

From: JOE & ANN CIULLA <joeciulla@bellsouth.net>
Subject: **Formal Complaint Regarding Wake County School Board Election**
Date: September 18, 2009 11:15:05 PM EDT
To: elections.sboe@ncsbe.gov, elections.sboe@ncsbe.gov, don.wright@ncsbe.gov
Cc: Keung Hui <keung.hui@newsobserver.com>

Re: Wake Education Partnership 501(c)(3). U.S.. Federal Tax ID 581518182

I am requesting that a formal complaint be opened regarding an email bulletin called "In Context" which was distributed by Wake Ed Partnership on 9/17/2009.

Following are the IRS statutes which I believe may have been violated:

"Under the Internal Revenue Code, all section 501(c)(3) organizations are absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office. Contributions to political campaign funds or public statements of position (verbal or written) made on behalf of the organization in favor of or in opposition to any candidate for public office clearly violate the prohibition against political campaign activity. Violating this prohibition may result in denial or revocation of tax-exempt status and the imposition of certain excise taxes.

"Certain activities or expenditures may not be prohibited depending on the facts and circumstances. For example, certain voter education activities (including presenting public forums and publishing voter education guides) conducted in a non-partisan manner do not constitute prohibited political campaign activity. In addition, other activities intended to encourage people to participate in the electoral process, such as voter registration and get-out-the-vote drives, would not be prohibited political campaign activity if conducted in a non-partisan manner.

"On the other hand, voter education or registration activities with evidence of bias that (a) would favor one candidate over another; (b) oppose a candidate in some manner; or (c) have the effect of favoring a candidate or group of candidates, will constitute prohibited participation or intervention."

Following is the bulletin distributed by Wake Education Partnership. I have highlighted and footnoted statements which I believe to violate parts of the above IRS guidelines. Footnoted concerns follow the document..

Original Wake Education Partnership Document:



In Context

An independent review of Wake County public school issues for business leaders, elected officials and the education community.

Sept. 17, 2009

Facts, figures and school board politics

Differences among school board candidates have sharpened during the past few weeks as the Oct. 6 election draws closer. On some issues, there is no more sharpening to be done as the candidates have left themselves little or no wiggle room.

At a recent forum in District 1, for example, Rita Rakestraw made it clear she wants to largely maintain the school system's approach to school diversity while Chris Malone responded to the issue by saying "neighborhood schools, neighborhood schools, neighborhood schools. (1)"

But in some cases, the facts and figures behind the statements are getting a bit bent (or worse) on the way to a conclusion. For example:

Wake County spends too much on school construction: Wake County spends a lot on school construction, but several candidates keep suggesting the district could reduce costs if it just followed the example of Walkertown High School in Forsyth County.

Forsyth recently accepted bids totaling roughly \$30 million to build Walkertown High just outside Winston-Salem. By comparison, high schools here are approaching \$60 million to build. But that comparison leaves out a few important details.

Walkertown will be built for 1,400 students compared to a typical high school in Wake County built for 2,200. Forsyth school officials estimate they also saved about \$4.1 million by pricing the project in 2006 and bidding it in the current recession. And the system paid nothing for the land because they already use it for another school. Under the same conditions, Wake's costs probably wouldn't differ much.

Year-round schools either cost taxpayers money or save us \$500 million. Obviously both of these statements can't be true. And strictly speaking, neither is.

A year-round school saves money when it's fully enrolled and used 12 months a year. That is the case for most, but not all, of Wake's 51 multi-track schools. Because a year-round school can accommodate roughly 25 percent more students, every four schools used year-round saves taxpayers the cost of about one building.

Do the math and you come up with a savings of at least \$250 million to date. (2) To be fair, the candidates who support year-round schools have recently scaled back their savings estimates.

Wake's graduation rate for poor students is below the state average: This is true. Only 54.6 percent of Wake's low-income students scheduled to graduate in 2008-2009 actually received a diploma. The state average was 61.8 percent.

What the statement fails to address – beyond the fact that both rates are simply unacceptable – is that graduation rates for poor kids in virtually every large North Carolina school district lag behind the graduation rates of almost every small and rural district (3) . There are plenty of reasons this might be the case, none of which are easy to measure.

Compared to other metro districts, Wake's graduation rate for poor students is in the middle. It's a bit better than the rates of Charlotte and Durham and below that of Guilford and Forsyth. But no system in the state can claim bragging rights on this one.

Charlotte looks back on its changes

It's easy to understand why the public schools of Charlotte-Mecklenburg and Wake County are so often compared. They serve the state's two largest metro areas, enrollments there dwarf other school systems and there has always been a natural rivalry.

But Charlotte-Mecklenburg and Wake County set out on very different paths 10 years ago when the federal courts prohibited race-based assignments in Mecklenburg. Shortly afterward, Charlotte abandoned many of its efforts to diversify schools. Wake had already redefined diversity along lines of family income.

