has grown, the definition of "safe" has grown to include not just an environment free of physical violence but one also free of bullying and harassment.

As the ultimate form of campus violence, the ongoing crisis of school shootings has been well-documented in the media. As of December 16th, *EdWeek* had recorded 39 school shootings in 2024 that occurred on K-12 school property or a school bus during school hours or a school event and someone was wounded. On the Youth Risk Behavior Survey, the CDC found growth in other forms of campus violence from 2021 to 2023, including students reporting:

- being threatened or injured with a weapon at school (rose from 7% to 9%)
- being bullied at school (rose from 15% to 19%)
- missing school due to safety concerns at school or on the way to school (rose from 9% to 13%)

In 2023, Post-COVID, mental health challenges among adolescents have continued. In 2023, the CDC found that:

- 4 in 10 students had persistent feelings of sadness or hopelessness
- 2 in 10 students seriously considering attempting suicide
- 1 in 10 attempted suicide

On both safety and mental health measures, the CDC found that female students, non-heterosexual students, and students of color reported more negatively. Earlier BCS data from 2021 were roughly comparable to the 2023 national statistics.

Comparison of Safety and Student Well-Being Functions

A majority of students at each high school agreed that most staff in their school have high expectations for all students regardless of their race, ethnicity, language, or other factors. The level of agreement ranged from a high of 95% of Nesbitt students to a low of 68% of Erwin students. Likewise:

- A majority of students agreed that most adults in their school respect student diversity (high of 94% at Nesbitt to a low of 76% at Erwin).

- A majority of students agreed they feel welcomed and accepted by other students in their school (high of 92% at Nesbitt to a low of 59 at North Buncombe).

A majority of ACS and BCS parents agreed that they believe students are treated equitably in their respective school systems. The same was true of ACS and BCS staff. A majority of staff in each school system felt that there are many or great differences between ACS and BCS. Of those staff, 33% felt there were differences in culture, climate, or values, while another 25% felt there were differences in diversity.

The positive student, parent, and staff survey results were not quite in step with comments received at the community forums, the focus groups, and the interviews with outside agencies. Those in-person meetings often led to comments regarding concerns that 1 or both of the school systems needed to improve in the areas of:

- improving rates of non-White representation at the front of the classroom and in leadership roles
- reducing discipline disproportionality
- improving mental health services or access to services for students
- protecting students of color and non-heterosexual students from bullying or harassment

Staffing to support safety and student well-being differs between the 2 school systems (Exhibit 4-49). ACS has a central office student support department with 6 positions. BCS has a student support/student services department with 8 positions and a lead psychologist position within its special services department. Then, each system provides school-based resources in the form of psychologists, counselors, and social workers.

Both ACS and BCS have someone assigned to tackle equity issues. The ACS chief of staff is tasked with "equity, policies, and public relations" and has a subordinate position devoted to equity. BCS has an assistant superintendent assigned to equity, who is also assigned to student services and school principals. In multiple interviews, Prismatic found that ACS was more direct in discussing equity efforts and challenges than BCS. Several interviewees outside the school systems indicated that they perceived BCS to be slower in responding to increasing diversity and lingering equity problems.

Outside of these positions, BCS operates a migrant education program, which provides support to a specific subset of students. The BCS migrant education coordinator has a staff of 4 positions, of which 3 are part-time. Although housed at BCS, the team serves families in both ACS and BCS.

Staff reported that the workload routinely exceeds the needs of the migrant community.

Exhibit 4-49 ACS and BCS Staffing to Support Safety and Student Well-Being

ACS – Various CO Departments	FTE
Executive Director of Student Services	1
Director of Innovative Programs	1
Director of Socio-Emotional and Well Being	1
Coordinator of Homelessness	1
Lead Social Worker	1
Admin Asst McKinney-Vento	1
Chief of Staff (over equity)	1
Exec Dir of Equity/Community Engagement	1
Total	**8**

BCS – Various CO Departments	FTE
Lead Psychologist	1
Asst. Supt. Equity & Student Support	1
Director of Student Services	1
Asst Director Mental Health/Title IX	1
Career, College and Community Ready Specialist	1
Admin Asst Office Manager Bookkeeper	1
Graduation Support/Lead Social Worker	1
PBIS/SEL Coordinator	1
McKinney-Vento-Foster Care Transition Coordinator	1
TOTAL	**9**

ACS – School-Based Staffing	FTE
Psychologist	4
School Counselor	14
Social Worker	4
Student Support Specialist	10
Total	**32**

BCS – School-Based Staffing	FTE
Psychologist	15
Counselor	81
Social Worker	25
Total	**121**

ACS – School Resource Officers	FTE
High School	1
Middle School	1
Elementary School	3
Total	**5**

BCS – School Resource Officers	FTE
Various Deployments	26
Total	**26**

Source: ACS, BCS, Asheville Police Department.

Both local law enforcement agencies provide resources to support ACS and BCS safety:

- The City of Asheville Police Department provides the school resource officers (SROs) for ACS. The police department noted that the ACS pays for nearly the entire cost of the 5 SROs provided, including a 9% annual uniform and equipment stipend and additional amounts for training. In 2023-24, ACS budgeted up to $325,000 annually for these positions ($65,000 per SRO).

- The Buncombe County Sheriff's Office provides 26 SROs to BCS. The sheriff's office noted that BCS only pays for a portion of the cost of the SRO position. In 2022-23, BCS spent $5.9M from a Safe Schools grant to cover the cost of SROs and to upgrade and improve safety and security equipment. The 2023-24 budget for just the SRO positions was $916,650 ($36,666 per SRO).

- The Sheriff's Office has invested in technology that allows them to tap into the live feed of any camera on a BCS campus. Both the Sheriff's Office and the BCS technology department have operations centers with this technology. Only 2 ACS schools are also on this system. ACS 450 surveillance cameras while BCS has ~1,400 cameras

- Leadership of both law enforcement agencies reported positive relationships with ACS and BCS leadership, including school leadership. They also indicated support for the SRO programs, believing that they help to prevent crime and keep students safe.

- There are 9 BCS schools within the limits of the City of Asheville. In the event of an incident at 1 of those schools, both law enforcement agencies would likely respond. However, leadership reported that there has been little to no joint training of SROs or agencies to address the potential challenge.

- The Sheriff's Office pays for a summer camp program that works with 60 students identified by their SROs.

ACS and BCS both receive SROs from local law enforcement, but at different levels.

Leaders of the 2 law enforcement agencies reported similar types of crimes across the ACS and BCS schools, including weapons on campus, drugs, and sexual assaults.

Various national organizations provide staffing best practices relevant to student safety and well-being. They include:

- The National Association of School Psychologists recommends that systems maintain psychologist-to-student staffing at a ratio of 1:500-750.

- The American School Counselor Association recommends that systems maintain counselor-to-student staffing at a ratio of 1:250, in an environment where the counselor spends 80%+ of their time in direct and indirect services to students.

- The National Association of Social Workers recommends that systems maintain social worker-to-student staffing at a ratio of 1 per school building or 1:250 students.

As shown in Exhibit 4-50, ACS does not meet the best practice level in psychologist staffing. Beyond that, neither ACS nor BCS reaches best practice levels in these student support staffing categories.

Exhibit 4-50
School-Based Student Support Staffing Ratios, 2023-24

	ACS	BCS
ADM Supported	3,990	21,843
Ratio of Psychologists to ADM	1 : 998	1 : 1,456
Ratio of Counselors to ADM	1 : 285	1 : 270
Ratio of Social Workers to ADM	1 : 998	1 : 874

Source: ACS and BCS.

ACS and BCS staff counselors and social workers at roughly similar levels. Both are close to best practice levels of counselor staffing.

Considering Consolidation on Student Safety and Well-Being

If ACS and BCS were to consolidate, at the school level there would likely be little notice in terms of counselor and social worker staffing. However, the new system would need to determine an equitable staffing pattern for psychologists and would potentially end up expending more, in order to either achieve the ACS ratio or to at least approach that ratio.

At the central office, ACS is generally more richly staffed to address the areas of safety, equity, and well-being. As with other departments, and given the variety of responsibility areas, consolidating the 2 would likely not result in more than 1 or 2 positions being eliminated, if the new system wishes to maintain current levels of service.

The issue of SRO staffing would also need to be resolved. ACS is more richly staffed than BCS. ACS also currently pays the entire cost of the SROs from its budget, while BCS splits the cost with the county. These funding differences would need to be resolved.

Chapter 5
Financial Considerations

School System Funding in North Carolina

North Carolina's commitment to a public education system can be seen in its 1868 Constitution, which guaranteed "the right to the privilege of education" to be provided by a "general and uniform" public school system, for all children ages 6 to 21 and was to be funded by "taxation and otherwise". The General Assembly's involvement was limited in the early years after the Civil War, with the counties taking on the major responsibility for education funding though local property taxation.

Pertinent to this project, the 1868 Constitution also noted, "Each County of the State shall be divided into a convenient number of Districts, in which one or more Public Schools shall be maintained…"(Article IX, Section 3). In 1881, the NC legislature created the office of the county superintendent, provided for some state funding to support education, and required counties to levy additional local taxes if the state funding was insufficient to support 4 months of schooling per year. This led to the creation of Buncombe County Schools (BCS). City-based school systems started in the state in 1875 – by 1891 there were 16 "city graded schools" systems, including Asheville City Schools (ACS), which was founded in 1887.

During the Great Depression, realizing that the counties could no longer sufficiently support public education without additional support, the NC General Assembly enacted the Machinery Act. This marked a pivotal shift in the funding of public education, transferring much of the responsibility from the local counties to the state level. The Machinery Act provided a minimum level of state funding for school operations and established a new sales tax as the source of this funding. Ensuring that no public schools had to close due to the Depression set the stage for the modern system of school funding.

Today, the state is responsible for providing funding for school operation costs, setting policy, and providing oversight. Local governments are

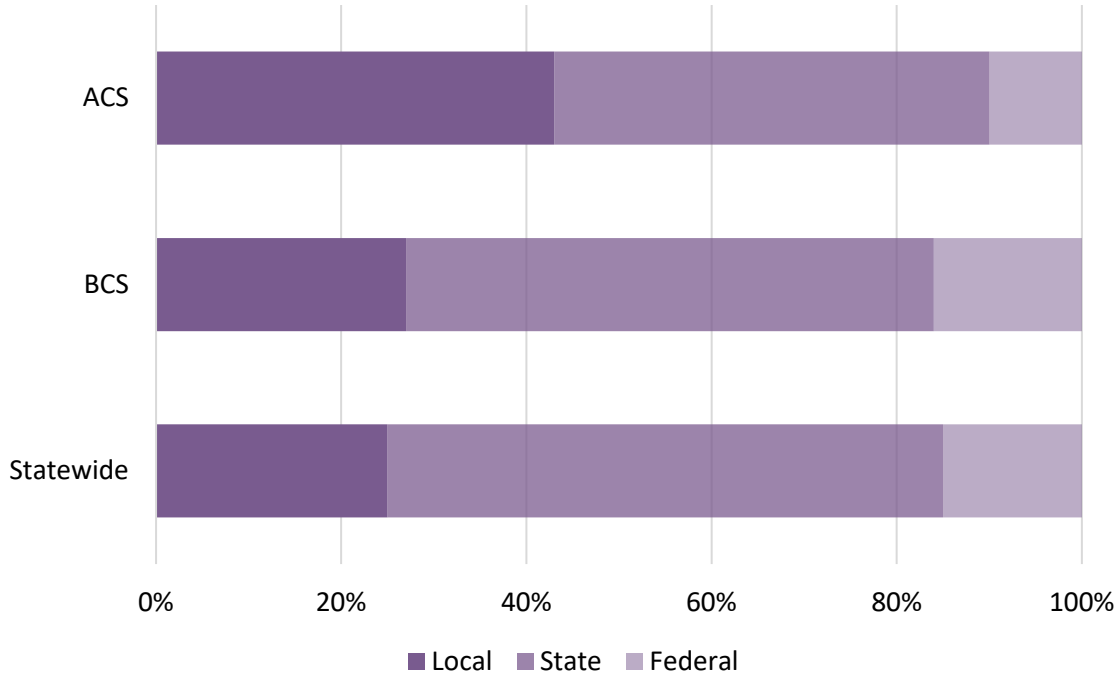
charged with providing and maintaining buildings, allocating resources between schools and managing school personnel. Using a Resource Allocation Model to provide funds to local districts, commonly referred to as "allotments", the state distributes school funding directly to Local Education Agencies/Public School Units (LEAs/PSUs)[1]. Charter schools, regional schools, and lab schools are also considered LEAs/PSUs in North Carolina. Public schools rely on 3 main allotment sources: federal, state, and local allotments.

On average in 2022-23, statewide public school education expenditures came from these 3 allotments in these proportions:

- 15% from federal sources
- 60% from the state
- 25% from the counties

However, there were variations across the state's 115 school systems, with some systems receiving more federal and state support and others using local funding sources to fill the gap. Funding for ACS and BCS varied from the statewide average and also from each other (Exhibit 5-1).

Exhibit 5-1
Funding Breakdown, 2022-23



Source: NCDPI

[1] Local Education Agencies (LEAs) and Public School Units (PSUs) are interchangeable terms used by NCDPI.

Funding for current expense expenditures for ACS, BCS, and the state total for the 3 funding sources of state, federal, and local for 2022-23 is summarized in Exhibit 5-2. While the difference in ACS and BCS state funding was just $93 per ADM, the differences in federal and local county funding are greater.

