1999

JOINT APPROPRIATIONS – EDUCATION/HIGHER EDUCATION

MINUTES

JOINT HOUSE/SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION
1999 - 2000 Session

HOUSE CHAIRS
Representative Gene Rogers
Representative Flossie Boyd-McIntyre
Representative Warren Oldham

SENATE CHAIRS
Senator Howard Lee
Senator Walter Dalton

COMMITTEE ASSISTANTS
Sally Gillis
Delta Prince
Delores Steele
Chris Minard

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Membership List

1999 – 2000

HOUSE MEMBERS

Representative Gene Rogers, Co-Chair

Representative Warren Pete Oldham, Co Chair

Representative Flossie Boyd-McIntyre, Co-Chair

Representative Alex Warner, Vice-Chair

Representative Donald Bonner

Representative Harold Brubaker

Representative Charlotte Gardner

Representative Mitch Gillespie

Representative George Holmes

Representative Verla Insko

Representative Mickey Michaux

Representative Richard Moore

Representative Jean Preston

Representative Ronald Smith

Representative W. B. Teague, Jr.

Representative Douglas Yongue

SENATE MEMBERS

Senator Howard Lee, Co-Chair

Senator Walter Dalton, Co-Chair

Senator Charles Carter, Vice-Chair

Senator Fletcher Hartsell, Ranking Minority

Senator John Garwood

Senator Allen Wellons

Senator Kay Hagan

Senator Linda Garrou

FISCAL STAFF

Jim Johnson

Jim Newlin

Charlotte Todd

HOUSE COMMITTEE ASSISTANTS

Sally Gillis

Delta Prince

Delores Steele

SENATE COMMITTEE ASSISTANT

Chris Minard

ATTENDANCE

NORTH CAROLINA HOUSE

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

(1999-2000 SESSION)

DATES	M/D										
	2/24 AM	2/24 PM	2/25 AM	3/2 AM	3/2 PM	3/3 AM	3/3 PM	3/4 AM	3/9 PM	3/10 PM	3/11 AM
House Members											
Rogers, Gene, **Chair**	X	X	X		X	X	X	X		X	X
Boyd-McIntyre, Flossie, **Chair**	X	X	X	X	X	X	X		X	X	X
Oldham, Warren C., **Chair**	X	X	X	X	X	X	X	X			
Warner, Alex, **Vice-Chair**				X		X	X	X	X		X
Bonner, Donald A.	X	X	X	X	X	X	X	X	X	X	
Brubaker, Harold J.		X									
Gardner, Charlotte A.	X	X	X	X	X	X	X	X	X	X	X
Gillespie, Mitch	X	X	X	X	X	X	X	X		X	
Holmes, George M.	X	X	X	X		X			X		
Insko, Verla	X	X	X	X	X	X	X	X	X	X	X
Michaux, Mickey											
Moore, Richard L.		X	X	X	X	X	X	X	X	X	X
Morgan, Robert T.					X						
Preston, Jean R.	X	X				X				X	
Smith, Ronald L.	X	X	X	X	X	X	X	X	X	X	X
Teague, W. B., Jr.	X	X	X	X	X	X	X	X	X	X	X
Yongue, Douglas Y.	X	X	X	X	X	X	X	X	X		
Fiscal Division Staff											
Johnson, Jim	X		X			X		X			
Newlin, Jim	X		X			X		X			X
Todd, Charlotte	X					X		X			
Ex-Officio Members											
Hackney, Joe, Speaker Pro Tem											
Baddour, Phillip A., Maj. Leader											
Dedmon, Andrew T., Majority Whip											
Earle, Beverly M., Majority Whip											
Cunningham, W. Pete, Assistant to the Speaker of the House											

DATES	M/D										
	3/16 AM	3/16 PM	3/17 AM	3/18 PM	3/23 AM	3/24 AM	3/24 PM	3/25 AM	3/30 AM	3/31 AM	4/1 AM
House Members											
Rogers, Gene, **Chair**	X	X	X	X	X	X			X	X	X
Boyd-McIntyre, Flossie, **Chair**	X	X	X		X	X	X	X	X	X	X
Oldham, Warren C., **Chair**	X	X	X	X	X	X		X	X	X	X
Warner, Alex, **Vice-Chair**	X		X			X		X	X		X
Bonner, Donald A.	X		X	X	X	X	X	X	X	X	X
Brubaker, Harold J.		X									
Gardner, Charlotte A.	X	X	X		X	X			X	X	X
Gillespie, Mitch		X	X	X	X		X	X	X	X	X
Holmes, George M.									X		X
Insko, Verla	X	X	X	X	X	X		X	X	X	X
Michaux, Mickey	X	X		X	X	X		X	X	X	X
Moore, Richard L.		X	X	X	X				X	X	X
Morgan, Robert T.											
Preston, Jean R.									X	X	X
Smith, Ronald L.	X	X	X	X	X	X		X	X	X	X
Teague, W. B., Jr.	X	X		X		X	X	X	X	X	X
Yongue, Douglas Y.	X	X	X	X	X	X		X	X	X	X
Fiscal Division Staff											
Johnson, Jim									X		X
Newlin, Jim		X				X			X		X
Todd, Charlotte		X				X			X		
Ex-Officio Members											
Hackney, Joe, Speaker Pro Tem											
Baddour, Phillip A., Maj. Leader											
Dedmon, Andrew T., Majority Whip											
Earle, Beverly M., Majority Whip											
Cunningham, W. Pete, Assistant to the Speaker of the House											

DATES	M/D										
	4/6 AM	4/7 AM	4/8 AM	4/13 AM	4/14 AM	4/15 AM	4/21 AM	4/21 PM	4/22 AM	4/27 AM	5/11 AM
House Members											
Rogers, Gene, **Chair**	X	X	X	X	X	X	X	X	X	X	X
Boyd-McIntyre, Flossie, **Chair**	X	X	X	X	X	X	X	X		X	
Oldham, Warren C., **Chair**	X	X	X	X	X	X	X	X	X	X	X
Warner, Alex, **Vice-Chair**	X	X	X		X	X	X		X		
Bonner, Donald A.	X	X	X	X	X	X	X	X	X	X	X
Brubaker, Harold J.											
Gardner, Charlotte A.	X	X		X	X	X	X		X	X	
Gillespie, Mitch	X	X	X	X	X	X	X	X	X		
Holmes, George M.										X	
Insko, Verla	X	X		X	X	X	X	X	X	X	X
Michaux, Mickey	X	X	X	X	X	X	X	X	X		X
Moore, Richard L.	X	X	X	X	X	X	X	X	X	X	
Morgan, Robert T.											
Preston, Jean R.	X	X		X	X	X	X	X			
Smith, Ronald L.	X	X	X	X	X	X	X		X	X	X
Teague, W. B., Jr.		X	X	X	X	X	X	X	X	X	X
Yongue, Douglas Y.	X	X	X	X	X	X	X	X	X	X	X
Fiscal Division Staff											
Johnson, Jim			X								X
Newlin, Jim			X		X				X		X
Todd, Charlotte			X		X				X		X
Ex-Officio Members											
Hackney, Joe, Speaker Pro Tem											
Baddour, Phillip A., Maj. Leader											
Dedmon, Andrew T., Majority Whip											
Earle, Beverly M., Majority Whip											
Cunningham, W. Pete, Assistant to the Speaker of the House											
Speaker Jim Black			X								

DATES	M/D										
	5/12 AM	5/13 AM	5/27 PM								
House Members											
Rogers, Gene, **Chair**	X		X								
Boyd-McIntyre, Flossie, **Chair**	X	X	X								
Oldham, Warren C., **Chair**	X	X	X								
Warner, Alex, **Vice-Chair**	X	X									
Bonner, Donald A.	X	X	X								
Brubaker, Harold J.		X									
Gardner, Charlotte A.	X	X	X								
Gillespie, Mitch	X	X									
Holmes, George M.	X		X								
Insko, Verla	X	X	X								
Michaux, Mickey											
Moore, Richard L.			X								
Morgan, Robert T.											
Preston, Jean R.	X		X								
Smith, Ronald L.	X	X	X								
Teague, W. B., Jr.	X	X	X								
Yongue, Douglas Y.	X		X								
Fiscal Division Staff											
Johnson, Jim	X		X								
Newlin, Jim	X		X								
Todd, Charlotte	X		X								
Ex-Officio Members											
Hackney, Joe, Speaker Pro Tem											
Baddour, Phillip A., Maj. Leader											
Dedmon, Andrew T., Majority Whip											
Earle, Beverly M., Majority Whip											
Cunningham, W. Pete, Assistant to the Speaker of the House											
Rep. Redwine			X								
Rep. Hardaway			X								

MEETING DATES

1999 SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

2-24-99	8:30
2-24-99	2:30
2-25-99	8:30
3-2-99	8:30
3-2-99	2:30
3-3-99	8:30
3-3-99	2:30
3-4-99	8:30
3-9-99	2:30
3-10-99	2:30
3-11-99	8:30
3-16-99	8:30
3-16-99	2:30
3-17-99	8:30
3-18-99	8:00 – UNC Mtg.
3-18-99	1 P.M.
3-23-99	8:30
3-24-99	8:30
3-24-99	2:30
3-25-99	8:30
3-30-99	8:30
3-31-99	8:30
4-1-99	8:30
4-6-99	8:30
4-7-99	8:30
4-8-99	8:30
4-13-9	8:30
4-14-99	8:30
4-15-99	8:30
4-21-99	8:30
4-21-99	2:30
4-22-99	8:30
4-27-99	8:30
5-11-99	8:30
5-12-99	8:30
5-13-99	8:30
5-27-99	1:30

House and Senate Appropriations Subcommittee on Education
February 24, 1999
8:30 AM

Welcome	Representative Rogers
Comments from Chairmen	Representative Oldham Representative Boyd-McIntyre Senator Lee Senator Dalton
Introduction of House and Senate Subcommittee members	Representative Rogers
Public Education: Comments on the Governor Hunt's recommended Continuation Budget	Mr. Phil Kirk Jr., Chairman of the State Board of Education Dr. Mike Ward, Superintendent of Public Instruction
Committee Meeting Schedule • Tuesday and Wednesday meeting Schedule • Thursday meeting schedule • Remainder of this week	Representative Rogers

MINUTES

JOINT HOUSE/SENATE COMMITTEE
APPROPRIATIONS/Subcommittee on Education

February 24, 1999

The House Committee on APPROPRIATIONS/Subcommittee on Education met jointly with the Senate on Wednesday, February 24, 1999 in Room 421 of the Legislative Office Building at 8:30 AM. The following House members were present: Chairs Rogers, Oldham and Boyd-McIntyre, and Representatives Bonner, Gardner, Gillespie, Holmes, Insko, Preston, Smith, Teague and Yongue. There were seven Senate members present. Fiscal Staff attending were Jim Johnson for Public Education K-12, Jim Newlin for Universities, and Charlotte Todd for Community Colleges. Sgt. at Arms for the House were Charlie Williams and Stanley Johnson and Jon Fitchett for the Senate. Pages for the day were Sarah Vinson from Faison, N.C., sponsored by Sen. Albertson and Tony Dunn from Murfresboro, N.C. sponsored by Rep. Hunter. Thirty-five visitors were present.

Rep. Gene Rogers, Chair called the meeting to order then introduced members of the committee and asked each one to tell where they were from and the district they represent. He then introduced the first speaker, State Board of Education Chairman Phil Kirk. Chairman Kirk thanked the committee for the continued support the Board gets in terms of additional funds based on average daily membership. He stated that about 118 million was handed out in bonuses, which helped morale and performance. The continuation budget continues to support the 4 primary goals of the State Board which are: Higher student achievement, Quality Professionals, Safe & Orderly Schools and Effective & Efficient Operations. *(See Attachment #1).*

Superintendent Mike Ward spoke next *(see attachment #2).* He stated that Public Schools are succeeding in North Carolina because of the strong involvement of the business community. The major growth in the continuation budget is accounted for by North Carolina's growth in student population. We are 4th in the nation in student population growth. That kind of growth has a significant impact on the continuation budget. When he concluded his presentation, the Chair opened the floor for questions from members which Mr. Kirk and Mr. Ward addressed. Questions of concern were regarding, At Risk Children, Social Promotions, Substitute Teachers, Special Education Teachers, Low Wealth Funding, Tutors and ABC Testing.

There being no further business, the Chair adjourned the meeting at 9:53 a.m.

Respectfully submitted,

Representative Gene Rogers,
Chair

Sally Gillis
Committee Assistant

Phil Kirk
Attachment 1

COMMENTS FOR JOINT HOUSE AND SENATE EDUCATION APPROPRIATIONS
February 24, 1999 8:30 am Room 421

- Phil and Mike will be appearing jointly
- The Senate co-chairs are Lee and Dalton
- The House co-chairs are Rogers, Oldham, Boyd-McIntyre
- They only want you to discuss the continuation budget
- Phil, you should go first, making general comments and Mike can get into the specifics of the continuation budget

Some suggestions for Phil

- Start with thanking the members for the opportunity to attend the meeting (they will also be hearing from Martin Lancaster and Mollie Broad)
- Introduce Ann Berlam, Legislative Liaison, who they will see daily and Jane Worsham, Executive Director, SBE Office – composition of SBE
- Review some of the positive things happening in education – due to support of the General Assembly – see following two pages for additional talking points Good news presentation @ SBE
- State that SBE appreciates the recommendations of the Governor in the continuation budget by making necessary adjustments for Average Daily Membership (ADM) and adjustments for inflation – Mike will discuss these items in more detail
- Explain that the continuation budget supports the four goals of SBE and DPI

1. High Student Achievement
2. Quality Professionals
3. Safe and Orderly Schools
4. Effective and Efficient Operations

- Turn over to Mike

in. 200 schs
1400 classrooms

Stick to ABCs + Ex Schs Act

Educ is bipartisan issue

Some suggestions for Mike

- Thank committee – introduce BRAD SNEEDEN Jim Barber and Philip Price
- Reiterate positive things General Assembly has done to help bring about all the successes in public schools (some of what Phil says)
- Review continuation budget information from Philip

There will be Q & A after you both finish.

Jim Johnson suggested you each take about 15 minutes, but it could be shorter

2/24/99

Continuation Budget Adjustments

Mike Ward
Attachment 2

MIKE WARD

- ✓ Discuss major gains in education (North Carolina)
- ✓ Discuss what is in place for future gains
- ✓ Discuss Continuation Budget
  - Major growth in North Carolina accounts for the $159 million continuation budget increase for next year.
    - 17,583 students in K-12 converts to 783 new teachers just to address current class size requirements
    - 1,797 K-3 students create the need for $3,135,000 more in teacher assistant funding.
    - Grades 7-12 will grow by 6,839 students which impacts , among other things, the Voc. Ed. programs - increase of $3.3 million.
  - ADM growth is not the only adjustment that increases the continuation budget
    - Tying substitute pay to the teachers A-0 salary was great legislation; however, it creates the need for $3 million more dollars to maintain the 65% for certified teachers ... + $3 to the rate (from $68 to $71 ... noncertified goes from $53 to $56 (51%)
    - Inflation increases for textbooks and instructional supplies
      - ✓ $3.8 million for textbooks (+$2.31 to $49.11) ... 5% increase
      - ✓ $3 million for supplies (+1.78 to $42.01) ... 5% increase

Continuation Budget Adjustments

Other Increases Continued:

- Additional schools requires additional principals. We anticipate 35 new schools (total anticipated: 2,095) which will cost $2.4 million
- Increase in the federal count for poor children, along with ADM growth, increased At-Risk Student Services/Alternative Schools by $13.2 million. Poor students increased 44,049 which is 50% of the funding formula.
- School buses are on a replacement cycle that requires additional funding. Although the Governor decreased the budget for school buses by $18 million, the continuation budget has been increased by $18.3 million.
- Several items are adjusted based on increased cost. As teacher salaries increase, so does the cost for longevity and annual leave. Adjustments to bring the funding for these items and workers comp to sufficient levels to cover expenditures is over $24 million.
- The General Assembly also included some encouraging language in last year's budget bill to have some funding, that was nonrecurring, included in the continuation budget. The Governor was able to include some funding for programs for limited english proficiency students ($5 million), for example, where the legislature included the "encouraging" language.

Continuation Budget Adjustments

- What I have just gone over is the budget increases for FY 1999-2000. The student population is expected to grow by more than 20,000 students in FY 2000-2001. In fact, the growth projections continue to indicate an increase of 20,000 students per year through 2003-04.
  - Next year we anticipate having 1,289,528 students in our public schools (11,283 of those in Charter Schools - less than 1% of all students).
  - In FY 2003-2004, we anticipate almost 1,350,000 students.
  - This growth will create a continuous need for large continuation budget increases in the future.
    - ✓ In FY 2000-2001 for example, 20,000 students will increase the teacher population to maintain current class size requirements by a little more than 1,000. That will cost more than $42 million based on this year's salaries. It will cost more than $50 million by 2001.

✓ Let's keep doing the right things even if the cost continues to rise.

- Teacher salaries to the national average. It might cost us $275 million a year to increase pay to teachers by 8% to 10%; however it is the right thing to do.
- Increasing teacher salaries also increases principal and assistant principal salaries.

Continuation Budget Adjustments

- We need to also look at salary increases to other school personnel.
- We are having early success with the mentor program.
- The new calendar legislation has helped schools implement new and extended school calendars.

✓ I look forward to discussing the above items and other needs when you get to the expansion budget.

✓ Again, you have done a lot to help schools improve in North Carolina. As you can tell, your efforts are starting to pay off.

Thank you for helping us improve the future of North Carolina.

VISITOR REGISTRATION SHEET

APPROPRIATION SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Name of Committee

Date: Wednesday, Feb. 24, 1999
8:30 AM

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Ellen Russell	The Arc of NC P.O. Box 20545 Raleigh 27619
Clifton Metcalf	UNC GA
Allen Norris	Public School Forum
Bill Wilson	NCAE
[illegible]	UNC-GA / NCSU Ag Pgms.
Jane Markham	SBE Office
Ann Bellamy	SBE
Phil Kirk	SBE
Mike Ward	DPI
Sue Adams	OSBM
Elizabeth Chorvenotes	OSBM

VISITOR REGISTRATION SHEET

APPROPRIATION SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Name of Committee **Date: Wednesday, Feb. 24, 1999**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Phil Price	NCDPI
Jim Beck	"
Jan Crotts	NCASA
Maurice Kiy	OSBM
Janet Pittard	OSBM
David Brown	OSBM
Tony Onney	Office State Planning
Barbara Hamm	OSBM
Thad Davis	NCAE
Jeanne Nunnell	NCSBA
Evelyn Hawthorne	UNC-CH

VISITOR REGISTRATION SHEET

APPROPRIATION SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Name of Committee **Date: Wednesday, Feb. 24, 1999**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Suzanne Williams	NCCCS
Hal Miller	NCACCT
Brad Sneeden	SDPI
Michael Coffman	Common Sense Foundation
Chris Fitzsimon	"
Karen Pittman	SDPI
Gene Causby	
Patrick Mullen	
[illegible]	UCAIC U
Jack [illegible]	Has Been
J Richards	" "

VISITOR REGISTRATION SHEET

APPROPRIATION SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Name of Committee **Date: Wednesday, Feb. 24, 1999**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
JB McPherson	UNC
S Markham	EGHS

House and Senate Appropriations Subcommittee on Education
February 24, 1999
2:30 PM

Call to order	Senator Dalton
Comments on Governor Hunt's Continuation Budget	President Martin Lancaster, North Carolina Community College System
Further Committee discussion of items of committee interest for future discussion	Senator Dalton

JOINT APPROPRIATIONS SUB-COMMITTEE ON EDUCATION/ HIGHER EDUCATION

Wednesday, February 24, 1999
2:30 P.M.
Room 421, LOB

The Joint Appropriations Sub-Committee on Education met at 2:30 P.M. on Wednesday, February 24, 1999 in Room 421 of the Legislative Office Building. There were seven Senators present. The following Representatives were present: Gene Rogers, Co-Chair; Flossie Boyd-McIntyre, Co-Chair; Warren Pete Oldham, Co-Chair; Donald Bonner; Harold Brubaker; Charlotte Gardner; Mitch Gillespie; George Holmes; Verla Insko; Richard Moore; Jean Preston; Ronald Smith; W.B. Teague, Jr.; and Douglas Yongue.

Senator Walter Dalton, Co-Chair presided and called the meeting to order. Senator Dalton welcomed Pages Tony Dunn from Murfreesboro in Northhampton County, sponsored by Senator Hunter, Jr. and Audra Noble, sponsored by Senator Bob Martin. Audra is from Tarboro in Edgecombe County.

PRESIDENT MARTIN LANCASTER, NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Senator Dalton introduced Mr. Martin Lancaster, President of the North Carolina Community College System. President Lancaster thanked the Appropriation Sub-Committee on Education for the opportunity to meet with them. President Lancaster presented the Continuation Budget for the Community College System. (See Attachment 1).

President Lancaster described the mission of the Community College System as authorized by the General Assembly. He presented several examples of success stories of individuals who had benefited from the Community College System and are now making notable contributions to their respective communities. He discussed the colleges' partnerships with businesses. In addition, he explained that the program most closely identified with North Carolina's Community Colleges is the one called: "New and Expanding Industries Training Program." He noted that one of the primary goals of the Community College System is to work cooperatively with industry. Mr. Lancaster stated that workforce development and education are the key to economic success in the state.

The North Carolina Community College System has assumed a Leadership role in partnership with the state's biotechnology, pharmaceutical and chemical industries. The Geographic Information Systems/Geographic Positioning Systems program at Johnson Community College is one of only two programs for GIS technicians in the country.

The other educational service areas that President Lancaster spoke about were the adult high school diploma and GED programs. The Community College System awarded approximately seventeen thousand high school and GED Diplomas last year. A very fast growing program has been the "English as a Second Language Program." He mentioned that the comprehensive transfer agreement between the Community College System and the University System has benefited many North Carolinians.

President Lancaster summarized the Continuation Budget. He thanked the Committee for the positive aspects of the Budget, in particular, the built-in flexibility. He noted that the market forces impact the Community College System more than any other educational system, therefore, flexibility is a necessity.

President Lancaster responded to several comments offered by the Committee.

The Committee requested that the Community College System present strong indicators of their needs and requested their projections to be as accurate as possible.

Senator Dalton thanked Mr. Lancaster for his comprehensive presentation. President Lancaster introduced his staff to the committee.

ITEMS OF COMMITTEE INTEREST FOR FUTURE DISCUSSION

Next, Senator Dalton asked the staff to present a *List of Potential Topics for Education Appropriations Subcommittee Discussion.* (See Attachment 2).

Charlotte Todd briefed the Committee on possible topics for Community College Presentations; Jim Newlin reviewed potential University Topics for Discussion and Jim Johnson targeted Public Schools: possible Topics of Special Interest to Members in the Presentations on the Continuation and Expansion Budgets. The Committee was requested to suggest any topic they would like to discuss at a future meeting.

Senator Dalton adjourned the meeting at 3:45 P.M.

Walter Dalton

Senator Walter Dalton, Co-Chair

Christina K. Minard

Christina K. Minard, Senate Education Assistant

Joint Appropriations Sub-Committee on Education

Co-Chairs of the Joint Education Appropriations Sub-Committe. Thank-you for the opportunity to present the Continuation Budget for the North Carolina Community College System.

First, let me tell you, as you are of course aware, that the Continuation, or Base Budget, is the heart and soul for funding the 58 Community Colleges and the North Carolina Center for Applied Textile Technology. As the term implies, it's what keeps us going. The funds appropriated by the General Assembly, which are in excess of $580 million for 1998-99, provide the faculty, staff and equipment which are used to educate the adult population and work force in North Carolina. Because of the many years of continuing support provided by this body, the Community College system is able to deliver quality educational programming to people from all walks and stations of life. We thank you for that past support. We are the first stop, the intermediate step, and the last resort for hundreds of thousands of your constituents. The General Assembly has charged the Community College System with a responsibility which we live out on our campuses each and every day. That of being:

* first, a system of educational institutions throughout the State offering:

  - technical and vocational education, today and into the next century is our primary purpose;

  - two-year college parallel programs enable students who seek a four-year degree to obtain their first two years in an affordable, suportive institutution.

  - adult basic education leads our illiterate and underskilled population out of despair and into productivity.

* secondly, a system whose major purpose is to offer education, training and opportunity to those who seek to return to the classroom, shop or lab to improve the quality of their life

I wish I could tell you that all is well with the Continuing Budget of our System, but it is not. We suffer from years of being well-respected and fully utilized, but unfortunately insufficiently funded. What I can tell you today is that while

the Governor did spare us any severe budget reductions, there were holes left in some places where we sorely need your support. May I describe those activities and areas in which you can help us?

Before I do that however, I believe it is important to tell you what we have successfully done with the resources with which you have entrusted us. This will give you a sense of what we do, and how we are doing it within our limited resources.

In a few days, our staff will present to you in some great detail the range of educational programs and services which we deliver to the citizens of this state with your support, but for a few brief moments, let me highlight a few of them and some successes which they represent :

<u>Your community colleges are educating tomorrow's workforce.</u>

Everything we do at the state level and everything the community colleges do in your district is about jobs, one way or another. Community colleges equip North Carolinians for real jobs with real futures. Community colleges provide North Carolina's industries with quality

workers. Community colleges help the economy move forward by growing new jobs with the promise of great futures.

Many of you know George Autry, the head of MDC Inc., a Chapel Hill consulting firm specializing in workforce development. In MDC's report 'The State of the South," George wrote: *"Education beyond high school is no longer a privilege. It's an obligation that the individual and society owe each other. We must give massive attention to our systems for educating adults. We've got to compete first on the basis of smart workers, as well as the availability of technology and capital. Those are the new elements, the new critical factors of economic development. The most flexible tool we in the South have in our arsenal is our systems of community colleges."*

In North Carolina, we don't have to look far to find smart workers who have turned technical education at a community college into spectacular success. There's Rachel Selisker (si-LISK-er), Executive Vice President and Chief Financial Officer of Quintiles Transnational, one of North Carolina's fastest-growing companies. She's a graduate of Wake Technical Community

College...and she supervises 500 people handling billions of dollars around the world.

There's Bob Moss, who grew up in Charlotte and lost his dad during his teen years. Bob worked hard and earned his degree in building and construction at Central Piedmont Community College in Charlotte. Today he runs Centex-Rooney, a $750 million dollar business which is the second largest construction company in Florida doing huge construction projects in 20 states--including North Carolina, his home state.

Behind these individual success stories are hundreds of thousands of North Carolinians who have found satisfying careers, thanks to their technical education at community colleges. Community colleges educate almost two-thirds of North Carolina's registered nurses and a huge number of technicians, hygienists, certified assistants and other essential personnel on whom the health care industry depends. They train 95 percent of our firefighters and four out of five law enforcement officers.

Our community colleges are working hard to spread the message that technical and vocational education pays off...for young people and for their families. Guilford County is just one area where the message is getting through, thanks to imaginative partnerships with Guilford Technical Community College, area high schools, business leaders in targeted industries and area universities on rigorous Tech Prep programs.

Throughout the community college system, partnerships with business represent a large part of our success with technical training. For example, Miller Brewing Company selected North Carolina as the site for its first statewide TOOLS FOR SUCCESS program, which awards highly-skilled technical graducates with scholarships in the form of giving them the tools of their trades upon graduation. According to Michael Brophy, Miller's director of corporate relations, North Carolina was chosen for two reasons. First, because it has an outstanding reputation for excellence in community college eudcation. Secondly, the System is a proven leader in business/education partnerships. Seven colleges were chosen to participate, including Rockingham Community College and Forsyth Technical Community Colleges.

Caldwell Community College and Technical Institute is one of seven community colleges working with Cisco Systems' Internetworking Academy Program to train individuals for positions in the internetworking field.

Wake Technical Community College also has a creative partnership with Nortel which gives them full access to 71 of Nortel's labs for instructional use when they are not in use by Nortel.

At Durham Technical Community College, The Novell Education Academic Partnership has trained certified Novell network engineers and instructors and has 300 students enrolled in the program just this year. Graduates are able to move into high-paying jobs, and those already employed are able to be promoted.

Community colleges help North Carolina attract, grow and keep industries.

One of the programs most closely identified with North Carolina's Community Colleges is the New and Expanding Industries Training Program, and

justifiably so. This fall, *Expansion Management* magazine listed North Carolina as the state with the best program in the entire country for educating new workers. The ranking was based on a survey of top site-selection consultants around the country. Workforce Development and education are the key to economic success.

Jim Nichols, director of Electronics and Information Technology Development for the North Carolina Department of Commerce, says, "When it comes to recruiting new companies to North Carolina or helping our existing companies expand, the North Carolina Community College System is our strongest ally in making that happen."

As vital as this pioneering program is, it is only one part of the work of community colleges in economic development at every level. Established industries benefit from Focused Industrial Training Programs and from specialized technical centers. The North Carolina Center for Applied Textile Technology pioneered the concept of focusing sharply on a single industry. We now have the Hosiery Center's programs at Catawba Valley and Randolph Community Colleges and a growing effort in telecommunications at Central Carolina Community College in Sanford.

Equally important in workforce education are the occupational extension or continuting education programs offered through all of our community colleges. These are the programs that help our employees and our industries upgrade, retrain and adapt to the fast pace of change in the technological environment. In fact, our community colleges enroll many more students in occupational extension and other continuing education than they do in our "degree" programs, and that's an important message. Lifelong learning is what our colleges are about; in the future, it is what all educational institutions must be about, if our state is to continue to prosper.

The key to maintaining our leadership is always working hand-in-hand with industry on the next idea, the future improvement, the cutting edge that insures that North Carolinians have the advantage in the jobs of the future as well as today.

I am pleased, for example, that the North Carolina Community System and the NC Biotechnology Center are partners in an initiative which will prepare workers for the growing number of high-paying manufacturing jobs in the state's biotechnology, pharmaceutical and chemical industries. Job growth in

biotechnology manufacturing has averaged about a 10 percent growth annually over the last several years and will accelerate as more products move out of research into commercial development. Alamance Community College, Cape Fear Community College and Vance-Granville Community College are examples of colleges already actively involved.

A program with tremendous potential is the Geographic Information Systems/Geographic Positioning Systems program at Johnston Community College. GIS is one of the most dramatic breakthroughs in engineering technology in this century. Johnston has one of only two programs for GIS technicians in the country.

Community colleges also play an active role in creating the businesses that provide the jobs. Our 58 Small Business Centers are in fact centers for training and assisting entrepreneurs...almost 78,000 small businesses benefitted from these centers just during the past fiscal year.

Community colleges teach basic language, math and job skills.

Almost 17-thousand adult high school diplomas and GEDs were awarded last year. That's about one out of five of all high school diplomas awarded in North Carolina. Our role in providing basic literacy is important also, especially in light of the recent surge in demand for English as a Second Language for Spanish-speaking immigrants, Southeast Asians, and others who are our newest North Carolinians. We have been a key partner in moving thousands of welfare dependent persons off welfare and into the workforce.

From Catawba Valley Community College in Hickory comes the story of a young refugee woman of the Hmong tribe of Laos settled in Hickory after years in refugee camps. She turned to Catawba Valley Community College for literacy lessons, GED and job training at the Hosiery Technology Center, which is pioneering a whole new way of using job-centered language to teach English. She has a good job and interprets for other students. She says: "Catawba Valley Community College was my mother and my father. It taught me to read and write and to hold a

job. It helped me to be able to buy a house, to support my family, to be a part of the community."

Community Colleges are opening doors to four-year degrees and more. It is sometimes tempting to talk about the college-transfer programs of the community colleges as different and apart from our workforce education efforts or even a frill or distraction from our technical and vocational mission. It may be tempting, but it is also a mistake, because four-year academic and professional degrees are workforce education for many people, including most of us. Our college transfer program is vital for those who need convenient, caring, affordable, flexible options for starting baccalaureate education. It will become even more important as the echo boomers reach college age and you and the University System are challenged to come up with the money for facilities and faculty growth at the four-year institutions.

Thanks to the foresight and persistence of members of the General Assembly, the community college system now has a comprehensive transfer agreement with the University System and with fourteen of our private colleges and universities. Working together, we have solved many of the nightmares of lost credits and repeated courses. Community college students who finish their

associate degrees enter the University as full-fledged juniors; those who transfer earlier have the benefit of a much smoother process.

Ask Reathal (REE-thul) Geary about the importance of a good start in college. He started out at Asheville-Buncombe Technical Community College, where he learned a lot about biology...and even more about dreams. A year ago, he transferred to NC State to study botany. Last fall, he watched while NASA launched an experiment he designed into orbit on the space shuttle. For Geary, not even the sky is the limit...thanks, he says, to the foundation built in a community college.

Despite this record of success, there are places in the Continuation Budget which need attention. First, the 1998 Session of the General Assembly appropriated more equipment funding than the Community College System has ever received in any one year (approximately $40 million) . As you may recall, you appropriated $21 million dollars to a non-reverting Equipment Reserve, and an additional $7 million for allocation based upon a new equipment formula. This funding however was non-recurring. We need your help in providing additional equipment funding just to reach the 1998-99 level.

To more effectively plan for the future, this should be continuation funding. The same is true for books; we need the restoration of approximate $2 million in library book funds and allow those funds to be used for information resources of all kinds, including electronic.

Additionally, we find our base budget support for the New and Expanding Industry program to be insufficient to meet the increasing demands for plant locations and expansions. We hope you can improve our Continuation Budget in this area. For all practical purposes, we have already spent this year's money and committed almost all of next year's continuation budget allocation.

Third, we operate with a faculty-to-student ratio, support staff, and operating cost budget far out of alignment with the demands of our students and how we actually use our dollars today. Last year, for example, you were able to improve our Continuing budget in the area of Technology with much needed positions, for which we are most appreciative. But of the $10 million which we received, $1,000,000 was non-recurring. To our colleges, this means that they will not have other cost dollars on a continuing basis, making the sustaining of technology improvements more difficult. While I readily acknowledge these

are Expansion Budget items, they serve to illustrate how far we must stretch our critical base budget dollars to serve the citizenry. Were it not for the budget flexibility which this body has given us, this could not be accomplished.

Let me thank-you for the flexibility you have given us, and to beg you to continue allowing that flexibility into the next biennium. While the General Assembly has not always been able to appropriate the funds which we need, you have with great wisdom allowed us to use the funds we have flexibly to address the unique challenges at each of our 58 colleges and the Textile Center. Each of our colleges, while sharing a common mission, accomplishes that mission in ways which are important to their local community and which cover critical needs you have been unable to fully fund. Thus, the flexibility to respond to local demands and meet critical needs is vital, unless each line in our budget is fully funded. Please keep our budget flexibility intact.

Thank you again for today's opportunity and for the opportunity in the coming days to provide you further details on our continuation budget and later in the session to present our expansion needs. Both are crucial to our future as the state's primary workforce development agency and to the econimic boom

North Carolina has enjoyed thanks to the world class workforce we have educated.

List of Potential

Topics For

Education Appropriations

Subcommittee Discussion

Possible Topics for Community College Presentations:

- **Faculty Salaries**
  Current averages by college
  SREB rankings
  Excellence in teaching funds
  Transfer of funds from instructional allocation

- **Technology/Equipment/MIS**
  Backlog in equipment survey
  Recent technology funds
  Study of new management information system proposal
  Other cost funding for computer operations and support

- **Distance Learning Programs**
  Current use of distance education
  Cost issues
  New fee structure negotiated with UNC(combine with UNC's enrollment and pilot site discussion)

- **Occupational Extension/Continuing Education**
  Recent increase in funding
  State Board of Community Colleges' proposal
  Possible change in fee structure

- **Services to Business and Industry**
  New and Expanding Industry
  Focused Industrial Training
  Small Business Centers

- **Literacy programs**
  Enrollment patterns
  Adult High School program
  Remediation

- **Accountability**
  Critical Success Factors report
  Report from Accountability Task Force on new proposal

- **Performance Budgeting**
  Report from Consultant required by special provision

- **Articulation agreement with UNC (Combine with UNC's Enrollment Discussion)**
  Transfer agreements with the University System
  Agreements with private colleges and universities
  Performance of transfer students

- **Cooperative Agreements with High Schools**
  Huskins bill and dual enrollment progress report

- **Funding Formula**
  Explanation of existing distribution formula
  History of recent changes
  Change in place for next year
  Enrollment

- **Tuition (Jointly With the UNC Discussion)**
  History of tuition changes
  Governor's proposed increase
  Comparison with other states

- **Federal Changes that impact community colleges**
  Workforce Investment Act

- **Operations and Maintenance of Plant Funds**

Potential University Topics for Discussion

Faculty Salaries
- Rank over time
- Recent Increases
- Other Fringe Benefits

Distance Education/ Off-Campus Programs
- Number
- Funding History and Sources
- Sites in Pilot Projects
- Pilot site budgets
- Policy change to funding all semester credit hours
- Cost Issues (which campus gets SCH funding)

Enrollment
- Projections over time
- Plan and Strategies to address enrollment demand
  - Pilot sites enrollment (May be joint presentation with community colleges)
  - **Community College Articulation**
    - Transfer agreements (history, scope, number of systemwide agreements)
      - Number of transfers over time
      - Performance of transfers
    - (Would be joint presentation with community colleges)
- NC college going rates and educational attainment
- Funding Methodology changes

Access
- Changes in student profile over time (income, race, gender)
- Role of UNC in promoting accesses (Pathways proposal, etc.)
- Efforts to improve access and going rates
- Barriers to college attendance and completion
- Efforts to address barriers
- Financial aid
  - Current funding levels
  - Changes affecting types of aid (federal credits, etc)
  - Current proposals

Costs
- Fees
- Tuition
  - Current rates
  - Role of tuition in funding
  - UNC BOG role in setting tuition
  - BOG proposal on tuition for 99-2000
- Tuition Remission
- Tuition Tax Credits

Academic Support

Libraries: Budgetary Emphasis
- Recent funding increases
- Inflationary increases-Lack for 1999-2001
- Trends in spending
- Rankings: Library Study
- NC LIVE and UNC

Information Technology

Role of Information Technology in UNC Missions
- Instruction (On campus and distance education)
- Research
- Public Service
- Student Support Services

UNC planning process
Recent funding
Current funding and additional requests
Review of funding to MCNC for supercomputing and NC-REN contracts
- (Status Report)

Assessment Measures

Satisfaction of graduates (trends)-Focus on change and responses of campuses to perceived problems; role of BOG and administration in reviewing trends and addressing problems
Satisfaction of undergraduates (trends)
Graduation rates (4, 5, 6 year rates) over time
- Compare to national rates

Retention rates
Remediation rates
Freshman performance data over time
Faculty Workload

UNC/ Public School Relationships

IHE Report Cards-preliminary data
Federal requirements
Status of efforts to provide full year of clinical experience to prospective teacher candidates
Recent budget increases for various proposals
- Status report on UNC-Public Schools Partnerships
- Matching Incentive Grants status

Budgets of schools of education
Supply and demand projections, including UNC enrollment and production of graduates
Current efforts to change curriculum

Progress in reorganization and delivery of professional development programs
Changes in UNC-TV Learning Link Delivery Site

Management
Privatization efforts to date-changes since 1995
Span of Control-changes underway as response to 98-99 budget reductions
UNC General Administration Personnel Administration efforts and proposal

Public Schools: Possible Topics of Special Interest to Members in the Presentations on the Continuation and Expansion Budgets

1. Expenditure of Low Wealth and Small School Supplemental Funding
2. At-risk students and alternative schools
3. Cost of ending social promotions
4. Special education
5. Availability of federal funds to low performing schools
6. Instructional technology, including public private partnerships
7. Expenditures for school administrators and central office personnel
8. Comparisons of educational expenditures between North Carolina and other states

VISITOR REGISTRATION SHEET

APPROPRIATION SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Name of Committee 2:30 P.M. Date: Wednesday, Feb. 24, 1999

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Clifton Metcalf	UNC Gen. Admin
Suzanne Lebsock	NCCCS
Lynn Gann	Gov's Office
Hal Miller	NCACCT
Helen Dowdy	NCACCT
Harriet Dial	NAE
Bill Wilson	NCAE
Tom Boyd	DCC
Barry Russell	"
Larry Hogan	"
Alice L. Smith	"

VISITOR REGISTRATION SHEET

APPROPRIATION SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Name of Committee **Date: Wednesday, Feb. 24, 1999**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Ann Bellam	SBE
Elizabeth Grossenstein	OSBM
Maurice Kirg	"
Sue Adams	"
Janet Pittard	"
David Brown	OSBM
Barbara Harris	OSBM
Lary Onery	Office of State Planning
Ed Regan	N.C.A.C.C.
Ellen Russell	The Arc of NC

8:30 am

Joint Appropriations Subcommittee on Education/Higher Education

February 25, 1999
Agenda

Call to Order		Representative Oldham
Comments on Governor's Proposed Continuation Budget		President Molly C. Broad University of North Carolina
Explanation of State Budget Format and Continuation Budget Guidelines		Sue Adams Budget Administrator Office of State Budget and Management
Overview of 1998 Legislative Budget Actions in Education		Fiscal Research Division Staff

MINUTES
JOINT APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

February 25, 1999
8:30 AM

The Joint Appropriations Subcommittee on Education/Higher Education met on Thursday, February 25, 1999, at 8:30 am in Room 421 of the Legislative Office Building.

The following members were present: Chairpersons Gene Rogers, Flossie Boyd-McIntyre, Warren Oldham; Representatives Bonner, Gardner, Gillespie, Holmes, Insko, Moore, Smith, Teague, Yongue; Eight Senators; Fiscal Staff, Jim Johnson and Jim Newlin.

Chairman Oldham called the meeting to order and recognized the Pages and the Sgt. At Arms staff.

The first order of business was a presentation by Ms. Molly C. Broad, President, University of North Carolina. Ms. Broad presented "Comments on the Governor's Proposed Continuation Budget." This presentation outlined UNC programs and missions as follows:

- Forces of Change
- Educational Attainment
- Education Determines Earnings
- Historic and Projected UNC Headcount Enrollment: 1986-2006
- Surge in the Schools (K-12)
- UNC Sponsorsed Program Awards: FY88-FY98
- Sponsored Program Proposals
- Cooperative and Industrial Extension Service Sites
- NC Area Health Education Centers (AHEC) Program
- UNC Appropriations
- Requests for Appropriations for Current Operations 1999-2000

See **Attachment 1** for more detailed information on the above. Ms. Broad divided her presentation into three parts: teaching, research, and public service. Ms. Broad noted that during the past Short Session the UNC System received $29 million dollars in non-recurring funds for recurring programs. The university system is seeking to change those non-recurring dollars into recurring dollars. The Board of Governors is expected to request funding only in the areas of strategic priorities for the Board of Governors. This means that the Board of Governor's request for expansion funds will be $30 millions dollars less than their request in 1995.

The Chairman opened the floor for questions from the Committee.

Sen. Hartsell: What is the policy of the UNC System regarding investment, if any, in the start-up of ventures that are initiated by the research that you participate in?

Ms. Broad: When a research ideal moves from the bench to the possibility of commercialization potential, the university has policy about what the ownership is of intellectual property. In fact, there are Federal statutes that define the patent right and how they can flow to the university and to the faculty members. The UNC System will provide that kind of advice and assistance to gain a patent on research that was conducted at the university. When it moves from that stage into prototypes and ultimately into commercialization, the university does not provide venture capital, but certainly the Research Triangle Park has some access to venture capital. The NC Biotechnology Center has now a small venture capital fund to help projects move at that point into commercialization. North Carolina State University has now created a small venture capital. In North Carolina, the absence of venture funding that will help transform a potential business into commercializing is our biggest shortcoming.

Sen. Hagan: What are your needs for financial aid for students?

Ms. Broad: The need is very great and growing. We measure a student's need by the gap between the capacity of a family to pay for college. That is determined by the national form in which financial aid eligibility is determined. The gap between what that form says a family can afford to pay and what our costs are and our unmet needs have continued to grow. Increasingly, students in North Carolina are using student loans to pay for their costs of college rather than grants. We are one of the very few states in this country that does not have a state program of student aid. When we are invited back to talk to you about tuition, you can count on the fact that we will also talk about student aid.

Rep. Yongue: In your anticipated physical facility demands and student growth, where does your priorities lie (dorm space, classroom improvements, etc.)?

Ms. Broad: Our ten-year capital plan is going to reveal that our top priority is going to be the renovation and rehabilitation of existing facilities. We are finding that many of our campuses do not have facilities that are adequate to meet the current needs of the teaching and learning process.

Sen. Garwood noted that that kind of deterioration of school facilities is apparent throughout the state.

Chairman Oldham gave witness to working twenty-two years in a school system with deteriorated labs and other buildings. He emphasized the need for the entire university system to provide the kind of education that we want for our folks within some of the new facilities. In fact, he was one of those who submitted a bill that resulted in the study that is underway at this particular time. The Chairman asked Ms. Broad if she was in a position to give the committee a summary on where we stood at this particular point?

Ms. Broad: We are in the midst of this. The number is probably going to shock you to learn what it will take for existing laboratories to be brought up to current code. It isn't that we can't teach modern science in them, we can't operate them because they don't meet the standards of occupational health and safety. This is a preview of coming attractions.

Rep. Smith: How does the freeze that Gov. Hunt placed on the $145 million dollars allotted for repairs and renovation effect the university system and what volume of impact will that have on you?

Ms. Broad: Of the $145 million allocated for repairs and renovation, in the current year $67 million goes to UNC. We have projects that have great urgency. We're waiting for the Government Operations Committee to meet and approve those projects, many of which we had to undertake because it was life safety threatening not to undertake them. This is one of the items on your list for helping to resolve the budget gap.

Next, Ms. Sue Adams, Budget Administrator, Office of State Budget and Management gave a presentation on the "Explanation of State Budget Format and Continuation Budget Guidelines." She included a summary on the "Continuation Budget Preparation Adjustments Allowed/Required." The summary was outlined as follows:

- Budget as approved by last legislature is beginning point
- Reductions required
  - Removal of "one-time" items
- Increases allowed
  - Salary related adjustments – social security, longevity
  - Receipt supported activities adjusted
  - Replacement of existing equipment
  - Motor vehicle replacement
  - Inflation increases
    - Food, drugs, gasoline, utilities, medical supplies
    - K-12 textbooks and instructional supplies
    - Library books inflation increase not allowed
- Operating reserves for capital projects
  - Annualize building reserves or other items funded for a partial year
  - Building reserves for newly constructed buildings
- Enrollment in public schools

For an in-depth explanation of the Continuation Budget, please see **Attachment 2** (1999-2001, The North Carolina State Budget, Summary of Recommendations (Summary Volume), and Education (Volume 1)).

Rep. Insko: In reference to "library books inflation increase not allowed," I assume that there are library books in all of the budgets for K-12, community colleges and universities, and that that affected all three of those?

Ms. Adams: That affected community colleges and universities. We don't really say that we buy library books for K-12, we buy textbooks and we have textbook money in them. They obviously buy library books out of them.

Rep. Insko: In reference to "enrollment in public schools," I understand that K-12 increases are ADM increases. Is there a similar built-in adjustment for community colleges and universities based on increased enrolllment?

Ms. Adams: No. We do the enrollment for community colleges and the university system in the expansion budget.

Rep. Moore: How much of the smaller projects are included in the Continuation Budget and are we looking back to see if they have done what they said they would do?

Ms. Adams: We have to follow the legislative intent on those. She made reference to page 41, North Carolina State Budget, Education, Volume 1 as an example of programs coming out of the budget because they were funded with non-recurring money.

Rep. Moore: Can you produce a document that identifies these programs more clearly so that we can track their progress?

Ms. Adams: We can provide a handout with this information for this committee.

Rep. Gillespie asked if Ms. Adams could explain the Board of Governors' budget on page 212. Mr. Jim Newlin, Fiscal Research Staff, advised that that process be taken up at a later date.

Due to time restraints, the remainder of the agenda was delayed until a later date.

A Visitor Registration Sheet is attached and made a part of these minutes.

The Chairman announced that the next meeting would be on Tuesday, March 2, 1999, at 8:30 am and at 2:30 pm.

This meeting adjourned at 9:50 am.

Respectfully submitted,

Warren C. Oldham, Chair

Delta F. Prince, Committee Assistant

Joint Appropriations Subcommittee on Education

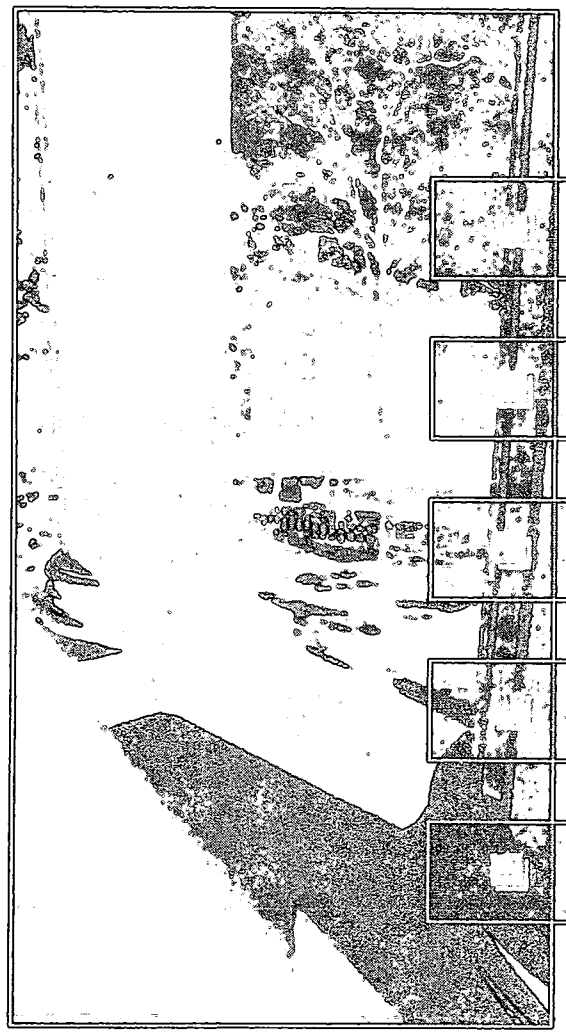
February 25, 1999

Molly Corbett Broad - President

The University of North Carolina

ATTACHMENT 1

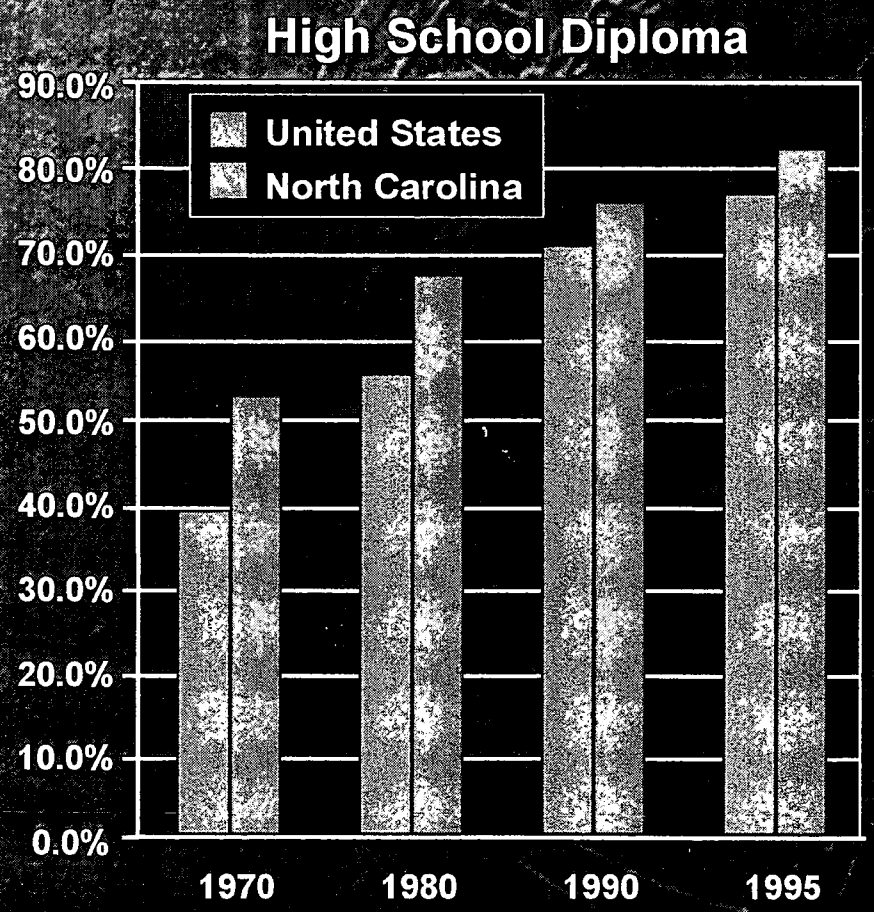
Forces of Change

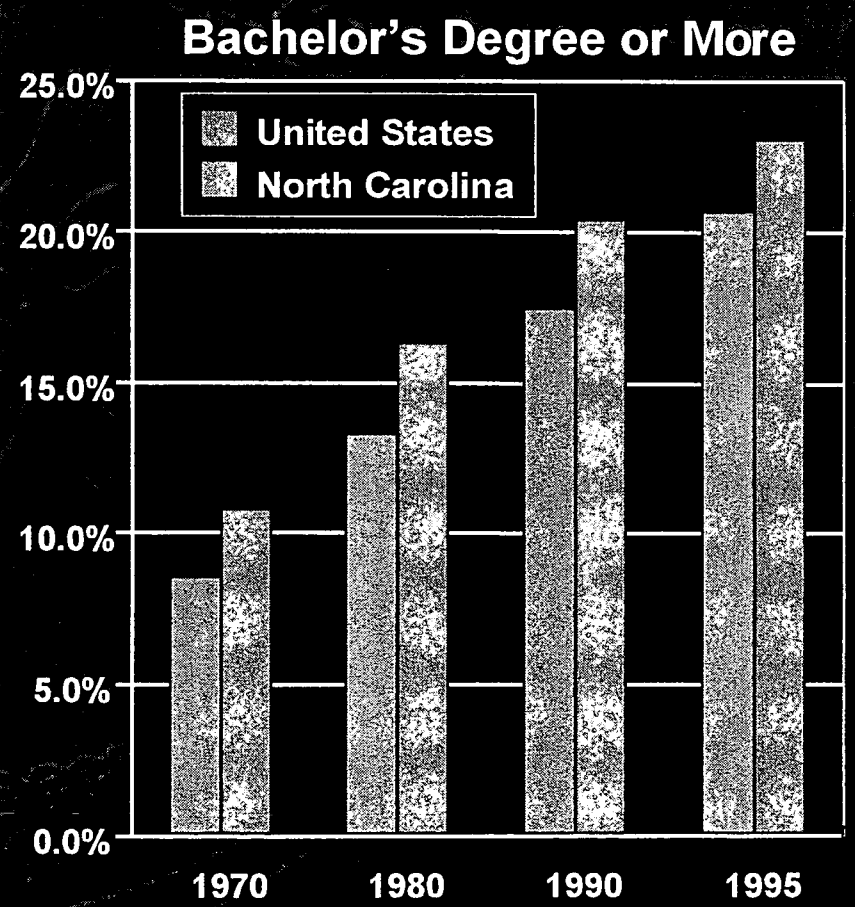


- Demand
- Economics
- Technology
- Knowledge
- Globalization

Educational Attainment

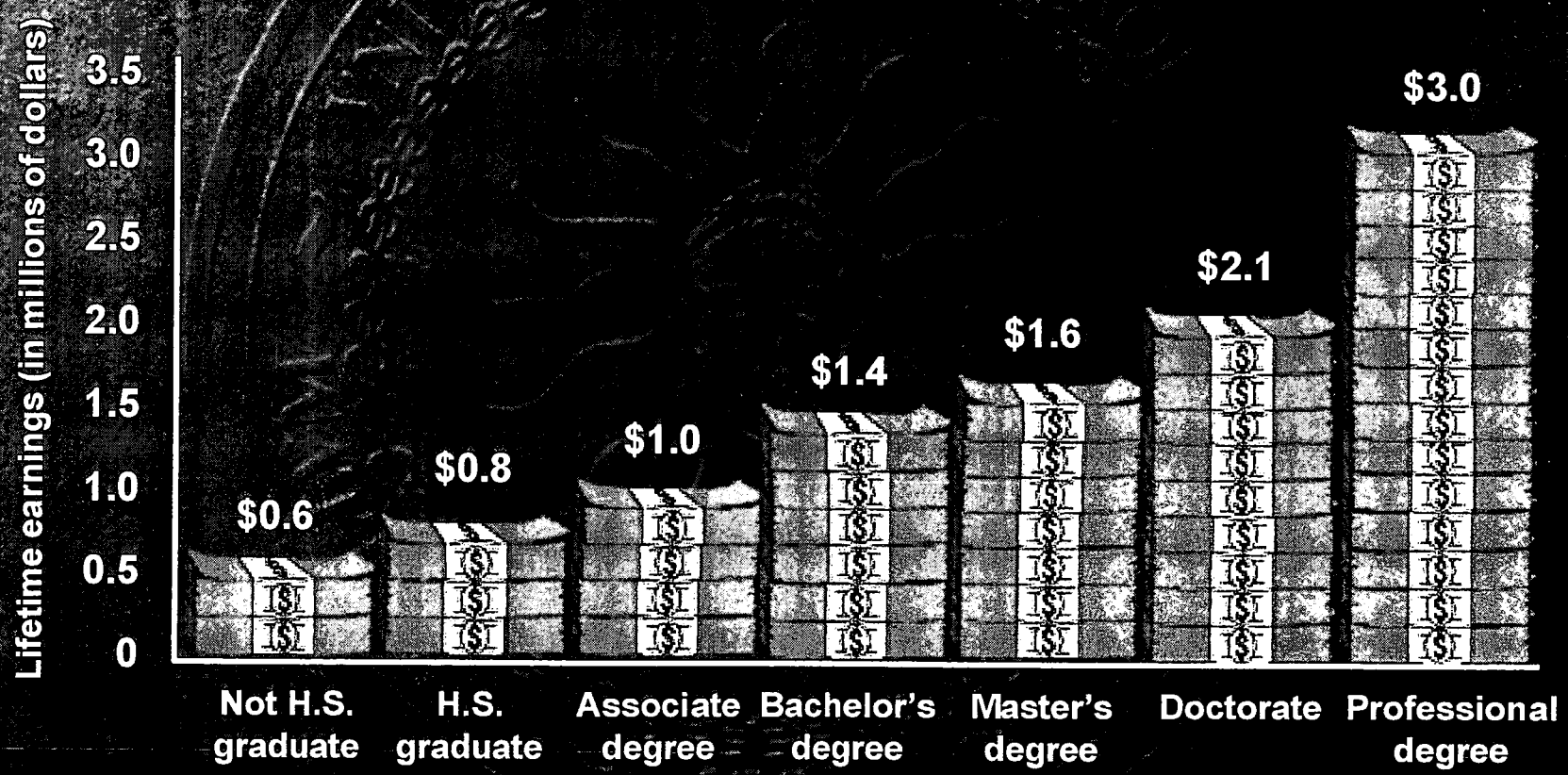
Persons Age 25 and Older: 1970-1995





Source: U.S. Census Bureau, *Educational Attainment in the United States: March 1995.*

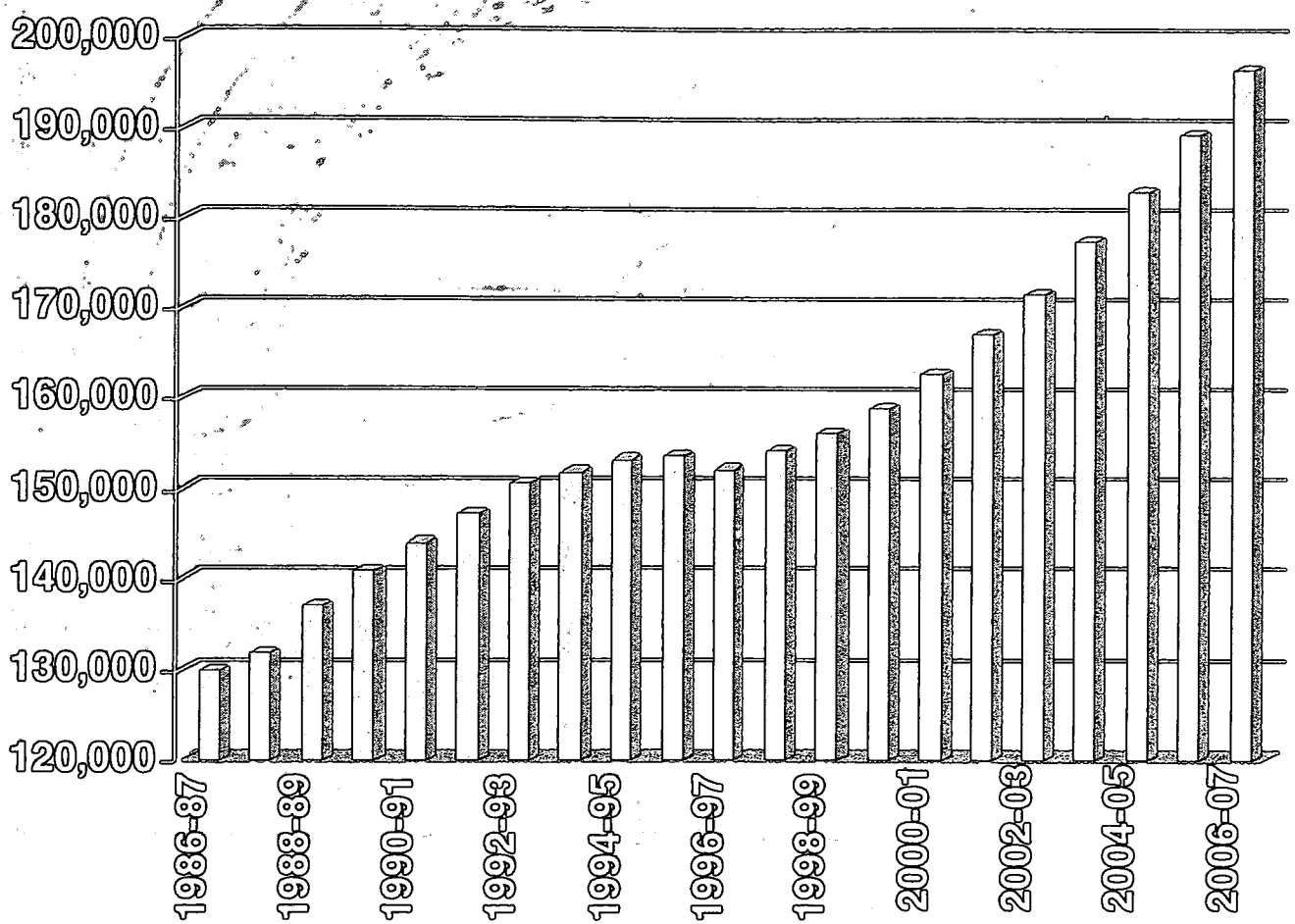
Education Determines Earnings



Source: U.S. Bureau of Labor Statistics, *Occupational Outlook Quarterly, Spring 1995.*

The University of North Carolina

Historic and Projected UNC Headcount Enrollment: 1986-2006



Source: UNC Gen. Admin., Planning Div., 1997.

