

On February 21, 2011, First Baptist Church of Memphis hosted a Community Forum on School Consolidation Issues: "The Pros and Cons of Merging the Memphis City and Shelby County School Systems." The forum was moderated by congregants Betty Winter and Ross Feaster. Panelists included Jackson Baker, Senior Editor of The Memphis Flyer; Ryan Tracy, Memphis Organizer with Stand for Children; and Steve Mulroy, Shelby County Commissioner and U of M Law Professor. (Bios for all presenters can be found at the end of this document.)

I. Where We Are And How We Got Here

The Forum began with a brief description of "Where We Are And How We Got Here." The panel explained that the School Charter Surrender Referendum scheduled for March 8, 2011, was specifically triggered by the Memphis School Board's December 20, 2010, decision to surrender its charter, led by Tomeka Hart and Martavius Jones. This surrender was purportedly in response to comments made by Shelby County School Board President David Pickler, following the November election, that Shelby County would begin efforts to obtain special school district status for one or more of its municipalities from the newly Republican-dominated state legislature. It is not clear from an historical perspective whether Shelby County's desire to seek special school districts originally began as a result of consolidation talk by The City of Memphis, or the SSD issue caused the consolidation talk itself.

Next, the discussion turned to questions that had been submitted either in advance through the church's website, or submitted in writing prior to the event getting underway.

II. Possible Cons of Consolidating -- Lost Jobs, Funding; Transition Costs

The first questions that were asked dealt with the possible negative consequences of consolidating the two school systems, including lost jobs or benefits.

- I am a retired Memphis City Schools teacher. What will happen to my retirement and medical benefits if the Referendum passes? According to the panel, state law protects these benefits, and consolidation would not jeopardize their guarantee.
- I have heard that all MCS "non-teacher" employees will lose their jobs immediately if consolidation occurs, and will have to be re-hired by SCS. Is that true?
- Would jobs be lost either by Memphis City Schools or Shelby County Schools?
- What would happen to MCS labor unions? According to the panel, contracts will have to be redrawn and rehiring will indeed have to take place if the systems are merged. Union agreements would have to be redrawn, as well. Although nothing guarantees that each and every individual will keep his or her job, the same needs will exist for manpower on March 9th as they do today. As a new unified school board will be predominantly made up of Memphians, one can envision a proprietary interest held by those board members to make sure that the employees who work for their schools will keep their jobs.

Next, voters inquired about what would happen with regard to funding.

- If the Referendum passes, what will happen to the \$90 million deal with the Bill and Melinda Gates Foundation? Recognizing a very mild caveat, the panel cited an e-mail from The Gates

Foundation, dated January 21, 2011, wherein it assured The City of Memphis that it remains committed to the city and its students. The mild caveat was a logical proviso that the unified system must of course remain committed to effective teaching.

- Would the school children of Memphis simply lose the \$78 million they currently receive from Memphis City taxes? The panelists conceded that there is no 100% answer to this question. However, even prior to the rise of these issues, a majority of the County Commission were in favor of single source funding.
- What is Single Source Funding? Single source funding would be a system in which Shelby County pays for the education of all of its students equally. Thus, the tax obligation currently held by Memphis City residents alone would be distributed throughout the entire county.
- Does Memphis stand to lose *state* tax dollars if the systems merge? Or if they do not merge, and SDSs are created? The simple answer was No. The State is required to provide funding for all Title 1 schools, and that would remain true even if merger occurred. Race to the Top money would also be preserved.

Other questions inquired about the logistics and costs of actual consolidation – specifically, standardization of curriculum, study materials, and technology.

- Does anyone know what those costs would be, do we have a plan for paying for them, and could they be spread out over time? The panel did not list any specific costs that would be incurred or set forth a plan to pay for them but confirmed that transition would not be overnight, allowing all changes to be gradual. The costs associated with any changes would of course be dependent upon the current contracts in place for each item, as well as new contracts to be entered into.