Exhibit 5-2
Source of Funding for Current Expense Expenditures, 2022-23

	Federal	State	Local	Total
Total				
ACS	$6,557,564	$30,930,750	$28,250,719	$65,739,033
BCS	$48,312,654	$171,365,899	$81,189,420	$300,867,973
State	$3,015,295,625	$10,380,169,006	$3,872,526,872	$17,267,991,503
Per ADM				
ACS	$1,644	$7,752	$7,080	$16,476
BCS	$2,212	$7,845	$3,717	$13,774
State	$2,207	$7,596	$2,834	$12,637

Source: NCDPI

Federal Funding of ACS and BCS

According to the North Carolina Department of Public Instruction, approximately three-quarters of federal funding allotted to North Carolina public schools in 2023-24 came from 2 programs: Title I of the Elementary and Secondary Education Act (ESEA) and Title VI of the Individuals with Disabilities Education Act (IDEA). ESEA Title I funds go to districts with large populations of children from low-income families. IDEA funds are used to provide special education services to students with disabilities.

Federal Funds (Fund 3)

Exhibit 5-3 shows federal budgets by program for ACS and BCS. Since ESSER funding is not recurring funding, those funds are excluded from this exhibit and shown in a separate exhibit below. The budget amounts shown may include carryover amounts, if the program allows them.

Both ACS and BCS have similar federal funding streams and each system has a federal programs director to manage these funds. The size of federal funding varies substantially between ACS and BCS mostly due variations in student headcount in various categories and, to a lesser extent, on the overall ADM size difference. For 2022-23, ACS had $4.1 million budgeted (excluding Elementary and Secondary School Emergency Relief Fund (ESSER) and including carryover funds), of which 42% was in program 060 that supports Children with Disabilities programming and 28% in program 050 that supports Title I programming. BCS had $24.9 million budgeted in 2022-23, 40% in program 060 and 41%

in Title1. Each system CFO indicated they are experiencing a decline in Title I funding due to a statewide 15% cut from the federal government.

ACS and BCS have similar Title I system-wide set-aside initiatives. Both have lead teachers/curriculum coaches and displaced student and parent involvement programs. The remainder of Title I funding is distributed to Title I schools.

BCS has $419,236 in federal funding for Migrant Education as well as $451,194 for Language Acquisition programming. ACS has a smaller population of English language learners and therefore does not receive funding in these categories.

Exhibit 5-3
Federal Funding as Budgeting in ACS and BCS, 2022-23

PRC	Federal Program Description	ACS	BCS
049	IDEA Title VI-B - Pre-School Handicapped	$116,315	$191,849
060	IDEA Title VI-B Handicapped	$1,721,326	$10,042,965
070	IDEA - Early Intervening Services (EIS)	$290,615	-
082	IDEA - State Improvement Grant	-	$35,988
118	IDEA VI-B Special Needs Targeted Assistance	$18,586	$27,238
119	IDEA - Targeted Assistance for Preschool	$5,136	$6,553
050	ESEA Title I - Basic Program	$1,159,452	$10,122,832
051	ESEA Title I - Migrant Education	-	$419,236
105	ESEA Title I - School Improvement	-	$375,425
108	ESEA Title IV - Student Support and Academic Enrichment	$114,500	$632,927
105	ESEA Title I - School Improvement	-	$375,425
108	ESEA Title IV - Student Support and Academic Enrichment	$114,500	$632,927
115	ESEA Title I - Targeted Support and Improvement (TSI)	-	$545,989
017	Career Technical Education	$67,700	$462,283
026	McKinney-Vento Homeless Assistance	$30,211	$76,073
053	School Nutrition Equipment	-	$34,704
103	Title II - Improving Teacher Quality	$174,379	$1,462,859
104	Title III - Language Acquisition	-	$451,194
111	Title III - Language Acquisition - Significant Increase	-	$58,768
110	Title IV - 21st Century Community Learning Centers	$401,714	-
	Total	**$4,099,932**	**$24,946,880**

Source: ACS and BCS data file

COVID Funding

Beginning in 2020, school systems received substantial federal funds to aid in overcoming COVID pandemic learning challenges. These funds are non-recurring in nature and must be spent by December 2024. Exhibit 5-4 shows the total allotment and amounts expended to June 26, 2024. Of the $14 million expended by ACS, $9 million was spent on salaries and benefits and $3 million on supplies and materials. Of the $94 million

expended by BCS, $57 million was spent on salary and benefits, $14 million on HVAC capital outlay projects, and $13 million on supplies and materials. Covid funding is included with Federal Funding in most exhibits and to an extent makes percentage references difficult and skew historical references.

Exhibit 5-4
ACS and BCS COVID Federal Funds, 2020 Through 2024

	ACS	BCS
Allotment	$14,932,321	$98,626,241
Expended	$13,993,596	$93,721,465
Remaining 6/29/2024	$938,725	$4,904,776

Source: DPI COVID Allotment Expenditure report

State Funding of ACS and BCS

State funds for public K-12 schools in North Carolina are provided through annual appropriations and flat grants from the Public School Fund. The primary method of allocation is average daily membership (ADM). Beginning in the 2024-25 school year, ADM figures are determined based on a funding in arrears model, using prior year ADM and a contingency set aside to fund growth. ADM funding provides the basis for the majority of funding which is allotted as position, dollar, or categorical allotments. Definitions as provided in the *State Board of Education's 2023-24 Allotment Policy Manual* are:

- **Position Allotments** – The State allots positions to a local school system for a specific purpose. The local school system pays whatever is required to hire certified teachers and other educators based on the State Salary Schedule, without being limited to a specific dollar amount. Each local school system will have a different average salary based on the certified personnel's experience and education. Examples are teachers, school building administration, and instructional support personnel.

- **Dollar Allotments** – An allotment with a formula based on dollars per ADM. Local school systems can hire employees or purchase goods for a specific purpose, but the local system must operate within the allotted dollar amount. Examples are teacher assistants, textbook digital resources, central office administration, and classroom materials/supplies/equipment.

- **Categorical Allotments** – An allotment with a formula that weights the distribution of funds based on student characteristics or public school unit demographics. Local school systems may use this funding to purchase all services necessary to address the needs of a specific population or service. These funds may be used to hire personnel such as teachers, teacher assistants, and

instructional support personnel or to provide a service such as transportation, staff development, or to purchase supplies and materials. Examples are at-risk student services, children with disabilities, limited English proficiency, and low wealth supplement funding.

Allocation of state funds to Local Education Units (LEU) are discussed in detail in the *2023-24 Allotment Policy Manual*. The manual provides information on 56 formulas that are used to allocate funds to school systems, also termed LEAs/PSUs. School systems receive estimated allotments and then initial allotments as defined in the manual:

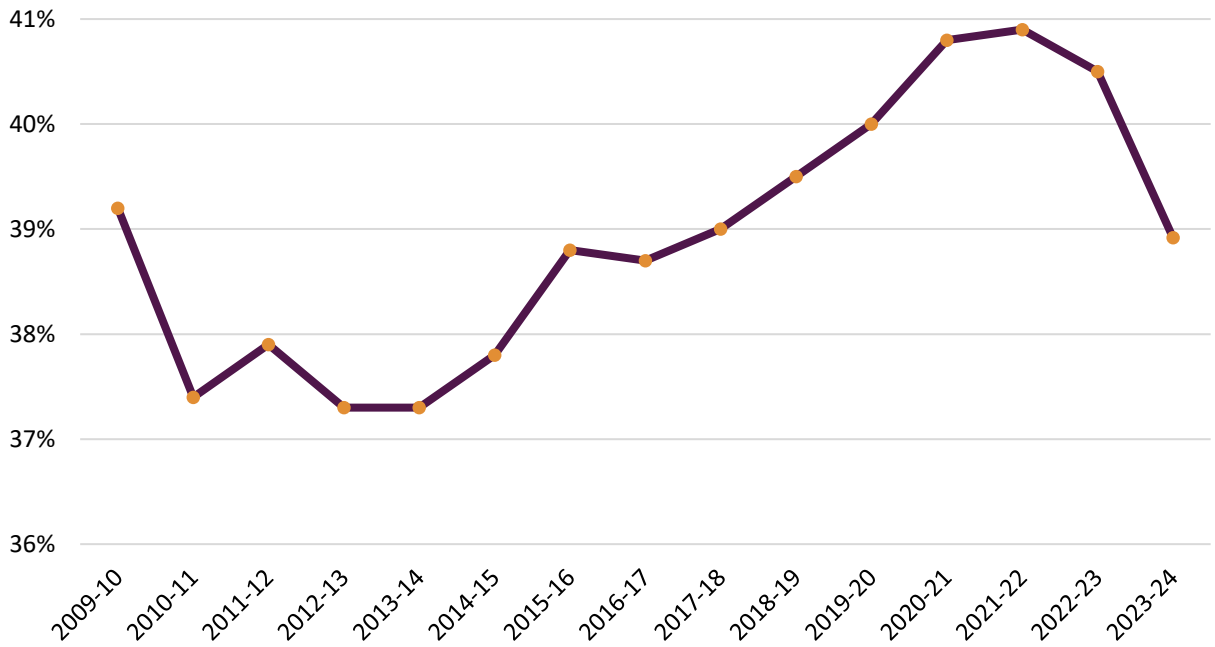
- **Planning Allotments** – The tentative allocation of state and federal funds to LEAs/PSUs to provide information for budgeting purposes. These allotments occur during February, preceding the fiscal year for which the initial allotment will be made.

- **Initial Allotments** – The allocation of state and federal funds to LEAs/PSUs occurring after adjournment of the General Assembly.

Funding to North Carolina LEAs/PSUs is provided through The Public School Fund (PSF) that is appropriated from the state general fund, which is derived from sales taxes. Since 2009-10, the total appropriations for public schools from the state general fund fluctuated between 37.3% to 40.9% of the total general fund (Exhibit 5-5).

In 2023-24, North Carolina spent 38.9% of its general funding on public schools.

Exhibit 5-5
NC Appropriations for Public Schools, as Percent of State General Fund



Source: NCDPI

Public school expenditures of funds from the state's general fund totaled more than $10 billion in 2022-23. Exhibit 5-6 shows expenditures funded by the state's general fund by object of expenditure. Salaries and employee benefits totaled $9.9 billion, or 93% of the total state funding.

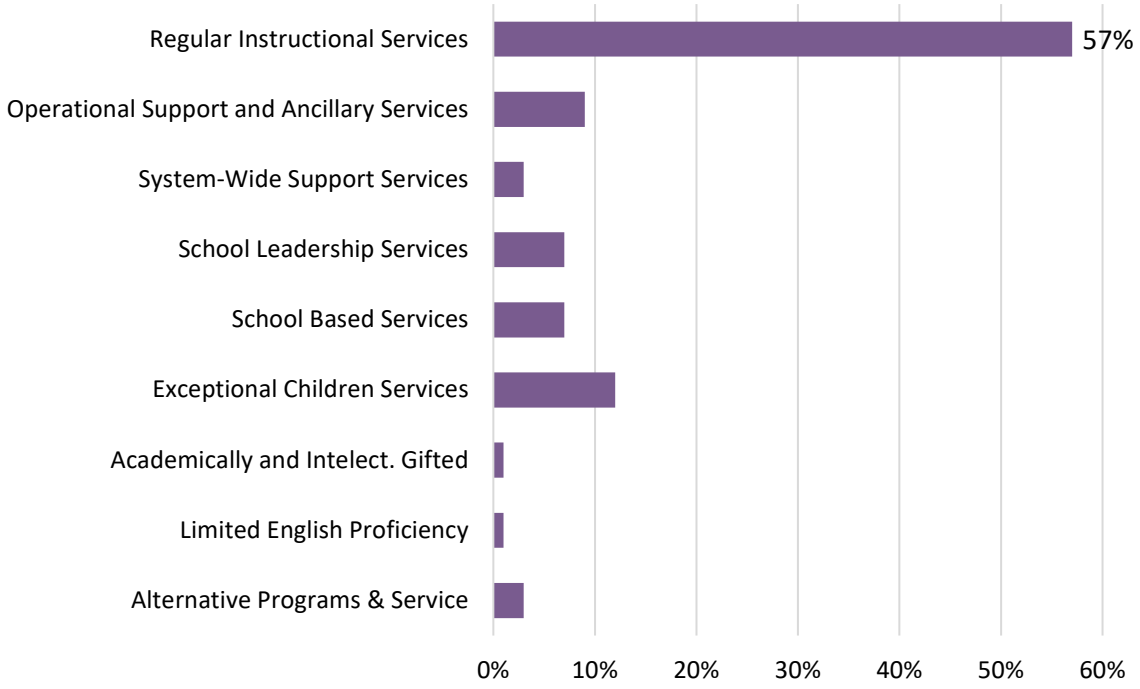
Exhibit 5-6
North Carolina's General Fund Funding of Public School Education, 2022-23

Expenditure	Amount	Percent
Salaries	$6,683,332,078	64.3%
Employee Benefits	$2,983,695,594	28.7%
Purchased Services	$356,787,572	3.4%
Supplies and Materials	$333,414,268	3.2%
Capital Outlay	$31,828,288	0.3%
Other	$2,218,084	0.0%
Total	**$10,391,275,885**	

Source: NCDPI

Exhibit 5-7 shows the percent of allocations to LEAs/PSUs by program for 2022-23. In the average NC school system, 57% of total allocations from the state supported regular instructional services. All other programs each comprised less than 10% of the state allocation.

Exhibit 5-7
Percent of State Appropriations to School Systems by Program, 2022-23



Source: NCDPI

Exhibit 5-8 shows the trend in state allocations for the past 5 years. Across the years, the state per pupil funding for ACS and BCS has varied. For 2022-23, both ACS's and BCS's per pupil costs funded from state allocations exceeded the state average by $150+.

