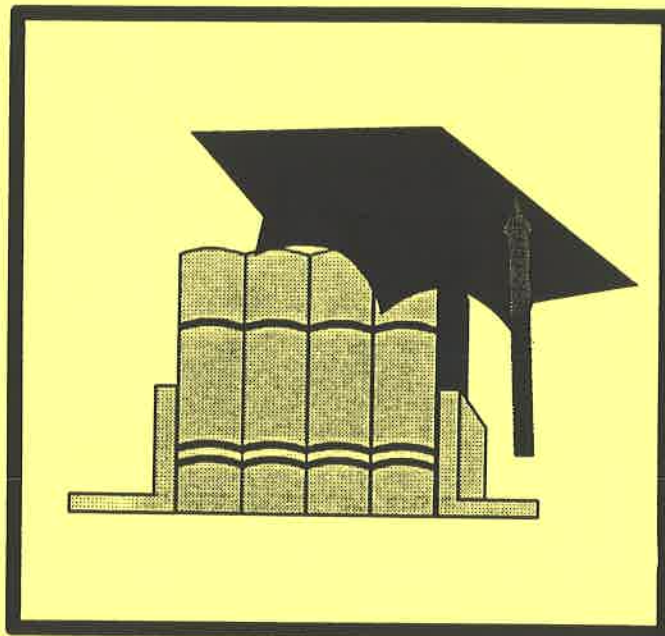


**JOINT LEGISLATIVE
EDUCATION OVERSIGHT COMMITTEE**



**REPORT TO THE
1993 GENERAL ASSEMBLY
OF NORTH CAROLINA**

1994 SESSION



May 19, 1994

TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE PRESIDENT
PRO TEMPORE OF THE SENATE, THE LIEUTENANT GOVERNOR, AND
MEMBERS OF THE 1994 SESSION OF THE 1993 GENERAL ASSEMBLY:

The Joint Legislative Education Oversight Committee. G.S. 120-70.80 et. seq., submits
for your consideration its report and recommendations to the 1994 Session of the 1993
General Assembly.

Respectfully submitted,



Senator Beverly Perdue
Co-Chair



Representative Anne Barnes
Co-Chair

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ACKNOWLEDGEMENTS

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JOINT LEGISLATIVE EDUCATION OVERSIGHT

COMMITTEE

REPORT AND RECOMMENDATIONS
TO THE 1993 GENERAL ASSEMBLY,
1994 SESSION

**Joint Legislative Education Oversight Committee
Report to the 1994 Session of the 1993 General Assembly**

I. COMMITTEE STRUCTURE AND PURPOSE

The Joint Legislative Education Oversight Committee was created during the 1990 regular session of the General Assembly. It is a permanent Committee; sixteen legislative members are appointed to two year terms, eight members from each of the two chambers.

The Committee's charge is to improve public education. It has authority to consider education issues ranging from kindergarten through higher education. Specifically, G.S. 120-70.81 directs the Committee to:

1. Study budgets, programs and policies of all education agencies; and aid in the development of integrated methods of institutional accountability;
2. Examine the Basic Education Program and the School Improvement and Accountability Act of 1989 to determine whether any changes need to be made in the implementation, policy goals and funding patterns;
3. Study out-of-state education initiatives to glean implications for North Carolina; and
4. Study any other educational matters necessary to fulfill the Committee's charge.

The Committee may make interim reports to the General Assembly which may include proposed legislation.

II. 1993-94 COMMITTEE ACTIVITIES

The Committee met November 3, and December 14, 1993, January 11, April 12, and April 14, 1994. The following mandated reports were heard by the Committee and are summarized in part III of this section.

1. May 1, 1993
Education Information Exchange
Joint Progress Report
(1991) Ch. 880 s. 5
2. May 1, 1993
Implementation of the School Improvement and Accountability Act
State Board of Education
(1989) Ch. 778 s. 8

- February 1, 1994
Student and School Performance Indicators
State Board of Education
(1993) Ch. 321, s. 144.2
3. March 1, 1993
Huskins Bill Issues
State Board of Community Colleges
(1991) Ch. 900, s. 82(b)
4. December 1, 1993
Educational Leadership Program Proposals
Board of Governors
(1993) Ch. 199
5. December 15, 1993
Extended Services
State Board of Education
(1993) Ch. 132
6. February 1, 1994
BEP Implementation and Benchmarks
State Board of Education
G.S. 115C-12(9)c
7. March 1, 1994
School Leadership Academy
Joint Committee of the SBE and BOG
(1993) Ch. 321, s. 86(f)
8. March 1, 1994
Standards Board for Public School Administrators
N.C. Public School Administrators Standards Board
(1993) Ch. 392, s. 3
9. March 1, 1994
Supply and Demand of School Administrators
Board of Governors
(1993) Ch. 199, s. 1
10. March 31, 1994
Lateral Entry for School Administrators
State Board of Education
(1993) Ch. 166, s. 2
11. April 1, 1994
Teacher Training Task Force
(1991) Ch. 971, s.4

12. March 1, 1994
Report on Teacher Academy Plan
Task Force on Teacher Staff Development
(1993) Ch. 321, s. 141(e)
13. Quarterly Report
N.C. Education Standards and Accountability Commission
(1993) Ch. 321, s. 39.3(d)
14. March 31, 1994
Special Responsibility of Constituent Institutions
Board of Governors
(1989) Ch. 936
15. April 1, 1994
Increase in Number of Credit Hours
Board Of Governors
(1993) Ch. 321, s. 89(a)

April 1, 1994
Surcharge for More than 140 Credit Hours
Board of Governors
(1993) Ch. 321, s. 89(b)
16. March 15, 1994
Educational Technologies
Commission on School Technology
(1993) Ch. 321, s. 135
17. Abolition of 57 DPI Positions
Department of Public Instruction
(1993) Ch. 321, s. 130
18. May 1, 1994
Low Wealth/Small School Supplemental Funding
State Board of Education
(1993) Ch. 321, s. 138(i), 138.1(d)

The Committee also heard a variety of other reports covering the following topics:

Testing and Assessment; Standard Course of Study; Public Education Fiscal Trends 1984-1994; Principal Fellows Program; Public School Staff Development Funds; Site-Based Management Task Force Report; Noncertified Personnel Salaries; and the Education Cabinet.

III. REPORTS RECEIVED BY THE COMMITTEE

The following statutory reports received by the committee are available for review along with the Committee minutes in the legislative library. Several of the shorter reports are found in Appendix.

1. Education Information Exchange

Chapter 880 of the 1991 Session Laws requires a joint report from the Board of Governors, the State Board of Education, the Community Colleges and the independent colleges on their progress in developing a system to provide an exchange of information between public universities, the community colleges, private universities and high schools to track student achievement after high school. Issues to be followed include: application to and enrollment in institutions of higher education; college performance, including the need for remedial work, performance in standard courses, and continued enrollment. The private colleges are allowed the option of whether or not to participate. The legislation also require:

The Department of Public Instruction shall generate and the local school administrative units shall use standardized transcripts in an automated format for applicants to higher education institutions. The standardized transcript shall include grade point average, class rank, end-of-course test scores, and uniform course information including course code, name, units earned toward graduation, and credits earned for admission from an institution of higher education. The grade point average and class rank shall be calculated by a standard method to be devised by the institutions of higher education.

The Committee heard a progress report on November 3, 1993 and received a written report on February 15, 1994. The November progress report showed that the public universities and community colleges are successfully implementing an exchange of information with public high schools. Dr. Hope Williams, representing the independent colleges, stated that those colleges were examining the issues involved in participating in the information exchange. She noted that because the independent colleges do not have a uniform technology system and because many of the independent colleges enrolled few students from a single high school participation would be challenging. In February, Dr. Williams reported that 84% of North Carolina high schools reported sending two or fewer students to a single independent college. As a result, the independent colleges are working on a pilot project of reporting to high schools with larger numbers of students at independent colleges. The independent colleges have appointed a committee on technology to study technology and cost issues and how to handle reports from institutions with two or fewer students from one high school.

Dr. Henry Johnson at the Department of Public Instruction and Dr. Gary Barnes at the University of North Carolina reported in February that the State Board of Education had approved standards for calculating the weighted grade point average and class rank for North Carolina public high school transcripts. The standardized transcript and the standard method to calculate grade point and class rank was devised by a joint committee that includes representatives of public and private higher education and the

public schools. The report included a letter to school superintendents and high school principals explaining the new transcript and its implications and offering assistance in implementation from the Department of Public Instruction. The new standards "must be incorporated into the spring course registration process for all schools by the Spring of 1994. All high schools must generate transcripts to satisfy the new standards by June of 1995." The full report is found in Appendix B-1.

2. School Improvement and Accountability Act

Implementation of the School Improvement and Accountability Act of 1989 - (1989) Chapter 778 s. 8
Performance Indicators - (1993) Chapter 321, s.144.2(g)
Site-Based Management Task Force - G.S 115C-238.7

The Committee heard presentations concerning the Local School Improvement and Accountability Act at its November 3, 1993 and its January 11, 1994 meetings.

G.S. 115C-238.1 states the mission of the Accountability Act: "to challenge with high expectations each child to learn, to achieve, and to fulfill his or her potential." The State Board of Education is to adopt procedures and guidelines for the program, guidelines for developing 3-year student performance goals and annual milestones, and a set of student performance indicators. The 1993 General Assembly added that the State Board shall include attendance rates, dropout rates, test scores, parent involvement and post-secondary outcomes as student performance indicators and shall develop guidelines for school performance indicators to gauge community involvement, parent involvement, professional development, and school climate.

G.S. 115C-238.3 explains how the local plan is to be developed. 1993 amendments:

- * require participating units to develop a systemwide staff development plan;
- * clarify that parents serving on either a systemwide advisory panel or a school-based committee shall not be employees of the school system and that meetings of these groups shall be held at times to ensure maximum involvement of parent members;
- * require that direct allocation of staff development funds to buildings shall be given first priority;
- * allow all staff assigned to a school building to vote on the differentiated pay plan;
- * direct the principal to disclose to building level staff the total allocation and disbursement of funds for differentiated pay; and
- * direct the local board to develop a plan for differentiated pay for central office staff.

On November 3, 1993, Dr. Henry Johnson of the Department of Public Instruction updated the Committee on the work of the Department in developing guidelines for school units to implement the 1993 amendments to the Accountability Act. He presented a draft manual for implementation of the 1993 amendments to the act.

Dr. Suzanne Triplett of the Department of Public Instruction reported on school unit achievement under the act at the November meeting. The Report of 1992

Performance showed that 69 of the 129 participating school units met at least 75 percent of the annual milestones for state and local performance indicators.

Dr. Triplett reported on the development of Performance Indicators at the January meeting. Student indicators for attendance, achievement after completion of school, reading/language, mathematics, science and social studies have been developed. School performance indicators include parent and community involvement, staff development and school climate. The complete report is found in Appendix B-2.

At the January meeting Myra Copenhaver, Director of the Task Force on Site-Based Management delivered a status report on the work of the Task Force. She reported that staff at DPI and at the Technical Assistance Centers are working to assist local units implement the act. Included in the training package for systems is a needs assessment and evaluation to insure that the information provided is responsive to local needs. She noted two common concerns in her report:

- Do the current indicators provide schools and systems with the information they need to affect improved performance for all students? and
- How do we set high standards at the State level and allow the flexibility schools need to develop school improvement plans?

3. Huskins Bill Issues - (1993) Chapter 321 s.106.

At its November meeting the Committee received information on an April 1993 report mandated by Chapter 900 (H1340) s. 82(b) of the 1991 session laws and a progress report on a follow-up report on similar issues due to the Oversight Committee in May 1994. As a result of an audit exception reported to the legislative fiscal division, the 1991 General Assembly directed that the Department of Community Colleges (DCC) report on Huskins bill issues. The legislative provision addressed some of the concerns raised by the audit exception by mandating:

1. That Huskins money shall not be used by local units to pay teachers already employed by the local school system;
2. That if a Community College hires a public school teacher to teach a Huskins level course, the Community College does not generate FTE for that course, but can only receive direct instructional costs and 15% for administrative costs.

In the same provision the General Assembly requested a report to Education Oversight to answer:

- What is college level work?
- All other issues related to Huskins, including legislative recommendations.

In its April 1993 report the DCC concluded that the provision limiting employment of LEA teachers for Huskins courses answered all the Huskins issues and that no further recommendations or legislation were necessary. The Joint Committee on College Transfer Students was charged with defining what is college level work in the context of the Huskins bill. The Joint Committee on College Transfer did not define college level courses specifically in the context of Huskins course, instead it provided some general information.

The Committee then heard a progress report on a requirement of the 1993 General Assembly that the DCC provide another report due May 1, 1994 to the Oversight Committee on substantially the same issues. Chapter 321 s.106 of the 1993 session laws mandates:

- * That only college level courses be offered under the Huskins bill.
- * That the DCC use State Board Reserve Funds to have an independent study done to analyze:
 - * The offerings under Huskins
 - * How State and federal vocational education dollars are used in high school offering Huskins courses
 - * Whether there is any duplicating or supplanting of high school courses
 - * Whether all courses are college level.

Tom King, speaking for the Community Colleges, stated that the May 1994 report was being compiled by Department staff for review by an independent consultant. He stated that in the May 1994 report an attempt would be made to define college level courses in the context of the Huskins bill.

4. Educational Leadership Program Proposals

Section 6 of Chapter 199 of the 1993 session laws states that the "Board of Governors shall report on the design for the programs and the proposal process created in accordance with G.S. 116-74.21 to the Joint Legislative Education Oversight Committee no later than December 1, 1993." The Committee heard reports on these programs at its December 14, 1993 and April 12, 1994 meetings.

G.S. 116-74.21 established a competitive proposal process for school administrator programs. It allows the Board to convene a panel of national experts to assist it in the development of the process. The section states that no more than seven sites will be chosen and that in its selection the Board shall be sensitive to the racial, cultural and geographic diversity of the State, the historical background of the institutions in training educators, and the ability of the sites to serve all regions of the State, particularly given the terrain of some regions.

Issues for consideration by the Board as it develops an overall plan for the program include:

- * Which university units may submit a plan
- * How existing programs will be phased out
- * Whether any statutory changes are needed
- * How resources for school administrator programs compare to other professional programs
- * How to attract the best candidates inclusive of women and minorities
- * How the plan will be sensitive to the needs of candidate's families.