The University of North Carolina

Surge in the Schools (K-12)

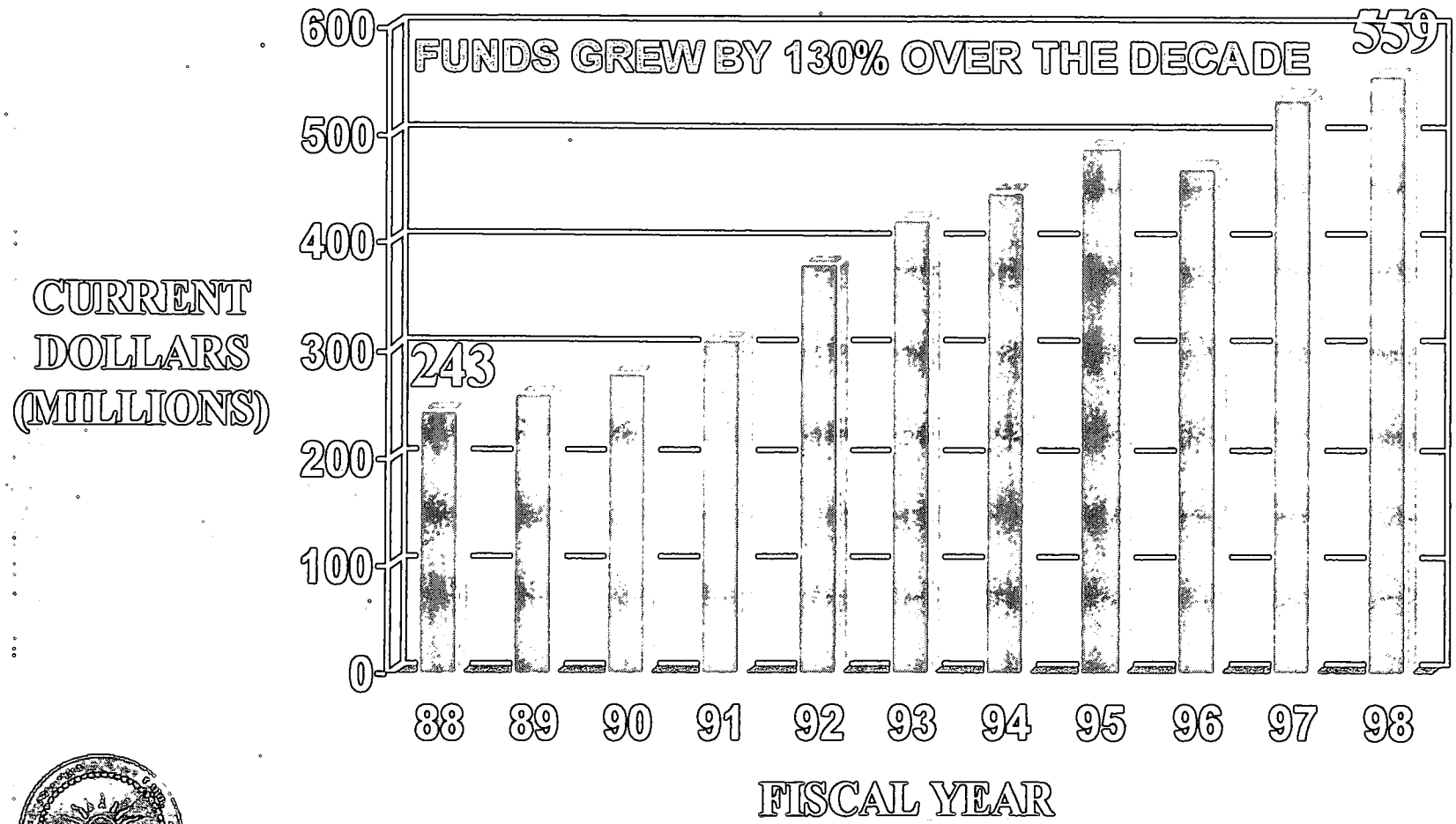
Public and private school enrollment will surge over the next 10 years

Top 10 States In Projected Growth

State	Increase from 1997 to 2007	Percent Change
California	920,000	15.7%
Texas	414,000	10.6%
Georgia	144,000	10.6%
North Carolina	92,000	7.4%
Arizona	90,000	10.8%
Virginia	83,000	7.4%
Florida	72,000	3.1%
New York	63,000	2.2%
Tennessee	61,000	6.6%
Utah	55,000	11.3%

Source: U.S. Dept. of Education, Nat'l Center for Education Statistics

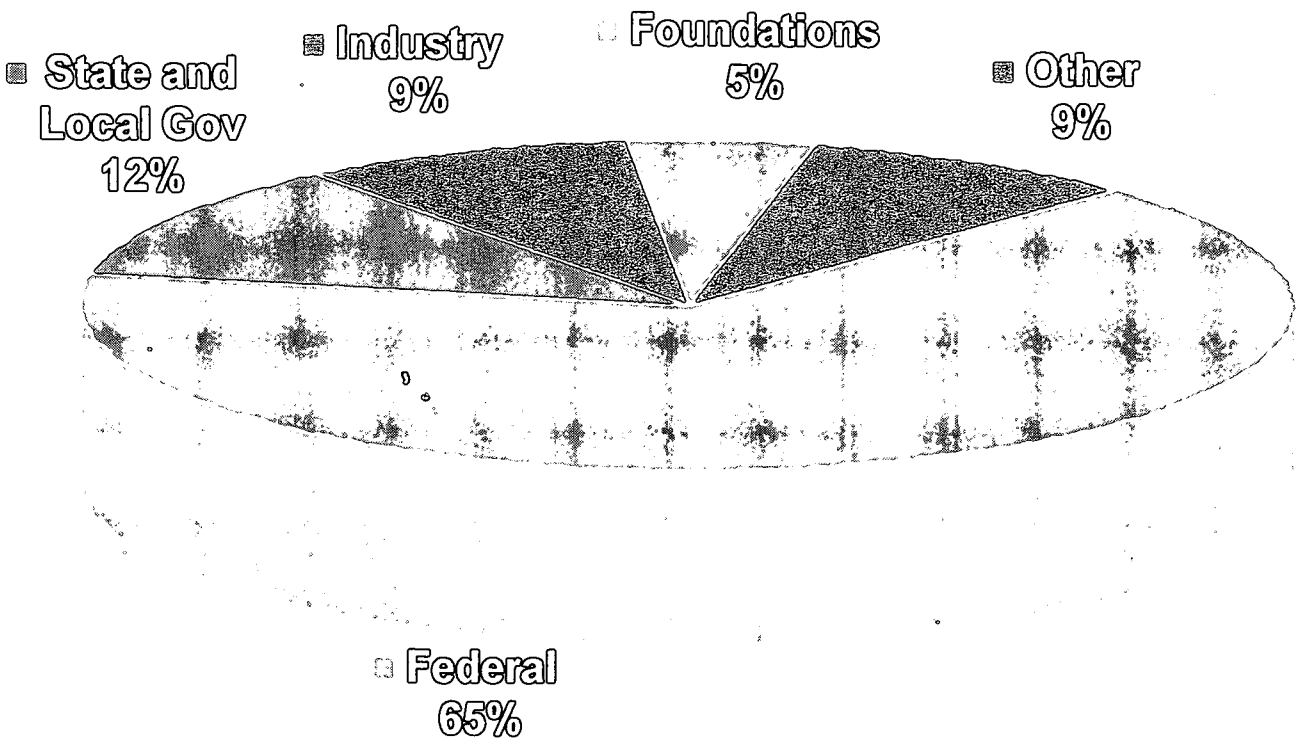
UNC Sponsored Program Awards: FY88 to FY98



The University of North Carolina General Administration

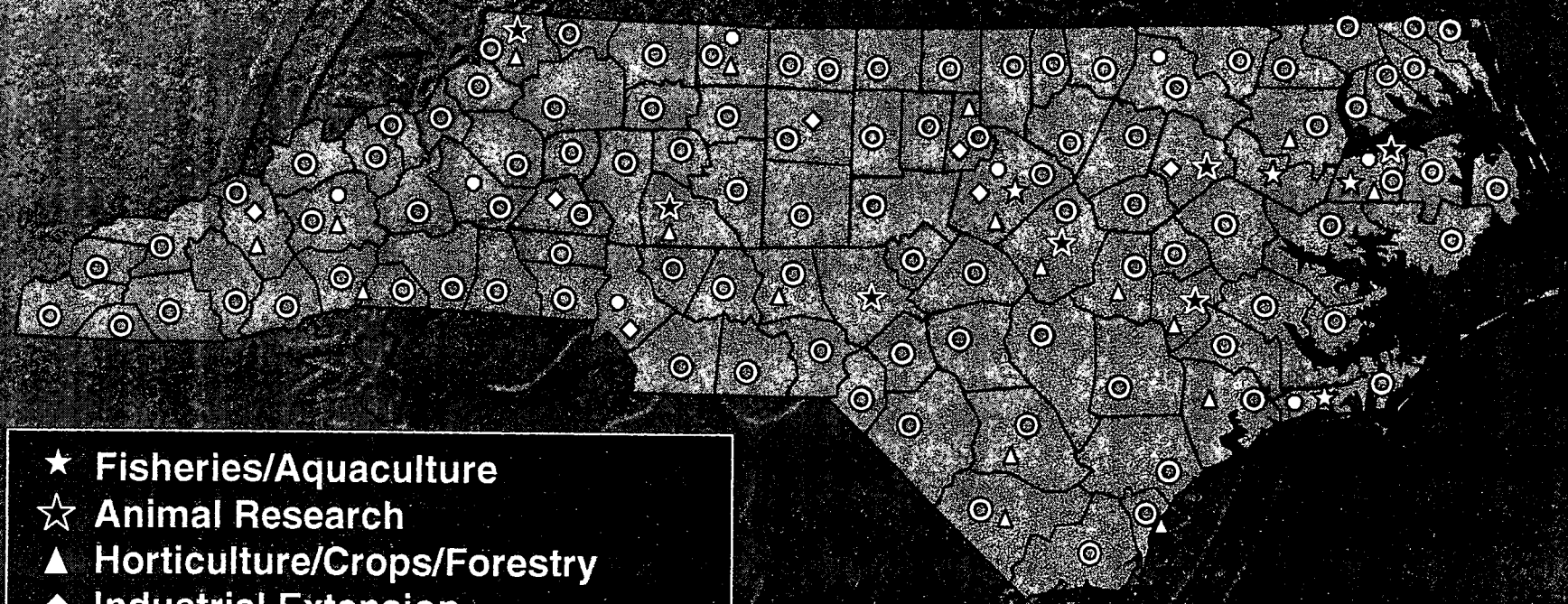
Sponsored Program Proposals

Awards by Sponsor- FY98



Total Awards = $559 Million

Cooperative and Industrial Extension Service Sites



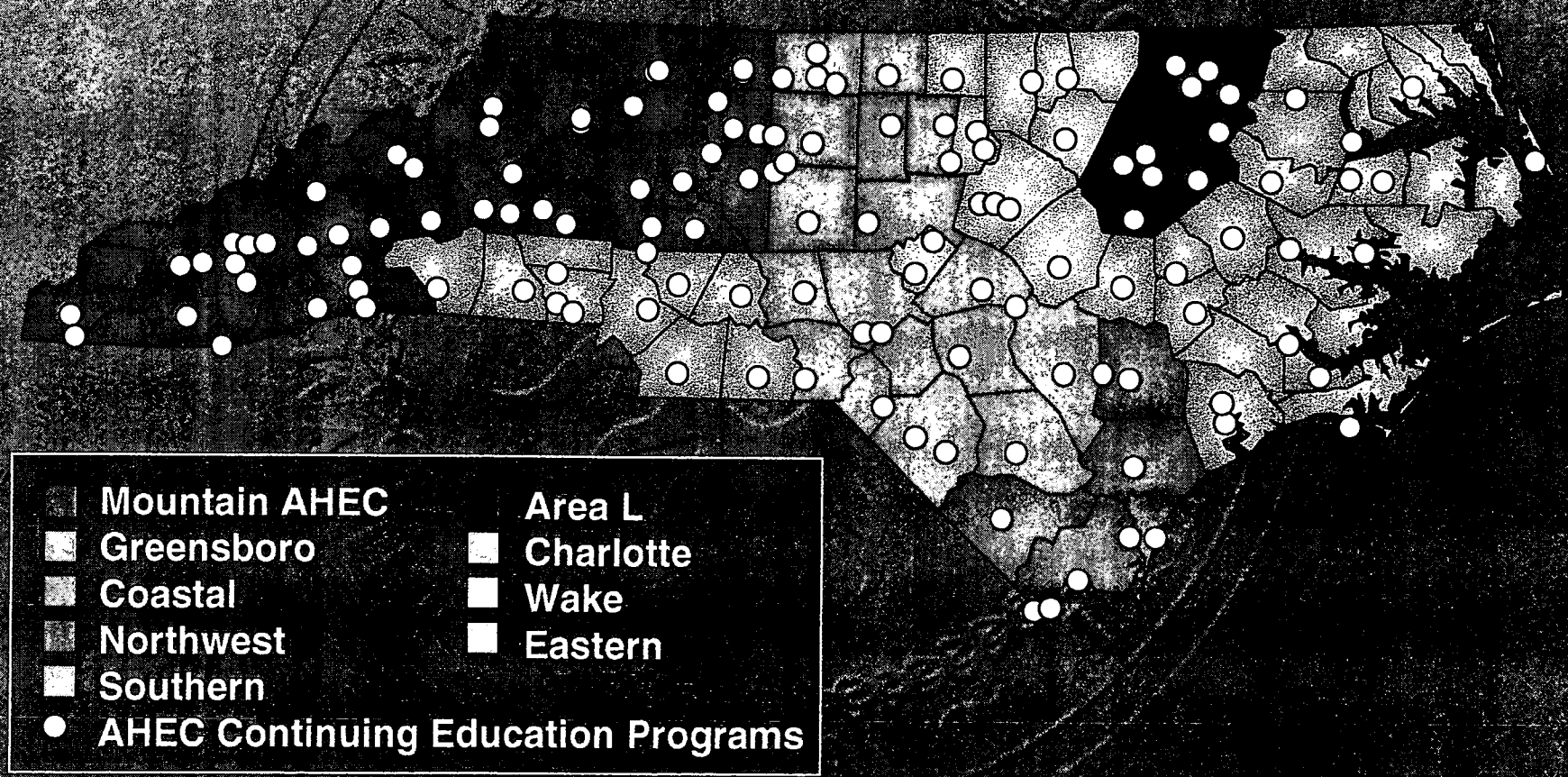
- ★ Fisheries/Aquaculture
- ☆ Animal Research
- ▲ Horticulture/Crops/Forestry
- ◆ Industrial Extension
- ● Educational Site
- O Cooperative Extension Service

Source: NC State University

The University of North Carolina

NC Area Health Education Centers (AHEC) Program

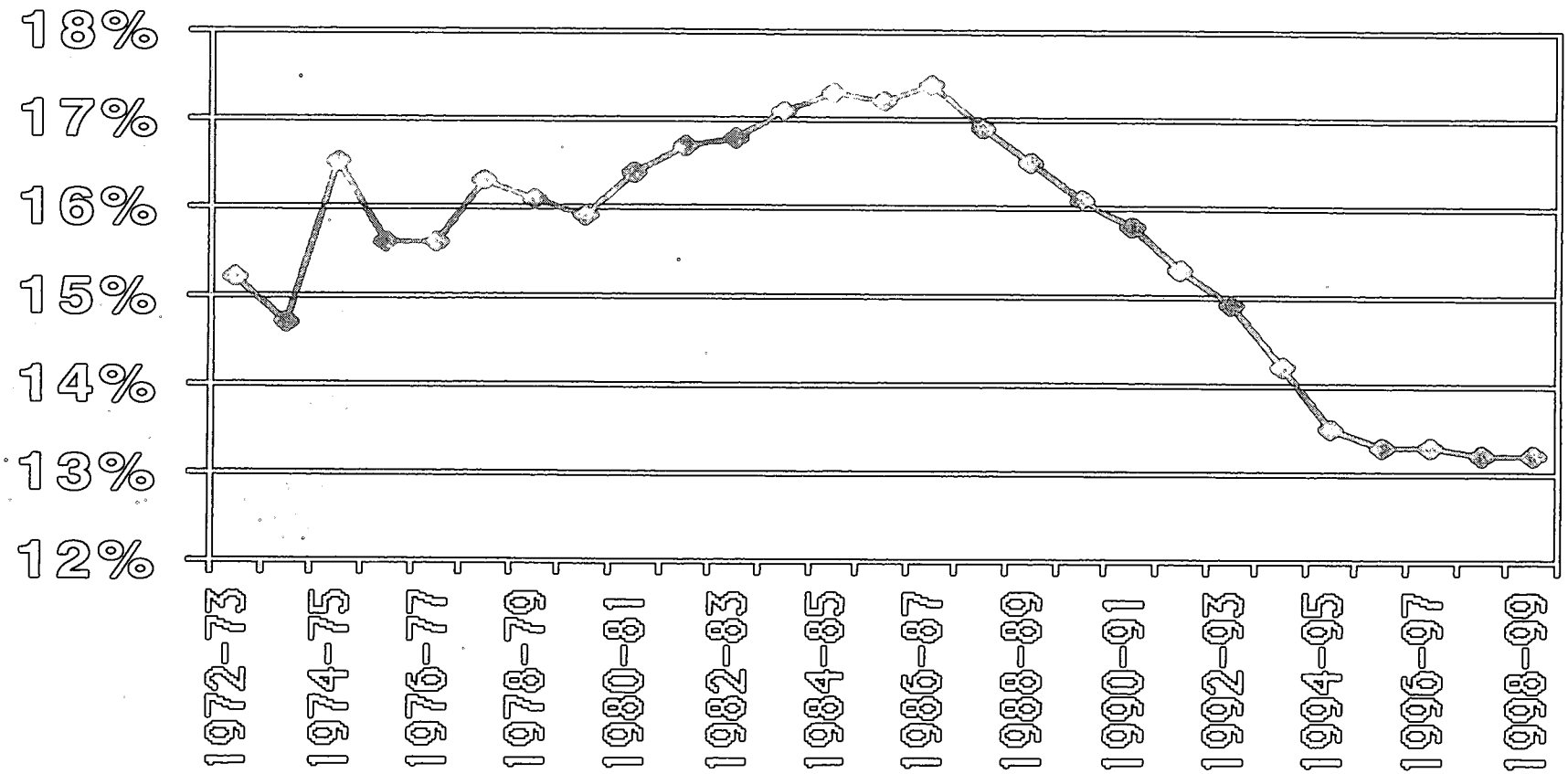
Locations of Continuing Education Programs: 1996-97



Source: NC AHEC Program

UNC Appropriations

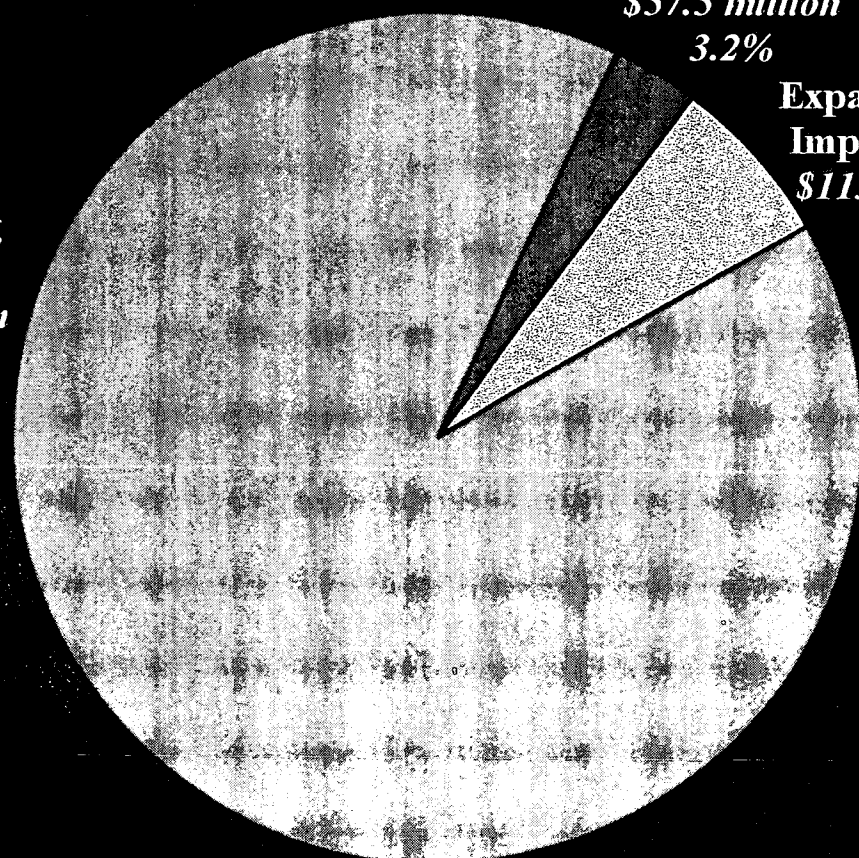
As a Percent of the General Fund



Source: N.C. State Budget, 1999-01

Requests for Appropriations for Current Operations 1999-2000

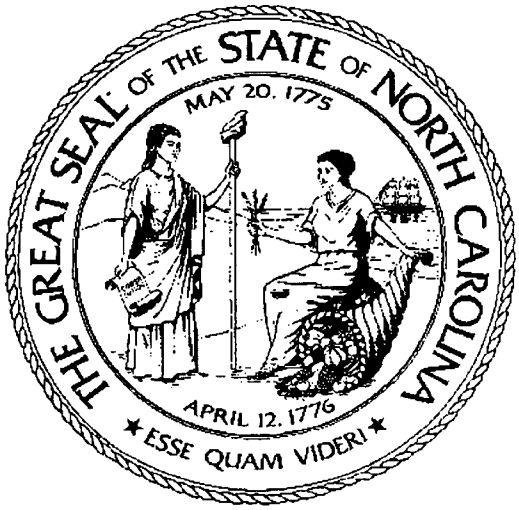
Total – $1.779 billion



Attachment 2

1999-2001
The North Carolina State Budget

Education



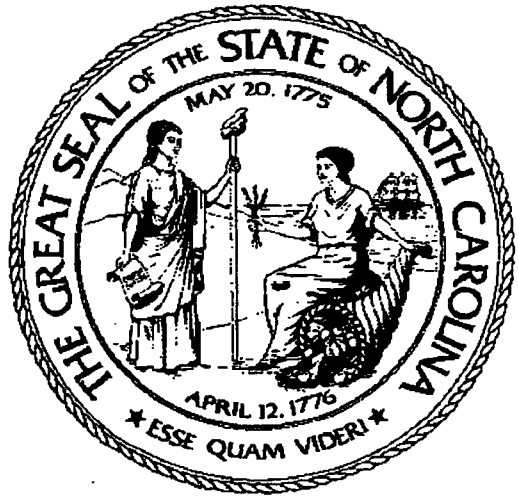
James B. Hunt Jr.
Governor

Volume 1

Attachment 2

1999-2001
The North Carolina State Budget

Summary of Recommendations



James B. Hunt Jr.
Governor

Summary Volume

VISITOR REGISTRATION SHEET

APPROPRIATION SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Name of Committee **Date: Thursday, Feb. 25, 1999**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Clifton R. Metcalf	UNC GA
JB Millikan	UNC-GA
Jim Betts	UNC-GA / NCSU Ag Pgm
Maurice Cox	OSBM
Ann Bellamy	SBE
Joni Worthington	UNC GA
Jeff Davis	UNC-GA
Ken [illegible]	UNC-GA
Molly Corbett Broad	UNC GA
Elizabeth Grossenbacher	OSBM
David Brown	OSBM

VISITOR REGISTRATION SHEET

APPROPRIATION SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Name of Committee **Date: Thursday, Feb. 25, 1999**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Kay Doney	State Planning
Jaclyn Dixon	Rep. Easterling's Intern
Karen Gaul	Gov's Office
Evelyn Hawthorne	UNC-CH
Janet Pitts	OSBM
Sandy Carmany	NC PTA
Hal Miller	NCACCT
Barbara Harris	OSBM
Glenn Morris	Public School Forum

1999

JOINT APPROPRIATIONS – EDUCATION/HIGHER EDUCATION

MINUTES

Joint Appropriations Subcommittees
On Education/Higher Education

March 2, 1999
8:30 a. m.

Call to Order	Senator Lee, Co-Chair
Overview of 1998 Legislative Budget Actions in Education:	Fiscal Research Staff:
Community Colleges	Charlotte Todd
Public Schools	Jim Johnson
University System	Jim Newlin
Review of Trends in Education	Jim Johnson
Overview of Community College System	Charlotte Todd

JOINT APPROPRIATIONS SUB-COMMITTEE ON EDUCATION/HIGHER EDUCATION

Tuesday, March 2, 1999
8:30 A.M.
Room 421 LOB

The Joint Appropriations Sub-Committee on Education/Higher Education met at 8:30 A.M. on Tuesday, March 2, 1999 in the Legislative Office Building. There were eight Senators present. The following Representatives were present: Gene Rogers, Co-Chair; Flossie Boyd-McIntyre, Co-Chair; Warren Pete Oldham, Co-Chair; Alex Warner, Vice-Chair; Donald Bonner; Charlotte Gardner; Mitch Gillespie; George Holmes; Verla Insko; Richard Moore; Ronald Smith; W. B. Teague, Jr.; and Douglas Yongue

Senator Howard Lee, Co-Chair called the meeting to order. Senator Lee called the meeting to order. Senator Lee welcomed Pages Jaimee Chavis, Raymond Clark and Ben York. Jaimee is from Maxton, N.C. and was sponsored by Representative Bonner. Raymond is from Reidsville, N.C. and was sponsored by Representative Cole. Ben is from Albemarle County and was sponsored by Senator Purcell and Senator Plyler.

Senator Lee introduced each of the Fiscal Staff members and asked them to present a brief description of their areas of expertise. They are Charlotte Todd, Jim Johnson and Jim Newlin.

Senator Lee requested the Fiscal Staff to present an ***Overview of 1998 Legislative Budget Actions in Education.*** (See Attachment 1).

The following overviews were presented:

Charlotte Todd	***Community Colleges*** (See Attachment 1, PP's. F1-F6).
Jim Johnson	***Public Schools*** (See Attachment 1, PP's F7-F14).
Jim Newlin	***University System*** (See Attachment 1, PP's F15-F21).

Next, Jim Johnson presented a review of *Trends in Education.* Then Charlotte Todd presented an *Overview of the Community College System.*

Senator Lee adjourned the meeting at 9:50 A.M.

Senator Howard Lee, Co-Chair

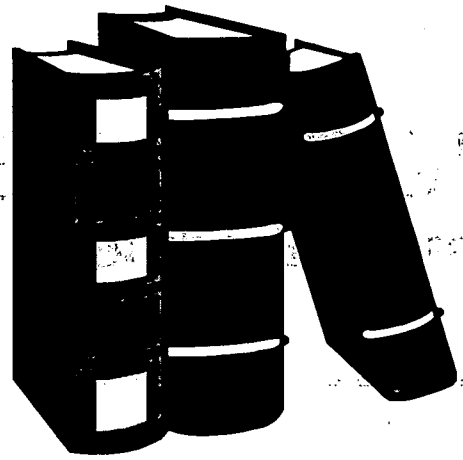
Christina K. Minard, Education Committee Assistant

ATTACHMENT 1

EDUCATION APPROPRIATIONS

OVERVIEW

1998 Session of the General Assembly



Community Colleges

Statutory Authority: General Statutes, Chapter 115D

The Department of Community Colleges provides state-level administration over a system of 58 comprehensive community colleges under the direction of the State Board of Community Colleges. The board is a 20-member body; 2 are ex-officio, 8 are appointed by the General Assembly, and 10 are appointed by the Governor. Serving at the pleasure of the board is a President who is responsibile for administering all policies, regulations and standards adopted by the board to operate the department and the institutions.

Each of the Community Colleges in the system is administered by a local board of trustees and a president who is chosen by the local board and approved by the State Board. The local boards of trustees have 13 members; 4 elected by the local board of education, 4 elected by the local board of county commissioners, 4 appointed by the Governor, and the president of the student government as an ex-officio non-voting member.

Programs and services offered by each institution reflect the needs and concerns of the citizens and industries in the community. Instruction is provided through curriculum and continuing education (extension programs) to more than 750,000 different individuals each year.

GENERAL FUND

	FY 98-99
Total Budget Approved 1997 Session	**$504,200,909**

Budget Changes

1 **Enrollment** Funds additional enrollment growth in the community college system.	$2,000,000	R
2 **Technology** Provides colleges recurring funds for management information technology staff,recurring funds for the purchase and development of software, and recurring funds for Department staff to provide computer and construction technical assistance to colleges as well as SIPS charges and other computer related costs.	$9,000,000 $1,000,000 12.00	R NR
3 **Equipment and Books** Provides the same level of equipment and book funds to the community college system as it received in the prior fiscal year.	$9,000,000	NR
4 **Equipment Reserve** Creates a non-reverting equipment reserve fund to assist community colleges in meeting their backlog of equipment needs as documented in the Phase 3 Funding Study report to the State Board of Community Colleges.	$21,000,000	NR

5	**Multi-Campus Funds** Provides an equal amount of supplemental funding to those multi-campus college sites operated on an annual basis approved and recommended this year by the State Board of Community Colleges to the General Assembly. Sites operating less than a full year shall receive a pro rata share for the 1998-99 fiscal year.	$650,000	R
6	**Center for Applied Textile Technology** Expands the operating budget of the Center for Applied Textile Technology.	$100,000	R
7	**Center for Applied Textile Technology** A non-recurring grant-in-aid for operations at the Center for Applied Textile Technology.	$150,000	NR
8	**Operations and Maintenance of Plant Funds** Restores the reduction in the operations and maintenance of plant funds to Central Carolina Community College and Southwestern Community College.	$313,668	R
9	**Public Radio Station Funds** Provides $5,000 to each of the Community College System's two public radio stations.	$10,000	R
10	**Prison Program Start-Up Funds** Provides funds to start the two new private prison education programs.	$500,000	NR
11	**Reduction in Human Resources Development Program** Reduces the Human Resources Development (HRD) program as recommended by the Governor.	($92,904)	R
12	**Anson-Union Community College Reserve** Funds to be held in reserve pending study and recommendations for higher education services to the region.	$4,000,000	NR
13	**Worker's Compensation Adjustment** Accepts the Governor's reduction in the Department's Worker Compensation budget.	($121,731)	R
14	**Departmental Reductions** Reduces the Department's budget as recommended by the Governor in the warehouse rent line and vacant program assistant position.	($57,660) -1.00	R
15	**MCC Matching Scholarship Endowment Funds** Provides matching scholarship endowment funds for Montgomery Community College Foundation, Inc.	$400,000	NR
	Budget Changes	**$11,801,373**	R
		$36,050,000	NR
	Total Position Changes	11.00	
	Revised Total Budget	**$552,052,282**	

Special Provisions:

1998 Session: Senate Bill 1366

Department: Community Colleges

Section 10

Title: Extend for One Year Deadline for Matching Community College Bond Funds

Summary Changes the deadline for community colleges to match their bond funds from June 30, 1998 to June 30, 1999 .

Section 10.1

Title: Independent Study of Capital Budget and Operating Budget Fund Allocations

Summary Directs the State Board of Community Colleges to contract with an independent consultant to study the capital allocation formula and potential performance budget measures and report back to the General Assembly.

Section 10.2

Title: Community College Equipment Reserve Fund

Summary Creates a non-reverting equipment fund to be allocated on the basis of local equipment plans as approved by the State Board of Community Colleges. Also allows the Board to allocate equipment funds using their new formula.

Section 10.3

Title: Budget Realignment To Implement Reorganization Authorized

Summary Allows the Department of Community Colleges to realign its budget codes in accordance with the new President's reorganization plan.

Section 10.4

Title: Continuing Budget Concept

Summary Changes the funding formula for community colleges in accordance with the recommendations of the State Board of Community Colleges and its formula consultant. It funds FTE growth in excess of 2% and protects FTE losses of up to 3%.

Section 10.5

Title: Annual Review Accountability Enhanced

Summary Directs the State Board of Community Colleges to improve its accountability measures and report back to the General Assembly.

Section 10.6

Title: Development of Management Information System

Summary Directs the State Board of Community Colleges to develop a technology and management information plan and report to the General Assembly.

Section 10.7

Title: Cooperative High School Education Program Accountability

Summary Asks the State Board of Education and the State Board of Community Colleges to jointly study cooperative high school education programs (Huskin's bill courses) to ensure that they are not duplicating advanced placement courses, but are giving appropriate high school students an opportunity to further their education.

Section 10.8

Title: Reporting Requirements

Summary Requires the State Board of Community Colleges to develop an annual reporting plan for colleges to improve the timeliness and accuracy of data reported. It requires the Board to withhold money from colleges that are out of compliance.

Section 10.9

Title: Community College Tuition Study

Summary Asks the Joint Education Oversight Committee to study the issue of community college tuition in light of several tuition proposals, including the new federal Hope Scholarships.

Section 10.10

Title: Hospitality and Tourism Job Training Programs

Summary Requires a joint study by the State Board of Community Colleges, Board of Governors, State Board of Education and the Department of Commerce of the programs serving the hospitality and tourism industry with recommendations for for involvement and better cooperation.

Section 10.12

Title: Community College Tuition Waiver

Summary Expresses the intent of the General Assembly to provide a 2 year tuition waiver for deserving recent high school graduates to attend a community college full-time within 6 months of graduation if the General Assembly appropriates money expressly for this purpose.

Section 10.13

Title: Community College To Serve Anson and Union Counties

Summary Directs Union and Anson county commissioners to submit a joint plan for a community college to serve both counties. If they are not able to do so, the State Board of Community Colleges shall employ an independent consultant to study the issue and make recommendations for the best organizational and service delivery system to serve these counties.

Section 10.14

Title: Prison Program Start-Up Funds

Summary Requires that the funds appropriated for prison start-up funds be allocated based on actual costs and expresses the intent of the General Assembly to reimburse actual costs for FY 98-99 in next year's budget to the extent the costs exceed the appropriation.

Public Education

Statutory Authority: General Statutes, Chapter 115C

The State Board of Education consists of 13-members (11 members appointed by the Governor, plus the Lieutenant Governor and the State Treasurer); the Superintendent serves as the secretary and chief administrative officer of the State Board of Education.

The major duties of the board are to communicate the needs of public elementary and secondary education, to provide leadership and support services to public schools, to assure standards of quality for programs and personnel, and to equitably provide all pupils an opportunity to achieve their full potential.

	GENERAL FUND	
	FY 98-99	
Total Budget Approved 1997 Session	**$4,493,194,418**	
Budget Changes		
ABC Program		
16 **ABC Bonus Awards 1997-98** Provide additional funds to pay the projected ABC bonus awards for FY 1997-98. $17,118,003 was earmarked from 1997-98 excess reversions.	$0	NR
17 **ABC Bonus Awards** Provide funds to pay the projected ABC bonus awards for FY 1998-99.	$98,000,000	NR
18 **ABC Accountability** Provide funds to the State Board of Education to pay for existing end-of-grade and end-of-course tests authorized by the Board and the General Assembly. To begin pilot test for alternative assessments for exceptional children as required by federal law.	$2,000,000	NR
19 **Assistance to Low Performing and At Risk Schools** Funds to assist low performing and at risk schools.	$2,000,000	NR
Excellent Schools Act		
20 **Increase Teacher Salaries** Implement the second year of the new teacher salary schedules called for in the Excellent Schools Act. North Carolina's goal is to increase teacher salaries to the national average. $192,943,537 in recurring funds are located in the Compensation Reserves for this purpose.		
21 **Teacher Longevity: 1998-99 Salary Increases** Appropriate funds to fund teacher longevity increases associated with the FY 1998-99 salary increases that are a part of the Excellent Schools Act.	$3,254,624	R

22	**Additional Pay for Extra Duties** Provide additional funds for teachers in low performing and at-risk schools. These funds will be used to pay for extra duties, student remediation and other teacher activities that lead to improved student performance. A portion of the nonrecurring funds may also be used for additional pay teachers who are a part of local assessment teams.	$2,660,610 $4,905,405	 NR
23	**Extend Mentors to Second Year Teachers** Extend mentors to teachers who had mentors during their first year of teaching. Also provide mentors to instructional support personnel who are in their first year and who were not previously teachers.	$5,000,000	NR
24	**Extra Pay for Forfeited Vacation Days** Provide additional funds to pay for forfeited teacher vacation days if the teacher is required to work on an optional teacher workday, and did not have the opportunity to take vacation at another time.	$4,250,000	R

Improving Student Performance

25	**Low Wealth Supplemental Funding** Provide additional Low Wealth Supplemental funding.	$10,000,000	R
26	**Funds for Limited Proficiency in English Students** Provide funds to school systems with students who have limited proficiency in English.	$5,000,000	
27	**Substitute Teacher Pay** Increase substitute teacher pay.	$8,000,000	R
28	**School Technology Funds** Increase School Technology Funds.$4,700,000 was earmarked from 1997-98 excess reversions.	$4,800,000	NR
29	**ExplorNet Funding** Provide additional nonrecurring funds to ExplorNet for FY1998-99.	$500,000	NR
30	**Small School Supplemental Funding** Provide additional fund for Small School Supplemental Funding.	$3,000,000	NR
31	**A+ Schools** Provides funds to continue the A+ Schools program.	$400,000	NR
32	**Global Curriculum Funds** Provide funds to continue the Global Curriculum program.	$150,000	NR

33 Expand Model Teacher Consortium Expand statewide the model teacher consortium.	$1,500,000	NR
34 Total Quality Education Provides funds to continue and to expand the Total Quality Education program.	$450,000	NR
35 School Leadership Pilot Funds Funds to the State Board of Education for a school leadership pilot project in two school districts. The school districts will participate in the nationwide program of the Center for Leadership in School Reform.	$150,000	NR
Public Instruction		
36 Additional Certification Specialists Provide $160,000 through receipts to increase the number of certification specialists in the Department of Public Instruction.	$0	R
37 Charter School Administration Funds Provide funds to the State Board of Education and the Local Government Commission to provide administrative support audit support for charter schools. One (1) systems accountant position to the local Government Commission. Three (3) positions, Department of Public Instruction. Two (2) accountants and one (1) education consultant.	$220,000	R
38 Student Information System Funds to begin the replacement of the Student Information System (SIMS)	$2,000,000	NR
Teacher Development		
39 Teaching Fellows Program Funds to increase the North Carolina Teaching Fellows scholarship from $5,000 per year to $6,500 per year.	$2,400,000	R
40 National Board for Professional Teaching Standards Provide funds to pay for North Carolina teachers to take the assessment established by the National Board for Professional Teaching Standards and for leave days to prepare for the assessment.	$2,261,588	NR
41 Teacher Evaluation Instruments Funds to the State Board of Education to develop and validate a new teacher performance appraisal instrument.	$500,000	NR
Various Budget Adjustments		
42 Funding for Increases in Average Daily Membership Provide funding for additional increases in average daily membership in FY 1998-99.	$26,553,765	R

43	**Longevity Increases** Appropriate funds to fund teacher longevity increases associated with the FY 1997-98 salary increases that were a part of the Excellent Schools Act. $9,010,274 was earmarked from 1997-98 excess reversions	$0	NR
44	**Mentor Teachers** Provide full funding for mentor teachers to first year teachers or instructional support personnel who were not previously teachers.	$9,235,124	NR
45	**Average Annual Salary Adjustment** Annual adjustment in average salaries of certified personnel to reflect actual experience through December 1997.	($35,525,769)	R
46	**School Bus Purchases** Purchase new school buses from nonrecurring funds. $24,199,403 was earmarked from 1997-98 excess reversions.	($24,199,403)	R
	Budget Changes	**($2,386,173)**	**R**
	Total Position Changes	**$141,852,117**	**NR**
	Revised Total Budget	**$4,632,660,362**	

Special Provisions:

1998 Session: Senate Bill 1366

Department: Public Education

Section

Title: Funds to Implement the ABC's of Public Schools

Summary Provides funds for ABC bonuses for the 1997-98 school year and for the FY 1998-99 school year.

Section 9.27

Title: Small School System Supplemental Funding

Summary Changes the funding formula for Small School System Supplemental funding to allocate additional funds. Increase from $255,000 to $355,000 the consolidated funds allotment.

Section 9.26

Title: Uniform Education Reporting System (UERS)/Student Information Management System (SIMS) Funds

Summary Establishes policy with regards to the use of the SIMS replacement funds. Maintenance of current student records, ABC accountability data, and transfer of student records are the top priority.

Section 9.23

Title: Uniform Education Reporting Systems/Building Level Reports on School Funding

Summary Changes the required implementation date of building level financial reporting to the 1999-2000 school year.

Section 9.1

Title: Certified School Nurses/Salary

Summary Places certified school nurses on the "G" teachers salary schedule.

Section 9

Title: Allocations for Public Schools

Summary Allocates $55,027,680 from the FY 1997-98 over-collections for various purposes in the public schools:
$17,118,003 for ABC bonuses for FY 1997-98;
$ 9,010,274 for longevity payments associated with the FY 1997-98 teacher salary increases;
$24,199,403 for school bus purchases;
$ 4,700,000 for the School Technology Fund.

Section 9.2

Title: Funds to Implement the ABC's of Public Schools

Summary Provides funds for ABC bonuses for the 1997-98 school year and for the FY 1998-99 school year.

Section 9.3

Title: Extra Pay for Mentor Teachers

Summary Provides additional funds for a second year teacher who had a mentor in the first year. Makes some instructional support personnel eligible for having a mentor if they were no previously a teacher. Requires the State Board of Education to evaluate mentor pay program and report to the Legislative Oversight Committee by March 5, 2000.

Section 9.4

Title: Aid Low-Performing and At-Risk Schools

Summary Provides assistance to low performing and at-risk schools for additional salary related items for teachers and funds that can be used for staff development, textbooks, instructional supplies and equipment.

Section 9.5

Title: ABC's High School Accountability Model

Summary Encourages the State Board of Education to continue to improve the high school accountability standards by adding measures of individual student performance, dropout rates, and measurement of student enrollment and achievement in courses required for graduation, advanced placements or upper courses.

Section 9.7

Title: Principal Salary Studies

Summary Requires the State Board of Education to study various aspects of the principal salary schedule.

Section 9.8

Title: Communities in Schools Funds/Do Not Revert

Summary Funds appropriated to the Communities in Schools Rocky Mount Region, Inc. do not revert at the end of the 1997-98 school year. Funds remain available through FY 1998-99.

Section 9.9

Title: School Activity Bus Usage

Summary Allows the use of school activity buses by a nonprofit corporation or unit of local government to transport school-aged and preschool-aged children. Activity buses are owned by local school systems, and contract must be approved by the local school board.

Section 9.10

Title: School Board Quick Take

Summary Allows local school boards to acquire property through quick take condemnation,

Section 9.11

Title: Litigation Reserve

Summary Allows the State Board of Education to expend up to $500,000 to pay expenses for pending litigation. Carries forward funds from previous fiscal years in this reserve.

Section 9.13

Title: Alternative Schools/At-Risk Students

Summary Allows the State Board of Education to expend up to $200,000 in FY 1998-99 to evaluate Alternative Schools/At Risk Programs in local school systems.

Section 9.12

Title: Exceptional Children Funds

Summary Allocates funds for FY 1998-99 for both academically gifted and children with special needs. Allows the State Board of Education to use any excess children with special needs funds to establish a reserve to provide funds for severely disabled children in school units and group homes.

Section 9.15

Title: Testing

Summary Provides funds for North Carolina's accountability program. Provides for third grade baseline data to accurately measure third grade academic growth.

Section 9.16

Title: Substitute Teachers

Summary Sets the minimum pay for certified substitutes at 65% of Step I of the Bachelor's schedule for teachers. For noncertified substitutes the rate is set at 50% of Step I of the Bachelor's schedule for teachers. Local boards are also authorized to hire full-time substitutes. $8,000,000 was appropriated to increase the substitute pay rates.

Section 9.17

Title: Tort Claim Liability/School Buses

Summary Authorizes the Attorney General's office to pay reasonable medical expenses, up to $3,000, sustained in a school bus accident. Also extends tort claim coverage to bus monitors and volunteers on a school bus who are there with permission of the school principal. Minor technical differences with the Senate.

Section 9.18

Title: Extra Pay for Vacation Days

Summary Provides additional funding for teachers who are required to work on optional teacher work days. Provides for advanced 14 days notification of teachers who are required to work on optional teacher work days. Provides for 42 consecutive when teacher attendance is not required, effective with the 1999-00 school year.

Section 9.19

Title: Teaching Fellows Program

Summary Increases the North Carolina Teaching Fellowship from $5,000 to $6,500. Also allows the Public School Forum to use $150,000 from the program fund balance for administration

Section 9.20

Title: Limited English Proficiency

Summary Provides funds to local school districts for students with limited proficiency in English. Sets a minimum of 20 students in a school system to be eligible for funds. Set a cap of 10.6% as a cap on the maximum number of Limited English Proficiency students funded. Provides that a charter school must have Limited English Proficient students to qualify for funds.

Section 9.21

Title: Drivers Education Funds Do Not Revert

Summary Provides that $35,000 in drivers education funds do not revert at the end of the 1997-98 fiscal year.

Section 9.22

Title: Additional Teachers for Middle School Children Who Are Academically Below Grade Level

Summary Changes the way that allocations are made for middle school students who are academically below grade level.

1998 Session: Senate Bill 879

Department: Public Education

Section 2

Title: School-Based Administrator Salaries

Summary FY 1997-98 salary schedules for school-based administrators. Links salary schedule to teacher salary schedule, and provides for performance pay increases based upon the ABC Program and Safe School Goals.

UNC System

Statutory Authority: Statutory Authority: General Statutes, Chapter 116

The Board of Governors is composed of thirty-two members elected for four-year terms by the General Assembly. The Board is required to plan and develop a coordinated system of higher education in North Carolina.

The President of the University of North Carolina is the chief administrative officer of the University. He establishes administrative organizations to carry out the policies of the University. In carrying out his duties and responsibilities, the president is assisted by his staff officers and by the chancellors of the 16 constituent institutions.

	GENERAL FUND	
	FY 98-99	
Total Budget Approved 1997 Session	**$1,455,260,484**	
Budget Changes		
A. UNC Campuses		
47 **Base Budget Reductions** Reduce each budget code by 0.1%	($1,502,974)	R
48 **New Facility Reserves** Adjust reserves for new buildings based on estimated completion dates.	$128,778 ($952,617)	R NR
49 **Utilities Reductions** Reduce utilities increases based on recent expenditures	($800,938)	R
50 **Span of Control Study** Board of Governors is directed to use span of control study to improve efficiency of campuses' operations.	($3,595,609)	R
B. Schedule of Priorities		
51 **Enrollment Growth** Provide for growth of 1,100 additional students, reduced tuition receipts because of shift to more in-state students, and to implement new formula for enrollment changes.	$13,730,338	R
52 **Tuition Receipts** Budget full amount of tuition receipts for budgeted enrollment.	($94,116)	R

53 Enrollment: Distance Learning & Off-Campus Degrees $12,890,335

Provides funding for courses offered off-campuses in order to increase access and to provide for increased capacity, based on projections of substantial enrollment growth.

A. Total Request	$13,508,288
B. Less Transfers from Cooperative PhD. Programs	$(253,929)
C. Eliminate on-campus undergraduate bonus factors	$(364,024)
D. Net Appropriation	$12,890,335

(SB 1366, Sec. 11.7)

54 Information Technology $3,000,000 R

Funds for Computing and Technology to improve effectiveness of teaching and learning, service, and cost effectiveness (SB 1366, Sec. 11.14) $15,500,000 NR

55 Libraries

Improve library resources for constituent institutions. $9,500,000 NR

56 University Outreach to the Public Schools: A.

School Services Matching Incentive Grant Program $975,000 NR

Funds for campuses to create partnerships with local school systems to extend UNC services to public schools.

57 University Outreach to the Public Schools: B. $380,000

Principal Fellows Program

Increase the number of fellows in the first year class from 76 to 95.

58 University Outreach to the Public Schools: C.

Reading Together $300,000 NR

Additional General Fund support for this pilot program at UNC-Greensboro.

59 New Degree Programs $300,000 R

NC State Engineering Degree in Asheville $200,000 NR

Funds for the BS in Engineering program to be offered in collaboration with UNC-Asheville.

60 University Outreach to the Public Schools: D

Learning Link: UNC TV Electronic Educational Community $535,500 NR

Improvements in interactive on-line service to public schools, linking University resources of all campuses to public school teachers

61 Graduate Education and Research $8,000,000 R

Provide additional support for graduate teaching and research assistants in doctoral and professional programs.

62 Distinguished Professors Endowment Trust Fund

Additional state matching funds for program to increase endowed funding for faculty chairs. $5,600,000 NR

63 **Inter-Institutional Programs**

Manufacturing Extension Partnership — $750,000 NR

Continue state matching funds for federal grant to provide engineering services to small manufacturers in NC (SB 1366, Sec. 11.5).

C. Agricultural Programs

64 **Pfiesteria Research** — $600,000 R

Provide operating funds to establish a Center for Applied Aquatic Ecology at NC State to facilitate research on toxic microorganisms. — $1,000,000 NR

65 **Matching Funds for Agricultural Grants**

Provide funds to Agricultural Programs at NC Agricultural and Technical State University to match federal grants. — $400,000 NR

66 **Turfgrass Research**

Funds to continue turfgrass research projects at NC State University — $300,000 NR

D. Related Educational Programs

67 **Aid to Students Attending Private Colleges** — $7,248,986 R

Provides funding for increases in Legislative Tuition Grants (from $1,450 to $1,600 per year) and for need-based scholarship funds (from $750 to $900 per NC FTE per year).(SB 1366, Sec. 11.3(

E. Other Programs

68 **East Carolina Doctoral II Classification** — $1,500,000 R

Provides partial funding to recognize need to increase support to East Carolina, recently designated as a Doctoral II University (SB 1366, Sec. 11.6).

69 **Forestry Biotechnology** — $102,770 R

Operating support for forestry biotechnology programs at NC State University (SB 1366, Sec. 11.15).

70 **Poultry Research** — $100,000 R

Funding for research in new and emerging diseases affecting the poultry industry. Funds are to be allocated to the College of Veterinary Medicine at NC State.

71 **Center for Global Business Education and Research**

Funds for UNC-Greensboro to provide support services for volunteer group of organizations interested in world trade — $60,000 NR

72 **Institute of Medicine**

Grant-in-aid funds for this Institute — $200,000 NR

73 **Fiber Optic Infrastructure**

Funds for partial payment of fiber optic infrastructure installed at NC Central University — $540,000 NR

74 **Oyster Research** Funds for the Institute of Marine Science at UNC-CH for study of sustainable oyster aquaculture (SB1366, Sec. 11.11).	$200,000	NR
Budget Changes	**$41,987,570**	R
	$35,107,883	NR
Total Position Changes		
Revised Total Budget	**$1,532,355,937**	

Special Provisions:

1998 Session: Senate Bill 1366

Department: UNC System

Section 11.14

Title: UNC Technology Initiative

Summary Requires UNC Board of Governors to allocate $1 million to UNC-CH Learn NC" technology initiative.

Section 11

Title: UNC Incentive Funding

Summary Allows UNC campuses operating under management flexibility statutes to retain all of required reversions effective July 1, 1998. One percent of each participating campus's General Fund appropriation must be used for technology infrastructure development during the 1998-99 fiscal year.

Section 11.1

Title: Natural Resources Leadership Institute

Summary Allows NC State Cooperative Extension Service to retain $170,000 of reversions for 1998-99 to fund this program.

Section 11.2

Title: Incentive Scholarship Program for Native Americans

Summary Allows these merit scholarships to be awarded as other Incentive Grants. Allows maximum grant of $3,000 to be in addition to other aid if there are still unmet costs of attending college.

Section 11.3

Title: Aid to Students Attending Private Colleges Procedure

Summary Increases Legislation Tuition Grant from $1,450 per year to $1,600 per year; increases need-based scholarship program from $750 per full-time equivalent NC student to $900 per full-time equivalent NC student.

Section 11.4

Title: UNC Equity Funds/Capital Facilities Study

Summary Requires UNC Board of Governors to contract for development of a ten-year capital improvement plan based on current and future needs. Requires report by April 15, 1999.

Section 11.5

Title: Manufacturing Extension Partnership

Summary Allocates $750,000 in funding to NC State for this program.

Section 11.6

Title: East Carolina Doctoral II Classification

Summary Provides $1.5 million in funding for additional faculty, salaries and other items needed to operate a Doctoral II university.

Section 11.7

Title: Distance Education

Summary States intent of General Assembly in providing funding for courses offered away from the campuses is to expand educational opportunity and increase the number of North Carolinians who earn college degrees. Directs UNC Board of Governors to track funding and to provide evaluations of costs and effectiveness to Joint Legislative Education Oversight Committee.

Section 11.9

Title: UNC Applications Pool

Summary Directs UNC Board of Governors to develop system of sharing applications for admission in order to increase higher education opportunities and to use available capacity.

Section 11.10

Title: Private Colleges Incentive Funds

Summary Updates current statute to provide structure for creating incentive program for additional North Carolina students.

Section 11.12

Title: Establish UNC Center for School Leadership Development

Summary Creates Board of Directors for the Center for School Leadership Development under UNC Board of Governors. Board of Governors to study boards of any professional development programs placed under the Center to see if there are reasons they should not serve as advisory to the new Board of Directors.

Model Teacher Consortium is transferred from Department of Public Instruction to Board of Governors Center for School Leadership Development effective 1/1/99.

Section 11.11

Title: Sustainable Oyster Aquaculture Study

Summary Allocates $200,000 to Institute of Marine Science at UNC-Chapel Hill to study potential for sustainable cultivation of various types of oysters. Requires progress reports every six months.

Section 11.8

Title: UNC Hospitals/Management Flexibility

Summary Creates new UNC Health Care System, combining UNC Hospitals at Chapel Hill with the UNC-CH Medical School clinical patient care programs. New Board established in this section. Creates chief executive officer for System. Gives board authority to (1) set personnel policies, including classification and pay plans for employees; (2) handle all purchasing for Hospitals directly without having to submit requests through Division of Purchase and Contract; (3) acquire or dispose of interests in real estate without going through Department of Administration and Council of State; and, (4) manage all construction of Hospitals projects. The same authority is delegated to the Board of Trustees of East Carolina University for its Medical Faculty Practice Plan.

Removes residents employed by Area Health Education Centers from coverage of unemployment insurance.

Section 11.15

Title: Forest Biotechnology/NCSU Funds

Summary Allocates $102,770 to NC State for forestry biotechnology research.

8:30 am

VISITOR REGISTRATION SHEET

APPROPRIATIONS Subcommittee on Education — March 2, 1999

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Maurice Ky	OSBM
Harriet Dail	NCAE
Lou Jones	State Planning
Jean Norris	Public School Forum
Jan Crotts	NCASA
Jim Davies	North Carolina Community College Faculty Association
Don Wildman	North Carolina Community College Faculty Association
Cerge S Boyle	Governor's Office
Janet Pulliam	OSBM
Elizabeth Grossenstein	OSBM
Sue Adams	"
David Brown	OSBM
Tom Bryan	DCC
Ann Bulow	SBE
Thad Davis	NCAE
Bill Wilson	NCAE
Lonnie Winnie	NCSBA
Susan Markham	EdAS
Barry Russell	NCCCS
Isaac Morgan	"
Phil Albano	"
John Malia	"
Alice W. Smith	"
Jacque Williams	NCCCS
Evelyn Hawthorne	UNC-CH
Tim McDowell	NCAICU
Brenda H. Rogers	N.C. Community College System Office

VISITOR REGISTRATION SHEET

APPROPRIATIONS Subcommittee on Education — March 2, 1999

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Barbara Harris	OSBM
Gene Causby	NC SFSA
Ellen Russell	The Arc of NC
Hal Miller	NC ACCT
Ken Hurley	Gov's office
[illegible]	[illegible]
H. H. Webb	New millennium

MINUTES

JOINT LEGISLATIVE APPROPRIATIONS EDUCATION SUBCOMMITTEE

Tuesday, March 2, 1999

2:30 p.m.

Room 421, Legislative Office Building

The Joint Legislative appropriations Education Subcommittee met on Tuesday, March 2, 1999, at 2:30 p.m. in Room 421 of the Legislative Office Building. Senators Lee, Dalton, Carter, Hartsell, Garwood, Wellons Hagan and Garrou were present. Representatives Rogers, Boyd-McIntyre, Oldham, Bonner, Gardner, Gillespie, Insko, Morgan, Moore, Smith, Teague, and Yongue were also in attendance.

Chairman Boyd-McIntyre presided and called the meeting to order at 2:35 p.m. The Chairman introduced the pages, Sergeant at Arms attendants, Fiscal Research staff and Clerical staff. She welcomed all others and outlined the agenda. (Attachment 1)

Review of Trends in Education

Committee Counsel Jim Johnson reviewed the History of Education Appropriations. (Attachment 2)

Community College System – Budget Presentation

Committee Counsel Charlotte Todd presented an overview of the community college system. The proportion of out of state tuition was discussed as was the funding formula, total source of revenue for the system and nursing scholarships awarded to community college students. (Attachment 3)

Community Colleges Funding Formula

Mr. John Malia of the Business and Finance Department of Community Colleges began his presentation in regard to the distribution of monies to the system but could not

proceed due to lack of time. The Chairman announced that the presentation would continue at the next meeting.

The meeting was adjourned at 3:45 p.m.