When people say "urban school" in Charlotte today, they typically mean a poor school. The reverse is true in the suburbs.

Mecklenburg County will also hold school board elections this fall. According to a recent story in the Charlotte Observer, one of the pressing questions the new board will face is whether to promote more diversity in schools or risk following the path of cities like Atlanta and Chicago (4).

There is still no obvious consensus on the issue in Charlotte. Some parents point to Wake's many successes compared to Mecklenburg students. Others echo the complaints of many suburban Wake families (5) who say diverse schools simply mask problems at the expense of stability.

The changes are obvious in Charlotte. The answer about what to do next has clearly eluded the school system.

Students post gains on AP exams

Somewhat lost in the tail end of the test score releases this year were some impressive students gains on the 2009 Advanced Placement exams. AP courses are considered among the most rigorous in high school, and students who do well on the AP exams can earn college credit at many universities.

The goal over time is to increase the number of students who take AP classes and exams without sacrificing overall academic gains. By those measures, Wake's students did well last year.

More students took the exams, more students took more than one exam, and the overall percentage of students scoring three or higher on a five-point scale increased. The number of students taking the exam during the past decade has more than doubled.

But participation in AP courses is uneven throughout the county, which means some students don't have access to the most rigorous classes. Budget cuts have made the problem worse this year because AP classes are often small. With fewer teachers,

	Students taking the exam	Number of exams taken	Score of 3 or higher	Average score
2007-2008	4,605	9,217	74.4%	3.30

many schools either eliminated AP classes or reduced how many times a class is offered.

2008-2009	4,849	9,800	76.1%	3.36
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Noteworthy...

... The last in a series of four school board candidate debates sponsored by local area chambers of commerce and Wake Education Partnership will be held Sept. 22 in Morrisville. For video coverage of previous debates, go to www.wakeedpartnership.org and click on "Candidate Debates" under the "Events" tab.

...Saying she made a mistake when she dropped out of the District 2 school board race, Carlene Lucas said she has received additional contributions and is again campaigning in southeast Wake. That makes it a four-person race, although it's unclear if her campaign will gain the traction it needs in the coming weeks..

...The Wake County school board selected Carolyn Morrison to fill the unexpired term of Beverley Clark, who resigned in August. Morrison had a long career in Wake schools as a principal, curriculum consultant and teacher. She recently retired after serving as the director of the Division of Education at Peace College.

... Conrad L. Hooper, a teacher who rose to lead the Raleigh school system through desegregation and the merger with Wake County schools, died Sept. 7. Hooper was superintendent of the former Raleigh City School System from 1966 until the city and county systems merged in 1976. He retired in 1979. He was among the leaders honored last year by the Partnership as part of the Partnership's 25th anniversary. An N&O article about him can be read [here](#).

...In response to criticism from the governor's office and others, Wake County school leaders stepped up their defense of how they are spending federal stimulus money. The district this week said stimulus money helped save or create 558 positions. The governor's office felt all the money should be used to maintain classroom teaching jobs from last year, but Wake and other school systems have said the money was too little and came far too late in the process.

Wake Education Partnership is a 501(c)(3) non-profit created in 1983 to support public schools, in part by educating the community on current school issues. Most of its financial support comes from local business. Send comments to Tim Simmons, VP Communications, at tsimmons@wakeedpartnership.org

End of Wake Education Partnership Document.

- (1) This statement implies that candidate Malone does not want to maintain diversity, which is untrue.
- (2) This statement is favorable to candidates which WEP prefers, and the statement itself is untrue. Actual enrollment and cost figures obtained from Wake County Schools demonstrate that the schools in question have caused a net cost increase to taxpayers, there have been no savings whatsoever.
- (3) This statement is a clear attempt to defend candidates supporting the current assignment policy, and brings up conditions which have never been mentioned by and of those candidates.
- (4) This statement is pure speculation, without supporting facts. The statement is intended to create concern among voters who would otherwise support candidates who are advocating for changes in policies.
- (5) This statement is pure speculation, and a clear attempt to minimize and localize citizen concerns to one part of the county. WEP has no survey data to measure where complaints come from, and is making a geographic assumption which favors status-quo candidates.

Summary:

Beyond the 5 specific statements identified, I believe that an independent review of this document would find that it is worded in a way which strongly favors candidates who support the current school policies. IRS guidelines state that WEP may be "prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office."

If this complaint also needs to be lodged with the IRS, I would appreciate any information you can provide on a proper contact point. I am also requesting that the NC State BoE evaluate this document for compliance to IRS guidelines since it directly affects an election in Wake County.

Best Regards,
Joe Ciulla

Note: I am filing this request as an individual voter, and not on behalf of any candidates or other organizations.