

**1997**

**HOUSE  
EDUCATION –  
UNIVERSITIES**

**MINUTES**

## EDUCATION SUBCOMMITTEE ON UNIVERSITIES

Member/Clerk	Telephone	Room	Seat
James W. Crawford, Chair Linda Winstead	3-5824	1301	24
Flossie Boyd-McIntyre Angel Artis	3-5905	507	84
W. W. (Dub) Dickson Joyce Langdon	3-5662	530	25
William M. Ives Jayne Walton	3-5784	633	90
W. Edwin McMahan Sharon Cram	3-5732	2213	28
John M. Nichols Bonnie Jones	5-9644	616	66
Warren C. Oldham Delta Prince	3-5877	538	58
Ronald L. Smith Edna Collar	3-5827	1221	104
Mike Wilkins Lillie Pearce	3-5746	1220	32
Kory Goldsmith, Staff	3-7044	545	
Jim Watts, Staff	3-7044	545	

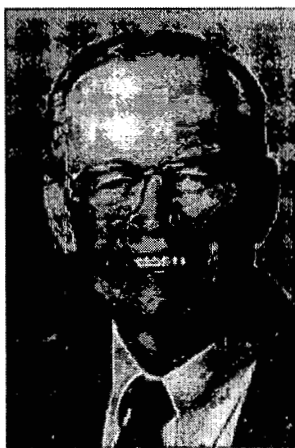
## EDUCATION SUBCOMMITTEE ON UNIVERSITIES



**Rep. Jim Crawford, Chair**



**Rep. Flossie Boyd-McIntyre**



**Rep. W. W. (Dub) Dickson**



**Rep. Bill Ives**



**Rep. Ed McMahan**



**Rep. John Nichols**



**Rep. Pete Oldham**



**Rep. Ronnie Smith**



**Rep. Mike Wilkins**

## **Ex-Officio Members**



**Rep. N. Leo Daughtry**



**Rep. Julia C. Howard**



**Rep. Steve Wood**

1997

(Name of Committee)

[illegible]

## EDUCATION/Universities

[illegible]

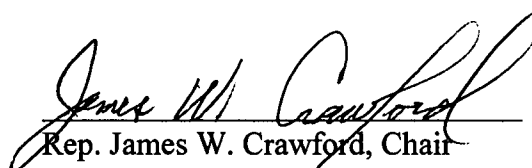
**MINUTES**  
**HOUSE EDUCATION SUBCOMMITTEE ON UNIVERSITIES**  
**MAY 8, 1997**


The House Education Subcommittee on Universities met May 8, 1997, at 11:00 a.m., Room 1425 with the following in attendance: Reps. Crawford, Boyd-McIntyre, Dickson, Ives, McMahan, Nichols, Oldham, Russell, Smith, and Wilkins. Rep. Crawford, Chairman, welcomed guests and introduced the Page, Gary Vance Nichols, Wilkes County.

HB 1180 A BILL TO BE ENTITLED AN ACT TO EXPAND THE MODEL TEACHER EDUCATION CONSORTIUM TO INCLUDE CUMBERLAND, ROBESON, AND HOKE COUNTIES, FAYETTEVILLE STATE UNIVERSITY, THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE, ROBESON COMMUNITY COLLEGE, AND FAYETTEVILLE TECHNICAL COLLEGE. Rep. McAllister presented the bill and a proposed committee substitute. Rep. Wilkins moved to consider the proposed committee substitute and the motion passed. Jean Murphy, Executive Director, Model Teacher Education Consortium explained the purpose of the consortium and responded to questions. Rep. Dickson moved for a favorable report as to the proposed committee substitute and unfavorable as to the original bill and re-refer to the House Committee on Appropriations. The motion passed.

SB 265 Committee Substitute for A BILL TO BE ENTITLED AN ACT TO AMEND THE STATUTES ON SPECIAL RESPONSIBILITY CONSTITUTENT INSTITUTIONS IN THE UNIVERSITY OF NORTH CAROLINA SYSTEM TO CLARIFY THE ROLE OF THE OFFICE OF THE STATE AUDITOR. Senator Lee presented the bill. Rep. Dickson moved for a favorable report to the House floor. The motion passed. Rep. Boyd-McIntyre was identified to manage the bill on the floor.

The committee adjourned at 11:30.