III. Other Possible Cons -- Raised Taxes

Understandably, many expressed concern about what would happen to their own taxes if the Referendum were to pass.

- It is my understanding from the SCS website that taxes have gone up with the consolidation of every large system in Tennessee. Should we expect ours to go up, too? According to Mr. Mulroy, the tax responsibility borne by Shelby County residents will likely go up, while the monies paid by Memphis City residents will go down.
- Will Memphians automatically be relieved of the extra school taxes it currently pays for the MCS system if consolidation goes through, or could those taxes simply be applied to something else, so that we would still be paying twice? There is no guarantee on this issue, although the most likely result is that Single Source Funding will be adopted by the County Commission and the responsibility shared by both the City and the County. The panel did not indicate whether the Memphis City Council could or would decide to require Memphians to continue paying the \$78 million per year, and simply apply those funds to another expenditure.
- What specific consequences should the owner of a \$150,000 home expect, whether he or she lives in Shelby County or within the City of Memphis, and whether the Referendum passes or not? The panel advised that it is difficult to predict exactly what changes in property taxes would be. However, according to estimates noted by Mr. Mulroy, consolidation would likely result in an increase of the Shelby County homeowner's annual tax bill of something just under than \$380. The Memphis City

homeowner's bill would likely decreased by the same amount. If consolidation fails, The Memphis City homeowner's bill would remain the same, as would the Shelby County homeowners -- unless he or she began having to pay for municipal taxes levied to support a new special school district.

- What changes should be expected with regard to property values? The panel made clear that there is no way to predict what, if anything, would happen to property values. Yes, there exists the possibility that, if consolidation occurs, additional "white flight" would follow, and property values within the city might decrease. However, there also exists the possibility that, if a unified school system is developed that improves the education of all children in Shelby County, property values throughout the county might increase.
- How would current per-pupil spending in each system be affected? Currently, Memphis City Schools spends approximately \$10,000 per year on each of its students, some of which it receives from national funding to help pay for increased costs associated with its larger population of children with special needs, children for whom English is a second language, etc. Shelby County Schools currently spends approximately \$8,000 per year. If merger were to occur, the higher cost of educating children within the City of Memphis would likely be spread throughout the county, resulting in an average cost somewhere between those two figures.

IV. Other Possible Cons -- Changes To Curricula, Extra-Curricular Activities

Next, there were questions about the possible implications for curricula and extra-curricular activities in both systems.

- It is my understanding from comments made by a Shelby County Schools official that unification of the systems would result in an end to the optional programs and CLUE programs. My child would be lost without CLUE. How can they just refuse to educate part of the student population?
- Should Memphians fear losing middle school sports, their successful arts program, or early exposure to foreign language?
- Who would decide which athletic, arts and foreign language programs remain in a consolidated system? As with the issues of taxation and funding, these issues are simply too speculative. The answers depend upon who will make up the Board or Administration that ultimately becomes the decisionmaker. However, Mr. Mulroy professed a belief that Shelby County Schools will not have unilateral authority to change what is currently available to and valued by Memphis City Schools. All panelists agreed that neighborhood schools are likely to remain the norm, but it was suggested that more charter schools may be in store, as this is a part of Governor Haslam's agenda.

V. Specific Effects On Student Performance

Some wanted an answer to the very basic question - why would this be good or bad for our students.

- Why does Memphis want to consolidate with Shelby County? Wouldn't we be better off concentrating on our own system? The answer here seemed clear: Money. Memphians should be worried about losing funding if Shelby County municipalities seek special school district status and no longer have to help pay for our schools.
- Since a study conducted by Rhodes in 2001 showed that consolidation in Knoxville & Chattanooga caused lower than average test scores in both systems, shouldn't we expect even greater

scholastic consequences here, since this will be a case of a smaller system absorbing a much larger one? Again, the panelists conceded that this would be the likely result. However, it is unlikely that the correlation is one of cause and effect -- rather one explained by the law of averages. If you combine the scores of a higher-graded school with a lower-graded school, the higher average will obviously be lowered. Moreover, studies by the Ananburg Foundation, Education Weekly, and even the Chattanooga Free Press showed that there was actually an improvement in the scores following consolidation in Knoxville and Nashville.