Criteria to judge the proposals shall include whether the proposal:

- * Meets professional standards
- * Demonstrates a significant commitment of campus resources
- * Employs entrance standards to attract high-quality applicants inclusive of women and minorities

- * Reflects a vision for public school leadership
- * Is interdisciplinary in design
- * Reflects collaboration with the school community, industry and business
- * Employs varied methods of instruction
- * Plans for continued professional development of faculty
- * Provides a challenging curriculum and internship experience.

On December 14, 1993, Dr. Bill King and Dr. Mary Wakeford reported for the Board of Governors that the Board had authorized each of the 12 constituent institutions offering master's level programs for training school administrators as of November 11, 1993, to plan a Master of School Administrator Program, if the institution chooses to do so. (The 12 eligible institutions are Appalachian State University, East Carolina University, Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, North Carolina State University, Pembroke State University, University of North Carolina at Chapel Hill, University of North Carolina at Charlotte, University of North Carolina at Greensboro, University of North Carolina at Wilmington, and Western Carolina University.) The Board noted it would adopt and disseminate by January 15, 1994, a request for proposals which would include:

(1) an application form which will constitute a request for authorization to establish a Master of School Administration Degree; (2) information on the proposal procedure; and (3) the framework and standards by which the proposals will be assessed.

The Board also provided the following calendar of actions for the proposal process:

January 14, 1994	Request for proposals disseminated
May 13, 1994	Proposals due at General Administration
June 15-18, 1994	Proposals reviewed by National Review Panel
September 1, 1994	National Review Panel makes recommendations to the Board
October 14, 1994	Board authorizes no more than seven Master of School Administration Programs

The Committee had a number of concerns about the Board's report. As a result, the Co-Chairs wrote a letter to President Spangler on December 21, 1993, raising two issues. First, the Co-Chairs reiterated the Committee's concern that the Request for Authorization was narrowly focused on master's programs, with no attempt to coordinate the purpose or resources of these programs with certificate and doctoral programs. The Co-Chairs emphasized the purpose of the authorizing legislation was to focus the purposes and resources of all school administrator programs, not just master's programs. The second issue was to ask for an analysis of how resources for these programs compare with resources expended for other professional programs. The Co-Chairs noted that the authorizing legislation asked the Board to consider this comparison.

A letter dated January 31, 1994, from William F. Little, Vice President for Academic Affairs, was sent to the Co-Chairs in response to their letter. Enclosed with his letter were copies of Requests for Authorization of a "new master's degree, the Master of School Administration, the keystone program" that were sent to the 12 institutions on January 15, 1994. Mr. Little stated that the Memorandum

accompanying these Requests addressed the Committee's concerns. Quoting the letter from the Co-Chairs of this Committee, that Memorandum stated the following:

While the request is for proposals to offer this new master's degree, it also will constitute a vehicle for the identification of those institutions that will be the only institutions authorized to offer the Certificate of Advanced Study (C.A.S.) or Ed.D. degree programs in Educational Leadership, as well.... 'The purpose is...to focus the efforts, purposes and resources of all school administration programs...as one training system with a variety of approaches, levels and locations coordinated to supply the State, in an efficient way, with excellent school administrators at a rate which matches the State's demand for those administrators.' Thus, C.A.S. and Ed.D. programs at institutions not selected will be phased out.

This Memorandum also states that after the Board authorizes the new Master of School Administration programs, there will be a program review of the C.A.S. and Ed.D. programs at the selected institutions to determine whether to continue them. Institutions not selected to have the new master's program will be expected to submit a plan to the Board by June 30, 1995, to phase them out by June, 1998. No admissions to those programs will be permitted after November, 1994.

To address the Committee's second concern, the Memorandum states that "there must be support for the program at a level comparable to the resources dedicated to the education of other similar professional practitioners." The Requests also require each applying institution to prepare a three-year budget schedule that demonstrates "a significant commitment of campus resources, and ... a comparison to comparable professional programs." The Requests must be submitted by May 13, 1994. The report is found in Appendix B-3.

5. Extended Services

This report, mandated by Chapter 132 of the 1993 Session Laws, was made by the State Board of Education to the Committee.

The original legislation amends Article 16 of Chapter 115C by adding a new part 7 "Extended Services". The purpose of the legislation is to encourage local school administrative units to provide timely assistance to students who are at risk of school failure through extended services including instructional programming during non-school hours. Activities may include evening school, Saturday school, summer school and year-round school. Programming may include tutoring, direct instruction, enrichment activities and study skills. The legislation provides that that the State Board shall provide model plans which show how to deliver comprehensive extended services, effectively use fiscal resources, and maintain quality program evaluation.

Dr. Johnnie M. Grissom, of the Department of Public Instruction, presented the original report to the Committee December 14, 1993. After hearing the report the Co-Chairs requested that the Department revise the report, providing additional detail on "how to" implement extended services in local schools. It was the consensus of the Committee that local schools need full information when developing local initiatives from models. A revised edition of the publication to be distributed to schools was

reviewed by the Co-Chairs and received by the Committee at its May 10, 1994 meeting. The executive summary of the report is found in Appendix B-4.

6. Basic Education Program Implementation and Benchmarks

Chapter 689, Section 196, 1991 Session Laws amended G.S. 115C-12(9) by adding (c), requiring that each local school unit, beginning with the 1991-92 school year shall:

"...implement fully the standard course of study in every school in the State in accordance with the Basic Education Program so that every shall have equal access to the curriculum as provided in the Basic Education Program and the Standard Course of Study".

The same subsection requires the State Board of Education to establish benchmarks by which to measure the progress that each local board of education has made in implementing the Basic Education Program, and to report that progress annually by February 1.

On January 11, 1994, Dr. Henry Johnson of the Department of Public Instruction presented the report to the Committee. Among the more important findings: a high degree of implementation was found in the areas of social studies, communications skills, mathematics, science and vocational education. Lower degree of implementation was noted in arts, media/technology and second languages. Considerable progress was noted in arts and second language implementation as a result of \$20.7 million appropriated to local school units to fund program enhancement teachers in the 1992-93 fiscal year. The report is found in Appendix B-5.

7. School Leadership Academy

The School Leadership Academy report is in response to the requirements of Chapter 321, Section 86(f) of the 1993 Session Laws.

The Co-Chairs of the Joint State Board of Education and Board of Governors School Leadership Academy Task Force, Charles Evans and Barbara Tapscott presented the following recommendations:

1. The establishment of a School Leadership Academy with the capacity to serve the ongoing development needs of all school administrators. The Academy should offer initial professional development programs and ongoing professional development opportunities. Programs would be offered under the auspices of a School Leadership Academy Board of Trustees and be offered by the Principals' Executive Program (PEP) and other contracted parties. Some program activities should be offered at a variety of sites across the State; and PEP should be incorporated into the Academy.
2. The establishment of a 15 member board of trustees for the Academy, membership to include professionals and persons who have demonstrated a commitment to

improving educational leadership in the State. The Academy would report to the University of North Carolina Board of Governors.

3. A facility in a central location for the Academy. Preliminary cost estimates were based on a PEP facility request previously submitted to UNC Chapel Hill. If a facility is funded for the Academy, PEP would no longer need a separate facility. Estimated capital outlay expense was estimated at \$10,560,000.

Other recommendations included coordination between the Academy and preparation programs, a requirement that 5 of 15 certificate renewal credits be taken in the Academy or in programs approved by the Academy and that the Academy shall ensure that program activities be offered in geographically dispersed locations. A report is found in Appendix B-6.

8. Standards Board for Public School Administrators

The North Carolina Standards Board for Public School Administration was formed by Chapter 392 of the 1993 Session Laws to improve the practice of school administration. The Board, located administratively in the office of the Governor, is charged with developing standards for the certification of public school administrators. The Board is also charged with the developing and implementing of a North Carolina Administrator Exam to be administered to candidates seeking and initial school administrator certification by the State Board of Education.

Dr. Charles Coble, Chair of the board, presented a brief report to the Committee April 12 on the work of the board including a review of legislative charges, membership of the board, and director search activities. The position of Executive Director is expected to be filled by July 1, 1994.

9. Supply and Demand of School Administrators

Chapter 199, Section 1, 1993 Session Laws requires the Board of Governors to study "...the issue of supply and demand of school administrators to determine the number of school administrators to be trained in the programs in each year of the biennium" and report annually to the Committee.

The first report on supply and demand of school administrators was presented by Dr. Gary Barnes, General Administration - University of North Carolina April 12. Noteworthy report findings were:

1. An enrollment growth of 23% over the next ten years will increase the demand for school administrators as new facilities are built;
2. Projections suggest that program completers will need to increase over the next nine years at an average level of 300 per year attained over the past five years and;
3. Reserve Pool hires are uncertain based upon emerging changes in certification requirements.

The impact resulting from revised certification requirements will be included in the annual report on this topic. A report is found in Appendix B-7.

10. Lateral Entry for School Administrators

Chapter 166, Section 2 of the 1993 Session Laws requires that the State Board of Education "...carefully consider a lateral entry program for school administrators to ensure that local boards of education will have sufficient flexibility to attract able candidates".

Committee staff provided a summary of the report to the Committee April 12, 1994. Among the report findings: At this time lateral entry is lawful for teachers but not for school administrators; recommendations to strengthen public school administration, including an independent standards board have been implemented as a result of the recommendations of the Educational Leadership Task Force; supporting and opposing reasons for lateral entry; and, a review of policies in other states.

The report concluded that there is merit in establishing lateral entry for school administrators, placing the focus on performance-based assessments linked to accountability measures. The report recommends that the issue be studied by the North Carolina Standards Board for Public School Administration.

11. Teacher Training Task Force

The Teacher Training Task Force was created by the General Assembly in Chapter 971, Section 4 of the 1991 Session Laws to study both preservice and ongoing professional development for teachers. Among the issues charged to be studied were: progress made towards implementing the objectives of the 1985 Task Force on the Preparation of Teachers; current state and local professional development programs; teacher preparation programs in special education; methods to encourage collaboration between universities and local school units; and components of the Teaching Fellows Program that could be incorporated into training for all teachers.

Co-Chairs of the Committee, Earl Daniely and Cary Owen presented the report on behalf of the Task Force April 12, 1994. Among the more significant recommendations of the report were: five additional days outside of the 180 school days for professional development activities; an additional \$9 million annual appropriation for local school unit allotments for professional development activities; additional funding (\$5.9 million) for activities to support the Initial Certification Program; the development of regional professional development schools; additional funding for the Model Clinical Teaching Network and the Mathematics and Science Education Network. The task force also made recommendations regarding the Teaching Fellows Program, Cultural Diversity Training and Special Education. An executive summary is found in Appendix B-8.

12. Task Force on Teacher Staff Development

Chapter 321, Section 141(e) of the 1993 Session Laws formed the Task Force on Teacher Staff Development. The 23 member task force must develop, in conjunction with the Teacher Training Task Force, a Teacher Academy Plan which will establish a

statewide network of professional development for teachers in school leadership roles and in the core content areas. The task force must address a variety of issues including: the efficient use of resources; use of the North Carolina Center for the Advancement of Teaching and of the University of North Carolina; a comprehensive needs assessment; the use of telecommunications and distance learning systems; and the use of teachers as trainers.

The report, presented by Superintendent Bob Etheridge April 12, 1994, included a reporting of Task Force activities to this point, including: the tentative scheduling of four one-week professional development sessions at ten sites throughout the state; an in-depth assessment of teacher professional development needs to be used in the development of Academy activities; the identification and scheduled training for trainers; and, selection process for program participants. An executive summary is found in Appendix B-10.

13. Standards and Accountability Commission

This quarterly report, mandated by Chapter 117, as amended by Chapter 321, Section 39.3 (1993), was received by the Committee on December 14, 1993. An update report was presented to the Committee April 12, 1994.

The North Carolina Standards and Accountability Commission formed by the 1993 General Assembly is a 25 member independent Commission whose purpose is "to develop high and clearly defined education standards for the public schools of North Carolina" (G.S. 115C-105.3).

The Commission has been charged with a variety of duties including: the development of what a high school graduate should know; companion benchmarks to identify how well students are progressing towards the graduation standards; a review of assessments and measurements used to assess a student's progress throughout the student's school career; action to be taken when a student's level of achievement is less than the student's potential; consideration of the needs of exceptional children; refinement of the Standard Course of Study and the Testing Program; and methods of comparing North Carolina Student performance with that of students in other states.

On December 14, 1993, the Chair of the Commission, Dr. E.K. Fretwell, and Executive Director of the Commission, Dr. Sam Houston, presented the first report to the Committee. Dr. Fretwell and Dr. Houston reviewed the legislative charges to the Commission and the appointments to the Commission. They also reviewed for the Committee the anticipated workplan of the Commission.

Dr. Sam Houston provided an update on the work of the Commission at the April 12, 1994 meeting of the Committee. In that update Dr. Houston provided information on the public meeting schedule, use of consultants and Committee progress. The report included belief statements from the Commission on "essential skills" and projected workplan. A report is found in Appendix B-9.

14. Fiscal Accountability and Flexibility Act and Special Responsibility Constituent Institutions - UNC Management Flexibility Report

The Fiscal Accountability and Flexibility Act, found in Section 206.2 of Chapter 689 of the 1991 Session Laws, became effective upon ratification, July 13, 1991, and expires on June 30, 1994. This legislation added new sections to the General Statutes to authorize the Board of Governors of The University of North Carolina to specify certain institutions of the University as "special responsibility constituent institutions." These institutions are to be given greater discretionary authority over certain aspects of budgeting, purchasing, and personnel.

The Board made its final report to the General Assembly on April 13, 1994 concerning the fiscal savings, management initiatives, increased efficiency and effectiveness, and other outcomes made possible by the flexibility provided by the legislation and recommendations for changes to the legislation. The report also included documentation of any reallocation of resources, the use of nonreversions, and any additional costs incurred.

The presentation of the report was made by President Spangler, and Chancellors Paul Hardin, Vic Hackley, Richard Eakin, Edward B. Fort, Larry K. Monteith and Jim Woodward.