  
Rep. James W. Crawford, Chair

  
Linda Winstead, Committee Clerk

## VISITOR REGISTRATION SHEET

## EDUCATION/Universities

Name of Committee

May 8, 1997  
Date

Date \_\_\_\_\_

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

**NAME**

**FIRM OR AGENCY AND ADDRESS**[illegible]



**HOUSE EDUCATION  
SUBCOMMITTEE ON UNIVERSITIES**

Representative Jim Crawford  
Chair

**Thursday, May 8, 1997**

**Agenda**

**WELCOME/REMARKS - Rep. Crawford**

**INTRODUCTION OF PAGE**

Gary Vance Nichols, Wilkes County

**BILLS**

**HB 1180 - FSU/PEMBROKE TEACHER ED. CONSORTIUM (Rep. McAllister)**  
**SB 265 - UNC FLEXIBILITY PROCEDURES (Sen. Lee)**

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE**

You are hereby notified that the Committee on **EDUCATION/Subcommittee on Universities** will meet as follows:

**DAY & DATE:**     **Thursday, May 8**

**TIME:**             **11:00 a.m.**

**LOCATION:**         **1425**

The following bills will be considered (Bill # & Short Title):

**HB 1180 FSU/Pembroke Teacher Ed. Consortium**

**Rep. McAllister**

**SB 265 UNC Flexibility Procedures**

**Senator Lee**

Respectfully,

Representative James W. Crawford  
Chairman

I hereby certify this notice was filed by the committee clerk at the following offices at  
**3:00 on May 6, 1997.**

\_\_\_\_Principal Clerk  
\_\_\_\_Reading Clerk - House Chamber

Linda Winstead (Committee Clerk)

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
NOTIFICATION TO BILL SPONSOR**

**BILL SPONSOR:** Rep. Mary McAllister

**OFFICE:** 603

**DATE:** May 6, 1997

The House Committee on **EDUCATION/Subcommittee on Universities** will meet as follows:

**DAY & DATE:** May 8, 1997

**TIME:** 11:00

**LOCATION:** 1425

Your Bill (or Bills) will be discussed at this time:  
**HB1180 FSU/Pembroke Teacher Ed. Consortium**

We would like to have you attend this meeting.

Representative Jim Crawford  
Chairman

Linda Winstead (Committee Clerk)

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
NOTIFICATION TO BILL SPONSOR**

**BILL SPONSOR:** Senator Howard Lee

**OFFICE:** 406

**DATE:** May 6, 1997

The House Committee on **EDUCATION/Subcommittee on Universities** will meet as follows:

**DAY & DATE:** May 8, 1997

**TIME:** 11:00

**LOCATION:** 1425

Your Bill (or Bills) will be discussed at this time:  
**SB 265 UNC Flexibility Procedures**

We would like to have you attend this meeting.

Representative Jim Crawford  
Chairman

Linda Winstead (Committee Clerk)

**REFERRAL FORM**

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
ASSIGNMENT OF BILLS TO SUBCOMMITTEE**

**COMMITTEE:**           **EDUCATION**

**CO-CHAIRMEN:**           **Representative's SHUBERT AND RUSSELL**

**DATE:**               **MAY 6, 1997**

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Bill Number (Indicate **H** or **S**):    **H1180**

Short Title:               **FSU/PEMBROKE TEACHER ED. CONSORTIUM**

Assigned to Subcommittee on:    **UNIVERSITIES**

Re-Assigned to Subcommittee on:

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Bill Number (Indicate **H** or **S**):    **S265**

Short Title:               **UNC FLEXIBILITY PROCEDURES**

Assigned to Subcommittee on:    **UNIVERSITIES**

Re-Assigned to Subcommittee on:

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Bill Number (Indicate **H** or **S**):

Short Title:

Assigned to Subcommittee on:

Re-Assigned to Subcommittee on:

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Bill Number (Indicate **H** or **S**):

Short Title:

Assigned to Subcommittee on:

Re-Assigned to Subcommittee on:

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Bill Number (Indicate **H** or **S**):

Short Title:

Assigned to Subcommittee on:

Re-Assigned to Subcommittee on:

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Bill Number (Indicate **H** or **S**):

Short Title:

Assigned to Subcommittee on:

Re-Assigned to Subcommittee on:

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Bill Number (Indicate **H** or **S**):

Short Title:

Assigned to Subcommittee on:

Re-Assigned to Subcommittee on:

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*Larkin*

1997 PERMANENT SUBCOMMITTEE REPORT  
HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE  
The following report(s) from permanent sub committee(s) is/are presented:

By Representative(s) Crawford for the Permanent Subcommittee on Universities of the Standing Committee on EDUCATION.