- What practical effect, if any, would consolidation have on the educational opportunities afforded a minority child living in Orange Mound? Protected funding, as well as whatever value may be gained by a more democratic view of equal education for all, regardless of where a student lives.
- What does Shelby County have to gain from consolidation other than higher taxes, especially if its grades are already higher? The candid answer from the panel was "Maybe nothing." Although the democratic ideals of equal education for all is something that should be considered, there may be no immediate tangible benefit for those within the County. However, the panelists reiterated that it is not the County's decision, it is the City's. And in so deciding, the City would essentially be reverting to the situation existing in 88 out of 95 counties in Tennessee -- to the way things were in Memphis prior to its attempt to wall itself off from the less-affluent parts of Shelby County more than 100 years ago.

VI. Possible Pro of Consolidating -- Insulating Memphis from effects of SSDs

On the other side, there were also questions about the possible consequences of NOT consolidating.

- What happens if the systems don't merge and Shelby County Schools are granted Special School District status, with taxing authority? Would the current funding mechanism AND formula for City Schools change - would the City lose funding? The panel noted, first, that Shelby County officials have recently indicated that they will not be asking for taxing authority, even if they do seek SSD status. However, if this situation did occur, Memphis would be faced with what happened to the City of Humboldt in Gibson County. Pursuant to state law, if every child in the county is covered by a special school district, the county no longer has any obligation to fund education for the county. Thus, Shelby County would not have to share in the costs of educating the children of Memphis, and Memphians would be paying to educate 70% of the children in the county, with taxes derived from only 60% of the property value in the county. Taxes would go down in the County, but Memphians would experience a tax hike of at least 15-20%.
- What is meant when people talk about district boundaries being permanently frozen by future special school districts and Memphis being landlocked? As things stand right now, when Memphis annexes and takes in land from its reserves in the county, the annexed area becomes part of the Memphis City School District. However, if SSDs were created in Shelby County, that creation would result in the boundaries of the Memphis City School District being frozen. This would remain true, even if the City annexed additional lands in the future. The annexed land would be part of The City of Memphis but not part of the Memphis City School District. Moreover, a freeze of these boundaries would also forevermore prevent merger between the two systems.
- If consolidation fails, who should we expect to seek Special School District Status? Will this be a choice for each municipality? If so, what is the likelihood that any of those municipalities will be able to afford doing so? This would be a choice for each municipality. Currently, it appears that Germantown could afford to do this, as could Collierville, and, according to its mayor, Bartlett, too. There could also be an SSD formed with any combination of 2 or more of these municipalities. The legislature would, however, have to approve any increased tax rate proposed as a part of that process.

- Can't SSDs be obtained, even if consolidation passes? As such, won't the system that is currently MCS be the same poverty-stricken system that it is now? If so, what would be the actual advantage of merging? It would prevent the Gibson County situation set forth above.
- What if I like the issue consolidation, but surrender of the charter makes me nervous? Can those two issues be separated? Not at this point.
- If I vote yes on this Referendum, will I be pushing The City of Memphis toward inevitable government consolidation with Shelby County? No. There is no connection between the two processes. As an example, Knoxville has a consolidated school system, but is not consolidated with the county government.

VII. Comparison of the Two Current Systems

Questions were asked concerning about the true strengths and weaknesses of both school systems.