Summary of Recommendations from the Board of Governors

1. Make this legislation a permanent part of the General Statutes. (currently scheduled to sunset on June 30, 1994)
2. Establish a uniform reversion rate of 2% for all operating budget codes under budget flexibility, other than for the Area Health Education Centers Program at UNC-CH, which should be 1%.
3. Give legislative consideration to a staged reduction in the required reversion rate with the ultimate goal of phasing it out entirely.
4. Extend budget flexibility to receipts realized in excess of budgeted levels at the designated institutions, up to a maximum of 10% above budgeted levels.
5. Increase the present on-campus purchasing benchmark from \$25,000 to \$50,000 on all purchases. (Currently, only SRCIs have the \$25,000 benchmark; others have a \$10,000 benchmark that can be increased at the discretion of the Secretary of Administration by a percentage that is no more than the rise in the Consumer Price Index percentage in the prior fiscal biennium.)
6. Modify reporting requirements and consolidate them with other established reporting schedules where applicable. (The legislation requires some quarterly and annual reports to the General Assembly, the Joint Legislative Education Oversight Committee, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division.)
7. Make the NC School of Science and Mathematics eligible to participate in the benefits under the budget flexibility legislation.

At its May 10, 1994, meeting the Committee adopted recommendations 1, 5 and 6 in proposed legislation found in the next section of this report. A report of the full recommendations is found in Appendix B-11.

15. UNC - Increase in Number of Credit Hours/Surcharge for More than 140 Credit Hours

In 1991, the General Assembly enacted House Bill 1340, in which Section 92 directed the Board of Governors of The University of North Carolina to adopt a plan to implement Board policies that encourage constituent institutions to have students complete their degrees more quickly. The Board submitted its plan to the Joint Legislative Education Oversight Committee last year, as required by House Bill 1340. The plan had two parts:

(1) the adoption of university-wide policies that may decrease the average time taken for completion of degrees, including the requirement that each institution perform institutional studies, based on factors that have been identified as causing students to take longer to complete degree requirements, and develop an institutional plan to encourage shorter average time to graduation; and (2) the development of university-wide measures to assess the effectiveness of the policies adopted.

One of the Board's policies, effective Fall, 1995, was the requirement that baccalaureate degree programs be limited to a maximum of 128 semester hours; any additional hour requirement must be approved by the Board. The General Assembly, in response to this plan and in conjunction with its parameters, enacted these two subsections.

Subsection (a) directed the Board to require constituent institutions to set a goal of increasing to 15 the average number of credit hours per term taken by full-time undergraduates. This goal is to be met systemwide by each constituent institution by December, 1997. This subsection also directs the Board to require each constituent institution to report their progress in their annual assessment reports. Those institutions that fail to make progress must submit special reports that identify additional steps to be taken. The Board is required to report annually by April 1 to the Committee on the progress of each constituent institution.

Subsection (b) directed the Board to ensure that procedures are established that are necessary to impose a 25% tuition surcharge on students who take more than 140 degree credit hours to complete a baccalaureate degree in a four-year program or more than 110% of the credit hours necessary to complete a baccalaureate program in an officially designated five-year program. Credit hours to be excluded are (1) the College Board's AP and CLEP programs or alternative programs; (2) institutional advanced placement, course validation, or similar procedures for awarding course credit; and (3) summer or extension hours.

The Committee heard the Board's report at its April 13, 1994, meeting. After Committee discussion the Committee recommended the legislation found in Appendix A of this report. The Board's recommended guidelines are found in Appendix B-12.

16. School Education Technology Commission

Chapter 321, Section 135 of the 1993 Session Laws formed a sixteen member Commission to propose a plan for "...improving student performance in the public schools through the use of learning and instructional management technologies". The Commission was charged to: assess factors related to the current use of technologies in schools; examine the types of technologies available; develop a basic level of learning and instructional management for every school; consider staffing requirements and options for equipment maintenance; consider appropriate staff development and determine how to provide it and; develop a cost analysis of its plans.

Gail Morse, Co-Chair of the Commission, presented a report of the Commission activities to the Committee April 12, 1994. The report included a review of the charges to the Commission, membership of the Commission and Commission progress. The Commission has heard reports from a variety of individuals and groups, developed RFP requirements and timelines, publicized the RFP and awarded the RFP contract to the Center for Educational Leadership and Technology (CELT). CELT will be conducting intensive surveys, personal interviews, focus groups and other fact-finding across the state on the topic of educational technologies. The next report of the Commission is due May 15, 1994.

17. Abolition of 57 DPI Positions

At the Committee's April 13, 1994 meeting Superintendent Bob Etheridge reported to the Committee concerning the requirement of Section 130 of the Chapter 321 of the 1993 Session Laws that the Department of Public Instruction reorganize and abolish 57 positions funded from the General Fund. Superintendent Etheridge reported that 22 positions were eliminated July 1, 1993 and 35 additional positions will be eliminated prior to July 1, 1994. In his remarks, the Superintendent pointed out that since 1989 the Department has undergone considerable reorganization including reducing the number of staff positions from 1014 in 1989 to 802.5 on May 9, 1994. The Superintendent reported that as part of the reorganization the Department is focusing on providing service rather than regulations to local school units.

Superintendent Etheridge took the opportunity to present the Committee with a chart comparing the size of the Department with other State agencies. The chart illustrates that the Department has reduced its size dramatically, particularly when compared to the growth in the Departments of Corrections, Labor and at the Secretary of State's office. The full report is included in Appendix B-14.

18. Supplemental Funding

At its May 10, 1994 meeting the Committee heard a report on Supplemental funding for low wealth and small school systems from Kenny Flowers and Jim Johnson of the Legislative Fiscal Division. That report synthesized and expanded upon the information provided to the Committee by

the Department of Public Instruction and the Local Government Commission as required by as required by Sections 183 and 138.1 of Chapter 321 of the 1993 Session Laws.

In his remarks, Mr. Flowers discussed the use of these funds by local units and any change in per pupil expenditure by local units. The full report is included in Appendix *.

As a result of this discussion the Committee includes in its recommendations a bill to define the meaning of "supplant" in the funding formulas and to streamline reporting procedures to the Committee. The proposed bill is found in the next section of this report. For more information see Appendix B-15 and B-16.

94-mt-20.2

APPENDIX A

The Joint Legislative Education Oversight Committee's RECOMMENDATIONS to the 1994 Session of the 1993 General Assembly. Each bill listed is preceded by a summary of the bill.

A-1. A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS FOR A NEW FACILITY FOR THE SCHOOL LEADERSHIP ACADEMY.

A-2. A BILL TO BE ENTITLED AN ACT TO MAKE PERMANENT THE FISCAL ACCOUNTABILITY AND FLEXIBILITY ACT, TO MODIFY ITS REPORTING REQUIREMENTS, AND TO INCREASE THE ON-CAMPUS PURCHASING BENCHMARK TO FIFTY THOUSAND DOLLARS (\$50,000).

A-3. A BILL TO BE ENTITLED AN ACT TO EXEMPT STUDENTS WHO TAKE MORE THAN 15 HOURS PER REGULAR TERM AND WHO GRADUATE ON TIME FROM THE UNC TUITION SURCHARGE IMPOSED ON STUDENTS WHO TAKE EXCESSIVE TIME TO COMPLETE DEGREE REQUIREMENTS.

A-4. A BILL TO BE ENTITLED AN ACT TO CLARIFY THE METHOD BY WHICH NONCERTIFIED PUBLIC SCHOOL EMPLOYEES ARE PLACED ON A SALARY SCHEDULE.

A-5. A BILL TO BE ENTITLED AN ACT TO DEFINE "SUPPLANT" IN THE SUPPLEMENTAL FUNDING FORMULA FOR LOW WEALTH AND SMALL SCHOOL SYSTEMS AND TO MAKE CHANGES TO REPORTING REQUIREMENTS.

A-6. A BILL TO BE ENTITLED AN ACT TO REORGANIZE EDUCATION REPORTS AND TO MAKE TECHNICAL CORRECTIONS TO THE EDUCATION LAWS.

A-1. BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS FOR A NEW FACILITY FOR THE SCHOOL LEADERSHIP ACADEMY.

The proposed legislation would appropriate \$10,560,000 to the State Board of Education for a new facility for the School Leadership Academy to be located in the vicinity of the current Principals' Executive Program. The facility would include state-of-the-art instructional, office, and residential space, and would provide the latest instructional and communications technology. The bill would take effect July 1, 1994.

Background Information

In 1992, the General Assembly enacted House Bill 1361, one of the recommendations of the Joint Legislative Education Oversight Committee, which established the Educational Leadership Task Force "to identify how to best select, train, assess, and regulate persons to become competent, motivated and trusted education leaders." This Task Force presented its report, "Leaders for Schools: The Preparation and Advancement of Educational Administrators," to the Joint Legislative Education Oversight Committee of the 1993 General Assembly.

As a result of the recommendations in this report, the Joint Legislative Education Oversight Committee recommended to the 1993 General Assembly a package of Education Leadership bills, one of which was to enhance the quality of ongoing professional development by establishing a North Carolina Educational Leadership Academy and requiring that participation in Academy programs be required for license renewal. Section 86 of Chapter 321 of the 1993 Session Laws incorporated this recommendation and established a joint committee of the State Board of Education and the Board of Governors to study how to establish a School Leadership Academy. This proposed bill is the result of the joint committee's April 1994 report.

94RJ054.4eo

DRAFT

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1993**

H

D

HOUSE DRH8047-RCZ003(5.11)

Short Title: Fund Sch. Leadership Academy Facility.

(Public)

Sponsors:

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS FOR A NEW FACILITY FOR THE
3 SCHOOL LEADERSHIP ACADEMY.
4 Whereas the 1991 General Assembly, upon the recommendation of the
5 Joint Legislative Education Oversight Committee, established the Educational
6 Leadership Task Force "to identify how to best select, train, assess, and regulate
7 persons to become competent, motivated and trusted education leaders;"
8 Whereas, the Educational Leadership Task Force, composed of members
9 of the State Board of Education, the Board of Governors of the University of North
10 Carolina, legislators, educators, and a representative of business and industry
11 presented to the Joint Legislative Education Oversight Committee its report, "Leaders
12 for Schools: The Preparation and Advancement of Educational Administrators,"
13 which included a recommendation to establish a School Leadership Academy to
14 provide continuing professional development for school administrators;
15 Whereas, as a result of the recommendations of the Educational
16 Leadership Task Force, the Joint Legislative Education Oversight Committee
17 recommended to the 1993 General Assembly a package of education leadership bills,
18 including a recommendation to establish a School Leadership Academy which
19 incorporates and builds upon the Principals' Executive Program;;
20 Whereas, Section 86 of Chapter 321 of the 1993 Session Laws established
21 a joint committee of the State Board of Education and the Board of Governors to
22 study how to establish a School Leadership Academy;
23 Whereas, the joint committee recommended that the Principals'
24 Executive Program, which currently has no permanent site, should be incorporated
25 into the School Leadership Academy and that there should be a new School

1 Leadership Academy facility to house the Principals' Executive Program and
2 expanded programs; Now, therefore,

3 The General Assembly of North Carolina enacts:

4 Section 1. There is appropriated from the General Fund to the Board of
5 Governors of The University of North Carolina ten million five hundred sixty
6 thousand dollars (\$10,560,000) for a new facility for the School Leadership Academy
7 that includes instructional, office, and residential space, and that provides the latest
8 instructional and communications technology. The facility shall be located in the
9 current vicinity of the Principals' Executive Program.

10 Sec. 2. This act becomes effective July 1, 1994.

A-2. A BILL TO BE ENTITLED AN ACT TO MAKE PERMANENT THE FISCAL ACCOUNTABILITY AND FLEXIBILITY ACT, TO MODIFY ITS REPORTING REQUIREMENTS, AND TO INCREASE THE ON-CAMPUS PURCHASING BENCHMARK TO FIFTY THOUSAND DOLLARS (\$50,000).

Section 1 would make permanent the UNC Fiscal Accountability and Flexibility Act (except for the subsections that apply to the flexibility given to the Executive Director of the University of North Carolina Hospitals at Chapel Hill) by removing its sunset of June 30, 1994.

Section 2 of the proposed bill would move the reporting requirement in the act from the Session Laws to the General Statutes by establishing a new G.S. 116-30.6 and would direct the Board of Governors to report annually, rather than quarterly, to the Joint Legislative Education Oversight Committee.

Section 3 of the draft would increase the present on-campus purchasing benchmark from \$25,000 to \$50,000 on all purchases, but would require the special responsibility constituent institutions (SRCIs) to first determine State contract pricing for the item being purchased and to report these purchases to the Office of State Purchasing on a quarterly basis. (Currently, only SRCIs have the \$25,000 benchmark; other entities in State government have a \$10,000 benchmark that can be raised at the discretion of the Secretary of Administration by a percentage that is no more than the rise in the Consumer Price Index percentage in the prior fiscal biennium.)

Section 1 of the act would take effect June 30, 1994, and Sections 2 and 3 of the act would take effect July 1, 1994.

Background Information

The UNC Fiscal Accountability and Flexibility Act, found in Section 206.2 of Chapter 689 of the 1991 Session Laws, became effective July 13, 1991, and expires on June 30, 1994. This legislation added new sections to the General Statutes to authorize the Board of Governors of The University of North Carolina to specify certain institutions of the University as SRCIs. These institutions (which currently include all 16 of the constituent institutions) are to be given greater discretionary authority over certain aspects of budgeting, purchasing, and personnel. In April, 1994, the Board of Governors made a final report to the Joint Legislative Education Oversight Committee that included (i) its decisions and implementation of this legislation, (ii) the fiscal savings, management initiatives, increased efficiency and effectiveness, and other outcomes made possible by the flexibility provided by the legislation, and (iii) recommendations for changes to the legislation. This proposed legislation incorporates some of the Board's recommendations.

94Rj055.1

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1993

H

D

HOUSE DRH8045-RHZ003(5.9)

Short Title: Amend and Make Perm. UNC Mgmt. Flex.