☐ Committee Substitute for

**H.B. 1180**

☒ A BILL TO BE ENTITLED AN ACT TO EXPAND THE MODEL TEACHER EDUCATION CONSORTIUM TO INCLUDE CUMBERLAND, ROBESON, AND HOKE COUNTIES, FAYETTEVILLE STATE UNIVERSITY, THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE, ROBESON COMMUNITY COLLEGE, AND FAYETTEVILLE TECHNICAL COMMUNITY COLLEGE.

REPORTED TO THE STANDING COMMITTEE ON EDUCATION

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**RECOMMENDED ACTION:**

- ☐ With a favorable recommendation.
- ☐ With a favorable recommendation and recommend that the bill be re-referred to the Committee on \_\_\_\_\_.
- ☐ With a favorable recommendation, as amended.
- ☐ With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on \_\_\_\_\_.
- ☐ With an unfavorable recommendation.
- ☒ With a favorable recommendation as to proposed committee substitute bill , unfavorable as to original bill and re-referred to the House Appropriations Committee.
- ☐ With a favorable recommendation as to proposed House committee substitute bill, \_\_\_\_\_ which changes the title, unfavorable as to Senate committee substitute bill.
- ☐ Without prejudice.
- ☐ Other recommended action: \_\_\_\_\_.

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WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE:

Rep. \_\_\_\_\_ for the Standing Committee on \_\_\_\_\_.

s/ \_\_\_\_\_

- ☐ With a favorable report.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report as to committee substitute bill ( # \_\_\_\_\_ ), ☐ which changes the title, unfavorable as to original bill (Committee Substitute Bill # \_\_\_\_\_ ). (and recommendation that the committee substitute bill ( # \_\_\_\_\_ ) be referred to the Committee on \_\_\_\_\_ .)
- ☐ And having received a unanimous vote in committee, be placed on the Consent Calendar.  
(PUBLIC BILLS ONLY)

4/24/97

FOR JOURNAL USE ONLY

- \_\_\_\_ Pursuant to Rule 36(a), the bill is placed on the Calendar of \_\_\_\_\_.
- \_\_\_\_ The (committee substitute) bill/resolution (as amended,) is (ordered engrossed and) re-referred to the Committee on \_\_\_\_\_.
- \_\_\_\_ The (committee substitute) bill/resolution (, as amended,) is placed on the Consent Calendar of \_\_\_\_\_. The original bill/resolution is placed on the Unfavorable Calendar.
- \_\_\_\_ The bill/resolution is re-referred to the Committee on \_\_\_\_\_.
- \_\_\_\_ On motion of (Rep. \_\_\_\_\_,) (the Chair,) the (committee substitute) bill/resolution is (ordered engrossed and) re-referred to the Committee on \_\_\_\_\_.
- \_\_\_\_ Pursuant to Rule 36(a), the (House) committee substitute-bill (No. \_\_\_\_)/resolution is placed on the Calendar of \_\_\_\_\_. (The original bill) (House Committee Substitute Bill No. \_\_\_\_)/ resolution is placed on the Unfavorable Calendar.
- \_\_\_\_ On motion of Rep. \_\_\_\_\_, (the rules are suspended) (Rule \_\_\_\_ is suspended) and the bill/resolution is placed on today's calendar. (for immediate consideration.)
- \_\_\_\_ On motion of Rep. \_\_\_\_\_, Committee Amendment No.(s) \_\_\_\_\_ is/are adopted (by EV \_\_\_\_\_).
- \_\_\_\_ On motion of Rep. \_\_\_\_\_, Committee Amendment No.(s) \_\_\_\_\_ is/are adopted (by EV \_\_\_\_\_).
- \_\_\_\_ Rep. \_\_\_\_\_ offers Amendment No. \_\_\_\_\_ which (is adopted.) (fails of adoption.) (by EV \_\_\_\_\_,) ( ) This amendment changes the title.
- \_\_\_\_ The bill/resolution (, as amended,) passes its second reading (by following vote, \_\_\_\_\_ RC) (, by EV \_\_\_\_\_,) and (remains on the Calendar,) (and there being no objection is read a third time).
- \_\_\_\_ The bill/resolution (, as amended,) passes its third reading (by the following vote, \_\_\_\_\_ RC) (, by EV \_\_\_\_\_,) and is ordered  
\_\_\_\_ sent to the Senate.  
\_\_\_\_ without engrossment. \_\_\_\_\_ by Special message.  
\_\_\_\_ sent to the Senate for concurrence in  
\_\_\_\_ House amendment (s).  
\_\_\_\_ House committee substitute.  
\_\_\_\_ enrolled.
- \_\_\_\_ On motion of Rep. \_\_\_\_\_, the House concurs in the (material) Senate \_\_\_\_\_ (by the following vote, \_\_\_\_\_ RC) (, by EV \_\_\_\_\_,) and the bill is ordered enrolled.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H

D

HOUSE BILL 1180\*  
Proposed Committee Substitute H1180-PCS8224

Short Title: FSU/Pembroke Teacher Ed. Consortium.