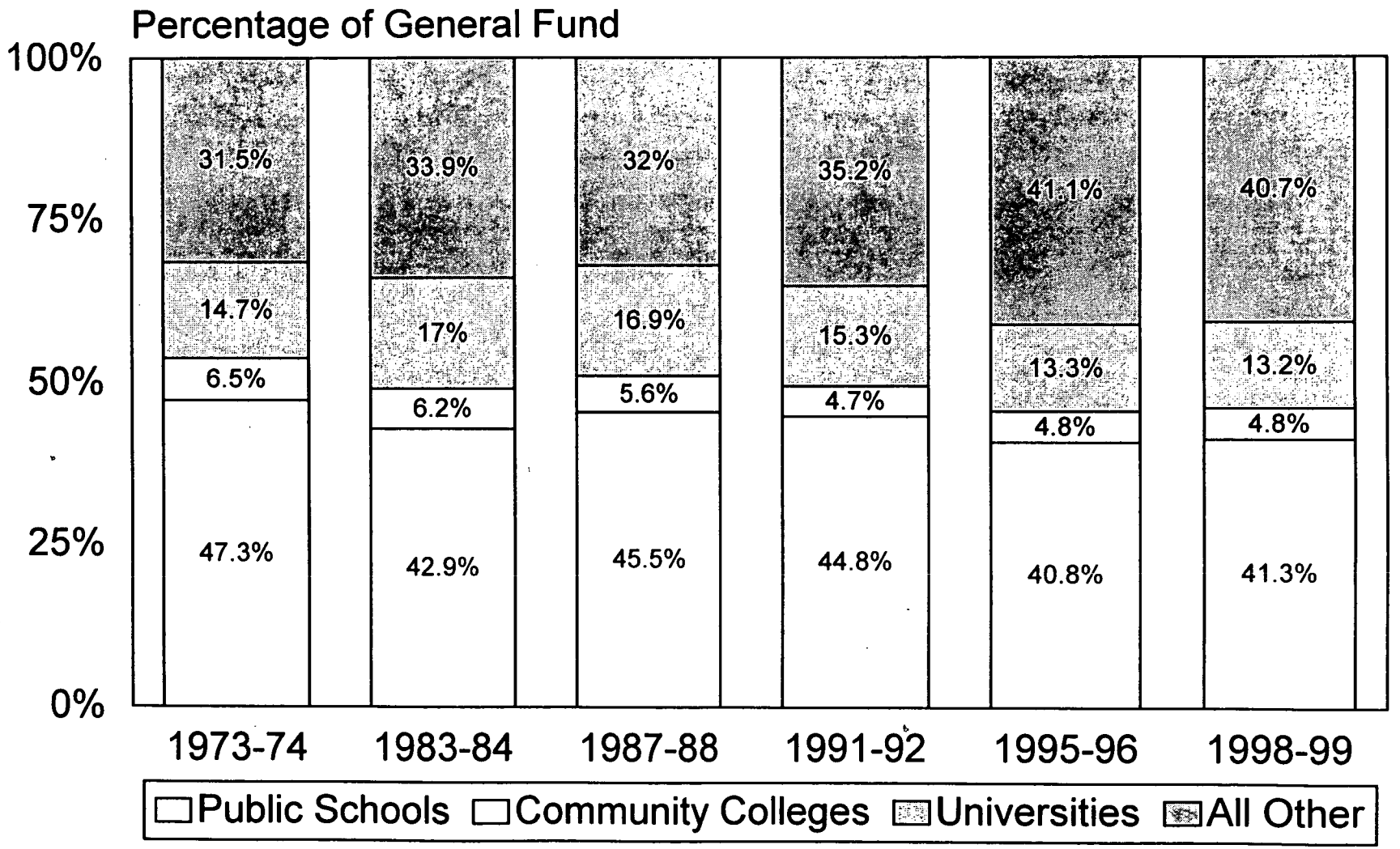
Rep. Flossie Boyd-McIntyre Co-Chair Presiding	Margaret M. Blackmon, Clerk
Rep. Gene Rogers Co-Chair	Senator Howard Lee Co-Chair
Rep. Warren Pete Oldham Co-Chair	Senator Walter Dalton Co-Chair

History of Education Appropriations

Fiscal Research Division
March 1, 1999

Percentages of the General Fund

Education Compared to All Other Appropriations



FRD February 1999

North Carolina General Fund Operations Appropriations
Excludes Local Government Shared Revenues/Reimbursements

Fiscal Year	Total Current Operations		Education: Public Schools Amount	Public Schools Percent	Community Colleges Amount	Community Colleges Percent	University Percent	University Percent	Education as a % of Total	All Other Amount	All Other Percent
1965-66	Authorization	538,302,356	315,924,120	**58.7%**	11,626,558	**2.2%**	70,177,054	**13.0%**	**73.9%**	140,574,624	26.1%
	Expenditure	517,110,881	305,140,902	**59.0%**	11,411,657	**2.2%**	66,241,100	**12.8%**	**74.0%**	134,317,222	26.0%
	Reversion	21,191,475	10,783,218	**50.9%**	214,901	**1.0%**	3,935,954	**18.6%**	**70.5%**	6,257,402	29.5%
	% Unexpended	3.94%	3.41%		1.85%		5.61%				
1966-67	Authorization	591,139,328	335,127,904	**56.7%**	20,078,492	**3.4%**	78,559,545	**13.3%**	**73.4%**	157,373,387	26.6%
	Expenditure	565,195,417	324,216,229	**57.4%**	18,697,812	**3.3%**	73,013,092	**12.9%**	**73.6%**	149,268,284	26.4%
	Reversion	25,943,911	10,911,675	**42.1%**	1,380,680	**5.3%**	5,546,453	**21.4%**	**68.8%**	8,105,103	31.2%
	% Unexpended	4.39%	3.26%		6.88%		7.06%				
1967-68	Authorization	670,679,218	371,207,691	**55.3%**	19,625,725	**2.9%**	95,037,544	**14.2%**	**72.4%**	184,808,258	27.6%
	Expenditure	634,992,638	366,024,522	**57.6%**	18,310,803	**2.9%**	88,272,493	**13.9%**	**74.4%**	162,384,820	25.6%
	Reversion	26,686,580	5,183,169	**19.4%**	1,314,922	**4.9%**	6,765,051	**25.4%**	**49.7%**	13,423,438	50.3%
	% Unexpended	3.98%	1.40%		6.70%		7.12%				
1968-69	Authorization	744,733,486	406,208,538	**54.5%**	32,436,358	**4.4%**	104,894,567	**14.1%**	**73.0%**	201,194,023	27.0%
	Expenditure	718,259,774	400,822,976	**55.8%**	31,282,412	**4.4%**	98,430,271	**13.7%**	**73.9%**	187,724,115	26.1%
	Reversion	26,473,712	5,385,562	**20.3%**	1,153,946	**4.4%**	6,464,296	**24.4%**	**49.1%**	13,469,908	50.9%
	% Unexpended	3.55%	1.33%		3.56%		6.16%				
1969-70	Authorization	876,169,359	459,814,709	**52.5%**	41,431,965	**4.7%**	130,344,741	**14.9%**	**72.1%**	244,577,944	27.9%
	Expenditure	837,404,905	450,688,435	**53.8%**	39,689,410	**4.7%**	122,252,656	**14.6%**	**73.2%**	224,774,404	26.8%
	Reversion	38,764,454	9,126,274	**23.5%**	1,742,555	**4.5%**	8,092,085	**20.9%**	**48.9%**	19,803,540	51.1%
	% Unexpended	4.42%	1.98%		4.21%		6.21%				
1970-71	Authorization	981,127,808	510,055,771	**52.0%**	44,935,256	**4.6%**	147,326,678	**15.0%**	**71.6%**	278,810,103	28.4%
	Expenditure	939,311,030	496,905,842	**52.9%**	43,642,139	**4.6%**	138,608,501	**14.8%**	**72.3%**	260,154,548	27.7%
	Reversion	41,816,778	13,149,929	**31.4%**	1,293,117	**3.1%**	8,718,177	**20.8%**	**55.4%**	18,655,555	44.6%
	% Unexpended	4.26%	2.58%		2.88%		5.92%				
1971-72	Authorization	1,073,289,571	533,536,652	**49.7%**	55,958,450	**5.2%**	163,331,175	**15.2%**	**70.1%**	320,463,294	29.9%
	Expenditure	1,031,353,080	527,938,182	**51.2%**	55,954,999	**5.4%**	148,864,864	**14.4%**	**71.0%**	298,595,035	29.0%
	Reversion	41,936,491	5,598,470	**13.3%**	3,451	**0.0%**	14,466,311	**34.5%**	**47.9%**	21,868,259	52.1%
	% Unexpended	3.91%	1.05%		0.01%		8.86%				

North Carolina General Fund Operations Appropriations
Excludes Local Government Shared Revenues/Reimbursements

Fiscal Year	Total Current Operations		Education: Public Schools Amount	Public Schools Percent	Community Colleges Amount	Community Colleges Percent	University Percent	University Percent	Education as a % of Total	All Other Amount	All Other Percent
1972-73	Authorization	1,187,443,130	575,012,350	**48.4%**	63,193,535	**5.3%**	179,910,706	**15.2%**	**68.9%**	369,326,539	31.1%
	Expenditure	1,139,500,642	569,792,945	**50.0%**	60,636,067	**5.3%**	166,208,535	**14.6%**	**69.9%**	342,863,095	30.1%
	Reversion	47,942,488	5,219,405	**10.9%**	2,557,468	**5.3%**	13,702,171	**28.6%**	**44.8%**	26,463,444	55.2%
	% Unexpended	4.04%	0.91%		4.05%		7.62%				
1973-74	Authorization	1,520,694,407	718,947,864	**47.3%**	99,582,404	**6.5%**	222,838,796	**14.7%**	**68.5%**	479,325,343	31.5%
	Expenditure	1,433,241,642	702,789,400	**49.0%**	92,458,946	**6.5%**	207,225,420	**14.5%**	**69.9%**	430,767,876	30.1%
	Reversion	87,452,765	16,158,464	**18.5%**	7,123,458	**8.1%**	15,613,376	**17.9%**	**44.5%**	48,557,467	55.5%
	% Unexpended	5.75%	2.25%		7.15%		7.01%				
1974-75	Authorization	1,698,417,672	789,391,908	**46.5%**	109,218,752	**6.4%**	280,638,400	**16.5%**	**69.4%**	519,168,612	30.6%
	Expenditure	1,627,703,631	772,145,444	**47.4%**	106,413,517	**6.5%**	267,090,160	**16.4%**	**70.4%**	482,054,510	29.6%
	Reversion	70,714,041	17,246,464	**24.4%**	2,805,235	**4.0%**	13,548,240	**19.2%**	**47.5%**	37,114,102	52.5%
	% Unexpended	4.16%	2.18%		2.57%		4.83%				
1975-76	Authorization	1,737,659,496	800,937,335	**46.1%**	105,465,494	**6.1%**	270,526,549	**15.6%**	**67.7%**	560,730,118	32.3%
	Expenditure	1,670,011,262	792,213,250	**47.4%**	99,816,634	**6.0%**	249,604,282	**14.9%**	**68.4%**	528,377,096	31.6%
	Reversion	67,648,234	8,724,085	**12.9%**	5,648,859	**8.4%**	20,922,767	**30.9%**	**52.2%**	32,352,523	47.8%
	% Unexpended	3.89%	1.09%		5.36%		7.73%				
1976-77	Authorization	1,962,976,606	899,151,043	**45.8%**	116,481,854	**5.9%**	307,123,340	**15.6%**	**67.4%**	640,220,369	32.6%
	Expenditure	1,890,839,697	888,449,745	**47.0%**	110,824,929	**5.9%**	289,972,146	**15.3%**	**68.2%**	601,592,877	31.8%
	Reversion	72,136,909	10,701,298	**14.8%**	5,656,925	**7.8%**	17,151,194	**23.8%**	**46.5%**	38,627,492	53.5%
	% Unexpended	3.67%	1.19%		4.86%		5.58%				
1977-78	Authorization	2,193,405,714	997,654,527	**45.5%**	114,065,103	**5.2%**	357,790,592	**16.3%**	**67.0%**	723,895,492	33.0%
	Expenditure	2,131,150,750	988,189,540	**46.4%**	113,168,528	**5.3%**	337,633,079	**15.8%**	**67.5%**	692,159,603	32.5%
	Reversion	62,254,964	9,464,987	**15.2%**	896,575	**1.4%**	20,157,513	**32.4%**	**49.0%**	31,735,889	51.0%
	% Unexpended	2.84%	0.95%		0.79%		5.63%				
1978-79	Authorization	2,452,011,095	1,098,173,958	**44.8%**	139,794,869	**5.7%**	394,767,166	**16.1%**	**66.6%**	819,275,102	33.4%
	Expenditure	2,358,332,842	1,092,015,308	**46.3%**	133,975,021	**5.7%**	379,305,638	**16.1%**	**68.1%**	753,036,875	31.9%
	Reversion	93,678,253	6,158,650	**6.6%**	5,819,848	**6.2%**	15,461,528	**16.5%**	**29.3%**	66,238,227	70.7%
	% Unexpended	3.82%	0.56%		4.16%		3.92%				

North Carolina General Fund Oper[illegible] Appropriations
Excludes Local Government Shared Re[illegible]es/Reimbursements

Fiscal Year		Total Current Operations	Education: Public Schools Amount	Public Schools Percent	Community Colleges Amount	Community Colleges Percent	University Percent	University Percent	Education as a % of Total	All Other Amount	All Other Percent
1979-80	Authorization	2,750,988,834	1,230,099,474	**44.7%**	145,243,264	**5.3%**	436,949,552	**15.9%**	**65.9%**	938,696,544	34.1%
	Expenditure	2,660,272,288	1,230,099,473	**46.2%**	145,243,264	**5.5%**	414,751,963	**15.6%**	**67.3%**	870,177,588	32.7%
	Reversion	90,716,546	1	**0.0%**	0	**0.0%**	22,197,589	**24.5%**	**24.5%**	68,518,956	75.5%
	% Unexpended	3.30%	0.00%		0.00%		5.08%				
1980-81	Authorization	3,150,963,479	1,390,907,313	**44.1%**	174,996,965	**5.6%**	515,255,082	**16.4%**	**66.0%**	1,069,804,119	34.0%
	Expenditure	3,050,012,908	1,390,907,313	**45.6%**	169,011,630	**5.5%**	487,919,423	**16.0%**	**67.1%**	1,002,174,542	32.9%
	Reversion	100,950,571	0	**0.0%**	5,985,335	**5.9%**	27,335,659	**27.1%**	**33.0%**	67,629,577	67.0%
	% Unexpended	3.20%	0.00%		3.42%		5.31%				
1981-82	Authorization	3,401,694,904	1,495,263,953	**44.0%**	194,452,082	**5.7%**	567,573,821	**16.7%**	**66.4%**	1,144,405,048	33.6%
	Expenditure	3,244,758,733	1,477,036,604	**45.5%**	185,809,489	**5.7%**	534,143,560	**16.5%**	**67.7%**	1,047,769,080	32.3%
	Reversion	156,936,171	18,227,349	**11.6%**	8,642,593	**5.5%**	33,430,261	**21.3%**	**38.4%**	96,635,968	61.6%
	% Unexpended	4.61%	1.22%		4.44%		5.89%				
1982-83	Authorization	3,561,142,890	1,515,742,033	**42.6%**	205,585,837	**5.8%**	599,235,054	**16.8%**	**65.2%**	1,240,579,966	34.8%
	Expenditure	3,374,921,984	1,455,408,320	**43.1%**	191,749,633	**5.7%**	560,438,959	**16.6%**	**65.4%**	1,167,325,072	34.6%
	Reversion	186,220,906	60,333,713	**32.4%**	13,836,204	**7.4%**	38,796,095	**20.8%**	**60.7%**	73,254,894	39.3%
	% Unexpended	5.23%	3.98%		6.73%		6.47%				
1983-84	Authorization	3,771,981,844	1,619,049,694	**42.9%**	232,195,091	**6.2%**	641,511,441	**17.0%**	**66.1%**	1,279,225,618	33.9%
	Expenditure	3,689,904,837	1,615,216,290	**43.8%**	226,494,819	**6.1%**	615,765,535	**16.7%**	**66.6%**	1,232,428,193	33.4%
	Reversion	82,077,007	3,833,404	**4.7%**	5,700,272	**6.9%**	25,745,906	**31.4%**	**43.0%**	46,797,425	57.0%
	% Unexpended	2.18%	0.24%		2.45%		4.01%				
1984-85	Authorization	4,319,568,173	1,886,700,077	**43.7%**	259,101,105	**6.0%**	746,998,910	**17.3%**	**67.0%**	1,426,768,081	33.0%
	Expenditure	4,187,988,292	1,854,957,593	**44.3%**	257,230,807	**6.1%**	714,513,120	**17.1%**	**67.5%**	1,361,286,772	32.5%
	Reversion	131,579,881	31,742,484	**24.1%**	1,870,298	**1.4%**	32,485,790	**24.7%**	**50.2%**	65,481,309	49.8%
	% Unexpended	3.05%	1.68%		0.72%		4.35%				
1985-86	Authorization	4,877,060,744	2,185,803,123	**44.8%**	281,875,727	**5.8%**	840,311,094	**17.2%**	**67.8%**	1,569,070,800	32.2%
	Expenditure	4,718,355,240	2,156,921,328	**45.7%**	277,815,320	**5.9%**	793,114,439	**16.8%**	**68.4%**	1,490,504,153	31.6%
	Reversion	158,705,504	28,881,795	**18.2%**	4,060,407	**2.6%**	47,196,655	**29.7%**	**50.5%**	78,566,647	49.5%
	% Unexpended	3.25%	1.32%		1.44%		5.62%				

North Carolina General Fund Operations Appropriations
Excludes Local Government Shared Revenues/Reimbursements

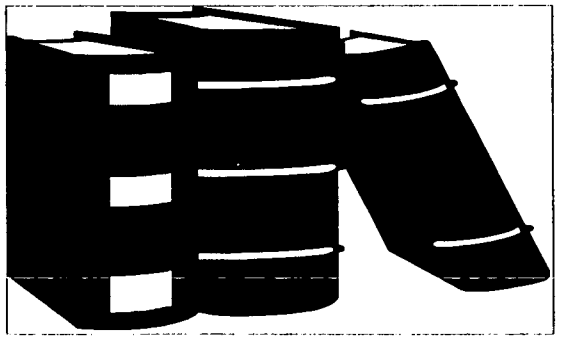
Fiscal Year		Total Current Operations	Education: Public Schools Amount	Public Schools Percent	Community Colleges Amount	Community Colleges Percent	University Percent	University Percent	Education as a % of Total	All Other Amount	All Other Percent
1986-87	Authorization	5,233,678,633	2,346,139,866	**44.8%**	307,102,490	**5.9%**	909,134,150	**17.4%**	**68.1%**	1,671,302,127	31.9%
	Expenditure	5,051,335,794	2,293,921,501	**45.4%**	299,359,220	**5.9%**	853,232,567	**16.9%**	**68.2%**	1,604,822,506	31.8%
	Reversion	182,342,839	52,218,365	**28.6%**	7,743,270	**4.2%**	55,901,583	**30.7%**	**63.5%**	66,479,621	36.5%
	% Unexpended	3.48%	2.23%		2.52%		6.15%				
1987-88	Authorization	5,805,245,729	2,639,237,658	**45.5%**	326,296,294	**5.6%**	980,746,492	**16.9%**	**68.0%**	1,858,965,285	32.0%
	Expenditure	5,600,754,849	2,571,179,747	**45.9%**	317,666,441	**5.7%**	936,874,299	**16.7%**	**68.3%**	1,775,034,362	31.7%
	Reversion	204,490,880	68,057,911	**33.3%**	8,629,853	**4.2%**	43,872,193	**21.5%**	**59.0%**	83,930,923	41.0%
	% Unexpended	3.52%	2.58%		2.64%		4.47%				
1988-89	Authorization	6,302,733,865	2,930,643,866	**46.5%**	332,064,381	**5.3%**	1,039,510,499	**16.5%**	**68.3%**	2,000,515,119	31.7%
	Expenditure	6,131,757,410	2,857,740,313	**46.6%**	324,207,283	**5.3%**	996,187,476	**16.2%**	**68.1%**	1,953,622,338	31.9%
	Reversion	170,976,455	72,903,553	**42.6%**	7,857,098	**4.6%**	43,323,023	**25.3%**	**72.6%**	46,892,781	27.4%
	% Unexpended	2.71%	2.49%		2.37%		4.17%				
1989-90	Authorization	6,883,018,393	3,134,428,215	**45.5%**	365,537,274	**5.3%**	1,109,917,895	**16.1%**	**67.0%**	2,273,135,009	33.0%
	Expenditure	6,539,691,898	3,111,034,727	**47.6%**	346,856,268	**5.3%**	989,230,466	**15.1%**	**68.0%**	2,092,570,437	32.0%
	Reversion	343,326,495	23,393,488	**6.8%**	18,681,006	**5.4%**	120,687,429	**35.2%**	**47.4%**	180,564,572	52.6%
	% Unexpended	4.99%	0.75%		5.11%		10.87%				
1990-91	Authorization	7,249,630,710	3,329,171,720	**45.9%**	387,611,956	**5.3%**	1,143,216,957	**15.8%**	**67.0%**	2,389,630,077	33.0%
	Expenditure	6,877,865,221	3,176,190,223	**46.2%**	374,186,097	**5.4%**	1,089,669,672	**15.8%**	**67.5%**	2,237,819,229	32.5%
	Reversion	371,765,491	152,981,497	**41.1%**	13,425,859	**3.6%**	53,547,285	**14.4%**	**59.2%**	151,810,850	40.8%
	% Unexpended	5.13%	4.60%		3.46%		4.68%				
1991-92	Authorization	7,357,101,134	3,293,699,663	**44.8%**	344,131,858	**4.7%**	1,121,976,740	**15.3%**	**64.7%**	2,597,292,873	35.3%
	Expenditure	7,184,089,741	3,235,476,119	**45.0%**	338,050,542	**4.7%**	1,092,166,393	**15.2%**	**64.9%**	2,518,396,687	35.1%
	Reversion	173,011,390	58,223,544	**33.7%**	6,081,316	**3.5%**	29,810,346	**17.2%**	**54.4%**	78,896,184	45.6%
	% Unexpended	2.35%	1.77%		1.77%		2.66%				
1992-93	Authorization	7,881,908,182	3,435,634,234	**43.6%**	398,689,471	**5.1%**	1,170,947,533	**14.9%**	**63.5%**	2,876,636,944	36.5%
	Expenditure	7,552,787,565	3,399,653,728	**45.0%**	391,402,904	**5.2%**	1,140,308,136	**15.1%**	**65.3%**	2,621,422,797	34.7%
	Reversion	329,120,617	35,980,506	**10.9%**	7,286,567	**2.2%**	30,639,398	**9.3%**	**22.5%**	255,214,146	77.5%
	% Unexpended	4.18%	1.05%		1.83%		2.62%				

North Carolina General Fund Oper[illegible]Appropriations
Excludes Local Government Shared Re[illegible]es/Reimbursements

Fiscal Year		Total Current Operations	Education: Public Schools Amount	Public Schools Percent	Community Colleges Amount	Community Colleges Percent	University Percent	University Percent	Education as a % of Total	All Other Amount	All Other Percent
1993-94	Authorization	8,888,710,752	3,634,055,711	**40.9%**	450,882,941	**5.1%**	1,299,865,905	**14.6%**	**60.6%**	3,503,906,195	39.4%
	Expenditure	8,575,733,017	3,587,786,193	**41.8%**	447,100,088	**5.2%**	1,266,772,749	**14.8%**	**61.8%**	3,274,073,987	38.2%
	Reversion	312,977,735	46,269,518	**14.8%**	3,782,403	**1.2%**	33,093,156	**10.6%**	**26.6%**	229,832,658	73.4%
	% Unexpended	3.52%	1.27%		0.84%		2.55%				
1994-95	Authorization	9,715,509,023	4,082,959,317	**42.0%**	455,651,184	**4.7%**	1,296,558,991	**13.3%**	**60.1%**	3,880,339,531	39.9%
	Expenditure	9,482,528,320	4,048,929,070	**42.7%**	453,927,375	**4.8%**	1,265,809,673	**13.3%**	**60.8%**	3,713,862,202	39.2%
	Reversion	232,980,703	34,030,247	**14.6%**	1,723,809	**0.7%**	30,749,318	**13.2%**	**28.5%**	166,477,329	71.5%
	% Unexpended	2.40%	0.83%		0.38%		2.37%				
1995-96	Authorization	9,793,062,378	3,998,978,216	**40.8%**	470,880,697	**4.8%**	1,301,040,079	**13.3%**	**58.9%**	4,022,163,386	41.1%
	Expenditure	9,570,832,269	3,951,497,059	**41.3%**	467,105,237	**4.9%**	1,275,618,898	**13.3%**	**59.5%**	3,876,611,075	40.5%
	Reversion	222,230,109	47,481,157	**21.4%**	3,775,460	**1.7%**	25,421,181	**11.4%**	**34.5%**	145,552,311	65.5%
	% Unexpended	2.27%	1.19%		0.80%		1.95%				
1996-97	Authorization	10,450,411,229	4,301,626,282	**41.2%**	501,802,184	**4.8%**	1,385,611,961	**13.3%**	**59.2%**	4,261,370,802	40.8%
	Expenditure	10,309,508,861	4,267,252,095	**41.4%**	495,543,157	**4.8%**	1,382,794,052	**13.4%**	**59.6%**	4,163,919,557	40.4%
	Reversion	140,902,368	34,374,187	**24.4%**	6,259,027	**4.4%**	2,817,909	**2.0%**	**30.8%**	97,451,245	69.2%
	% Unexpended	1.35%	0.80%		1.25%		0.20%				
1997-98	Authorization	11,258,582,548 A	4,697,892,305	**41.7%**	534,873,175	**4.8%**	1,489,866,397	**13.2%**	**59.7%**	4,535,950,671	40.3%
	Expenditure	11,108,886,722	4,693,184,126	**42.2%**	528,107,909	**4.8%**	1,475,180,196	**13.3%**	**60.3%**	4,412,414,491	39.7%
	Reversion	149,695,826 C	4,708,179	**3.1%**	6,765,266	**4.5%**	14,686,201	**9.8%**	**17.5%**	123,536,180	82.5%
	% Unexpended		0.10%		1.26%		0.99%				
1998-99	Authorization	12,333,525,974	5,092,074,512	**41.3%**	590,454,561	**4.8%**	1,633,150,916	**13.2%**	**59.3%**	5,017,845,985	40.7%

A: Adjusted to include Year 2000 Appropriation for 1997-98 made by 1998 Session
B: Adjusted for Reorganization reflecting transfer of Health Services to Department of Health and Human Services
C: Reversions for 1997-98 of $55,027,680 were earmarked for expenditure in Section 9 of SB 1366 (SL1998-212), reducing net reversions to $94,668,146

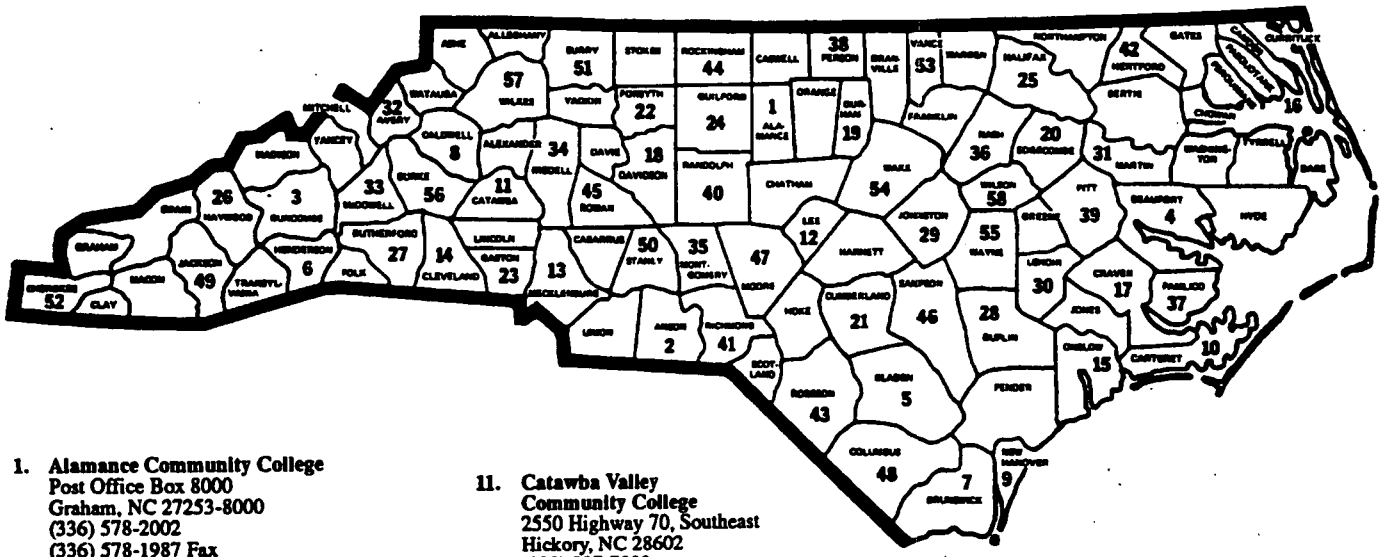
COMMUNITY COLLEGE SYSTEM BUDGET PRESENTATION



Fiscal Research Division
N.C. General Assembly

March, 1999

The North Carolina Community College System



1. **Alamance Community College**
   Post Office Box 8000
   Graham, NC 27253-8000
   (336) 578-2002
   (336) 578-1987 Fax

2. **Anson Community College**
   Post Office Box 126
   Polkton, NC 28135
   (704) 272-7635
   (704) 272-8904 Fax

3. **Asheville-Buncombe Technical Community College**
   340 Victoria Road
   Asheville, NC 28801
   * (828) 254-1921
   * (828) 251-6355 Fax

4. **Beaufort County Community College**
   Post Office Box 1069
   Washington, NC 27889
   † (252) 946-6194
   † (252) 946-0271 Fax

5. **Bladen Community College**
   Post Office Box 266
   Dublin, NC 28332
   (910) 862-2164
   (910) 862-3484 Fax

6. **Blue Ridge Community College**
   College Drive
   Flat Rock, NC 28731
   * (828) 692-3572
   * (828) 692-2441 Fax

7. **Brunswick Community College**
   Post Office Box 30
   Supply, NC 28462
   (910) 754-6900
   (910) 754-7805 Fax

8. **Caldwell Community College and Technical Institute**
   2855 Hickory Boulevard
   Hudson, NC 28638
   * (828) 726-2200
   * (828) 726-2216 Fax

9. **Cape Fear Community College**
   411 North Front Street
   Wilmington, NC 28401
   (910) 251-5100
   (910) 763-2279 Fax

10. **Carteret Community College**
    3505 Arendell Street
    Morehead City, NC 28557
    † (252) 247-6000
    † (252) 247-2514 Fax

11. **Catawba Valley Community College**
    2550 Highway 70, Southeast
    Hickory, NC 28602
    * (828) 327-7000
    * (828) 327-7276 Fax

12. **Central Carolina Community College**
    1105 Kelly Drive
    Sanford, NC 27330
    (919) 775-5401
    (919) 775-1221 Fax

13. **Central Piedmont Community College**
    Post Office Box 35009
    Charlotte, NC 28235
    (704) 330-2722
    (704) 330-5045 Fax

14. **Cleveland Community College**
    137 South Post Road
    Shelby, NC 28152
    (704) 484-4000
    (704) 484-4036 Fax

15. **Coastal Carolina Community College**
    444 Western Boulevard
    Jacksonville, NC 28546
    (910) 455-1221
    (910) 455-7027 Fax

16. **College of The Albemarle**
    Post Office Box 2327
    Elizabeth City, NC 27906-2327
    † (252) 335-0821
    † (252) 335-2011 Fax

17. **Craven Community College**
    800 College Court
    New Bern, NC 28562
    † (252) 638-4131
    † (252) 638-4232 Fax

18. **Davidson County Community College**
    Post Office Box 1287
    Lexington, NC 27293-1287
    (336) 249-8186
    (336) 249-0088 Fax

19. **Durham Technical Community College**
    1637 Lawson Street
    Durham, NC 27703
    (919) 686-3300
    (919) 686-3601 Fax

20. **Edgecombe Community College**
    2009 West Wilson Street
    Tarboro, NC 27886
    † (252) 823-5166
    † (252) 823-6817 Fax

21. **Fayetteville Technical Community College**
    Post Office Box 35236
    Fayetteville, NC 28303-0236
    (910) 678-8400
    (910) 484-6600 Fax

22. **Forsyth Technical Community College**
    2100 Silas Creek Parkway
    Winston-Salem, NC 27103-5197
    (336) 723-0371
    (336) 761-2399 Fax

23. **Gaston College**
    201 Highway 321, South
    Dallas, NC 28034-1499
    (704) 922-6200
    (704) 922-6440 Fax

24. **Guilford Technical Community College**
    Post Office Box 309
    Jamestown, NC 27282
    (336) 334-4822
    (336) 454-2510 Fax

25. **Halifax Community College**
    Post Office Drawer 809
    Weldon, NC 27890
    † (252) 536-2551
    † (252) 536-4144 Fax

26. **Haywood Community College**
    185 Freedlander Drive
    Clyde, NC 28721
    * (828) 627-2821
    * (828) 627-3606 Fax

27. **Isothermal Community College**
    Post Office Box 804
    Spindale, NC 28160
    * (828) 286-3636
    * (828) 286-1120 Fax

28. **James Sprunt Community College**
    Post Office Box 398
    Kenansville, NC 28349-0398
    (910) 296-2400
    (910) 296-1636 Fax

29. **Johnston Community College**
    Post Office Box 2350
    Smithfield, NC 27577
    (919) 934-3051
    (919) 934-2823 Fax

* This area code changes from 704 to 828 on June 1, 1998.

† This area code changes from 919 to 252 on March 22, 1998.

North Carolina Community College System
H. Martin Lancaster, President
(919) 733-7051

Caswell Building, 200 West Jones Street
Raleigh, NC 27603-1379
Fax (919) 733-0680

Preparing North Carolina's World-Class Workforce

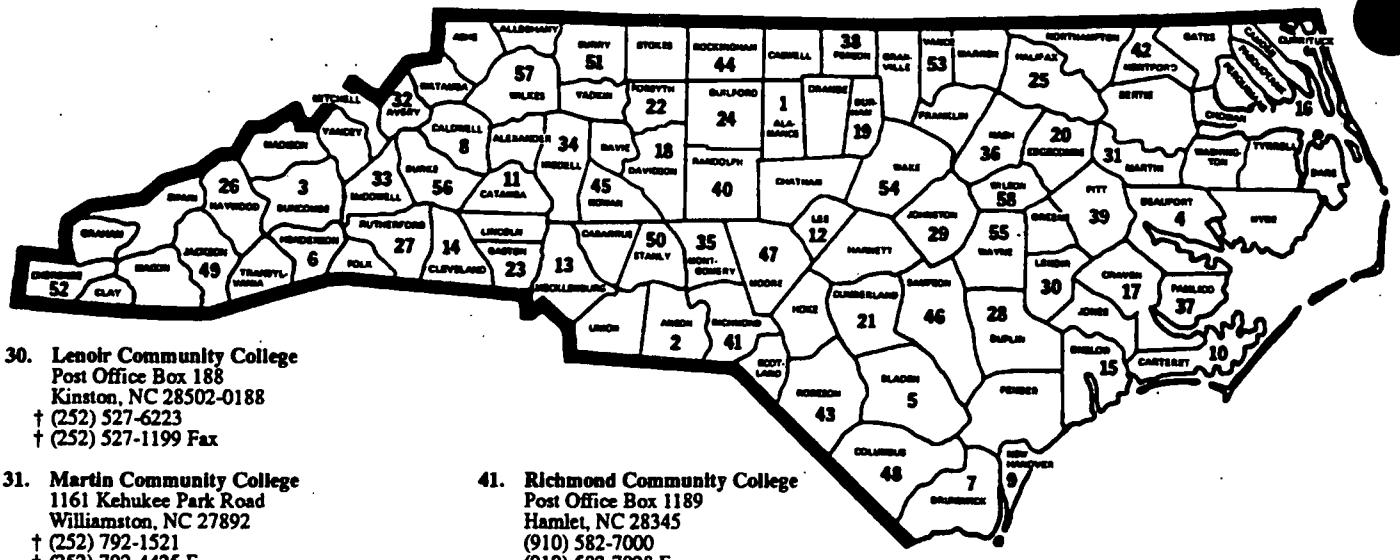
AFFIRMATIVE ACTION/EQUAL OPPORTUNITY EMPLOYER

2-98

Printed on recycled paper

CC1

The North Carolina Community College System



30. **Lenoir Community College**
Post Office Box 188
Kinston, NC 28502-0188
† (252) 527-6223
† (252) 527-1199 Fax

31. **Martin Community College**
1161 Kehukee Park Road
Williamston, NC 27892
† (252) 792-1521
† (252) 792-4425 Fax

32. **Mayland Community College**
Post Office Box 547
Spruce Pine, NC 28777
* (828) 765-7351
* (828) 765-0728 Fax

33. **McDowell Technical Community College**
Route 1, Box 170
Marion, NC 28752
* (828) 652-6021
* (828) 652-1014 Fax

34. **Mitchell Community College**
500 West Broad Street
Statesville, NC 28677
(704) 878-3200
(704) 878-0872 Fax

35. **Montgomery Community College**
Post Office Box 787
Troy, NC 27371
(910) 576-6222
(910) 576-2176 Fax

36. **Nash Community College**
Post Office Box 7488
Rocky Mount, NC 27804-7488
† (252) 443-4011
† (252) 443-0828 Fax

37. **Pamlico Community College**
Highway 306, South
Grantsboro, NC 28529
† (252) 249-1851
† (252) 249-2377 Fax

38. **Piedmont Community College**
Post Office Box 1197
Roxboro, NC 27573
(336) 599-1181
(336) 597-3817 Fax

39. **Pitt Community College**
Post Office Drawer 7007
Greenville, NC 27835-7007
† (252) 321-4200
† (252) 321-4401 Fax

40. **Randolph Community College**
Post Office Box 1009
Asheboro, NC 27204-1009
(336) 633-0200
(336) 629-4695 Fax

41. **Richmond Community College**
Post Office Box 1189
Hamlet, NC 28345
(910) 582-7000
(910) 582-7028 Fax

42. **Roanoke-Chowan Community College**
Route 2, Box 46-A
Ahoskie, NC 27910
† (252) 332-5921
† (252) 332-2210 Fax

43. **Robeson Community College**
Post Office Box 1420
Lumberton, NC 28359
(910) 738-7101
(910) 671-4143 Fax

44. **Rockingham Community College**
Post Office Box 38
Wentworth, NC 27375-0038
(336) 342-4261
(336) 349-9986 Fax

45. **Rowan-Cabarrus Community College**
Post Office Box 1595
Salisbury, NC 28145-1595
(704) 637-0760
(704) 637-3692 Fax

46. **Sampson Community College**
Post Office Box 318
Clinton, NC 28329
(910) 592-8081
(910) 592-8048 Fax

47. **Sandhills Community College**
2200 Airport Road
Pinehurst, NC 28374
(910) 692-6185
(910) 695-1823 Fax

48. **Southeastern Community College**
Post Office Box 151
Whiteville, NC 28472
(910) 642-7141
(910) 642-5658 Fax

49. **Southwestern Community College**
447 College Drive
Sylva, NC 28779
* (828) 586-4091
* (828) 586-3129 Fax

50. **Stanly Community College**
141 College Drive
Albemarle, NC 28001
(704) 982-0121
(704) 982-0819 Fax

51. **Surry Community College**
Post Office Box 304
Dobson, NC 27017
(336) 386-8121
(336) 386-8951 Fax

52. **Tri-County Community College**
4600 Highway 64, East
Murphy, NC 28906
* (828) 837-6810
* (828) 837-3266 Fax

53. **Vance-Granville Community College**
Post Office Box 917
Henderson, NC 27536
† (252) 492-2061
† (252) 430-0460 Fax

54. **Wake Technical Community College**
9101 Fayetteville Road
Raleigh, NC 27603
(919) 662-3400
(919) 779-3360 Fax

55. **Wayne Community College**
Caller Box 8002
Goldsboro, NC 27533-8002
(919) 735-5151
(919) 736-9425 Fax

56. **Western Piedmont Community College**
1001 Burkemont Avenue
Morganton, NC 28655
* (828) 438-6000
* (828) 438-6015 Fax

57. **Wilkes Community College**
Post Office Box 120
Wilkesboro, NC 28697
(336) 838-6100
(336) 838-6277 Fax

58. **Wilson Technical Community College**
Post Office Box 4305
Wilson, NC 27893
† (252) 291-1195
† (252) 243-7148 Fax

North Carolina Center for Applied Textile Technology (in Gaston County)
Post Office Box 1044
Belmont, NC 28012
(704) 825-3737
(704) 825-7303 Fax

* This area code changes from 704 to 828 on June 1, 1998.

† This area code changes from 919 to 252 on March 22, 1998.

North Carolina Community College System
H. Martin Lancaster, President
(919) 733-7051
Caswell Building, 200 West Jones Street
Raleigh, NC 27603-1379
Fax (919) 733-0680

Preparing North Carolina's World-Class Workforce

2-98
Printed on recycled paper

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM **2-18-99**
Sites Approved as **PVA/DB**
Off-Campus Centers or Multi-Campus Colleges

CAMPUS/CENTER	TOWN
Alamance CC	Graham
*Glenhope School Ctr.	Burlington
*Front Street Ctr.	Burlington
*Glen Raven Ctr.	Burlington
Anson CC	Polkton
*Ansonville Ctr.	Ansonville
*Union Cty. Ctr.	Monroe
*Wadesboro Ctr.	Wadesboro
Asheville-Buncombe TCC	Asheville
*Madison Cty. Ctr.	Marshall
Bladen CC	Dublin
*Kelly/East Arcadia Ctr.	Kelly
Blue Ridge CC	Flat Rock
*Transylvania Cty. Ctr.	Pisgah Forest
Brunswick CC	Supply
*Job Link Ctr.	Supply
*Leland Ctr.	Leland
*Southport Ctr.	Southport
Caldwell CC & TI	Hudson
**Watauga Cty. Campus	Boone
*Watauga Cty. Business Ctr.	Boone
*Administrative Support/Basic Skills Ctr.	Boone
Cape Fear CC	Wilmington
**North Campus (being developed)	Wilmington
*Hampstead Ctr. (Pender Cty.)	Hampstead
*Burgaw Ctr. (Pender Cty.)	Burgaw
Carteret CC	Morehead City
*Davis Ctr. (not being used)	Davis
Central Carolina CC	Sanford
**Chatham Cty. Campus	Pittsboro
**Harnett Cty. Campus	Lillington
*School of Telecommunications	Sanford
*Siler City. Ctr. (Chatham Cty.)	Siler City
Central Piedmont CC	Charlotte
**North Campus	Huntersville
**Northeast Campus (being developed)	Charlotte
**South Campus	Matthews
**Southwest Campus (being developed)	Charlotte
**West Campus (being developed)	Charlotte
*West Center (Allegany St.)	Charlotte
College of The Albemarle	Elizabeth City
*Chowan Cty. Ctr.	Edenton
**Dare Cty. Campus	Manteo
*Riverside Ext. Ctr.	Elizabeth City
Craven CC	New Bern
*Havelock/Cherry Point Ctr.	Havelock
Davidson County CC	Lexington
*Davie Cty. Ctr.	Mocksville

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM **2-18-99**
Sites Approved as **PVA/DB**
Off-Campus Centers or Multi-Campus Colleges

CAMPUS/CENTER	TOWN
Durham TCC	Durham
*Northern Durham Ctr.	Durham
Edgecombe CC	Tarboro
**Rocky Mount Campus	Rocky Mount
Fayetteville TCC	Fayetteville
*Firefighting Facility Ctr.	Fayetteville
*Fort Bragg Ctr.	Fayetteville
Forsyth TCC	Winston-Salem
*Carver Road Ctr. (being developed)	Winston-Salem
*Kernersville Ctr. (being developed)	Kernersville
*West Ctr.	Winston-Salem
Gaston College	Dallas
*Lincoln Cty. Ctr.	Lincolnton
Guilford TCC	Jamestown
*Aviation Ctr.	Greensboro
**Greensboro Campus	Greensboro
*High Point Ctr.	High Point
*Small Business Ctr.	Greensboro
Haywood CC	Clyde
*Continuing Ed. Ctr.	Clyde
*High Tech. Ctr.	Waynesville
*Human Resource Development Ctr.	Clyde
Isothermal CC	Spindale
*Polk Cty. Ctr.	Columbus
Lenoir CC	Kinston
*Aviation Ctr.	Kinston
*Greene Cty. Ctr.	Snow Hill
*Jones Cty. Ctr.	Trenton
*Walstonburg Ctr. (Greene Cty)	Walstonburg
*West Boundary Street Ctr.	LaGrange
Martin CC	Williamston
*Bertie Cty. Ctr.	Windsor
Mayland CC	Spruce Pine
*Avery Cty. Ctr.	Newland
*Yancey Cty. Ctr.	Burnsville
McDowell TCC	Marion
*Marion Ctr.	Marion
Mitchell CC	Statesville
*Mooresville Ctr.	Mooresville
Piedmont CC	Roxboro
*Caswell Cty. Ctr.	Yanceyville
Randolph CC	Asheboro
*Archdale Ctr.	Archdale
Richmond CC	Hamlet
*Continuing Education Ctr.	Rockingham
*James Nursing Bldg.	Hamlet
*Scotland Cty. Ctr.	Laurinburg

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM **2-18-99**
Sites Approved as **PVA/DB**
Off-Campus Centers or Multi-Campus Colleges

CAMPUS/CENTER	TOWN
Robeson CC	Lumberton
*Emergency Training Ctr.	Lumberton
*Lumberton Extension Ctr.	Lumberton
*Pembroke Extension Ctr.	Pembroke
Rowan-Cabarrus CC	Salisbury
**Cabarrus Cty. Campus	Concord
*Corban Ctr.	Concord
Sampson CC	Clinton
*Courthouse Annex	Clinton
*Multi-Purpose Ctr. (not being used)	Clinton
Sandhills CC	Pinehurst
*Hoke Cty. Ctr.	Raeford
Southeastern CC	Whiteville
*Bus./Ind. Trng. Ctr. (not being used)	Whiteville
Southwestern CC	Sylva
*Macon Cty. Ctr.	Franklin
*Swain Cty. Ctr.	Bryson City
Stanly CC	Albemarle
*Western Stanly Ctr.	Locust
Surry CC	Dobson
*Yadkin Cty. Ctr.	Yadkinville
Tri-County CC	Murphy
*Graham Cty. Ctr.	Robbinsville
Vance-Granville CC	Henderson
**Franklin Cty. Campus	Louisburg
**Granville Cty. Campus	Creedmoor
*Warren Cty. Ctr.	Warrenton
Wake TCC	Raleigh
*Adult Education Ctr.	Raleigh
**Health Education Campus	Raleigh
**Northeast Campus (being developed)	Raleigh
Wayne CC	Goldsboro
*Aviation Ctr.	Goldsboro
Western Piedmont CC	Morganton
*North King/West Meeting St. Ctr.	Morganton
Wilkes CC	Wilkesboro
*Alleghany Cty. Ctr.	Sparta
*Ashe Cty. Ctr.	West Jefferson
Wilson CC	Wilson
*Police Academy Ctr.	Wilson

* Centers
** Campus

GLOSSARY

Academic Semester – A sixteen-week period during which credit classes are offered.

Academic Year – The academic year includes fall and spring semesters as well as an eleven-week summer term.

Adult Basic Education (ABE) - A program of basic skills for adults, 16 years of age or older and out of school, who function at less than a high school level.

Associate in Applied Science Programs – These programs range from 64 to 76 semester hour credits. A full-time student can typically complete one of these programs within two years. In addition to major course work, associate in applied science degree programs require a minimum of 15 semester hour credits of general education. General education requirements include course work in communications, humanities/fine arts, social/behavioral sciences and natural sciences/mathematics. Certain courses in associate degree programs may be accepted by a four-year college or university for transfer credit in an associated field.

Basic Skills Programs – Includes Adult Basic Education (ABE), a program of basic educational skills for adults age 16 or older who are out of school, who have not graduated from high school; General Educational Development (GED), a program of instruction designed to prepare adult students to pass the GED test that leads to a high school diploma equivalency; Adult High School Diploma (AHS), a program of instruction offered cooperatively with local public school systems to help adult students earn an Adult High School Diploma; Compensatory Education (CED), a program of instruction providing basic education skills for mentally disabled adults; and English as a Second Language (ESL), a program of instruction to help adults who have limited or no proficiency in the English language.

Categorical Funds (restricted) – Funds from a federal, state, local, or private source that are restricted to expenditures in a particular category or program.

Certificate Programs – These programs range from 12 to 18 semester hour credits and can usually be completed within one semester by a full-time student. Associate degree level courses within a certificate program may also be applied toward a diploma or an associate in applied science degree.

College Transfer Programs – These programs are offered through the Associate in Arts, Associate in Fine Arts and Associate in Science degrees. The Associate in Arts and the Associate in Science programs are part of the Comprehensive Articulation Agreement (CAA). This agreement addresses the transfer of students between institutions in the North Carolina Community

College System and the constituent institutions of the University of North Carolina.

Community Service Block Grant Programs – Consist of hobby and leisure courses, including many designed primarily for senior citizens.

Compensatory Education – A special state-funded educational program for mentally retarded adults (over 17 years of age).

Credit Hour – An instructional unit used for recognition of the amount of credit a student earns for a given course. Example: Semester Credit Hour – A student who spends one classroom hour per week in a class for sixteen weeks earns one semester hour credit.

Curriculum Programs – A term used to describe a wide variety of planned educational programs which range in length from one semester to two years. The programs lead to certificates, diplomas or associate degrees, depending on the nature of the curriculum. Curriculum programs include certificate, diploma, Associate in Applied Science, Associate in Arts, Associate in Fine Arts, Associate in Science and Associate in General Education programs.

Developmental Education – A program providing specialized credit courses for students who need to improve their basic skill in order to perform at the level required for admission to degree and diploma programs. Usually these courses are in reading, writing, and mathematics.

Diploma Programs – These programs range from 36 to 48 semester hour credits and can usually be completed by a full-time student within two semesters and one summer term. Associate degree level courses within a diploma program may be applied toward an Associate in Applied Science degree.

English as a Second Language (ESL) - A program of instruction to help adults with limited or no English language proficiency.

Fiscal Year – The twelve-month period upon which the institution's budget is based, July 1 – June 30.

Full-Time Equivalent (FTE) – One full-time equivalent (FTE) student represents 16 student membership hours per week for 16 weeks or 256 student membership hours for each semester enrolled.

- Annual Curriculum FTE – The total of fall and spring FTE.
- Annual Extension FTE – The total of spring, summer and fall sequenced periods FTE.
- Budget Full-Time Equivalent (B/FTE) – Used to prepare the operating budget and to provide for an equitable distribution of the operating funds allocated by the State Board to the institutions.

General Educational Development (GED) – A high school equivalency program enabling adults to take the General Education Development Tests to determine if they are at the 12th grade completion level of English, social studies, science, reading, and math. Individuals achieving the required scores on the GED are awarded the High School Equivalency Diploma. The program is open to individuals 18 years or older.

General Education Programs – These programs are designed for individuals wishing to broaden their education, with emphasis on personal interest, growth and development. The two-year General education program provides students opportunities to study English, literature, fine arts, philosophy, social science, science and mathematics at the college level. All courses in the program are college-level courses. Many of the courses are equivalent to college transfer courses; however, the program is not principally designed for college transfer. Successful completion of 64-65 semester hour credits leads to an associate in general education degree.

Human Resource Development (HRD) – A program for chronically unemployed adults with prevocational training and counseling.

Job Training Partnership Act (JTPA) – A federal program designed to provide job training and employment opportunities for economically disadvantaged, unemployed, or underemployed persons.

New and Expanding Industry Programs – Provide for the training needs of new industries and also for existing industries undergoing an expansion which results in the need for additional skilled manpower.

Non-Credit (Extension) Courses – Courses for professional training, upgrading or general interest.

Occupational Extension Programs – Consist of single courses, each complete in itself, designed for the specific purposes of training an individual for employment, upgrading skills of persons presently employed, and retraining others for new employment in occupational fields.

Other Costs – A term used to describe current instructional and operating instructional support costs excluding personnel and the associated fringe benefits. The term is used for supplies, travel, postage, etc.

Pell Grants – Needs-based federally funded grants.

Self-Supporting Recreational Programs – They are self-supporting courses that the college may provide at the request of the community but for which the college receives no budgetary credit. Athletic and game courses fall into this

category. The cost of such activities is borne exclusively by the participants or some contracting agency.

Technical Curriculum Programs – They are designed to prepare individuals for employment, and completion of the curriculum leads to an Associate in Applied Science (A.A.S.) degree. These programs involve the application of scientific principles in research, design, development, production, distribution, or service. They are normally two years in length for a full-time student.

Unduplicated Headcount – The total number of students (both full-time and part-time) enrolled in all courses during a year. Each student is counted only once during the year regardless of the number of classes he/she takes or the number of semesters for which he/she registers.

Vocational Curriculum Programs – Consist of a series of courses which are designed to prepare an individual for employment in a specific occupation. These programs consist of a sequence of courses that generally can be completed in one year or less by a full-time student. Successful completion of a vocational curriculum program leads to a diploma or certificate.

Governance and Funding Sources

* 20 member State Board of Community Colleges has statewide responsibility for policy and rule making for system

* Each college has a 12 member Local Board of Trustees appointed equally from the county commissioners, local school board and the Governor. In addition each has a non-voting student government representative.

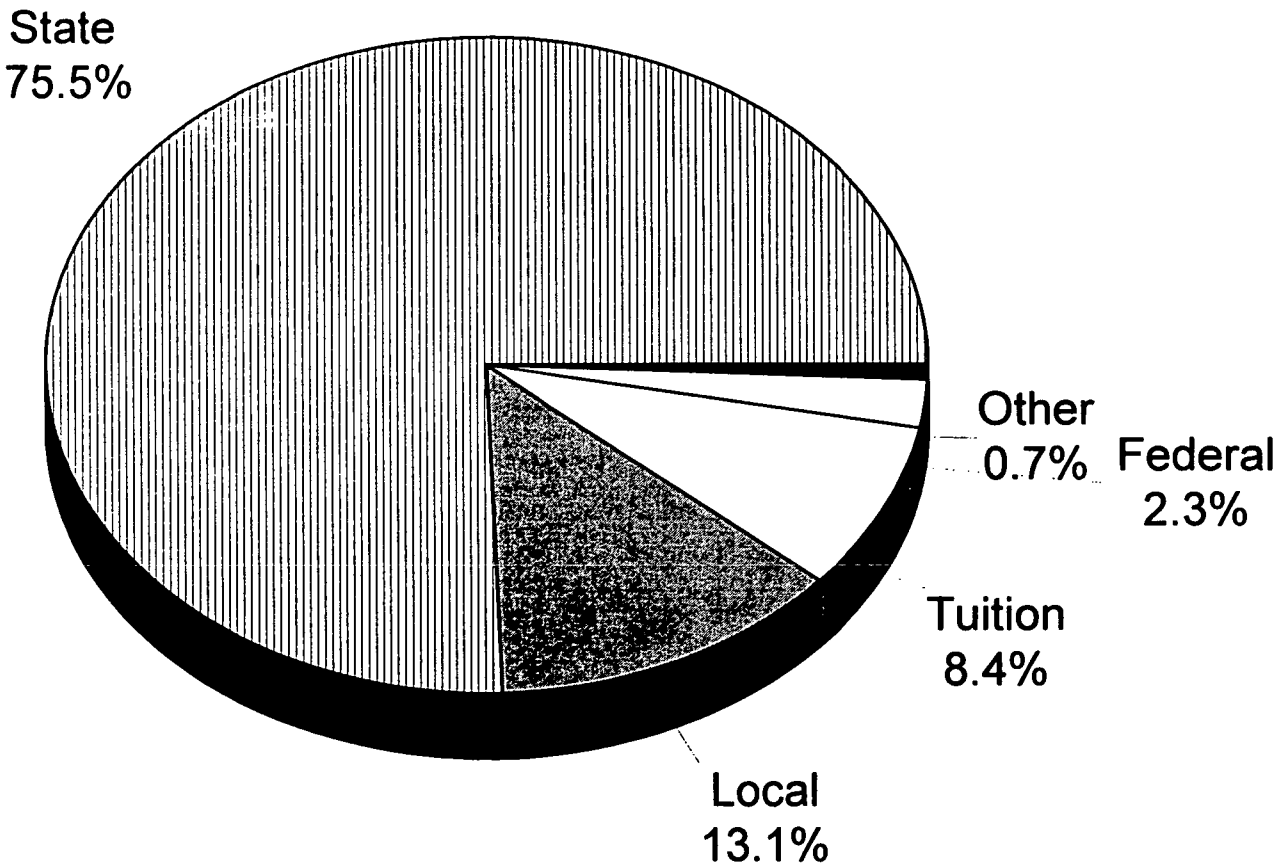
* The state funds all operating costs for instruction, administration and support services: faculty and support salaries and benefits, non-salary items, supplies, materials and computer costs

* Local counties provide the cost of the operations and maintenance of the physical plant facilities: utilities, janitorial and landscaping costs.

* Capital construction is the legal responsibility of the county, however, to the extent the state allocates money for capital, it must be matched dollar for dollar.

Sources of Funding

1998-99



Major Changes in the Community College System

- Conversion from the quarter to the semester system
- Re-engineering of all courses/ Common Course Library
- Comprehensive Articulation agreement with University system
- Regional approach to programs
- New Guidelines in the New and Expanding Industry program
- Overhaul of the Continuing Education system: review of courses for appropriate length and a repeat policy change
- Reform of In-Plant and sheltered workshops training
- Major leadership changes at both the state and local level
- Formula changes
- Change in accountability measures: Critical Success Factors

COMMUNITY COLLEGE FISCAL TRENDS

Selected Historical Data

Fiscal Research Division

North Carolina
Community College System

- 58 Community Colleges & Center for Applied Textile Technology (CATT)
- 83 Off-Campus Centers/Multi-Campus Colleges
- $590.5 Million General Fund Operating Budget in 1998-99 including state level as of 1-31-99
- Full-Time Equivalent Students (FTE) Budgeted: 1998-99
  - Curriculum: 107,861
  - Occupational Extension: 17,214
  - Literacy: 13,473
  - TOTAL: 138,548
- 1997 Student Headcount (actual):
  - Curriculum: 211,440
  - Occupational Extension: 244,761
  - Literacy: 130,723
  - Other: 123,757
  - TOTAL: 710,681
- Tuition Rates:

	*Fall/Spr.		**Summer Term		Total
In-State	$560.00	+	180.00	=	$740.00
Out-of-State	$4,564.00	+	1,467.00	=	$6,031.00

*20.00/hr. ↑ 14 hrs.
163.00/hr. ↑ 14 hrs.

**20.00/hr. ↑ 9 hours
163.00/hr. ↑ 9 hours

COMMUNITY COLLEGE STUDENTS
1997-98

NUMBERS:
- 710,681 STUDENTS
  - 211,440 CURRICULUM
  - 499,241 EXTENSION

SEX:
- 41% MALES
- 59% FEMALES

RACE:
- 71.6% WHITE
- 23.2% BLACK
- 5.2% OTHER RACES

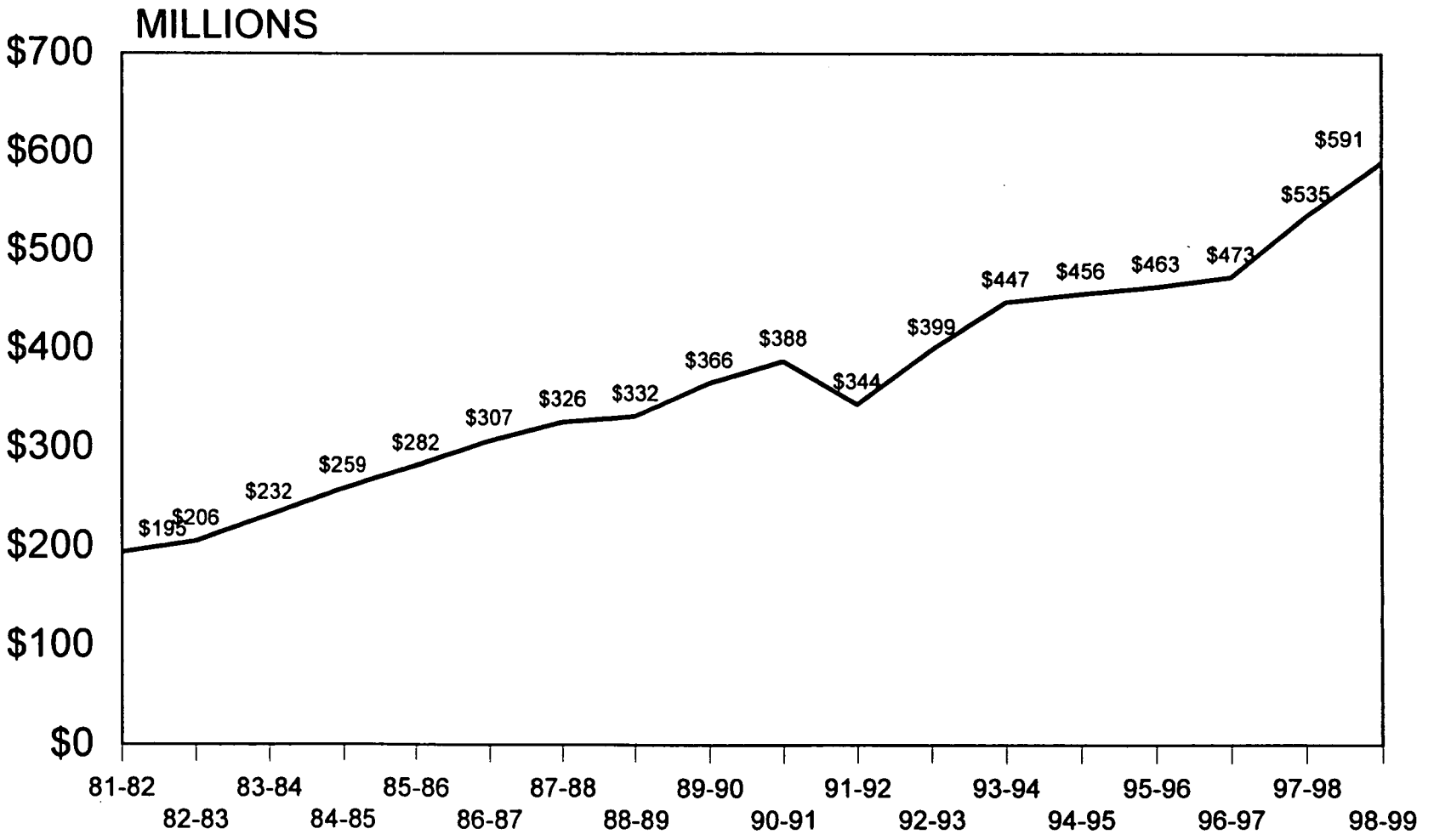
AGE:
- AVERAGE AGE, CURRICULUM STUDENTS: 29.7 YEARS
- AVERAGE AGE, EXTENSION STUDENTS: 37.8 YEARS

EMPLOYMENT STATUS:
- 37% OF CURRICULUM STUDENTS WORK FULL-TIME
- 29% OF CURRICULUM STUDENTS WORK PART-TIME
- 58% OF EXTENSION STUDENTS WORK FULL-TIME
- 11% OF EXTENSION STUDENTS WORK PART-TIME

Fiscal Research Division

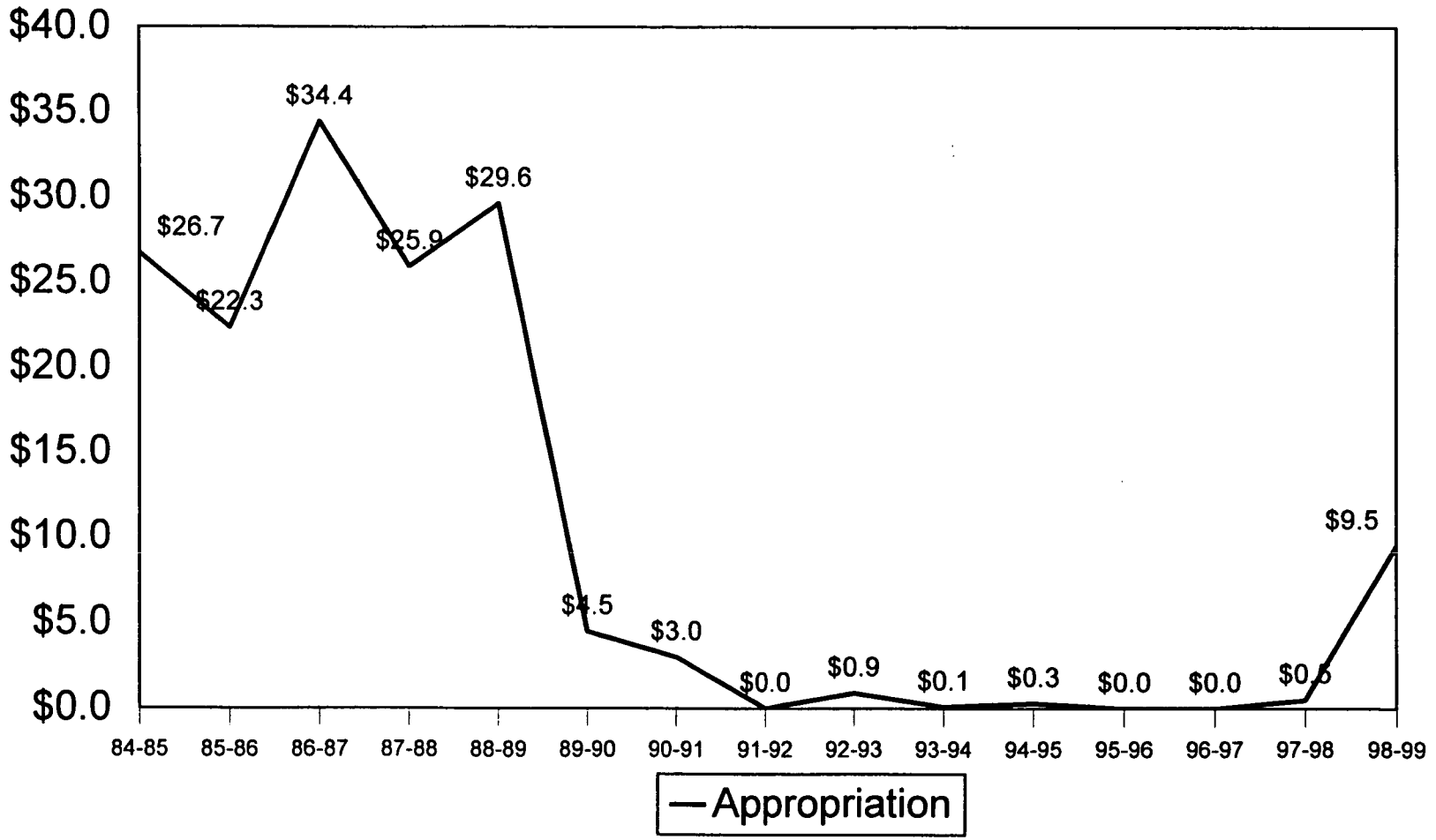
N.C. GENERAL FUND

OPERATING APPROPRIATIONS FOR COMMUNITY COLLEGES



Fiscal Research Division

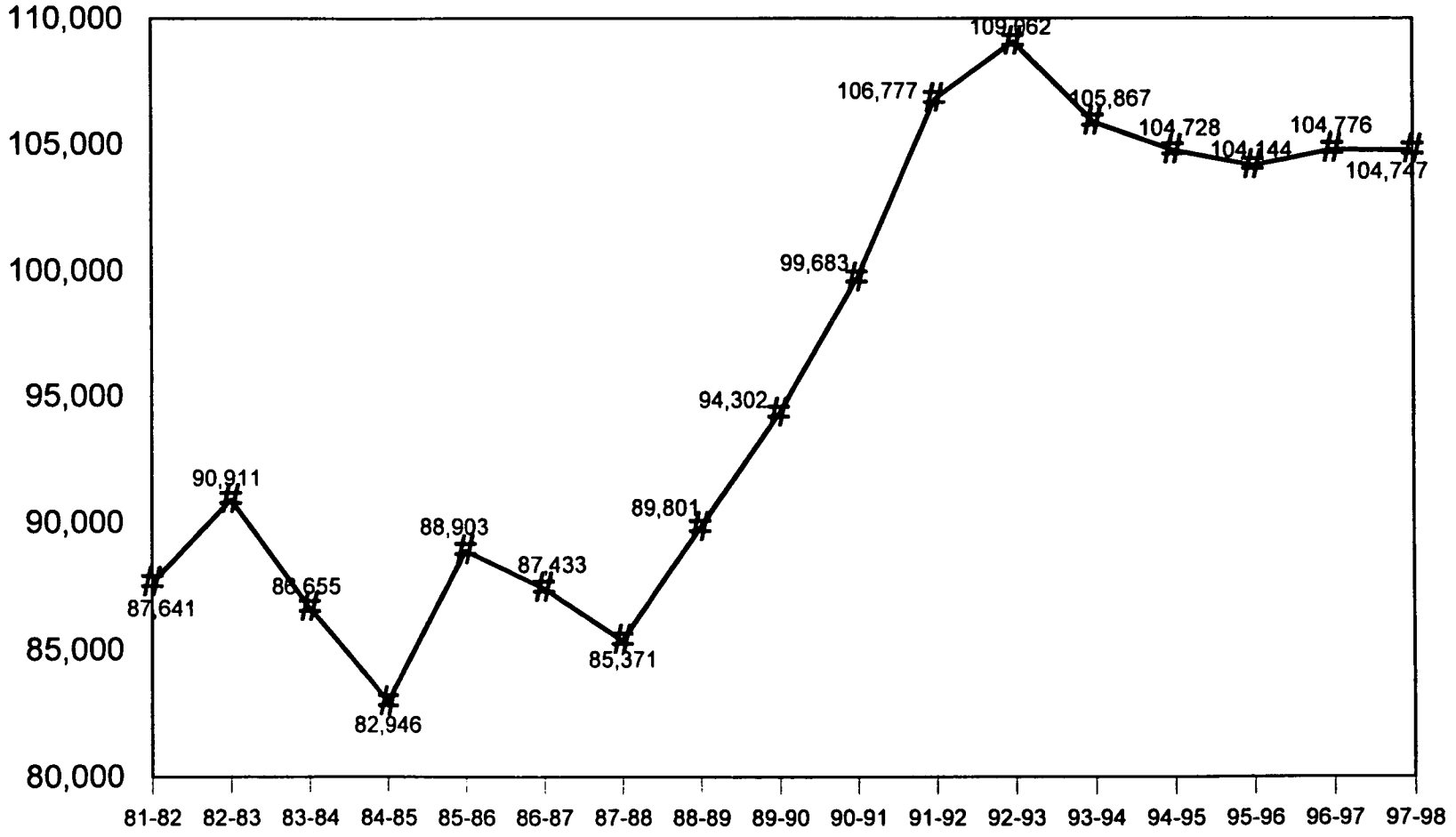
COMMUNITY COLLEGES
CAPITAL APPROPRIATIONS
($ in Millions)



*A $250 million bond referendum was passed in 1993 for community colleges capital construction.