(Public)

Sponsors:

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE PERMANENT THE FISCAL ACCOUNTABILITY AND
3 FLEXIBILITY ACT, TO MODIFY ITS REPORTING REQUIREMENTS, AND
4 TO INCREASE THE ON-CAMPUS PURCHASING BENCHMARK TO FIFTY
5 THOUSAND DOLLARS (\$50,000).
6 The General Assembly of North Carolina enacts:
7 Section 1. Subsection (f) of Section 206.2 of Chapter 689 of the 1991
8 Session Laws reads as rewritten:
9 "(f) This section is effective upon ratification. ~~This section expires~~ Subsections
10 (c), (d) and (e) of this section expire June 30, 1994."
11 Sec. 2. Part 2A of Chapter 116 of the General Statutes is amended by
12 adding a new section to read:
13 "§ 116-30.6. Reports of results.
14 The Board of Governors shall report annually by March 31 of each year on its
15 decisions and directives implementing this Part to the Joint Legislative Education
16 Oversight Committee. In particular, the Board shall report on the impact on
17 undergraduate student learning and development as demonstrated by the standard
18 assessment measures established in the institutional effectiveness plans, fiscal savings,
19 management initiatives, increased efficiency and effectiveness, and other outcomes
20 made possible by the flexibility provided by this Part to the special responsibility
21 constituent institutions. These reports shall include documentation of any
22 reallocation of resources, the use of nonreverted appropriations, and any additional
23 costs incurred."
24 Sec. 3. G.S. 143-53.1 reads as rewritten:
25 "§ 143-53.1. Setting of benchmarks; increase by Secretary.

1 On and after July 1, 1990, the expenditure benchmark prescribed by G.S. 143-52
2 with respect to competitive bid procedures and the bid value benchmark authorized
3 by G.S. 143-53(2) with respect to rule making by the Secretary of Administration for
4 competitive bidding shall be ten thousand dollars (\$10,000); provided, the Secretary
5 of Administration may, in his discretion, increase the benchmarks effective as of the
6 beginning of any fiscal biennium of the State commencing after June 30, 1992, in an
7 amount whose increase, expressed as a percentage, does not exceed the rise in the
8 Consumer Price Index during the fiscal biennium next preceding the effective date of
9 the benchmark increase. For a special responsibility constituent institution of The
10 University of North Carolina, the benchmark prescribed in this section shall be
11 ~~twenty five thousand dollars (\$25,000) on and after July 1, 1991.~~ fifty thousand dollars
12 (\$50,000). The special responsibility constituent institutions, in exercising their
13 authority above and beyond the benchmarks set by the Secretary of Administration,
14 shall (i) determine State contract pricing for the item being purchased, and (ii) report
15 these purchases to the Office of State Purchasing on a quarterly basis."

16 Sec. 4. This section and section (1) of this act become effective June 30,
17 1994. Sections (2) and (3) of this act become effective July 1, 1994.

A-3. A BILL TO BE ENTITLED AN ACT TO EXEMPT STUDENTS WHO TAKE MORE THAN 15 HOURS PER REGULAR TERM AND WHO GRADUATE ON TIME FROM THE UNC TUITION SURCHARGE IMPOSED ON STUDENTS WHO TAKE EXCESSIVE TIME TO COMPLETE DEGREE REQUIREMENTS.

The proposed legislation would exempt from the tuition surcharge any students who exceed the degree credit hour limits within the equivalent of four academic years of regular term enrollment, or within five academic years of regular term enrollment in a degree program officially designated as a five-year program. The bill would be effective upon ratification.

Background

In 1991, the General Assembly enacted House Bill 1340, in which Section 92 directed the Board of Governors of The University of North Carolina ("the Board") to adopt a plan to implement Board policies that encourage constituent institutions to have students complete their degrees more quickly. The Board submitted a two-part plan to the Joint Legislative Education Oversight Committee last year:

(1) the adoption of university-wide policies that may decrease the average time taken for completion of degrees, including the requirement that each institution perform institutional studies, based on factors that have been identified as causing students to take longer to complete degree requirements, and develop an institutional plan to encourage shorter average time to graduation; and (2) the development of university-wide measures to assess the effectiveness of the policies adopted.

The General Assembly, in response to this plan enacted Section 89 of Chapter 321 of the 1993 Session Laws. Subsection (b) of Section 89 directed the Board to ensure that procedures are established to impose a 25% tuition surcharge on students who take more than 140 degree credit hours to complete a baccalaureate degree in a four-year program or more than 110% of the credit hours necessary to complete a baccalaureate program in an officially designated five-year program. The Board reported in April, 1994, to the Joint Legislative Education Oversight Committee on its implementation of this surcharge. The proposed bill results from a concern raised about students who graduate on time, but who earn credit hours in excess of what is required.

94RJ056.2eo

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1993

H

D

HOUSE DRH8046-RHZ002(5.9)

Short Title: UNC Tuition Surcharge Exception.

(Public)

Sponsors:

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT STUDENTS WHO TAKE MORE THAN 15 HOURS PER
3 REGULAR TERM AND WHO GRADUATE ON TIME FROM THE UNC
4 TUITION SURCHARGE IMPOSED ON STUDENTS WHO TAKE EXCESSIVE
5 TIME TO COMPLETE DEGREE REQUIREMENTS.
6 The General Assembly of North Carolina enacts:
7 Section 1. Subsection (b) of Section 89 of Chapter 321 of the 1993
8 Session Laws reads as rewritten:
9 "(b) The Board of Governors of The University of North Carolina shall ensure
10 that procedures are established that are necessary to impose a twenty-five percent
11 (25%) tuition surcharge on students who take more than 140 degree credit hours to
12 complete a baccalaureate degree in a four-year program or more than one hundred
13 ten percent (110%) of the credit hours necessary to complete a baccalaureate degree
14 in any program officially designated by the Board of Governors as a five-year
15 program. The calculation of these credit hours taken at a constituent institution or
16 accepted for transfer shall exclude hours earned through the College Board's
17 Advanced Placement or CLEP examinations, through institutional advanced
18 placement or course validation, or through summer term or extension programs. No
19 surcharge shall be imposed on any student who exceeds the degree credit hour limits
20 within the equivalent of four academic years of regular term enrollment, or within
21 five academic years of regular term enrollment in a degree program officially
22 designated by the Board of Governors as a five-year program. The Board shall report
23 to the Joint Legislative Education Oversight Committee by April 1, 1994, on its
24 recommendations for implementing this surcharge."
25 Sec. 2. This act is effective upon ratification.

A-4. A BILL TO BE ENTITLED AN ACT TO CLARIFY THE METHOD BY WHICH NONCERTIFIED PUBLIC SCHOOL EMPLOYEES ARE PLACED ON A SALARY SCHEDULE.

Section 1 of the bill would require that by the end of the third payroll of the 1995-96 fiscal year local boards of education pay noncertified school employees including office support personnel, teacher assistants and custodial personnel an average salary within 95% of the allotted amount for the category and 98% of the allotted amount for the category in subsequent years.

Section 2 of the bill would appropriate \$1209. per month plus any salary increment authorized for the custodian allotment.

The bill would be effective July 1, 1994.

94-mt-24a

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1993**

H

D

HOUSE DRH7397*-LEZ326(4.28)

Short Title: Noncertified School Emp'ee Salaries.

(Public)

Sponsors: Representative

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY THE METHOD BY WHICH NONCERTIFIED PUBLIC
3 SCHOOL EMPLOYEES ARE PLACED ON A SALARY SCHEDULE.
4 The General Assembly of North Carolina enacts:
5 Section 1. G.S. 115C-12(16) reads as rewritten:
6 "(16) Power with Regard to Salary Schedules. --
7 a. Support personnel refers to all public school employees
8 who are not required by statute or regulation to be
9 certified in order to be employed. The State Board of
10 Education is authorized and empowered to adopt all
11 necessary rules for full implementation of all schedules to
12 the extent that State funds are made available for support
13 personnel.
14 b. Salary schedules for the following public school support
15 personnel shall be adopted by the State Board of
16 Education: school finance officer, office support personnel,
17 property and cost clerks, teacher assistants, maintenance
18 supervisors, custodial personnel, and transportation
19 personnel. The Board shall classify these support positions
20 in terms of uniform pay grades included in the salary
21 schedule of the State Personnel Commission.
22 ~~Prior to~~ By the end of the third payroll period of the
23 1995-96 ~~school~~ fiscal year, local boards of education shall
24 place State-allotted office support personnel, teacher
25 assistants, and custodial personnel on the salary schedule

1 adopted by the State Board of Education so that the
2 average salary paid is the State-allotted amount for the
3 category. In placing employees on the salary schedule, the
4 local board shall consider the education, training, and
5 experience of each employee. It is the intent of the
6 General Assembly that a local school administrative unit
7 not fail to employ an employee who was employed for the
8 prior school year in order to implement the provisions of
9 this sub-subdivision. A local board of education is in
10 compliance with this sub-subdivision if the average salary
11 paid is at least ninety-five percent (95%) of the State-
12 allotted amount for the category at the end of the third
13 payroll period of the 1995-96 fiscal year, and at least
14 ninety-eight percent (98%) of the State-allotted amount for
15 the category at the end of the third payroll period of each
16 subsequent fiscal year. The Department of Public
17 Instruction shall provide technical assistance to local school
18 administrative units regarding the implementation of this
19 sub-subdivision.

20 ~~The average salary paid to employees in each category~~
21 ~~from State-allotted funds for the 1993-94 school year shall~~
22 ~~be at least two percent (2%) higher than the average salary~~
23 ~~paid to employees in that category from State-allotted~~
24 ~~funds for the 1992-93 school year.~~

25 The State Board of Education shall report to the
26 General Assembly, prior to ~~March 31, 1994,~~ and March 31,
27 1995, and March 31, 1996, on the implementation of this
28 sub-subdivision.

- 29 c. Salary schedules for other support personnel, including but
30 not limited to maintenance and school food service
31 personnel, shall be adopted by the State Board of
32 Education. The Board shall classify these support positions
33 in terms of uniform pay grades included in the salary
34 schedule of the State Personnel Commission. These
35 schedules shall apply if the local board of education does
36 not adopt a salary schedule of its own for personnel paid
37 from other than State appropriations."

38 Sec. 2. Beginning with the 1994-95 fiscal year, the State Board of
39 Education shall allot salary funds for State-allotted school custodian positions on the
40 basis of one thousand two hundred nine dollars (\$1,209) a month for each position
41 plus any salary increment authorized for school custodians by the General Assembly.

42 Sec. 3. This act becomes effective July 1, 1994.

A-5. A BILL TO BE ENTITLED AN ACT TO DEFINE "SUPPLANT" IN THE SUPPLEMENTAL FUNDING FORMULA FOR LOW WEALTH AND SMALL SCHOOL SYSTEMS AND TO MAKE CHANGES TO REPORTING REQUIREMENTS.

Section 1 of the bill amends Subsection (c) of Section 138 of Chapter 321 of the 1993 session laws by adding two definitions to the supplemental funding formula for low wealth schools:

"Local current expense funds" means the most recent county current expense appropriations to public schools, as reported by counties in the annual county financial information report to the State Treasurer.

"Supplant" means to use funds allotted under this section to replace local current expense funds resulting in a decrease in local per student current expense appropriations from one fiscal year to the next fiscal year.

Section 2 amends Subsection (d) of Section 138 of Chapter 321 of the 1993 Session Laws to make a conforming change.

Sections 3 and 4 amend Subsections (h) and (i) of Section 138 of Chapter 321 of the 1993 session laws to clarify the nonsupplant requirement. The bill directs the State Board of Education, after July 1, 1994, to withhold funds appropriated under the section from counties found to have used these funds to supplant local per student current expense appropriations unless a county can show either (i) that extraordinary circumstances caused the county to supplant funds; or, (ii) that it has remedied any deficiency.

The Board shall make a finding that a county has supplanted funds in the year for which the most recent data are available if the average of the local per student current expense appropriation for the three most recent years is less than 95% of the greater of either (i) the local per student current expense appropriation for the 1991-92 fiscal year; or (ii) the average local per student current expense appropriation of the county for the three fiscal years immediately prior to the current year.

The Board is to adopt rules to implement the section.

The Local Government Commission would no longer report to the Education Oversight Committee on supplanting issues, rather it would report to the the Board no later than March 1 of each year, and the Board would incorporate that data into the Board report on the use of funds to the Oversight Committee.

Section 5 amends Section 138.1 of Chapter 321 of the 1993 session laws to make identical changes to the Small School System Supplemental Funding formula.

The bill would be effective July 1, 1994.

94-mt-25a

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1993

S

D

SENATE DRS4271-RCZ004.5(5.16)

Short Title: Supplemental Funding Changes.

(Public)

Sponsors:

Referred to:

- 1 A BILL TO BE ENTITLED
2 AN ACT TO DEFINE "SUPPLANT" IN THE SUPPLEMENTAL FUNDING
3 FORMULA FOR LOW-WEALTH AND SMALL SCHOOL SYSTEMS AND TO
4 MAKE CHANGES TO REPORTING REQUIREMENTS.
5 The General Assembly of North Carolina enacts:
6 Section 1. Subsection (c) of Section 138 of Chapter 321 of the 1993
7 Session Laws reads as rewritten:
8 "(c) **Definitions.** -- As used in this section:
9 (1) 'Anticipated county property tax revenue availability' means the
10 county adjusted property tax base multiplied by the effective State
11 average tax rate.
12 (2) 'Anticipated total county revenue availability' means the sum of
13 the
14 a. Anticipated county property tax revenue availability,
15 b. Local sales and use taxes received by the county that are
16 levied under Chapter 1096 of the 1967 Session Laws or
17 under Subchapter VIII of Chapter 105 of the General
18 Statutes,
19 c. Food stamp exemption reimbursement received by the
20 county under G.S. 105-164.44C,
21 d. Homestead exemption reimbursement received by the
22 county under G.S. 105-277.1A,
23 e. Inventory tax reimbursement received by the county under
24 G.S. 105-275.1 and G.S. 105-277A,

1 f. Intangibles tax distribution and reimbursement received by
2 the county under G.S. 105-213 and G.S. 105-213.1, and

3 g. Fines and forfeitures deposited in the county school fund,
4 for the most recent year for which data are available.

5 (3) 'Anticipated total county revenue availability per student' means
6 the anticipated total county revenue availability for the county
7 divided by the average daily membership of the county.

8 (4) 'Anticipated State average revenue availability per student' means
9 the sum of all anticipated total county revenue availability divided
10 by the average daily membership for the State.

11 (5) 'Average daily membership' means average daily membership as
12 defined in the North Carolina Public Schools Allotment Policy
13 Manual, adopted by the State Board of Education. If a county
14 contains only part of a local school administrative unit, the average
15 daily membership of that county includes all students who reside
16 within the county and attend that local school administrative unit.