Exhibit 5-8
Trend in State Allocations and Per Pupil Cost, 2018-19 to 2022-23

	ACS		BCS		State	
Year	Amount	Per Pupil	Amount	Per Pupil	Amount	Per Pupil
2018-19	$28,075,885	$6,558	$148,280,869	$6,321	$9,141,797,193	$6,479
2019-20	$28,770,349	$6,695	$151,221,474	$6,458	$9,353,633,277	$6,637
2020-21	$28,995,533	$7,036	$157,884,274	$7,241	$9,624,055,183	$7,156
2021-22	$31,241,210	$7,622	$162,210,700	$7,431	$10,082,057,788	$7,426
2022-23	$30,930,750	$7,752	$171,365,899	$7,845	$10,380,169,006	$7,596

Difference in Per Pupil Funding from State Average

Year	ACS	BCS
2018-19	$79	($158)
2019-20	$58	($179)
2020-21	($120)	$85
2021-22	$196	$5
2022-23	$156	$249

Source: NC State Board of Education

Local County Funding of ACS and BCS

Property tax revenues are an important source of county funding for schools. The NC Constitution states that "The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program." In North Carolina, counties are required by state statute for building, equipping and maintaining, school facilities. To ensure a dedicated funding stream for this purpose, counties must allocate a portion of their sales taxes for capital projects. Counties are also responsible for issuing bonds to finance these projects. Like most counties, Buncombe County has levied additional local ad valorem property taxes to raise revenue to support both ACS and BCS. Counties also have the authority to raise local funds used to supplement school operating expenses and increase teacher salaries. North Carolina counties have increasingly been relying on local funds for these supplemental expenses, which can lead to funding disparities between school systems.

Per General Statute 115C-430, Buncombe County is required to fund both ACS and BCS in proportion to their number of students that attend school on a daily basis, commonly referred to as Average Daily Membership

(ADM). Both ACS and BCS receive the same amount of per pupil allotment (PPA) from the County's budget appropriation for education. The additional local allotments raised through the ad valorem property tax are split equitably between ACS and BCS with ACS receiving 15.53% and BCS receiving 84.47%. If Buncombe County Government appropriates additional funding for ACS, the County would proportionally have to also give BCS funding based on their ADM percentage and the reverse is also true. Therefore, the County must assess each system's budget requests with the proportional funding requirement in mind.

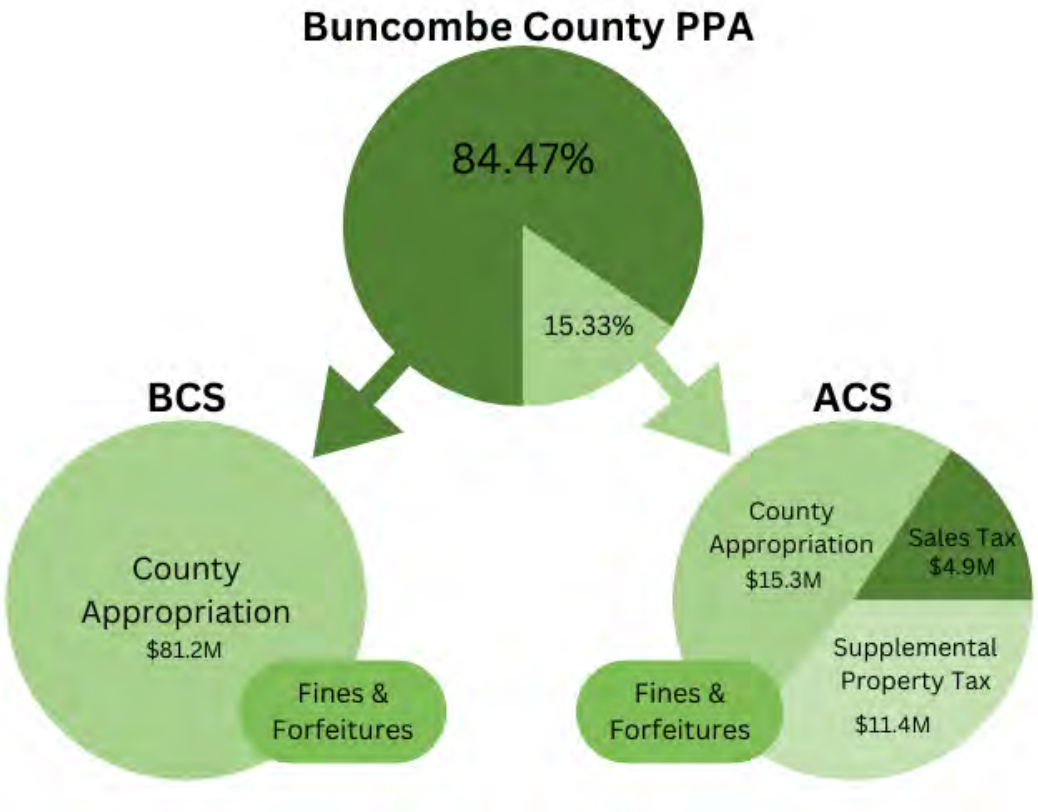
However, the local county PPA is not the only local funding that ACS receives. In 1935, the voters of Asheville opted to establish the school supplement tax. As a result, ACS is considered a taxing district and has the ability to raise funds through property taxation. This local funding is in addition to the county PPA. The supplemental city school tax is currently 10.68¢ per $100 of assessed valuation of taxable property located within the boundaries of ACS. As per state law, the supplemental city school tax rate is set by the county, then levied, billed, and collected by the county.

Currently, the geographic boundaries of ACS do not coincide with those of the City of Asheville. Not all City of Asheville residents pay the City School tax and not all students residing within the Asheville City limits are assigned to ACS. Some students attend BCS by assignment. Both community forum and survey participants expressed confusion about this issue, so it appears to be frequently misunderstood among community residents.

Then, because it is a taxing district, ACS also receives an unrestricted portion of local sales tax revenues. Currently at 7% overall, ACS receives a portion of the sales tax revenues from Articles 39, 40, and 42; BCS does not receive the same.

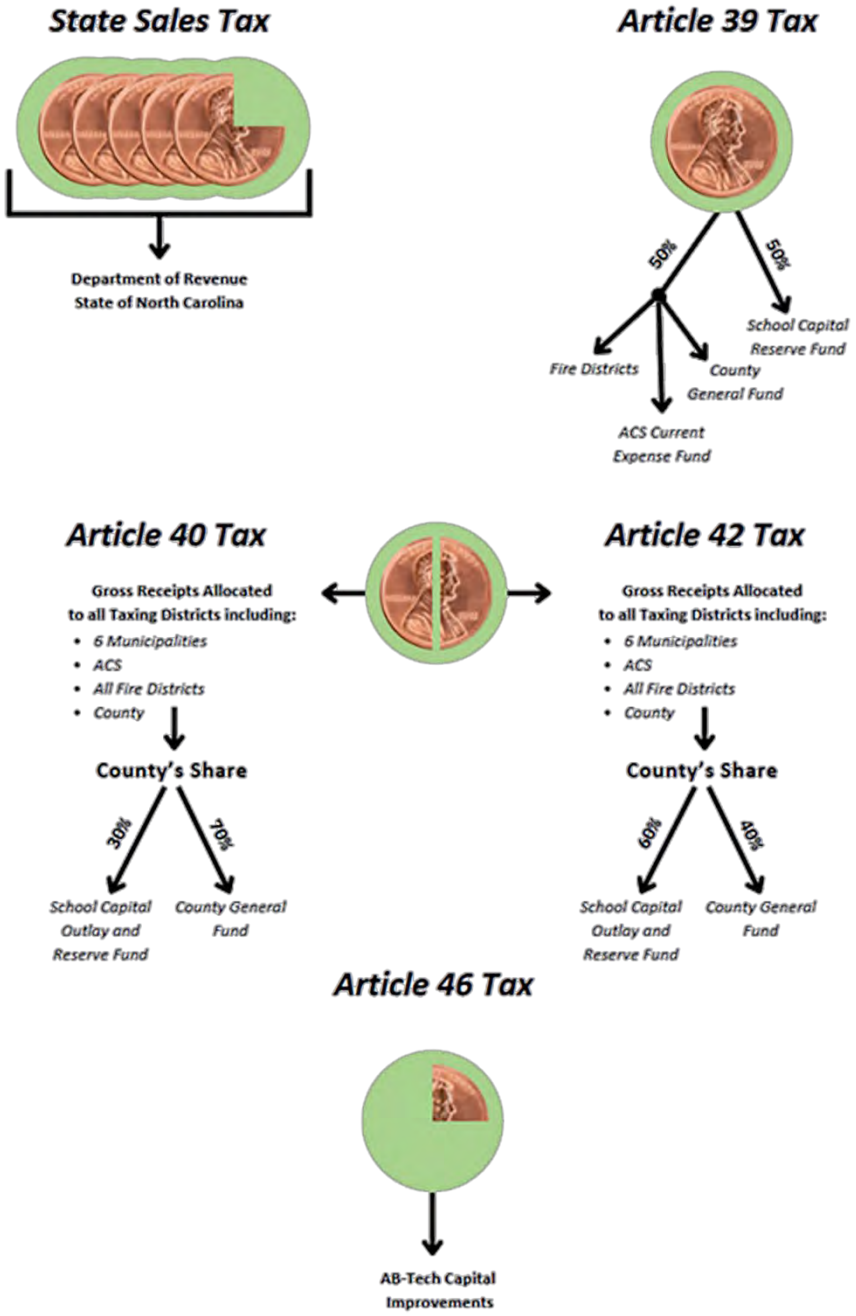
Thus, while the county PPA is proportionally divided by ADM, only ACS receives the supplemental city school tax and sales tax funding. Exhibits 5-9 and 5-10 provide graphic representations of the local funding landscape. The additional local funds received by ACS explains why ACS's local funding makes up 43% of their budget while BCS's local funding is 27% of their budget.

Exhibit 5-9
Local Funding of ACS and BCS



Source: Prismatic Services

Exhibit 5-10
Buncombe County Sales Tax Distribution, Paid by All Retail Purchasers[2]



Source: BCS

Including local appropriation and supplemental taxes, local allotments received by ACS and BCS exceed state averages (Exhibit 5-11). In 2022-23, ACS ranked as 2nd highest and BCS 11th highest locally funded school

[2] Article 44 Tax was repealed October 1, 2009. Amounts still populate some reports due to delinquent returns, audits, and refunds. When active, a portion of the Article 44 tax was allocated to ACS.

system, out of the state's 115 school systems. This indicates strong county and local support for public education.

Compared to other NC counties, Buncombe County supports ACS and BCS with a high level of local funding.

Exhibit 5-11
ACS/BCS Local Appropriations and Supplemental Taxes, 2022-23

School System	Amount	PPA	State Rank
ACS	$24,828,290	$6,223	2
BCS	$81,909,553	$3,750	11
State Average		$2,492	

Source: NCDPI

Other Funding Streams

Special Revenue Fund (Fund 8)

The special revenue fund (Fund 8) captures programs' financial activity where revenues, grants, donations, and reimbursements are not required to be shared with charter schools. The budget amounts shown in Exhibit 5-12 vary between the ACS and BCS, mostly due to grants and donations that are specific to each system and, to a lesser extent, the number of students each system serves. Because grants and donations to this fund being so specific to ACS/BCS, ADM comparisons are not appropriate. The budget amounts shown may include carryover amounts, if the grant allows them. These special revenue sources include:

- Federal Grants Not Allotted by NCPDI: Both school systems receive Medicaid funds that benefit Children with Disabilities programming. BCS also receives ROTC reimbursements for high schools in this category.
- State Grants Not Allotted by NCDPI: The $0.9 million in ACS budget represents grant funding mostly from Smart Start and NCPre-K sources to support the Pre-K program.
- Local Grants and Donation: The biggest portion of the $2.9 million in BCS budget was $2.6 million from NCDHHS in non-recurring funding to help sustain operations from COVID. BCS Foundation funds flow through here for BCS to pay foundation employees.
- Tuition and Fees: ACS $1.4 million budget is mostly generated from tuition and fees to support the preschool program. State and local funds supplement the shortfall.
- Local Cost Centers: The $1.6 million budget for BCS captures indirect cost from school nutrition to offset utility costs. Also, parking fees support parking security at high schools.

- Miscellaneous Sources: The $5 million ACS budget is generated from Local Option Sales Tax that is used to support local supplementary pay for staff. This unique legislated funding stream is not available to BCS. The $1.2 million BCS budget captures special appropriations from Buncombe County Commissioners for additional social workers as well supplemental staffing for Community High School. Additional support for the School Nutrition program and local support and reserve for Textbooks is also captured here.

Exhibit 5-12
Special Revenue Funds as Budgeted, 2022-23

Special Revenue Funds (Fund 8)		ACS	BCS
Federal Grants not allotted by DPI	3xx PRCs	$604,962	$1,282,386
State Grants not allotted by DPI	4xx PRCs	$894,870	-
Local Grants and Donations	5xx PRCs	$119,058	$2,896,244
Local Special Revenue Sources	6xx PRCs	-	$189,359
Tuition or Fees Funded Programs	7xx PRCs	$1,379,315	$185,291
Local Cost Centers	8-9xx PRCs	$127,748	$1,565,144
Miscellaneous Sources	0-1xx PRCs	$4,998,969	$ 1,152,371
Total		**$8,124,922**	**$7,270,795**

Source: Budget with Details reports from ACS and BCS, with Prismatic calculations

Foundations

ACS and BCS both have foundations that help support students and staff. Both foundations were established in 1984. The foundations have philosophical and cultural differences in carrying out their missions. Based on interviews with the executive directors of both boards and a review of Form 990 filed with the IRS, Exhibit 5-13 provides a comparison of the foundations. ACS is program-focused and has 7 full-time employees to operate programs and services, while BCS has 3 part-time employees and focuses on providing funding to recipients more so than services.