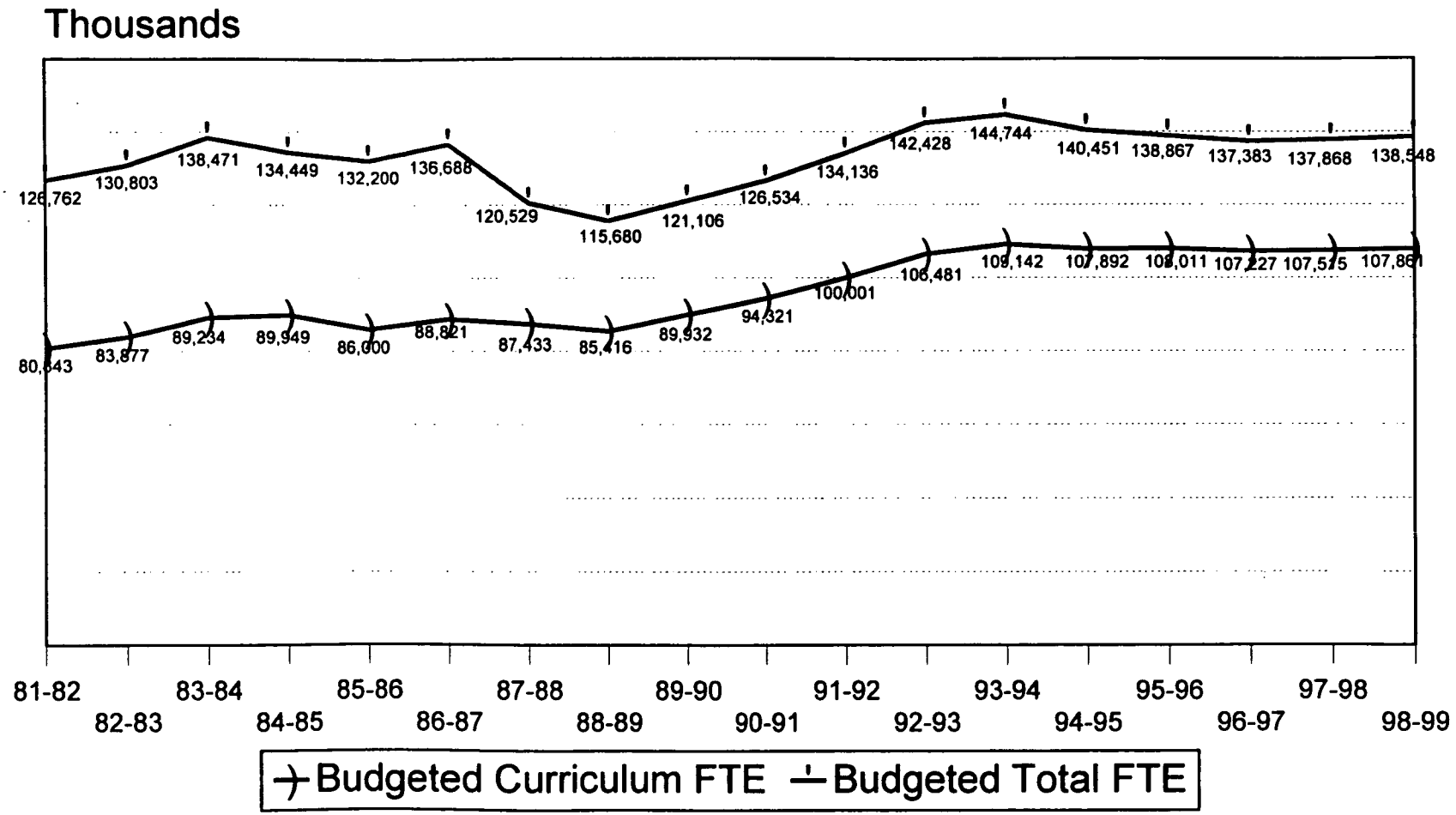
Fiscal Research Division

CURRICULUM ACTUAL FTE STUDENTS IN COMMUNITY COLLEGE (ACADEMIC YEAR)

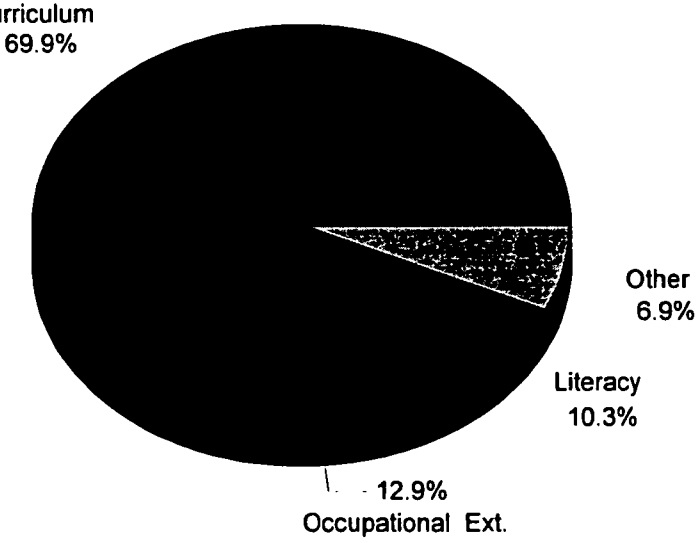


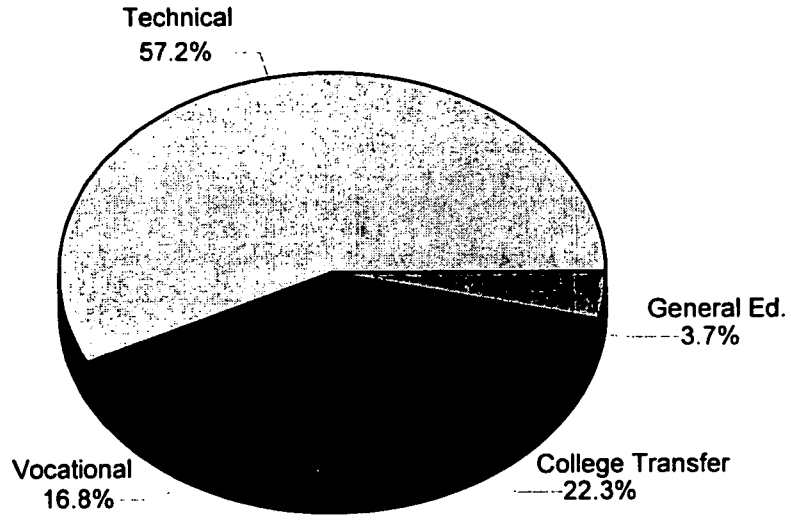
Fiscal Research Division

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
SUMMARY OF BUDGETED FTE



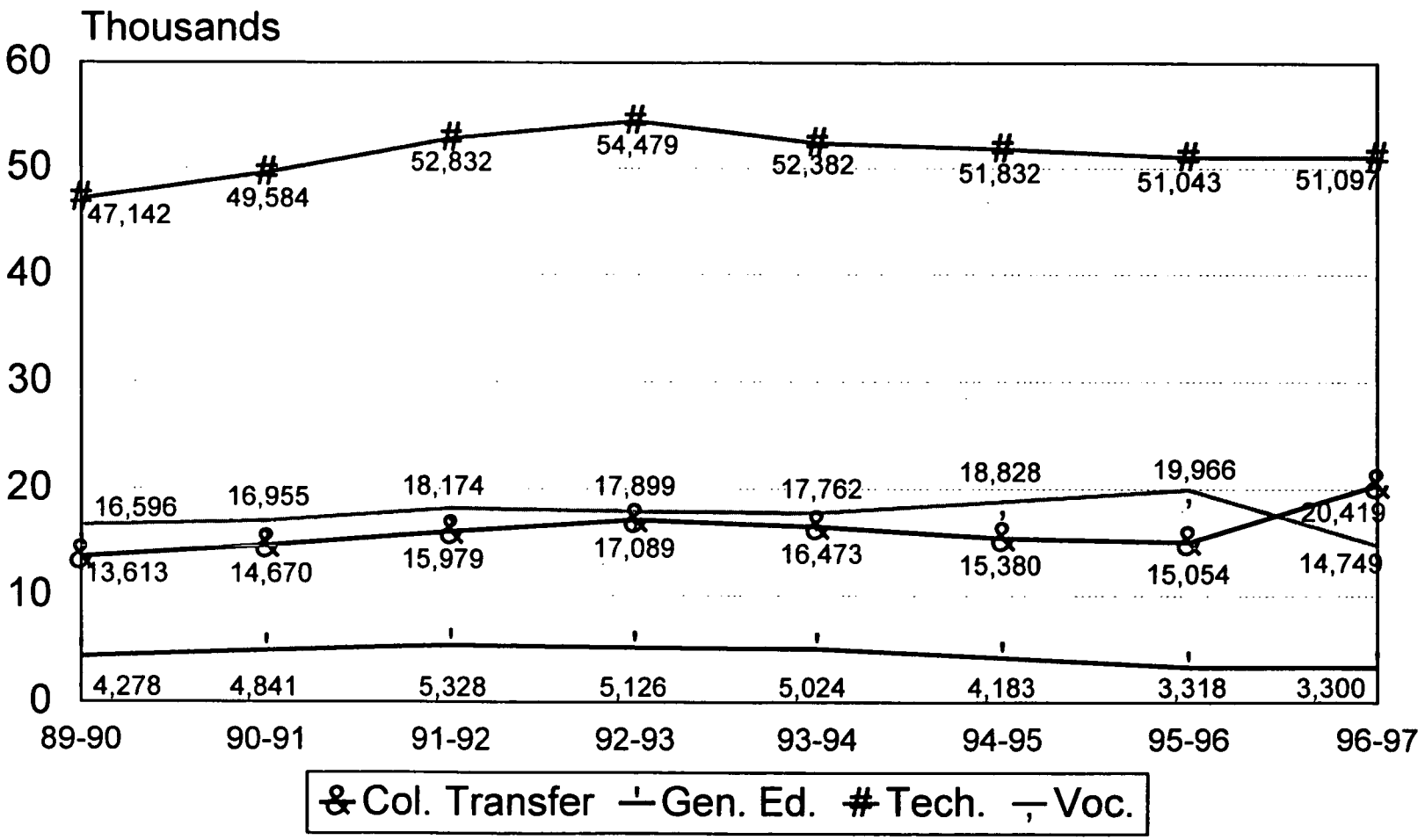
COMMUNITY COLLEGES FTE
Average Annual FTE: 1996-97





Fiscal Research Division

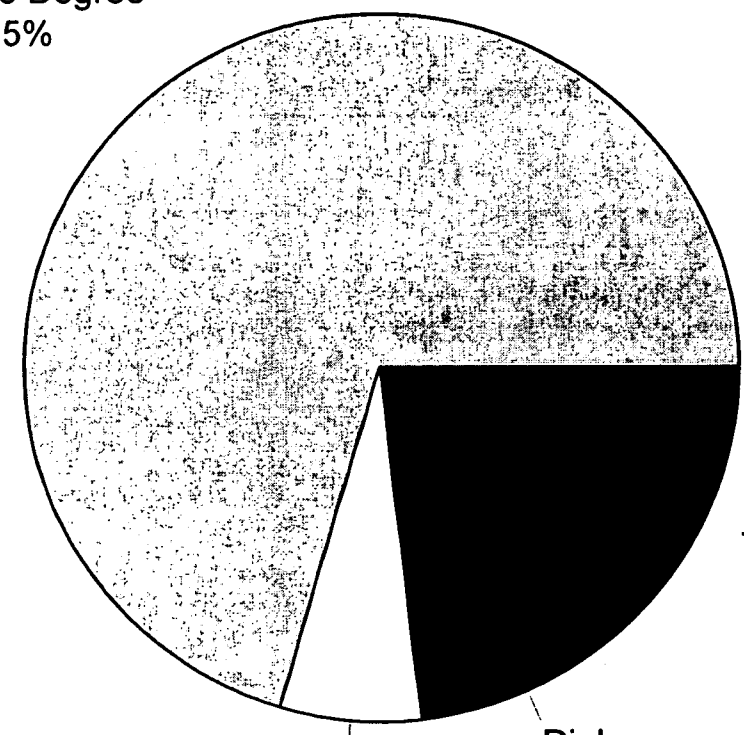
COMMUNITY COLLEGE AVERAGE ANNUAL FTE
(4 Quarter Average)



Fiscal Research Division

COMMUNITY COLLEGES AVERAGE ANNUAL FTE

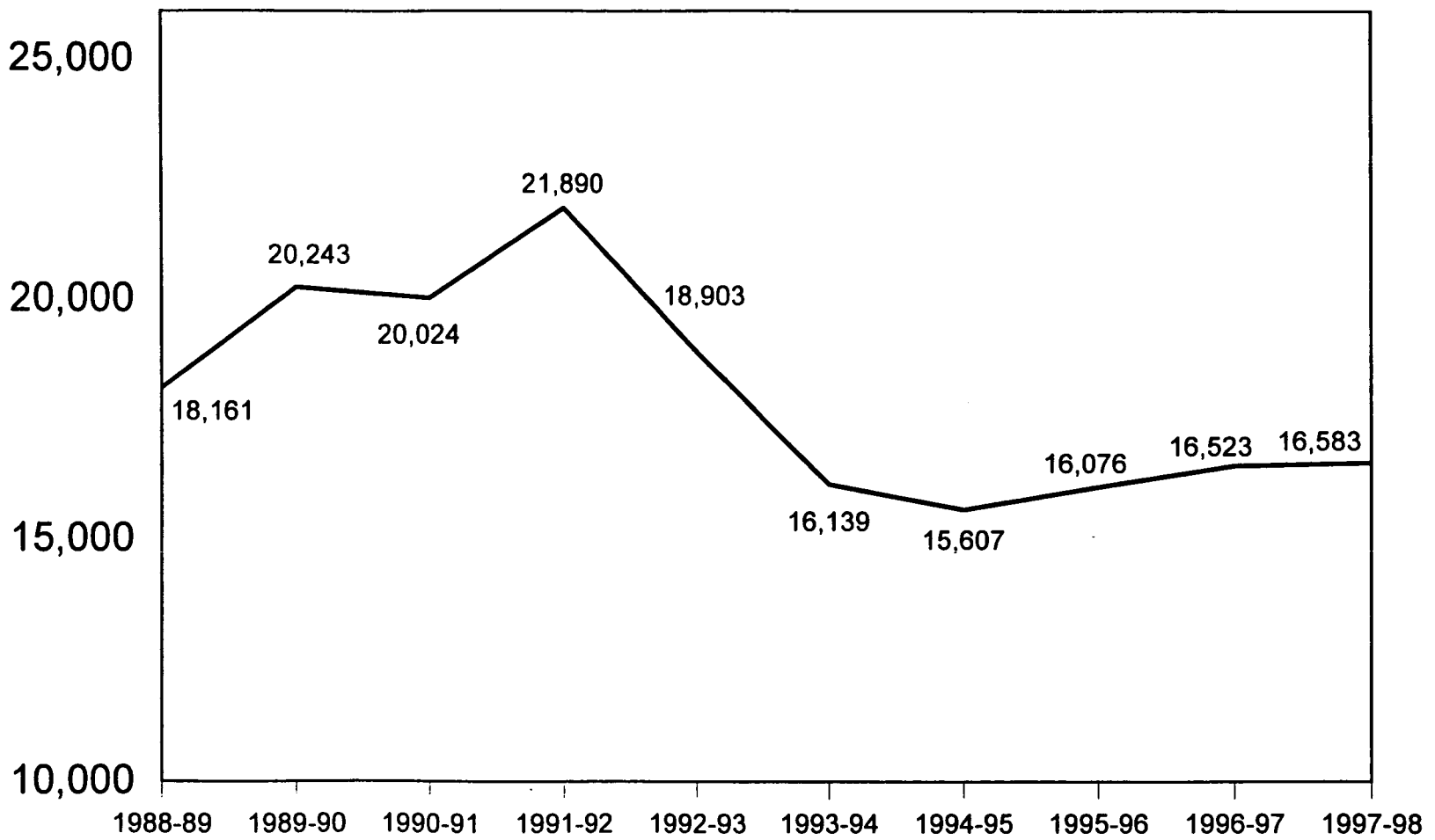
(4 Quarter Average)



Associate Degree - 73,838
Certificate - 6,541
Diploma - 10,367
Transitional - 14,005

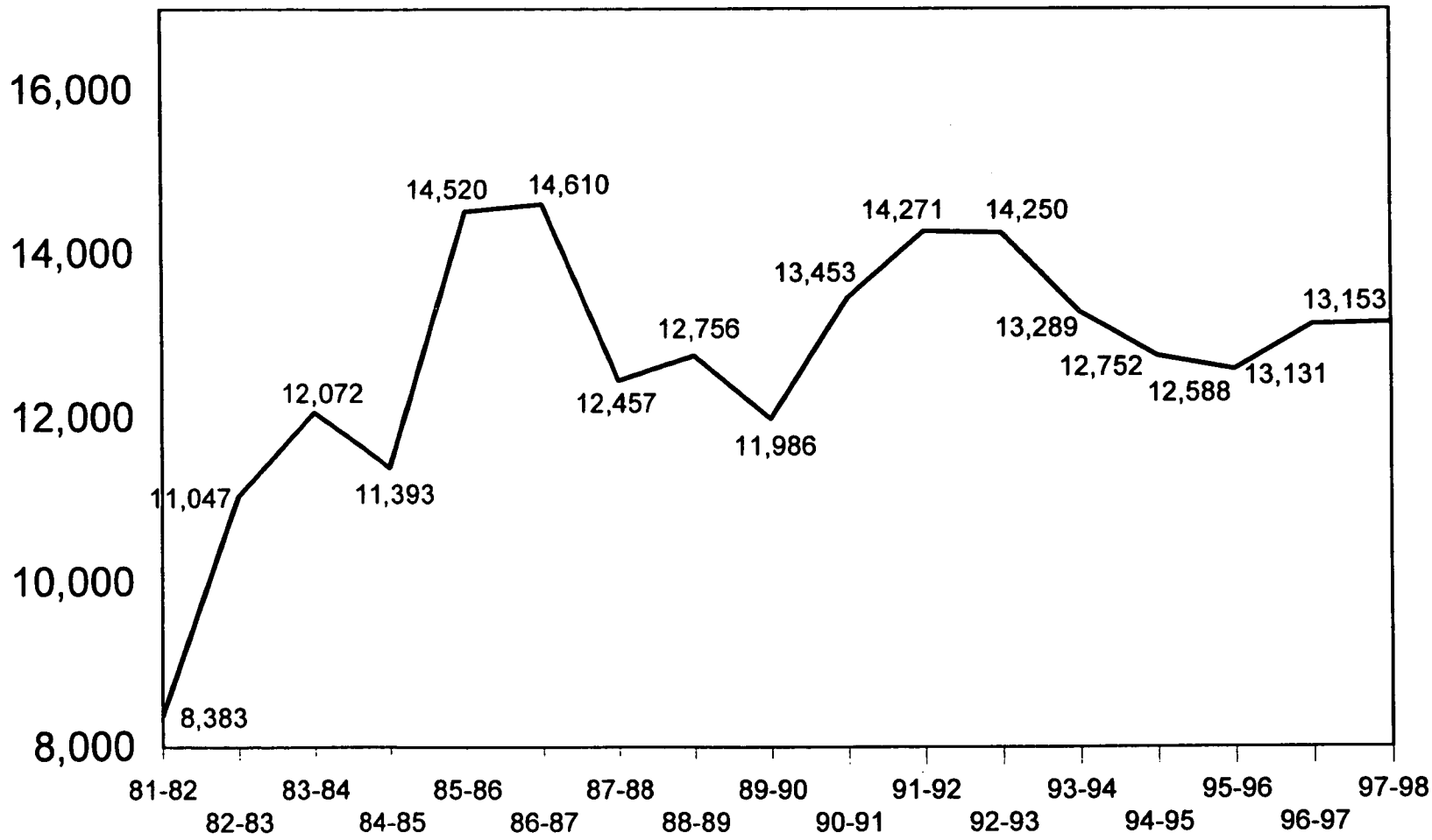
Fiscal Research Division

OCCUPATIONAL EXTENTION FTE
(Average Annual)



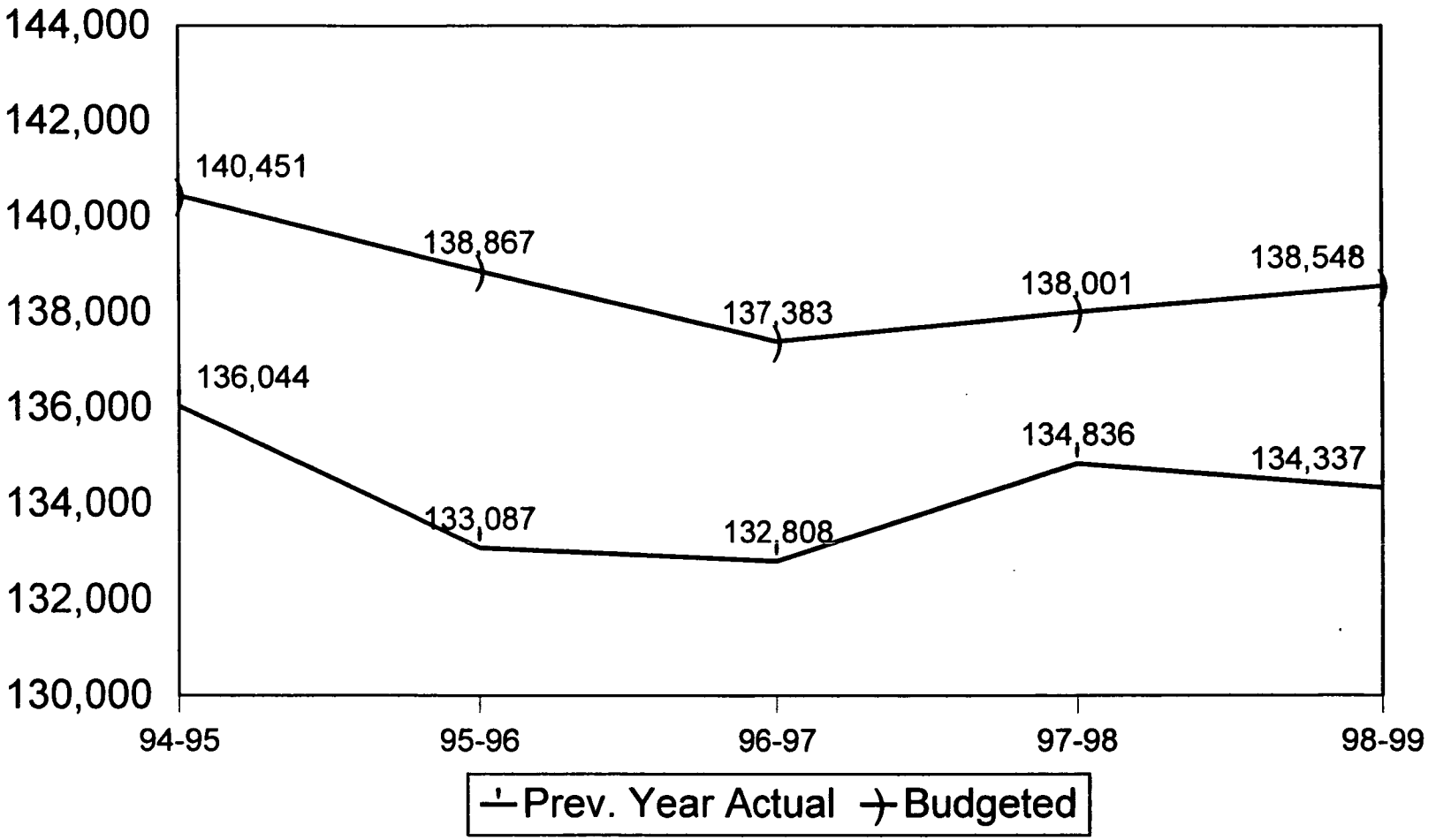
Fiscal Research Division

LITERACY FTE
STUDENTS IN COMMUNITY COLLEGES
(AVERAGE ANNUAL)



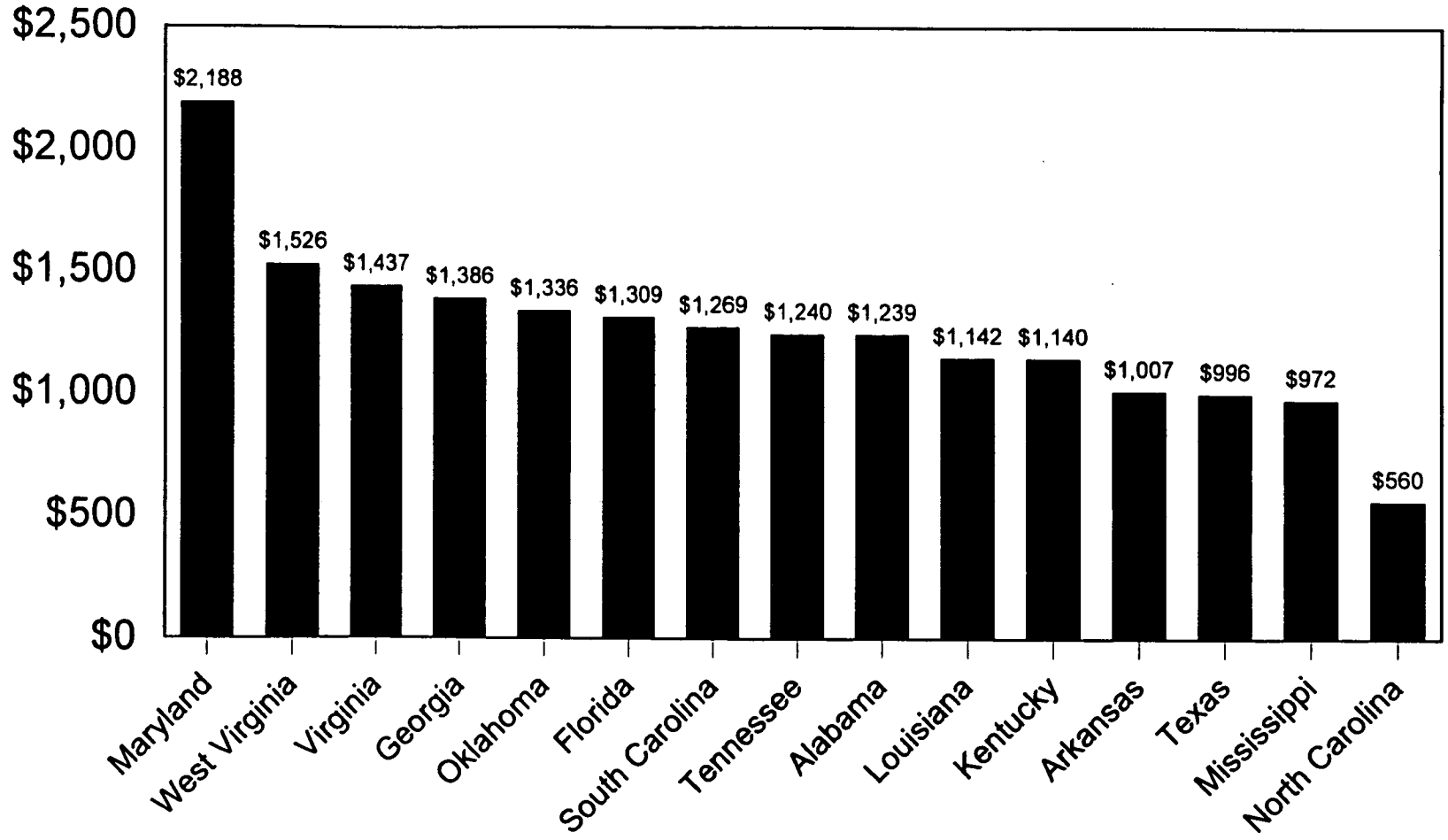
Fiscal Research Division

PREVIOUS YEAR'S ACTUAL FTE VS. BUDGETED FTE



Fiscal Research Division

IN-STATE TUITION AND REQUIRED FEES
COMMUNITY COLLEGES: 98-99



Fiscal Research Division

TABLE 9
RESIDENT* TUITION AND REQUIRED FEES (ESTIMATED STATE AVERAGES
COMMUNITY COLLEGES

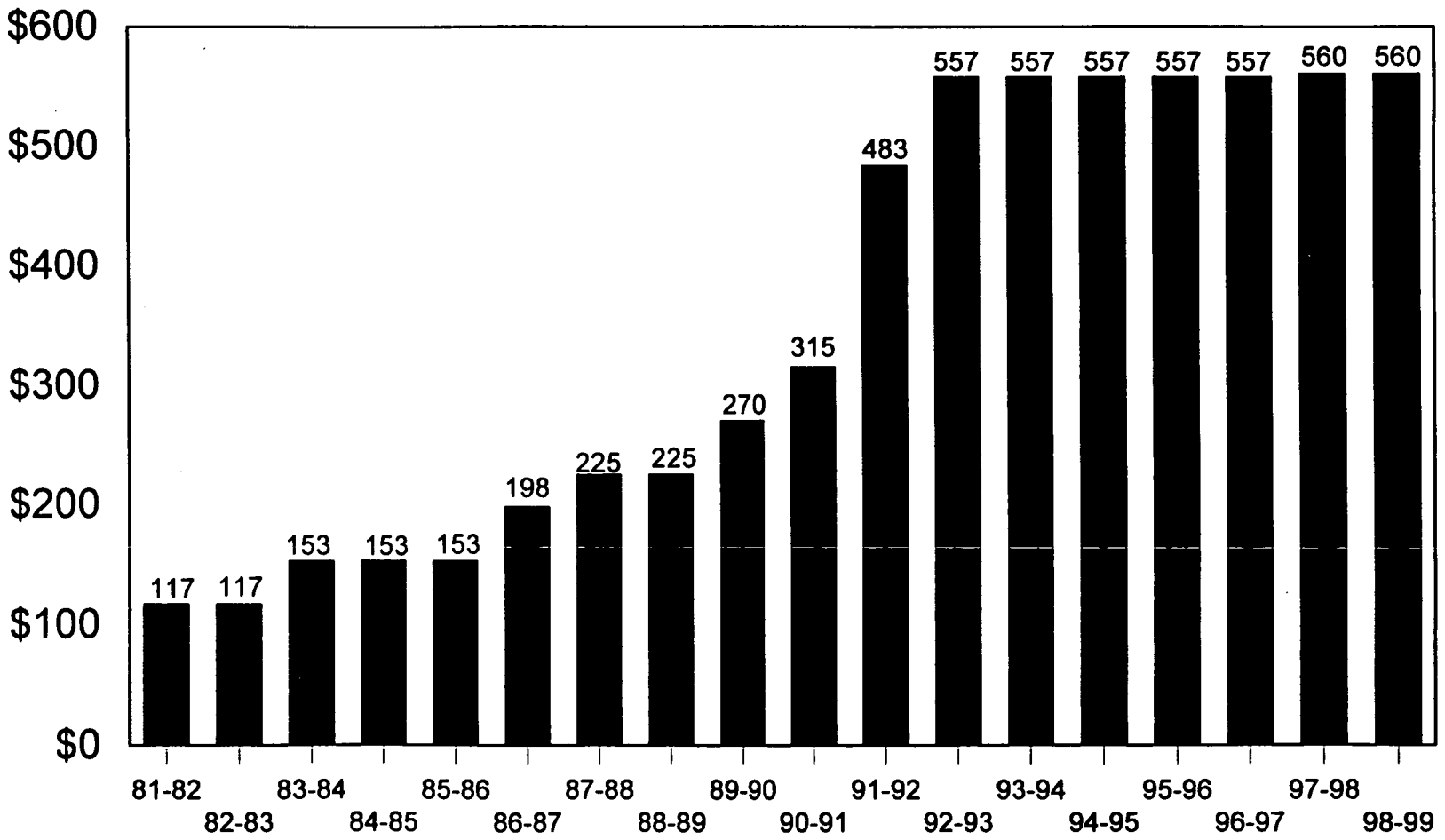
	1994-95	1995-96	1996-97	1997-98	1998-99	Percentage One Year
Alabama	1,090	1,125	1,253	1,280	1,239 ^	-3.2%
Alaska	1,840	2,090	1,850	1,908	1,968	3.1%
Arizona	698	735	774	815	831	2.0%
Arkansas	968	925	952	969	1,007	3.9%
California	390	390	390	390	360 ^	-7.7%
Colorado	1,530	1,568	1,775	1,796	1,855	3.3%
Connecticut	1,520	1,646	1,722	1,814	1,814	0.0%
Delaware	1,266	1,266	1,330	1,380	1,440	4.3%
Florida	1,052	1,065	1,131	1,225	1,309	6.9%
Georgia	1,180	1,130	1,190	1,296	1,386	6.9%
Hawaii	500	524	788	956	1,004	5.0%
Idaho	990	990	1,042	1,100	1,179	7.2%
Illinois	1,149	1,240	1,280	1,348	1,397	3.6%
Indiana	2,168	2,267	2,367	2,455	2,540	3.5%
Iowa	1,557	1,613	1,808	1,950	2,052	5.2%
Kansas	1,011	1,092	1,172	1,206	1,272	5.5%
Kentucky	960	980	1,080	1,100	1,140	3.6%
Louisiana	1,136	1,136	1,242	1,117 ^	1,142	2.2%
Maine	1,740	1,830	1,920	1,980	2,040	3.0%
Maryland	1,829	2,041	2,063	2,150	2,188	1.8%
Massachusetts	2,467	2,525	2,540	2,444 ^	2,317 ^	-5.2%
Michigan	1,427	1,505	1,492 ^	1,624	1,656	2.0%
Minnesota	1,834	1,901	2,139	2,190	2,268	3.6%
Mississippi	^ 940	938 ^	954	960	972	1.3%
Missouri	1,118	1,165	1,251	1,292	1,378	6.7%
Montana	1,367	1,367	1,435	1,423 ^	1,529	7.4%
Nebraska	1,070	1,070	1,187	1,233	1,315	6.7%
Nevada	915	1,005	1,095	1,140	1,185	3.9%
New Jersey	1,844	1,996	2,110	2,212	2,247	1.6%
New Mexico	632	703	667 ^	663 ^	664	0.2%
New York	2,103	2,309	2,454	2,532	2,552	0.8%
North Carolina	557	557	557	560	560	0.0%
North Dakota	1,738	1,754	1,811	1,820	1,840	1.1%
Ohio	1,833	1,897	1,958	2,006	2,045	1.9%
Oklahoma	1,086	1,144	1,205	1,285	1,336	4.0%
Oregon	1,386	1,469	1,545	1,628	1,628	0.0%
Pennsylvania	1,685	1,797	1,892	1,978	2,042	3.2%
Rhode Island	1,686	1,726	1,726	1,746	1,746	0.0%
South Carolina	1,113	1,132	1,183	1,221	1,269	3.9%
Tennessee	992	1,025	1,056	1,145	1,240	8.3%
Texas	716	783	901	909	996	9.6%
Utah	1,305	1,340	1,349	1,392	1,429	2.7%
Vermont	2,286	2,792	2,516 ^	2,614	2,692	3.0%

Virginia	1,359	1,429	1,429	1,429	1,437	0.6%
Washington	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
West Virginia	1,336	1,361	1,409	1,444	1,526	5.7%
Wisconsin	1,716	1,826	1,943	2,127	2,292	7.8%
Wyoming	886	970	1,074	1,187	1,262	6.3%
Average**	**1,318**	**1,385**	**1,446**	**1,498**	**1,544**	**3.1%**
Washington Rank	**23**	**23**	**23**	**20**	**22**	
CHANGES FROM PREVIOUS YEAR:						
National Average		**5.1%**	**4.4%**	**3.6%**	**3.1%**	
Washington		**4.2%**	**3.8%**	**4.1%**	**3.9%**	

*In-district rates for Arizona, Arkansas, Colorado, and Montana.

**Does not include New Hampshire and South Dakota. ^Fees reduced.

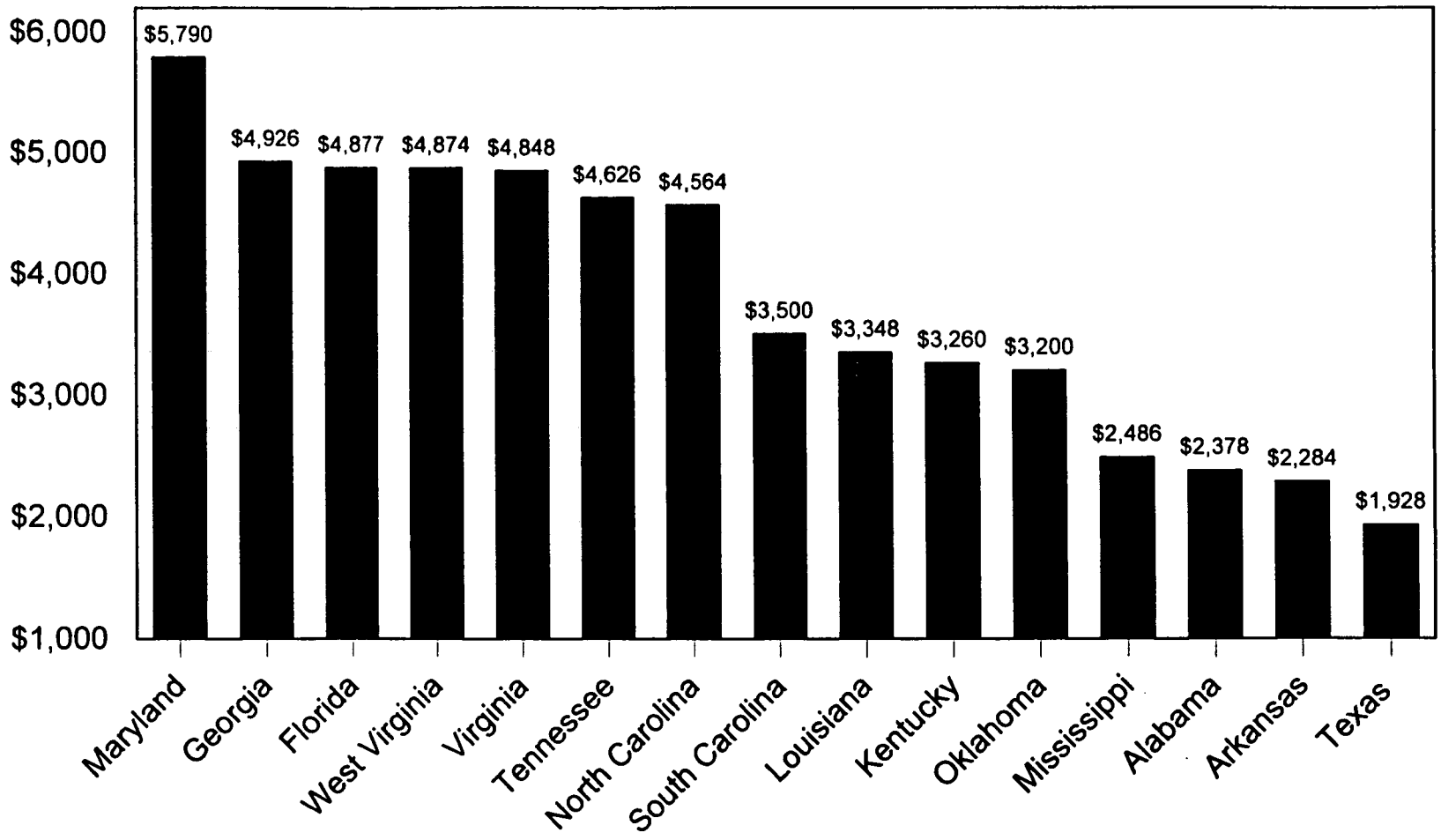
CURRICULUM TUITION RATES*
IN-STATE
(Academic Year)



*Maximum Amount for Full-time Student
(12 hours until 1991-92; 1991-92: 14 hours

Fiscal Research Division

ANNUAL OUT-OF-STATE TUITION AND FEES
COMMUNITY COLLEGES: 98-99



Fiscal Research Division

TABLE 10
NONRESIDENT TUITION AND REQUIRED FEES (ESTIMATED STATE AVERAGE
COMMUNITY COLLEGES

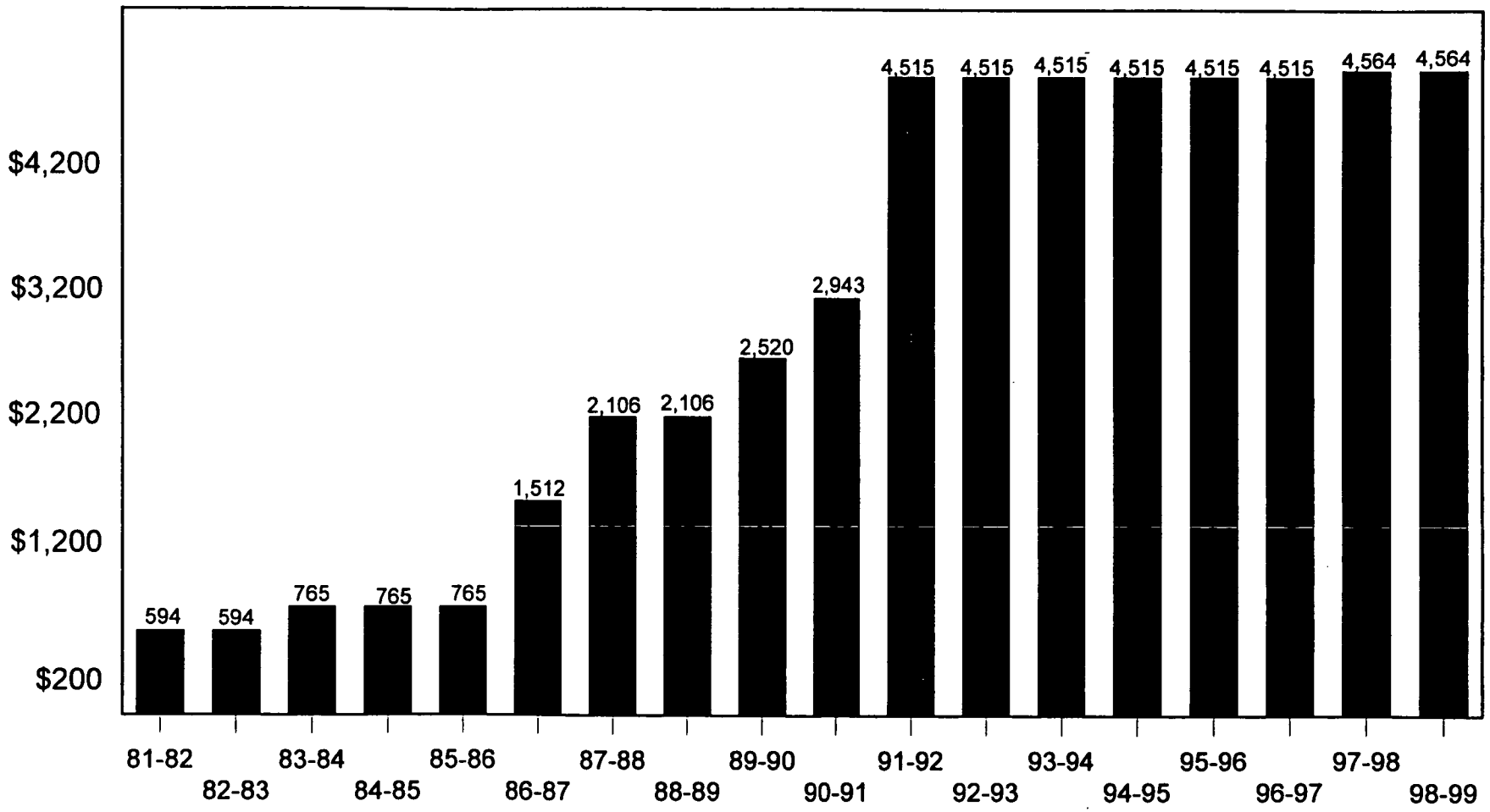
	1994-95	1995-96	1996-97	1997-98	1998-99	Percentage One Year
Alabama	1,907	2,260	2,418	2,287 ^	2,378	4.0%
Alaska	4,940	6,220	6,350	6,408	6,588	2.8%
Arizona	4,206	4,268	4,520	4,625	4,708	1.8%
Arkansas	1,696	1,765	2,260	2,300	2,284 ^	-0.7%
California	3,600	3,810	3,810	3,810	3,900	2.4%
Colorado	6,720	7,013	6,985 ^	6,655	6,821	2.5%
Connecticut	4,592	4,622	4,842	5,438	5,438	0.0%
Delaware	3,066	3,066	3,220	3,360	3,510	4.5%
Florida	3,933	3,967	4,204	4,566	4,877	6.8%
Georgia	3,242	3,511	4,094	4,470	4,926	10.2%
Hawaii	2,940	3,116	5,132	5,732	5,780	0.8%
Idaho	2,730	2,843	2,995	3,309	3,592	8.6%
Illinois	5,750	6,310	6,565	6,848	6,970	1.8%
Indiana	5,202	5,436	5,676	5,905	6,040	2.3%
Iowa	2,672	2,778	2,754 ^	2,840	3,243	14.2%
Kansas	2,394	2,694	2,512 ^	2,520	2,522	0.1%
Kentucky	2,880	2,940	3,080	3,140	3,260	3.8%
Louisiana	2,696	2,696	2,991	2,878 ^	3,348	16.3%
Maine	3,810	4,020	4,230	4,350	4,470	2.8%
Maryland	4,895	5,025	5,182	5,603	5,790	3.3%
Massachusetts	6,915	6,990	7,340	7,527	7,676	2.0%
Michigan	2,126	2,245	2,773	2,937	2,995	2.0%
Minnesota	3,668	3,803	4,279	4,399	4,247 ^	-3.5%
Mississippi	2,156	2,216	2,240	2,450	2,486	1.5%
Missouri	2,460	2,543	2,635	2,689	2,770	3.0%
Montana	3,765	4,023	4,319	4,602	4,949	7.5%
Nebraska	1,432	1,315	1,459	1,517	1,610	6.1%
Nevada	3,915	4,105	4,295	4,659	5,023	7.8%
New Jersey **	n/a**	n/a**	n/a**	n/a**	n/a**	n/a**
New Mexico	1,748	1,753	1,504 ^	1,617	1,627	0.6%
New York	4,073	4,501	4,823	4,934	4,998	1.3%
North Carolina	4,515	4,515	4,515	4,564	4,564	0.0%
North Dakota	4,330	4,346	4,403	4,412	4,432	0.5%
Ohio	4,382	4,495	4,640	4,760	4,865	2.2%
Oklahoma	2,782	2,944	3,005	3,175	3,200	0.8%
Oregon	4,190	4,439	4,614	4,591 ^	4,474 ^	-2.6%
Pennsylvania	5,240	5,557	5,768	5,960	6,126	2.8%
Rhode Island	4,646	4,744	4,744	4,764	4,764	0.0%
South Carolina	2,197	2,260	2,369	3,130	3,500	11.8%
Tennessee	3,778	3,951	4,128	4,400	4,626	5.1%
Texas	1,612	2,076	1,850 ^	1,825 ^	1,928	5.6%
Utah	4,486	4,638	4,647	4,815	4,945	2.7%
Vermont	4,398	4,976	4,820 ^	5,014	5,260	4.9%

Virginia	4,470	4,710	4,710	4,710	4,848	2.9%
Washington	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
West Virginia	3,912	4,052	4,427	4,633	4,874	5.2%
Wisconsin	5,699	6,098	6,552	7,194	7,766	8.0%
Wyoming	2,286	2,490	2,772	2,975	3,187	7.1%
Average*	**3,705**	**3,903**	**4,106**	**4,277**	**4,429**	**3.5%**
Washington Rank	**7**	**8**	**8**	**8**	**8**	
CHANGES FROM PREVIOUS YEAR:						
National Average		**5.3%**	**5.2%**	**4.2%**	**3.5%**	
Washington		**4.0%**	**4.0%**	**4.0%**	**4.0%**	

*Does not include New Hampshire or South Dakota. ^Fees reduced.

** The number of out-of-state students attending community college in New Jersey is negligible.

CURRICULUM TUITION RATES*
OUT-OF-STATE
(Academic Year)



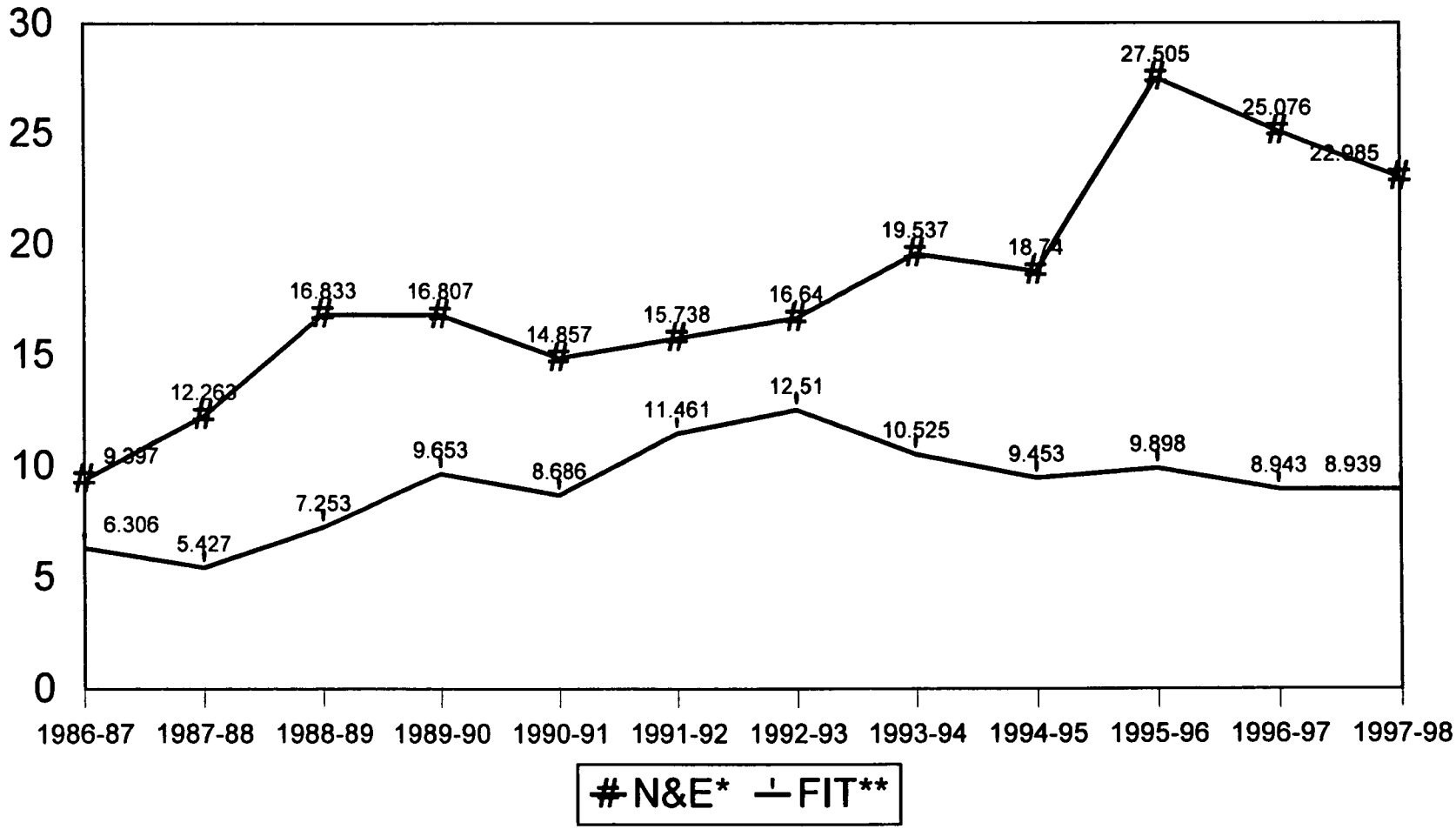
*Maximum Amount for Full-Time Student
(12 hours until 1991-92; 1991-92: 14 hours)

Fiscal Research Division

COMMUNITY COLLEGES INDUSTRIAL TRAINING PROGRAMS

NUMBER OF TRAINEES 1986 - 1998

(In Thousands)



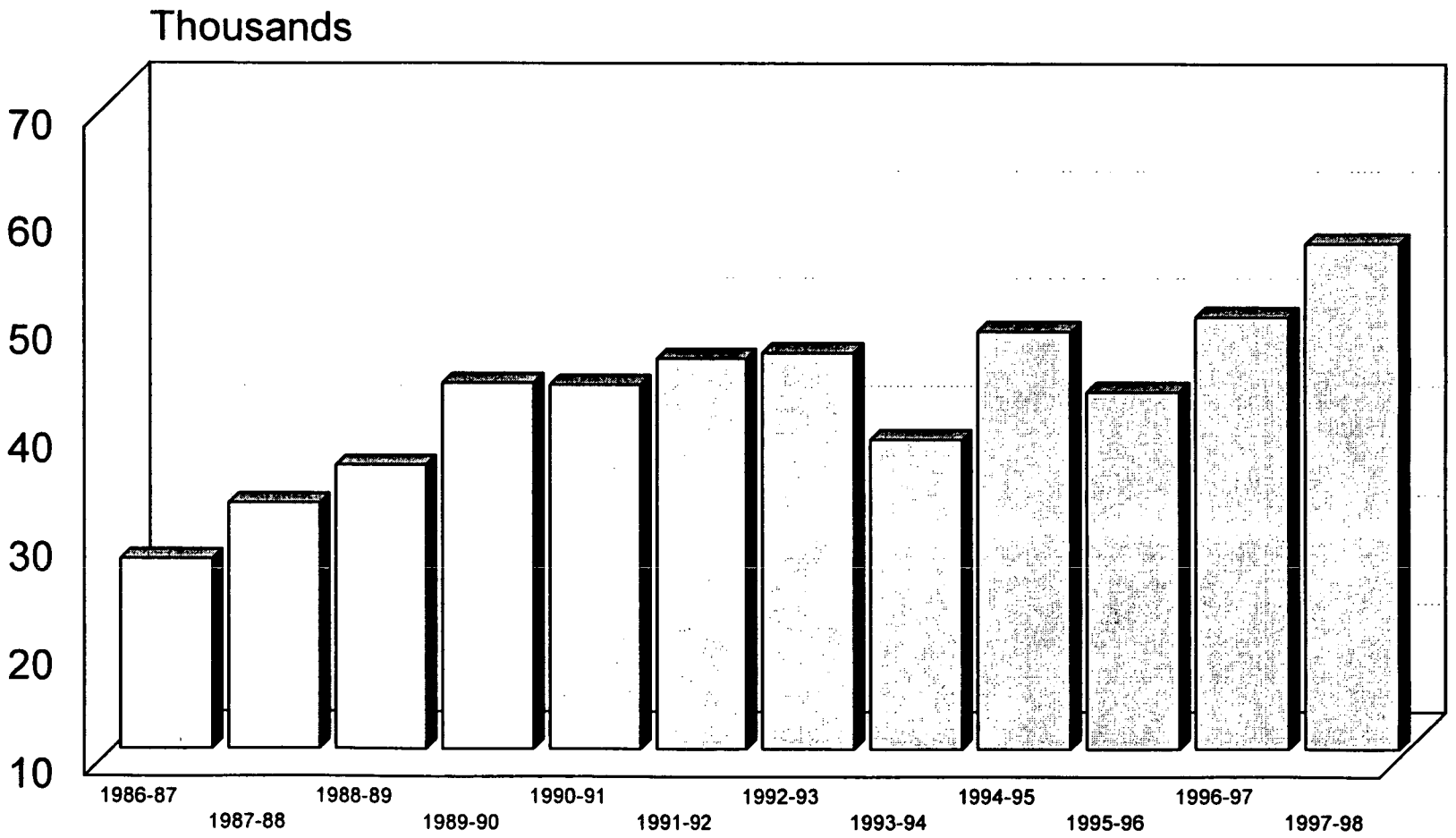
*New and Expanding Industry

** Focused Industrial Training

Fiscal Research Division

SMALL BUSINESS CLIENTS SERVED

1986-1998



DEPARTMENT OF COMMUNITY COLLEGES

	AUTHORIZED 1998-99	TOTAL AMOUNT RECOM.	1990-00 AMOUNT INCREASE 1998-99	TOTAL AMOUNT RECOM.	2000-01 AMOUNT INCREASE OVER 1998-99
TOTAL REQUIREMENTS	674,306,361	638,608,733	(35,697,628)	638,446,553	(35,859,808)
LESS RECEIPTS	89,017,824	89,017,824		89,017,824	
APPROPRIATION	585,288,537	549,590,909	(35,697,628)	549,428,729	(35,859,808)
NO. OF EMPLOYEE POSITIONS	186.5	186.5		186.5	
EXPLANATION OF MAJOR CHANGES OVER 1998-99:					
REQUIREMENT CHANGES					
SOCIAL SECURITY			6,628		6,628
LONGEVITY			(3,611)		(3,611)
FIXED CHARGES:					
RENTAL, MAINT AND OTHER SERVICE CONTRACTS			8,175		8,175
EQUIPMENT:					
OTHER EQUIPMENT			162,180		
DEPARTMENT SUBTOTAL			**173,372**		**11,192**
STATE AID:					
LONGEVITY AT THE COLLEGES			158,000		158,000
UNEMPLOYMENT COMPENSATION AT THE COLLEGES			21,000		21,000
COLLEGES SUBTOTAL			**179,000**		**179,000**
REMOVAL OF ONE TIME LEGISLATIVE APPROPRIATIONS:					
PRISON PROGRAM START UP FUNDS			($500,000)		($500,000)
INSTITUTIONAL SUPPORT FOR TECHNOLOGY			($1,000,000)		($1,000,000
LIBRARY BOOKS			($1,950,000		($1,950,000)
EDUCATIONAL EQUIPMENT			($7,050,000)		($7,050,000)
CENTER FOR APPLIED TEXTILE TECHNOLOGY			($150,000)		($150,000)
ANSON-UNION COMMUNITY COLLEGE RESERVE			($4,000,000)		($4,000,000)
MONTGOMERY CC SCHOLARSHIP ENDOWMENT FUNDS			($400,000)		($400,000)
EQUIPMENT RESERVE			($21,000,000)		($21,000,000)
ONE TIME APPROPRIATIONS TOTAL			**(36,050,000)**		**(36,050,000)**
TOTAL REQUIREMENTS			**(35,697,628)**		**(35,859,808)**

OVERVIEW OF COMMUNITY COLLEGE BUDGET PROCESS

Community colleges are funded by the General Assembly based on the average number of full-time equivalent students (FTE) for the year which is converted to dollars by formula. The essential elements of this process are outlined below:

- One student who takes 16 hours of class work for one semester (or 16 weeks) generates 256 hours. If this same student attends classes for one year, the student would generate 688 hours which is equivalent to one annual FTE.

  One fall or spring semester FTE = 16 hours x 16 weeks = 256 hours

  One summer term FTE = 16 hours x 11 weeks = 176 hours

  In order for an institution to generate budget, approximately 21 FTEs must be generated before an instructional unit can be allocated. Each year the dollar amount for curriculum (credit) and extension (no-credit) changes depending on funds available.

- The actual dollar amount paid to each institution by the state for each FTE earned is determined by the amount of money appropriated by the General Assembly for this purpose. Therefore, it varies from year to year. It is also different for FTEs earned by students in curriculum (degree or certificate) programs and continuing education or extension programs. (If the Legislature fails to increase funding as enrollments increase, the institutions do not receive funds for the full number of FTE credits earned.)

- FTE funds are to be used for current operating expenses such as instructional salaries, supplies and travel, administration, clerical and fiscal support, counselors, librarians, financial aid, placement and other personnel performing services for students. An average of 90–92 percent of these funds is used for salaries.

- The majority of funds (90%) is allocated to the colleges based on applicable FTE formulas. Current operating funds are allotted based on FTE generated in the curriculum programs for the preceding academic year (fall, spring). Continuing Education funds are based on FTE earned in the previous spring semester, summer term, and fall semester. Continuing Education programs include Occupational Extension and Literacy Education. Funds for Community Service Programs are allotted as a block grant and can be used only for community service programs. These programs do not generate budget FTE.

- Funds allotted for educational equipment and library books are based on a weighted FTE formula. The previous calendar year's FTE (spring, summer, and fall) are used in determining the fund distribution.

- Funds set aside for the Human Resources Development Program are allotted by distributing one-third of the available funds for program maintenance, one-third for FTE earned, and one-third for performance earned back. These funds are restricted and cannot be used for other purposes.

- The other State Aid funds are distributed based on either project proposals or some modified FTE formulas. Funds set aside for categorical programming must be used for those purposes.

- FTE funds may *NOT* be used for utilities (including telephone) or plant maintenance. These costs must be paid from local sources.

- Some kinds of classes must be "self-supporting" if offered. That is, instructional costs of recreational courses must be paid from fees charged.