(Public)

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Sponsors:

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Referred to:

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April 29, 1997

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXPAND THE MODEL TEACHER EDUCATION CONSORTIUM  
3 TO INCLUDE CUMBERLAND, ROBESON, AND HOKE COUNTIES,  
4 FAYETTEVILLE STATE UNIVERSITY, THE UNIVERSITY OF NORTH  
5 CAROLINA AT PEMBROKE, ROBESON COMMUNITY COLLEGE, AND  
6 FAYETTEVILLE TECHNICAL COMMUNITY COLLEGE.

7 The General Assembly of North Carolina enacts:

8 Section 1. The Model Teacher Education Consortium shall be expanded  
9 to include the following: Cumberland County, Robeson County, and Hoke Counties  
10 in collaboration with Fayetteville State University, the University of North Carolina  
11 at Pembroke, Robeson Community College, and Fayetteville Technical Community  
12 College.

13 The initial thrust of the program expansion shall be to provide qualified  
14 teacher assistants in Cumberland, Robeson, and Hoke Counties with broader access  
15 to existing teacher education programs, and to provide practicing teacher assistants  
16 with broader access to existing early childhood education programs. Special  
17 emphasis shall be placed on recruiting minority teacher assistant participants and  
18 those interested in subject areas with critical teacher shortages, such as early  
19 childhood, mathematics, science, and exceptional children.

20 The Model Teacher Education Consortium shall administer the grant  
21 program and shall offer up to 300 teacher assistants an educational grant of up to five  
22 hundred dollars (\$500.00) each for tuition and book costs as an incentive to enroll in  
23 and complete a qualified teacher education program or early childhood education



1 program. Local school administrative units shall enter into an agreement with each  
2 participant in accordance with policies adopted by the Model Teacher Education  
3 Consortium's Policy Board.

4           Section 2. There is appropriated from the General Fund to the State  
5 Board of Education the sum of one hundred fifty thousand dollars (\$150,000) for the  
6 1997-98 fiscal year to implement this act. No more than twenty-five percent (25%) of  
7 these funds for the 1997-98 fiscal year shall be used for administrative purposes. The  
8 remainder shall be used to provide grants and instructional support for participants.

9           Section 3. This act becomes effective July 1, 1997.

DRAFT

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H

D

H1180-CSRC-001

PROPOSED COMMITTEE SUBSTITUTE

HOUSE BILL 1180

THIS IS A DRAFT 8-MAY-97 09:06:58

ATTENTION: LINE NUMBERS MAY CHANGE AFTER ADOPTION

Short Title: FSU/Pembroke Teacher Ed. Consortium. (Public)

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Sponsors:

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Referred to: Education, if favorable, Appropriations

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April 29, 1997

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXPAND THE MODEL TEACHER EDUCATION CONSORTIUM TO  
3 INCLUDE CUMBERLAND, ROBESON, AND HOKE COUNTIES, FAYETTEVILLE  
4 STATE UNIVERSITY, THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE,  
5 ROBESON COMMUNITY COLLEGE, AND FAYETTEVILLE TECHNICAL COMMUNITY  
6 COLLEGE.  
7 The General Assembly of North Carolina enacts:  
8 Section 1. The Model Teacher Education Consortium shall  
9 be expanded to include the following: Cumberland County, Robeson  
10 County, and Hoke Counties in collaboration with Fayetteville  
11 State University, the University of North Carolina at Pembroke,  
12 Robeson Community College, and Fayetteville Technical Community  
13 College.  
14 The initial thrust of the program expansion shall be to  
15 provide qualified teacher assistants in Cumberland, Robeson, and  
16 Hoke Counties with broader access to existing teacher education  
17 programs, and to provide practicing teacher assistants with  
18 broader access to existing early childhood education programs.

1 Special emphasis shall be placed on recruiting minority teacher  
2 assistant participants and those interested in subject areas with  
3 critical teacher shortages, such as early childhood, mathematics,  
4 science, and exceptional children.