17 (6) 'County adjusted property tax base' shall be computed as follows:

18 a. Subtract the present-use value of agricultural land,
19 horticultural land, and forestland in the county, as defined
20 in G.S. 105-277.2, from the total assessed real property
21 valuation of the county,

22 b. Adjust the resulting amount by multiplying by a weighted
23 average of the three most recent annual sales assessment
24 ratio studies,

25 c. Add to the resulting amount the:

26 1. Present-use value of agricultural land, horticultural
27 land, and forestland, as defined in G.S. 105-277.2,

28 2. Value of property of public service companies,
29 determined in accordance with Article 23 of Chapter
30 105 of the General Statutes, and

31 3. Personal property value,
32 for the county.

33 (7) 'County adjusted property tax base per square mile' means the
34 county adjusted property tax base divided by the number of square
35 miles of land area in the county.

36 (8) 'County wealth as a percentage of State average wealth' shall be
37 computed as follows:

38 a. Compute the percentage that the county per capita income
39 is of the State per capita income and weight the resulting
40 percentage by a factor of five-tenths,

41 b. Compute the percentage that the anticipated total county
42 revenue availability per student is of the anticipated State
43 average revenue availability per student and weight the
44 resulting percentage by a factor of four-tenths,

- 1 c. Compute the percentage that the county adjusted property
2 tax base per square mile is of the State adjusted property tax
3 base per square mile and weight the resulting percentage by
4 a factor of one-tenth,
- 5 d. Add the three weighted percentages to derive the county
6 wealth as a percentage of the State average wealth.
- 7 (9) 'Effective county tax rate' means the actual county tax rate
8 multiplied by a weighted average of the three most recent annual
9 sales assessment ratio studies.
- 10 (10) 'Effective State average tax rate' means the average of effective
11 county tax rates for all counties.
- 12 (10a) 'Local current expense funds' means the most recent county
13 current expense appropriations to public schools, as reported by
14 counties in the annual county financial information report to the
15 State Treasurer.
- 16 (11) 'Per capita income' means the average for the most recent three
17 years for which data are available of the per capita income
18 according to the most recent report of the United States
19 Department of Commerce, Bureau of Economic Analysis,
20 including any reported modifications for prior years as outlined in
21 the most recent report.
- 22 (12) 'Sales assessment ratio studies' means sales assessment ratio studies
23 performed by the Department of Revenue under G.S. 105-289(h).
- 24 (13) 'State average current expense appropriations per student' means
25 the most recent State total of county current expense
26 appropriations to public schools, as reported by counties in the
27 annual county financial information report to the State Treasurer,
28 divided by the total State average daily membership.
- 29 (14) 'State average adjusted property tax base per square mile' means
30 the sum of the county adjusted property tax bases for all counties
31 divided by the number of square miles of land area in the State.
- 32 (14a) 'Supplant' means to decrease local per student current expense
33 appropriations from one fiscal year to the next fiscal year.
- 34 (15) 'Weighted average of the three most recent annual sales assessment
35 ratio studies' means the weighted average of the three most recent
36 annual sales assessment ratio studies in the most recent years for
37 which county current expense appropriations and adjusted
38 property tax valuations are available. If real property in a county
39 has been revalued one year prior to the most recent sales
40 assessment ratio study, a weighted average of the two most recent
41 sales assessment ratios shall be used. If property has been revalued
42 the year of the most recent sales assessment ratio study, the sales
43 assessment ratio for the year of revaluation shall be used."

1 Sec. 2. Subsection (d) of Section 138 of Chapter 321 of the 1993 Session
2 Laws reads as rewritten:

3 "**(d) Eligibility for funds.** -- Except as provided in subsection (h) of this section,
4 ~~The~~ the State Board of Education shall allocate these funds to local school
5 administrative units located in whole or in part in counties in which the county
6 wealth as a percentage of the State average wealth is less than one hundred percent
7 (100%)."

8 Sec. 3. Subsection (h) of Section 138 of Chapter 321 of the 1993 Session
9 Laws reads as rewritten:

10 "**(h) Nonsupplant requirement.** -- A county in which a local school administrative
11 unit receives funds under this section shall use the funds to supplement local current
12 expense funds and shall not supplant existing State and local funding for public
13 ~~schools.~~ local current expense funds. After July 1, 1994, the State Board of Education
14 shall not allocate funds under this section to a county found to have used these funds
15 to supplant local per student current expense funds. Unless a county can show either
16 (i) that extraordinary circumstances caused the county to supplant local current
17 expense funds with funds allocated under this section; or (ii) that it has remedied any
18 deficiency, the State Board of Education shall make a finding that a county has used
19 these funds to supplant local current expense funds in the prior year, or the year for
20 which the most recent data are available, if the average of the local per student
21 current expense appropriation for the three most recent years is less than ninety-five
22 percent (95%) of the greater of either (i) the local per student current expense
23 appropriation for the 1991-92 fiscal year; or (ii) the average local per student current
24 expense appropriation of the county for the three fiscal years immediately prior to
25 the current year. The State Board of Education shall adopt rules to implement this
26 section.

27 ~~The Local Government Commission shall analyze the budgets and the~~
28 ~~expenditures of school administrative units that receive funds under this section in~~
29 ~~light of their budgets and expenditures for the previous year and shall determine~~
30 ~~whether those funds were used to supplement and not supplant State and local~~
31 ~~funding for public schools. The Local Government Commission shall report the~~
32 ~~results of its study to the State Board of Education, to the Joint Legislative Education~~
33 ~~Oversight Committee, and to the Appropriations Committees of the Senate and the~~
34 ~~House of Representatives, prior to May 1, 1994, and May 1, 1995."~~

35 Sec. 4. Subsection (i) of Section 138 of Chapter 321 of the 1993 Session
36 Laws reads as rewritten:

37 "**(i) Reports.** -- Counties that receive funds under this section shall report to the
38 State Board of Education before March 1 each year on how they are using the funds
39 for the fiscal year. The State Board of Education shall report to the Joint Legislative
40 Education Oversight Committee prior to May 1, 1994, and May 1, ~~1995,~~ 1995, and
41 annually thereafter on how the funds are being used. In its report the State Board
42 shall analyze local appropriations and identify counties that supplant funds.

43 The Local Government Commission shall report on March 1, 1995, and annually
44 thereafter on county appropriations to local school current expense funds to the State

1 Board of Education and to the Appropriations Committees of the Senate and House
2 of Representatives."

3 Sec. 5. Section 138.1 of Chapter 321 of the 1993 Session Laws reads as
4 rewritten:

5 "Sec. 138.1. (a) **Funds for Small School Systems.** -- Except as provided in
6 subsection (b) of this section, The the State Board of Education shall allocate funds
7 appropriated for small school system supplemental funding (i) to each county school
8 administrative unit with an average daily membership of less than 3,000 students and
9 (ii) to each county school administrative unit with an average daily membership of
10 from 3,000 to 4,000 students if the county in which the local school administrative
11 unit is located has a county adjusted property tax base per student that is below the
12 State adjusted property tax base per student and if the total average daily
13 membership of all local school administrative units located within the county is from
14 3,000 to 4,000 students. The allocation formula shall:

- 15 (1) Round all fractions of positions to the next whole position.
- 16 (2) Provide four additional regular classroom teachers in counties in
17 which the average daily membership per square mile is greater
18 than four and six additional regular classroom teachers in counties
19 in which the average daily membership per square mile is four or
20 less.
- 21 (3) Provide additional program enhancement teachers adequate to
22 offer the standard course of study.
- 23 (4) Change the duty-free period allocation to one teacher assistant per
24 400 average daily membership.
- 25 (5) Provide a base for the consolidated funds allotment of at least one
26 hundred fifty thousand dollars (\$150,000), excluding textbooks.
- 27 (6) Allot vocational education funds for grade 6 as well as for grades
28 7-12.

29 If funds appropriated for each fiscal year for small school system supplemental
30 funding are not adequate to fund fully the program, the State Board of Education
31 shall reduce the amount allocated to each county school administrative unit on a pro
32 rata basis. This formula is solely a basis for distribution of supplemental funding for
33 certain county school administrative units and is not intended to reflect any measure
34 of the adequacy of the educational program or funding for public schools. The
35 formula is also not intended to reflect any commitment by the General Assembly to
36 appropriate any additional supplemental funds for such county administrative units.

37 (b) **Nonsupplant requirement.** -- A county in which a local school administrative
38 unit receives funds under this section shall use the funds to supplement local current
39 expense funds and shall not supplant existing State and local funding for public
40 schools; local current expense funds. After July 1, 1994, the State Board of Education
41 shall not allocate funds under this section to a county found to have used these funds
42 to supplant local per student current expense funds. Unless a county can show either
43 (i) that extraordinary circumstances caused the county to supplant local current
44 expense funds with funds allocated under this section; or (ii) that it has remedied any

1 deficiency, the State Board of Education shall make a finding that a county has used
2 these funds to supplant local current expense funds in the prior year, or the year for
3 which the most recent data are available, if the average of the local per student
4 current expense appropriation for the three most recent years is less than ninety-five
5 percent (95%) of the greater of either (i) the local per student current expense
6 appropriation for the 1991-92 fiscal year; or (ii) the average local per student current
7 expense appropriation of the county for the three fiscal years immediately prior to
8 the current year. The State Board of Education shall adopt rules to implement this
9 section.

10 ~~The Local Government Commission shall analyze the budgets and the~~
11 ~~expenditures of school administrative units that receive funds under this section in~~
12 ~~light of their budgets and expenditures for the previous year and shall determine~~
13 ~~whether those funds were used to supplement and not supplant State and local~~
14 ~~funding for public schools. The Local Government Commission shall report the~~
15 ~~results of its study to the State Board of Education, the Joint Legislative Oversight~~
16 ~~Committee, and the Appropriations Committees of the Senate and the House of~~
17 ~~Representatives, prior to May 1, 1994 and May 1, 1995.~~

18 (c) **Definitions.** -- As used in this section:

19 (1) 'Average daily membership' means average daily membership as
20 defined in the North Carolina Public Schools Allotment Policy
21 Manual, adopted by the State Board of Education.

22 (2) 'County adjusted property tax base per student' means the total
23 assessed property valuation for each county, adjusted using a
24 weighted average of the three most recent annual sales assessment
25 ratio studies, divided by the total number of students in average
26 daily membership who reside within the county.

27 (2a) 'Local current expense funds' means the most recent county
28 current expense appropriations to public schools, as reported by
29 counties in the annual county financial information report to the
30 State Treasurer.

31 (3) 'Sales assessment ratio studies' means sales assessment ratio studies
32 performed by the Department of Revenue under G.S. 105-289(h).

33 (4) 'State adjusted property tax base per student' means the sum of all
34 county adjusted property tax bases divided by the total number of
35 students in average daily membership who reside within the State.

36 (4a) 'Supplant' means to decrease local per student current expense
37 appropriations from one fiscal year to the next fiscal year.

38 (5) 'Weighted average of the three most recent annual sales assessment
39 ratio studies' means the weighted average of the three most recent
40 annual sales assessment ratio studies in the most recent years for
41 which county current expense appropriations and adjusted
42 property tax valuations are available. If real property in a county
43 has been revalued one year prior to the most recent sales
44 assessment ratio study, a weighted average of the two most recent

1 sales assessment ratios shall be used. If property has been revalued
2 the year of the most recent sales assessment ratio study, the sales
3 assessment ratio for the year of revaluation shall be used.

4 (d) **Reports.** -- Counties that receive funds under this section shall report to the
5 State Board of Education before March 1 each year on how they are using the funds
6 for the fiscal year. The State Board of Education shall report to the Joint Legislative
7 Education Oversight Committee prior to May 1, 1994, and May 1, ~~1995~~, 1995, and
8 annually thereafter on how the funds are being used. In its report the State Board
9 shall analyze local appropriations and identify counties that supplant funds.

10 The Local Government Commission shall report on March 1, 1995, and annually
11 thereafter on county appropriations to local school current expense funds to the State
12 Board of Education and to the Appropriations Committees of the Senate and House
13 of Representatives."

14 Sec. 6. This act becomes effective July 1, 1994.

A-6. A BILL TO BE ENTITLED AN ACT TO REORGANIZE EDUCATION REPORTS AND TO MAKE TECHNICAL CORRECTIONS TO THE EDUCATION LAWS

Reporting Changes - Education makes technical corrections to several education laws, deletes three education reports and coordinates or simplifies reporting dates for several education reports.

Section 1 of the bill would amend G.S. 110-148(c)(5) to delete a requirement that the State Board make a biennial report to the General Assembly on the use of the Children's Trust Fund. The Fund is supported by marriage license fees. The State Board contracts with public or private nonprofit organizations or individuals to operate community-based educational and service programs designed to prevent the occurrence of child abuse. The administering organization must provide 25% of the total funding required for the project.

Section 2 would amend G.S. 115C-21.1 to delete the biennial report to the General Assembly on civic literacy instruction in schools.

Sections 3 and 4 would amend G.S. 115C-105.3 and 115C-105.5, two sections concerning the Standards and Accountability Commission. The changes delete certain schedule requirements but continue to require that the Commission complete the same tasks that are required in the original 1993 legislation including developing standards and assessments, field testing and training. The Commission is to recommend to the State Board of Education standards and a system of assessments no later than July 1, 1996. No later than the Spring of the year 2000 every graduating senior may be required to achieve these standards as a condition of receiving a diploma.

Section 5 repeals the Superintendent's biennial report to the Governor, Lt. Governor and the Speaker on the effect of giving every 8th - 10th grade student who has taken Algebra 1 an opportunity to take the PSAT one time at State expense.

Section 6 reschedules reporting dates of the Outcome Based Education pilots to the Department of Public Instruction and moves from June to August the date the State Board must reapprove plans.

Section 7 would amend G.S. 115C-238.7(b) to change the biennial report of the Site-Based Management Task Force to an annual December report and adds the Oversight Committee as a recipient of the report.

Section 8 Changes the report date on the implementation of the the Accountability Act of 1989 from May to February.

Section 9 would identify the first Friday in May as the annual reporting date for concerning waivers requested for Genesis projects. This would correspond to reporting dates concerning waivers under the Accountability Act.