North Carolina Community College System
Costs Per Regular Budget FTE
Formula Allocations
1998-1999

Curriculum(Academic Year)		
Total Requirements	$	4,348.83
Student Receipts		593.87
Appropriation	$	3,754.96
Occupational(Academic Year)		
Total Requirements	$	3,529.02
Student Receipts		307.26
Appropriation	$	3,221.76
Basic Skills(Academic Year)		
Total Requirements	$	4,236.05
Student Receipts		400.82
Appropriation	$	3,835.23

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
SUMMARY OF CONTINUATION APPROPRIATIONS
1999-01

		AUTHORIZED 1998-99	RECOMMENDED CONTINUATION CHANGES 1999-00	TOTAL CONTINUATION RECOMMENDED 1999-00	RECOMMENDED CONTINUATION CHANGES 2000-01	TOTAL RECOMMENDED CONTINUATION 2000-01
OPERATING REQUIREMENTS		$ 674,306,361	$ (35,697,628)	$ 638,608,733	$ (35,859,808)	$ 638,446,553
LESS: NON-GENERAL FUND SOURCES		89,017,824	-	89,017,824	-	89,017,824
GENERAL FUND APPROPRIATIONS		$ 585,288,537	$ (35,697,628)	$ 549,590,909	$ (35,859,808)	$ 549,428,729
11XX	PRESIDENT'S OFFICE	$ 1,985,576	$ (2,289)	$ 1,983,287	$ (2,289)	$ 1,983,287
12XX	ADMINISTRATION	4,878,367	659	4,879,026	659	4,879,026
13XX	BUSINESS & FINANCE	1,590,387	163,101	1,753,488	921	1,591,308
14XX	ACADEMIC & STUDENT SERV.	2,139,507	11,901	2,151,408	11,901	2,151,408
	TOTAL 11XX - 14XX	$ 10,593,837	$ 173,372	$ 10,767,209	$ 11,192	$ 10,605,029
16XX	STATE-AID TO COLLEGES:					
	PERSONAL SERVICES	$ 976,629	$ -	$ 976,629	$ -	$ 976,629
	TRUSTEES ASSOC. EDUC.	25,000	-	25,000	-	25,000
	SA-CHILD CARE GRANTS	2,000,000	-	2,000,000	-	2,000,000
	SA-LONGEVITY	6,650,000	158,000	6,808,000	158,000	6,808,000
	MULTI-CAMPUS FUNDS	650,000	-	650,000	-	650,000
	PRISON PROGRAM START-UP	500,000	(500,000)	-	(500,000)	-
	SA-UNEMPLOYMENT CONT.	500,766	21,000	521,766	21,000	521,766
	SA-HRD	6,649,520	-	6,649,520	-	6,649,520
	SA-NEW INDUSTRY	6,028,541	-	6,028,541	-	6,0[illegible]
	SA-SPECIAL ALLOTMENT	2,163,998	-	2,163,998	-	2,1[illegible]
	SA-MAINT OF PLANT	513,668	-	513,668	-	513,668
	SA-NURSING SPL ALLOT.	410,000	-	410,000	-	410,000
	SA-PRIORITY PROGRAMS	35,072	-	35,072	-	35,072
	SA-SYSTEM-WIDE PROJECTS	427,000	-	427,000	-	427,000
	SA-CERTIFICATE PROG.	18,870,412	-	18,870,412	-	18,870,412
	SA-ASSOC. DEGREE PROG.	169,339,115	-	169,339,115	-	169,339,115
	SA-DIPLOMA PROG.	28,340,175	-	28,340,175	-	28,340,175
	SA-TRANSITIONAL PROG.	17,780,114	-	17,780,114	-	17,780,114
	SA-CONTINUING EDUC.	25,475,218	-	25,475,218	-	25,475,218
	SA-BASIC SKILLS EDUC.	29,873,892	-	29,873,892	-	29,873,892
	SA-COMMUNITY SERVICE	1,817,738	-	1,817,738	-	1,817,738
	SA-BASE-ADMIN	30,271,315	-	30,271,315	-	30,271,315
	SA-BASE-INSTR. SUPPORT	61,302,804	-	61,302,804	-	61,302,804
	SA-ENROLMT-ADMIN	14,441,804	-	14,441,804	-	14,441,804
	SA-ENROLMT-INSTR. SUPT	81,618,682	(1,000,000)	80,618,682	(1,000,000)	80,618,682
	SA-PUB RADIO CRAVEN	149,912	-	149,912	-	149,912
	SA-PUB RADIO ISOTHERMAL	149,912	-	149,912	-	149,912
	SA-SMALL BUSINESS	3,686,442	-	3,686,442	-	3,686,442
	SA-NETWORKING	618,600	-	618,600	-	618,600
	SA-COMPENSATORY EDUC	1,075,169	-	1,075,169	-	1,075,169
	SA-FACULTY UPGRADE	1,014,135	-	1,014,135	-	1,014,135
	SA-LIABILITY INS.	53,000	-	53,000	-	53,000
	BOOKS	5,084,035	(1,950,000)	3,134,035	(1,950,000)	3,134,035
	EDUCATION EQUIPMENT	24,369,732	(7,050,000)	17,319,732	(7,050,000)	17,319,732
	SA-NURSING DISADVANTAGE	80,000	-	80,000	-	80,000
	SA-DIPLOMA NURSING	200,000	-	200,000	-	200,000
	SA-HEARING IMPAIRED	190,000	-	190,000	-	19[illegible]

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
SUMMARY OF CONTINUATION APPROPRIATIONS
1999-01

		AUTHORIZED 1998-99	RECOMMENDED CONTINUATION CHANGES 1999-00	TOTAL CONTINUATION RECOMMENDED 1999-00	RECOMMENDED CONTINUATION CHANGES 2000-01	TOTAL RECOMMENDED CONTINUATION 2000-01
1603	FOCUSED INDUSTRIAL TRAIN.	$ 1,962,032	-	$ 1,962,032	-	$ 1,962,032
	TOTAL 16XX	$ 545,294,432	$ (10,321,000)	$ 534,973,432	$ (10,321,000)	$ 534,973,432
17XX	CENT. FOR APPLIED TECH	2,850,268	(150,000)	2,700,268	(150,000)	2,700,268
19XX	RESERVE AND TRANSFERS	26,550,000	(25,400,000)	1,150,000	(25,400,000)	1,150,000
	TOTAL APPROPRIATION	$ 585,288,537	$ (35,697,628)	$ 549,590,909	$ (35,859,808)	$ 549,428,729

NORTH CAROLINA
COMMUNITY COLLEGE SYSTEM
FORMULA BUDGET COMPUTATION

1998.99

STATEWIDE TOTAL

BUDGETED CURRICULUM FTE:		BUDGETED NON-CURRICULUM FTE:	
		OCCUPATIONAL..	17,214
REGULAR CURRICULUM	107,321		
		LITERACY.....	13,473
CONTRACTED INSTRUCTION	540		
TOTAL CURRICULUM:	107,861	TOTAL BUDGETED:	138,548

CURRICULUM ALLOTMENT:			
REGULAR CURRICULUM:			
5,414.6 INSTRUCTIONAL POSITIONS AT $42,201 EACH			$228,501,536
EMPLOYEE BENEFITS: (A) 17.75% OF SALARIES		$40,559,022	
(B) HOSPITALIZATION AT $1,735.20		$9,395,414	$49,954,436
OTHER COSTS @ $105.00 PER FTE			$11,268,705
TOTAL REGULAR CURRICULUM			$289,724,677
CONTRACTED INSTRUCTION:			
31.4 INSTRUCTIONAL POSITIONS AT $30,069 EACH			$944,167
EMPLOYEE BENEFITS: 7.65% OF SALARIES			$72,229
OTHER COSTS @ $105.00 PER FTE			$56,700
TOTAL CONTRACTED INSTRUCTION			$1,073,096
TOTAL CURRICULUM ALLOTMENT			$290,797,773
NON-CURRICULUM INSTRUCTION:			
OCCUPATIONAL EXTENSION:			
969.9 INSTRUCTIONAL POSITIONS AT $30,069 EACH			$29,163,925
EMPLOYEE BENEFITS: 7.65% OF SALARIES			$2,231,036
OTHER COSTS @ $56.00 PER FTE			$963,984
TOTAL OCCUPATIONAL EXTENSION			$32,358,945
BASIC SKILLS BLOCK GRANT			$34,852,389
COMMUNITY SERVICE GRANT			$1,786,927
TOTAL NON-CURRICULUM ALLOTMENT			$68,998,261
TOTAL INSTRUCTIONAL ALLOTMENT			$359,796,034
PRESIDENT'S ALLOTMENT:			
PRESIDENT'S SALARY		$5,233,836	
FICA AT 7.65%		$290,174	
RETIREMENT AT 10.10%		$528,616	
HOSPITALIZATION AT $1,735.20		$100,630	
TOTAL PRESIDENT'S ALLOTMENT			$6,153,256
ADMINISTRATIVE AND INSTRUCTIONAL SUPPORT ALLOTMENT:			
BASE ALLOTMENT - FIRST 750 FTE		$82,238,142	
ENROLLMENT ALLOTMENT @ $937.00 PER FTE IN EXCESS OF 750		$89,636,231	
TOTAL ADMINISTRATIVE & INSTRUCTIONAL SUPPORT ALLOTMENT			$171,874,373
TOTAL FORMULA ALLOTMENT			$537,823,663

Community College Literacy Programs

- More than 133,400 adults are enrolled annually inthe different literacy programs
- Approximately 12,000 literacy classes are offered at 2,700 community sites annually
- State appropriation for literacy: $29.9 million in FY98-99
- Federal funds for literacy: $5.5 million in FY 98-99
- Literacy funds are allocated to local colleges based on FTE, proportion of target population served, number of GED and Adult High School diplomas awarded. It rewards colleges for performance.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BASIC SKILLS ALLOTMENT - FY 1998-99

ATTACHMENT 4-K

COLLEGES	BASE ALLOTMENT	TARGET POPULATION 16-54 YEARS	TARGET DOLLARS $.25	GED CERT. AWARDED	GED DOLLARS $50	AHS DIPL. AWARDED	AHS DOLLARS $150	ELIGIBLE POPULATION SERVED
ALAMANCE CC	$20,000	11,339	$2,835	355	$17,750	41	6,150	11.73%
ANSON CC	20,000	8,472	2,118	175	8,750	42	6,300	9.39%
ASHEVILLE-BUNCOMBE TCC	20,000	17,940	4,485	568	28,400		0	7.83%
BEAUFORT COUNTY CC	20,000	6,401	1,600	107	5,350		0	7.96%
BLADEN CC	20,000	4,131	1,033	81	4,050	7	1,050	5.55%
BLUE RIDGE CC	20,000	8,487	2,122	325	16,250	16	2,400	8.33%
BRUNSWICK CC	20,000	5,629	1,407	122	6,100		0	5.75%
CALDWELL CC & TI	20,000	15,615	3,904	402	20,100	23	3,450	9.69%
CAPE FEAR CC	20,000	12,956	3,239	266	13,300	108	16,200	7.91%
CARTERET CC	20,000	4,619	1,155	91	4,550	57	8,550	8.95%
CATAWBA VALLEY CC	20,000	20,293	5,073	394	19,700		0	8.81%
CENTRAL CAROLINA CC	20,000	16,876	4,219	380	19,000	139	20,850	12.93%
CENTRAL PIEDMONT CC	20,000	39,233	9,808	545	27,250	224	33,600	13.37%
CLEVELAND CC	20,000	11,195	2,799	171	8,550	88	13,200	6.75%
COASTAL CAROLINA CC	20,000	9,237	2,309	265	13,250	10	1,500	17.58%
COLLEGE OF ALBEMARLE	20,000	10,764	2,691	311	15,550	77	11,550	9.37%
CRAVEN CC	20,000	6,716	1,679	140	7,000	23	3,450	10.48%
DAVIDSON COUNTY CC	20,000	20,879	5,220	216	10,800	75	11,250	6.62%
DURHAM TCC	20,000	18,878	4,720	95	4,750	102	15,300	8.27%
EDGECOMBE CC	20,000	8,932	2,233	197	9,850	49	7,350	14.30%
FAYETTEVILLE TCC	20,000	20,090	5,023	405	20,250	125	18,750	15.20%
FORSYTH TCC	20,000	24,247	6,062	418	20,900	114	17,100	8.17%
GASTON COLLEGE	20,000	34,211	8,553	630	31,500	162	24,300	5.47%
GUILFORD TCC	20,000	29,783	7,446	418	20,900	147	22,050	6.12%
HALIFAX CC	20,000	12,006	3,002	150	7,500		0	6.14%
HAYWOOD CC	20,000	4,766	1,192	134	6,700		0	9.03%
ISOTHERMAL CC	20,000	10,006	2,502	158	7,900	89	13,350	11.74%
JAMES SPRUNT CC	20,000	6,227	1,557	61	3,050	11	1,650	8.41%
JOHNSTON CC	20,000	10,118	2,530	58	2,900	104	15,600	8.59%
LENOIR CC	20,000	11,168	2,792	189	9,450	49	7,350	11.87%
MARTIN CC	20,000	5,964	1,491	49	2,450	26	3,900	8.64%
MAYLAND CC	20,000	6,143	1,536	243	12,150		0	8.02%
MCDOWELL TCC	20,000	4,977	1,244	189	9,450		0	9.22%
MITCHELL CC	20,000	12,067	3,017	296	14,800		0	8.98%
MONTGOMERY CC	20,000	4,012	1,003	44	2,200		0	6.00%
NASH CC	20,000	10,063	2,516	159	7,950	22	3,300	8.74%
PAMLICO CC	20,000	1,271	318	37	1,850		0	6.99%
PIEDMONT CC	20,000	7,632	1,908	220	11,000		0	8.95%
PITT CC	20,000	10,042	2,511	238	11,900	33	4,950	12.64%
RANDOLPH CC	20,000	16,139	4,035	257	12,850	23	3,450	6.23%
RICHMOND CC	20,000	11,338	2,835	620	31,000	31	4,650	15.79%
ROANOKE CHOWAN CC	20,000	6,094	1,524	146	7,300		0	6.76%
ROBESON CC	20,000	17,485	4,371	55	2,750	183	27,450	7.08%
ROCKINGHAM CC	20,000	12,624	3,156	128	6,400		0	6.67%
ROWAN-CABARRUS CC	20,000	23,694	5,924	229	11,450	98	14,700	4.96%
SAMPSON CC	20,000	5,807	1,452	227	11,350	2	300	7.91%
SANDHILLS CC	20,000	9,682	2,421	285	14,250		0	11.57%
SOUTHEASTERN CC	20,000	6,782	1,696	192	9,600	22	3,300	11.03%
SOUTHWESTERN CC	20,000	6,439	1,610	390	19,500	13	1,950	8.28%
STANLY CC	20,000	11,819	2,955	191	9,550	91	13,650	7.51%
SURRY CC	20,000	13,582	3,396	223	11,150		0	6.56%
TRI COUNTY CC	20,000	4,403	1,101	129	6,450		0	4.16%
VANCE-GRANVILLE CC	20,000	19,092	4,773	418	20,900	11	1,650	7.38%
WAKE TCC	20,000	25,343	6,336	513	25,650	64	9,600	16.45%
WAYNE CC	20,000	10,595	2,649	158	7,900	43	6,450	11.90%
WESTERN PIEDMONT CC	20,000	12,261	3,065	541	27,050	27	4,050	14.43%
WILKES CC	20,000	15,767	3,942	114	5,700	68	10,200	5.35%
WILSON TCC	20,000	8,714	2,179	110	5,500	70	10,500	10.31%
TOTAL	$1,160,000	721,045	$180,272	14,228	$711,400	2,709	$406,350	9.17%

Ten (10) percent of the Federal Allotment must be expended for instructor training. This amount is included as part of the "Total Basic Skills Allotment", and is reflected in the last column of the computation sheet for INFORMATION ONLY.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BASIC SKILLS ALLOTMENT - FY 1998-99

ATTACHMENT 4-K

COLLEGES	10,000 LEVEL OF EFFORT	*FTE	STATE ALLOTMENT $1,944	SUPPLEMENTAL FEDERAL ALLOTMENT $408.77	TOTAL BASIC SKILLS ALLOTMENT	REQUIRED INSTRUCTOR TRAINING
ALAMANCE CC	$25,600	229	445,369	93,607	$611,311	$9,361
ANSON CC	2,200	164	318,954	67,037	425,359	6,704
ASHEVILLE-BUNCOMBE TCC	0	287	558,170	117,316	728,371	11,732
BEAUFORT COUNTY CC	0	191	371,465	78,074	476,489	7,807
BLADEN CC	0	38	73,904	15,533	115,570	1,553
BLUE RIDGE CC	0	138	268,388	56,410	365,570	5,641
BRUNSWICK CC	0	152	295,616	62,132	385,255	6,213
CALDWELL CC & TI	5,200	234	455,093	95,651	603,398	9,565
CAPE FEAR CC	0	275	534,832	112,410	699,981	11,241
CARTERET CC	0	143	278,113	58,453	370,821	5,845
CATAWBA VALLEY CC	0	163	317,009	66,629	428,411	6,663
CENTRAL CAROLINA CC	37,600	672	1,306,934	274,690	1,683,293	27,469
CENTRAL PIEDMONT CC	42,000	706	1,373,059	288,588	1,794,305	28,859
CLEVELAND CC	0	187	363,686	76,439	484,674	7,644
COASTAL CAROLINA CC	84,100	206	400,638	84,206	606,003	8,421
COLLEGE OF ALBEMARLE	2,000	230	447,314	94,016	593,121	9,402
CRAVEN CC	13,100	114	221,712	46,599	313,540	4,660
DAVIDSON COUNTY CC	0	163	317,009	66,629	430,908	6,663
DURHAM TCC	0	343	667,081	140,206	852,057	14,021
EDGECOMBE CC	51,300	307	597,067	125,491	813,291	12,549
FAYETTEVILLE TCC	60,300	694	1,349,721	283,683	1,757,727	28,368
FORSYTH TCC	0	414	805,165	169,229	1,038,456	16,923
GASTON COLLEGE	0	310	602,901	126,717	813,971	12,672
GUILFORD TCC	0	366	711,813	149,608	931,817	14,961
HALIFAX CC	0	171	332,568	69,899	432,969	6,990
HAYWOOD CC	0	72	140,029	29,431	197,352	2,943
ISOTHERMAL CC	25,700	129	250,885	52,731	373,068	5,273
JAMES SPRUNT CC	0	121	235,326	49,461	311,044	4,946
JOHNSTON CC	0	281	546,501	114,863	702,394	11,486
LENOIR CC	27,000	334	649,578	136,528	852,698	13,653
MARTIN CC	0	164	318,954	67,037	413,832	6,704
MAYLAND CC	0	85	165,312	34,745	233,743	3,475
MCDOWELL TCC	500	158	307,285	64,585	403,064	6,459
MITCHELL CC	0	107	208,098	43,738	289,653	4,374
MONTGOMERY CC	0	41	79,739	16,759	119,701	1,676
NASH CC	0	187	363,686	76,439	473,891	7,644
PAMLICO CC	0	33	64,180	13,489	99,837	1,349
PIEDMONT CC	0	118	229,491	48,234	310,633	4,823
PITT CC	34,700	163	317,009	66,629	457,699	6,663
RANDOLPH CC	0	205	398,693	83,797	522,825	8,380
RICHMOND CC	66,200	422	820,724	172,499	1,117,908	17,250
ROANOKE CHOWAN CC	0	113	219,767	46,190	294,781	4,619
ROBESON CC	0	467	908,242	190,893	1,153,706	19,089
ROCKINGHAM CC	0	98	190,595	40,059	260,210	4,006
ROWAN-CABARRUS CC	0	204	396,748	83,388	532,210	8,339
SAMPSON CC	0	296	575,674	120,994	729,770	12,099
SANDHILLS CC	24,000	259	503,714	105,870	670,255	10,587
SOUTHEASTERN CC	18,600	241	468,707	98,512	620,415	9,851
SOUTHWESTERN CC	0	102	198,374	41,694	283,128	4,169
STANLY CC	0	139	270,333	56,818	373,306	5,682
SURRY CC	0	128	248,940	52,322	335,808	5,232
TRI COUNTY CC	0	32	62,235	13,080	102,866	1,308
VANCE-GRANVILLE CC	0	203	394,803	82,979	525,105	8,298
WAKE TCC	72,800	655	1,273,872	267,741	1,675,999	26,774
WAYNE CC	27,300	291	565,949	118,951	749,199	11,895
WESTERN PIEDMONT CC	52,600	401	779,882	163,915	1,050,562	16,392
WILKES CC	0	157	305,340	64,176	409,358	6,418
WILSON TCC	11,400	170	330,628	69,494	449,701	6,949
TOTAL	$684,200	13,473	$26,202,874	$5,507,293	$34,852,389	$550,732

Ten (10) percent of the Federal Allotment must be expended for instructor training. This amount is included as part of the "Total Basic Skills Allotment", and is reflected in the last column of the computation sheet for INFORMATION ONLY.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BASIC SKILLS ALLOTMENT - FY 1998-99

COLLEGES	FY 1997-98 BASIC SKILLS ALLOTMENT	FY 1998-99 BASIC SKILLS ALLOTMENT	INCREASE/ (DECREASE)
ALAMANCE CC	$617,025	$611,311	($5,714)
ANSON CC	421,942	425,359	3,417
ASHEVILLE-BUNCOMBE TCC	681,565	728,371	46,806
BEAUFORT COUNTY CC	508,475	476,489	(31,986)
BLADEN CC	144,211	115,570	(28,641)
BLUE RIDGE CC	343,348	365,570	22,222
BRUNSWICK CC	377,838	385,255	7,417
CALDWELL CC & TI	585,141	603,398	18,257
CAPE FEAR CC	687,879	699,981	12,102
CARTERET CC	363,957	370,821	6,864
CATAWBA VALLEY CC	437,502	428,411	(9,091)
CENTRAL CAROLINA CC	1,647,905	1,683,293	35,388
CENTRAL PIEDMONT CC	1,742,379	1,794,305	51,926
CLEVELAND CC	524,820	484,674	(40,146)
COASTAL CAROLINA CC	643,266	606,003	(37,263)
COLLEGE OF ALBEMARLE	492,628	593,121	100,493
CRAVEN CC	296,350	313,540	17,190
DAVIDSON COUNTY CC	428,279	430,908	2,629
DURHAM TCC	815,413	852,057	36,644
EDGECOMBE CC	669,017	813,291	144,274
FAYETTEVILLE TCC	1,707,914	1,757,727	49,813
FORSYTH TCC	953,783	1,038,456	84,673
GASTON COLLEGE	786,081	813,971	27,890
GUILFORD TCC	905,814	931,817	26,003
HALIFAX CC	452,911	432,969	(19,942)
HAYWOOD CC	188,265	197,352	9,087
ISOTHERMAL CC	370,038	373,068	3,030
JAMES SPRUNT CC	371,805	311,044	(60,761)
JOHNSTON CC	687,685	702,394	14,709
LENOIR CC	830,180	852,698	22,518
MARTIN CC	430,328	413,832	(16,496)
MAYLAND CC	243,264	233,743	(9,521)
MCDOWELL TCC	399,491	403,064	3,573
MITCHELL CC	295,196	289,653	(5,543)
MONTGOMERY CC	119,559	119,701	142
NASH CC	483,085	473,891	(9,194)
PAMLICO CC	100,303	99,837	(466)
PIEDMONT CC	325,966	310,633	(15,333)
PITT CC	354,455	457,699	103,244
RANDOLPH CC	512,449	522,825	10,376
RICHMOND CC	1,086,494	1,117,908	31,414
ROANOKE CHOWAN CC	324,748	294,781	(29,967)
ROBESON CC	1,086,295	1,153,706	67,411
ROCKINGHAM CC	271,917	260,210	(11,707)
ROWAN-CABARRUS CC	550,758	532,210	(18,548)
SAMPSON CC	659,734	729,770	70,036
SANDHILLS CC	684,346	670,255	(14,091)
SOUTHEASTERN CC	620,101	620,415	314
SOUTHWESTERN CC	249,888	283,128	33,240
STANLY CC	372,012	373,306	1,294
SURRY CC	329,417	335,808	6,391
TRI COUNTY CC	76,906	102,866	25,960
VANCE-GRANVILLE CC	530,453	525,105	(5,348)
WAKE TCC	1,452,079	1,675,999	223,920
WAYNE CC	765,957	749,199	(16,758)
WESTERN PIEDMONT CC	1,025,421	1,050,562	25,141
WILKES CC	404,536	409,358	4,822
WILSON TCC	440,606	449,701	9,095
TOTAL	$33,879,180	$34,852,389	$973,209

Community Services Block Grant

- Purpose of the program is to provide community interest, non-credit classes, especially for senior citizens
- Block Grant was created to reduce the state's funding for hobby and leisure courses
- Previously was funded by same FTE system used for credit courses
- Was combined with Visiting Artist Program in 1991 and both were cut in half
- 98-99 Authorized Budget: $ 1, 821,384

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
COMPARISON OF ORIGINAL BUDGET AND YEAR END EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 1998
STATE WIDE BUDGET

	Original Formula Budget	Actual Expenses Through 6/30/98	Expenses Greater (Less) Than Original Budget
CURRICULUM			
Salaries	$271,367,029	$247,762,404	($23,604,625)
Other Cost	11,289,075	18,174,439	6,885,364
NON-CURRICULUM			
Salaries	30,032,219	29,414,303	(817,916)
Other Cost	951,888	3,580,404	2,628,516
LITERACY	33,879,180	36,647,107	2,767,927
COMMUNITY SERVICE	1,786,927	1,800,350	13,423
ADMIN/INSTITI. SUPPORT			
Salaries	150,973,491	169,976,262	19,002,771
Other Cost	22,793,892	29,625,027	6,831,135
Other Non-Formula	30,789,424	15,621,141	(15,168,283)
TOTAL CURRENT OPERATING	**$553,863,125**	**$552,601,437**	**($1,261,688)**

RESEARCH BRIEF

A publication of the Planning and Research Section, North Carolina Community College System

February 1999 *No. 1999-01*

FACULTY SALARIES AND EMPLOYMENT

North Carolina community college faculty are employees of the local community college whose salaries are funded primarily from State allocations. A few colleges have local faculty salary supplements, and a small number of faculty are paid from other sources, such as grants. Salaries are affected by many factors, a few of which are the local labor market, local personnel policies, work assignments, number of months employed, and performance. This research brief presents data for the last two years on the number of full-time faculty and average salaries based upon the Staff Information files submitted by the community colleges each fall.

The North Carolina Community College System employed 4,221 full-time curriculum faculty (including both permanent and temporary) in fall of 1998, an increase of 4.2% from the previous fall when 4,051 were employed.

Limiting the 1998 faculty population to full-time permanent faculty, the total number of faculty drops to 4,202. Of these faculty, 3,687 were employed as full-time permanent faculty in fall of 1997, for a one-year retention of 91.6%. The 515 new faculty hired in 1998 have an average monthly salary of $3,038, much lower than the 1998 average monthly salary of $3,659 for those faculty employed both years. There were 339 faculty who did not return in fall 1998 as full-time faculty in the community colleges. The fall 1997 data show that these faculty had an average monthly salary of $3,532 as compared to $3,492 for the 3,687 faculty who were retained. This analysis supports the hypothesis that faculty who leave the system, in some cases for retirement, earned higher salaries than those retained. It also shows that new faculty earn much lower salaries, on the average, than experienced faculty.

Table 1
Average Monthly Salary from State Funds for Full-Time, Curriculum Faculty
Based on Employment Status in 1997-98 and 1998-99
With the North Carolina Community College System
(Omitting Catawba Valley CC, Gaston College, Robeson CC Due to Incorrect Data)

	Number of Faculty	Average Monthly Salary, 1997-98	Average Monthly Salary, 1998-99
Left Faculty Employment after 1997-98	339	$3,532	—
New Faculty Hire in 1998-99	515	—	$3,038
Employed as Faculty Both Years	3,687	$3,492	$3,659

Salaries of full-time permanent faculty who were employed the same number of months both in 1997-98 and 1998-99 were compared to determine the average increase in monthly salary. When all sources of salary (local, Federal, State, etc.) are included, the average increase is 5.03%. When only State funds are

included, the average increase is 4.92%. This analysis shows that, on the average, the community colleges gave more than the 3% legislative increase to those faculty who were retained from 1997 to 1998 and employed for the same number of months. (The bonuses are not included in the reported salaries.)

In 1998, 70% of the full-time faculty are employed on a 12-month basis, with an annual State salary of $44,545. Another 21% are employed as 9-month faculty, with an annual State salary of $32,711. Another 7.5% are on 10-month employment contracts, with an average State salary of $35,902, and the remaining are on 11-month contracts, at an average annual State salary of $37,831. (For the 5% of faculty with contracts having partial months, the length of employment is rounded to the nearest whole.)

Table 2
Average State Salaries for Full-time Faculty by Employment Period

Length of Employment	Number of Faculty, 1998-99	Percent of Total Faculty, 1998-99	1998-99 Average Annual State Salary	Percent of Instructional Unit Allotment of $42,201	Number Employed 1997 and 1998 for Same Number of Months	Average Percent Increase in Monthly Salary
9-month	891	21.1%	$32,711	77.5%	436	6.24%
10-month	316	7.5%	$35,902	85.1%	153	5.64%
11-month	69	1.6%	$37,831	89.6%	29	5.82%
12-month	2,945	69.8%	$44,545	105.6%	2,396	4.63%

When salaries for the 1998-99 year are converted to nine months for the purpose of comparing with the SREB states and with national data, the average North Carolina community college faculty earns $33,027 from all sources, an increase of $821 from the previous year. Relative to other states, North Carolina community college faculty earn monthly salaries that rank at the bottom. However, almost four in five of North Carolina community college faculty work more than nine months, increasing their **annual** earnings.

Source of data: Staff Information files submitted to the North Carolina Community College System Office. Data analysis by Research and Planning and Information Services sections.

Dr. Brenda Rogers
Vice President, Administration
N.C. Community College System
200 W. Jones Street
Raleigh, NC 27603-1337
(919) 733-7051

Planning & Research
N.C. Community College System

Keith Brown, Associate Vice President
Dr. Larry Gracie, Associate Director for Institutional Effectiveness
Terry Shelwood, Associate Director for Institutional Assessment
Dr. Xiaoyun Yang, Coordinator of Research Projects
Brenda Splawn, Research Technician
Vivian Barrett, Office Assistant

Affirmative Action/Equal Opportunity Employer
200 copies of this document were printed at a cost of $6.00

MULTI-CAMPUS FUNDING
ALLOCATION OF $650,000 FOR 1998-99

COLLEGE	CAMPUS	EQUAL AMOUNT OF SUPPLEMENTAL FUNDING	PRO RATA SHARE FOR SITES OPERATING < 1 YEAR
Caldwell CC & TI	Watauga Cty	$52,000	
Central Carolina CC			
	Chatham Cty	52,000	
	Harnett Cty	52,000	
Central Piedmont CC			
	North	52,000	
	South	52,000	
	Southwest		$26,000
College of Albemarle	Dare Cty	52,000	
Edgecombe	Rocky Mount	52,000	
Guilford TCC	Greensboro	52,000	
Rowan-Cabarrus	Cabarrus Cty	52,000	
Vance-Granville			
	Franklin Cty	52,000	
	Granville Cty	52,000	
Wake	AHEC	52,000	
TOTALS		**$624,000**	**$26,000**
			$650,000

New and Expanding Industry Program (NEIT)

- Created in 1958, each year the NEIT program works with approximately 200 new and expanding companies across the state to support training for more than 20,000 citizens.
- Companies creating 12 or more production jobs in excess of their previous 3 year maximum employment level are eligible for assistance.
- Industrial training specialists visit company operations and study the job skills, work schedules and production processes in order to design a training program tailored to the specific needs of the company.
- The program pays for instructor wages, travel expenses, training materials, temporary training facilities and development of customized training media products.
- The program spent $7.7 million in FY 97-98 and trained 22,976 workers. Approximately 69% of the training was provided by industry employees rather than community college instructors.
- Major changes were made in the accountability of this program over the last 2 years and has resulted in better guidelines for the use of these funds. The State Board reports on expenditures by college and industry twice a year.

Focused Industrial Training Program

- Provides customized small enrollment classes to companies that are changing the skills needed in their workforce and are not available through occupational extension classes

- Since 1981 more than 122,758 workers in over 11,774 companies have participated in the FIT program

- 36 colleges receive an average grant of $82,000 to operate their FIT centers. Allocations are base on the number of manufacturing jobs in the college's service delivery area.

- The emphasis is on making companies more competitive by modernizing their production efforts. The primary industries served are in metal working, textiles, industrial maintenance and production technology.

- The FIT budget is a combination of state appropriations of $1,962,032 and Worker Training Trust Fund money fo $1,745,000.

Small Business Center Network (SBCN)

- Goal of the program is to increase the success rate and the number of profitable small businesses by providing high quality, readily accessible assistance to prospective and existing small business owners and employees.

- Each center receives a grant of approximately $61,000

- Total statewide appropriation FY98-99: $3,686,442

- SBCN provides the following services:
  * Business seminars, workshops and short courses
  * Individualized business counseling
  * Is a referal for other state, federal or local services
  * Resources such as publications, audio/video tapes, computer software, and Internet access

Human Resources Development (HRD) Program

- The program was created in 1973 to strengthen the employment and educational opportunities of adults who were unemployed or underemployed, especially those receiving public assistance.

- Provides assessment, orientation and motivation, job search assistance, academic preparation, short term skills training and job keeping strategies.

- Each program's funding depends on its success as determined by the increase in students' income and decreases in their public assistance payments.

- Since 1975 HRD programs have generated a total income increase of more than $200 million and decreased public assistance payments by more than $27 million. It has provided training to approximately 162,000 students.

- FY98-99 budget: $6,649,520

Special Allotments for High Cost Programs

1998 Allocations

- The General Assembly created a special allotment program in 1987 to supplement the FTE earnings of certain high cost programs in order to make them economically feasible to operate. These programs receive a "weighted FTE factor" ranging from 1.2 to 2.25.

- The total funding for this program is $2,055,716 in FY98-99

- The following programs receive these allotments:
  * Cape Fear CC: Marine Tech $494,385 (2.00 weight)

  * Haywood CC:
    - Sawmill program: $161,040 (2.2 weight)
    - Robotics program: $619,724 (2.2 weight)

  * Johnston CC: Truck Driver Training: $239,875 (1.2 weight)

  * Wilson TCC: Heavy Equip. Operator: $411,637 (2.25 weight)

  * Caldwell CC: Truck Driver Training: $129,055 (1.2 weight)

Nursing Program Special Funds

- Hospital-Based Diploma Nursing Funds are allocated to five hospitals to supplement the cost of training nurses. The programs must be accredited by the N.C. Board of Nursing and operated under the authority of a licensed non-profit or public hospital. The annual appropriation is $200,000.

- Disadvantaged Nursing Funds of $80,000 a year are allocated to colleges to provide additional academic support services for tutors, peer counseling and testing materials in order to increase the number of disadvantaged students enrolled in nursing programs.

- Nursing Special Allotment funds are distributed based on the college's number of FTE nursing students in order to provide additional funds for this high cost program. The appropriation is $410,000 annually.

State Board Reserve Fund

- Created in 1986 and modified in a special provision in 1996, the General Assembly appropriates funds to the State Board of Community Colleges for the following types of projects:

  * Feasibility studies
  * Pilot projects
  * Start-up of new programs
  * Innovative ideas

- The FY98-99 budget is $1,150,000

- The State Board of Community Colleges is required by law to report twice a year on the projects funded from this reserve.

STATE BOARD PROJECTS AWARDED
July 1, 1997 - June 30, 1998

		Date Approved	Budget	Expended	Balance
College Projects					
START-UP OF NEW PROGRAMS:					
1	Beaufort Community College	Oct-97	$130,000	$129,913	$87
2	Caldwell Community College	Oct-97	$50,000	$49,134	$866
3	Fayetteville Technical Community College	Oct-97	$14,029	$14,028	$1
4	Forsyth Community College	Oct-97	$20,050	$19,893	$157
5	Guilford Technical Community College	Oct-97	$50,000	$50,000	$0
6	Lenoir Community College	Oct-97	$50,000	$44,425	$5,575
7	Southeastern Community College	Oct-97	$50,000	$49,293	$707
8	Wake Technical College	Oct-97	$50,000	$48,281	$1,719
			$414,079	$404,967	$9,112
PILOT PROJECTS:					
9	Alamance Community College	Sep-97	$50,000	$47,782	$2,218
10	Catawba Valley Community College	Sep-97	$50,000	$49,799	$201
11	Gaston College	Sep-97	$10,940	$5,682	$5,258
12	James Sprunt Community College	Sep-97	$38,000	$37,964	$36
13	Martin Community College	Sep-97	$26,417	$13,247	$13,170
14	Nash Community College	Sep-97	$31,548	$20,088	$11,460
15	Piedmont Community College	Sep-97	$49,000	$44,823	$4,177
16	Pitt Community College	Sep-97	$42,720	$40,159	$2,561
17	Southeastern Community College	Sep-97	$45,085	$44,285	$800
18	Stanly Community College	Sep-97	$46,686	$46,585	$101
			$390,396	$350,414	$39,982
INNOVATIVE IDEAS:					
19	Blue Ridge Community College	Sep-97	$38,955	$14,201	$24,754
20	Halifax Community College	Sep-97	$14,302	$13,994	$308
21	Sandhills Community College	Sep-97	$45,323	$41,615	$3,708
			$98,580	$69,810	$28,770
FEASIBILITY STUDY:					
22	Mayland Community College	Mar-98	$44,600	$44,559	$41
	Total Grants to Colleges		**$947,655**	**$869,750**	**$77,905**
	State Level Projects:				
23	NCACC Pres Professional Dev Pgm	Oct-97	$10,000	$2,100	$7,900
24	NCCCS - Virtual Community College	Oct-97	$50,000	$5,029	$44,971
25	NCCCS - (Contract Programmers)	Sep-97	$84,000	$84,000	$0
26	NCCCS - (Education Guide Printing)	Oct-97	$64,750	$52,470	$12,280
27	NCCCS - (Access to Library Resource)	Sep-97	$50,000	$0	$50,000
28	NCCCS - (Contract Programmers)	Mar-98	$60,775	$23,700	$37,075
	State Level Total		$319,525	$167,299	$152,226
	Total - State Board Reserve		**$1,267,180**	**$1,037,049**	**$230,131**
	Unbudgeted Balance		**$12,820**		
	Certified Budged Appropriation 1997-98		**$1,280,000**		

Projects Carried Over From 1996-97 and Expended During 1997-98:

MGT of America, Inc	Sep-96	$90,510	$69,135	$21,375
Fayetteville Community College	Jan-97	$17,526	$17,526	$0
NCCCS - (Contract Programmers)	Sep-96	$44,338	$44,338	$0
		$152,374	$130,999	$21,375

* Due to the late passage date of Senate Bill 352, Board Reserve Funds were not allotted until later than usual and projects generally did not get underway until late in the second fiscal quarter.

Expenditures are as of the close of the fiscal year 6/30/98.

STATE BOARD RESERVE PROJECTS

The 1996 Session of the General Assembly amended G.S. 115-5 to clarify the use of the State Board Reserve Fund. The change in the statute requires the State Board to report semi-annually on the expenditures made from State Board reserve funds. The specific language is as follows:

> Chapter 18, House Bill 53, Section 17.7 (a) G.S. 115D is amended by adding a new subsection to read:
>
> > "(I) The State Board of Community Colleges shall use its Board Reserve Fund for feasibility studies, pilot projects, start-up of new programs, and innovative ideas. The State Board shall report to the joint Legislative Education Oversight Committee on expenditures from the State Board Reserve Fund on January 15 and June 15 each year."

The outcomes of each project are due to the Department on August 31 and will be presented to the State Board separately from this report. In compliance with the requirements of the amended statute, the following is presented for approval to be forwarded to the Legislative Education Oversight Committee:

Brief Description of Projects

START-UP OF NEW PROGRAMS:

1. New educational program for students at the Hyde Correctional Institution. (**Beaufort CC**)

2. Support start-up program for Speech/Language Pathology Assistant Program. (**Caldwell CC& TI,** Catawba Valley CC, Mitchell CC, Western Piedmont CC, Wilkes CC)

3. To upgrade North Carolina Information Highway Classroom. (**Fayetteville TCC**)

4. Fund start-up for Speech/Language Pathology Assistant Program. (**Forsyth TCC**)

5. Start-up funds for Piedmont Triad Physical Therapist Assistant Program. (**Guilford CC,** Alamance CC, Davidson CC, Forsyth TCC, Randolph CC, Rockingham CC, Surry CC)

6. Fund start-up for Dialysis Technology Program. (**Lenoir CC**)

7. Start-up costs to develop an Environmental Science Technology Program. (**Southeastern CC**)

8. Start-up costs to develop a Telecommunications and Network Engineering Technology Program. (**Wake TCC**)

PILOT PROJECTS:

9. To reduce student attrition through advising and learning plans. (**Alamance CC**)

10. Initiate Northwest Health-Dental Hygiene program in 9 western counties. (**Catawba Valley CC,** Caldwell CC & TI, Mitchell CC, Western Piedmont CC, Wilkes CC)

11. Train education major tutors to assist first graders with reading skills. (**Gaston College**)

12. Establish a community leadership program by developing specific skills for economic growth. (**James Sprunt CC**, Lenoir CC, Sampson CC)

13. Coordinate assessment, training, referral, and direct recruitment for CCARE project. The project is intended to move adults from unemployment to employment. (**Martin CC**)

14. Expand health career training and minority workforce development. (**Nash CC**, Edgecombe CC, Halifax CC, Wilson TCC)

15. Create a Math/English Resources Center. (**Piedmont CC**)

16. Assess student learning styles and adjust learning environment. **(Pitt CC**, Davidson CC, Durham TCC, Forsyth TCC, Halifax CC, Southeastern CC, Wilkes CC)

17. Start-up costs to develop a Gerontology curriculum and create an adult day care facility. **(Southeastern CC)**

18. Design and implement a Student Success Center, incorporating functions of instruction and student development. **(Stanly CC)**

INNOVATIVE IDEAS:

19. Hold a leadership workshop to address changes in the community college system. **(Blue Ridge CC)**

20. To write a test integrating reading selections, student writing activities, and teaching materials. **(Halifax CC**, Edgecombe CC, Martin CC, Pitt CC)

21. Train faculty through an LRC-based center, computer-based presentation technology. **(Sandhills CC)**

FEASIBILITY STUDY:

22. Study the feasibility and regional need for Physician Assistant Program, Emergency Medical Science Program, Horticulture Technology Program, and Associate in Science Program. **(Mayland CC)**

STATE LEVEL PROJECTS:

23. Professional development program for presidents of North Carolina Community Colleges.

24. **NCCCS - (Virtual Community College)** A collaborative feasibility study conducted by System Office Staff and technology committee of the N.C. Association of Community College Presidents for planning and preparation for the Virtual Community College in North Carolina.

25. **NCCCS - (Contract Programmers)** Cost of contract programming associated with conversion of the system to the semester system.

26. **NCCCS - (Education Guide Printing)** Cost of publishing the comprehensive education guide for the entire North Carolina Community College System.

27. **NCCCS - (Expand Access to Library Resources)** Funds to purchase appropriate hardware and software to provide expanded access to community college combined library resources via the Internet.

28. **NCCCS - (Contract Programmers)** Cost of contract programming with development of software for the collection, analysis, and reporting of data on students in developmental programs and prison programs. Also, for the development of program audit software to enhance auditing capability.

STATE BOARD RESERVE FUND
1997-1998 Grants to Colleges
Project Descriptions

F=Feasibility Studies; I=Innovative Ideas; P=Pilot Projects; S=Start-Up
(Definitions of the above terms can be found at the end of this document.)

Note: Start-Up Funds are used primarily for high-cost equipment needs and educational materials.

Alamance Community College (P)- *The Guided Role Assimilation Scholastic Program*, or GRASP, emphasizes campus-wide concerted support and counseling by advisors, teachers, and student support personnel to all students who accept this service. The purpose is to retain students by building an individualized academic foundation that will ensure successful transition into college and the eventual satisfaction of educational objectives. Funds will be used for salary and benefits for a coordinator and four student assistants, and release time for participating faculty. **$50,000**

Beaufort County Community College (Special Provision)- Senate Bill 352 specified that **$130,000** of the State Board Reserve Funds be used to fund the new program at Beaufort County Community College for prisoners at the Hyde County Correctional Institute.

Bladen Community College (P)- *The Bladen Center for Swine Management, Meat Processing, and Environmental Protection* will be a specialized center promoting workforce development, distributing and using the results of research, addressing environmental protection, and promoting quality of life management. The Center's components will be a Swine Management Degree Program, a Meat Processing Certificate Program, an Environmental Certificate Program, specialty courses and seminars to support food processing employees, and a cooperative effort in research and development. Funds would go toward salaries and supplies for FY 1997-1998. **$50,000 (All funds reverted in 1998.)**

Blue Ridge Community College (I)- *The First NC Great Leaders Retreat* will analyze problems and issues inherent in community college administration and leadership. It will develop realistic, creative responses and solutions. It will renew energies and commitment to college administrators and expand networking with the sharing of knowledge and skills. Funds will be used for a facilitator's contract, travel expenses for participants, with food and lodging, and educational supplies. **$38,955**

Caldwell Community College and Technical Institute (with Catawba Valley, Mitchell, Western Piedmont, Wilkes) (S)- Start-up support funds for the *Speech Language Pathology Assistant Program.* **$50,000**

Catawba Valley Community College (with Caldwell, Mitchell, Western Piedmont, Wilkes) (P)- *Northwest Allied Health Project/Dental Hygiene Program Initiation.* A nine-county allegiance in northwest NC, including the collaborative efforts of five community colleges,

plans to use the funds to study the worthiness of a Dental Hygiene curriculum, housed at Catawba Valley but supported by the general and related college courses at four surrounding institutions. Funds will hire a department head and set up an office at the host college. **$50,000**

Fayetteville Technical Community College (S)- Start-up support funds to *Upgrade the Fayetteville Technical Community College Information Highway Classroom.* **$14,029**

Forsyth Technical Community College (Davidson County, Guilford, Randolph, Surry) (S)- Start-up support funds for the *Speech/Language Pathology Assistant Program.* **$20,050**

Gaston College (P)- *"America Read" Elementary School Mentoring Program.* Gaston College students, majoring in education and after tutor training under the direction of the director of developmental education, will get work-study experience tutoring selected first graders in local elementary schools. A preliminary project was initiated for six weeks in Spring 1997, using Federal funds, and the evaluative results in improved reading skills was remarkable. Funds are to be used for training workshops, educational materials, travel, and equipment. **$10,940**

Guilford Technical Community College (with Alamance, Davidson County, Forsyth, Randolph, Rockingham, Surry) (S)- Start-up support funds for the *Piedmont Triad Physical Therapist Assistant Program.* **$50,000**

Halifax Community College (with Edgecombe, Martin, Nash, Pitt) (I)- *Textbook Compilation for Integrated Development Reading/Writing Courses.* The host college will develop a textbook that will include appropriate reading selections, student writing activities, and teaching materials to effectively teach the competencies required in English 095, Reading and Composition Strategies. The participating colleges will field test the textbook. Once developed, this text will combine reading and writing course work in a current, work- and life-related way. Grammar and vocabulary will be taught simultaneously and will be woven into each reading and writing assignment. Salary, consultant fee, materials, workshop fees, and travel make up the budget. **$14,302**

James Sprunt Community College (with Lenoir, Sampson) (P)- This *Citizen Leadership Training Program* will involve the existing coalition of community representatives in the establishment of a fully developed community leadership program designed to incorporate the principles of the Duplin County Center for Leadership Development. This program will develop the skills for the participants to be proactive in community issues impacting on economic growth and development and create a model for community leadership training. Funds will go toward a part-time director and the subsequent supplies and travel plus consultant services and instructors for leadership training. **$38,000**

Lenoir Community College (S)- Start-up support funds for the *Dialysis Technology Program.* **$50,000**

Martin Community College (P)- *Project CCARE*, or Coordinated Career Actions and Resources for Employment, will guide the unemployed and hard-to-serve participants through the preparation process for employment, facilitate a collaborative effort among service providers to optimize the target audience's chances of employment, and provide an intensive personal

support system of service, including individual, group, and worksite counseling. Funds will hire a workforce specialist, develop a customized Basic Skills workplace curriculum, buy equipment, and cover the costs for the participants' tuition, books, and supplies for occupational skills training. **$26,417**

Mayland Community College (F)- *Feasibility Studies for Innovative and Exemplary Programming* will focus upon the Physician Assistant Program, the Emergency Medical Science Program, the Horticulture Technology Program, and the Associate in Science Program. The objectives are to determine local, state, and southeastern regional need for the four programs, the feasibility of these programs being offered at Mayland, the resources needed to implement and maintain them, and to establish a Physician Assistant Program model and standard for the community college system. Funds will be used primarily for personnel replacement costs and clerical assistance, with monies also going to travel, equipment, and materials. **$44,600**

Nash Community College (with Edgecombe, Halifax, Wilson Tech) (P)- Health CEED, or *Health Careers Enrichment and Educational Development*, is designed to increase the presence of under represented groups in health careers and sciences, with special emphasis on the recruitment and assistance to racial and ethnic minorities and women. Students who have an interest in health careers will be placed with health care professionals who will serve as mentors. Student and mentor stipends (to increase the number of students who can be selected and to increase the activities and programs), equipment and supplies, as well as travel and library equipment make up the budget. **$31,548**

Piedmont Community College (P)- PCC will establish a *Contextual Curriculum for Re-Engineered Math and English Courses*. A resource center will be created to provide concrete, experience-based, laboratory experiences and projects for students in the newly re-engineered math and English courses. Faculty will deliver self-directed, context-driven, technology-mediated experiential learning activities. This concept will answer PCC's need for new learning theories and technologies. Funds will go toward faculty release time for development efforts, equipment, curriculum materials, software and software support. **$49,000**

Pitt Community College (P)- *Enhancing Student Performance Through Learning Style Analysis*. The objective of this project is to increase academic achievement among students in the NCCC System by assessing their learning style preferences and adjusting the learning environment based on this assessment. This will test the effectiveness of learning style analysis on student performance. A sample population will be selected from developmental education students, a learning style inventory will be administered, involved faculty will receive professional development training in the utilization and interpretation of the Learning Style Inventory, intervention strategies will be studied, and an assessment of student progress will be made. Some of the replacement cost for a project director, as well as some of the travel and supplies, will be funded. **$42,720**

Sandhills Community College (I)- *High Tech Classroom: Instruction in the 21st Century*. The goals of this project are to establish a center for the development and use of computer-based presentation technology, i.e., from the Internet, CD-ROM, digital technology, for use by teachers at Sandhills and eventually the system and to provide training for faculty, allowing them to master the use of the presentation system to develop their own presentations into high-tech

classroom instruction. Funds will be used to hire a project director, buy equipment and supplies, and handle travel expenses. **$45,323**

Southeastern Community College (P)- *Gerontology Curriculum Development.* This project sets up an Adult Day Care Center on campus and hires a director who will perform the initial curriculum development and prepare the approval process documentation for a Gerontology diploma and associate degree program. Students enrolled in nursing, physical therapy, occupational therapy, and the gerontology programs will assist in the Center as part of their curriculum. The facility will be operated by college personnel and budget calls for a curriculum developer/director, some equipment, supplies, and workshop expenses. **$45,085**

Southeastern Community College (with Bladen, James Sprunt, Robeson) (S)- Start-up support funds for the *Environmental Science Technology* Program. **$50,000**

Stanly Community College (P)- A *Student Success Center: Honoring Commitment to Student Achievement* will encompass numerous functions in one centrally located area. It will be a joint effort between the divisions of Instruction and Student Development, and its purpose would be to retain students and provide support as students work to improve their skills in reading, math, science, English, and ESL. Tutoring in curriculum and developmental classes, career planning resources and services, assistance in learning style comprehension are some of the areas involved. Major funds would go for a lab manager/instructor, equipment, and educational materials. **$46,686**

Wake Technical Community College (S)- Start-up support funds for *Telecommunications and Network Engineering Technology.* **$50,000**

State-Level Projects:

NCACC Presidents Professional Development Program. $10,000
NCCCS Virtual Community College Project (College of the Albemarle, Fayetteville Technical Community College) (P)- A project to explore and plan the administrative structure for the Virtual Community College, and to plan and begin development of software for the Internet-based interface with students throughout the state. **$50,000**
NCCCS (Contract Programmers) - Reengineering funds. **$84,000**
NCCCS Education Guide - Printing costs. **$64,750**
NCCCS Dynix - Thirty-six (36) community colleges, participating members of the NCCCS Dynix Automation Center (DAC), will use the funds to provide expanded access to community college combined library resources via the Internet. Faculty will be able to use the DAC from their offices, students from their homes, and members of the business community from their business sites. Funds will be used to purchase the appropriate hardware and software to make access possible. **$50,000**
NCCCS System Office Projects (Approved 3/98) -
Developmental Program Evaluation, Data Collection, Analysis, and Reporting System (P) - To develop a software system for collection, analysis, and reporting of data on students in developmental programs **$14,025**;
Prison Programs Accountability (P) - For the completion of additional software development for the collection and analysis of prison program data and effectiveness **$17,600**;

Program Audit Software for Use by Program Auditors and Colleges (P) - Development of program audit software to provide new and enhanced auditing capability to increase capability to increase efficiency at the system level and to support the work of college-level program audit personnel. **$29,150**

Definitions:

Feasibility Study- basic research that ordinarily analyzes major factors, trends, choices and practices to assist "stakeholder" communities in the effective improvement and reform of education. Such studies match policy questions to existing or conceivable program frameworks in the real world. To the extent possible, these research endeavors should produce information that could make a difference in educational practice.

Innovative Ideas- preliminary work on untested and novel ideas, ventures into emerging issues, applications of new expertise or technology and new approaches to "old" problems and multi-disciplinary work particularly crossing interinstitutional boundaries.

Pilot Project- geared to restructuring existing programs and activities or to the development of new programs and activities for educational improvement, workforce preparation, and economic development.

Start-Up Program- initiate and support programs that are vital for workforce development and require immediate resources.

Cooperative High School Education Programs

- There are two types of cooperative high school education programs operated by the community colleges:

  * "Huskins bill" classes are established just for appropriate high school students in order to receive some college credit. They are offered primarily at high schools.

  * Dual Enrollment classes are regularly taught community college credit courses that are made available to high school students, if their schedules and academic abilities permit.

- 1997-98 FTE enrollments:

  * Huskins FTE: 1,942

  * Dual Enrollment FTE: 694

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
ANNUAL FTE FOR 1997-98
FALL AND SPRING SEMESTERS
HUSKINS BILL AND DUAL ENROLLED FTE REPORT

PROGRAM NUMBER CCA542HD

COLLEGE	HUSKINS FTE	DUAL ENROLLED FTE	TOTAL FTE
ALAMANCE CC	91.3	16.0	107.3
ANSON CC	.0	6.2	6.2
BEAUFORT COUNTY CC	52.3	9.7	62.0
BLADEN CC	42.6	17.2	59.8
BLUE RIDGE CC	20.3	9.6	29.9
BRUNSWICK CC	10.5	8.3	18.8
CALDWELL CC & TI	40.3	10.8	51.1
CAPE FEAR CC	.0	16.1	16.1
CARTERET CC	5.0	44.3	49.3
CATAWBA VALLEY CC	30.4	24.3	54.7
CENTRAL CAROLINA CC	169.4	1.8	171.3
CENTRAL PIEDMONT CC	28.9	50.9	79.8
CLEVELAND CC	81.8	17.0	98.8
COASTAL CAROLINA CC	.0	3.6	3.6
COLLEGE OF ALBEMARLE	22.6	14.6	37.2
CRAVEN CC	19.8	12.5	32.3
DAVIDSON COUNTY CC	101.1	13.9	115.0
DURHAM TCC	2.0	13.6	15.5
EDGECOMBE CC	138.8	12.8	151.6
FAYETTEVILLE TCC	1.7	5.0	6.7
FORSYTH TCC	.0	2.6	2.6
GASTON COLLEGE	16.1	20.2	36.3
GUILFORD TCC	4.6	2.1	6.7
HALIFAX CC	11.5	5.3	16.9
HAYWOOD CC	71.6	13.4	85.0
ISOTHERMAL CC	26.2	22.2	48.4
JAMES SPRUNT CC	42.1	8.5	50.6
JOHNSTON CC	111.8	.5	112.4
LENOIR CC	56.2	7.1	63.3
MARTIN CC	3.8	.9	4.7
MAYLAND CC	5.0	6.0	11.0
MCDOWELL TCC	44.6	2.2	46.8
MITCHELL CC	.0	6.4	6.4
MONTGOMERY CC	.4	17.9	18.3
NASH CC	66.0	3.2	69.2
PAMLICO CC	.5	.5	1.0
PIEDMONT CC	176.9	15.9	192.8
PITT CC	33.3	25.7	59.0
RANDOLPH CC	30.2	1.5	31.7
RICHMOND CC	1.5	2.0	3.5
ROANOKE-CHOWAN CC	5.8	3.1	8.9
ROBESON CC	3.0	1.3	4.3
ROCKINGHAM CC	14.1	1.8	15.9
ROWAN-CABARRUS CC	28.4	4.2	32.6
SAMPSON CC	3.4	14.1	17.4

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
ANNUAL FTE FOR 1997-98
FALL AND SPRING SEMESTERS
HUSKINS BILL AND DUAL ENROLLED FTE REPORT

PROGRAM NUMBER CCA542HD

COLLEGE	HUSKINS FTE	DUAL ENROLLED FTE	TOTAL FTE
SANDHILLS CC	13.6	12.3	26.0
SOUTHEASTERN CC	.0	11.4	11.4
SOUTHWESTERN CC	30.3	12.3	42.6
STANLY CC	8.1	7.5	15.6
SURRY CC	17.2	16.5	33.7
TRI-COUNTY CC	42.9	51.6	94.5
VANCE-GRANVILLE CC	147.1	4.6	151.7
WAKE TCC	1.8	18.2	20.0
WAYNE CC	5.6	21.5	27.1
WESTERN PIEDMONT CC	10.2	25.0	35.2
WILKES CC	22.9	15.1	38.1
WILSON TCC	26.9	.6	27.5
	1,942.3	693.7	2,635.9

Child Care Grants

- Provides funds to community colleges for child care so that students with children have better access to educational programs
- Some colleges purchase child care slots from private providers, while others operate their own child care facility on campus.
- Priority is given to single parents who are not eligible for other child care funds.
- Budget for FY98-99: $2,000,000
- Allocation: $20,000 base allotment plus $7.78 per curriculum FTE

Public Radio Funds

- Two community colleges receive state funds to operate their public radios:
  * Isothermal Community College
  * Craven Community College

- Each college receives an annual appropriation of $149,912

- Both stations are a part of the National Public Radio system operated by the Corporation for Public Broadcasting.

- Isothermal Community College's radio station also is used to provide training for students in the Radio and Television Broadcasting Technology Program at the college.

Operation and Maintenance of Plant Funds

- Three colleges currently receive an operations and maintenance of plant subsidy:
  - Central Carolina Community College: $192,493
  - College of the Alebemarle: $200,000
  - Southwestern Community College: $121,175

- Original program funded only one college that had seven counties in its service delivery area to help pay for the cost of out-of-county students.

- A later modification gave these funds to all colleges serving three or more counties.

- The current program funds only those colleges who's out-of-county student population is 50% or higher on the main campus.

- Total appropriation for FY98-99: $513,668

Center For Applied Textile Technology

- Established in 1941 as a special purpose institution to provide educational and training opportunities for students who worked in the fiber, textile, and apparel industries.

- Offers the following credentials to students:
  * Associate in Applied Science in Textile Management
  * One year Diploma program
  * Customized certificate programs designed to meet industry needs

- While the Center operates under the rules of the State Board of Community Colleges, it also has its own nine member local board of trustees appointed by the Governor.

- Provides faculty to all parts of the state for expertise in textiles as needed.