Exhibit 5-13
Comparison of ACS and BCS Foundations

	ACS	BCS
Mission	To promote success for all Asheville City Schools students by engaging and mobilizing the entire community to support enriching and innovative educational activities.	To establish partnerships with local individuals, businesses, corporations and other foundations for the purpose of providing additional resources to Buncombe County Schools' educators, staff, and students.
Net Assets	$2,767,214	$4,929,275
Total Revenue	$1,340,168	$749,797
Voting Board Members	16	17
Number of Employees	7 full-time	3 part-time
Number of Volunteers	40	40
Major Programming	♦ Scholarships: $250,000 ♦ Teacher grants – 3 areas o Art resident support ($10,000), workshops ($65,000), teacher direct grant ($25,000) o High School – Racial and Equity Ambassador Program ♦ High School – Racial and Equity Ambassador Program o Dream Mentor Program – Pay high school teens to work with middle school students o Writing and Learning Center – Pay college students to work with high school students	♦ Scholarships: $290,013 for 193 students at the 6 high schools, early college, and community high schools ♦ Teacher Innovation Grants: $42,000+ distributed to 75 educators for curriculum-focused grants ♦ Bookmobile: Provides reading opportunities to children in the community. Also provides career information for parents.

Source: Interviews with Executive Directors of Foundations and IRS form 990 filed for fiscal year ending June 30, 2023.

Student Transfers Between ACS and BCS

Another source of students and the funding that follows those students comes from transfers between school systems. If a BCS student wishes to attend ACS and is approved to do so, the student's family pays a nominal tuition fee of $300 per year, with an additional $100 fee per transferring sibling. Each resident that lives within the ACS boundaries pays an additional supplemental tax which goes to Asheville City Schools. ACS's tuition rate may have been implemented to help offset the revenue lost by not receiving the supplemental tax proceeds. The tuition rate does not match the tax rate and is in fact lower. In short, out-of-district students

bring fewer local dollars to ACS than in-district students. BCS does not publish tuition rates for transfer students and did not provide any to the Prismatic team.

In 2023-24, ACS recorded 88 students as transferring out to BCS, with similar numbers in 2022-23. BCS staff estimated that ~600 BCS students currently attend ACS.

In terms of revenue, ACS received ~$180,000 per year for the 600 transfers from BCS, as well as all relevant federal, state, and local funding. BCS apparently receives no tuition from the ~100 ACS students who transfer in, but does receive all relevant federal, state, and local funding associated with the increased enrollment.

General Fund Balances

A fund balance, many times referred to as "carryover," is defined as the excess of assets over liabilities and is available in future years to offset any revenue shortfalls or financial emergencies. Fund balance is seen as the amount of cash that is not obligated by purchase orders, contracts, outstanding warrants, or unmatured obligations. A healthy fund balance can be beneficial to a school system by permitting longer investment terms and bridging the inevitable gaps of low cash flow instances during a fiscal year.

Many school systems have fund balance policies. A formal policy on general fund balance provides specific guidance to management regarding what the school system's fund balance goal should be and what steps, within statutory limits, should be taken to reach and maintain that goal. A general fund balance policy outlines what the board considers to be an adequate balance to maintain sufficient cash flow, cover emergency expenditures, adjust for revenue shortfalls, and avoid excess balance penalties.

Both ACS and BCS have fund balance policies incorporated in each their Board Policy 8100 - Budget Planning and Adoption. ACS Board Policy requires the board to maintain an amount of fund balance equivalent to 2 months of total operating expenses to remain unappropriated. BCS Board Policy 8100 requires the board to maintain an amount of fund balance equal to 1 month's operating expenses to remain unappropriated. Both policies allow for the balance to go below the 1-month and 2-month provisions to provide an emergency source of operating monies. Both ACS and BCS are required to adhere to the state stabilization policy which identifies the portion of the fund balance that cannot be expended for subsequent budgets that cover prior commitments.

Both school systems maintain a balance in their General Fund and consistently use amounts to fund a portion of the next year's budget. At

the end of each year, the general fund balance is reported in annual financial reports. As reported, the total year-end fund balances available for use in future years are shown as either unassigned or assigned for subsequent year expenditures. The amounts shown as assigned for subsequent year expenditures are the amounts that were identified to fund a portion of the next year's budget. For many years, North Carolina General Statutes have included a stabilization policy that limits the amount of fund balance that can be appropriated to a subsequent year's budget in any fund to no more than the amount of cash on hand at June 30th, minus liabilities and encumbrances.

Exhibits 5-14 and 5-15 provide 5-year summaries of ACS and BCS general fund balances. Both ACS and BCS have increased their general fund balances over the last 5 years. To help understand the sufficiency of a fund balance the total amount available for subsequent years is shown as a percent of total fund expenditures or the number of months of expenditures that the balance will fund. As of June 30, 2023, ACS's general fund balance was 41.9% of total general fund expenditures and would fund 5 months of expenditures. BCS's balance as of June 30, 2023 was 12.2% of expenditures and would fund 1.5 months of expenditures.

Exhibit 5-14
ACS General Fund Balances
Years Ended June 30, 2019 to 2023

Year Ended June 30	Unassigned	Assigned for Subsequent Year Expenditures	Total	General Fund Expenditures	%t of Expenditures	# of Months
2019	$6,105,184	$0	$6,107,203	$23,093,017	26.4%	3.2
2020	$2,048,467	$3,000,000	$5,050,487	$23,873,439	21.2%	2.5
2021	$1,890,624	$3,500,000	$5,392,645	$22,867,867	23.6%	2.8
2022	$6,500,165	$2,500,000	$9,002,187	$21,682,631	41.5%	5.0
2023	$7,460,958	$3,000,000	$10,462,981	$24,998,435	41.9%	5.0

Source: ACS annual financial reports June 30, 2019 to 2023 and Prismatic calculations

As shown in Exhibit 5-15, BCS' balance was allowed to go below the one-month provision for 2018-19 and 2019-20, resulting in non-compliance.

Exhibit 5-15
BCS General Fund Balances
Years Ended June 30, 2019 to 2023

Year Ended June 30	Unassigned	Assigned for Subsequent Year Expenditures	Total	General Fund Expenditures	%t of Expenditures	# of Months
2019	$819,727	$3,000,000	$3,821,746	$67,357,406	5.7%	0.7
2020	$876,754	$3,700,000	$4,578,774	$67,711,374	6.8%	0.8
2021	$2,019,000	$4,900,000	$6,921,021	$66,583,637	10.4%	1.2
2022	$5,891,265	$4,900,000	$10,793,287	$69,151,439	15.6%	1.9
2023	$6,784,678	$3,500,000	$10,286,701	$84,442,829	12.2%	1.5

Source: BCS annual financial reports June 30, 2019 to 2023 and Prismatic calculations

Revenue – 5-Year Outlook

In both ACS and BCS, the budget process is currently to start with the previous year's budget and then identify where additional funding is desired. Principals and department heads are provided documents showing budget information for their school/department and asked to identify and submit back to the finance departments the increase in funding believed to be needed at their school/department. Once requests are completed, the finance departments work with the schools/departments to refine the requests. After the superintendents approve the requests, they go to the school boards for approval and then to Buncombe County for approval and funding.

With overlapping tax jurisdictions, flat or declining enrollment, competition for students, and uncertain future sales tax performance, every government will continue to compete for local dollars, while state and federal revenue streams may change based on state and federal policy decisions. The ACS budget request in May 2024 noted, "Per Buncombe County projections, growth in sales taxes appear to be leveling off so caution is warranted in making future projections for use of these funds."

Because property tax is one of the oldest and most stable sources of revenue for governments, the reliance on local property tax may continue to increase. Currently, Buncombe County is experiencing financial flattening sales tax revenues, inflation, rising labor costs, and the end of Covid-19 relief funds at all levels of government. The impact of Hurricane Helene on the short- and long-term economic outlook for the county is as yet unknown. The County budget continues to rely on the use of prior years' fund balances and the property tax increases to maintain county services and support education.

Declining enrollment in ACS and BCS will result in declining revenues.

Because state and federal funding follows the student, the trend of declining enrollment will impact revenues of both ACS and BCS, while

fixed costs and indirect costs necessary for the general operation of the organizations will likely continue to rise with inflation. Fixed costs may include transportation, facilities, and specialized teachers. Indirect costs, which are not always easily associated with a specific program, grant, or activity, may include facility operation and maintenance, depreciation, and administrative salaries.

It is of note that the Elementary and Secondary School Emergency Relief (ESSER) Fund was a federal program that provided financial aid to schools and districts to help them recover from the impact of the COVID-19 pandemic. ESSER funds could be used for a variety of purposes, but they had to be fully expended by December 2024. For the purposes of future budgets, ESSER funding has dropped off completely, leaving school systems to consider the implications of how those funds were spent including, increased teacher salaries, increased staffing levels, changes in per-pupil funding levels, and the effect on unrestricted fund balance.

Ad Valorem Property Tax Revenue

There is no state property tax in North Carolina, which means tax rates are determined entirely by local governments. Cities and counties can levy their own taxes; however, schools and special districts are dependent on the county to set the tax rate. The revenue associated with a property tax bill depends on 2 factors. The 1st is the value of the property; the 2nd is the tax rate per $100 dollars of property value. Generally, property values and therefore potential property tax revenues are increasing in Buncombe County, which provides more revenue for County, City/Town, School and Fire Districts. However, if locally elected government officials choose to reduce tax rates, it is possible a property tax bill does not change and produce additional revenue. The impact of Hurricane Helene on the growth of property values is also unknown at this point.

In 2022, the County reduced the County tax rate in order to minimize the impact of property value increases following the 2022 revaluation (Exhibit 5-16). However, the rate increased along with property valuations in both fiscal years 2024 and 2025 to produce additional revenue to support education as well as other County priorities. For the 2024-25 budget, Buncombe County passed a 1.96-cent property tax increase to generate an estimated additional $10.5 million in revenue. The new rate, 51.76 cents per $100 of value, would mean the owner of a home valued at $400,000 will pay $2,070.40 in taxes to the county, $78.40 more than the previous year ($400,000/100 x .5176 = $2,070.40).

Buncombe County has supported education through tax rate adjustments.

The historical 5-year trend indicates that the county has supported some requests for increases in education funding (Exhibit 5-16). With the 1.96 cent tax rate increase from 2024 to 2025, a portion, 0.75 cents, will go to support ACS and BCS (Exhibit 5-17). The rest will go to county operations.

Exhibit 5-16
Trend in Buncombe County Property Tax Rates

Fiscal Year	Valuation	Change	Tax Rate	Property Tax	Change
2021 – Actual	$41,013,664,310		52.9¢	$219,807,333	
2022 – Actual	$48,128,555,892	17.3%	48.8¢	$235,895,731	7.3%
2023 – Actual	$49,605,523,231	3.1%	48.8¢	$244,033,754	3.4%
2024 – Amended	$51,224,726,097	3.3%	49.8¢	$255,523,889	4.7%
2025 - Adopted	$53,646,145,354	4.7%	51.76¢	$277,961,794	8.8%

Source: Buncombe County

Exhibit 5-17
Allocation of the 1.96 Cent Buncombe County Tax Rate Increase

County Operations 62%

ACS and BCS Education 38%

Source: Buncombe County

Taxes Within ACS Boundaries

Asheville City residents who reside within the school district have a combined ad valorem tax of 1.0331 dollars per $100 of value, comprised of:

- County tax rate: 51.76 cents per $100 of assessed valuation – this is the same 51.76 cents that all county residents pay
- City tax rate: 40.93 cents per $100 of assessed valuation
- City School tax rate: 10.62 cents per $100 of assessed valuation

Thus, while an owner of a $400,000 home located outside Asheville City will pay $2,070.40 in property taxes, the owner of a $400,000 home located within the city and within the ACS boundaries will pay $4,132.40 in taxes ($400,000/100 x .1.0331 = $4, 132.40).

While the "city school" tax may appear to residents to be a special taxing tool only available to ACS, over the years a similar taxing tool has been used in various parts of BCS. In 1957, Hominy Valley voters approved a supplemental tax that boosted funding for schools in the Enka district for more than 30 years. The Enka tax helped pay for things like a technology

program and tutors for students until voters repealed the tax in 1994. In the mid-1990s, both Reynolds and Roberson district parents pushed for a supplemental tax, but without success. Over the years, there have been several attempts to create a county-wide school tax, which would be similar to that currently in ACS. Voters have rejected the idea multiple times – once in 1967, again in 1977, and again in 1983.

For 2024-25, ACS requested an increase in the local supplement school tax from 10.62 to 12 cents, which would have returned the rate to the pre-COVID rate. However, the adopted rate was maintained at 10.62 cents. ACS will not receive the additional $1.57 million in additional local funding requested that would have been generated by the ACS tax. Instead, in the approved budget, ACS will receive a $600,000 increase, $3.2 million less than the $3.8 million requested, despite the increase to the County ad valorem property tax.

ACS and BCS Expenditure Comparisons

Current expenditures incurred by ACS, BCS, and all NC school systems are classified using an object of expense, meaning the description of the service or commodity bought. These services and commodities are summarized and reported by 5 major categories: salaries, employee benefits, purchased services, supplies and materials, and instructional equipment. The majority of current expenditures by school systems are for salaries and benefits, typically in the range of 80% of all expenses.

More than 80% of funding is spent on employee salaries and benefits in both ACS and BCS.

Exhibit 5-18 compares current expense expenditures by object of expense and the percentage of each object of expense for ACS and BCS. In each system, employee salaries and benefits comprised the large majority of the expenses, 82.1% in ACS and 84.2% in BCS.