5         The Model Teacher Education Consortium shall administer  
6 the grant program and shall offer up to 300 teacher assistants an  
7 educational grant of up to five hundred dollars (\$500.00) each  
8 for tuition and book costs as an incentive to enroll in and  
9 complete a qualified teacher education program or early childhood  
10 education program. Local school administrative units shall enter  
11 into an agreement with each participant in accordance with  
12 policies adopted by the Model Teacher Education Consortium's  
13 Policy Board.

14         Section 2. There is appropriated from the General Fund  
15 to the State Board of Education the sum of one hundred fifty  
16 thousand dollars (\$150,000) for the 1997-98 fiscal year to  
17 implement this act. No more than twenty-five percent (25%) of  
18 these funds for the 1997-98 fiscal year shall be used for  
19 administrative purposes. The remainder shall be used to provide  
20 grants and instructional support for participants.

21         Section 3. This act becomes effective July 1, 1997.  
22

1180

H.B.

CHAP.

**A BILL TO BE ENTITLED**

AN ACT TO EXPAND THE MODEL TEACHER EDUCATION CONSORTIUM TO INCLUDE CUMBERLAND, ROBESON, AND HOKE COUNTIES, FAYETTEVILLE STATE UNIVERSITY, THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE, ROBESON COMMUNITY COLLEGE, AND FAYETTEVILLE TECHNICAL COMMUNITY COLLEGE.

*Introduced by Representative(s)*

• • McAllister

Vouge

Hickory

.. M. Jesus

.. Nestor

2. 11. 1944

.. Okunkey

Washle

• Mosley

Principal Clerk's Use Only

..Fackner

.. Purley

*[Handwritten signature]*

Table 1  
continued

R. Hunter

REDWINE

Farnell

General

1000000

..P. P. P.

1. 1

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\_\_\_\_\_

**PASSED 1st READING**

APR 29 1997

AND REFERRED TO COMMITTEE

ON Education, if...

favorable, Appropriations

~~The Committee~~ Subcommittee on

EDUCATION \_\_\_\_\_ refers

the bill to Subcommittee

an Universities

Rep's Schubert & Russell

**For the Committee**

Referred to ~~Committee~~/Subcommittee

Universities

'97

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H

1

HOUSE BILL 1180\*

Short Title: FSU/Pembroke Teacher Ed. Consortium.

(Public)

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Sponsors: Representatives McAllister; Adams, Baddour, Earle, Hackney, Hightower, R. Hunter, Hurley, Jarrell, Jeffus, Kinney, Michaux, Mosley, Nesbitt, Oldham, Redwine, Smith, Sutton, Womble, and Yongue.

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Referred to: Education, if favorable, Appropriations.

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April 29, 1997

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXPAND THE MODEL TEACHER EDUCATION CONSORTIUM  
3 TO INCLUDE CUMBERLAND, ROBESON, AND HOKE COUNTIES,  
4 FAYETTEVILLE STATE UNIVERSITY, THE UNIVERSITY OF NORTH  
5 CAROLINA AT PEMBROKE, ROBESON COMMUNITY COLLEGE, AND  
6 FAYETTEVILLE TECHNICAL COMMUNITY COLLEGE.

7 The General Assembly of North Carolina enacts:

8 Section 1. The Model Teacher Education Consortium shall be expanded  
9 to include the following: Cumberland County, Robeson County, and Hoke Counties  
10 in collaboration with Fayetteville State University, the University of North Carolina  
11 at Pembroke, Robeson Community College, and Fayetteville Technical Community  
12 College.

13 The initial thrust of the program expansion shall be to provide qualified  
14 teacher assistants in Cumberland, Robeson, and Hoke Counties with broader access  
15 to existing teacher education programs, and to provide practicing teacher assistants  
16 with broader access to existing teacher assistant certification programs. Special  
17 emphasis shall be placed on recruiting minority teacher assistant participants and  
18 those interested in subject areas with critical teacher shortages, such as early  
19 childhood, mathematics, science, and exceptional children.

20 The program shall offer up to 300 teacher assistants, an educational grant  
21 of up to five hundred dollars (\$500.00) each for tuition and book costs as an

1 incentive to enroll in and complete a qualified teacher education program or teacher  
2 assistant certification program. The local school administrative units shall enter into  
3 an agreement with each participant in accordance with policies set by the Model  
4 Teacher Education Consortium's Policy Board.