- FY98-99 budget: $1,625,790

Department of Community Colleges

- Office of the President:
  - Top statewide leadership of the Community College System
  - Budget for FY98-99: $1,985,576
  - Positions: 26.5

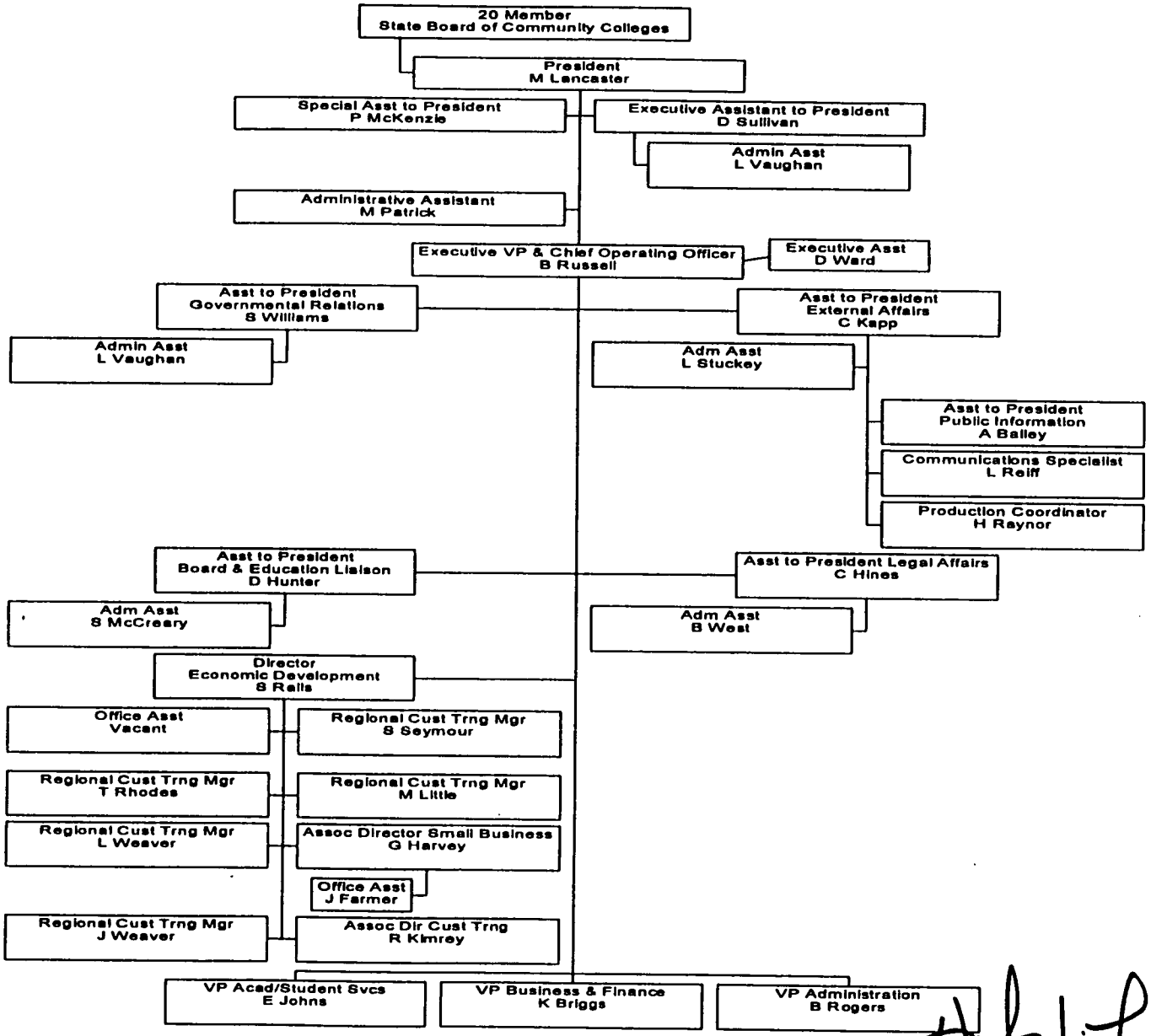
- Administrative Services:
  - Planning, information, technology and computer services, program audit staff
  - Budget for FY98-99: $4,878,367
  - Positions: 75

- Business and Finance:
  - Develop allocation formulas, oversight of fiscal matters, technical assistance to colleges, Departmental accounting function
  - Budget for FY98-99: $1,590,387
  - Positions: 32

- Academic and Student Services:
  - Program review, specialists in various categorical programs, technical assistance to colleges
  - Budget for FY 98-99: $2,139,507
  - Positions: 53

- Total Departmental Budget FY98-99: $10,593,837
- Total Positions: 186.5

OFFICE OF THE PRESIDENT



2/99

President

2-11-99
Date

STUDENT COMPLETIONS BY PROGRAM—1997–98

CODE	CURRICULUM	TOTAL
A25100	ACCOUNTING	504
C25100	ACCOUNTING	82
D25100	ACCOUNTING	20
A30100	ADVERTISING AND GRAPHIC DESIGN	205
C30100	ADVERTISING AND GRAPHIC DESIGN	33
A15100	AGRIBUSINESS TECHNOLOGY	6
A6024A	AGRICULTURAL SYSTEMS	7
A35100	A/C, HEATING & REFRIGERATION TECH	27
C35100	A/C, HEATING & REFRIGERATION TECH	167
D35100	A/C, HEATING & REFRIGERATION TECH	230
A55100	ANIMAL CARE AND MGMT TECH	4
A15120	AQUACULTURE TECH	2
A40100	ARCHITECTURAL TECH	90
C40100	ARCHITECTURAL TECH	18
A1010A	ART EDUCATION (PRE-MAJOR)	3
A45100	ASSOC DEGREE NURSING (INTEGRATED)	1,043
C45100	ASSOC DEGREE NURSING (INTEGRATED)	36
D45100	ASSOC DEGREE NURSING (INTEGRATED)	79
A45120	ASSOC DEGREE NURSING (NON-INTEGRATED)	697
D45120	ASSOC DEGREE NURSING (NON-INTEGRATED)	1
A10100	ASSOCIATE IN ARTS	1,920
A10200	ASSOCIATE IN FINE ARTS	46
A10300	ASSOCIATE IN GENERAL EDUCATION	322
A10400	ASSOCIATE IN SCIENCE	289
C60100	AUTO BODY REPAIR	23
D60100	AUTO BODY REPAIR	71
A40120	AUTOMATION/ROBOTICS TECH	8
C60140	AUTOMOTIVE RESTORATION TECH	8
A60160	AUTOMOTIVE SYSTEMS TECH	125
C60160	AUTOMOTIVE SYSTEMS TECH	75
D60160	AUTOMOTIVE SYSTEMS TECH	89
A60180	AVIATION MGT & CAREER PILOT TECH	7
C60180	AVIATION MGT & CAREER PILOT TECH	1
A60200	AVIATION SYSTEMS TECH	13
C60200	AVIATION SYSTEMS TECH	11
A2512A	BANKING AND FINANCE	13
C2512A	BANKING AND FINANCE	2
C55120	BASIC LAW ENFORCE TRNG	1,145
A3028A	BIOMEDICAL	5
A50100	BIOMEDICAL EQUIPMENT TECH	25
A20100	BIOTECHNOLOGY	3
D35120	BOAT BUILDING	4
A30120	BROADCASTING AND PROUCTION TECH	31
D30120	BROADCASTING AND PROUCTION TECH	7
A35140	BUILDING CONSTR TECH	11
A25120	BUSINESS ADMINISTRATION	952
C25120	BUSINESS ADMINISTRATION	17
D25120	BUSINESS ADMINISTRATION	12
A1010B	BUSINESS ADMINISTRATION (PRE-MAJOR)	17
A1010C	BUSINESS ED AND MKTG ED (PRE-MAJOR)	1
D35160	CABINETMAKING	18
A5034A	CAD SYSTEMS MANAGEMENT	8
A45160	CARDIOVASCULAR SONOGRAPHY	2
C45160	CARDIOVASCULAR SONOGRAPHY	1
D45140	CARDIOVASC/VASCULAR INTERVENT TECH	11
C35180	CARPENTRY	65
D35180	CARPENTRY	73
A20120	CHEMICAL TECHNOLOGY	5
A1040B	CHEMISTRY & CHEMISTRY ED (PRE-MAJOR)	2
A40140	CIVIL ENGINEERING TECH	59
A3028B	COMMERICAL PHOTOGRAPHY	19
A40160	COMPUTER ENGINEERING TECH	68
C40160	COMPUTER ENGINEERING TECH	22
A1040C	COMPUTER SCIENCE (PRE-MAJOR)	4
C6024B	CONSTRUCTION EQUIP SYSTEMS	5
D6024B	CONSTRUCTION EQUIP SYSTEMS	7
A55140	COSMETOLOGY	14
C55140	COSMETOLOGY	157
D55140	COSMETOLOGY	395
C55160	COSMETOLOGY INSTRUCTOR	7
A25140	COURT REPORTING & CAPTIONING	1
A1010D	CRIMINAL JUSTICE (PRE-MAJOR)	5
A55180	CRIMINAL JUSTICE TECHNOLOGY	695
C55180	CRIMINAL JUSTICE TECHNOLOGY	5
C45200	CT AND MRI TECHNOLOGY	13
D45200	CT AND MRI TECHNOLOGY	4
A55200	CULINARY TECHNOLOGY	100
C55200	CULINARY TECHNOLOGY	21
D55200	CULINARY TECHNOLOGY	7
C45220	CYTOTECHNOLOGY	4
C25160	DATA ENTRY	2
D45240	DENTAL ASSISTING	187
A45260	DENTAL HYGIENE	112
A45280	DENTAL LABORATORY TECH	2

CODE	CURRICULUM	TOTAL
C45280	DENTAL LABORATORY TECH	25
A5018A	DESIGN AND PRODUCT DEVELOPMENT	7
A4538A	DEVELOPMENTAL DISABILITIES	7
D45300	DIALYSIS TECHNOLOGY	9
A4032A	DRAFTING AND DESIGN	63
C4032A	DRAFTING AND DESIGN	7
D4032A	DRAFTING AND DESIGN	3
A55220	EARLY CHILDHOOD ASSOCIATE	368
C55220	EARLY CHILDHOOD ASSOCIATE	174
D55220	EARLY CHILDHOOD ASSOCIATE	50
A3526A	ELECTRICAL	2
A40180	ELECTRICAL ENGINEERING TECHNOLOGY	27
C40180	ELECTRICAL ENGINEERING TECHNOLOGY	1
A35220	ELECTRICAL/ELECTRONICS TECHNOLOGY	86
C35220	ELECTRICAL/ELECTRONICS TECHNOLOGY	144
D35220	ELECTRICAL/ELECTRONICS TECHNOLOGY	203
D45320	ELECTRONEURODIAG TECHNOLOGY	6
A50120	ELECTRONIC SERVICING TECHNOLOGY	2
C50120	ELECTRONIC SERVICING TECHNOLOGY	9
D50120	ELECTRONIC SERVICING TECHNOLOGY	76
A40200	ELECTRONICS ENGINEERING TECH	308
C40200	ELECTRONICS ENGINEERING TECH	18
D40200	ELECTRONICS ENGINEERING TECH	4
A50140	ELECTRONICS TECHNOLOGY	18
C50140	ELECTRONICS TECHNOLOGY	5
D50140	ELECTRONICS TECHNOLOGY	1
A1010P	ELEMENTARY, MIDDLE GRADES & SPECIAL	5
A45340	EMERGENCY MEDICAL SCIENCE	84
A1040D	ENGINEERING (PRE-MAJOR)	5
A50160	ENVIRONMENTAL, HEALTH & SAFETY TECH	17
C50160	ENVIRONMENTAL, HEALTH & SAFETY TECH	1
A20140	ENVIRONMENTAL SCIENCE TECH	24
A15140	EQUINE TECHNOLOGY	12
C15140	EQUINE TECHNOLOGY	12
D15140	EQUINE TECHNOLOGY	10
C50170	FACILITY MAINTENANCE WORKER	25
A30140	FILM AND VIDEO PRODUCTION TECH	5
A30160	FINE AND CREATIVE WOODWKG	5
C30160	FINE AND CREATIVE WOODWKG	2
A55240	FIRE PROTECTION TECHNOLOGY	81
C55240	FIRE PROTECTION TECHNOLOGY	1
A15160	FISH AND WLDLFE MGT TECH	6
C15180	FLORICULTURE TECHNOLOGY	8
D15180	FLORICULTURE TECHNOLOGY	12
C55250	FOODSERVICE TECHNOLOGY	128
A15200	FOREST MANAGEMENT TECH	60
A55260	FUNERAL SERVICE EDUCATION	31
C55260	FUNERAL SERVICE EDUCATION	7
D55260	FUNERAL SERVICE EDUCATION	28
A50180	FURNITURE PRODUCTION TECHNOLOGY	2
C50200	FURNITURE PRODUCTION WORKER	27
C50220	FURNITURE UPHOLSTERY	11
D50220	FURNITURE UPHOLSTERY	11
A55280	GENERAL OCCUPATIONAL TECH	117
C55280	GENERAL OCCUPATIONAL TECH	48
D55280	GENERAL OCCUPATIONAL TECH	32
A30180	GRAPHIC ARTS AND IMAGING TECH	20
C30180	GRAPHIC ARTS AND IMAGING TECH	1
D30180	GRAPHIC ARTS AND IMAGING TECH	6
C15220	GREENHOUSE AND GROUNDS MAINT	10
A30200	GUNSMITHING	9
C30210	GUNSMITHING	10
D30210	GUNSMITHING	2
C45350	HEALTHCARE TECHNOLOGY	98
A1010G	HEALTH EDUCATION (PRE-MAJOR)	1
A45360	HEALTH INFORMATION TECHNOLOGY	41
D45360	HEALTH INFORMATION TECHNOLOGY	6
C25220	HEALTH UNIT COORDINATOR	22
A25200	HEALTHCARE MGT. TECHNOLOGY	10
C25200	HEALTHCARE MGT. TECHNOLOGY	1
A60240	HEAVY EQUIPMENT & TRANSPORT TECH	9
C60240	HEAVY EQUIPMENT & TRANSPORT TECH	9
D60240	HEAVY EQUIPMENT & TRANSPORT TECH	24
C35240	HEAVY EQUIPMENT OPERATOR	2
D35240	HEAVY EQUIPMENT OPERATOR	1
A2526B	HELPDESK AND SUPPORT	2
A1010H	HISTORY (PRE-MAJOR)	1
A15240	HORTICULTURE TECHNOLOGY	67
C15240	HORTICULTURE TECHNOLOGY	99
D15240	HORTICULTURE TECHNOLOGY	5
A25240	HOTEL AND RESTAURANT MGMT	39
C25240	HOTEL AND RESTAURANT MGMT	2
A2512C	HUMAN RESOURCES MGT	13
C2512C	HUMAN RESOURCES MGT	7
A45380	HUMAN SERVICES TECHNOLOGY	119
A35260	INDUSTRIAL CONSTRUCTION TECH	1

CODE	CURRICULUM	TOTAL
A40240	INDUSTRIAL ENGINEERING TECH	5
A20160	INDUSTRIAL LABORATORY TECH	7
A50240	INDUSTRIAL MAINTENANCE TECH	68
C50240	INDUSTRIAL MAINTENANCE TECH	72
D50240	INDUSTRIAL MAINTENANCE TECH	120
A50260	INDUSTRIAL MANAGEMENT TECH	21
C50260	INDUSTRIAL MANAGEMENT TECH	12
A20180	INDUSTRIAL PHARMACEUTICAL TECH	22
A25260	INFORMATION SYSTEMS	728
C25260	INFORMATION SYSTEMS	266
D25260	INFORMATION SYSTEMS	42
A4020A	INSTRUMENTATION	3
A30220	INTERIOR DESIGN	59
C30220	INTERIOR DESIGN	3
D30220	INTERIOR DESIGN	3
A2512D	INTERNATIONAL BUSINESS	6
A55300	INTERPRETER EDUCATION	27
C55300	INTERPRETER EDUCATION	2
A40260	LANDSCAPE ARCHITECTURE TECH	1
A15260	LANDSCAPE GARDENING	24
A40280	LASER AND PHOTONICS TECHNOLOGY	9
A2536A	LEGAL	17
A15280	LIVESTOCK & POULTRY TECHNOLOGY	11
A2512E	LOGISTRICS MANAGEMENT	2
C15300	LUMBER SPECIALIST	7
D15300	LUMBER SPECIALIST	1
A50300	MACHINING TECHNOLOGY	43
C50300	MACHINING TECHNOLOGY	62
D50300	MACHINING TECHNOLOGY	194
A1524A	MANAGEMENT	6
C55380	MANICURING INSTRUCTOR	5
C55400	MANICURING/NAIL TECHNOLOGY	39
A40300	MANUFACTURING ENGINEERING TECH	28
C40300	MANUFACTURING ENGINEERING TECH	35
A50320	MANUFACTURING TECHNOLOGY	3
C50320	MANUFACTURING TECHNOLOGY	3
D50320	MANUFACTURING TECHNOLOGY	2
C60220	MARINE PROPULSION SYSTEMS	3
A6024C	MARINE SYSTEMS	3
C6024C	MARINE SYSTEMS	30
D6024C	MARINE SYSTEMS	2
A15320	MARINE TECHNOLOGY	26

CODE	CURRICULUM	TOTAL
A2512F	MARKETING AND RETAILING	94
C2512F	MARKETING AND RETAILING	6
C35280	MASONRY	93
D35280	MASONRY	21
A1040E	MATHEMATICS (PRE-MAJOR)	3
A3526B	MECHANICAL	2
A50340	MECHANICAL DRAFTING TECH	38
C50340	MECHANICAL DRAFTING TECH	31
D50340	MECHANICAL DRAFTING TECH	15
A40320	MECHANICAL ENGINEERING TECH	64
C40320	MECHANICAL ENGINEERING TECH	8
D40320	MECHANICAL ENGINEERING TECH	6
A25300	MEDIA INTEGRATION TECH	8
A2536B	MEDICAL	247
C2536B	MEDICAL	48
D2536B	MEDICAL	10
A45400	MEDICAL ASSISTING	231
C45400	MEDICAL ASSISTING	45
D45400	MEDICAL ASSISTING	126
A45420	MEDICAL LABORATORY TECH	87
A45440	MEDICAL SONOGRAPHY	4
D25320	MEDICAL TRANSCRIPTION	23
A4538C	MENTAL HEALTH	7
C30240	METAL ENGRAVING	1
D30240	METAL ENGRAVING	1
C60260	MOTORCYCLE MECHANICS	5
D60260	MOTORCYCLE MECHANICS	10
A2526D	NETWORK ADMIN AND SUPPORT	7
D2526D	NETWORK ADMIN AND SUPPORT	2
A25340	NETWORKING TECHNOLOGY	19
A45460	NUCLEAR MEDICINE TECHNOLOGY	18
A1010I	NURSING (PRE-MAJOR)	2
C45480	NURSING ASSISTANT	561
A55320	OCCUPATIONAL EDUCATION ASSOCIATE	3
A45500	OCCUPATIONAL THERAPY ASSISTANT	91
A25360	OFFICE SYSTEMS TECHNOLOGY	493
C25360	OFFICE SYSTEMS TECHNOLOGY	240
D25360	OFFICE SYSTEMS TECHNOLOGY	78
A2512G	OPERATIONS MANAGEMENT	39
C2512G	OPERATIONS MANAGEMENT	5
D2512G	OPERATIONS MANAGEMENT	2
A45560	OPTICIANRY	11

CODE	CURRICULUM	TOTAL
C45560	OPTICIANRY	9
A25380	PARALEGAL TECHNOLOGY	248
D25380	PARALEGAL TECHNOLOGY	3
A15360	PARK RANGER TECHNOLOGY	11
D45580	PHARMACY TECHNOLOGY	38
C45600	PHLEBOTOMY	153
A30260	PHOTOFINISHING TECHNOLOGY	3
A30280	PHOTOGRAPHIC TECHNOLOGY	22
C30280	PHOTOGRAPHIC TECHNOLOGY	2
A3028C	PHOTOJOURNALISM	6
A1010J	PHYSICAL EDUCATION (PRE-MAJOR)	1
A45640	PHYSICAL THERAPIST ASSISTANT (1+1)	57
A45620	PHYSICAL THERAPIST ASSISTANT (2-YEAR)	48
A5032A	PLASTICS	9
C5032A	PLASTICS	2
C35300	PLUMBING	89
D35300	PLUMBING	12
A3028D	PORTRAIT STUDIO MANAGEMENT	5
A55340	POSTAL SERVICE TECHNOLOGY	6
C55340	POSTAL SERVICE TECHNOLOGY	2
D45660	PRACTICAL NURSING	471
A30300	PROFESSIONAL CRAFTS—CLAY	4
C30300	PROFESSIONAL CRAFTS—CLAY	2
D30300	PROFESSIONAL CRAFTS—CLAY	2
D30320	PROFESSIONAL CRAFTS—FIBER	2
A30340	PROFESSIONAL CRAFTS—JEWELRY	2
D30340	PROFESSIONAL CRAFTS—JEWELRY	2
A30360	PROFESSIONAL CRAFTS—WOOD	5
D30360	PROFESSIONAL CRAFTS—WOOD	2
A2526E	PROGRAMMING	234
C2526E	PROGRAMMING	34
D2526E	PROGRAMMING	2
A1010L	PSYCHOLOGY (PRE-MAJOR)	7
A2512H	PUBLIC ADMINISTRATION	7
A45680	RADIATION THERAPY TECHNOLOGY	6
D45680	RADIATION THERAPY TECHNOLOGY	3
A45700	RADIOGRAPHY	231
A25400	REAL ESTATE	2
C25400	REAL ESTATE	14
C25420	REAL ESTATE APPRAISAL	2
A55360	RECREATION AND LEISURE STUDIES	23
D45710	REHABILITATION ASSISTANT	1
A45720	RESPIRATORY CARE	124
D45720	RESPIRATORY CARE	30
C15380	SAM FILER	7
C15400	SAWYER	3
D15400	SAWYER	3
A40360	SCIENTIFIC GRAPHICS TECHNOLOGY	1
C60280	SMALL ENGINE & EQUIPMENT REPAIR	49
A4538D	SOCIAL SERVICES	132
A1010Q	SOCIAL WORK	3
A5522A	SPECIAL EDUCATION	2
A1010O	SPEECH/COMMUNICATIONS (PRE-MAJOR)	2
A4538E	SUBSTANCE ABUSE	23
A45740	SURGICAL TECHNOLOGY	27
D45740	SURGICAL TECHNOLOGY	67
A40380	SURVEYING TECHNOLOGY	45
C40380	SURVEYING TECHNOLOGY	1
A1528B	SWINE MANAGEMENT	3
C30380	TAXIDERMY	30
D30380	TAXIDERMY	2
A5522B	TEACHER ASSOCIATE	37
C5522B	TEACHER ASSOCIATE	5
D5522B	TEACHER ASSOCIATE	7
C50380	TELEPHONY	119
A45760	THERAPEUTIC RECREATION	11
A5030A	TOOL, DIE, AND MOLD MAKING	19
C5030A	TOOL, DIE, AND MOLD MAKING	6
D5030A	TOOL, DIE, AND MOLD MAKING	26
A25440	TRAVEL AND TOURISM TECHNOLOGY	8
D25440	TRAVEL AND TOURISM TECHNOLOGY	3
C60300	TRUCK DRIVER TRAINING	730
A15420	TURFGRASS MANAGEMENT TECHNOLOGY	37
C50400	UPHOLSTERY PRODUCTION WORKER	17
A45780	VETERINARY MEDICAL TECHNOLOGY	49
A20200	WATER AND WASTE TREATMENT TECH	2
C20200	WATER AND WASTE TREATMENT TECH	1
A50420	WELDING TECHNOLOGY	5
C50420	WELDING TECHNOLOGY	139
D50420	WELDING TECHNOLOGY	91
TOTAL		22,161

Source: North Carolina Community College System, Information Services.

Joint Appropriations Subcommittees
On Education/Higher Education

March 3, 1999
8:30 a.m.
Presiding- Representative Gene Rogers

Call to Order	Chair
Overview of Community College System	Charlotte Todd
Articulation Agreement between The Community College System And the University System	Sharon Morrissey Fayetteville Technical Community College Dr. Myra Cain UNC General Administration
Distance Learning Programs	Dr. Brenda Rogers Dept. of Comm. Colleges Dr. Don Altieri, President Anson Community College Dr. Judith Pulley UNC General Administration

MINUTES
JOINT HOUSE/SENATE COMMITTEE
APPROPRIATIONS/Subcommittee on Education

March 3, 1999
8:30 a.m.

The House and Senate Joint Appropriations/Subcommittee on Education met Wednesday, March 3, 1999 at 8:30 a.m. in Room 421 of the Legislative Office Building. House members present were: Chairs Rogers, Oldham and Boyd-McIntyre, Vice Chair Warner, Representatives Bonner, Gardner, Gillespie, Holmes, Insko, Moore, Preston, Smith, Teague and Yongue. Seven Senate members and Staff members Jim Johnson, Jim Newlin and Charlotte Todd were present. There were thirty-seven visitors.

Rep. Rogers, Chair called the meeting to order. He recognized the pages for the day, Christian Huisman from Wake County, sponsored by Speaker Black and Catherine Kovak from Asheboro, sponsored by Sen. Cochrane.

Rep. Rogers turned the floor over to Charlotte Todd, Fiscal Staff Member to continue the overview of Community Colleges, beginning on page cc58 through cc68 with the State Board Reserve Funds. *(Attachment 1)* She also reviewed the two Cooperative High School Education programs (*Attachment 1, pages cc69-cc71)*. She told about Jay Huskins, a member of the House of Representatives in the late 70's and early 80's who was concerned that some of his high school students who had completed their high school program, were sitting idle in study halls and who could make better use of their time by starting their higher education opportunity. At that time he created what we still call the Huskins Bill Classes. These are college level classes that are offered at the Community College or at High Schools but are solely for high school students and taught by faculty members who are accredited by the Southern Association. The second cooperative high school program is called dual enrollment, which allows for high school students who are in the same town as the community college or satellite can actually go to the community college and attend existing college classes. These are not created primarily for high school students but are absorbed into the existing classes. The Huskins enrollment for this year is 1,942 FTE and Dual enrollment is 694 FTE's. Other categorical programs funded outside the funding formula are child care grants, public radio funds, operation and maintenance of plant funds and center for applied textile technology, *(pages cc72-cc75)*.

Final item in Ms. Todd's overview was a brief description of the department of community colleges found on page cc-76 , and an explanation of the four divisions within the department of community colleges, which are Office of the President, Administrative Services, Business and Finance and Academic and Student Services.

Rep. Rogers then opened the floor for questions which Ms. Todd addressed. Rep. Rogers also recognized special guest Arthur Griffin, Chairman of Mecklenberg School Board of Education and Board members Molly Griffin and Louise Woods. Charlotte Todd

then introduced the next presenter, Dr. Sharon Morrissey from Fayetteville Technical Community College who discussed the North Carolina Community College System Reengineering process and the development of the Comprehensive Articulation Agreement *(Attachment 2, page cc111-cc135).* Dr. Morrisey introduced Dr. Myra Cain, Associate Vice President for Academic Affairs at UNC General Administration who discussed the Comprehensive Articulation Agreement, which builds upon the Reengineering work that Dr. Morrisey described. Both Dr. Morrisey and Dr. Cain used slides for their presentations.

Rep. Rogers called on Charlotte Todd to introduce other presenters. Ms. Todd introduced Dr. Brenda H. Rogers with the NC Community College System and Dr. Donald P. Altieri, President of Anson Community College and Dr. Judith Pulley from the University General Administration. Dr. Rogers and Dr. Altieri's presentation was on Distance Learning Initiatives and Virtual Learning Community *(Attachment 3).* Dr. Pulley then spoke on the Collaboration between the University of North Carolina and the North Carolina Community College System in Distance Learning. *(Attachment 4).* Upon completion of Dr. Pulley's presentation, Rep. Rogers told members that due to lack of time, the presenters would be available after adjournment for questions. The meeting adjourned at 10:00 a.m.

Respectfully Submitted,

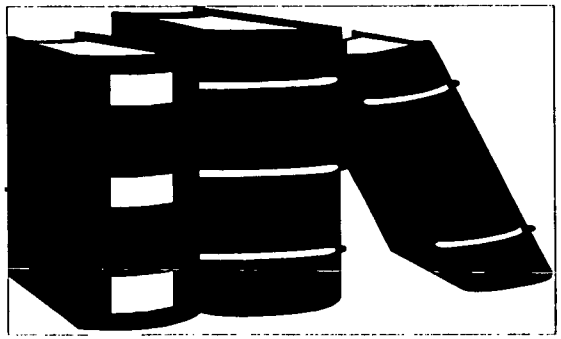
Gene Rogers

Representative Gene Rogers,
Chair

Sally Gillis

Sally Gillis
Committee Assistant

COMMUNITY COLLEGE SYSTEM BUDGET PRESENTATION

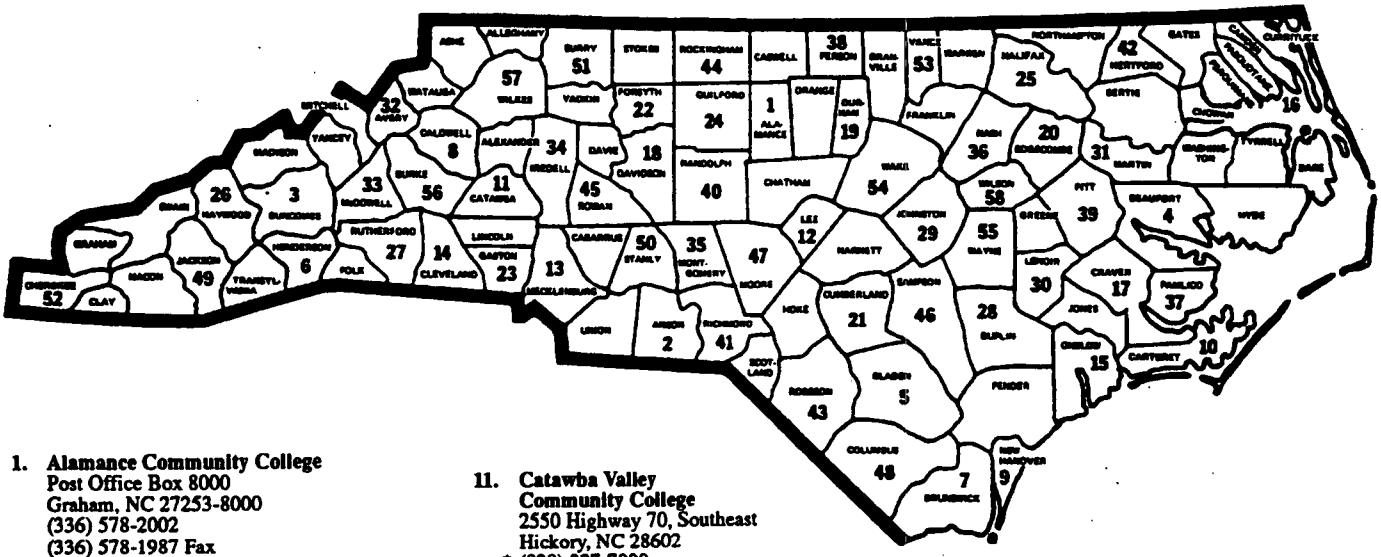


Fiscal Research Division
N.C. General Assembly

March, 1999

Attachment 1

The North Carolina Community College System



1. **Alamance Community College**
   Post Office Box 8000
   Graham, NC 27253-8000
   (336) 578-2002
   (336) 578-1987 Fax

2. **Anson Community College**
   Post Office Box 126
   Polkton, NC 28135
   (704) 272-7635
   (704) 272-8904 Fax

3. **Asheville-Buncombe Technical Community College**
   340 Victoria Road
   Asheville, NC 28801
   * (828) 254-1921
   * (828) 251-6355 Fax

4. **Beaufort County Community College**
   Post Office Box 1069
   Washington, NC 27889
   † (252) 946-6194
   † (252) 946-0271 Fax

5. **Bladen Community College**
   Post Office Box 266
   Dublin, NC 28332
   (910) 862-2164
   (910) 862-3484 Fax

6. **Blue Ridge Community College**
   College Drive
   Flat Rock, NC 28731
   * (828) 692-3572
   * (828) 692-2441 Fax

7. **Brunswick Community College**
   Post Office Box 30
   Supply, NC 28462
   (910) 754-6900
   (910) 754-7805 Fax

8. **Caldwell Community College and Technical Institute**
   2855 Hickory Boulevard
   Hudson, NC 28638
   * (828) 726-2200
   * (828) 726-2216 Fax

9. **Cape Fear Community College**
   411 North Front Street
   Wilmington, NC 28401
   (910) 251-5100
   (910) 763-2279 Fax

10. **Carteret Community College**
    3505 Arendell Street
    Morehead City, NC 28557
    † (252) 247-6000
    † (252) 247-2514 Fax

11. **Catawba Valley Community College**
    2550 Highway 70, Southeast
    Hickory, NC 28602
    * (828) 327-7000
    * (828) 327-7276 Fax

12. **Central Carolina Community College**
    1105 Kelly Drive
    Sanford, NC 27330
    (919) 775-5401
    (919) 775-1221 Fax

13. **Central Piedmont Community College**
    Post Office Box 35009
    Charlotte, NC 28235
    (704) 330-2722
    (704) 330-5045 Fax

14. **Cleveland Community College**
    137 South Post Road
    Shelby, NC 28152
    (704) 484-4000
    (704) 484-4036 Fax

15. **Coastal Carolina Community College**
    444 Western Boulevard
    Jacksonville, NC 28546
    (910) 455-1221
    (910) 455-7027 Fax

16. **College of The Albemarle**
    Post Office Box 2327
    Elizabeth City, NC 27906-2327
    † (252) 335-0821
    † (252) 335-2011 Fax

17. **Craven Community College**
    800 College Court
    New Bern, NC 28562
    † (252) 638-4131
    † (252) 638-4232 Fax

18. **Davidson County Community College**
    Post Office Box 1287
    Lexington, NC 27293-1287
    (336) 249-8186
    (336) 249-0088 Fax

19. **Durham Technical Community College**
    1637 Lawson Street
    Durham, NC 27703
    (919) 686-3300
    (919) 686-3601 Fax

20. **Edgecombe Community College**
    2009 West Wilson Street
    Tarboro, NC 27886
    † (252) 823-5166
    † (252) 823-6817 Fax

21. **Fayetteville Technical Community College**
    Post Office Box 35236
    Fayetteville, NC 28303-0236
    (910) 678-8400
    (910) 484-6600 Fax

22. **Forsyth Technical Community College**
    2100 Silas Creek Parkway
    Winston-Salem, NC 27103-5197
    (336) 723-0371
    (336) 761-2399 Fax

23. **Gaston College**
    201 Highway 321, South
    Dallas, NC 28034-1499
    (704) 922-6200
    (704) 922-6440 Fax

24. **Guilford Technical Community College**
    Post Office Box 309
    Jamestown, NC 27282
    (336) 334-4822
    (336) 454-2510 Fax

25. **Halifax Community College**
    Post Office Drawer 809
    Weldon, NC 27890
    † (252) 536-2551
    † (252) 536-4144 Fax

26. **Haywood Community College**
    185 Freedlander Drive
    Clyde, NC 28721
    * (828) 627-2821
    * (828) 627-3606 Fax

27. **Isothermal Community College**
    Post Office Box 804
    Spindale, NC 28160
    * (828) 286-3636
    * (828) 286-1120 Fax

28. **James Sprunt Community College**
    Post Office Box 398
    Kenansville, NC 28349-0398
    (910) 296-2400
    (910) 296-1636 Fax

29. **Johnston Community College**
    Post Office Box 2350
    Smithfield, NC 27577
    (919) 934-3051
    (919) 934-2823 Fax

* This area code changes from 704 to 828 on June 1, 1998.

† This area code changes from 919 to 252 on March 22, 1998.

North Carolina Community College System
H. Martin Lancaster, President
(919) 733-7051

Caswell Building, 200 West Jones Street
Raleigh, NC 27603-1379
Fax (919) 733-0680

Preparing North Carolina's World-Class Workforce

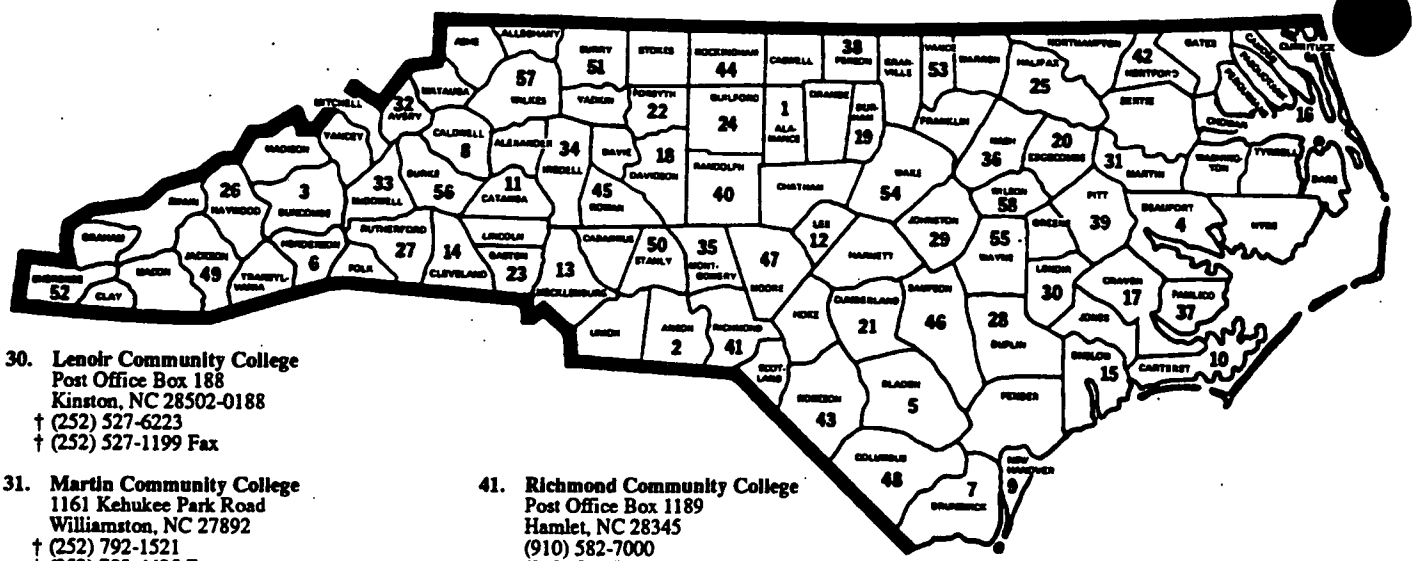
AFFIRMATIVE ACTION/EQUAL OPPORTUNITY EMPLOYER

2-98

Printed on recycled paper

CC1

The North Carolina Community College System



30. **Lenoir Community College**
Post Office Box 188
Kinston, NC 28502-0188
† (252) 527-6223
† (252) 527-1199 Fax

31. **Martin Community College**
1161 Kehukee Park Road
Williamston, NC 27892
† (252) 792-1521
† (252) 792-4425 Fax

32. **Mayland Community College**
Post Office Box 547
Spruce Pine, NC 28777
* (828) 765-7351
* (828) 765-0728 Fax

33. **McDowell Technical Community College**
Route 1, Box 170
Marion, NC 28752
* (828) 652-6021
* (828) 652-1014 Fax

34. **Mitchell Community College**
500 West Broad Street
Statesville, NC 28677
(704) 878-3200
(704) 878-0872 Fax

35. **Montgomery Community College**
Post Office Box 787
Troy, NC 27371
(910) 576-6222
(910) 576-2176 Fax

36. **Nash Community College**
Post Office Box 7488
Rocky Mount, NC 27804-7488
† (252) 443-4011
† (252) 443-0828 Fax

37. **Pamlico Community College**
Highway 306, South
Grantsboro, NC 28529
† (252) 249-1851
† (252) 249-2377 Fax

38. **Piedmont Community College**
Post Office Box 1197
Roxboro, NC 27573
(336) 599-1181
(336) 597-3817 Fax

39. **Pitt Community College**
Post Office Drawer 7007
Greenville, NC 27835-7007
† (252) 321-4200
† (252) 321-4401 Fax

40. **Randolph Community College**
Post Office Box 1009
Asheboro, NC 27204-1009
(336) 633-0200
(336) 629-4695 Fax

41. **Richmond Community College**
Post Office Box 1189
Hamlet, NC 28345
(910) 582-7000
(910) 582-7028 Fax

42. **Roanoke-Chowan Community College**
Route 2, Box 46-A
Ahoskie, NC 27910
† (252) 332-5921
† (252) 332-2210 Fax

43. **Robeson Community College**
Post Office Box 1420
Lumberton, NC 28359
(910) 738-7101
(910) 671-4143 Fax

44. **Rockingham Community College**
Post Office Box 38
Wentworth, NC 27375-0038
(336) 342-4261
(336) 349-9986 Fax

45. **Rowan-Cabarrus Community College**
Post Office Box 1595
Salisbury, NC 28145-1595
(704) 637-0760
(704) 637-3692 Fax

46. **Sampson Community College**
Post Office Box 318
Clinton, NC 28329
(910) 592-8081
(910) 592-8048 Fax

47. **Sandhills Community College**
2200 Airport Road
Pinehurst, NC 28374
(910) 692-6185
(910) 695-1823 Fax

48. **Southeastern Community College**
Post Office Box 151
Whiteville, NC 28472
(910) 642-7141
(910) 642-5658 Fax

49. **Southwestern Community College**
447 College Drive
Sylva, NC 28779
* (828) 586-4091
* (828) 586-3129 Fax

50. **Stanly Community College**
141 College Drive
Albemarle, NC 28001
(704) 982-0121
(704) 982-0819 Fax

51. **Surry Community College**
Post Office Box 304
Dobson, NC 27017
(336) 386-8121
(336) 386-8951 Fax

52. **Tri-County Community College**
4600 Highway 64, East
Murphy, NC 28906
* (828) 837-6810
* (828) 837-3266 Fax

53. **Vance-Granville Community College**
Post Office Box 917
Henderson, NC 27536
† (252) 492-2061
† (252) 430-0460 Fax

54. **Wake Technical Community College**
9101 Fayetteville Road
Raleigh, NC 27603
(919) 662-3400
(919) 779-3360 Fax

55. **Wayne Community College**
Caller Box 8002
Goldsboro, NC 27533-8002
(919) 735-5151
(919) 736-9425 Fax

56. **Western Piedmont Community College**
1001 Burkemont Avenue
Morganton, NC 28655
* (828) 438-6000
* (828) 438-6015 Fax

57. **Wilkes Community College**
Post Office Box 120
Wilkesboro, NC 28697
(336) 838-6100
(336) 838-6277 Fax

58. **Wilson Technical Community College**
Post Office Box 4305
Wilson, NC 27893
† (252) 291-1195
† (252) 243-7148 Fax

North Carolina Center for Applied Textile Technology (in Gaston County)
Post Office Box 1044
Belmont, NC 28012
(704) 825-3737
(704) 825-7303 Fax

* This area code changes from 704 to 828 on June 1, 1998.

† This area code changes from 919 to 252 on March 22, 1998.

North Carolina Community College System
H. Martin Lancaster, President
(919) 733-7051

Caswell Building, 200 West Jones Street
Raleigh, NC 27603-1379
Fax (919) 733-0680

Preparing North Carolina's World-Class Workforce

AFFIRMATIVE ACTION/EQUAL OPPORTUNITY EMPLOYER

CC2

2-98

Printed on recycled paper

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM **2-18-99**
Sites Approved as **PVA/DB**
Off-Campus Centers or Multi-Campus Colleges

CAMPUS/CENTER	TOWN
Alamance CC	Graham
*Glenhope School Ctr.	Burlington
*Front Street Ctr.	Burlington
*Glen Raven Ctr.	Burlington
Anson CC	Polkton
*Ansonville Ctr.	Ansonville
*Union Cty. Ctr.	Monroe
*Wadesboro Ctr.	Wadesboro
Asheville-Buncombe TCC	Asheville
*Madison Cty. Ctr.	Marshall
Bladen CC	Dublin
*Kelly/East Arcadia Ctr.	Kelly
Blue Ridge CC	Flat Rock
*Transylvania Cty. Ctr.	Pisgah Forest
Brunswick CC	Supply
*Job Link Ctr.	Supply
*Leland Ctr.	Leland
*Southport Ctr.	Southport
Caldwell CC & TI	Hudson
**Watauga Cty. Campus	Boone
*Watauga Cty. Business Ctr.	Boone
*Administrative Support/Basic Skills Ctr.	Boone
Cape Fear CC	Wilmington
**North Campus (being developed)	Wilmington
*Hampstead Ctr. (Pender Cty.)	Hampstead
*Burgaw Ctr. (Pender Cty.)	Burgaw
Carteret CC	Morehead City
*Davis Ctr. (not being used)	Davis
Central Carolina CC	Sanford
**Chatham Cty. Campus	Pittsboro
**Harnett Cty. Campus	Lillington
*School of Telecommunications	Sanford
*Siler City. Ctr. (Chatham Cty.)	Siler City
Central Piedmont CC	Charlotte
**North Campus	Huntersville
**Northeast Campus (being developed)	Charlotte
**South Campus	Matthews
**Southwest Campus (being developed)	Charlotte
**West Campus (being developed)	Charlotte
*West Center (Allegany St.)	Charlotte
College of The Albemarle	Elizabeth City
*Chowan Cty. Ctr.	Edenton
**Dare Cty. Campus	Manteo
*Riverside Ext. Ctr.	Elizabeth City
Craven CC	New Bern
*Havelock/Cherry Point Ctr.	Havelock
Davidson County CC	Lexington
*Davie Cty. Ctr.	Mocksville

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM **2-18-99**
Sites Approved as **PVA/DB**
Off-Campus Centers or Multi-Campus Colleges

CAMPUS/CENTER	TOWN
Durham TCC	Durham
*Northern Durham Ctr.	Durham
Edgecombe CC	Tarboro
**Rocky Mount Campus	Rocky Mount
Fayetteville TCC	Fayetteville
*Firefighting Facility Ctr.	Fayetteville
*Fort Bragg Ctr.	Fayetteville
Forsyth TCC	Winston-Salem
*Carver Road Ctr. (being developed)	Winston-Salem
*Kernersville Ctr. (being developed)	Kernersville
*West Ctr.	Winston-Salem
Gaston College	Dallas
*Lincoln Cty. Ctr.	Lincolnton
Guilford TCC	Jamestown
*Aviation Ctr.	Greensboro
**Greensboro Campus	Greensboro
*High Point Ctr.	High Point
*Small Business Ctr.	Greensboro
Haywood CC	Clyde
*Continuing Ed. Ctr.	Clyde
*High Tech. Ctr.	Waynesville
*Human Resource Development Ctr.	Clyde
Isothermal CC	Spindale
*Polk Cty. Ctr.	Columbus
Lenoir CC	Kinston
*Aviation Ctr.	Kinston
*Greene Cty. Ctr.	Snow Hill
*Jones Cty. Ctr.	Trenton
*Walstonburg Ctr. (Greene Cty)	Walstonburg
*West Boundary Street Ctr.	LaGrange
Martin CC	Williamston
*Bertie Cty. Ctr.	Windsor
Mayland CC	Spruce Pine
*Avery Cty. Ctr.	Newland
*Yancey Cty. Ctr.	Burnsville
McDowell TCC	Marion
*Marion Ctr.	Marion
Mitchell CC	Statesville
*Mooresville Ctr.	Mooresville
Piedmont CC	Roxboro
*Caswell Cty. Ctr.	Yanceyville
Randolph CC	Asheboro
*Archdale Ctr.	Archdale
Richmond CC	Hamlet
*Continuing Education Ctr.	Rockingham
*James Nursing Bldg.	Hamlet
*Scotland Cty. Ctr.	Laurinburg

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM **2-18-99**
Sites Approved as **PVA/DB**
Off-Campus Centers or Multi-Campus Colleges

CAMPUS/CENTER	TOWN
Robeson CC	Lumberton
*Emergency Training Ctr.	Lumberton
*Lumberton Extension Ctr.	Lumberton
*Pembroke Extension Ctr.	Pembroke
Rowan-Cabarrus CC	Salisbury
**Cabarrus Cty. Campus	Concord
*Corban Ctr.	Concord
Sampson CC	Clinton
*Courthouse Annex	Clinton
*Multi-Purpose Ctr. (not being used)	Clinton
Sandhills CC	Pinehurst
*Hoke Cty. Ctr.	Raeford
Southeastern CC	Whiteville
*Bus./Ind. Trng. Ctr. (not being used)	Whiteville
Southwestern CC	Sylva
*Macon Cty. Ctr.	Franklin
*Swain Cty. Ctr.	Bryson City
Stanly CC	Albemarle
*Western Stanly Ctr.	Locust
Surry CC	Dobson
*Yadkin Cty. Ctr.	Yadkinville
Tri-County CC	Murphy
*Graham Cty. Ctr.	Robbinsville
Vance-Granville CC	Henderson
**Franklin Cty. Campus	Louisburg
**Granville Cty. Campus	Creedmoor
*Warren Cty. Ctr.	Warrenton
Wake TCC	Raleigh
*Adult Education Ctr.	Raleigh
**Health Education Campus	Raleigh
**Northeast Campus (being developed)	Raleigh
Wayne CC	Goldsboro
*Aviation Ctr.	Goldsboro
Western Piedmont CC	Morganton
*North King/West Meeting St. Ctr.	Morganton
Wilkes CC	Wilkesboro
*Alleghany Cty. Ctr.	Sparta
*Ashe Cty. Ctr.	West Jefferson
Wilson CC	Wilson
*Police Academy Ctr.	Wilson

* Centers
** Campus

GLOSSARY

Academic Semester – A sixteen-week period during which credit classes are offered.

Academic Year – The academic year includes fall and spring semesters as well as an eleven-week summer term.

Adult Basic Education (ABE) - A program of basic skills for adults, 16 years of age or older and out of school, who function at less than a high school level.

Associate in Applied Science Programs – These programs range from 64 to 76 semester hour credits. A full-time student can typically complete one of these programs within two years. In addition to major course work, associate in applied science degree programs require a minimum of 15 semester hour credits of general education. General education requirements include course work in communications, humanities/fine arts, social/behavioral sciences and natural sciences/mathematics. Certain courses in associate degree programs may be accepted by a four-year college or university for transfer credit in an associated field.

Basic Skills Programs – Includes Adult Basic Education (ABE), a program of basic educational skills for adults age 16 or older who are out of school, who have not graduated from high school; General Educational Development (GED), a program of instruction designed to prepare adult students to pass the GED test that leads to a high school diploma equivalency; Adult High School Diploma (AHS), a program of instruction offered cooperatively with local public school systems to help adult students earn an Adult High School Diploma; Compensatory Education (CED), a program of instruction providing basic education skills for mentally disabled adults; and English as a Second Language (ESL), a program of instruction to help adults who have limited or no proficiency in the English language.

Categorical Funds (restricted) – Funds from a federal, state, local, or private source that are restricted to expenditures in a particular category or program.

Certificate Programs – These programs range from 12 to 18 semester hour credits and can usually be completed within one semester by a full-time student. Associate degree level courses within a certificate program may also be applied toward a diploma or an associate in applied science degree.

College Transfer Programs – These programs are offered through the Associate in Arts, Associate in Fine Arts and Associate in Science degrees. The Associate in Arts and the Associate in Science programs are part of the Comprehensive Articulation Agreement (CAA). This agreement addresses the transfer of students between institutions in the North Carolina Community

College System and the constituent institutions of the University of North Carolina.

Community Service Block Grant Programs – Consist of hobby and leisure courses, including many designed primarily for senior citizens.

Compensatory Education – A special state-funded educational program for mentally retarded adults (over 17 years of age).

Credit Hour – An instructional unit used for recognition of the amount of credit a student earns for a given course. Example: Semester Credit Hour – A student who spends one classroom hour per week in a class for sixteen weeks earns one semester hour credit.

Curriculum Programs – A term used to describe a wide variety of planned educational programs which range in length from one semester to two years. The programs lead to certificates, diplomas or associate degrees, depending on the nature of the curriculum. Curriculum programs include certificate, diploma, Associate in Applied Science, Associate in Arts, Associate in Fine Arts, Associate in Science and Associate in General Education programs.

Developmental Education – A program providing specialized credit courses for students who need to improve their basic skill in order to perform at the level required for admission to degree and diploma programs. Usually these courses are in reading, writing, and mathematics.

Diploma Programs – These programs range from 36 to 48 semester hour credits and can usually be completed by a full-time student within two semesters and one summer term. Associate degree level courses within a diploma program may be applied toward an Associate in Applied Science degree.

English as a Second Language (ESL) - A program of instruction to help adults with limited or no English language proficiency.

Fiscal Year – The twelve-month period upon which the institution's budget is based, July 1 – June 30.

Full-Time Equivalent (FTE) – One full-time equivalent (FTE) student represents 16 student membership hours per week for 16 weeks or 256 student membership hours for each semester enrolled.

- Annual Curriculum FTE – The total of fall and spring FTE.
- Annual Extension FTE – The total of spring, summer and fall sequenced periods FTE.
- Budget Full-Time Equivalent (B/FTE) – Used to prepare the operating budget and to provide for an equitable distribution of the operating funds allocated by the State Board to the institutions.

General Educational Development (GED) – A high school equivalency program enabling adults to take the General Education Development Tests to determine if they are at the 12th grade completion level of English, social studies, science, reading, and math. Individuals achieving the required scores on the GED are awarded the High School Equivalency Diploma. The program is open to individuals 18 years or older.

General Education Programs – These programs are designed for individuals wishing to broaden their education, with emphasis on personal interest, growth and development. The two-year General education program provides students opportunities to study English, literature, fine arts, philosophy, social science, science and mathematics at the college level. All courses in the program are college-level courses. Many of the courses are equivalent to college transfer courses; however, the program is not principally designed for college transfer. Successful completion of 64-65 semester hour credits leads to an associate in general education degree.

Human Resource Development (HRD) – A program for chronically unemployed adults with prevocational training and counseling.

Job Training Partnership Act (JTPA) – A federal program designed to provide job training and employment opportunities for economically disadvantaged, unemployed, or underemployed persons.

New and Expanding Industry Programs – Provide for the training needs of new industries and also for existing industries undergoing an expansion which results in the need for additional skilled manpower.

Non-Credit (Extension) Courses – Courses for professional training, upgrading or general interest.

Occupational Extension Programs – Consist of single courses, each complete in itself, designed for the specific purposes of training an individual for employment, upgrading skills of persons presently employed, and retraining others for new employment in occupational fields.

Other Costs – A term used to describe current instructional and operating instructional support costs excluding personnel and the associated fringe benefits. The term is used for supplies, travel, postage, etc.

Pell Grants – Needs-based federally funded grants.

Self-Supporting Recreational Programs – They are self-supporting courses that the college may provide at the request of the community but for which the college receives no budgetary credit. Athletic and game courses fall into this

category. The cost of such activities is borne exclusively by the participants or some contracting agency.

Technical Curriculum Programs – They are designed to prepare individuals for employment, and completion of the curriculum leads to an Associate in Applied Science (A.A.S.) degree. These programs involve the application of scientific principles in research, design, development, production, distribution, or service. They are normally two years in length for a full-time student.

Unduplicated Headcount – The total number of students (both full-time and part-time) enrolled in all courses during a year. Each student is counted only once during the year regardless of the number of classes he/she takes or the number of semesters for which he/she registers.

Vocational Curriculum Programs – Consist of a series of courses which are designed to prepare an individual for employment in a specific occupation. These programs consist of a sequence of courses that generally can be completed in one year or less by a full-time student. Successful completion of a vocational curriculum program leads to a diploma or certificate.

Governance and Funding Sources

* 20 member State Board of Community Colleges has statewide responsibility for policy and rule making for system

* Each college has a 12 member Local Board of Trustees appointed equally from the county commissioners, local school board and the Governor. In addition each has a non-voting student government representative.

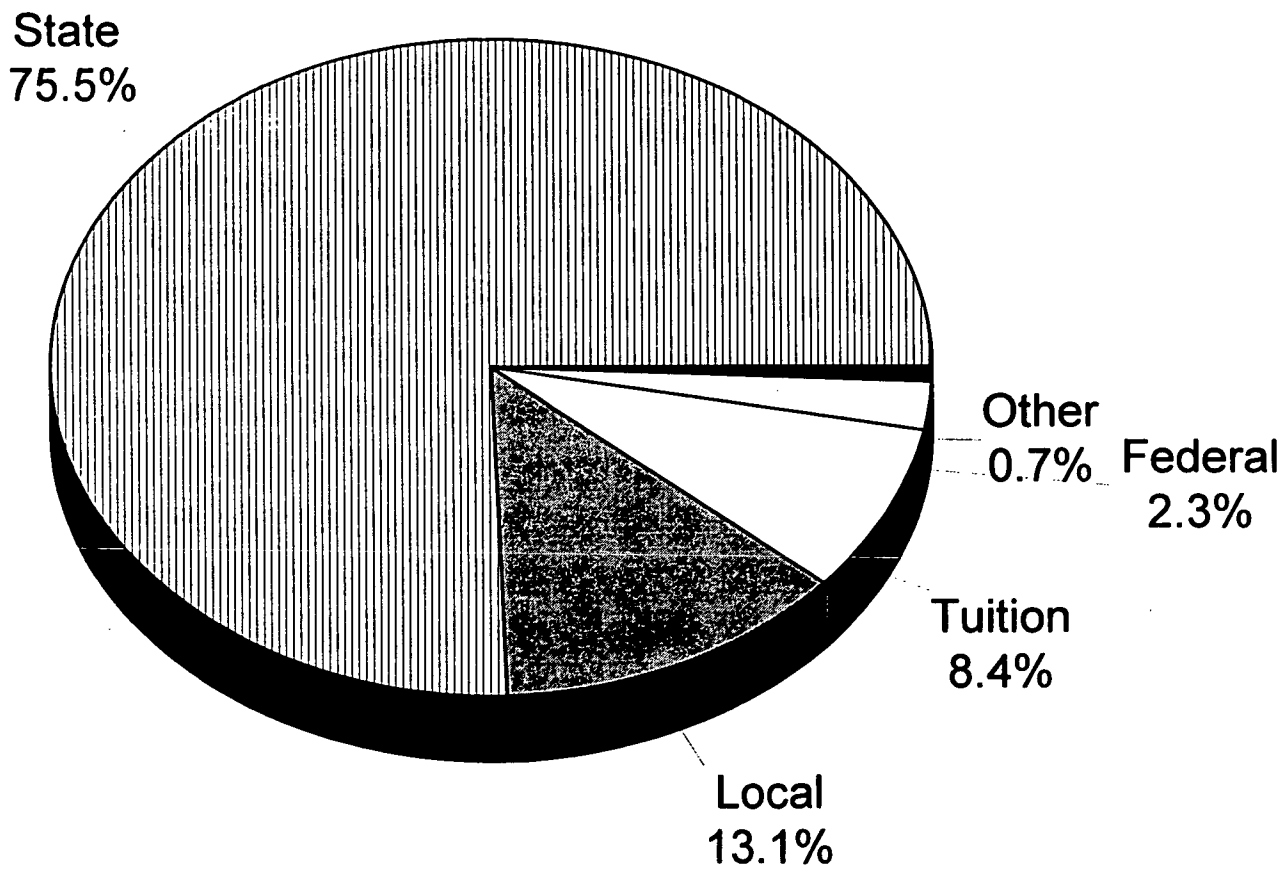
* The state funds all operating costs for instruction, administration and support services: faculty and support salaries and benefits, non-salary items, supplies, materials and computer costs

* Local counties provide the cost of the operations and maintenance of the physical plant facilities: utilities, janitorial and landscaping costs.

* Capital construction is the legal responsibility of the county, however, to the extent the state allocates money for capital, it must be matched dollar for dollar.

Sources of Funding

1998-99

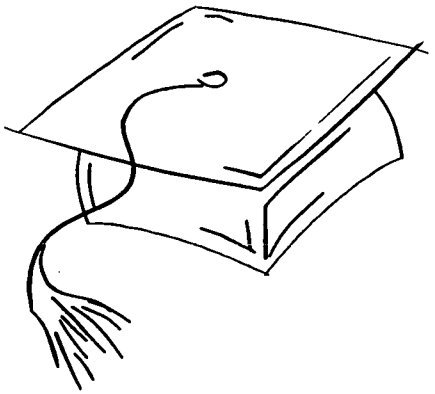


Major Changes in the Community College System

- Conversion from the quarter to the semester system
- Re-engineering of all courses/ Common Course Library
- Comprehensive Articulation agreement with University system
- Regional approach to programs
- New Guidelines in the New and Expanding Industry program
- Overhaul of the Continuing Education system: review of courses for appropriate length and a repeat policy change
- Reform of In-Plant and sheltered workshops training
- Major leadership changes at both the state and local level
- Formula changes
- Change in accountability measures: Critical Success Factors

COMMUNITY COLLEGE FISCAL TRENDS

Selected Historical Data



Fiscal Research Division

North Carolina
Community College System

- 58 Community Colleges & Center for Applied Textile Technology (CATT)
- 83 Off-Campus Centers/Multi-Campus Colleges
- $590.5 Million General Fund Operating Budget in 1998-99 including state level as of 1-31-99
- Full-Time Equivalent Students (FTE) Budgeted: 1998-99
  - Curriculum: 107,861
  - Occupational Extension: 17,214
  - Literacy: 13,473
  - TOTAL: 138,548
- 1997 Student Headcount (actual):
  - Curriculum: 211,440
  - Occupational Extension: 244,761
  - Literacy: 130,723
  - Other: 123,757
  - TOTAL: 710,681
- Tuition Rates:

	*Fall/Spr.		**Summer Term		Total
In-State	$560.00	+	180.00	=	$740.00
Out-of-State	$4,564.00	+	1,467.00	=	$6,031.00

*20.00/hr. ↑ 14 hrs.
163.00/hr. ↑ 14 hrs.