Section 10 would amend G.S. 115C-325(i)(1) to correct the number of members of the Professional Review Committee. This corresponds to a technical change made to

115C-325(g)(1) during the 1991 session. The Professional Review Committee is made up of 11 members from each congressional district. The change reflects the additional district. The increase from 30 to 33 of the number of members of the PRC a superintendent and a teacher may designate as unacceptable is a proportional increase due to increasing the total number of members from 121 to 132.

Section 11 amends G.S. 115C-290.5 to change the reporting date of the School Administrator Standards Board from March 1 to December 1 to correspond to other Education Leadership initiative bills.

Section 12 amends G.S. 116-74.43.b. to make a technical correction to the Principal Fellows Program.

Section 13 amends Section 6 of Chapter 199 of the 1993 Session Laws to establish December 1 as the annual reporting date for the Board of Governors to report to the Oversight Committee on the implementation of the School Administrator Programs.

Section 14 amends Section 6 of Chapter 880 of the 1991 Session Laws to identify the Board of Governors as the agency to coordinate an annual report on the system of education exchange among the education institutions.

Section 15 amends Subsection (a) of Section 139 of the 1991 Budget bill to require the State Board of Education to report annually on the use of Safe School Funds. The report date corresponds to the annual report date for Intervention/Prevention grant funds.

Section 16 amends the effective date of Chapter 210 of the 1993 session laws, School Administrator Contracts. The change in the effective date carries out the intent of the act that the provisions of G.S. 115C-287.1 concerning contract employment for school administrators do not become effective until July 1, 1995.

Sections 17, 18, and 19 repeal laws directing the Joint Committee of the Teacher Training Task Force to report to the General Assembly or the Joint Legislative Education Oversight Committee.

The bill would be effective upon ratification.

94-mt-18.1

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

H

D

HOUSE DRH8049-RCZ002.1(5.13)

Short Title: Reporting Changes - Education.

(Public)

Sponsors:

Referred to:

- 1 A BILL TO BE ENTITLED
2 AN ACT TO REORGANIZE EDUCATION REPORTS AND TO MAKE
3 TECHNICAL CORRECTIONS TO THE EDUCATION LAWS.
4 The General Assembly of North Carolina enacts:
5 Section 1. G.S. 110-148(c)(5) reads as rewritten:
6 "(5) The State Board of Education shall, with the assistance of the
7 ~~Division of Community Schools~~, report to the General Assembly at
8 ~~the time of its convening on odd-numbered years~~ the use of these
9 ~~funds and~~ shall develop a State plan for the prevention of child
10 abuse and neglect for submission to the Governor, the President of
11 the Senate, and the Speaker of the House no later than January 1,
12 1987."
13 Sec. 2. G.S. 115C-21.1 reads as rewritten:
14 "~~§ 115C-21.1. Biennial report on civic literacy, other reports.~~ Report on class size
15 waivers.
16 ~~(a) The State Superintendent of Public Instruction shall submit a biennial report~~
17 ~~to the General Assembly on the implementation of G.S. 115C-81(g).~~
18 ~~(b)~~ The Department of Public Instruction shall monitor and provide a report to
19 the General Assembly by May 1, 1991, and annually thereafter showing the school
20 units that have been granted class size waivers pursuant to G.S. 115C-238.6(a), have
21 reported class size exceptions, and have converted State-funded teacher positions to
22 other positions, dollars, or other expenditures."
23 Sec. 3. G.S. 115C-105.3 reads as rewritten:
24 "§ 115C-105.3. Purpose.

1 The purpose of the Commission is to develop high and clearly defined education
2 standards for the public schools of North Carolina. These standards shall specify the
3 skills and the knowledge that high school graduates should possess in order to be
4 competitive in the modern economy. The purpose of the Commission is also to
5 develop fair and valid assessments to assure that high school graduates in North
6 Carolina meet these standards. No later than the Spring semester of the year 2000,
7 every graduating high school senior may be required to achieve these standards as a
8 condition for receiving a diploma.

9 These high standards and assessments shall focus on the key skills needed by
10 students as they strive to be successful after high school and shall reflect the high
11 expectations for every student demanded by the State's education mission in G.S.
12 115C-81(a), 115C-238.1, and 115C-238.13(a). Once these key skills are identified,
13 parents, teachers, and the entire school community should be encouraged to help
14 each student meet the student's fullest potential."

15 Sec. 4. G.S. 115C-105.5 reads as rewritten:

16 "**§ 115C-105.5. Reporting requirements.**

17 (1) No later than July 1, ~~1994~~, 1994, and annually thereafter, the
18 Commission shall provide ~~an initial a progress report on standards~~
19 ~~and assessments~~ to the General Assembly, the Governor, and the
20 State Board of Education. This report shall ~~include~~ include:

21 a. Progress being made on the development of standards,
22 benchmarks, and related ~~assessments. It shall also include~~
23 assessments;

24 b. Recommendations for the education and training of
25 educators to ~~assist in incorporating standards into existing~~
26 ~~classrooms. implement the standards and assessments;~~

27 c. An estimation of (i) the number of students each year who
28 are unlikely to achieve at their potential and the cost of the
29 actions that should be taken to enable these students to
30 achieve at their potential, and (ii) the number of students
31 who are unlikely to meet the performance standards for high
32 school graduation each year and the cost of the actions that
33 should be taken to enable these students to meet the
34 standards; and

35 d. An implementation schedule that includes field testing of
36 the assessments, a public awareness campaign, public release
37 of the assessment data, and the development of designations
38 on graduation diplomas to reflect a student's achievement in
39 the standards.

40 (2) No later than July 1, 1996, The the Commission shall recommend
41 to the State Board of Education standards and a system of
42 assessments, and if the State Board adopts the standards and
43 system of assessments, the Commission and the State Board shall
44 use the following schedule:

- 1 a. ~~In the Spring semester of the 1994-95 school year, a field or~~
2 ~~pilot test of the system of assessments shall be given in a~~
3 ~~limited number of school units.~~
4 b. ~~During the 1994-95 school year, school personnel shall be~~
5 ~~educated and trained to implement the system of~~
6 ~~assessments.~~
7 c. ~~During the 1994-95 school year, there shall be a public~~
8 ~~awareness campaign regarding the standards and~~
9 ~~assessments.~~
10 d. ~~In the 1995-96 school year, standards shall be implemented~~
11 ~~in all school systems, and in the Spring semester of the~~
12 ~~1995-96 school year, the assessments shall be administered to~~
13 ~~all North Carolina high school seniors and in every local~~
14 ~~school administrative unit.~~
15 e. ~~In the Spring semester of the 1995-96 school year, the first~~
16 ~~set of assessment data shall be released publicly.~~
17 f. ~~During the 1995-96 and subsequent school years,~~
18 ~~appropriate designations shall be implemented on the~~
19 ~~diplomas of graduation to reflect the students' achievement.~~
20 g. ~~No later than the Spring semester of the year 2000, every~~
21 ~~graduating high school senior shall be required to achieve~~
22 ~~these standards as a condition for receiving a diploma.~~
23 assessments for the Board's consideration so that by the year
24 2000 every graduating high school senior may be required to
25 achieve these standards as a condition for receiving a
26 diploma.

27 (3) ~~The Commission shall annually advise the General Assembly, the~~
28 ~~Governor, and the State Board of Education on the standards and~~
29 ~~assessments. In its report, the Commission shall estimate (i) the~~
30 ~~number of students each year who are unlikely to achieve at their~~
31 ~~potential and the cost of the actions that should be taken to enable~~
32 ~~these students to achieve at their potential, and (ii) the number of~~
33 ~~students who are unlikely to meet the performance standards for~~
34 ~~high school graduation each year and the cost of the actions that~~
35 ~~should be taken to enable these students to meet the standards."~~

36 Sec. 5. G.S. 115C-174.19 is repealed.

37 Sec. 6. G.S. 115C-238.17 reads as rewritten:

38 "**§ 115C-238.17. Annual assessment and reapproval of plans.**

39 (a) ~~Between March 15 and May 15~~ No later than May 31 of each subsequent year
40 of the project, the projects shall submit to the Department of Public Instruction any
41 data requested by the Department of Public Instruction or the State Board of
42 Education and any proposed changes in the projects. ~~No later than May 30 each~~
43 ~~year, the~~ The Department shall review the data and the proposed changes in the

1 plans for the projects and shall work with the project sites to assure that the plans
2 carry out the provisions of this Part.

3 ~~(b) Between March 15 and June 1 of each subsequent year, the~~ The State Board
4 of Education shall receive the data requested and the proposed changes in plans for
5 projects from the project sites and shall receive the comments of the Department of
6 Public Instruction regarding the data and the proposed changes in the projects. The
7 State Board shall also consider the results of audits and evaluations performed
8 pursuant to G.S. 115C-238.18.

9 (c) No later than ~~June~~ August 15 of each subsequent year, the State Board of
10 Education shall reapprove the plans and any changes for the projects, reapprove the
11 plans and any changes with modifications, or reject the plans.

12 (d) The project sites shall begin implementation immediately of projects
13 reapproved, or reapproved with modifications, by the State Board."

14 Sec. 7. G.S. 115C-238.7(b) reads as rewritten:

15 "(b) The Task Force shall:

- 16 (1) Monitor the implementation of the School Improvement and
17 Accountability Act of 1989, as amended, especially the
18 development and implementation of building-level plans;
- 19 (2) Advise the Director of the Task Force on Site-Based Management
20 on how to provide training and assistance to the public schools so
21 as to facilitate the implementation of site-based management;
- 22 (3) ~~Review by September 1, 1992,~~ publications produced by the
23 Department of Public Instruction on the development and
24 implementation of building-level plans;
- 25 (4) Report annually to the General Assembly ~~within the first week of~~
26 ~~the convening of the 1993 General Assembly and biennially~~
27 ~~thereafter~~ and the Joint Legislative Education Oversight
28 Committee on the implementation of site-based management in the
29 public ~~schools.~~ schools on the first Friday in December. This
30 report may contain a summary of recommendations for changes to
31 any law, rule, and policy that would improve site-based
32 management."

33 Sec. 8. Section 8 of Chapter 778 of the 1989 Session Laws reads as
34 rewritten:

35 "Sec. 8. ~~The Department of Public~~ State Board of Education shall report ~~prior to~~
36 ~~May 1, 1990, and~~ annually on the first Friday in February ~~thereafter,~~ on the
37 implementation of the School Improvement and Accountability Act of 1989, to the
38 Joint Legislative Education Oversight Committee, the ~~chairmen~~ chairs of the Senate
39 and House of Representatives committees on education, appropriations, and
40 appropriations on education."

41 Sec. 9. G.S. 115C-238.24 reads as rewritten:

42 "**§ 115C-238.24. Grants of flexibility by the State Board.**

43 In implementing local projects, local boards need broad decision-making authority
44 so that local boards and participating school leadership teams can carry out the

1 activities that meet the needs of students in that particular building. Each
2 participating local school administrative unit may request from the State Board of
3 Education, with specificity, those aspects of its project implementation that would be
4 enhanced by flexibility with regard to statutes, policies, and regulations. Upon the
5 recommendation of the State Superintendent, the State Board of Education may
6 grant each local school administrative unit such flexibility with regard to Chapter
7 115C of the General Statutes, and its policies, and regulations, including the waivers
8 allowed under G.S. 115C-238.6(a)(1) and (a)(2), as it finds necessary and appropriate
9 to implement a local project so long as (i) the total amount of State funds expended
10 for the project does not exceed the amount of State funds available for a school with
11 that average daily membership; (ii) no health or safety standards relating to schools or
12 school transportation are lowered; (iii) the State Board of Education does not find as
13 a fact that the flexibility is being abused; (iv) the provisions of G.S. 115C-325 shall
14 not be waived for any certificated teacher working in a Genesis school; and (v) the
15 standard course of study is included in the education program offered to every child
16 in the Genesis school.

17 Article 2A of Chapter 150B of the General Statutes shall not apply to actions by
18 the State Board of Education when waiving its rules under this subsection.

19 The State Board of Education shall report annually on the first Friday in May on
20 waivers granted with regard to statutes, policies, and regulations to the Joint
21 Legislative Education Oversight Committee."

22 Sec. 10. G.S. 115C-325(i)(1) reads as rewritten:

23 "(1) The career teacher and superintendent will each have the right to
24 designate not more than ~~30~~ 33 of the ~~121~~ 132 members of the
25 Professional Review Committee as not acceptable to the teacher or
26 superintendent respectively. No person so designated shall be
27 appointed to the panel. The career teacher shall specify to the
28 superintendent those Committee members who are not acceptable
29 in his request for a review of the superintendent's proposed
30 recommendations provided for in subdivision (h)(3) above. The
31 superintendent's notice to the Superintendent of Public Instruction
32 provided for in subdivision (h)(4) above shall contain a list of
33 those members of the Committee not acceptable to the
34 superintendent and the teacher respectively. Failure to designate
35 nonacceptable members in accordance with this subsection shall
36 constitute a waiver of that right."

37 Sec. 11. G.S. 115C-290.5(a) reads as rewritten:

38 "(a) The Board shall administer this Article. In fulfilling this duty, the Board
39 shall:

- 40 (1) Develop and implement a North Carolina Public School
41 Administrator Exam, based on the professional standards
42 established by the Board.
- 43 (2) Establish and collect an application fee not to exceed fifty dollars
44 (\$50.00), and an exam fee not to exceed one hundred fifty dollars

1 (\$150.00). Fees collected under this Article shall be credited to
2 the General Fund as nontax revenue.

3 (3) Review the educational achievements of an applicant to take the
4 exam to determine whether the achievements meet the
5 requirements set by G.S. 115C-290.7.

6 (4) Notify the State Board of Education of the names and addresses of
7 the persons who passed the exam and are thereby qualified to be
8 certified as public school administrators by the State Board of
9 Education.

10 (5) Maintain accounts and records in accordance with the Executive
11 Budget Act, Article 1 of Chapter 143 of the General Statutes.

12 (6) Adopt rules in accordance with Chapter 150B of the General
13 Statutes to implement this Article.

14 (7) Submit an annual report by ~~March 1~~ December 1 of each year to
15 the Joint Legislative Education Oversight Committee of its
16 activities during the preceding year, together with any
17 recommendations and findings regarding improvement of the
18 profession of public school administration."