Exhibit 5-18
Current Expense Expenditures by Object of Expense, 2022-23

	ACS		BCS	
Object of Expense	**Amount**	**Percent**	**Amount**	**Percent**
Salaries	$38,017,242	57.8%	$177,670,149	59.1%
Employee benefits	$15,974,720	24.3%	$75,531,642	25.1%
Purchased services	$6,636,912	10.1%	$16,338,563	5.4%
Supplies & materials	$4,920,433	7.5%	$22,601,199	7.5%
Capital Outlay	$189,726	0.3%	$8,726,420	2.9%
Total	**$65,739,033**	**100.0%**	**$300,867,973**	**100.0%**

Source: NCDPI

In order to properly and efficiently manage their funds, school systems should emphasize the number of staff, their classification, and their compensation, during the annual budget development process. No other budget category comes close to the same impact as a school systems'

employee costs. To control costs, a school system must control salaries and employee benefits.

Cost per Average Daily Membership (ADM) is one of the common ways to present and compare the costs of differently sized school systems. In 2022-23, the NC cost per ADM averaged $12,028, ranging from $27,623 for Weldon County Schools to $10,140 for Lincoln County Schools.

Exhibit 5-19 compares the cost per ADM for 2022-23 for ACS and BCS, and the state average. As shown:

- BCS's cost funded by federal funding was similar to the state average while ACS's cost was ~$400 per ADM less than the state average. Neither school system was in the top third of NC systems for federal funding per ADM.
- Cost from state funding was similar for both school systems and close to the state average. At 78th and 76th in the state, ACS and BCS were squarely in the middle of school systems for state funding per ADM.
- In cost per ADM from local funding, both ACS and BCS were in the top 10% of all NC school systems. ACS ranked 2nd and BCS ranked 15th in the state for local funding. ACS exceeded the state average by $4,074. BCS exceeded it by $814.
- Both ACS's and BCS's total cost per ADM of $15,838 and $13,110 exceeded the state average of $12,028. ACS's total exceeded the average by $3,810 and BCS's exceeded the state average by $1,082, leading to state rankings of 14th and 48th, respectively.

Exhibit 5-19
Cost Per ADM by Funding Source, 2022-23

Funding Source		ACS	BCS	State
Federal	Amount	$1,266	$1,693	$1,674
	Percent of Total	8.0%	12.90%	13.9%
	Ranking	96	65	
State	Amount	$7,734	$7,840	$7,591
	Percent of Total	48.8%	59.8%	63.1%
	Ranking	78	76	
Local	Amount	$6,837	$3,577	$2,763
	Percent of Total	43.2%	27.3%	23.0%
	Ranking	2	15	
Total	Amount	$15,838	$13,110	$12,028
	Ranking	14	48	

Source: NCDPI

Exhibit 5-20 shows 2022-23 current expense expenditures by source of funding and the object of expenditures they fund for ACS and BCS. The state funds 52.1 percent of ACS's salaries and 55.2 of employee benefits while 61.6 percent of BCS's salaries and 62.7 of employee benefits are paid from state funds. Local funds pay for 39.2 percent of ACS's salaries and 38.1 percent of employee benefits compared to 25.6 percent of BCS's salaries and 24.5 percent of employee benefits paid from local funds. ACS funds a lower percentage of its salaries and employee benefits costs from state allocations than does BCS.

Exhibit 5-20
Comparison Current Expense Expenditures by Source of Funds and Object of Expenditures, 2022-23

	Source		
ACS Expenditures	State	Federal	Local
Salaries	52.1%	8.6%	39.2%
Employee benefits	55.2%	6.7%	38.1%
Purchased services	15.1%	7.2%	77.6%
Supplies & materials	23.7%	34.0%	42.3%
Instructional equipment	61.6%	25.8%	12.5%
Total	**47.1%**	**10.0%**	**43.0%**

	Source		
BCS Expenditures	State	Federal	Local
Salaries	61.6%	12.8%	25.6%
Employee benefits	62.7%	12.8%	24.5%
Purchased services	20.1%	8.5%	71.4%
Supplies & materials	37.8%	38.1%	24.1%
Instructional equipment	32.0%	67.9%	0.1%
Total	**57.0%**	**16.1%**	**27.0%**

Source: NCDPI

Actual expenditures and cost per ADM have increased over time for state, federal, and local sources (Exhibit 5-21). Figures in for 2020-21 through 2022-23 include one-time ESSER funding related to COVID as well as other increases. As shown:

- Neither ACS nor BCS exceeded the state average for federal funding increase per ADM. In ACS, federal funding per ADM increased by 85.5%. In BCS, federal funding per ADM increased by 110.7%. However, statewide the federal funding per ADM increased by 126.2%.

- The ACS and BCS rates of state funding increase per ADM, at 18.2% and 24.1% respectively, exceeded the state average of 17.2%.

- The ACS and BCS rates of local funding increase per ADM, at 19.0% and 18.3% respectively, exceeded the state average of 17.6%.

- Overall, state funding per ADM increased by 25.1% over the 5-year period. ACS, with a 17.9% increase, fell short of the state average. In contrast, BCS, with a 26.1% increase, exceeded the state average.

Exhibit 5-21
Trend in Comparison Current Expense Expenditures[3]

	Federal Funds					
	ACS		BCS		State	
Year	Amount	Per Pupil	Amount	Per Pupil	Amount	Per Pupil
2018-19	$3,793,765	$886	$24,626,010	$1,050	$1,376,181,747	$975
2019-20	$3,740,967	$871	$26,054,344	$1,113	$1,400,257,042	$994
2020-21	$4,642,545	$1,127	$29,873,628	$1,370	$1,745,837,256	$1,298
2021-22	$10,349,081	$2,525	$64,215,897	$2,942	$3,340,506,567	$2,460
2022-23	$6,557,564	$1,644	$48,312,654	$2,212	$3,015,295,625	$2,207
Change, 2018-19 to 2022-23	**$2,763,799**	**$757**	**$23,686,644**	**$1,162**	**$1,639,113,878**	**$1,231**
	72.9%	**85.5%**	**96.2%**	**110.7%**	**119.1%**	**126.2%**

	State Funds					
	ACS		BCS		State	
Year	Amount	Per Pupil	Amount	Per Pupil	Amount	Per Pupil
2018-19	$28,075,885	$6,558	$148,280,869	$6,321	$9,141,797,193	$6,479
2019-20	$28,770,349	$6,695	$151,221,474	$6,458	$9,353,633,277	$6,637
2020-21	$28,995,533	$7,036	$157,884,274	$7,241	$9,624,055,183	$7,156
2021-22	$31,241,210	$7,622	$162,210,700	$7,431	$10,082,057,788	$7,426
2022-23	$30,930,750	$7,752	$171,365,899	$7,845	$10,380,169,006	$7,596
Change, 2018-19 to 2022-23	**$2,854,865**	**$1,194**	**$23,085,030**	**$1,525**	**$1,238,371,813**	**$1,117**
	10.2%	**18.2%**	**15.6%**	**24.1%**	**13.5%**	**17.2%**

	Local Funds					
	ACS		BCS		State	
Year	Amount	Per Pupil	Amount	Per Pupil	Amount	Per Pupil
2018-19	$25,469,690	$5,949	$73,740,320	$3,143	$3,400,716,216	$2,410
2019-20	$25,595,587	$5,956	$70,098,073	$2,994	$3,270,449,559	$2,320
2020-21	$25,197,637	$6,114	$63,065,980	$2,893	$3,091,957,750	$2,299
2021-22	$23,133,218	$5,644	$62,996,727	$2,886	$3,338,067,371	$2,459
2022-23	$28,250,719	$7,080	$81,189,420	$3,717	$3,872,526,872	$2,834
Change, 2018-19 to 2022-23	**$2,781,029**	**$1,131**	**$7,449,100**	**$574**	**$471,810,656**	**$424**
	10.9%	**19.0%**	**10.1%**	**18.3%**	**13.9%**	**17.6%**

[3] Federal Funds include non-recurring Covid-19 ESSER funding.

	Total Funds					
	ACS		BCS		State	
Year	Amount	Per Pupil	Amount	Per Pupil	Amount	Per Pupil
2018-19	$57,339,340	$13,394	$246,647,199	$10,514	$13,918,695,206	$9,865
2019-20	$58,103,903	$13,522	$247,373,891	$10,565	$14,024,339,878	$9,951
2020-21	$58,835,715	$14,277	$250,823,882	$11,504	$14,466,850,189	$10,753
2021-22	$64,723,509	$15,790	$289,423,324	$13,258	$16,760,632,726	$12,345
2022-23	$65,739,033	$16,476	$300,867,973	$13,774	$17,267,991,503	$12,637
Change, 2018-19 to 2022-23	**$7,384,169**	**$2,396**	**42,776,125**	**$2,745**	**$2,841,937,520**	**$2,480**
	12.9%	**17.9%**	**17.3%**	**26.1%**	**20.4%**	**25.1%**

Source: NCDPI

Supplemental Pay

Both ACS and BCS provide compensation to eligible employees in addition to the base pay scales provided by the state salary schedules. In BCS, eligible employees are full-time (working 30+ hours per week) and permanent (at least 6 months of employment or anticipated to be a permanent employee). The supplement is calculated by multiplying the employee's base salary by the applicable percentage based on years of service (Exhibit 5-23). The supplement is then added to the employee's pay. Both ACS and BCS begin providing supplemental pay to teachers when first hired but at different percentages, Then, the years of service and the supplemental pay rates differ between ACS and BCS. For a new teacher, the supplemental pay is higher in ACS for the 1st 10 years of employment, then higher in BCS for years 11 to 19, then higher once again in ACS for years 20+. The supplemental pay tables are presented in Exhibit 5-22 as updated for the 2023-24 school year, whereas the expense expenditures in Exhibit 5-22 were not yet available for that school year.

Another key difference in supplemental pay is that ACS provides the same percentage supplement for all employees, licensed and non-licensed staff. In contrast, BCS provides a flat rate of 10.77% for all non-licensed staff, regardless of years of service. For a non-licensed employee, if the base pay rates are the same in ACS and BCS for a particular position, the supplemental pay of ACS leads to higher overall compensation.

ACS and BCS offer different rates of supplemental pay. BCS differentiates supplemental pay by employee type.

Exhibit 5-22
Locally Supported Supplemental Pay Rates, 2023-24

ACS	
Years of Service	**Percentage**
0 to 4	11.0%
5 to 9	11.5%
10 to 19	12.0%
20 or More	18.5%

All ACS employees receive these supplements.

BCS	
Years of Service	**Percentage**
0 to 4	10.5%
5 to 9	11.5%
10 to 14	12.5%
15 to 19	13.5%
20 to 24	14.5%
25 to 29	15.5%
30 or More	18.0%
Non-licensed employees	10.77%

Only BCS certified employees receive these supplements.

Source: ACS website, BCS policy 7631.

Based on these pay scales, ACS paid out $5.8 million and BCS paid out $24.0 million in supplements in 2022-23 (Exhibit 5-23). When calculated at an amount per ADM, ACS expended $1,450 for each ADM and BCS expended $1,099 in 2022-23. The majority of ACS funding for supplements came from special revenues, while BCS largely used regular local funds.

Exhibit 5-23
Locally Supported Supplemental Pay, 2022-23

Funding Source	ACS	BCS
Local	$1,004,942	$21,126,867
Federal	$219,176	$2,413,947
Child Care		$35,454
Special Revenue	$4,560,212	$419,042
Total	**$5,784,330**	**$23,995,309**
Amount per ADM	**$1,450**	**$1,099**

Source: ACS and BCS

Charter Schools

Charter schools are independent, tuition-free public schools that are exempt from many of the rules, regulations, and statutes governing traditional public schools. In North Carolina, they are mainly funded by state and local tax dollars, receiving state funding based on the average per pupil allocation of the LES/PSU where they are located. Charter

schools have open enrollment policies and cannot discriminate in admissions, charge tuition, or affiliate with any religion or religious group.

Since the first charter schools were sanctioned in 1996-97, a total of 291 charter schools have been approved. As of 2022-23, 206 were in operation, educating 138,352 students. This represents ~8.9% of the state's 1.55 million schoolchildren. Out of the $11.1 billion allocated for public education in 2022-23, ~$986 million was directed towards charter schools.[4]

According to a substantial body of research, the diversion of public funds from public schools to charter schools has a negative fiscal impact on public school funding. A 2018 study concluded that charter schools have adverse financial impacts on public school systems, leading to decreased spending capacity, a reduction in student numbers, and diminished budget flexibility. In a November 2022 report, "How Charter Schools Undermine Good Education Policymaking," Helen Ladd of Duke University detailed how charter schools fundamentally disrupt key educational policy goals of:

- creating coherent school systems
- addressing child poverty and disadvantage
- reducing racial segregation and isolation
- ensuring the wise use of public funds

In 2023, the Report to the North Carolina General Assembly stated, "*Given the large number of districts from which a charter school may enroll students, it is difficult to pinpoint the specific fiscal impact of a given charter school on its 'home district.'*" Because charter schools serve students outside set geographic boundaries, understanding the fiscal impact for future years on a particular public school or school system remains a moving target.

[4] Highlights of the North Carolina Public School Budget, March 2023

Between 2019 and 2022, NC charter school enrollment rose by 19%, marking the 5th highest growth rate in the country, as reported by the Department of Public Instruction (DPI) in its annual report to the General Assembly. While a substantial portion of this recent growth statewide can likely be attributed to COVID effects, charter school enrollment from ACS/BCS has been steadily increasing since at least 2016-17 (Exhibits 5-24 and 5-25). While any loss of enrollment to a charter school negatively impacts the revenues of a school system, ACS' loss has been slightly more impactful. Between 2016-17 and 2023-24, the loss of ACS students to charter schools has represented 7.8% to 12.4% of what enrollment would otherwise have been. In BCS, the loss of students to charter schools has represented 6.6% to 11.2% of what enrollment would otherwise have been.