**20.00/hr. ↑ 9 hours
163.00/hr. ↑ 9 hours

Fiscal Research Division

COMMUNITY COLLEGE STUDENTS
1997-98

NUMBERS:
- 710,681 STUDENTS
  - 211,440 CURRICULUM
  - 499,241 EXTENSION

SEX:
- 41% MALES
- 59% FEMALES

RACE:
- 71.6% WHITE
- 23.2% BLACK
- 5.2% OTHER RACES

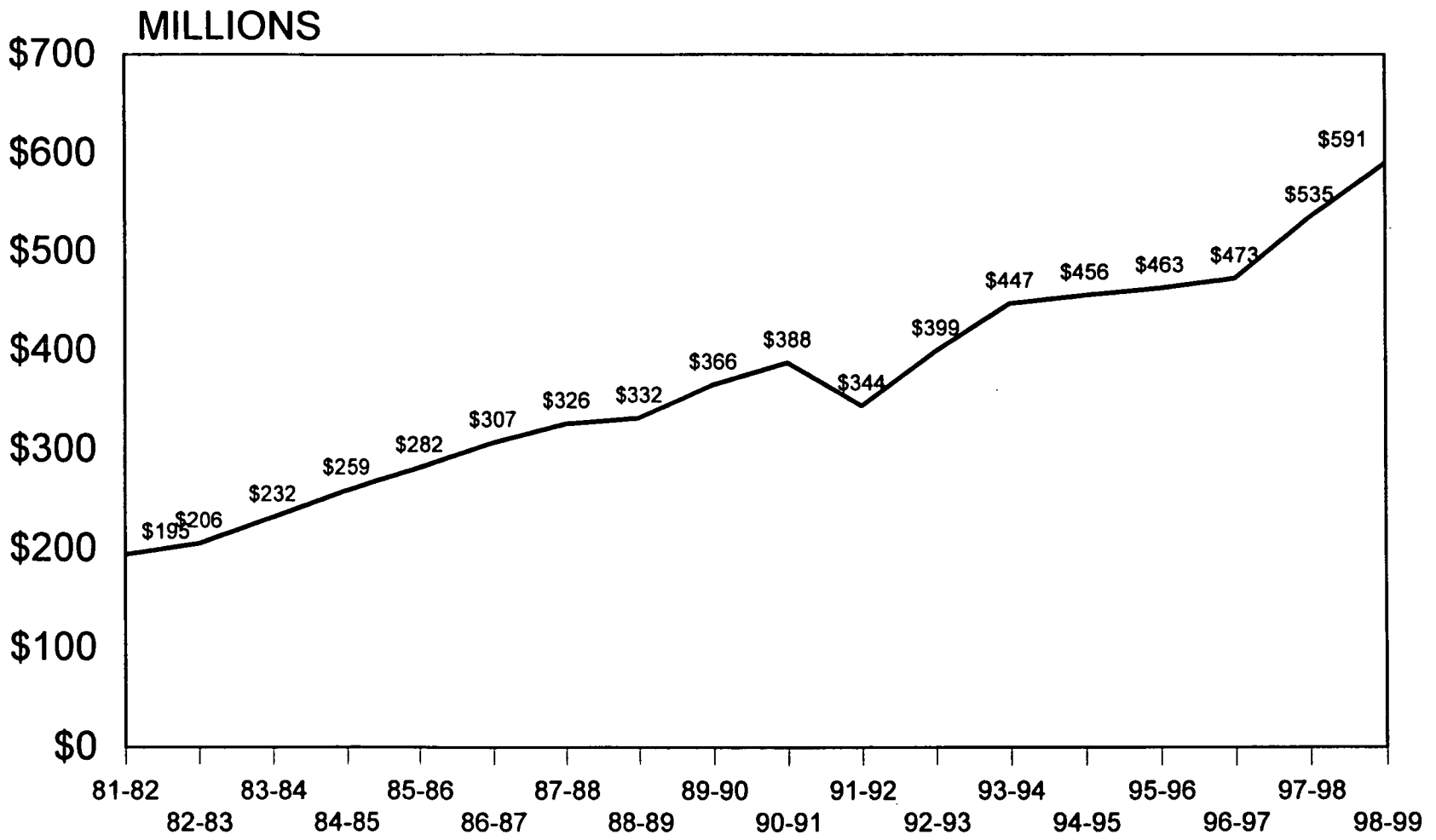
AGE:
- AVERAGE AGE, CURRICULUM STUDENTS: 29.7 YEARS
- AVERAGE AGE, EXTENSION STUDENTS: 37.8 YEARS

EMPLOYMENT STATUS:
- 37% OF CURRICULUM STUDENTS WORK FULL-TIME
- 29% OF CURRICULUM STUDENTS WORK PART-TIME
- 58% OF EXTENSION STUDENTS WORK FULL-TIME
- 11% OF EXTENSION STUDENTS WORK PART-TIME

Fiscal Research Division

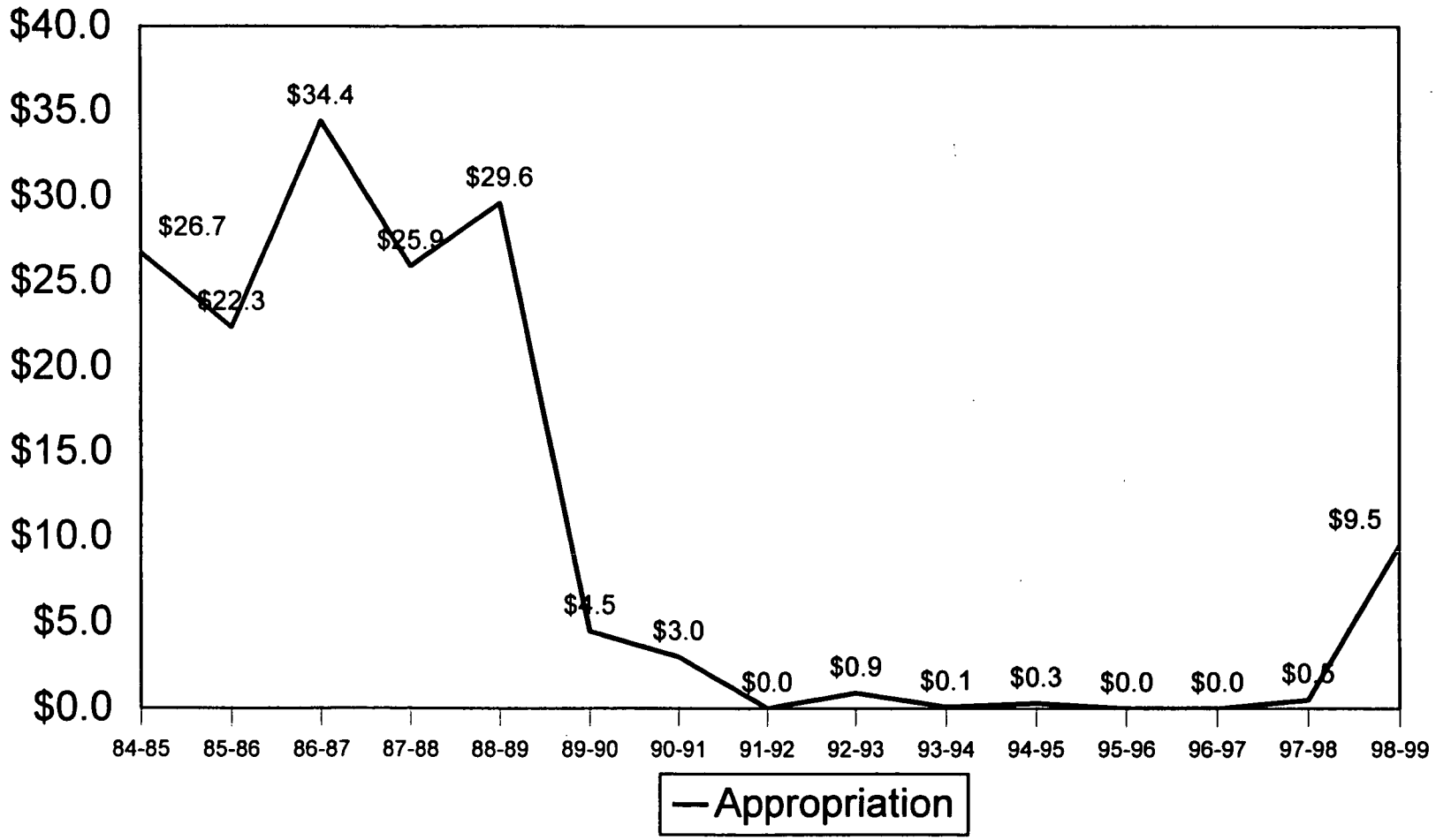
N.C. GENERAL FUND

OPERATING APPROPRIATIONS FOR COMMUNITY COLLEGES



Fiscal Research Division

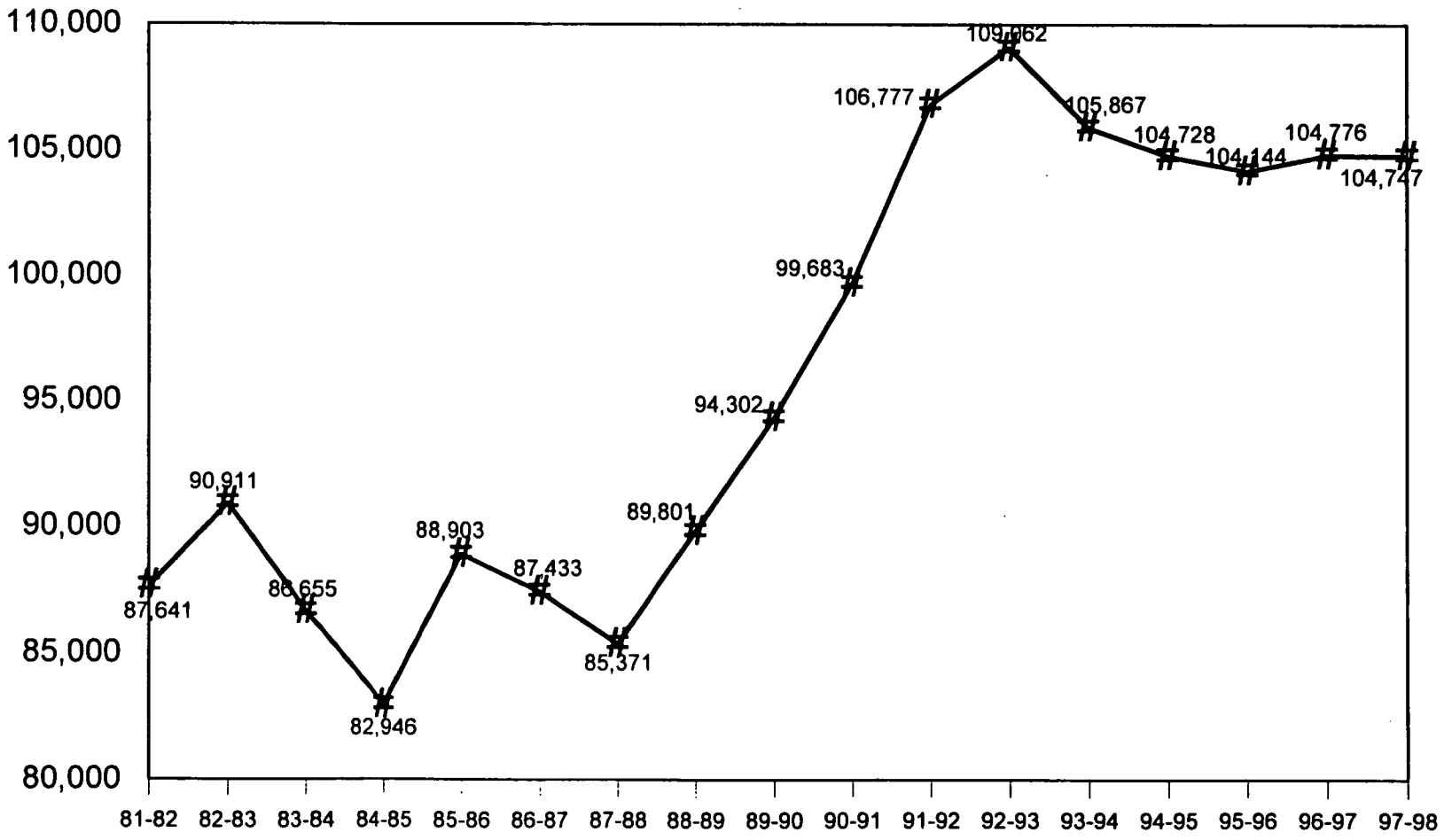
COMMUNITY COLLEGES
CAPITAL APPROPRIATIONS
($ in Millions)



*A $250 million bond referendum was passed in 1993 for community colleges capital construction.

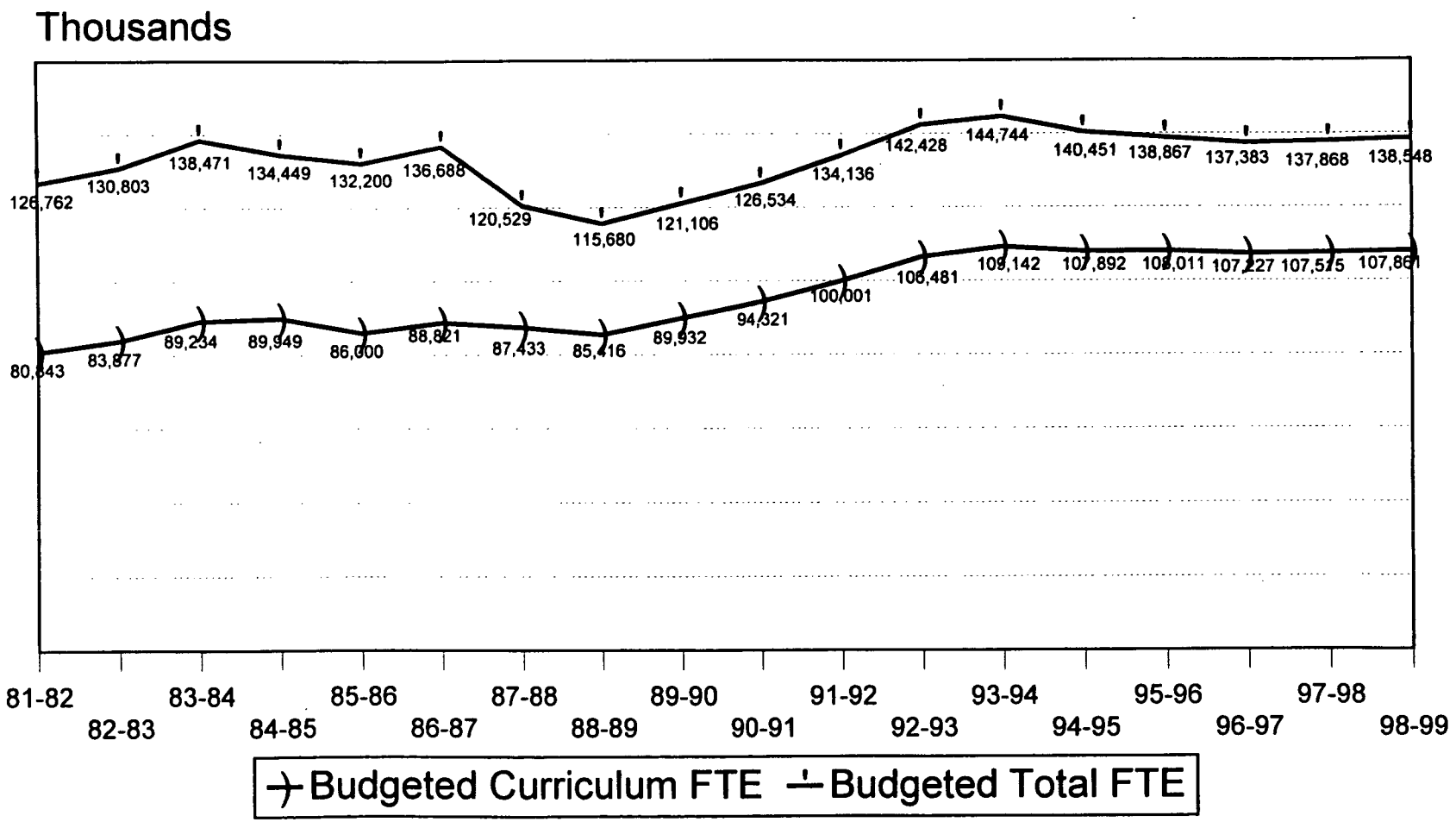
Fiscal Research Division

CURRICULUM ACTUAL FTE STUDENTS IN COMMUNITY COLLEGE (ACADEMIC YEAR)

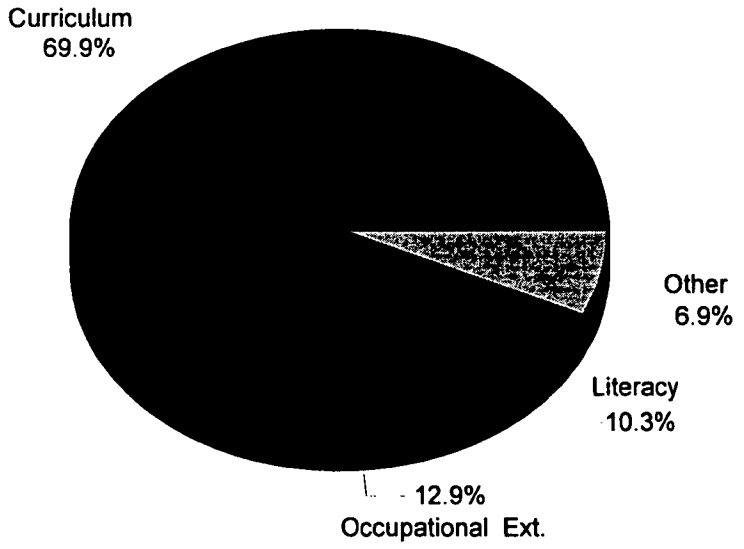


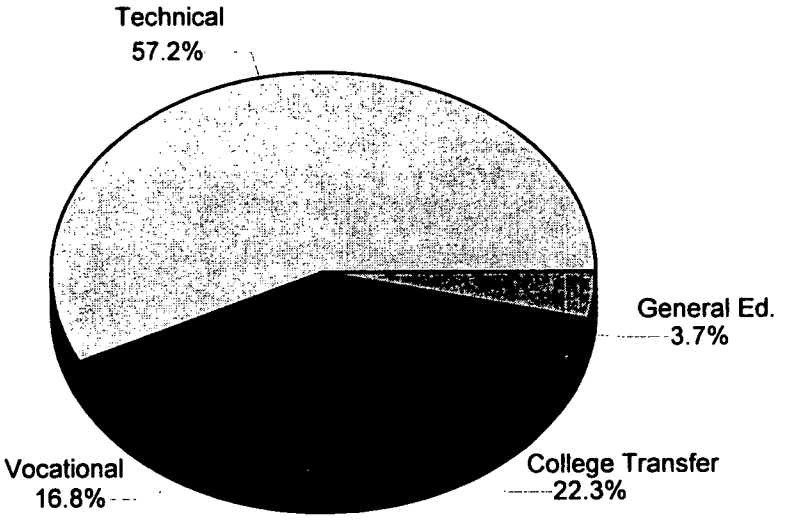
Fiscal Research Division

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
SUMMARY OF BUDGETED FTE



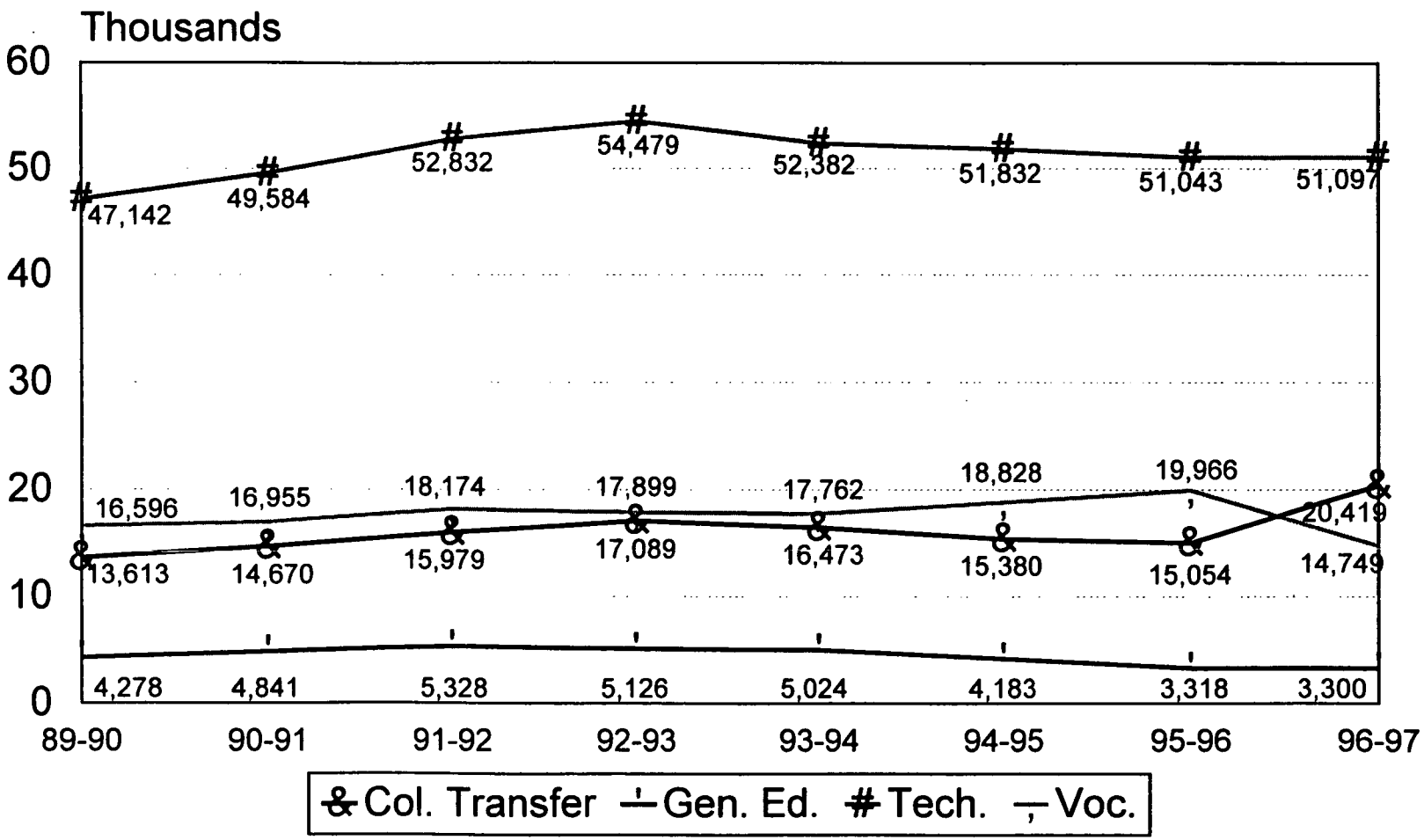
COMMUNITY COLLEGES FTE
Average Annual FTE: 1996-97





Fiscal Research Division

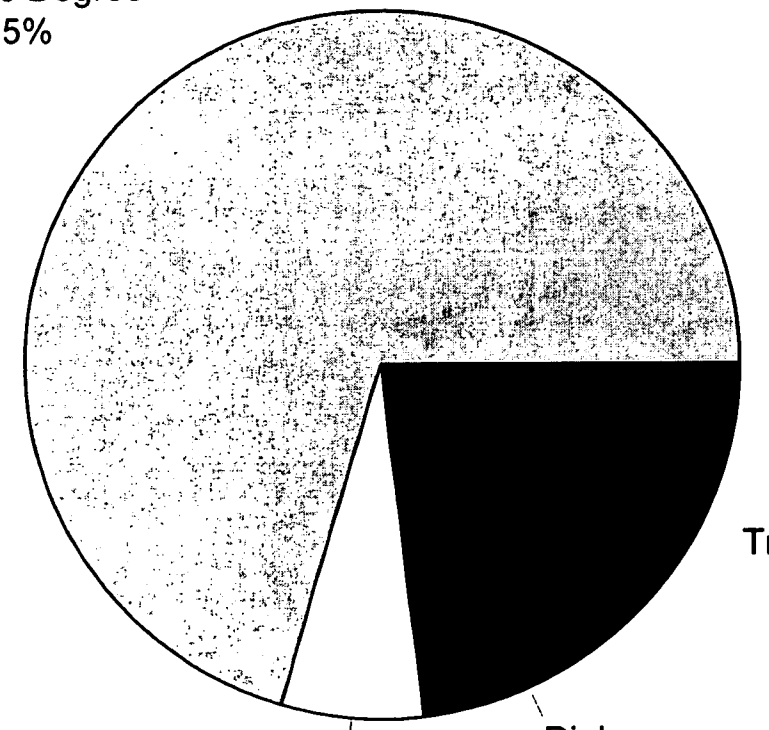
COMMUNITY COLLEGE AVERAGE ANNUAL FTE
(4 Quarter Average)



Fiscal Research Division

COMMUNITY COLLEGES AVERAGE ANNUAL FTE

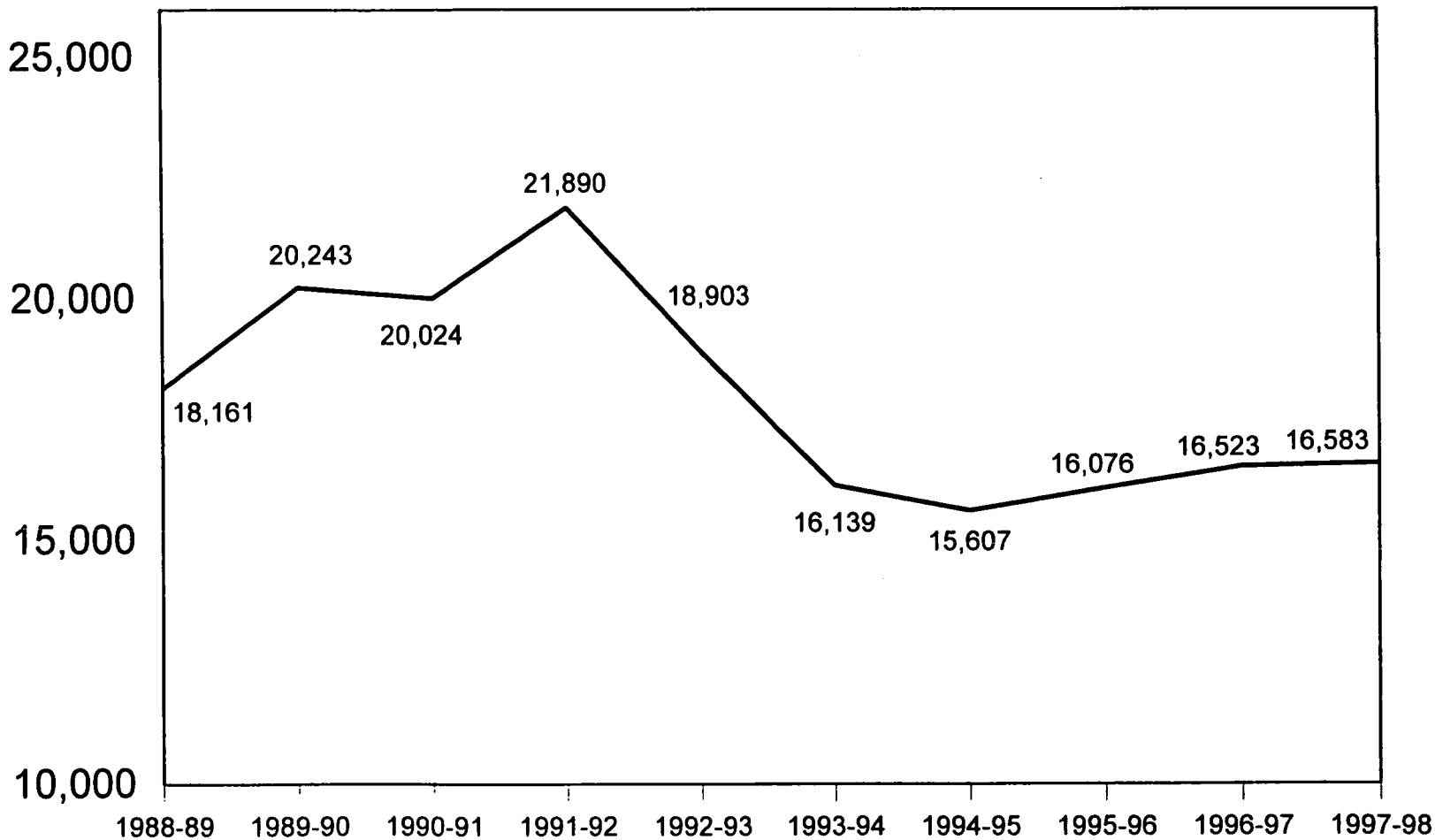
(4 Quarter Average)



Associate Degree - 73,838
Certificate - 6,541
Diploma - 10,367
Transitional - 14,005

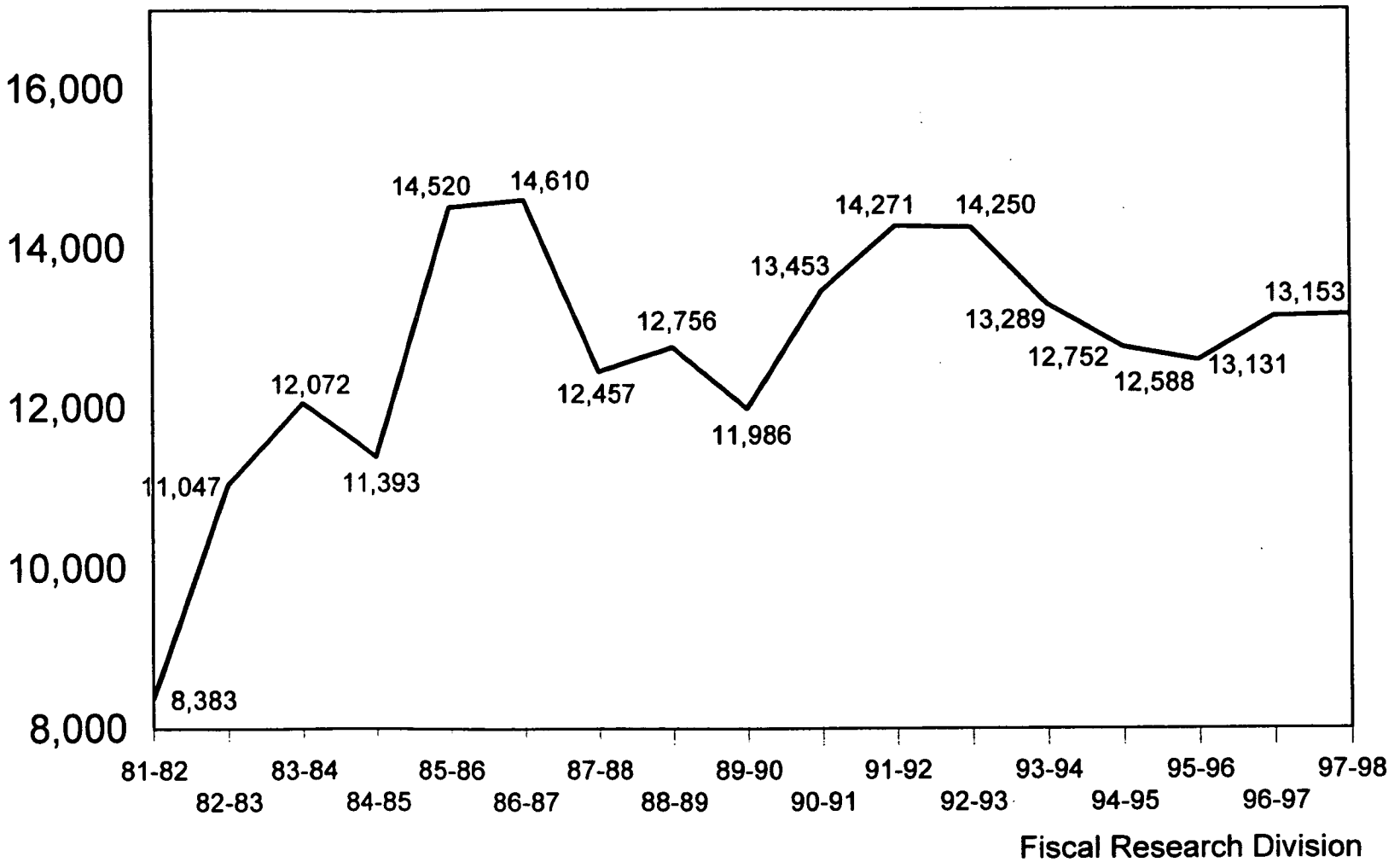
Fiscal Research Division

OCCUPATIONAL EXTENTION FTE
(Average Annual)



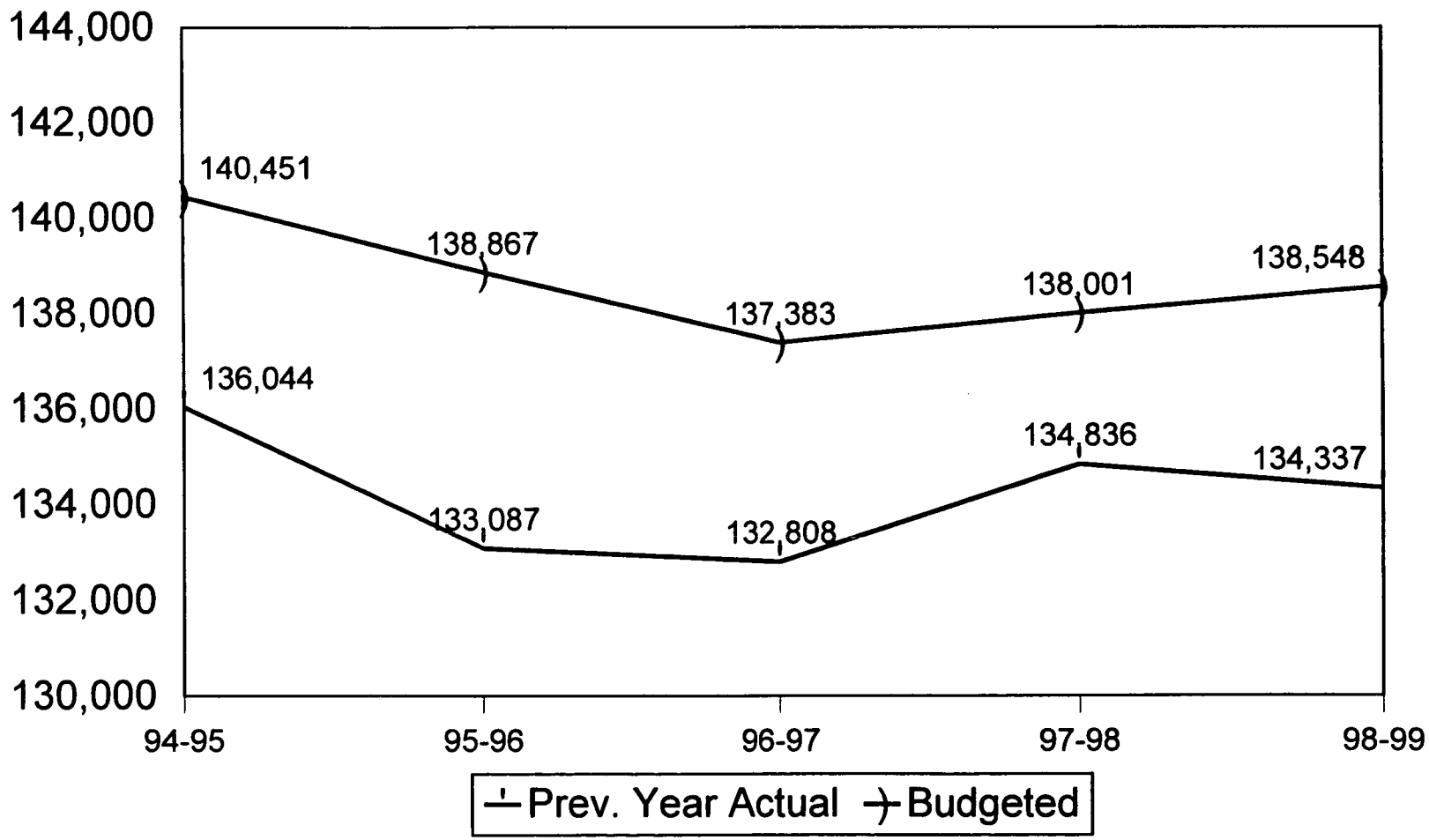
Fiscal Research Division

LITERACY FTE
STUDENTS IN COMMUNITY COLLEGES
(AVERAGE ANNUAL)



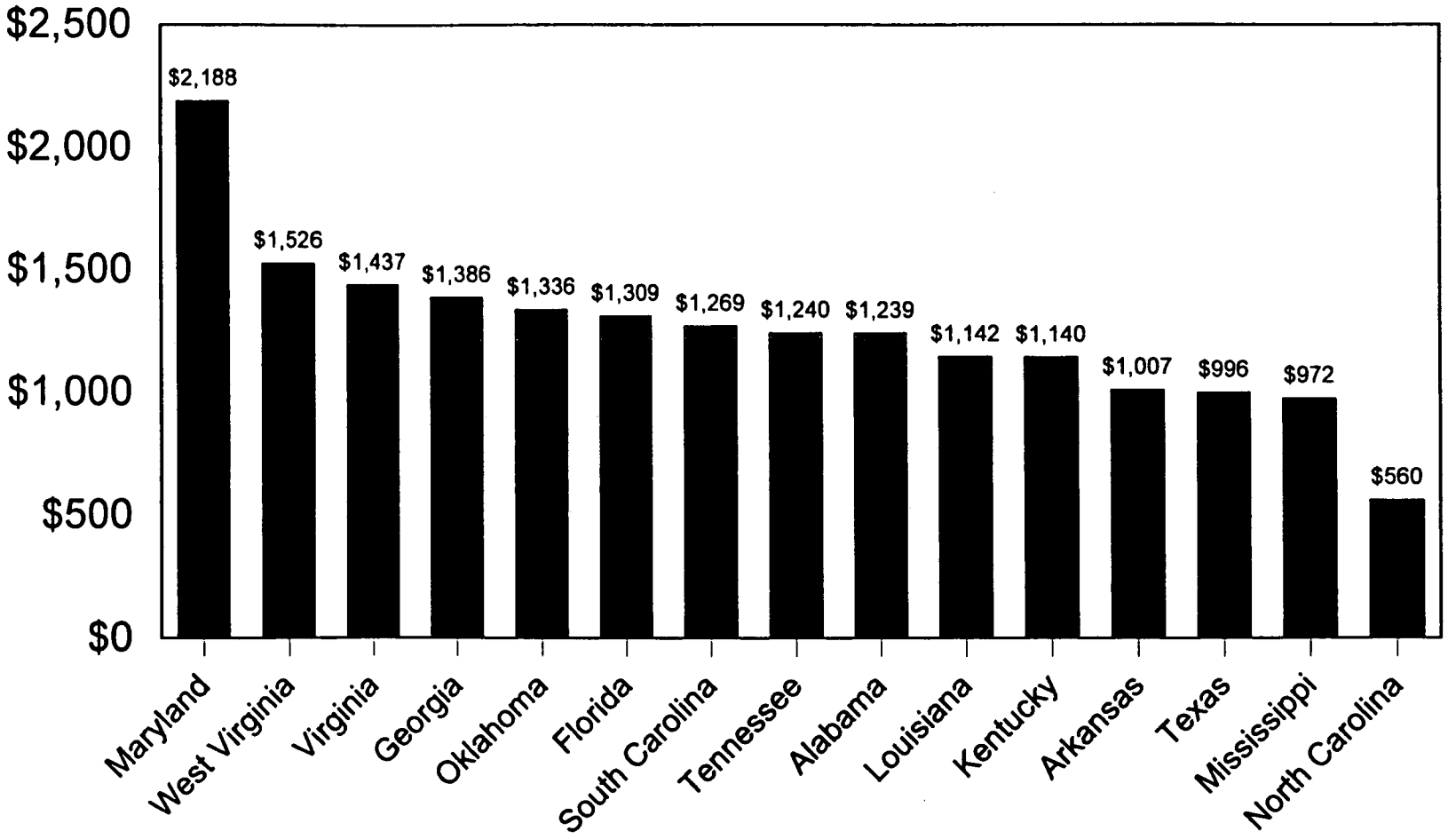
Fiscal Research Division

PREVIOUS YEAR'S ACTUAL FTE VS. BUDGETED FTE



Fiscal Research Division

IN-STATE TUITION AND REQUIRED FEES
COMMUNITY COLLEGES: 98-99



Fiscal Research Division

TABLE 9
RESIDENT* TUITION AND REQUIRED FEES (ESTIMATED STATE AVERAGES
COMMUNITY COLLEGES

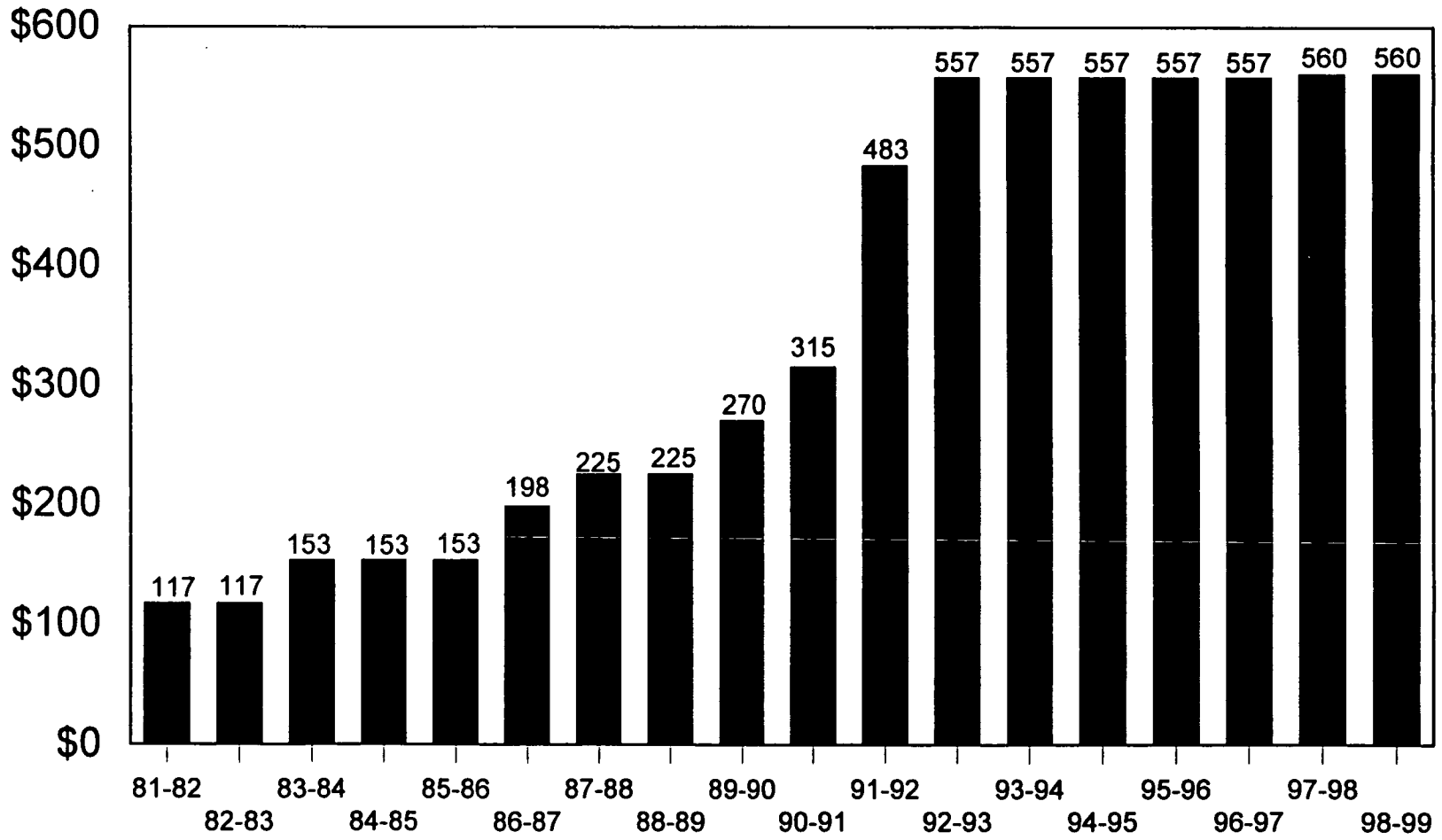
	1994-95	1995-96	1996-97	1997-98	1998-99	Percentage One Year
Alabama	1,090	1,125	1,253	1,280	1,239 ^	-3.2%
Alaska	1,840	2,090	1,850	1,908	1,968	3.1%
Arizona	698	735	774	815	831	2.0%
Arkansas	968	925	952	969	1,007	3.9%
California	390	390	390	390	360 ^	-7.7%
Colorado	1,530	1,568	1,775	1,796	1,855	3.3%
Connecticut	1,520	1,646	1,722	1,814	1,814	0.0%
Delaware	1,266	1,266	1,330	1,380	1,440	4.3%
Florida	1,052	1,065	1,131	1,225	1,309	6.9%
Georgia	1,180	1,130	1,190	1,296	1,386	6.9%
Hawaii	500	524	788	956	1,004	5.0%
Idaho	990	990	1,042	1,100	1,179	7.2%
Illinois	1,149	1,240	1,280	1,348	1,397	3.6%
Indiana	2,168	2,267	2,367	2,455	2,540	3.5%
Iowa	1,557	1,613	1,808	1,950	2,052	5.2%
Kansas	1,011	1,092	1,172	1,206	1,272	5.5%
Kentucky	960	980	1,080	1,100	1,140	3.6%
Louisiana	1,136	1,136	1,242	1,117 ^	1,142	2.2%
Maine	1,740	1,830	1,920	1,980	2,040	3.0%
Maryland	1,829	2,041	2,063	2,150	2,188	1.8%
Massachusetts	2,467	2,525	2,540	2,444 ^	2,317 ^	-5.2%
Michigan	1,427	1,505	1,492 ^	1,624	1,656	2.0%
Minnesota	1,834	1,901	2,139	2,190	2,268	3.6%
Mississippi	^ 940	938 ^	954	960	972	1.3%
Missouri	1,118	1,165	1,251	1,292	1,378	6.7%
Montana	1,367	1,367	1,435	1,423 ^	1,529	7.4%
Nebraska	1,070	1,070	1,187	1,233	1,315	6.7%
Nevada	915	1,005	1,095	1,140	1,185	3.9%
New Jersey	1,844	1,996	2,110	2,212	2,247	1.6%
New Mexico	632	703	667 ^	663 ^	664	0.2%
New York	2,103	2,309	2,454	2,532	2,552	0.8%
North Carolina	557	557	557	560	560	0.0%
North Dakota	1,738	1,754	1,811	1,820	1,840	1.1%
Ohio	1,833	1,897	1,958	2,006	2,045	1.9%
Oklahoma	1,086	1,144	1,205	1,285	1,336	4.0%
Oregon	1,386	1,469	1,545	1,628	1,628	0.0%
Pennsylvania	1,685	1,797	1,892	1,978	2,042	3.2%
Rhode Island	1,686	1,726	1,726	1,746	1,746	0.0%
South Carolina	1,113	1,132	1,183	1,221	1,269	3.9%
Tennessee	992	1,025	1,056	1,145	1,240	8.3%
Texas	716	783	901	909	996	9.6%
Utah	1,305	1,340	1,349	1,392	1,429	2.7%
Vermont	2,286	2,792	2,516 ^	2,614	2,692	3.0%

Virginia	1,359	1,429	1,429	1,429	1,437	0.6%
Washington	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
West Virginia	1,336	1,361	1,409	1,444	1,526	5.7%
Wisconsin	1,716	1,826	1,943	2,127	2,292	7.8%
Wyoming	886	970	1,074	1,187	1,262	6.3%
Average**	**1,318**	**1,385**	**1,446**	**1,498**	**1,544**	**3.1%**
Washington Rank	**23**	**23**	**23**	**20**	**22**	
CHANGES FROM PREVIOUS YEAR:						
National Average		**5.1%**	**4.4%**	**3.6%**	**3.1%**	
Washington		**4.2%**	**3.8%**	**4.1%**	**3.9%**	

*In-district rates for Arizona, Arkansas, Colorado, and Montana.

**Does not include New Hampshire and South Dakota. ^Fees reduced.

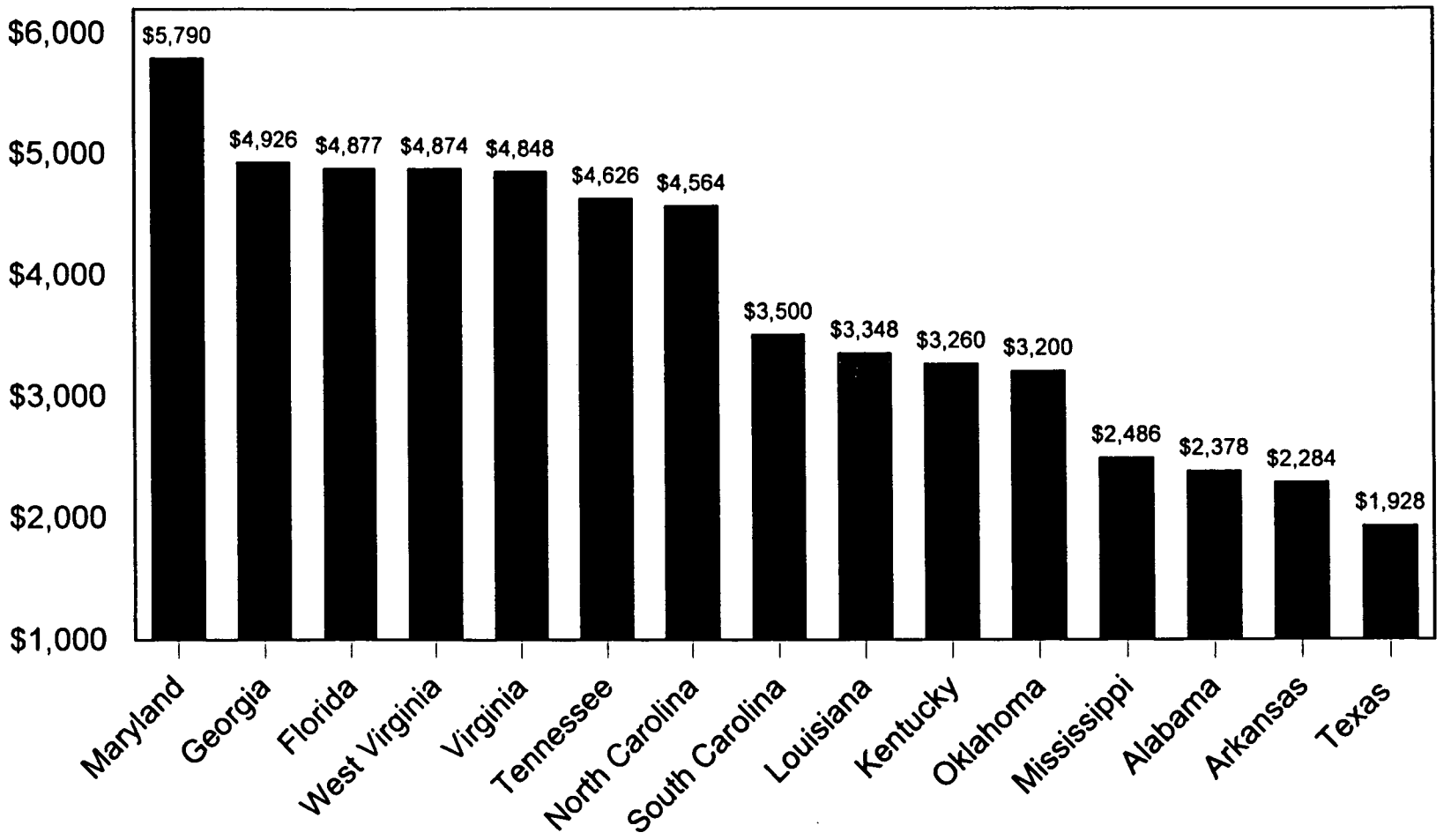
CURRICULUM TUITION RATES*
IN-STATE
(Academic Year)



*Maximum Amount for Full-time Student
(12 hours until 1991-92; 1991-92: 14 hours

Fiscal Research Division

ANNUAL OUT-OF-STATE TUITION AND FEES
COMMUNITY COLLEGES: 98-99



Fiscal Research Division

TABLE 10
NONRESIDENT TUITION AND REQUIRED FEES (ESTIMATED STATE AVERAGE
COMMUNITY COLLEGES

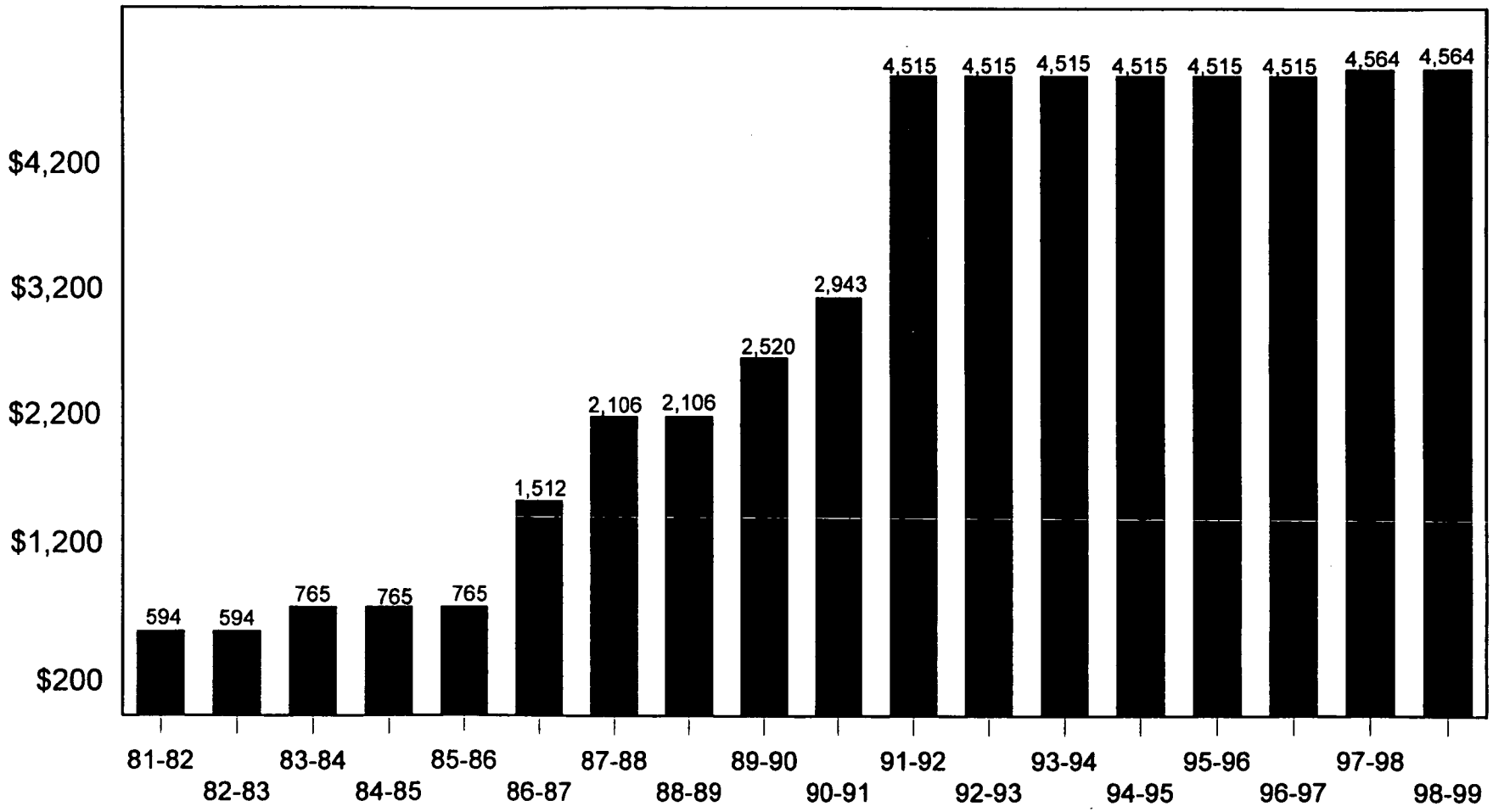
	1994-95	1995-96	1996-97	1997-98	1998-99	Percentage One Year
Alabama	1,907	2,260	2,418	2,287 ^	2,378	4.0%
Alaska	4,940	6,220	6,350	6,408	6,588	2.8%
Arizona	4,206	4,268	4,520	4,625	4,708	1.8%
Arkansas	1,696	1,765	2,260	2,300	2,284 ^	-0.7%
California	3,600	3,810	3,810	3,810	3,900	2.4%
Colorado	6,720	7,013	6,985 ^	6,655	6,821	2.5%
Connecticut	4,592	4,622	4,842	5,438	5,438	0.0%
Delaware	3,066	3,066	3,220	3,360	3,510	4.5%
Florida	3,933	3,967	4,204	4,566	4,877	6.8%
Georgia	3,242	3,511	4,094	4,470	4,926	10.2%
Hawaii	2,940	3,116	5,132	5,732	5,780	0.8%
Idaho	2,730	2,843	2,995	3,309	3,592	8.6%
Illinois	5,750	6,310	6,565	6,848	6,970	1.8%
Indiana	5,202	5,436	5,676	5,905	6,040	2.3%
Iowa	2,672	2,778	2,754 ^	2,840	3,243	14.2%
Kansas	2,394	2,694	2,512 ^	2,520	2,522	0.1%
Kentucky	2,880	2,940	3,080	3,140	3,260	3.8%
Louisiana	2,696	2,696	2,991	2,878 ^	3,348	16.3%
Maine	3,810	4,020	4,230	4,350	4,470	2.8%
Maryland	4,895	5,025	5,182	5,603	5,790	3.3%
Massachusetts	6,915	6,990	7,340	7,527	7,676	2.0%
Michigan	2,126	2,245	2,773	2,937	2,995	2.0%
Minnesota	3,668	3,803	4,279	4,399	4,247 ^	-3.5%
Mississippi	2,156	2,216	2,240	2,450	2,486	1.5%
Missouri	2,460	2,543	2,635	2,689	2,770	3.0%
Montana	3,765	4,023	4,319	4,602	4,949	7.5%
Nebraska	1,432	1,315	1,459	1,517	1,610	6.1%
Nevada	3,915	4,105	4,295	4,659	5,023	7.8%
New Jersey **	n/a**	n/a**	n/a**	n/a**	n/a**	n/a**
New Mexico	1,748	1,753	1,504 ^	1,617	1,627	0.6%
New York	4,073	4,501	4,823	4,934	4,998	1.3%
North Carolina	4,515	4,515	4,515	4,564	4,564	0.0%
North Dakota	4,330	4,346	4,403	4,412	4,432	0.5%
Ohio	4,382	4,495	4,640	4,760	4,865	2.2%
Oklahoma	2,782	2,944	3,005	3,175	3,200	0.8%
Oregon	4,190	4,439	4,614	4,591 ^	4,474 ^	-2.6%
Pennsylvania	5,240	5,557	5,768	5,960	6,126	2.8%
Rhode Island	4,646	4,744	4,744	4,764	4,764	0.0%
South Carolina	2,197	2,260	2,369	3,130	3,500	11.8%
Tennessee	3,778	3,951	4,128	4,400	4,626	5.1%
Texas	1,612	2,076	1,850 ^	1,825 ^	1,928	5.6%
Utah	4,486	4,638	4,647	4,815	4,945	2.7%
Vermont	4,398	4,976	4,820 ^	5,014	5,260	4.9%

Virginia	4,470	4,710	4,710	4,710	4,848	2.9%
Washington	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
West Virginia	3,912	4,052	4,427	4,633	4,874	5.2%
Wisconsin	5,699	6,098	6,552	7,194	7,766	8.0%
Wyoming	2,286	2,490	2,772	2,975	3,187	7.1%
Average*	**3,705**	**3,903**	**4,106**	**4,277**	**4,429**	**3.5%**
Washington Rank	**7**	**8**	**8**	**8**	**8**	
CHANGES FROM PREVIOUS YEAR:						
National Average		**5.3%**	**5.2%**	**4.2%**	**3.5%**	
Washington		**4.0%**	**4.0%**	**4.0%**	**4.0%**	

*Does not include New Hampshire or South Dakota. ^Fees reduced.

** The number of out-of-state students attending community college in New Jersey is negligible.

CURRICULUM TUITION RATES*
OUT-OF-STATE
(Academic Year)



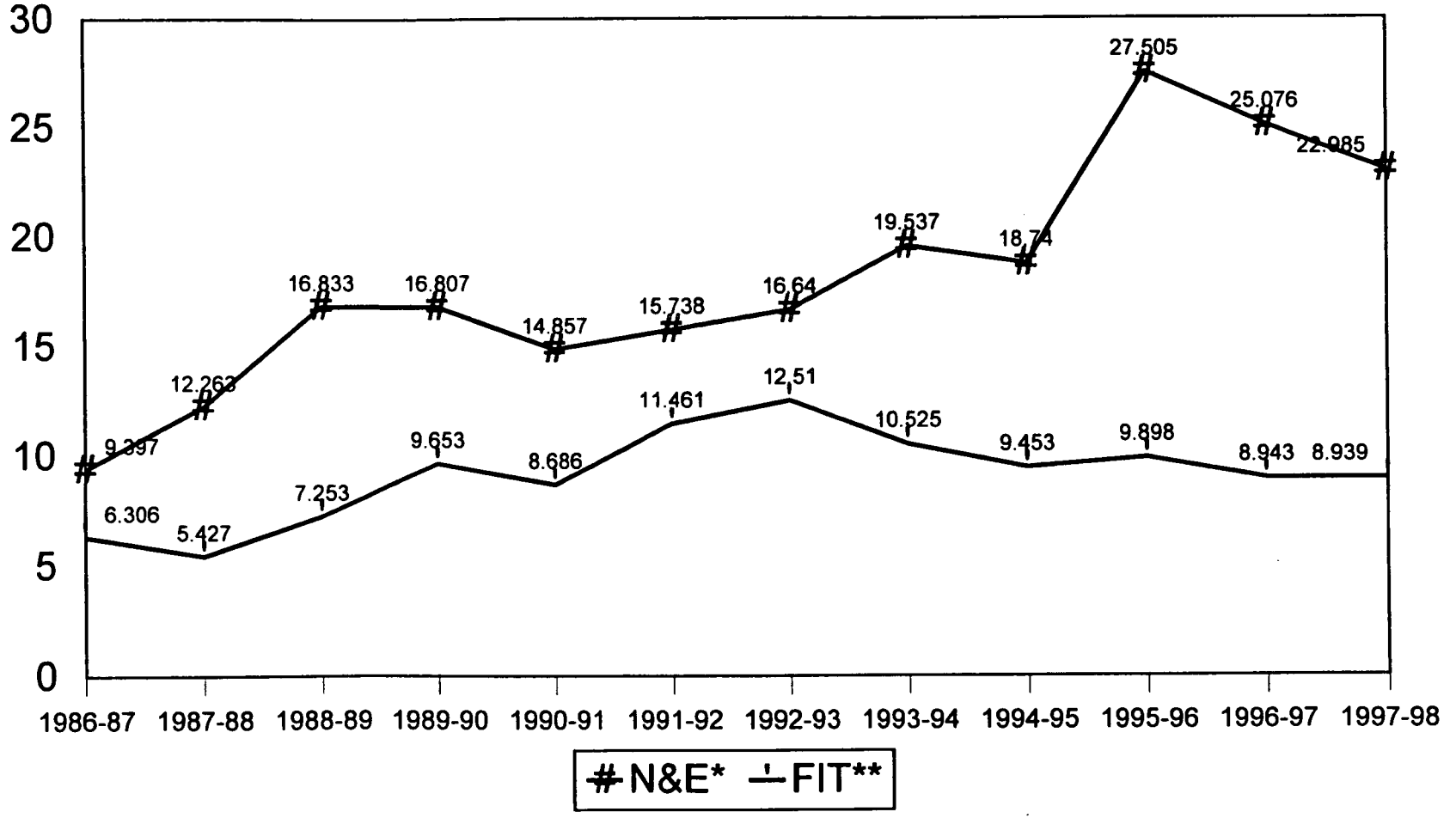
*Maximum Amount for Full-Time Student
(12 hours until 1991-92; 1991-92: 14 hours)

Fiscal Research Division

COMMUNITY COLLEGES INDUSTRIAL TRAINING PROGRAMS

NUMBER OF TRAINEES 1986 - 1998

(In Thousands)

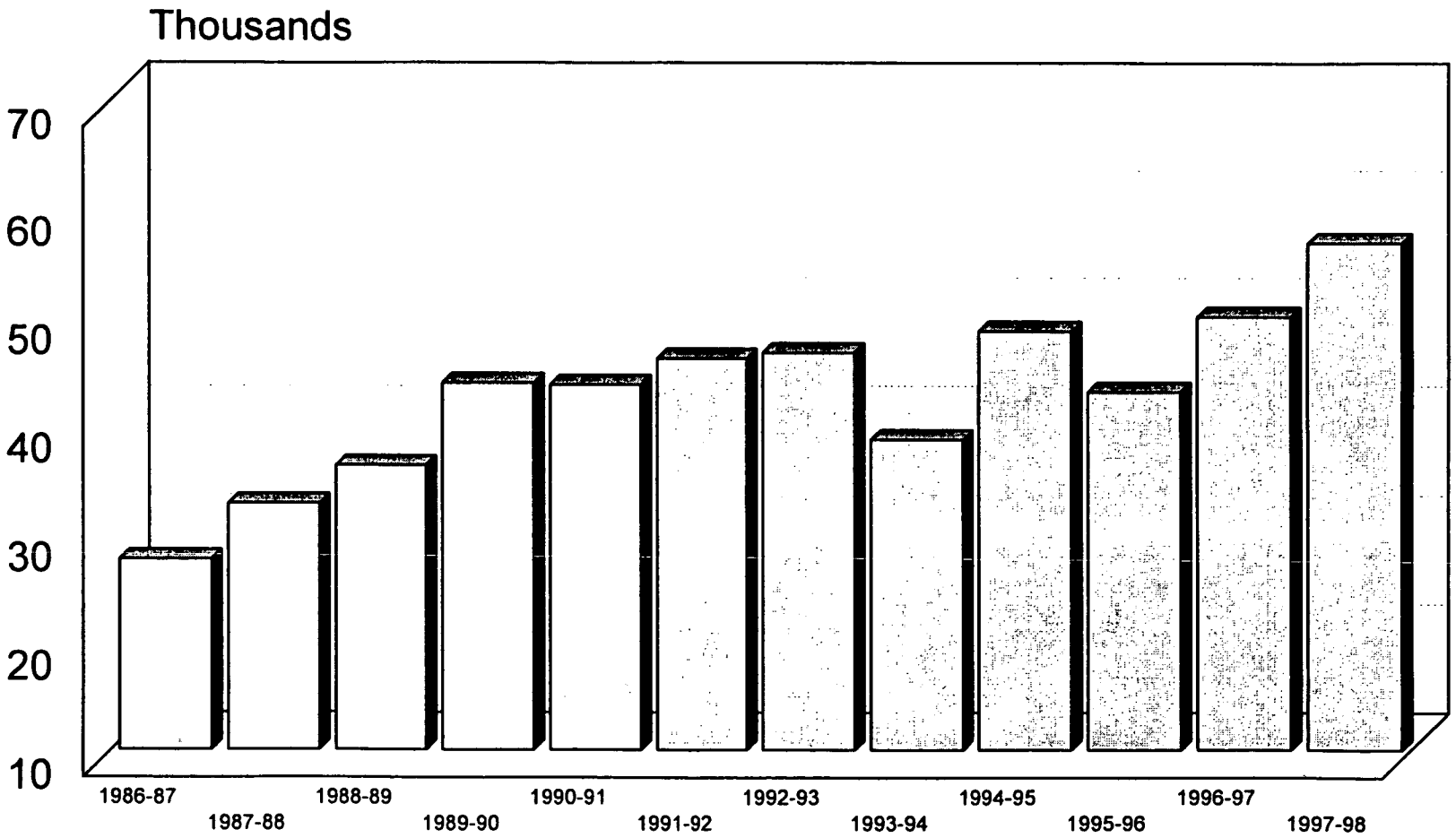


*New and Expanding Industry
** Focused Industrial Training

Fiscal Research Division

SMALL BUSINESS CLIENTS SERVED

1986-1998



DEPARTMENT OF COMMUNITY COLLEGES

	AUTHORIZED 1998-99	TOTAL AMOUNT RECOM.	1990-00 AMOUNT INCREASE 1998-99	TOTAL AMOUNT RECOM.	2000-01 AMOUNT INCREASE OVER 1998-99
TOTAL REQUIREMENTS	674,306,361	638,608,733	(35,697,628)	638,446,553	(35,859,808)
LESS RECEIPTS	89,017,824	89,017,824		89,017,824	
APPROPRIATION	585,288,537	549,590,909	(35,697,628)	549,428,729	(35,859,808)
NO. OF EMPLOYEE POSITIONS	186.5	186.5		186.5	
EXPLANATION OF MAJOR CHANGES OVER 1998-99:					
REQUIREMENT CHANGES					
SOCIAL SECURITY			6,628		6,628
LONGEVITY			(3,611)		(3,611)
FIXED CHARGES:					
RENTAL, MAINT AND OTHER SERVICE CONTRACTS			8,175		8,175
EQUIPMENT:					
OTHER EQUIPMENT			162,180		
DEPARTMENT SUBTOTAL			**173,372**		**11,192**
STATE AID:					
LONGEVITY AT THE COLLEGES			158,000		158,000
UNEMPLOYMENT COMPENSATION AT THE COLLEGES			21,000		21,000
COLLEGES SUBTOTAL			**179,000**		**179,000**
REMOVAL OF ONE TIME LEGISLATIVE APPROPRIATIONS:					
PRISON PROGRAM START UP FUNDS			($500,000)		($500,000)
INSTITUTIONAL SUPPORT FOR TECHNOLOGY			($1,000,000)		($1,000,000
LIBRARY BOOKS			($1,950,000		($1,950,000)
EDUCATIONAL EQUIPMENT			($7,050,000)		($7,050,000)
CENTER FOR APPLIED TEXTILE TECHNOLOGY			($150,000)		($150,000)
ANSON-UNION COMMUNITY COLLEGE RESERVE			($4,000,000)		($4,000,000)
MONTGOMERY CC SCHOLARSHIP ENDOWMENT FUNDS			($400,000)		($400,000)
EQUIPMENT RESERVE			($21,000,000)		($21,000,000)
ONE TIME APPROPRIATIONS TOTAL			**(36,050,000)**		**(36,050,000)**
TOTAL REQUIREMENTS			**(35,697,628)**		**(35,859,808)**

OVERVIEW OF COMMUNITY COLLEGE BUDGET PROCESS

Community colleges are funded by the General Assembly based on the average number of full-time equivalent students (FTE) for the year which is converted to dollars by formula. The essential elements of this process are outlined below:

- One student who takes 16 hours of class work for one semester (or 16 weeks) generates 256 hours. If this same student attends classes for one year, the student would generate 688 hours which is equivalent to one annual FTE.