19 Sec. 12. G.S. 116-74.43(b) reads as rewritten:

20 "(b) The State Education Assistance Authority shall forgive the loan if, within six
21 years after graduation from a school administrator program, the recipient serves for
22 four years as a school administrator at a North Carolina public school or at a school
23 operated by the United States government in North Carolina. The SEAA shall also
24 forgive the loan if it finds that it is impossible for the recipient to work for four years,
25 within ~~to~~ six years after completion of the two-year school administrator program
26 supported by the scholarship loan at a North Carolina public school, or at a school
27 operated by the United States government in North Carolina, because of the death or
28 permanent disability of the recipient. If the recipient repays the scholarship loan by
29 cash payments, all indebtedness shall be repaid within 10 years after completion of
30 the two-year school administrator program supported by the scholarship loan."

31 Sec. 13. Section 6 of Chapter 199 of the 1993 Session Laws reads as
32 rewritten:

33 "Sec. 6. The Board of Governors shall report on the design for the programs and
34 the proposal process created in accordance with G.S. 116-74.21 to the Joint
35 Legislative Education Oversight Committee no later than December 1, 1993.
36 Requests for proposals shall be disseminated to the constituent institutions no later
37 than January 15, 1994. Proposals shall be submitted to the Board of Governors no
38 later than June 1, 1994. The Board of Governors shall then reconvene the panel of
39 experts to screen the submitted proposals. After its screening, the panel shall make
40 recommendations by September 1, 1994, to the Board of Governors. The Board of
41 Governors shall choose the institutions that shall have school administrator programs
42 no later than November 1, 1994.

43 The Board of Governors shall report annually on the implementation of this act no
44 later than December 1 of each year."

1 Sec. 14. Section 6 of Chapter 880 of the 1991 Session Laws reads as
2 rewritten:

3 "Sec. 6. The Board of Governors shall coordinate a ~~A joint report of progress~~
4 ~~report made to develop a~~ on the implementation of the system to provide an
5 exchange of ~~information~~ information among the public and independent colleges and
6 universities, the community colleges, and the public schools. The report shall be
7 made to the Joint Legislative Education Oversight Committee no later than February
8 15, 1993, and annually thereafter."

9 Sec. 15. Subsection (a) of Section 139 of Chapter 321 of the 1993 Session
10 Laws reads as rewritten:

11 "Sec. 139. (a) Of the funds appropriated to Aid to Local School Administrative
12 Units, the sum of two million five hundred thousand dollars (\$2,500,000) for the
13 1993-94 fiscal year and the sum of two million five hundred thousand dollars
14 (\$2,500,000) for the 1994-95 fiscal year shall be used to provide grants for local
15 school administrative units for locally designed innovative local programs to make
16 schools safe for students and school employees. These funds shall be used for grants
17 of from fifty thousand dollars (\$50,000) to one hundred thousand dollars (\$100,000)
18 per year to local school administrative units. These funds may be used for continuing
19 or noncontinuing expenses.

20 A local school administrative unit may apply for a grant, or two or three adjacent
21 local school administrative units may apply jointly for a grant. Applicants for grants
22 shall submit to the State Board of Education an application that includes the
23 following information:

- 24 (1) An assessment of local problems with regard to violence and
25 harassment, including sexual and other forms of harassment, in the
26 schools prepared by a local task force of educators, parents,
27 students, community leaders, and representatives of social services
28 and law enforcement, appointed by the local board of education.
- 29 (2) A detailed plan for addressing these local problems, including
30 proposed goals and anticipated outcomes, prepared after
31 consultation with the task force.
- 32 (3) A statement of how the grant funds would be used to address these
33 local problems and what other resources would be used to address
34 the problems.
- 35 (4) A process for assessing on an annual basis the success of the local
36 plan for addressing problems with regard to violence and
37 harassment in the schools.

38 The Superintendent of Public Instruction shall appoint a State task force to assist
39 the Superintendent in reviewing grant applications. The State task force shall include
40 representatives of the Department of Public Instruction, local school administrative
41 units, educators, parents, the juvenile justice system, social services, and
42 nongovernmental agencies providing services to children, and other members the
43 Superintendent deems appropriate. In reviewing grant applications, the
44 Superintendent and the State task force shall consider the severity of the local

1 problems with regard to violence in the schools and the likelihood that the locally
2 designed plan will deal with the problems successfully.

3 The State Board of Education shall consider the recommendations of the
4 Superintendent in selecting grant recipients. The State Board shall also attempt to
5 give grants to local school administrative units that are located geographically
6 throughout the State, that have different demographic profiles, and that propose
7 different approaches to their problems. The State Board shall select grant recipients
8 prior to January 1, 1994.

9 The Superintendent of Public Instruction shall administer the grant program and
10 provide technical assistance to grant applicants and recipients.

11 The State Board of Education shall report to the Joint Legislative Education
12 Oversight Committee prior to March 15, 1994, ~~and prior to January 15, 1995~~ 1995,
13 and October 1, 1995, and annually thereafter on how the funds are being used."

14 Sec. 16. (a) Section 7 of Chapter 210 of the 1993 Session Laws reads as
15 rewritten:

16 "Sec. 7. This act becomes effective July 1, ~~1993.~~ 1993, except that Sections 3, 5,
17 and 6 become effective July 1, 1995."

18 (b) This section is effective upon ratification. This section does not apply
19 to employment contracts entered into between a local school unit and an assistant
20 principal between July 1, 1993, and the effective date of this act.

21 Sec. 17. Subsections (d) and (e) of Section 96 of Chapter 830 of the 1987
22 Session Laws are repealed.

23 Sec. 18. Subsections (d) and (e) of Section 96 of Chapter 752 of the 1989
24 Session Laws are repealed.

25 Sec. 19. Chapter 43 of the 1993 Session Laws is repealed.

26 Sec. 20. This act is effective upon ratification.

27

APPENDIX B

SELECTED COMMITTEE REPORTS

Education Information Exchange	B-1
Implementation of the School Improvement and Accountability Act	B-2
Educational Leadership Program Proposals.....	B-3
Extended Services.....	B-4
BEP Implementation and Benchmarks.....	B-5
School Leadership Academy.....	B-6
Supply and Demand for Educational Administrators	B-7
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Small School Supplemental Funding.....	B-16



NORTH CAROLINA DEPARTMENT OF PUBLIC INSTRUCTION

116 West Edenton Street, Education Building
Raleigh, NC 27603-1712

BOB ETHERIDGE
State Superintendent

February 17, 1993

Mr. C. D. Spangler, Jr.
President
University of North Carolina
P.O. Box 2688
Chapel Hill, NC 27514

Dear Mr. Spangler:

I am pleased to forward to you the collective response from the public schools of North Carolina to your letter of December 10, 1991 concerning the development of a standardized transcript. As you noted, the General Assembly passed legislation in 1989 which required the development of a uniform system of communication between the public schools and the university and to that end a joint committee has studied the issue for 2 1/2 years culminating in your December 1991 proposal.

In the ensuing thirteen months we have involved hundreds of school administrators, counselors, teachers, parents and Department staff in analyzing your proposal and its impact on the school children and school reform efforts in our state. We also have involved admissions officers from the private colleges and universities in our state in our deliberations.

I am pleased to report that there is broad support for the entire initiative among public school educators. As you will see, there are very few adjustments to your original proposal. Your Ad Hoc Committee is to be commended for its work!

Almost all participants agreed with the notion that there should be a common system of weighting which treats students more fairly than the current patchwork system of weighting so aptly described in your letter. Any change which promises to make the college admissions process more predictable, understandable, and equitable to students and parents is welcomed by all of us.

We believe that the purpose in weighting courses is to reward students for taking more challenging courses that they might not take because of the possibility

B-1

of a lower grade and grade point average. In many cases these courses are "more demanding than companion grade level high school courses" but in other cases they are simply more rigorous courses in a sequence which students may be reluctant to take.

In order to respond clearly to your proposals, it is necessary to discuss which courses are to be weighted and recommended course weights together as one topic.

Proposal I

The Department believes that under our recently revised course coding structure level 5 (Advanced/Honors/Academically Gifted) courses should be given one additional quality point and that level 7 courses (Advanced Placement) should be given two additional quality points.

The following concepts were considered in developing our revised proposal:

- The Department agrees that the minimum Admissions Requirements do not represent a model college preparatory curriculum and therefore, courses beyond the minimum do not automatically qualify for honors credit.
- The Department agrees that in many cases there should be a "standard" version of a course before an "honors" version is offered for weighted credit.
- The Department also believes that there are some exceptions to the rule above in that some advanced courses in a sequence are inherently "honors" because of their content and should receive weighted credit without having a "standard" version.
- The Department agrees that Advanced Placement courses are desirable and represent demanding academic standards established by the College Board, verified through AP tests, and supported by standardized teacher training. To that end, the Department encourages all schools to offer as many AP courses as possible but does not believe that schools should be prevented from offering both an honors course and an AP course if they so choose.

- The Department accepts the university's position that it prefers no weight be given to cultural arts, physical education and vocational courses and that remedial courses not be included in a weighted grade point average.
- The Department agrees that while there are many excellent and highly challenging "honors" courses in place in the state, these courses do not meet the same standards of college level work and external national validation as AP courses. For that reason, it is appropriate to discriminate between the two levels by adding one quality point to honors and two quality points to AP courses.
- The Department rejected the Committee's proposal that Honors and AP receive the same weight because it feels that given a choice between an honors course without national standards and a national test and an AP course which must meet those standards that students would opt for the honors course thereby reducing enrollment in AP courses over the long run.

Proposal II

The Department will revise the course level definitions embedded in our course coding structure in this manner:

<u>Level</u>	<u>Title</u>	<u>Definition</u>
2	Standard Version	Course content, pace and academic rigor follow standards specified by the <u>North Carolina Standard Course of Study</u> with occasional content enrichment where appropriate. This course provides credit towards a high school diploma and requires the end-of-course test where available.
5	Advanced/Honors/ Academically Gifted	Course content, pace and academic rigor put high expectations on the student and are substantially higher than those described in the <u>North Carolina Standard Course of Study</u> . Such courses demand greater student independence and responsibility. In most cases, schools should also offer a standard version of such courses. The courses provide

credit toward a high school diploma and require an end-of-course test where available. The state weighting system adds the equivalent of one quality point to the grade earned in honors courses.

7 Advanced Placement

Course content, pace and academic rigor is college-level as adopted by the College Board and is geared to enable students to pass the AP test. The course provides credit toward a high school diploma and requires an end-of-course test where one is available. The state weighting system adds the equivalent of two quality points to the grade earned in the AP course.

The following concepts were considered in developing proposal two:

- The Department accepts the rule of thumb that many "honors" courses should require the existence of a standard version as well, e.g. Standard English, Honors English, Standard U. S. History, Honors U. S. History, etc.
- The Department recognizes that some advanced courses are by their very nature challenging and, therefore, merit honors credit such as College Algebra or Second Year Chemistry.
- The Department believes that the weighting system should be used as a tool to encourage high school students to take more challenging courses, especially those which have low enrollment such as Calculus, Physics, and Foreign Language.
- The Department believes that courses taken under the Huskins Bill should receive honors credit where appropriate.

Proposal III

In order to resolve the honors course issues mentioned above as well as other "credit" issues which might arise in the future, the Department proposes the creation of a Standing Joint Committee on Credit Issues to be comprised of a high school principal, a counselor, a representative of the General Administration of the University of North Carolina, a representative of private colleges and universities in the state, a representative of the Department of Community Colleges and two representatives of the Department of Public Instruction.

The following concepts were considered in developing proposal three:

- The clarification of which courses are inherently "honors" will be complex and should be resolved based on collaboration.
- With the continued development of new curricula over the next few years, it is expected that such decisions will be an ongoing necessity.

Proposal IV

The Department accepts in full the recommendations of the Ad Hoc Committee concerning grading scales to be based on this scale:

Option 1 - Letter Grades without Pluses and Minuses:

A=4.0 B=3.0 C=2.0 D=1.0 F=0.0 WF=0.0

Option 2 - Letter Grades with Pluses and Minuses:

A+=4.00 A=4.00 A-=3.68 B+=3.38 B=3.00
B-=2.68 C+=2.38 C=2.00 C-=1.68 D+=1.38
D=1.00 D-=1.00 F=0.00 WF=0.00

Option 3 - Percentage Grades:

96%-100=4.00	91%=3.38	86%=2.75	81%=2.13	76%=1.50
95%=3.88	90%=3.25	85%=2.63	80%=2.00	75%=1.38
94%=3.75	89%=3.13	84%=2.50	79%=1.88	74%=1.25
93%=3.63	88%=3.00	83%=2.38	78%=1.75	73%=1.13
92%=3.50	87%=2.88	82%=2.25	77%=1.63	70% 72%=1.00
				≤69%=0.0

Proposal V

The Department accepts in full the seven formatting recommendations listed below:

- 1) SAT, ACT and other standardized test scores should be reported in the same order as they are normally published by the testing service.
- 2) PSAT, CAT and other diagnostic test scores should not be shown on the transcript.
- 3) Senior year courses in progress should be shown on the transcript and first semester grades should be posted when they are available.
- 4) Dates of attendance at the high school should be shown on the transcript.
- 5) All courses attempted by the student, including summer school courses and those in which the student withdrew anytime after the official drop/add date for whatever reason, should be shown on the transcript. Courses with a grade of WF (withdrawal failing) should be treated as a failing grade in calculating the grade point average.
- 6) High school courses taken at schools previously attended should be assigned state course codes and weights should be added for courses that meet the standards recommended by this committee.
- 7) The transcript should show both the weighted and unweighted grade point average and the weighted class rank.

Proposal VI

The Department believes that the full implementation of this grading and weighting system should not penalize any student by changing the weighting or the grade of a course after the student has taken the course. To that end, it will be necessary to phase in this system over a four-year period beginning with the freshman class entering the ninth grade in the 1994-95 school year, i.e. the graduating class of 1998. A first draft of the new transcript format will be available to schools this summer and will be followed by an upgraded final format for the 94-95 school year.

The following concepts were considered in developing Proposal VI:

- Basic rules of fairness would seem to negate removing weighted credit or changing grades already earned.
- It is possible to phase in a mixed transcript during the implementation years so that the grade point average is a combination of the pre-existing grading and weighting system and the new state grading and weighting system. In such a phase-in, the first transcripts with a complete history of course weights under the new weighting system would be the Class of 1998.
- School systems will be required to use the revised SIMS software to support a state weighting system in the 1993-94 school year.