5           Section 2. There is appropriated from the General Fund to the Board of  
6 Governors of The University of North Carolina the sum of one hundred fifty  
7 thousand dollars (\$150,000) for the 1997-98 fiscal year to implement this act. No  
8 more than twenty-five percent (25%) of these funds for the 1997-98 fiscal year shall  
9 be used for administrative purposes. The remainder shall be used to provide  
10 instructional support for participants.

11           Section 3. This act becomes effective July 1, 1997.



**North Carolina General Assembly  
Legislative Services Office**

George R. Hall, Legislative Services Officer  
(919) 733-7044

Elaine W. Robinson, Director  
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Room 5, Legislative Building  
16 W. Jones Street  
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300 N. Salisbury St.  
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(919) 733-6660

Thomas L. Covington, Director  
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Suite 619, LOB  
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Donald W. Fulford, Director  
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(919) 733-6834

Terrence D. Sullivan, Director  
Research Division  
Suite 545, LOB  
300 N. Salisbury St.  
Raleigh, NC 27603-5925  
(919) 733-2578

**TO:** Representative Jim Crawford, Chair, Universities Subcommittee  
**FROM:** Dr. Jim Watts, Education Specialist  
**RE:** Summary - HB 1180 - FSU/Pembroke Teacher Education Consortium  
**DATE:** May 8, 1997

**Section 1** expands the Model Teacher Education Consortium to include Cumberland, Robeson and Hoke Counties, Fayetteville State University, the University of North Carolina at Pembroke, Robeson Community College, and Fayetteville Technical Community College.

The emphasis of the expansion will be to provide qualified teacher assistants to those counties by expanding access to educational programs. Special emphasis will be on the recruitment of minority teacher assistants to participate in subject areas of critical teacher shortages.

The program shall offer up to 300 teacher assistants up to \$500 each for tuition and books. The Model Teacher Education Consortium shall administer the grant program. Local school administrative units shall enter into an agreement with each participant in accordance with policies adopted by the Model Teacher Education Consortium's Policy Board.

**Section 2** appropriates \$150,000 to the State Board of Education for the 1997-1998 fiscal year to implement the act. No more than 25% of these funds shall be used for administrative purposes.

**Effective July 1, 1997.**

Lvda

1997 PERMANENT SUBCOMMITTEE REPORT  
HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE

The following report(s) from permanent sub committee(s) is/are presented:

By Representative(s) Crawford for the Permanent Subcommittee on Universities of the Standing Committee on EDUCATION.

☒ Committee Substitute for

S.B. 265

☐ A BILL TO BE ENTITLED AN ACT TO AMEND THE

STATUTES ON SPECIAL RESPONSIBILITY CONSTITUENT INSTITUTIONS IN THE

UNIVERSITY OF NORTH CAROLINA SYSTEM TO CLARIFY THE ROLE OF THE OFFICE OF THE STATE AUDITOR

REPORTED TO THE STANDING COMMITTEE ON

---

RECOMMENDED ACTION:

☐ With a favorable recommendation.

☐ With a favorable recommendation and recommend that the bill be re-referred to the Committee on

☐ With a favorable recommendation, as amended.

☐ With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on

☐ With an unfavorable recommendation.

☐ With a favorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill.

☐ With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill.

☐ Without prejudice.

☐ Other recommended action: \_\_\_\_\_

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WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE:

Rep. Russell and Shubert for the Standing Committee on Education.

s/ Ferris Shubert Carroll Russell

☒ With a favorable report.

☐ With a favorable report, as amended.

☐ With a favorable report as to committee substitute bill ( # ), ☐ which changes the title, unfavorable as to original bill (Committee Substitute Bill # ). (and recommendation that the committee substitute bill ( # ) be referred to the Committee on .)

☐ And having received a unanimous vote in committee, be placed on the Consent Calendar. (PUBLIC BILLS ONLY)