- Is Memphis really one of the worst school systems in the country? If not, what are we / have we been doing right? What do we need to do to make it better?
- Please comment on the successes and failures of both school systems.
- Can you please explain some of the relevant grading systems that have been used to rate the two systems? The panelists agreed across the board that no, Memphis is not one of the worst systems in the country, even if its current scores may be among the worst. However, there is lots of room for improvement, as there is in New Orleans, New York City, Chicago, and in parts of Arizona. The problem is that Tennessee has been grading students no the lowest part of the national bar -- we need to aim higher. There is only actually a 10% difference in the grade received by Shelby County Schools and that of Memphis City Schools: Memphis received a 45 out of 100, which was considered an "F," but Shelby County only received a 55, that was considered an "A." Voters were encouraged to look at the Tennessee Department of Education website for further information.

VIII. Legal Issues

Finally, there were many questions asked concerning the possible legal battles on the horizon and the general uncertainty associated with consolidation.

- My son only has two more years of high school in MCS. He is on an optional transfer. I am angry and afraid to vote for the merger when no plan of action or time table is in place. I do not want his last two years to be chaos and disruption and the chance of switching schools. How can I possibly make an informed decision when all the cards are not on the table? The panel agreed that these concerns are valid. In fact, Mr. Mulroy finds himself in the same situation, with his daughter having only 2 more years left in MCS, and his son, five. They are both in optional programs, as well. Obviously, there will be a period of transition, but there should not be any overnight chaos. Homework will still be due, detention will still have to be served, and our children's daily school experience will probably go on, largely unchanged, throughout the rest of this school year. To be sure, no final decisions will be made without approval by a unified school board.
- I have heard that there are three proposed plans for consolidation should it occur -- the City Council's, the County Commission's, and that of the Norris-Todd legislation. What do each of these plans entail?

- First, the City Council attempted to authorize the mayor to contract with the Shelby County School System in managing the city schools for the immediate future. However, this is not likely to be the tract chosen for transition, as it is not even clear that Shelby County would be willing to work with Mayor Wharton in that way.
- The second possible tract is that set forth by the Norris-Todd legislation. Pursuant to that new law, the transition would be required to take 2 ½ years, and would be executed by an overwhelmingly suburban, and Republican, contingent. Appointments would be granted to the Memphis City School Board, the Shelby County School Board, the County Mayor, the Governor, the Speaker of the House, and the Speaker of the Senate. There is no requirement that any of those individuals be from the City of Memphis. At the end of the 2 ½-year transition period, the system would be run by a unified school board.
- The third is that proposed by the County Commission. Pursuant to their authority under state law to redistrict, they intend to appoint a unified school board, consisting of the 7 current members of the county school board, with 18 additional members appointed from the City of Memphis. That board would itself oversee a 1 ½ year transition period.
- What is the so-called “Chancellor” Plan? The Chancellor plan appears to be the redistricting plan preferred by nearly everyone involved in this process, both within the City of Memphis and within Shelby County. Pursuant to this plan, the unified system would be divided into 4 or 5 subdistricts of 40-50,000 students each, which has been found to be the optimal size of a district. Those subdistricts would each be run by its own superintendent, who would all report to one chancellor and one unified school board.
- Is there any remote possibility that the new gigantic school system would be composed of a single district? Yes, it is possible. However, as indicated above, the prevailing consensus seems to be that a Chancellor model would much better serve the needs of the students and the community.
- Based upon the apparent enmity between Shelby County and The City of Memphis, is it possible that the state would come in and take over the system? Yes, that is a possibility, too -- but a very remote one. No one, either the County or the City, wants this. Moreover, the state simply does not have the manpower to take on the task.
- What authorizes the County Commission to turn the Shelby County School Board into a countywide school board to 18 new appointees from the City of Memphis, in addition to the already existing 7 board members? Because Memphis is a charter city, it has adopted private acts as its own ordinances, one setting forth the way the school board is to be composed. Because it is an ordinance, the County Commission can amend it. The Commission has chosen to add 18 new appointees to make sure that 1 person - 1 vote is preserved, without having to oust anyone who serves in an elected position, which would itself violate state law. The original 7 board members could not simply be moved to another area of representation, because state law requires the members to live in the area that they represent. So, the 18 new appointees will be added to reflect the fact that Memphis is approximately 3 times larger than the rest of the county.
- Is anyone going to challenge the applicability of the Norris-Todd legislation to the surrender of Memphis’ charter, since surrender was effected prior to the legislation being signed by the governor – or has that argument been abandoned? The panel does not believe that this argument has been abandoned. It is fully expected that challenges will be raised to the legislation’s constitutionality on the basis that it is an invalid *ex post facto* law.