The growth of NC charter school enrollment is among the highest in the country. Prismatic estimated that ACS lost 12.4% and BCS lost 11.2% of their enrollments to charters in 2023-24.

Exhibit 5-24
Trend in Enrollment in Charter Schools by ACS Students

Charter	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24
ArtSpace	53	43	30	31	28	27	23	23
Evergreen	114	122	124	113	101	98	90	91
FernLeaf	2	8	13	7	8	13	16	23
Francine Delaney[5]	81	81	84	84	87	74	76	81
Franklin	61	62	67	79	88	114	120	114
Invest Collegiate	57	56	68	84	97	95	106	119
Lake Lure	0	0	0	0	1	0	0	0
Mountain City[2,6]	0	0	0	0	0	0	0	42
Peak[2]	0	0	0	0	0	21	18	37
Williams	2	1	1	0	0	0	3	4
NC Cyber[7,8]	3	3	3	3	4	4	3	3
NC Virtual[4]	1	3	3	2	2	4	2	3
Total	**374**	**379**	**393**	**403**	**416**	**450**	**457**	**540**
ACS Loss, as % of what ADM would have been	**-7.8%**	**-8.0%**	**-8.3%**	**-8.6%**	**-9.2%**	**-9.9%**	**-10.3%**	**-12.4%**

Source: ACS

[5] Located within ACS boundaries
[6] Opened in 2023-24
[7] Virtual school
[8] Formerly NC Connections Academy

Exhibit 5-25
Trend in Enrollment in Charter Schools by BCS Students

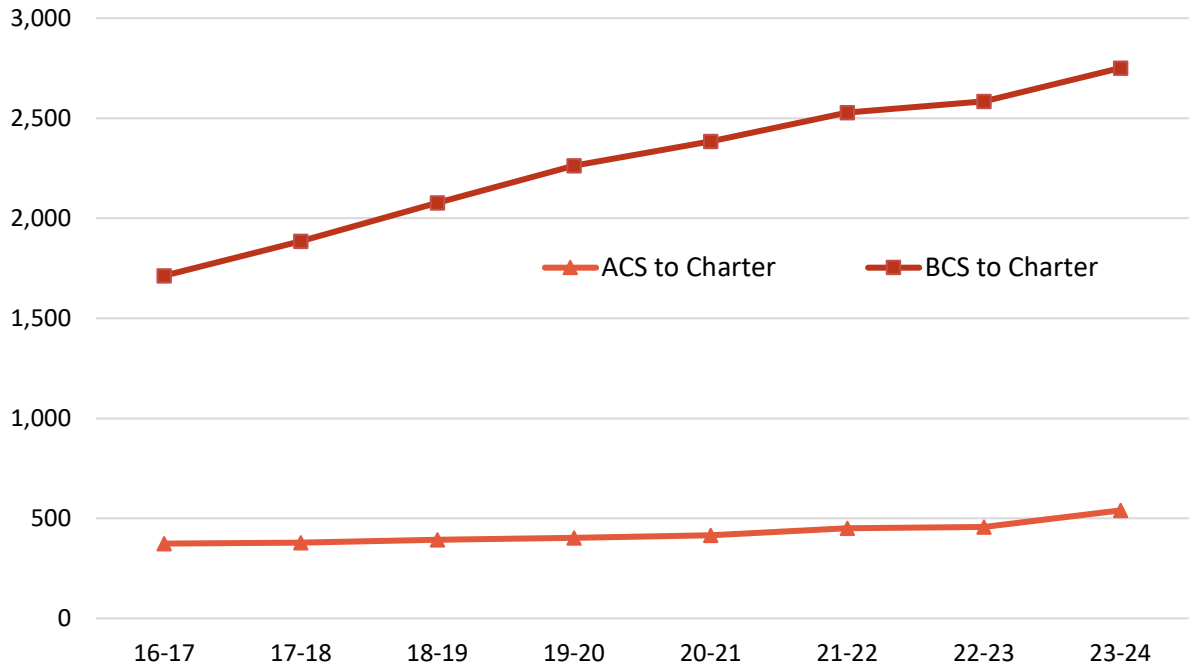
Charter School	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24
ArtSpace	324	328	330	341	331	335	350	353
Brevard Academy	4	3	2	3	5	7	15	17
Evergreen	314	306	307	313	322	327	334	337
FernLeaf	49	72	92	117	136	154	188	230
Francine Delaney	89	92	86	88	85	99	90	103
Franklin	292	359	393	426	479	463	489	520
Grandfather		1	1	1				
Invest Collegiate	557	646	776	890	943	991	971	941
Lake Lure	7	6	6	4	3	5	6	8
Mountain Community	7	3	1	3		1		1
Mountain City								55
Mountain Discovery			1					
New Dimensions	1							
Peak						55	69	118
Shining Rock	4	2	3	3	4	6	6	8
Summit	2							
Williams		2		1		1		2
NC Cyber[9,10]	26	39	43	40	37	41	28	22
NC Virtual[4]	37	26	36	33	39	44	38	36
Total	**1,713**	**1,885**	**2,077**	**2,263**	**2,384**	**2,529**	**2,584**	**2,751**
BCS Loss, as % of what ADM would have been	**-6.6%**	**-7.3%**	**-8.1%**	**-8.7%**	**-9.7%**	**-10.3%**	**-10.5%**	**-11.2%**

Source: BCS

Considering the trend in charter enrollment, ACS' losses each year have been relatively stable since 2016-17, with a modest increase during the COVID years, and a jump from 2022-23 to 2023-24. The recent jump can be largely explained by the opening of Mountain City charter and greater enrollments into Invest Collegiate and Peak. The overall pattern of BCS losses to charter schools is more one of general and more substantial growth each year (Exhibit 5-26). Looking at the trendline for each system, and assuming that they continue in the same manner, ACS can expect to lose ~21 additional students a year to charter schools, while BCS can expect to lose ~146 students.

[9] Virtual school
[10] Formerly NC Connections Academy

Exhibit 5-26
Trend in Enrollment in Charter Schools by ACS and BCS Students



Source: ACS and BCS

North Carolina charter schools receive funding from much the same sources as ACS and BCS:

- state base allocations and restricted state funds administered through NCDPI
- local (county) current expense
- Federal grants administered through NCDPI
- capital financing
- enterprise funds, like through the National School Lunch Program, and before and after school programs
- other local funds

Because funding follows the student, the revenue impact on ACS and BCS from student transfers to charter schools is substantial. Charter schools receive a per pupil allotment from the state based on the state funding for the county in which it is located. Each school also receives a per pupil share of local funding from each school system whose parents send students to the charter.

Exhibit 5-27 provides financial information pertaining to revenues that follow ACS/BCS students that chose to go to charter schools. The local revenue to charter schools from ACS is considerably greater than that from BCS due to ACS sharing the proportional share of the ACS property supplemental tax.

Exhibit 5-27
Revenues Lost from ACS/BCS to Charter Schools

	ACS	BCS
Number of Charter School Students	457	2,584
State Revenue to Charter Schools	$3,542,664	$20,271,480
Local Revenue to Charter Schools	$2,860,550	$8,546,425
Total Revenue to Charter Schools	$6,403,214	$28,817,905
State Revenue per charter school student	$7,752	$7,845
Local Revenue per charter school student	$6,259	$3,307
Total Revenue per charter school student	**$14,011**	**$11,152**

Source: ACS, BCS, and NCDPI

For Buncombe County, the payments to charter schools are part of the overall budget and are influenced by the number of students attending charter schools. The exact amount can vary each year based on enrollment numbers and the specific funding formulas used.

The City of Asheville has also provided funding directly to charter schools. In February 2024, the Asheville City Council approved $501,384 in funding for PEAK Academy, a charter school serving primarily Black students in the area. This funding was part of the American Rescue Plan Act (ARPA) funds allocated to the city for pandemic relief measures. According to state law, cities and towns are authorized to use local property taxes to fund any public school within their localities, including charter schools. This means that municipalities can allocate funds to support the operational and capital needs of charter schools, in addition to the funding they receive from state and local tax dollars.

Helen Ladd's study highlighted the fiscal impact of charter school growth on traditional public schools in North Carolina. According to her research, charter schools caused financial strain on local school systems. Specifically, the study found that one urban system experienced a large and negative fiscal impact of $500 to $700 per pupil. In non-urban systems, the fiscal impact was somewhat smaller but still significant, with local school districts having between $300 and $700 less to spend on each remaining student.

Opportunity Scholarships – Private School Voucher Program

Over the past 5 years, enrollment in private schools within the boundaries of Buncombe County has ranged from 3,662 to 4,173. Because students can enroll in private schools from anywhere, it is

possible that not all of these students would otherwise attend a public school in the County if the private school was not available. For example, Asheville School is a private school that offers boarding to domestic and international students. Its enrollment of ~300 students likely has a minority of students from Buncombe County. Christ School (~300 students) also offers boarding, with about one-third of its students living on campus. The 2 largest private schools, Asheville Christian Academy (647 students in 2022-23) and Carolina Day School (566 students) do not offer boarding, so they are likely drawing students from Buncombe County, but could also be drawing them from neighboring counties.

When the program was created by the NC General Assembly in 2013 "the Opportunity Scholarship Program (also known as the Private School Voucher Program) were designed to be awarded based on a family's household income and used to pay the required tuition and fees to attend an eligible K-12 private school." With the recent modifications provided via NC House Bill 10, the Office of State Budget Management (OSMB) estimated that $4 billion dollars will be diverted from public schools to this program over the next 10 years. This funding shift will provide vouchers to nearly 70,000 students for private schooling.

The recent modifications also remove the statutory requirement that voucher recipients must have previously attended public school and removes income caps for participation. This means that one possible outcome from House Bill 10 is that state funding is funneled to private schools without public schools losing enrollment.

With annual tuition costs for non-boarding students of nearly $45,000, the Opportunity Scholarship maximum award of $7,468 for families with an annual income of $57,720 is unlikely to be sufficient to substantially increase enrollment at the private Asheville School. Tuition rates for the other 3 largest private schools are lower:

- Asheville Christian Academy - $8,630 to $17,615, depending on grade level
- Carolina Day School - $20,400 to $35,600, depending on grade level
- Christ School - $34,775

With potential school-level financial aid, the expansion of the voucher program could increase enrollments in the less costly private schools and thereby reduce ACS or BCS enrollment. The OSMB has estimated that the changes from House Bill 10 will for Buncombe County result in a loss of 253 public school students countywide for 2024-25, with a resultant loss of $1.9 million in state funding in 2025-26.

Considering Consolidation on Revenues

If ACS and BCS consolidate, there would be impacts on revenues. Some can be fairly well anticipated, but others can only be estimated.

Federal

Federal funding makes up a relatively small portion of public school budgets — roughly 14% across the U.S. In North Carolina, federal funding provides an average of 15% of a school system's funding; in ACS it is 10% of the budget and in BCS it is 16%.

Federal funding follows the student for the most part. The two biggest pots of funding are IDEA, which supports special needs students, and Title I, which supports low-income students. If consolidation occurs but the configurations of Title I schools are not substantially altered, the general level of federal funding will not be impacted, if there are no federal policy changes.

However, federal funding for public schools is a dynamic and evolving topic. The Biden administration's fiscal year 2024 budget proposal included substantial investments in education. President-elect Donald Trump has proposed dismantling the U.S. Department of Education and returning education control to the states. This could lead to changes in federal funding levels as well as how they are allocated and used.

State

At the state level, school system funding is largely a function of ADM, school-type items, such as the funding of a principal per school, or headcount data related to the specific student population being served, such as funding for each academically or intellectually gifted student. For those types of funding, consolidation of ACS and BCS would not result in any losses, assuming the new school system retains the students currently enrolled.

North Carolina has a cap on the amount of funding it provides to school systems to support the learning of students with disabilities. It provides a per student amount to each school system, but only up to 13% of the school system's enrollment. If either ACS or BCS identified more than 13% of their students as having disabilities, the state would not provide funding for any students beyond the 13% cap. In 2022-23, ACS and BCS each identified 12.8% of their students as having disabilities. Therefore, consolidation would not change the amount of state funding the consolidated system would receive for students with disabilities.

In addition, the state provides each school system with funding to support a central office, divided across multiple allotments. For 2023-24, each school system received state funding for:

- central office administration (PRC 002). For ACS, this funding was $560,705 in 2023-24; for BCS it was $1,419,254
- 1 math/science/computer teacher
- 1 school health staff position
- funding of $77,051 for preschool children with disabilities
- funding of $43,530 for a teacher assistant to support Limited English Proficient students
- 50 months of staffing for career technical education teachers, plus $10,00 for career technical education support

All but the allotments for the career technical education have a 2-year hold harmless requirement if there is a consolidation. That means funding would be equal to the sum of these allotments, less the career technical education portion, for 2 years, then would drop down to the funding for 1 school system.

Local

While both would require detailed legal research, consolidating ACS and BCS would impact these revenue streams:

- The supplemental education tax that ACS receives may be able to remain, if ACS remained a "district" within the consolidated school system, but it might require a new vote since ACS was a city school system when the tax was implemented. This revenue stream provided $11.4 million to ACS in 2022-23. Only 15 of the 115 NC school systems have a supplemental tax in place. Of those, 3 are county school systems and the rest are city systems.
- The unrestricted sales tax that ACS receives because it is a taxing jurisdiction would likely be eliminated. This revenue stream provided $4.9 million to ACS in 2022-23. Those funds would instead be distributed to the other jurisdictions that already receive unrestricted sales tax funding (6 municipalities, the fire districts, and the county).

A consolidated system would also eliminate the current transfers between ACS and BCS. Based on available data, that would mean the loss of ~$180,000 in tuition payments from BCS families transferring into ACS.