Mr. Spangler, I am sure you agree that this collaborative undertaking, while massive in nature, is one which bodes well for the transition between our high schools and our college and university system. We pledge our continued cooperation in this endeavor and look forward to hearing a response from you concerning our proposal.

Sincerely,



Bob Etheridge

BE/VL/mw

**School Improvement and Accountability Act
(Senate Bill 2)
Report of 1992 Performance**

Introduction

This report contains information summarizing local school system performance for the 1991-1992 school year in relation to performance milestones established for the second year of Senate Bill 2 operation by each participating system. Also included is a comparison of Senate Bill 2 performance to 1992 Report Card performance.

Improvement Plans

School systems participating in Senate Bill 2 (all 129 take part) developed three to five year improvement plans which include numerical goals for performance indicators specified by the State Board of Education. The specified indicators include state accreditation standards, plus the Scholastic Aptitude Test (SAT). Depending upon program options available to each system, the number of specified indicators can be 29, 28, 27, or 26.

In addition to state specified indicators, Senate Bill 2 provides that school systems may adopt numerical goals for locally-devised performance indicators. Sixty-two school systems have elected to do so. The number of local indicators for those school systems that have adopted them ranges from one to 34, with the median being four.

Milestones

Senate Bill 2 plans also include yearly performance milestones as measures of progress for each state and local indicator. These are considered to be annual targets that school systems should reach on the way to meeting goals established for their plans. State guidelines require that at least 75 percent of all goals be met in order for a school system to be successful in achieving its improvement plan.

Performance in 1992

The performance for each of the 129 school systems is summarized in the pages that follow. Information shown includes:

- The number of state indicators addressed by each system
- The number of local indicators addressed by each system
- The total number of indicators addressed by each system
- The number of 1992 milestones that were met
- The percent of 1992 milestones met
- The 1992 status for each school system

Milestones Summary

Shown below are the number of school systems meeting designated percentages of their milestones for 1992 in increments of five percentage points.

<u>Percent Range</u>	<u>Number of Systems</u>
95% - 100%	3
90% - 94.9%	14
85% - 89.9%	14
80% - 84.9%	18
75% - 79.9%	20
70% - 74.9%	11
65% - 69.9%	14
60% - 64.9%	13
55% - 59.9%	8
50% - 54.9%	7
Less than 50%	7

NORTH CAROLINA LOCAL SCHOOL SYSTEM PERFORMANCE
1992 Report Card Achievement Compared to 1992 Senate Bill 2 Milestones Met

Above Average on Report Card

Burlington	Macon
Ashe	Mitchell
Buncombe	New Hanover
Cabarrus	Chapel Hill/
Catawba	Carrboro
Hickory	Asheboro
Cherokee	Stanly
Clay	Elkin
Dare	Mt. Airy
Davie	Swain
Graham	Transylvania
Guilford	Union
Haywood	Wake
Henderson	Watauga
Hendersonville	Yancey
Jackson	

Average on Report Card

Alamance	Duplin	Moore
Alexander	Edgecombe	Nash
Alleghany	Tarboro	Onslow
Avery	WS/Forsyth	Orange
Beaufort	Gaston	Pamlico
Washington	Gates	Elizabeth City/
Asheville	Granville	Pasquotank
Burke	Greene	Perquimans
Caldwell	Greensboro	Person
Camden	High Point	Pitt
Carteret	Roanoke	Polk
Newton/	Rapids	Randolph
Conover	Harnett	Richmond
Chatham	Hyde	Rockingham
Edenton/	Iredell/	Eden
Chowan	Statesville	W. Rockingham
Cleveland	Mooreville	Rutherford
Kings Mt.	Johnston	Sampson
Shelby	Jones	Albemarle
Whiteville	Lee	Stokes
New Bern/	Lenoir	Surry
Craven	Lincoln	Tyrrell
Cumberland	McDowell	Wayne
Currituck	Charlotte/	Wilkes
Davidson	Mecklenburg	Wilson
Durham	Montgomery	Yadkin

Below Average on Report Card

Anson	Madison
Bertie	Martin
Bladen	Northampton
Brunswick	Pender
Kannapolis	Robeson
Caswell	Reidsville
Columbus	Rowan/
Lexington	Salisbury
Thomasville	Clinton
Franklin	Scotland
Franklinton	Monroe
Halifax	Vance
Weldon	Warren
Hertford	Washington Co.
Hoke	

B-2

Bold Type: Designates school systems that met 75 percent or more of their Senate Bill 2 milestones in 1992. By definition, a school system has made satisfactory progress if it has met 75 percent of its annual Senate Bill 2 milestones.

Above Average on Report Card:	26 of 30 (87%) made satisfactory progress on Senate Bill 2
Average on Report Card:	35 of 71 (49%) made satisfactory progress on Senate Bill 2
Below Average on Report Card:	8 of 28 (29%) made satisfactory progress on Senate Bill 2

SCHOOL ADMINISTRATOR PROGRAMS

A Report to the Joint Legislative Education Oversight Committee
from the
Board of Governors of the University of North Carolina
December 1, 1993

Chapter 199, House Bill 257 (1993) provides, in part, that the Board of Governors shall develop and implement a competitive proposal process for establishing up to seven school administrator training programs at the constituent institutions, and may convene an advisory panel of school administrator program experts to assist it. House Bill 257 also requires that the Board report on the design for the programs and the proposal process by December 1, 1993. The information contained in this report responds to that requirement.

The Board of Governors named the National Review Panel, an advisory panel on School Administrator Programs, on September 21, 1993. Brief biographical information is provided in Appendix A. The panel members are:

Mr. Hunter Moorman, chairman
Director, Schools and School Professionals Division
Office of Research/O.E.R.I.
U.S. Department of Education

Dr. Gail T. Schneider
Interim Dean, School of Education
University of Wisconsin-Milwaukee

Dr. Lonnie Wagstaff
M. K. Hage Centennial Professor of Educational Administration
The University of Texas at Austin

Dr. Richard Wallace
Professor, Department of Administration and Policy Studies
Co-Director, Superintendents Academy
University of Pittsburgh.

The Panel has submitted to the Board for consideration general advice on the proposal and review process; and a draft application form titled a "Request for Authorization to Establish a Master of School Administration Degree." The Panel's preliminary advice is found in Appendix B. The Panel's work is continuing.

The Planning Committee of the Board of Governors, on November 11, 1993, granted permission to plan a Master of School Administration program to each of the constituent institutions currently offering master's level programs for training school administrators, if the institution chooses to do so, pursuant to the receipt of a request for proposal in January. Those campuses are: Appalachian State University, East Carolina University, Fayetteville State University, North Carolina A & T State University, North Carolina Central University, North Carolina State University, Pembroke State University, UNC-Chapel Hill, UNC-Charlotte, UNC-Greensboro, UNC-Wilmington, and Western Carolina University.

The Board will adopt and disseminate by January 15, 1994 a request for proposals which will include: (1) an application form which will constitute a request for authorization to establish a Master of School Administration Degree; (2) information on the proposal procedure; and (3) the framework and standards by which the proposals will be assessed.

The calendar of actions in the proposal process will be as follows:

January 14, 1994	Request for proposals disseminated
May 13, 1994	Proposals due at General Administration
June 15-18, 1994	Proposals reviewed by the National Review Panel
September 1, 1994	National Review Panel makes recommendations to Board of Governors
October 14, 1994	Board of Governors authorizes no more than seven (7) Master of School Administration Programs

Attachments:

Appendix A - National Review Panel Information
Appendix B - National Review Panel Letter of Transmittal

UNIVERSITY OF NORTH CAROLINA
SCHOOL ADMINISTRATOR PROGRAMS

NATIONAL REVIEW PANEL

MR. HUNTER MOORMAN, Chairman
Director, Schools and School Professionals Division
Office of Research/O.E.R.I.
U.S. Department of Education

Mr. Moorman manages a program of national research and development for the U. S. Department of Education that addresses school organization, management and leadership; educational accountability; cultural diversity and other areas. He directed the Department's Leadership in Educational Administration Development (LEAD) Program, which funded school leadership training and technical assistance centers in 56 jurisdictions across the nation.

DR. GAIL THIERBACH SCHNEIDER
Interim Dean
School of Education
University of Wisconsin-Milwaukee

A professor of educational leadership, Dr. Schneider is senior associate editor of the *Educational Administration Quarterly*. She is past president of the University Council on Educational Administration, a national body whose membership consists of universities that meet standards of excellence in educational administrator training.

DR. LONNIE H. WAGSTAFF
Department of Educational Administration
College of Education
The University of Texas at Austin

Dr. Wagstaff is the M.K. Hage Centennial Professor of Educational Administration at the University of Texas. He presently is chairman of the University of North Carolina Review Panel for the Ed. D. in Educational Leadership programs at UNC institutions. His research and scholarship emphasis is on the leadership responsibilities of school administrators.

DR. RICHARD WALLACE
Department of Administrative and Policy Studies
School of Education
University of Pittsburgh

Dr. Wallace served as Superintendent of the Pittsburgh Public Schools from 1980 to 1992. He is currently a clinical professor at the University of Pittsburgh and co-director of its Superintendents Academy. As superintendent, he was involved directly with the University of Pittsburgh's teaching and research faculty to effect school improvement. Many of the professional development programs for Pittsburgh's principals and teachers won national awards. Dr. Wallace has numerous professional publications and awards to his credit.



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE ASSISTANT SECRETARY
FOR EDUCATIONAL RESEARCH AND IMPROVEMENT

NOV 3 1993

Dr. William F. Little
Vice President for Academic Affairs
University of North Carolina
General Administration
P.O. Box 2688
Chapel Hill, North Carolina 27515-2688

Dear Dr. Little:

The National Review Panel is pleased to provide you and the Board of Governors with the enclosed document and this report of our work to date. The document contains preliminary recommendations for a competitive proposal process for administrator training programs within the constituent institutions of The University of North Carolina.

On behalf of the Board of Governors, your office formed the Panel to provide advice in designing the program, the proposal process, and criteria for assessing the proposals, pursuant to HB257 (1993).

In serving this purpose, the Panel has:

- Been briefed in person and by telephone by Dr. Mary Wakeford, Assistant Vice President for Academic Affairs, on relevant legislation, reports, and institutional characteristics;
- Convened in subcommittees for one and one-half days in Washington, D.C., and for one half day in Houston, Texas, to discuss the task, review materials, and formulate advice; and
- Held a conference telephone call to discuss and approve the preliminary recommendations and letter of transmittal.

In the course of the Panel's deliberations, we sought clarification about the scope of administrator training programs under our consideration and learned that it entailed school administrator preparation programs at the master's level.

The Panel's preliminary recommendations are expressed in the enclosed document in the form of material suitable for inclusion in a Request for Authorization. We have also given Dr. Wakeford additional recommendations for information to be included in your letter of transmittal to applicant institutions.

There are two areas in which the Panel has yet to come to firm conclusions. We believe that additional material from the standard Request for Authorization form should be included in the instructions to applicants, but we have not yet decided what to

Page 2--Dr. William F. Little

recommend; and we are still deliberating over the weight to assign individual review standards. The Panel's work over the coming week will produce final recommendations for additional instructions and a new document on review of applications containing a "Framework and Standards for Review."

The Panel also makes the further recommendations with respect to HB 257, 116-74.21, 2, that:

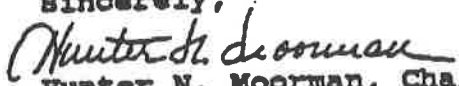
- The determination under (1) be left to the Chancellor of each submitting institution;
- Plans for information noted under (2), (4), (5), and (6) be requested in the proposals; and
- The issue under (3) be studied by your staff and resolved accordingly.

As you know, the Panel will meet June 15-18, 1994, to review proposals and prepare recommendations for the Board of Governors. The Panel will provide further information on the procedures for conducting the review in a later communication.

Please let me know if you have any questions about the Panel's work or the enclosed document.

We look forward to continuing to work with the UNC General Administration and to contributing to the revision of the state's administrator preparation programs.

Sincerely,


Hunter N. Moorman, Chair
Director,
Schools and School Professionals
Division
Office of Research

On behalf of National Review Panel members:

Dr. Gail T. Schneider
Interim Dean, School of Education
University of Wisconsin-Milwaukee

Dr. Lonnie Wagstaff
Department of Educational Administration
The University of Texas at Austin

Dr. Richard Wallace
Department of Administration and Policy Studies
University of Pittsburgh

Enclosure

Developed by the National Review Panel on School Administrator Programs,

November 4, 1993

DRAFT

DRAFT
REQUEST FOR AUTHORIZATION TO ESTABLISH A
MASTER OF SCHOOL ADMINISTRATION DEGREE (API #0827)

The Master of School Administration programs were authorized for planning on November 11, 1993.
The proposed date of initiation is September, 1995.

Constituent Institution: _____

Date: _____

INSTRUCTIONS: Use the section headings, numbers and letters as provided in this format. For each section reproduce the item to which you are responding followed by the response. All sections of the format must be complete before program proposal review can be initiated. Please submit 6 copies of the proposal to the General Administration by May 13, 1994. The signature of the Chancellor is required.

I. EXECUTIVE SUMMARY

Provide an executive summary of not longer than two pages that describes the proposed program. This summary should be able to stand alone without reference to the full text of the application.

II. VISION STATEMENT

Describe the vision that undergirds the proposed program in terms of conditions and challenges in education in the state of North Carolina over the coming years, and of the nature of leadership needed for schools. Consider such conditions as those noted in HB 257 (1993) and the Educational Leadership Task Force Report, but develop the statement so it reflects the vision of the applying institution.

III. DESCRIPTION OF THE PROGRAM

Describe the proposed degree program in terms of the elements below. Show the relationship of objectives and program design to the vision described above. Describe how the program elements are supported by theory, research, and practice. Institutions that intend to participate in the Principals Fellows Program are reminded that their proposed program must include a full-time academic program during the first year of the scholarship loan award and a full-time internship during the second year of the award (SB 27, Section 85, 1993).

- A. **Program Objectives.** State the program objectives in terms of educational outcomes, recruitment and selection, preparation for school leadership. Relate to your vision described above. Show how the proposed program meets standards proposed by professional associations in the area of educational leadership, or other standards that may be pertinent in light of your vision and objectives, noting what standards you have considered and how your program addresses them. This section should enable the reader to form an appreciation of the way in which elements described below address the vision, objectives, and standards.