4/24/97



FOR JOURNAL USE ONLY

- \_\_\_\_ Pursuant to Rule 36(a), the bill is placed on the Calendar of \_\_\_\_\_.
- \_\_\_\_ The (committee substitute) bill/resolution (as amended,) is (ordered engrossed and) re-referred to the Committee on \_\_\_\_\_.
- \_\_\_\_ The (committee substitute) bill/resolution (, as amended,) is placed on the Consent Calendar of \_\_\_\_\_. The original bill/resolution is placed on the Unfavorable Calendar.
- \_\_\_\_ The bill/resolution is re-referred to the Committee on \_\_\_\_\_.
- \_\_\_\_ On motion of (Rep. \_\_\_\_\_,) (the Chair,) the (committee substitute) bill/resolution is (ordered engrossed and) re-referred to the Committee on \_\_\_\_\_.
- \_\_\_\_ Pursuant to Rule 36(a), the (House) committee substitute bill (No. \_\_\_\_)/resolution is placed on the Calendar of \_\_\_\_\_. (The original bill) (House Committee Substitute Bill No. \_\_\_\_)/ resolution is placed on the Unfavorable Calendar.
- \_\_\_\_ On motion of Rep. \_\_\_\_\_, (the rules are suspended) (Rule \_\_\_\_ is suspended) and the bill/resolution is placed on today's calendar. (for immediate consideration.)
- \_\_\_\_ On motion of Rep. \_\_\_\_\_, Committee Amendment No.(s) \_\_\_\_\_ is/are adopted (by EV \_\_\_\_\_).
- \_\_\_\_ On motion of Rep. \_\_\_\_\_, Committee Amendment No.(s) \_\_\_\_\_ is/are adopted (by EV \_\_\_\_\_).
- \_\_\_\_ Rep. \_\_\_\_\_ offers Amendment No. \_\_\_\_\_ which (is adopted.) (fails of adoption.) (by EV \_\_\_\_\_,) ( ) This amendment changes the title.
- \_\_\_\_ The bill/resolution (, as amended,) passes its second reading (by following vote, \_\_\_\_\_ RC) (, by EV \_\_\_\_\_,) and (remains on the Calendar,) (and there being no objection is read a third time).
- \_\_\_\_ The bill/resolution (, as amended,) passes its third reading (by the following vote, \_\_\_\_\_ RC) (, by EV \_\_\_\_\_,) and is ordered  
\_\_\_\_ sent to the Senate.  
\_\_\_\_ without engrossment. \_\_\_\_\_ by Special message.  
\_\_\_\_ sent to the Senate for concurrence in  
\_\_\_\_ House amendment (s).  
\_\_\_\_ House committee substitute.  
\_\_\_\_ enrolled.
- \_\_\_\_ On motion of Rep. \_\_\_\_\_, the House concurs in the (material) Senate \_\_\_\_\_ (by the following vote, \_\_\_\_\_ RC) (, by EV \_\_\_\_\_,) and the bill is ordered enrolled.

*Ed Higher Ed*

Proposed Committee Substitute For

S.B. 265

CHAP. \_\_\_\_\_

## A BILL TO BE ENTITLED

AN ACT TO AMEND THE STATUTES ON SPECIAL RESPONSIBILITY CONSTITUENT INSTITUTIONS  
IN THE UNIVERSITY OF NORTH CAROLINA SYSTEM TO CLARIFY THE ROLE OF THE OFFICE OF  
THE STATE AUDITOR.

Introduced by Senator(s) *Lee*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Principal Clerk's Use Only

Committee Substitute  
Adopted  
Pursuant to Rule 45.1

MAR 18 1997

PASSED 2nd & 3rd  
READINGS

49-0 (V)  
MAR 19 1997

ORDERED SENT TO  
HOUSE OF REPRESENTATIVE

*Janet Pruitt*  
**RECEIVED**

MAR 20 1997

PASSED 1st READING

MAR 24 1997

The Committee Subcommittee on  
EDUCATION refers  
the bill to Subcommittee on  
Universities  
Rep's Shubert & Russell  
For the Committee

Referred to Committee Subcommittee  
on Universities

MAY 6 1997



**North Carolina General Assembly  
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**TO:** Representative Jim Crawford, Chair, Universities Subcommittee  
**FROM:** Kory Goldsmith, Committee Counsel, Jim Watts, Education Specialist  
**DATE:** May 8, 1997  
**RE:** Summary SB 265 - UNC Flexibility Procedures

**Background:** The Board of Governors may designate a constituent institution as a special responsibility institution if it has the management staff and internal financial management to administer additional management discretion. All of the 16 constituent institutions are currently special responsibility institutions. Among other areas of financial discretion, special responsibility institutions have the authority to transfer funds between categories. For example, a special responsibility institution may transfer funds from lapsed salaries to purchase library books. Special responsibility institutions also have additional flexibility under State purchase and contract law.