Considering Consolidation on Expenditures

The pay scales and supplemental pay programs are substantially different between the 2 school systems. A consolidated system would most likely hold employee pay harmless, resulting in a general shift upward at all points in a unified pay table and compensation plan. For example, a consolidated system would be most likely to adopt the highest local supplement at each year of experience. The same would be true for other compensation areas.

At the time of the onsite work, neither school system had documented staffing allocations formulas, but each was developing them. Assuming that work is completed prior to any consolidation, the consolidated system would need to reconcile any differences in the staffing allocation tables. This would be similar to the consolidation of the pay tables and compensation plans.

Considering a Consolidated Finance Department

Although ACS and BCS are substantially different in size, the respective finance departments are similar in many ways. Like all school district finance departments, for the most part they are responsible for maintaining the system's budget in compliance with federal, state, and district statutes and policies, receiving and documenting revenues, processing purchasing documents for needed services and materials, making payments to vendors, and processing payrolls for all district staff, completing required payroll related processes, and advise policymakers on financial management issues. The ACS and BCS finance departments both:

- are led by experienced chief financial officers (CFOs).
- use the LINQ system as their primary financial management system.
- receive payroll data from the HRMS system managed by each district's human resources departments.
- have either recently or are currently implementing a purchase card payment system.
- have staffing levels or for the most part similar based on number of ADM and district personnel they support.
- use similar budget development processes.
- have not had, but are developing, allocation formulas and processes for allocating teachers and other staff.

- have received the Certificate of Excellence in Financial Reporting from the Association of School Business officials International.

Finance department staff in smaller school systems typically have to perform more varied duties while finance departments in larger systems have more supervisory staff members and other staff members who perform specialized and similar duties due to the volume of transactions.

Exhibit 5-28 compares the staffing of each finance department to the number of district positions and ADM. The ACS finance department has 7.5 positions that support an average daily membership of 3,990 and total district staffing of 676. The BCS finance department has 23.5 positions that support an average daily membership of 21,843 and total district staffing of 2,972. Comparing ratios for staffing to ADM and district positions supported, the ACS finance department positions each support 90 employees and 532 ADM while the BCS finance department positions each support 126 employees and 929 ADM.

Exhibit 5-28
Staffing of ACS and BCS Finance Departments, 2023-24

	# of Positions	
	ACS	BCS
Finance Department Staff	7.5	23.5
District Positions Supported	676	2,972
ADM Supported	3,990	21,843
Ratio Department Staff to District Position	1 : 90	1 : 126
Ratio Department Staff to ADM	1 : 532	1 : 929

Source: ACS and BCS

While each finance department has a CFO and an assistant CFO, due to its size and associated workloads BCS's finance department requires more staff members who are also more specialized. In contrast, ACS has fewer staff members and they each typically have to perform a variety of duties. Exhibit 5-29 shows the current staffing of the ACS and BCS finance departments. Overall, there are 31 positions across the 2 departments.

Exhibit 5-29
Staffing of Finance Departments, 2023-24

Position Description	# of Positions	
	ACS	BCS
Chief Financial Officer	1	1
Assistant Chief Financial Officer	1	1
Accounting	1	3
Payroll	1	6
Benefits	1	
Purchasing and Accounts Payable	2.5	5.5
Cash and Accounts Receivable		2
Budget		2
System Manager		1
Internal Auditor		1
Executive Administrative Assistant		1
Total	**7.5**	**23.5**

Source: ACS and BCS

It appeared to the consulting team that staffing in each finance department was appropriate for the size of the respective system, each was being operated efficiently, and workloads were reasonably assigned. While staffing levels seem reasonable for each individual school system, should the 2 systems be merged, it would be reasonable to combine some positions and have a merged finance department with less than 31 positions, based on these considerations:

- Overall workloads would not decrease to a major extent. The same individual payroll changes, purchase orders, payments to vendors etc. would still have to be processed. However, there would be some efficiency such as combined payrolls and payroll related reports, requests for and processing cash could be combined, payments to a purchasing card vendor could be combined, budget development would be combined, and budget management and annual reports would be consolidated.

- ACS and BCS follow similar processes when developing their respective annual operating budgets. Neither system has a formal budget development manual that would provide information to all involved or interested in district budgets. Each system has a superintendent that has been with their

organization for a short amount of time - ACS since July 2023 and BCS since November 2022. They have not had the opportunity to go through full budget cycles to test the process and document it in a formal document or manual.

- At the time of Prismatic's onsite work, neither ACS nor BCS had formal, documented staffing allocation formulas; however, both were developing them. The resulting allocation formulas would then determine the number of staff provided to schools and departments.

Prismatic estimates that a consolidated finance department could be reduced by 5 positions from the current combined 31 and still effectively perform all critical functions and responsibilities. Exhibit 5-30 shows the staffing Prismatic would recommend for a consolidated finance department. It includes these considerations:

- The CFO is responsible for directing the overall financial operations of a school system and managing the staff of the finance department. Only 1 CFO would be needed to direct the combined financial duties and fulfill the responsibility of managing the consolidated district's financial operations and ensuring staff adhere to district financial policies and procedures.

- Due to the difference in the size of the systems, the current duties of the 2 assistant CFOs officers are somewhat different. ACS's assistant CFO performs a variety of duties that in BCS are completed by other staff members. Nonetheless, similar to the CFO positions, only 1 assistant CFO would be needed in the consolidated system.

- The actual workloads associated with processing employee payrolls based on the processes currently followed would not be impacted by a consolidation. However, a reduction would be realized due to only single monthly, quarterly, and annual reports would having to be produced. After combining staff and assigning duties appropriately 1 of the 7 positions currently responsible for payroll work could be eliminated.

- The benefits position currently staffed in the ACS finance department could possibly be eliminated. Benefits are not administered by the BCS finance department but are instead handled in the human resources department. In a consolidated system, the benefits functions should be placed within the human resource department. After consolidating, Prismatic believes that the 1 ACS position focused on benefits could be eliminated.

- With consolidation, the purchasing of supplies, materials, and services workloads, along with the associated accounts payable workloads would not be materially impacted. To support schools and departments obtaining supplies, materials, and services and the payments to vendors would need to be continued in a timely manner. Prismatic estimates that economies of scale from consolidation would eliminate 1 position in this area. Related to this area, BCS has implemented a purchasing card program that staff indicated was working well and providing some workload relief. At the time of the onsite work, ACS was also beginning the implementation of a purchasing card program.

Exhibit 5-30
Prismatic Recommended Staffing of Finance Department if There is Consolidation

Position Description	# of Positions		
	Current	Possible Reduction	Total After Reduction
Chief Financial Officer	2	1	1
Assistant Chief Financial Officer	2	1	1
Accounting	4		4
Payroll	7	1	6
Benefits	1	1	0
Purchasing and Accounts Payable	8	1	7
Cash and Accounts Receivable	2		2
Budget	2		2
System Manager	1		1
Internal Auditor	1		1
Executive Administrative Assistant	1		1
Total	**31**	**5**	**26**

Source: Prismatic Services

Chapter 6
Conclusions and Recommendations

Conclusions

As noted in Chapter 2, the research base is relatively thin regarding the potential for consolidation that results in large cost savings, for economies of scale at the size the combined ACS/BCS system would be, or that would lead to quickly improved student outcomes. The relevant research and experiences of those in recently consolidated NC school systems does not provide convincing evidence that consolidation would bring about large financial savings.

In short, there is nothing about the act of consolidation that guarantees any of these outcomes. As with many questions of restructuring of organizations, much would depend upon the specifics of implementation, as well as leadership during and after the consolidation.

Based on the work done for this project, Prismatic found several local factors relevant to considering the feasibility of ACS and BCS consolidation:

- student performance
- cost saving potential
- current levels of collaboration
- school system culture
- support for consolidation

One factor that could be a strong reason to recommend consolidation is whether either school system is currently facing a financial or other crisis. In such situations, consolidation would be a reasonable potential solution. Prismatic did not find either system to be in the midst of a crisis.

Student Performance

Among constituent groups, student success/well-being, education quality and course option improvements, and school life improvements were the top factors identified as most important in assessing the

potential for consolidation. Prismatic agrees that improving students' academic options and performance should be the primary factor in assessing the desirability of consolidation. Prismatic found no evidence that consolidation of ACS and BCS, by itself, would be likely to lead to those types of improved student outcomes.

Neither system is operating at a much higher level than the other – while in some cases ACS and BCS are outperforming state averages on EOCs, EOGs, and graduation rates, neither is far outpacing state averages or the other system. Both have disappointing current results with various student subgroups. Although both systems are making efforts to reduce achievement gaps, neither has yet demonstrated that it is on a certain path to success.

Cost Saving Potential

Frequent comments when discussing the possible positive impacts of consolidation among ACS/BCS constituents demonstrated the belief that large cost-savings could be found, mostly through eliminating "fluff" in various central office departments. For this reason, Prismatic undertook a department-by-department analysis to determine what would be a reasonable level of central office staffing in a consolidated system. **Overall, Prismatic did not find areas of excess central office staffing in either ACS or BCS.** Prismatic concluded that the likely savings in ACS/BCS central office staffing through consolidation would be only ~6%. As detailed in chapters 4 and 5 of the 392.4 central office positions, Prismatic identified 25 that could likely be eliminated in the consolidated system. Applying the total cost of salaries and benefits to the 25 positions, as well as that of 1 superintendent position, the most aggressive salary and benefits estimate results in ~$3.3M in annual savings. Based on the 2022-23 budgets, that would be a 0.80% reduction in overall expenditures.

Prismatic did not find excessing central office staffing.

As a check on Prismatic's department-by-department position analysis, Prismatic requested central office FTE data from several peer districts that are similar in ADM size to what a consolidated ACS/BCS system would be. Unfortunately, there are few NC systems in the range of 25k students and some did not respond to Prismatic requests for data. Compounding the challenge, NC does not require consistent position titles and reporting formats as some other states do. The compiled data from 3 NC districts that did respond to Prismatic's request are shown in Exhibit 6-1. As shown, there is considerable variance in central office staffing even between school systems with similar ADM, reflecting differences in local emphasis as well as classification. For example:

- Peer A has relatively few positions assigned to early childhood and more positions assigned to exceptional education, while the situation is reversed in Peer C. However, it is possible that both classifications are primarily focused on serving the needs of exceptional PreK students.

- Peer C has a number of parent liaisons including in its outreach/engagement/PR total, while the other 2 peers do not appear to have similar positions.

- Peer C has multiple students support positions for speech language pathologists that in other systems may be contracted out and therefore not included in the "central office" headcount or may instead be counted as "school-based" positions.

Exhibit 6-1
Central Office Staffing in Selected Peers

	Peer A	Peer B	Peer C
ADM	~22,000	~23,350	~24,800
Local PPE	$2,454	$2,197	$4,103
Central Office Staffing	**179**	**306**	**352.5**

Source: Peer NC school systems in response to a Prismatic request and Prismatic tabulation, 2024.

Central office staffing can vary widely due to factors not related to efficiency.

Based on these admittedly rough comparative data and recognizing that peer comparisons should be a data point in organizational analysis rather than a hard defining line, Prismatic's concluded that a consolidated ACS/BCS central office of ~367 positions is roughly on par with some of its peers.

In the event of consolidation, it would be logical to create 1 central office in the current, expansive BCS central office. The ACS central office building could then be repurposed or removed from school system inventory. This would create some 1-time savings or revenues and also reduce some ongoing facility maintenance expenses.

Some school-level staff savings could be achieved if the consolidated system adopted teacher staffing levels consistent with the current BCS patterns rather than those of ACS. Currently, ACS has generally lower class sizes than BCS, so moving to BCS staffing ratios would reduce the number of teacher positions. However, this would only end up reducing staffing in the 8 former ACS schools. Moreover, it would be difficult to reach exactly the same class sizes across the schools, unless the new system undertook substantial realignments of attendance boundaries or closed multiple neighboring schools. For example, ACS has a current K-5 class size average of 15.3 while in BCS the average is 18.5. In 2023-24, ACS's Ira B. Jones Elementary had 349 students. Applying the average class size of 15.3, the school would have roughly 23 classrooms. Applying the average class size of 18.5, the school would have roughly 19 classrooms. However, that reduction of 4 classrooms would only be possible if the distribution of students by grade worked out perfectly. In 2023-24, the average class sizes at Ira B. Jones reflected this difficulty: Kindergarten was an average of 15 students, Grade 1 was 14, Grade 2 was 16, Grade 3 was 14, Grade 4 was 18, and Grade 5 was 16.

Against those savings would be both 1-time and some ongoing increased expenses. In the short term after a consolidation, there would likely be additional expenses associated with the implementation. A NC superintendent who led 2 school system mergers noted that:

- There is always a tendency to allow many staff to remain in the system and to let natural attrition reduce headcount. In 1 NC consolidation, the merging of 3 systems resulted in 1 of the superintendents being selected to lead the new systems. The other 2 were retained as deputy superintendents while they looked for new positions in other systems. Eventually, they moved on and the deputy superintendent positions were eliminated or reconfigured.

- The systems incurred expenses hiring consulting and legal firms to assist with various consolidation issues.

- The merger can reasonably be expected to take 2 years. During that time, staff serve on various committees to address specific consolidation issues, reducing the time they have to work on core functional areas and improving student outcomes.

Then, there would likely be increases in salaries for some positions, in order to reflect the relatively greater responsibility associated with leading a larger system. Typically, leaders in larger school systems command higher salaries than those in smaller ones. This is generally true of current NC superintendent salaries. Looking at the salaries of NC superintendents of systems with 3k to 30k students, the salary of the superintendent of the new system would likely be an increase of 2.49% over that of the current BCS superintendent. Additional subordinate leadership positions under the superintendent would likely also require salary increases. Prismatic estimated that central salary increases due to the increased size of the new system would likely not exceed $50k per year.