- In *Brown v. Board of Education*, the Supreme Court ruled that separate but equal is not valid under the law. What, if any, applicability does that ruling have to our current situation and particularly to the SCS attempts to establish a special school district? It is entirely possible that the Brown decision will have no applicability at all to the situation. Potentially, however, that decision could be triggered, if resegregation occurs through the creation of special school districts.

Panelist Bios

Jackson Baker, Senior Editor of *The Memphis Flyer*

Jackson Baker, Senior Editor of *The Memphis Flyer*, is also a contributing editor of the *Tennessee Journal*, and a contributor to *Memphis* magazine. His primary concerns are political coverage and general news, with other duties including editorials, op-ed contributions, and the paper's online edition. He has worked as a reporter for the *Arkansas Gazette* and as an aide in the U.S. House of Representatives in Washington, D.C. He was a panelist on the WKNO-TV series *Informed Sources* and an assistant professor of English at the University of Memphis. A frequent TV commentator, he has also written for such periodicals as *Time Magazine*, the *New York Times*, *The Washington Monthly*, and *Salon.com*. Jackson has won numerous journalism awards, including four first-place Green Eyeshade Awards from the Society for Professional Journalists. He is married and has four children and two grandchildren. He lives in Memphis, close to the city's nexus with Arlington and Lakeland.

Ryan Tracy, Memphis Organizer with Stand for Children

Ryan Tracy is a Memphis Organizer with Stand for Children, a grassroots organization with the mission of teaching people how to join together in an effective voice to win concrete, long-lasting improvements for children, at both state and local levels. Ryan received a bachelor's degree in communication art from Georgetown College in Georgetown, Kentucky; a master of divinity degree in education and leadership from Mercer University in Atlanta; and a master of theology degree from Princeton Theological Seminary in Princeton, N.J. He is also a graduate of The Leadership Academy in Memphis. A minister for more than nine years, Ryan has organized two youth groups, one in inner-city Atlanta and the other in Memphis, and has been an associate minister of a church of more than 1,200 congregants. In 2009, Ryan left the church and joined Stand for Children in order to learn from parents and educators, and to empower people through civic involvement to persuade elected officials that children's education must be a priority.

Steve Mulroy, Shelby County Commissioner and U of M Law Professor

Steve Mulroy is a Shelby County Commissioner, currently serving his second 4-year term in that position. He is also a tenured professor at the University of Memphis law school, where he teaches Civil Rights, Constitutional Law, Criminal Law, and Criminal Procedure. He received his B.A. from Cornell University and his law degree from William & Mary, and has previously worked as a federal prosecutor and as a civil rights lawyer for the Justice Department. Since becoming a Commissioner, Steve has focused his efforts on election reform in Shelby County, resulting in his receipt of the 2009 "Democracy Innovator" award from Fairvote, a national, Washington-based, election reform organization. He is on the board of the Memphis Bar Association and the Community Legal Center, a group providing free legal services to working-class persons. In 2009, he was named Tennessee's Big Brother Of The Year, and last year, he led the fight to save Libertyland amusement park's old Zippin Pippin rollercoaster, resulting in its move to Bay Beach Amusement Park in Green Bay, Wisconsin. Steve and his law school sweetheart, Amy, have two children, who both attend public school in Memphis.