**Section 1** amends G.S. 116-30.1 regarding special responsibility constituent institutions in two substantive ways. First, it expands the scope of information that the President of the University may review to determine whether a special responsibility institution needs to revise its financial management. The proposed change would allow the President to review special reports, electronic data processing reports, and management letters in addition to annual financial audit reports and performance audit reports. If any of these documents indicate a weakness in the internal control structure, deficiencies in the accounting records, or noncompliance with rules and regulations, the President must take immediate action. Second, it clarifies that the President of the University, rather than the State Auditor, is responsible for determining whether an institution is making satisfactory progress towards resolving issues related to any significant findings. This change resolves a number of issues. It removes the State Auditor from making management recommendations to entities that he must later audit.

**The act is effective upon becoming law.**

S265-SMRC-001

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 265

Education/Higher Education Committee Substitute Adopted 3/18/97

Short Title: UNC Flexibility Procedures.

(Public)

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Sponsors:

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Referred to:

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February 27, 1997

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE STATUTES ON SPECIAL RESPONSIBILITY  
3 CONSTITUENT INSTITUTIONS IN THE UNIVERSITY OF NORTH  
4 CAROLINA SYSTEM TO CLARIFY THE ROLE OF THE OFFICE OF THE  
5 STATE AUDITOR.

6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 116-30.1 reads as rewritten:

8 "**§ 116-30.1. Special responsibility constituent institutions.**

9 The Board of Governors of The University of North Carolina, acting on  
10 recommendation made by the President of The University of North Carolina after  
11 consultation by him with the State Auditor, may designate one or more constituent  
12 institutions of The University as special responsibility constituent institutions. That  
13 designation shall be based on an express finding by the Board of Governors that each  
14 institution to be so designated has the management staff and internal financial  
15 controls that will enable it to administer competently and responsibly all additional  
16 management authority and discretion to be delegated to it. The Board of Governors,  
17 on recommendation of the President, shall adopt rules prescribing management  
18 staffing standards and internal financial controls and safeguards, including the lack of  
19 any significant ~~exceptions or audit~~ findings in the annual financial audit by the State  
20 Auditor's Office, that must be met by a constituent institution before it may be  
21 designated a special responsibility constituent institution and must be maintained in  
22 order for it to retain that designation. These rules shall not be designed to prohibit  
23 participation by a constituent institution because of its size. These rules shall

1 establish procedures for the President and his staff to review the annual financial  
2 audit ~~reports or any other reports~~, special reports, electronic data processing reports,  
3 ~~or performance reports~~ reports, management letters, or any other report issued by the  
4 State ~~Auditors~~ Auditor's Office for each special responsibility constituent institution.  
5 The President shall take immediate action regarding reported weaknesses in the  
6 internal control structure, deficiencies in the accounting records, and noncompliance  
7 with rules and regulations. In any instance where ~~such audit exceptions~~ significant  
8 findings are identified, the President shall notify the Chancellor of the particular  
9 special responsibility constituent institution that ~~such exceptions must be resolved to~~  
10 ~~the satisfaction of the State Auditor and~~ the institution must make satisfactory  
11 progress in resolving the findings, as determined by the President of The University  
12 University, after consultation with the State Auditor, within a three-month period  
13 commencing with the date of receipt of the published financial audit ~~report: report,~~  
14 any other audit report, or management letter. If ~~the exceptions are not satisfactorily~~  
15 ~~resolved~~ satisfactory progress is not made within a three-month period, the President  
16 of The University shall recommend to the Board of Governors at its next meeting  
17 that the designation of the particular institution as a special responsibility constituent  
18 institution be terminated until such time as the exceptions are resolved to the  
19 satisfaction of ~~the State Auditor and~~ the President of The University of North  
20 ~~Carolina: Carolina,~~ Carolina, after consultation with the State Auditor. However, once the  
21 designation as a special responsibility constituent institution has been withdrawn by  
22 the Board of Governors, reinstatement may not be effective until the beginning of the  
23 following fiscal year at the earliest. Any actions taken by the Board of Governors  
24 with respect to withdrawal or reinstatement of an institution's status as a special  
25 responsibility constituent institution shall be reported immediately to the Joint  
26 Legislative Education Oversight Committee.

27 The rules established under this section shall include review by the President, after  
28 ~~and~~ consultation with the State Auditor, the Director of the Office of State Personnel,  
29 and the Director of the Division of State Purchasing and Contracts in ascertaining  
30 whether or not a constituent institution has the management staff and internal  
31 financial controls to administer the additional authorities authorized under G.S. 116-  
32 30.2, 116-30.4, and 143-53.1. Such review and consultation must take place no less  
33 frequently than once each biennium."

34 Section 2. This act is effective when it becomes law.