A larger financial concern would be the loss of state funding for a central office and base funding provided at the school system level. As detailed in Chapter 5, if ACS and BCS are consolidated, after a 2-year hold harmless period, the new system would lose ~$0.5M in state funding allocated at the system level.

An even larger financial concern would be the likely costs associated with adjusting inconsistencies between the salaries and supplements paid by ACS and BCS. A consolidated system would most probably adopt a consistent approach to salaries and supplements for various positions; it would be difficult to retain staff in a position if, because they were previously employed by ACS or BCS, they were now earning less than others in a similar position in the new system. The most likely outcome would be a shifting of salaries and supplements to the higher of the

Consolidation would require some transition expenses, result in some loss of state funding, and require a consistent approach to salaries and salary supplements.

Of these, the largest impact would be *how* salaries and salary supplements would be adjusted. The result would most likely be an increased cost.

current ACS/BCS options at the position level. For example, if position A was paid at a higher level in ACS than in BCS, the ACS rate would be adopted. Then, if position B was paid at a higher level in BCS than in ACS, the BCS rate would be adopted. The net result would be overall higher salary expenditures in the new system than in either the current ACS or BCS. As salaries are the largest part of the ACS/BCS budgets, this adjustment work could have a substantial impact on the new system budget. A NC superintendent who led 2 consolidations found that the savings from eliminating central office duplicative positions paled in comparison to the cost of leveling up the salaries. Developing the specifics as to how salaries would be leveled up in the new system required the superintendent to retain a consulting company to complete a detailed salary study. In 1 consolidation, the salary scale and supplement adjustments were so large that it took 2 years to complete implementation, which caused a fair amount of staff dissatisfaction.

Current Levels of Collaboration

There is little interaction between ACS and BCS currently. In the area of instructional programming, except for a joint project to introduce CTE careers to grade 5 students and a migrant education program that serves students in both systems, there is minimal collaboration. Based on staff interviews, this extends to the student level – there are students who move between ACS and BCS, but staff rarely communicates about them. Prismatic found some additional collaboration in the facilities and transportation functions. The Prismatic team included multiple former NC school system administrators with experience working in counties with multiple school systems. They reported that their working experiences in those other multi-system areas were generally far more collaborative and mutually supportive than they found in Buncombe County.

Prismatic found little regular collaboration between ACS and BCS.

In interviews, some BCS staff indicated that they perceive BCS as superior to ACS. Some BCS staff implied that ACS students would be “saved” or “rescued” if the systems merged. Those opinions were not shared by ACS staff. Some staff in ACS and BCS described day-to-day planning, operations, and management that essentially ignored the existence of the other system. Some BCS staff expressed beliefs that partnering with ACS on projects could dilute the quality. There is some tendency among the staff in each system to believe rumors and disgruntled employees who “district hop.” These staff attitudes were additional indicators that ACS and BCS rarely collaborate.

This lack of collaboration extends to the leadership levels. The 2 systems do not meet to discuss strategic priorities they might have in common, given their geographic proximity, similar student and workforce demographics, and/or identical primary funding source in Buncombe County. ACS and BCS do not meet prior to annual budget hearings to

discuss their appeals to the county for funding. Leaders of school systems in Cabarrus, Catawba, and Surry indicated to Prismatic that there was at least some coordination in discussing county budget requests each year.

Culture

Concerns over differing "cultures" were raised in interviews, community focus groups, community forums, and constituent surveys. Various constituents defined "culture" in different ways:

- *ACS is primarily an urban environment that serves city kids while BCS is a primarily a rural environment that serves rural students.*
- *ACS serves a more diverse student population than does BCS* (see chapter 1 for relevant demographics).
- *ACS is more tolerant of poor student behavior while BCS is less tolerant.*
- *ACS embraces student diversity (including race, gender, and sexual orientation) while BCS is at best tolerant.*
- *ACS was described as being more broadly equity-focused than BCS – sometimes this was framed using "liberal" and "conservative."*
- *ACS is a poorly managed system while BCS is responsibly managed.*
- Some staff members felt that differences in ACS and BCS cultures were not due to the organizations themselves or their leadership. Rather, they felt the differences were more a result of the cultural differences between the City of Asheville, which is viewed locally as an urban environment, and Buncombe County, which is viewed locally as a rural environment.

"Culture" was frequently cited by constituents as an area of concern and difference between ACS and BCS.

Prismatic did not find that any of these cultural definitions were completely true of either system. Moreover, these perceptions of differences were usually offered without accompanying quantifiable data. What was verifiable was that many constituents perceived the 2 systems to be different.

During interviews, focus groups, and forums for public input, ACS and BCS leaders spoke positively of the cultures of their own system, the uniqueness of each system, and a unanimous desire to sustain their long histories. Of note, neither ACS nor BCS expressed desires for their system to become more like the other in any substantive way.

Key to the comments and assertions revealing their pride, ACS leaders spoke of "a culture of family" that students, their parents and guardians,

and the ACS faculty and staff experience because of their size. ACS has considerable pride in its smallness. ACS leaders feel that all students and employees come to be known by their names instead of student numbers or employee identification badges. They feel that the ability to focus on the needs of individual students is easier whenever the student population is small, and that more individualized instruction can be provided immediately as opposed to resorting to "one size fits all."

On the other hand, BCS leaders spoke of the uniqueness that is inherent in each of its current 6 attendance zones. BCS leaders pointed to the positivity of their employees and their cohesiveness, despite the system's larger student population and geography. BCS leaders noted that recent state surveys found that employee satisfaction grew over the past 2 years from 80% to 91%.

Support for Consolidation

There is little local appetite for consolidation. While constituents frequently approached conversations on the topic with an open mind, they wanted to know specifics of what a consolidated system would like look and whether there was strong evidence that consolidation would lead to improved student outcomes or financial standing.

There is little local support for consolidation.

Constituents favored efforts to improve students' education options and outcomes over saving money.

Among those who voiced support for consolidation, it was generally phrased as "things are not great now, so trying something new might work." Others expressed support for consolidation because the historical leadership turnover problems in ACS and persistent achievement gaps were felt to be insurmountable challenges.

Recommendations

Primary Recommendation - Consolidation

Based on the aforementioned local factors, the current status of each school system, and the likely enrollment and demographic trends in the next 5-10 years detailed in Chapter 4, **Prismatic does not recommend consolidation of ACS and BCS.**

Prismatic does not recommend consolidation.

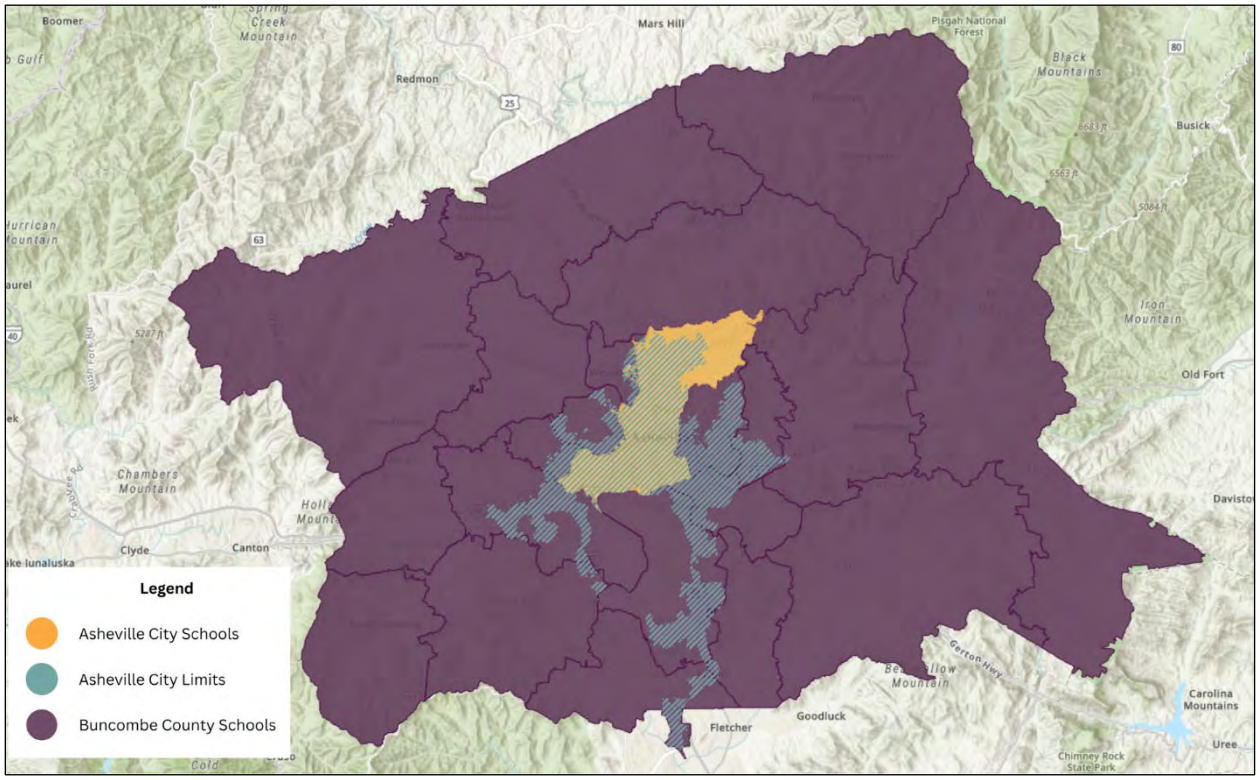
Other Recommendations

Beyond the question of the feasibility of consolidation, Prismatic identified several areas that touch upon current ACS or BCS challenges that could be addressed through consolidation but would be better addressed by the county or the individual school systems. These include school system boundaries, the paucity of shared services and collaboration, and excess facilities capacity.

Boundaries

As is well-known to many county residents, the boundaries of ACS and those of the City of Asheville are not the same (Exhibit 6-2). There are a number of areas within city limits that are not within ACS limits.

Exhibit 6-2
ACS and City of Asheville Boundaries



Source: Buncombe County and Prismatic.

This causes a fair amount of confusion among residents. Some believe that they pay extra taxes for ACS if they live within city limits even if they are not zoned to attend ACS. Others complained that their children transit past a school they would like to attend but cannot because it is in the other system. Among the "border" areas, there are both ACS and BCS schools that are underutilized; closing 1 of the 2 schools would be a logical choice if all of the associated residents were zoned for 1 school system.

When queried as to how the strange border lines came to be drawn, some interviewees stated they believed that at some point in history, some residents were given a choice as to whether they wanted their house to be zoned for ACS or BCS and those choices have remained in effect even when houses have changed hands. As 1 local official noted, the current ACS/city boundary overlaps "look like Swiss cheese." For example, a housing development with 20 houses might have 16 zoned for

ACS and 4 zoned for BCS. The current result is that the population of city is ~94k, but the population zoned for ACS is only ~43k.

The lack of coterminous ACS/city boundaries is not unique in the state. Prismatic found some boundary discrepancies between city limits and each of these systems:

- Hickory City Schools
- Kannapolis City Schools
- Mooresville Graded City Schools
- Mt. Airy City Schools
- Newton-Conover City Schools
- Roanoke Rapids Schools
- Thomasville City Schools
- Weldon Coty Schools
- Whiteville City Schools

State law allows for flexibility in drawing school system lines that may not perfectly align with municipal borders. However, that does not mean it should be considered a best practice.

Prismatic recommends that Buncombe County and the City of Asheville work to develop either ACS boundaries that are coterminous with city limits or to promote policies to allow families in the city to choose which system they would like for their students to attend. The 1st option may require state legislative intervention. The 2nd option would recognize that these families likely should not be assumed to be zoned for BCS, that the current tuition practices should be revisited for them, and that families may move to the city because they want to attend ACS but only afterward discover that the boundary lines do not coincide.

Shared Services

Prismatic contacted multiple superintendents in other school systems that are similarly situated, as 1 of multiple systems within a NC county. In addition to the shared bus garage setup that ACS and BCS already have, they provided examples of shared services among the systems in their counties, including:

- The Cabarrus and Kannapolis systems have a maintenance MOU for larger capital projects. They also share activity bus services.

- In Catawba County each of the 3 systems operates a shared program. The Catawba system manages the joint bus garage. The Hickory system operates a high school magnet program that is open to all county students. The Newton-Conover program operates a PreK school for all county students with special needs.

- In Columbus County, the 2 systems operate under 1 transportation office, with 1 transportation director.
- In Davidson County, the Davidson system allows enrollment from the other 2 systems into its early college, career academy, and a school for students with severe disabilities.
- In Surry County, the entire transportation function is operated by the Surry system for all 3 systems. There is 1 transportation director.

Prismatic recommends that ACS and BCS initiate a series of conversations around the potential for greater shared services, beginning with child nutrition, transportation, and facilities maintenance. Prismatic further recommends that Buncombe County require ACS and BCS to meet at least quarterly to discuss common areas of strategic importance, including annual budget development.

Facilities

Looking at enrollment projections, both ACS and BCS are facing level enrollment for the future, at best. At the same time, they have underused facilities – both have substantially more facility capacity than they need now or in the near future. Unfortunately, continuing to maintain facilities it is unlikely to need creates multiple additional cost burdens on a school system. There are real costs in terms of facilities maintenance, scheduled systems repairs, and regular renovations. There are real costs related to various types of staffing that are provided at the "1 per" school level, as well as staffing costs that result when class sizes become low, but there simply are no other students in the attendance zone of the underutilized school. There are opportunity costs in terms of what is not made available to students in terms of remediation or enrichment opportunities because there is no money left after paying for unused capacity. There are opportunity costs in terms of what the system can offer for staff salaries and supports.

Prismatic recommends that ACS and BCS each review options for rightsizing their facilities inventories and implement at least some school closures.