  One fall or spring semester FTE = 16 hours x 16 weeks = 256 hours

  One summer term FTE = 16 hours x 11 weeks = 176 hours

  In order for an institution to generate budget, approximately 21 FTEs must be generated before an instructional unit can be allocated. Each year the dollar amount for curriculum (credit) and extension (no-credit) changes depending on funds available.

- The actual dollar amount paid to each institution by the state for each FTE earned is determined by the amount of money appropriated by the General Assembly for this purpose. Therefore, it varies from year to year. It is also different for FTEs earned by students in curriculum (degree or certificate) programs and continuing education or extension programs. (If the Legislature fails to increase funding as enrollments increase, the institutions do not receive funds for the full number of FTE credits earned.)

- FTE funds are to be used for current operating expenses such as instructional salaries, supplies and travel, administration, clerical and fiscal support, counselors, librarians, financial aid, placement and other personnel performing services for students. An average of 90–92 percent of these funds is used for salaries.

- The majority of funds (90%) is allocated to the colleges based on applicable FTE formulas. Current operating funds are allotted based on FTE generated in the curriculum programs for the preceding academic year (fall, spring). Continuing Education funds are based on FTE earned in the previous spring semester, summer term, and fall semester. Continuing Education programs include Occupational Extension and Literacy Education. Funds for Community Service Programs are allotted as a block grant and can be used only for community service programs. These programs do not generate budget FTE.

- Funds allotted for educational equipment and library books are based on a weighted FTE formula. The previous calendar year's FTE (spring, summer, and fall) are used in determining the fund distribution.

- Funds set aside for the Human Resources Development Program are allotted by distributing one-third of the available funds for program maintenance, one-third for FTE earned, and one-third for performance earned back. These funds are restricted and cannot be used for other purposes.

- The other State Aid funds are distributed based on either project proposals or some modified FTE formulas. Funds set aside for categorical programming must be used for those purposes.

- FTE funds may *NOT* be used for utilities (including telephone) or plant maintenance. These costs must be paid from local sources.

- Some kinds of classes must be "self-supporting" if offered. That is, instructional costs of recreational courses must be paid from fees charged.

North Carolina Community College System
Costs Per Regular Budget FTE
Formula Allocations
1998-1999

Curriculum(Academic Year)		
Total Requirements	$	4,348.83
Student Receipts		593.87
Appropriation	$	3,754.96
Occupational(Academic Year)		
Total Requirements	$	3,529.02
Student Receipts		307.26
Appropriation	$	3,221.76
Basic Skills(Academic Year)		
Total Requirements	$	4,236.05
Student Receipts		400.82
Appropriation	$	3,835.23

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
SUMMARY OF CONTINUATION APPROPRIATIONS
1999-01

	AUTHORIZED 1998-99	RECOMMENDED CONTINUATION CHANGES 1999-00	TOTAL CONTINUATION RECOMMENDED 1999-00	RECOMMENDED CONTINUATION CHANGES 2000-01	TOTAL RECOMMENDED CONTINUATION 2000-01
OPERATING REQUIREMENTS	$ 674,306,361	$ (35,697,628)	$ 638,608,733	$ (35,859,808)	$ 638,446,553
LESS: NON-GENERAL FUND SOURCES	89,017,824	-	89,017,824	-	89,017,824
GENERAL FUND APPROPRIATIONS	$ 585,288,537	$ (35,697,628)	$ 549,590,909	$ (35,859,808)	$ 549,428,729
11XX PRESIDENT'S OFFICE	$ 1,985,576	$ (2,289)	$ 1,983,287	$ (2,289)	$ 1,983,287
12XX ADMINISTRATION	4,878,367	659	4,879,026	659	4,879,026
13XX BUSINESS & FINANCE	1,590,387	163,101	1,753,488	921	1,591,308
14XX ACADEMIC & STUDENT SERV.	2,139,507	11,901	2,151,408	11,901	2,151,408
TOTAL 11XX - 14XX	$ 10,593,837	$ 173,372	$ 10,767,209	$ 11,192	$ 10,605,029
16XX STATE-AID TO COLLEGES:					
PERSONAL SERVICES	$ 976,629	$ -	$ 976,629	$ -	$ 976,629
TRUSTEES ASSOC. EDUC.	25,000	-	25,000	-	25,000
SA-CHILD CARE GRANTS	2,000,000	-	2,000,000	-	2,000,000
SA-LONGEVITY	6,650,000	158,000	6,808,000	158,000	6,808,000
MULTI-CAMPUS FUNDS	650,000	-	650,000	-	650,000
PRISON PROGRAM START-UP	500,000	(500,000)	-	(500,000)	-
SA-UNEMPLOYMENT CONT.	500,766	21,000	521,766	21,000	521,766
SA-HRD	6,649,520	-	6,649,520	-	6,649,520
SA-NEW INDUSTRY	6,028,541	-	6,028,541	-	6,[illegible]541
SA-SPECIAL ALLOTMENT	2,163,998	-	2,163,998	-	2[illegible]98
SA-MAINT OF PLANT	513,668	-	513,668	-	5[illegible]668
SA-NURSING SPL ALLOT.	410,000	-	410,000	-	410,000
SA-PRIORITY PROGRAMS	35,072	-	35,072	-	35,072
SA-SYSTEM-WIDE PROJECTS	427,000	-	427,000	-	427,000
SA-CERTIFICATE PROG.	18,870,412	-	18,870,412	-	18,870,412
SA-ASSOC. DEGREE PROG.	169,339,115	-	169,339,115	-	169,339,115
SA-DIPLOMA PROG.	28,340,175	-	28,340,175	-	28,340,175
SA-TRANSITIONAL PROG.	17,780,114	-	17,780,114	-	17,780,114
SA-CONTINUING EDUC.	25,475,218	-	25,475,218	-	25,475,218
SA-BASIC SKILLS EDUC.	29,873,892	-	29,873,892	-	29,873,892
SA-COMMUNITY SERVICE	1,817,738	-	1,817,738	-	1,817,738
SA-BASE-ADMIN	30,271,315	-	30,271,315	-	30,271,315
SA-BASE-INSTR. SUPPORT	61,302,804	-	61,302,804	-	61,302,804
SA-ENROLMT-ADMIN	14,441,804	-	14,441,804	-	14,441,804
SA-ENROLMT-INSTR. SUPT	81,618,682	(1,000,000)	80,618,682	(1,000,000)	80,618,682
SA-PUB RADIO CRAVEN	149,912	-	149,912	-	149,912
SA-PUB RADIO ISOTHERMAL	149,912	-	149,912	-	149,912
SA-SMALL BUSINESS	3,686,442	-	3,686,442	-	3,686,442
SA-NETWORKING	618,600	-	618,600	-	618,600
SA-COMPENSATORY EDUC	1,075,169	-	1,075,169	-	1,075,169
SA-FACULTY UPGRADE	1,014,135	-	1,014,135	-	1,014,135
SA-LIABILITY INS.	53,000	-	53,000	-	53,000
BOOKS	5,084,035	(1,950,000)	3,134,035	(1,950,000)	3,134,035
EDUCATION EQUIPMENT	24,369,732	(7,050,000)	17,319,732	(7,050,000)	17,319,732
SA-NURSING DISADVANTAGE	80,000	-	80,000	-	80,000
SA-DIPLOMA NURSING	200,000	-	200,000	-	2[illegible]00
SA-HEARING IMPAIRED	190,000	-	190,000	-	[illegible]0

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
SUMMARY OF CONTINUATION APPROPRIATIONS
1999-01

		AUTHORIZED 1998-99	RECOMMENDED CONTINUATION CHANGES 1999-00	TOTAL CONTINUATION RECOMMENDED 1999-00	RECOMMENDED CONTINUATION CHANGES 2000-01	TOTAL RECOMMENDED CONTINUATION 2000-01
1603	FOCUSED INDUSTRIAL TRAIN.	$ 1,962,032	-	$ 1,962,032	-	$ 1,962,032
	TOTAL 16XX	$ 545,294,432	$ (10,321,000)	$ 534,973,432	$ (10,321,000)	$ 534,973,432
17XX	CENT. FOR APPLIED TECH	2,850,268	(150,000)	2,700,268	(150,000)	2,700,268
19XX	RESERVE AND TRANSFERS	26,550,000	(25,400,000)	1,150,000	(25,400,000)	1,150,000
	TOTAL APPROPRIATION	$ 585,288,537	$ (35,697,628)	$ 549,590,909	$ (35,859,808)	$ 549,428,729

NORTH CAROLINA
COMMUNITY COLLEGE SYSTEM
FORMULA BUDGET COMPUTATION

1998.99

STATEWIDE TOTAL

BUDGETED CURRICULUM FTE:		BUDGETED NON-CURRICULUM FTE:	
		OCCUPATIONAL..	17,214
REGULAR CURRICULUM	107,321		
		LITERACY.....	13,473
CONTRACTED INSTRUCTION	540		
TOTAL CURRICULUM:	107,861	TOTAL BUDGETED:	138,548

CURRICULUM ALLOTMENT:			
REGULAR CURRICULUM:			
5,414.6 INSTRUCTIONAL POSITIONS AT $42,201 EACH			$228,501,536
EMPLOYEE BENEFITS: (A) 17.75% OF SALARIES		$40,559,022	
(B) HOSPITALIZATION AT $1,735.20		$9,395,414	$49,954,436
OTHER COSTS @ $105.00 PER FTE			$11,268,705
TOTAL REGULAR CURRICULUM			$289,724,677
CONTRACTED INSTRUCTION:			
31.4 INSTRUCTIONAL POSITIONS AT $30,069 EACH			$944,167
EMPLOYEE BENEFITS: 7.65% OF SALARIES			$72,229
OTHER COSTS @ $105.00 PER FTE			$56,700
TOTAL CONTRACTED INSTRUCTION			$1,073,096
TOTAL CURRICULUM ALLOTMENT			$290,797,773
NON-CURRICULUM INSTRUCTION:			
OCCUPATIONAL EXTENSION:			
969.9 INSTRUCTIONAL POSITIONS AT $30,069 EACH			$29,163,925
EMPLOYEE BENEFITS: 7.65% OF SALARIES			$2,231,036
OTHER COSTS @ $56.00 PER FTE			$963,984
TOTAL OCCUPATIONAL EXTENSION			$32,358,945
BASIC SKILLS BLOCK GRANT			$34,852,389
COMMUNITY SERVICE GRANT			$1,786,927
TOTAL NON-CURRICULUM ALLOTMENT			$68,998,261
TOTAL INSTRUCTIONAL ALLOTMENT			$359,796,034
PRESIDENT'S ALLOTMENT:			
PRESIDENT'S SALARY		$5,233,836	
FICA AT 7.65%		$290,174	
RETIREMENT AT 10.10%		$528,616	
HOSPITALIZATION AT $1,735.20		$100,630	
TOTAL PRESIDENT'S ALLOTMENT			$6,153,256
ADMINISTRATIVE AND INSTRUCTIONAL SUPPORT ALLOTMENT:			
BASE ALLOTMENT - FIRST 750 FTE		$82,238,142	
ENROLLMENT ALLOTMENT @ $937.00 PER FTE IN EXCESS OF 750		$89,636,231	
TOTAL ADMINISTRATIVE & INSTRUCTIONAL SUPPORT ALLOTMENT			$171,874,37[illegible]
TOTAL FORMULA ALLOTMENT			$537,823,663

Community College Literacy Programs

- More than 133,400 adults are enrolled annually inthe different literacy programs
- Approximately 12,000 literacy classes are offered at 2,700 community sites annually
- State appropriation for literacy: $29.9 million in FY98-99
- Federal funds for literacy: $5.5 million in FY 98-99
- Literacy funds are allocated to local colleges based on FTE, proportion of target population served, number of GED and Adult High School diplomas awarded. It rewards colleges for performance.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BASIC SKILLS ALLOTMENT - FY 1998-99

ATTACHMENT 4-K

COLLEGES	BASE ALLOTMENT	TARGET POPULATION 16-54 YEARS	TARGET DOLLARS $.25	GED CERT. AWARDED	GED DOLLARS $50	AHS DIPL. AWARDED	AHS DOLLARS $150	ELIGIBLE POPULATION SERVED
ALAMANCE CC	$20,000	11,339	$2,835	355	$17,750	41	6,150	11.73%
ANSON CC	20,000	8,472	2,118	175	8,750	42	6,300	9.39%
ASHEVILLE-BUNCOMBE TCC	20,000	17,940	4,485	568	28,400		0	7.83%
BEAUFORT COUNTY CC	20,000	6,401	1,600	107	5,350		0	7.96%
BLADEN CC	20,000	4,131	1,033	81	4,050	7	1,050	5.55%
BLUE RIDGE CC	20,000	8,487	2,122	325	16,250	16	2,400	8.33%
BRUNSWICK CC	20,000	5,629	1,407	122	6,100		0	5.75%
CALDWELL CC & TI	20,000	15,615	3,904	402	20,100	23	3,450	9.69%
CAPE FEAR CC	20,000	12,956	3,239	266	13,300	108	16,200	7.91%
CARTERET CC	20,000	4,619	1,155	91	4,550	57	8,550	8.95%
CATAWBA VALLEY CC	20,000	20,293	5,073	394	19,700		0	8.81%
CENTRAL CAROLINA CC	20,000	16,876	4,219	380	19,000	139	20,850	12.93%
CENTRAL PIEDMONT CC	20,000	39,233	9,808	545	27,250	224	33,600	13.37%
CLEVELAND CC	20,000	11,195	2,799	171	8,550	88	13,200	6.75%
COASTAL CAROLINA CC	20,000	9,237	2,309	265	13,250	10	1,500	17.58%
COLLEGE OF ALBEMARLE	20,000	10,764	2,691	311	15,550	77	11,550	9.37%
CRAVEN CC	20,000	6,716	1,679	140	7,000	23	3,450	10.48%
DAVIDSON COUNTY CC	20,000	20,879	5,220	216	10,800	75	11,250	6.62%
DURHAM TCC	20,000	18,878	4,720	95	4,750	102	15,300	8.27%
EDGECOMBE CC	20,000	8,932	2,233	197	9,850	49	7,350	14.30%
FAYETTEVILLE TCC	20,000	20,090	5,023	405	20,250	125	18,750	15.20%
FORSYTH TCC	20,000	24,247	6,062	418	20,900	114	17,100	8.17%
GASTON COLLEGE	20,000	34,211	8,553	630	31,500	162	24,300	5.47%
GUILFORD TCC	20,000	29,783	7,446	418	20,900	147	22,050	6.12%
HALIFAX CC	20,000	12,006	3,002	150	7,500		0	6.14%
HAYWOOD CC	20,000	4,766	1,192	134	6,700		0	9.03%
ISOTHERMAL CC	20,000	10,006	2,502	158	7,900	89	13,350	11.74%
JAMES SPRUNT CC	20,000	6,227	1,557	61	3,050	11	1,650	8.41%
JOHNSTON CC	20,000	10,118	2,530	58	2,900	104	15,600	8.59%
LENOIR CC	20,000	11,168	2,792	189	9,450	49	7,350	11.87%
MARTIN CC	20,000	5,964	1,491	49	2,450	26	3,900	8.64%
MAYLAND CC	20,000	6,143	1,536	243	12,150		0	8.02%
MCDOWELL TCC	20,000	4,977	1,244	189	9,450		0	9.22%
MITCHELL CC	20,000	12,067	3,017	296	14,800		0	8.98%
MONTGOMERY CC	20,000	4,012	1,003	44	2,200		0	6.00%
NASH CC	20,000	10,063	2,516	159	7,950	22	3,300	8.74%
PAMLICO CC	20,000	1,271	318	37	1,850		0	6.99%
PIEDMONT CC	20,000	7,632	1,908	220	11,000		0	8.95%
PITT CC	20,000	10,042	2,511	238	11,900	33	4,950	12.64%
RANDOLPH CC	20,000	16,139	4,035	257	12,850	23	3,450	6.23%
RICHMOND CC	20,000	11,338	2,835	620	31,000	31	4,650	15.79%
ROANOKE CHOWAN CC	20,000	6,094	1,524	146	7,300		0	6.76%
ROBESON CC	20,000	17,485	4,371	55	2,750	183	27,450	7.08%
ROCKINGHAM CC	20,000	12,624	3,156	128	6,400		0	6.67%
ROWAN-CABARRUS CC	20,000	23,694	5,924	229	11,450	98	14,700	4.96%
SAMPSON CC	20,000	5,807	1,452	227	11,350	2	300	7.91%
SANDHILLS CC	20,000	9,682	2,421	285	14,250		0	11.57%
SOUTHEASTERN CC	20,000	6,782	1,696	192	9,600	22	3,300	11.03%
SOUTHWESTERN CC	20,000	6,439	1,610	390	19,500	13	1,950	8.28%
STANLY CC	20,000	11,819	2,955	191	9,550	91	13,650	7.51%
SURRY CC	20,000	13,582	3,396	223	11,150		0	6.56%
TRI COUNTY CC	20,000	4,403	1,101	129	6,450		0	4.16%
VANCE-GRANVILLE CC	20,000	19,092	4,773	418	20,900	11	1,650	7.38%
WAKE TCC	20,000	25,343	6,336	513	25,650	64	9,600	16.45%
WAYNE CC	20,000	10,595	2,649	158	7,900	43	6,450	11.90%
WESTERN PIEDMONT CC	20,000	12,261	3,065	541	27,050	27	4,050	14.43%
WILKES CC	20,000	15,767	3,942	114	5,700	68	10,200	5.35%
WILSON TCC	20,000	8,714	2,179	110	5,500	70	10,500	10.31%
TOTAL	$1,160,000	721,045	$180,272	14,228	$711,400	2,709	$406,350	9.17%

Ten (10) percent of the Federal Allotment must be expended for instructor training. This amount is included as part of the "Total Basic Skills Allotment", and is reflected in the last column of the computation sheet for INFORMATION ONLY.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BASIC SKILLS ALLOTMENT - FY 1998-99

ATTACHMENT 4-K

COLLEGES	10,000 LEVEL OF EFFORT	*FTE	STATE ALLOTMENT $1,944	SUPPLEMENTAL FEDERAL ALLOTMENT $408.77	TOTAL BASIC SKILLS ALLOTMENT	REQUIRED INSTRUCTOR TRAINING
ALAMANCE CC	$25,600	229	445,369	93,607	$611,311	$9,361
ANSON CC	2,200	164	318,954	67,037	425,359	6,704
ASHEVILLE-BUNCOMBE TCC	0	287	558,170	117,316	728,371	11,732
BEAUFORT COUNTY CC	0	191	371,465	78,074	476,489	7,807
BLADEN CC	0	38	73,904	15,533	115,570	1,553
BLUE RIDGE CC	0	138	268,388	56,410	365,570	5,641
BRUNSWICK CC	0	152	295,616	62,132	385,255	6,213
CALDWELL CC & TI	5,200	234	455,093	95,651	603,398	9,565
CAPE FEAR CC	0	275	534,832	112,410	699,981	11,241
CARTERET CC	0	143	278,113	58,453	370,821	5,845
CATAWBA VALLEY CC	0	163	317,009	66,629	428,411	6,663
CENTRAL CAROLINA CC	37,600	672	1,306,934	274,690	1,683,293	27,469
CENTRAL PIEDMONT CC	42,000	706	1,373,059	288,588	1,794,305	28,859
CLEVELAND CC	0	187	363,686	76,439	484,674	7,644
COASTAL CAROLINA CC	84,100	206	400,638	84,206	606,003	8,421
COLLEGE OF ALBEMARLE	2,000	230	447,314	94,016	593,121	9,402
CRAVEN CC	13,100	114	221,712	46,599	313,540	4,660
DAVIDSON COUNTY CC	0	163	317,009	66,629	430,908	6,663
DURHAM TCC	0	343	667,081	140,206	852,057	14,021
EDGECOMBE CC	51,300	307	597,067	125,491	813,291	12,549
FAYETTEVILLE TCC	60,300	694	1,349,721	283,683	1,757,727	28,368
FORSYTH TCC	0	414	805,165	169,229	1,038,456	16,923
GASTON COLLEGE	0	310	602,901	126,717	813,971	12,672
GUILFORD TCC	0	366	711,813	149,608	931,817	14,961
HALIFAX CC	0	171	332,568	69,899	432,969	6,990
HAYWOOD CC	0	72	140,029	29,431	197,352	2,943
ISOTHERMAL CC	25,700	129	250,885	52,731	373,068	5,273
JAMES SPRUNT CC	0	121	235,326	49,461	311,044	4,946
JOHNSTON CC	0	281	546,501	114,863	702,394	11,486
LENOIR CC	27,000	334	649,578	136,528	852,698	13,653
MARTIN CC	0	164	318,954	67,037	413,832	6,704
MARYLAND CC	0	85	165,312	34,745	233,743	3,475
MCDOWELL TCC	500	158	307,285	64,585	403,064	6,459
MITCHELL CC	0	107	208,098	43,738	289,653	4,374
MONTGOMERY CC	0	41	79,739	16,759	119,701	1,676
NASH CC	0	187	363,686	76,439	473,891	7,644
PAMLICO CC	0	33	64,180	13,489	99,837	1,349
PIEDMONT CC	0	118	229,491	48,234	310,633	4,823
PITT CC	34,700	163	317,009	66,629	457,699	6,663
RANDOLPH CC	0	205	398,693	83,797	522,825	8,380
RICHMOND CC	66,200	422	820,724	172,499	1,117,908	17,250
ROANOKE CHOWAN CC	0	113	219,767	46,190	294,781	4,619
ROBESON CC	0	467	908,242	190,893	1,153,706	19,089
ROCKINGHAM CC	0	98	190,595	40,059	260,210	4,006
ROWAN-CABARRUS CC	0	204	396,748	83,388	532,210	8,339
SAMPSON CC	0	296	575,674	120,994	729,770	12,099
SANDHILLS CC	24,000	259	503,714	105,870	670,255	10,587
SOUTHEASTERN CC	18,600	241	468,707	98,512	620,415	9,851
SOUTHWESTERN CC	0	102	198,374	41,694	283,128	4,169
STANLY CC	0	139	270,333	56,818	373,306	5,682
SURRY CC	0	128	248,940	52,322	335,808	5,232
TRI COUNTY CC	0	32	62,235	13,080	102,866	1,308
VANCE-GRANVILLE CC	0	203	394,803	82,979	525,105	8,298
WAKE TECH CC	72,800	655	1,273,872	267,741	1,675,999	26,774
WAYNE CC	27,300	291	565,949	118,951	749,199	11,895
WESTERN PIEDMONT CC	52,600	401	779,882	163,915	1,050,562	16,392
WILKES CC	0	157	305,340	64,176	409,358	6,418
WILSON TCC	11,400	170	330,628	69,494	449,701	6,949
TOTAL	$684,200	13,473	$26,202,874	$5,507,293	$34,852,389	$550,732

Ten (10) percent of the Federal Allotment must be expended for instructor training. This amount is included as part of the "Total Basic Skills Allotment", and is reflected in the last column of the computation sheet for INFORMATION ONLY.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BASIC SKILLS ALLOTMENT - FY 1998-99

COLLEGES	FY 1997-98 BASIC SKILLS ALLOTMENT	FY 1998-99 BASIC SKILLS ALLOTMENT	INCREASE/ (DECREASE)
ALAMANCE CC	$617,025	$611,311	($5,714)
ANSON CC	421,942	425,359	3,417
ASHEVILLE-BUNCOMBE TCC	681,565	728,371	46,806
BEAUFORT COUNTY CC	508,475	476,489	(31,986)
BLADEN CC	144,211	115,570	(28,641)
BLUE RIDGE CC	343,348	365,570	22,222
BRUNSWICK CC	377,838	385,255	7,417
CALDWELL CC & TI	585,141	603,398	18,257
CAPE FEAR CC	687,879	699,981	12,102
CARTERET CC	363,957	370,821	6,864
CATAWBA VALLEY CC	437,502	428,411	(9,091)
CENTRAL CAROLINA CC	1,647,905	1,683,293	35,388
CENTRAL PIEDMONT CC	1,742,379	1,794,305	51,926
CLEVELAND CC	524,820	484,674	(40,146)
COASTAL CAROLINA CC	643,266	606,003	(37,263)
COLLEGE OF ALBEMARLE	492,628	593,121	100,493
CRAVEN CC	296,350	313,540	17,190
DAVIDSON COUNTY CC	428,279	430,908	2,629
DURHAM TCC	815,413	852,057	36,644
EDGECOMBE CC	669,017	813,291	144,274
FAYETTEVILLE TCC	1,707,914	1,757,727	49,813
FORSYTH TCC	953,783	1,038,456	84,673
GASTON COLLEGE	786,081	813,971	27,890
GUILFORD TCC	905,814	931,817	26,003
HALIFAX CC	452,911	432,969	(19,942)
HAYWOOD CC	188,265	197,352	9,087
ISOTHERMAL CC	370,038	373,068	3,030
JAMES SPRUNT CC	371,805	311,044	(60,761)
JOHNSTON CC	687,685	702,394	14,709
LENOIR CC	830,180	852,698	22,518
MARTIN CC	430,328	413,832	(16,496)
MAYLAND CC	243,264	233,743	(9,521)
MCDOWELL TCC	399,491	403,064	3,573
MITCHELL CC	295,196	289,653	(5,543)
MONTGOMERY CC	119,559	119,701	142
NASH CC	483,085	473,891	(9,194)
PAMLICO CC	100,303	99,837	(466)
PIEDMONT CC	325,966	310,633	(15,333)
PITT CC	354,455	457,699	103,244
RANDOLPH CC	512,449	522,825	10,376
RICHMOND CC	1,086,494	1,117,908	31,414
ROANOKE CHOWAN CC	324,748	294,781	(29,967)
ROBESON CC	1,086,295	1,153,706	67,411
ROCKINGHAM CC	271,917	260,210	(11,707)
ROWAN-CABARRUS CC	550,758	532,210	(18,548)
SAMPSON CC	659,734	729,770	70,036
SANDHILLS CC	684,346	670,255	(14,091)
SOUTHEASTERN CC	620,101	620,415	314
SOUTHWESTERN CC	249,888	283,128	33,240
STANLY CC	372,012	373,306	1,294
SURRY CC	329,417	335,808	6,391
TRI COUNTY CC	76,906	102,866	25,960
VANCE-GRANVILLE CC	530,453	525,105	(5,348)
WAKE TCC	1,452,079	1,675,999	223,920
WAYNE CC	765,957	749,199	(16,758)
WESTERN PIEDMONT CC	1,025,421	1,050,562	25,141
WILKES CC	404,536	409,358	4,822
WILSON TCC	440,606	449,701	9,095
TOTAL	$33,879,180	$34,852,389	$973,209

Community Services Block Grant

- Purpose of the program is to provide community interest, non-credit classes, especially for senior citizens
- Block Grant was created to reduce the state's funding for hobby and leisure courses
- Previously was funded by same FTE system used for credit courses
- Was combined with Visiting Artist Program in 1991 and both were cut in half
- 98-99 Authorized Budget: $ 1, 821,384

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
COMPARISON OF ORIGINAL BUDGET AND YEAR END EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 1998
STATE WIDE BUDGET

	Original Formula Budget	Actual Expenses Through 6/30/98	Expenses Greater (Less) Than Original Budget
CURRICULUM			
Salaries	$271,367,029	$247,762,404	($23,604,625)
Other Cost	11,289,075	18,174,439	6,885,364
NON-CURRICULUM			
Salaries	30,032,219	29,414,303	(817,916)
Other Cost	951,888	3,580,404	2,628,516
LITERACY	33,879,180	36,647,107	2,767,927
COMMUNITY SERVICE	1,786,927	1,800,350	13,423
ADMIN/INSTITI. SUPPORT			
Salaries	150,973,491	169,976,262	19,002,771
Other Cost	22,793,892	29,625,027	6,831,135
Other Non-Formula	30,789,424	15,621,141	(15,168,283)
TOTAL CURRENT OPERATING	**$553,863,125**	**$552,601,437**	**($1,261,688)**

RESEARCH BRIEF

A publication of the Planning and Research Section, North Carolina Community College System

February 1999 *No. 1999-01*

FACULTY SALARIES AND EMPLOYMENT

North Carolina community college faculty are employees of the local community college whose salaries are funded primarily from State allocations. A few colleges have local faculty salary supplements, and a small number of faculty are paid from other sources, such as grants. Salaries are affected by many factors, a few of which are the local labor market, local personnel policies, work assignments, number of months employed, and performance. This research brief presents data for the last two years on the number of full-time faculty and average salaries based upon the Staff Information files submitted by the community colleges each fall.

The North Carolina Community College System employed 4,221 full-time curriculum faculty (including both permanent and temporary) in fall of 1998, an increase of 4.2% from the previous fall when 4,051 were employed.

Limiting the 1998 faculty population to full-time permanent faculty, the total number of faculty drops to 4,202. Of these faculty, 3,687 were employed as full-time permanent faculty in fall of 1997, for a one-year retention of 91.6%. The 515 new faculty hired in 1998 have an average monthly salary of $3,038, much lower than the 1998 average monthly salary of $3,659 for those faculty employed both years. There were 339 faculty who did not return in fall 1998 as full-time faculty in the community colleges. The fall 1997 data show that these faculty had an average monthly salary of $3,532 as compared to $3,492 for the 3,687 faculty who were retained. This analysis supports the hypothesis that faculty who leave the system, in some cases for retirement, earned higher salaries than those retained. It also shows that new faculty earn much lower salaries, on the average, than experienced faculty.

Table 1
Average Monthly Salary from State Funds for Full-Time, Curriculum Faculty
Based on Employment Status in 1997-98 and 1998-99
With the North Carolina Community College System
(Omitting Catawba Valley CC, Gaston College, Robeson CC Due to Incorrect Data)

	Number of Faculty	Average Monthly Salary, 1997-98	Average Monthly Salary, 1998-99
Left Faculty Employment after 1997-98	339	$3,532	—
New Faculty Hire in 1998-99	515	—	$3,038
Employed as Faculty Both Years	3,687	$3,492	$3,659

Salaries of full-time permanent faculty who were employed the same number of months both in 1997-98 and 1998-99 were compared to determine the average increase in monthly salary. When all sources of salary (local, Federal, State, etc.) are included, the average increase is 5.03%. When only State funds are

included, the average increase is 4.92%. This analysis shows that, on the average, the community colleges gave more than the 3% legislative increase to those faculty who were retained from 1997 to 1998 and employed for the same number of months. (The bonuses are not included in the reported salaries.)

In 1998, 70% of the full-time faculty are employed on a 12-month basis, with an annual State salary of $44,545. Another 21% are employed as 9-month faculty, with an annual State salary of $32,711. Another 7.5% are on 10-month employment contracts, with an average State salary of $35,902, and the remaining are on 11-month contracts, at an average annual State salary of $37,831. (For the 5% of faculty with contracts having partial months, the length of employment is rounded to the nearest whole.)

Table 2
Average State Salaries for Full-time Faculty by Employment Period

Length of Employment	Number of Faculty, 1998-99	Percent of Total Faculty, 1998-99	1998-99 Average Annual State Salary	Percent of Instructional Unit Allotment of $42,201	Number Employed 1997 and 1998 for Same Number of Months	Average Percent Increase in Monthly Salary
9-month	891	21.1%	$32,711	77.5%	436	6.24%
10-month	316	7.5%	$35,902	85.1%	153	5.64%
11-month	69	1.6%	$37,831	89.6%	29	5.82%
12-month	2,945	69.8%	$44,545	105.6%	2,396	4.63%

When salaries for the 1998-99 year are converted to nine months for the purpose of comparing with the SREB states and with national data, the average North Carolina community college faculty earns $33,027 from all sources, an increase of $821 from the previous year. Relative to other states, North Carolina community college faculty earn monthly salaries that rank at the bottom. However, almost four in five of North Carolina community college faculty work more than nine months, increasing their **annual** earnings.

Source of data: Staff Information files submitted to the North Carolina Community College System Office. Data analysis by Research and Planning and Information Services sections.

Dr. Brenda Rogers
Vice President, Administration
N.C. Community College System
200 W. Jones Street
Raleigh, NC 27603-1337
(919) 733-7051

Planning & Research
N.C. Community College System

Keith Brown, Associate Vice President
Dr. Larry Gracie, Associate Director for Institutional Effectiveness
Terry Shelwood, Associate Director for Institutional Assessment
Dr. Xiaoyun Yang, Coordinator of Research Projects
Brenda Splawn, Research Technician
Vivian Barrett, Office Assistant

Affirmative Action/Equal Opportunity Employer
200 copies of this document were printed at a cost of $6.00

MULTI-CAMPUS FUNDING
ALLOCATION OF $650,000 FOR 1998-99

COLLEGE	CAMPUS	EQUAL AMOUNT OF SUPPLEMENTAL FUNDING	PRO RATA SHARE FOR SITES OPERATING < 1 YEAR
Caldwell CC & TI	Watauga Cty	$52,000	
Central Carolina CC			
	Chatham Cty	52,000	
	Harnett Cty	52,000	
Central Piedmont CC			
	North	52,000	
	South	52,000	
	Southwest		$26,000
College of Albemarle	Dare Cty	52,000	
Edgecombe	Rocky Mount	52,000	
Guilford TCC	Greensboro	52,000	
Rowan-Cabarrus	Cabarrus Cty	52,000	
Vance-Granville			
	Franklin Cty	52,000	
	Granville Cty	52,000	
Wake	AHEC	52,000	
TOTALS		**$624,000**	**$26,000**
			$650,000

New and Expanding Industry Program (NEIT)

- Created in 1958, each year the NEIT program works with approximately 200 new and expanding companies across the state to support training for more than 20,000 citizens.
- Companies creating 12 or more production jobs in excess of their previous 3 year maximum employment level are eligible for assistance.
- Industrial training specialists visit company operations and study the job skills, work schedules and production processes in order to design a training program tailored to the specific needs of the company.
- The program pays for instructor wages, travel expenses, training materials, temporary training facilities and development of customized training media products.
- The program spent $7.7 million in FY 97-98 and trained 22,976 workers. Approximately 69% of the training was provided by industry employees rather than community college instructors.
- Major changes were made in the accountability of this program over the last 2 years and has resulted in better guidelines for the use of these funds. The State Board reports on expenditures by college and industry twice a year.

Focused Industrial Training Program

- Provides customized small enrollment classes to companies that are changing the skills needed in their workforce and are not available through occupational extension classes

- Since 1981 more than 122,758 workers in over 11,774 companies have participated in the FIT program

- 36 colleges receive an average grant of $82,000 to operate their FIT centers. Allocations are base on the number of manufacturing jobs in the college's service delivery area.

- The emphasis is on making companies more competitive by modernizing their production efforts. The primary industries served are in metal working, textiles, industrial maintenance and production technology.

- The FIT budget is a combination of state appropriations of $1,962,032 and Worker Training Trust Fund money fo $1,745,000.

Small Business Center Network (SBCN)

- Goal of the program is to increase the success rate and the number of profitable small businesses by providing high quality, readily accessible assistance to prospective and existing small business owners and employees.

- Each center receives a grant of approximately $61,000

- Total statewide appropriation FY98-99: $3,686,442

- SBCN provides the following services:
  * Business seminars, workshops and short courses
  * Individualized business counseling
  * Is a referal for other state, federal or local services
  * Resources such as publications, audio/video tapes, computer software, and Internet access

Human Resources Development (HRD) Program

- The program was created in 1973 to strengthen the employment and educational opportunities of adults who were unemployed or underemployed, especially those receiving public assistance.

- Provides assessment, orientation and motivation, job search assistance, academic preparation, short term skills training and job keeping strategies.

- Each program's funding depends on its success as determined by the increase in students' income and decreases in their public assistance payments.

- Since 1975 HRD programs have generated a total income increase of more than $200 million and decreased public assistance payments by more than $27 million. It has provided training to approximately 162,000 students.

- FY98-99 budget: $6,649,520

Special Allotments for High Cost Programs

1998 Allocations

- The General Assembly created a special allotment program in 1987 to supplement the FTE earnings of certain high cost programs in order to make them economically feasible to operate. These programs receive a "weighted FTE factor" ranging from 1.2 to 2.25.

- The total funding for this program is $2,055,716 in FY98-99

- The following programs receive these allotments:
  * Cape Fear CC: Marine Tech $494,385 (2.00 weight)

  * Haywood CC:
    - Sawmill program: $161,040 (2.2 weight)
    - Robotics program: $619,724 (2.2 weight)

  * Johnston CC: Truck Driver Training: $239,875 (1.2 weight)

  * Wilson TCC: Heavy Equip. Operator: $411,637 (2.25 weight)

  * Caldwell CC: Truck Driver Training: $129,055 (1.2 weight)

Nursing Program Special Funds

- Hospital-Based Diploma Nursing Funds are allocated to five hospitals to supplement the cost of training nurses. The programs must be accredited by the N.C. Board of Nursing and operated under the authority of a licensed non-profit or public hospital. The annual appropriation is $200,000.

- Disadvantaged Nursing Funds of $80,000 a year are allocated to colleges to provide additional academic support services for tutors, peer counseling and testing materials in order to increase the number of disadvantaged students enrolled in nursing programs.

- Nursing Special Allotment funds are distributed based on the college's number of FTE nursing students in order to provide additional funds for this high cost program. The appropriation is $410,000 annually.

State Board Reserve Fund

- Created in 1986 and modified in a special provision in 1996, the General Assembly appropriates funds to the State Board of Community Colleges for the following types of projects:

  * Feasibility studies
  * Pilot projects
  * Start-up of new programs
  * Innovative ideas

- The FY98-99 budget is $1,150,000

- The State Board of Community Colleges is required by law to report twice a year on the projects funded from this reserve.

STATE BOARD PROJECTS AWARDED
July 1, 1997 - June 30, 1998

		Date Approved	Budget	Expended	Balance
College Projects					
START-UP OF NEW PROGRAMS:					
1	Beaufort Community College	Oct-97	$130,000	$129,913	$87
2	Caldwell Community College	Oct-97	$50,000	$49,134	$866
3	Fayetteville Technical Community College	Oct-97	$14,029	$14,028	$1
4	Forsyth Community College	Oct-97	$20,050	$19,893	$157
5	Guilford Technical Community College	Oct-97	$50,000	$50,000	$0
6	Lenoir Community College	Oct-97	$50,000	$44,425	$5,575
7	Southeastern Community College	Oct-97	$50,000	$49,293	$707
8	Wake Technical College	Oct-97	$50,000	$48,281	$1,719
			$414,079	$404,967	$9,112
PILOT PROJECTS:					
9	Alamance Community College	Sep-97	$50,000	$47,782	$2,218
10	Catawba Valley Community College	Sep-97	$50,000	$49,799	$201
11	Gaston College	Sep-97	$10,940	$5,682	$5,258
12	James Sprunt Community College	Sep-97	$38,000	$37,964	$36
13	Martin Community College	Sep-97	$26,417	$13,247	$13,170
14	Nash Community College	Sep-97	$31,548	$20,088	$11,460
15	Piedmont Community College	Sep-97	$49,000	$44,823	$4,177
16	Pitt Community College	Sep-97	$42,720	$40,159	$2,561
17	Southeastern Community College	Sep-97	$45,085	$44,285	$800
18	Stanly Community College	Sep-97	$46,686	$46,585	$101
			$390,396	$350,414	$39,982
INNOVATIVE IDEAS:					
19	Blue Ridge Community College	Sep-97	$38,955	$14,201	$24,754
20	Halifax Community College	Sep-97	$14,302	$13,994	$308
21	Sandhills Community College	Sep-97	$45,323	$41,615	$3,708
			$98,580	$69,810	$28,770
FEASIBILITY STUDY:					
22	Mayland Community College	Mar-98	$44,600	$44,559	$41
	Total Grants to Colleges		**$947,655**	**$869,750**	**$77,905**
	State Level Projects:				
23	NCACC Pres Professional Dev Pgm	Oct-97	$10,000	$2,100	$7,900
24	NCCCS - Virtual Community College	Oct-97	$50,000	$5,029	$44,971
25	NCCCS - (Contract Programmers)	Sep-97	$84,000	$84,000	$0
26	NCCCS - (Education Guide Printing)	Oct-97	$64,750	$52,470	$12,280
27	NCCCS - (Access to Library Resource)	Sep-97	$50,000	$0	$50,000
28	NCCCS - (Contract Programmers)	Mar-98	$60,775	$23,700	$37,075
	State Level Total		$319,525	$167,299	$152,226
	Total - State Board Reserve		**$1,267,180**	**$1,037,049**	**$230,131**
	Unbudgeted Balance		**$12,820**		
	Certified Budged Appropriation 1997-98		**$1,280,000**		

Projects Carried Over From 1996-97 and Expended During 1997-98:

MGT of America, Inc	Sep-96	$90,510	$69,135	$21,375
Fayetteville Community College	Jan-97	$17,526	$17,526	$0
NCCCS - (Contract Programmers)	Sep-96	$44,338	$44,338	$0
		$152,374	$130,999	$21,375

* Due to the late passage date of Senate Bill 352, Board Reserve Funds were not allotted until later than usual and projects generally did not get underway until late in the second fiscal quarter.

Expenditures are as of the close of the fiscal year 6/30/98.

STATE BOARD RESERVE PROJECTS

The 1996 Session of the General Assembly amended G.S. 115-5 to clarify the use of the State Board Reserve Fund. The change in the statute requires the State Board to report semi-annually on the expenditures made from State Board reserve funds. The specific language is as follows:

> Chapter 18, House Bill 53, Section 17.7 (a) G.S. 115D is amended by adding a new subsection to read:
>
> > "(I) The State Board of Community Colleges shall use its Board Reserve Fund for feasibility studies, pilot projects, start-up of new programs, and innovative ideas. The State Board shall report to the joint Legislative Education Oversight Committee on expenditures from the State Board Reserve Fund on January 15 and June 15 each year."

The outcomes of each project are due to the Department on August 31 and will be presented to the State Board separately from this report. In compliance with the requirements of the amended statute, the following is presented for approval to be forwarded to the Legislative Education Oversight Committee:

Brief Description of Projects

START-UP OF NEW PROGRAMS:

1. New educational program for students at the Hyde Correctional Institution. (**Beaufort CC**)

2. Support start-up program for Speech/Language Pathology Assistant Program. (**Caldwell CC& TI,** Catawba Valley CC, Mitchell CC, Western Piedmont CC, Wilkes CC)

3. To upgrade North Carolina Information Highway Classroom. (**Fayetteville TCC**)

4. Fund start-up for Speech/Language Pathology Assistant Program. (**Forsyth TCC**)

5. Start-up funds for Piedmont Triad Physical Therapist Assistant Program. (**Guilford CC,** Alamance CC, Davidson CC, Forsyth TCC, Randolph CC, Rockingham CC, Surry CC)

6. Fund start-up for Dialysis Technology Program. (**Lenoir CC**)

7. Start-up costs to develop an Environmental Science Technology Program. (**Southeastern CC**)

8. Start-up costs to develop a Telecommunications and Network Engineering Technology Program. (**Wake TCC**)

PILOT PROJECTS:

9. To reduce student attrition through advising and learning plans. (**Alamance CC**)

10. Initiate Northwest Health-Dental Hygiene program in 9 western counties. (**Catawba Valley CC,** Caldwell CC & TI, Mitchell CC, Western Piedmont CC, Wilkes CC)

11. Train education major tutors to assist first graders with reading skills. (**Gaston College**)

12. Establish a community leadership program by developing specific skills for economic growth. (**James Sprunt CC**, Lenoir CC, Sampson CC)

13. Coordinate assessment, training, referral, and direct recruitment for CCARE project. The project is intended to move adults from unemployment to employment. (**Martin CC**)

14. Expand health career training and minority workforce development. (**Nash CC**, Edgecombe CC, Halifax CC, Wilson TCC)

15. Create a Math/English Resources Center. (**Piedmont CC**)

16. Assess student learning styles and adjust learning environment. **(Pitt CC**, Davidson CC, Durham TCC, Forsyth TCC, Halifax CC, Southeastern CC, Wilkes CC)

17. Start-up costs to develop a Gerontology curriculum and create an adult day care facility. **(Southeastern CC)**

18. Design and implement a Student Success Center, incorporating functions of instruction and student development. **(Stanly CC)**

INNOVATIVE IDEAS:

19. Hold a leadership workshop to address changes in the community college system. **(Blue Ridge CC)**

20. To write a test integrating reading selections, student writing activities, and teaching materials. **(Halifax CC**, Edgecombe CC, Martin CC, Pitt CC)

21. Train faculty through an LRC-based center, computer-based presentation technology. **(Sandhills CC)**

FEASIBILITY STUDY:

22. Study the feasibility and regional need for Physician Assistant Program, Emergency Medical Science Program, Horticulture Technology Program, and Associate in Science Program. **(Mayland CC)**

STATE LEVEL PROJECTS:

23. Professional development program for presidents of North Carolina Community Colleges.

24. **NCCCS - (Virtual Community College)** A collaborative feasibility study conducted by System Office Staff and technology committee of the N.C. Association of Community College Presidents for planning and preparation for the Virtual Community College in North Carolina.

25. **NCCCS - (Contract Programmers)** Cost of contract programming associated with conversion of the system to the semester system.

26. **NCCCS - (Education Guide Printing)** Cost of publishing the comprehensive education guide for the entire North Carolina Community College System.

27. **NCCCS - (Expand Access to Library Resources)** Funds to purchase appropriate hardware and software to provide expanded access to community college combined library resources via the Internet.

28. **NCCCS - (Contract Programmers)** Cost of contract programming with development of software for the collection, analysis, and reporting of data on students in developmental programs and prison programs. Also, for the development of program audit software to enhance auditing capability.

STATE BOARD RESERVE FUND
1997-1998 Grants to Colleges
Project Descriptions

F=Feasibility Studies; I=Innovative Ideas; P=Pilot Projects; S=Start-Up
(Definitions of the above terms can be found at the end of this document.)

Note: Start-Up Funds are used primarily for high-cost equipment needs and educational materials.

Alamance Community College (P)- *The Guided Role Assimilation Scholastic Program*, or GRASP, emphasizes campus-wide concerted support and counseling by advisors, teachers, and student support personnel to all students who accept this service. The purpose is to retain students by building an individualized academic foundation that will ensure successful transition into college and the eventual satisfaction of educational objectives. Funds will be used for salary and benefits for a coordinator and four student assistants, and release time for participating faculty. **$50,000**

Beaufort County Community College (Special Provision)- Senate Bill 352 specified that **$130,000** of the State Board Reserve Funds be used to fund the new program at Beaufort County Community College for prisoners at the Hyde County Correctional Institute.

Bladen Community College (P)- *The Bladen Center for Swine Management, Meat Processing, and Environmental Protection* will be a specialized center promoting workforce development, distributing and using the results of research, addressing environmental protection, and promoting quality of life management. The Center's components will be a Swine Management Degree Program, a Meat Processing Certificate Program, an Environmental Certificate Program, specialty courses and seminars to support food processing employees, and a cooperative effort in research and development. Funds would go toward salaries and supplies for FY 1997-1998. **$50,000 (All funds reverted in 1998.)**

Blue Ridge Community College (I)- *The First NC Great Leaders Retreat* will analyze problems and issues inherent in community college administration and leadership. It will develop realistic, creative responses and solutions. It will renew energies and commitment to college administrators and expand networking with the sharing of knowledge and skills. Funds will be used for a facilitator's contract, travel expenses for participants, with food and lodging, and educational supplies. **$38,955**

Caldwell Community College and Technical Institute (with Catawba Valley, Mitchell, Western Piedmont, Wilkes) (S)- Start-up support funds for the *Speech Language Pathology Assistant Program.* **$50,000**

Catawba Valley Community College (with Caldwell, Mitchell, Western Piedmont, Wilkes) (P)- *Northwest Allied Health Project/Dental Hygiene Program Initiation.* A nine-county allegiance in northwest NC, including the collaborative efforts of five community colleges,

plans to use the funds to study the worthiness of a Dental Hygiene curriculum, housed at Catawba Valley but supported by the general and related college courses at four surrounding institutions. Funds will hire a department head and set up an office at the host college. **$50,000**

Fayetteville Technical Community College (S)- Start-up support funds to *Upgrade the Fayetteville Technical Community College Information Highway Classroom.* **$14,029**

Forsyth Technical Community College (Davidson County, Guilford, Randolph, Surry) (S)- Start-up support funds for the *Speech/Language Pathology Assistant Program.* **$20,050**

Gaston College (P)- *"America Read" Elementary School Mentoring Program.* Gaston College students, majoring in education and after tutor training under the direction of the director of developmental education, will get work-study experience tutoring selected first graders in local elementary schools. A preliminary project was initiated for six weeks in Spring 1997, using Federal funds, and the evaluative results in improved reading skills was remarkable. Funds are to be used for training workshops, educational materials, travel, and equipment. **$10,940**

Guilford Technical Community College (with Alamance, Davidson County, Forsyth, Randolph, Rockingham, Surry) (S)- Start-up support funds for the *Piedmont Triad Physical Therapist Assistant Program.* **$50,000**

Halifax Community College (with Edgecombe, Martin, Nash, Pitt) (I)- *Textbook Compilation for Integrated Development Reading/Writing Courses.* The host college will develop a textbook that will include appropriate reading selections, student writing activities, and teaching materials to effectively teach the competencies required in English 095, Reading and Composition Strategies. The participating colleges will field test the textbook. Once developed, this text will combine reading and writing course work in a current, work- and life-related way. Grammar and vocabulary will be taught simultaneously and will be woven into each reading and writing assignment. Salary, consultant fee, materials, workshop fees, and travel make up the budget. **$14,302**

James Sprunt Community College (with Lenoir, Sampson) (P)- This *Citizen Leadership Training Program* will involve the existing coalition of community representatives in the establishment of a fully developed community leadership program designed to incorporate the principles of the Duplin County Center for Leadership Development. This program will develop the skills for the participants to be proactive in community issues impacting on economic growth and development and create a model for community leadership training. Funds will go toward a part-time director and the subsequent supplies and travel plus consultant services and instructors for leadership training. **$38,000**

Lenoir Community College (S)- Start-up support funds for the *Dialysis Technology Program.* **$50,000**

Martin Community College (P)- *Project CCARE*, or Coordinated Career Actions and Resources for Employment, will guide the unemployed and hard-to-serve participants through the preparation process for employment, facilitate a collaborative effort among service providers to optimize the target audience's chances of employment, and provide an intensive personal

support system of service, including individual, group, and worksite counseling. Funds will hire a workforce specialist, develop a customized Basic Skills workplace curriculum, buy equipment, and cover the costs for the participants' tuition, books, and supplies for occupational skills training. **$26,417**

Mayland Community College (F)- *Feasibility Studies for Innovative and Exemplary Programming* will focus upon the Physician Assistant Program, the Emergency Medical Science Program, the Horticulture Technology Program, and the Associate in Science Program. The objectives are to determine local, state, and southeastern regional need for the four programs, the feasibility of these programs being offered at Mayland, the resources needed to implement and maintain them, and to establish a Physician Assistant Program model and standard for the community college system. Funds will be used primarily for personnel replacement costs and clerical assistance, with monies also going to travel, equipment, and materials. **$44,600**

Nash Community College (with Edgecombe, Halifax, Wilson Tech) (P)- Health CEED, or *Health Careers Enrichment and Educational Development*, is designed to increase the presence of under represented groups in health careers and sciences, with special emphasis on the recruitment and assistance to racial and ethnic minorities and women. Students who have an interest in health careers will be placed with health care professionals who will serve as mentors. Student and mentor stipends (to increase the number of students who can be selected and to increase the activities and programs), equipment and supplies, as well as travel and library equipment make up the budget. **$31,548**

Piedmont Community College (P)- PCC will establish a *Contextual Curriculum for Re-Engineered Math and English Courses*. A resource center will be created to provide concrete, experience-based, laboratory experiences and projects for students in the newly re-engineered math and English courses. Faculty will deliver self-directed, context-driven, technology-mediated experiential learning activities. This concept will answer PCC's need for new learning theories and technologies. Funds will go toward faculty release time for development efforts, equipment, curriculum materials, software and software support. **$49,000**

Pitt Community College (P)- *Enhancing Student Performance Through Learning Style Analysis*. The objective of this project is to increase academic achievement among students in the NCCC System by assessing their learning style preferences and adjusting the learning environment based on this assessment. This will test the effectiveness of learning style analysis on student performance. A sample population will be selected from developmental education students, a learning style inventory will be administered, involved faculty will receive professional development training in the utilization and interpretation of the Learning Style Inventory, intervention strategies will be studied, and an assessment of student progress will be made. Some of the replacement cost for a project director, as well as some of the travel and supplies, will be funded. **$42,720**

Sandhills Community College (I)- *High Tech Classroom: Instruction in the 21st Century*. The goals of this project are to establish a center for the development and use of computer-based presentation technology, i.e., from the Internet, CD-ROM, digital technology, for use by teachers at Sandhills and eventually the system and to provide training for faculty, allowing them to master the use of the presentation system to develop their own presentations into high-tech

classroom instruction. Funds will be used to hire a project director, buy equipment and supplies, and handle travel expenses. **$45,323**

Southeastern Community College (P)- *Gerontology Curriculum Development.* This project sets up an Adult Day Care Center on campus and hires a director who will perform the initial curriculum development and prepare the approval process documentation for a Gerontology diploma and associate degree program. Students enrolled in nursing, physical therapy, occupational therapy, and the gerontology programs will assist in the Center as part of their curriculum. The facility will be operated by college personnel and budget calls for a curriculum developer/director, some equipment, supplies, and workshop expenses. **$45,085**

Southeastern Community College (with Bladen, James Sprunt, Robeson) (S)- Start-up support funds for the *Environmental Science Technology* Program. **$50,000**

Stanly Community College (P)- A *Student Success Center: Honoring Commitment to Student Achievement* will encompass numerous functions in one centrally located area. It will be a joint effort between the divisions of Instruction and Student Development, and its purpose would be to retain students and provide support as students work to improve their skills in reading, math, science, English, and ESL. Tutoring in curriculum and developmental classes, career planning resources and services, assistance in learning style comprehension are some of the areas involved. Major funds would go for a lab manager/instructor, equipment, and educational materials. **$46,686**

Wake Technical Community College (S)- Start-up support funds for *Telecommunications and Network Engineering Technology.* **$50,000**

State-Level Projects:

NCACC Presidents Professional Development Program. $10,000
NCCCS Virtual Community College Project (College of the Albemarle, Fayetteville Technical Community College) (P)- A project to explore and plan the administrative structure for the Virtual Community College, and to plan and begin development of software for the Internet-based interface with students throughout the state. **$50,000**
NCCCS (Contract Programmers) - Reengineering funds. **$84,000**
NCCCS Education Guide - Printing costs. **$64,750**
NCCCS Dynix - Thirty-six (36) community colleges, participating members of the NCCCS Dynix Automation Center (DAC), will use the funds to provide expanded access to community college combined library resources via the Internet. Faculty will be able to use the DAC from their offices, students from their homes, and members of the business community from their business sites. Funds will be used to purchase the appropriate hardware and software to make access possible. **$50,000**
NCCCS System Office Projects (Approved 3/98) -
Developmental Program Evaluation, Data Collection, Analysis, and Reporting System (P) - To develop a software system for collection, analysis, and reporting of data on students in developmental programs **$14,025**;
Prison Programs Accountability (P) - For the completion of additional software development for the collection and analysis of prison program data and effectiveness **$17,600**;

Program Audit Software for Use by Program Auditors and Colleges (P) - Development of program audit software to provide new and enhanced auditing capability to increase capability to increase efficiency at the system level and to support the work of college-level program audit personnel. **$29,150**

Definitions:

Feasibility Study- basic research that ordinarily analyzes major factors, trends, choices and practices to assist "stakeholder" communities in the effective improvement and reform of education. Such studies match policy questions to existing or conceivable program frameworks in the real world. To the extent possible, these research endeavors should produce information that could make a difference in educational practice.

Innovative Ideas- preliminary work on untested and novel ideas, ventures into emerging issues, applications of new expertise or technology and new approaches to "old" problems and multi-disciplinary work particularly crossing interinstitutional boundaries.

Pilot Project- geared to restructuring existing programs and activities or to the development of new programs and activities for educational improvement, workforce preparation, and economic development.

Start-Up Program- initiate and support programs that are vital for workforce development and require immediate resources.

Cooperative High School Education Programs

- There are two types of cooperative high school education programs operated by the community colleges:

  * "Huskins bill" classes are established just for appropriate high school students in order to receive some college credit. They are offered primarily at high schools.

  * Dual Enrollment classes are regularly taught community college credit courses that are made available to high school students, if their schedules and academic abilities permit.

- 1997-98 FTE enrollments:

  * Huskins FTE: 1,942

  * Dual Enrollment FTE: 694

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
ANNUAL FTE FOR 1997-98
FALL AND SPRING SEMESTERS
HUSKINS BILL AND DUAL ENROLLED FTE REPORT

PROGRAM NUMBER CCA542HD

COLLEGE	HUSKINS FTE	DUAL ENROLLED FTE	TOTAL FTE
ALAMANCE CC	91.3	16.0	107.3
ANSON CC	.0	6.2	6.2
BEAUFORT COUNTY CC	52.3	9.7	62.0
BLADEN CC	42.6	17.2	59.8
BLUE RIDGE CC	20.3	9.6	29.9
BRUNSWICK CC	10.5	8.3	18.8
CALDWELL CC & TI	40.3	10.8	51.1
CAPE FEAR CC	.0	16.1	16.1
CARTERET CC	5.0	44.3	49.3
CATAWBA VALLEY CC	30.4	24.3	54.7
CENTRAL CAROLINA CC	169.4	1.8	171.3
CENTRAL PIEDMONT CC	28.9	50.9	79.8
CLEVELAND CC	81.8	17.0	98.8
COASTAL CAROLINA CC	.0	3.6	3.6
COLLEGE OF ALBEMARLE	22.6	14.6	37.2
CRAVEN CC	19.8	12.5	32.3
DAVIDSON COUNTY CC	101.1	13.9	115.0
DURHAM TCC	2.0	13.6	15.5
EDGECOMBE CC	138.8	12.8	151.6
FAYETTEVILLE TCC	1.7	5.0	6.7
FORSYTH TCC	.0	2.6	2.6
GASTON COLLEGE	16.1	20.2	36.3
GUILFORD TCC	4.6	2.1	6.7
HALIFAX CC	11.5	5.3	16.9
HAYWOOD CC	71.6	13.4	85.0
ISOTHERMAL CC	26.2	22.2	48.4
JAMES SPRUNT CC	42.1	8.5	50.6
JOHNSTON CC	111.8	.5	112.4
LENOIR CC	56.2	7.1	63.3
MARTIN CC	3.8	.9	4.7
MAYLAND CC	5.0	6.0	11.0
MCDOWELL TCC	44.6	2.2	46.8
MITCHELL CC	.0	6.4	6.4
MONTGOMERY CC	.4	17.9	18.3
NASH CC	66.0	3.2	69.2
PAMLICO CC	.5	.5	1.0
PIEDMONT CC	176.9	15.9	192.8
PITT CC	33.3	25.7	59.0
RANDOLPH CC	30.2	1.5	31.7
RICHMOND CC	1.5	2.0	3.5
ROANOKE-CHOWAN CC	5.8	3.1	8.9
ROBESON CC	3.0	1.3	4.3
ROCKINGHAM CC	14.1	1.8	15.9
ROWAN-CABARRUS CC	28.4	4.2	32.6
SAMPSON CC	3.4	14.1	17.4

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
ANNUAL FTE FOR 1997-98
FALL AND SPRING SEMESTERS
HUSKINS BILL AND DUAL ENROLLED FTE REPORT

PROGRAM NUMBER CCA542HD

COLLEGE	HUSKINS FTE	DUAL ENROLLED FTE	TOTAL FTE
SANDHILLS CC	13.6	12.3	26.0
SOUTHEASTERN CC	.0	11.4	11.4
SOUTHWESTERN CC	30.3	12.3	42.6
STANLY CC	8.1	7.5	15.6
SURRY CC	17.2	16.5	33.7
TRI-COUNTY CC	42.9	51.6	94.5
VANCE-GRANVILLE CC	147.1	4.6	151.7
WAKE TCC	1.8	18.2	20.0
WAYNE CC	5.6	21.5	27.1
WESTERN PIEDMONT CC	10.2	25.0	35.2
WILKES CC	22.9	15.1	38.1
WILSON TCC	26.9	.6	27.5
	1,942.3	693.7	2,635.9

Child Care Grants

- Provides funds to community colleges for child care so that students with children have better access to educational programs
- Some colleges purchase child care slots from private providers, while others operate their own child care facility on campus.
- Priority is given to single parents who are not eligible for other child care funds.
- Budget for FY98-99: $2,000,000
- Allocation: $20,000 base allotment plus $7.78 per curriculum FTE

Public Radio Funds

- Two community colleges receive state funds to operate their public radios:
  * Isothermal Community College
  * Craven Community College

- Each college receives an annual appropriation of $149,912

- Both stations are a part of the National Public Radio system operated by the Corporation for Public Broadcasting.

- Isothermal Community College's radio station also is used to provide training for students in the Radio and Television Broadcasting Technology Program at the college.

Operation and Maintenance of Plant Funds

- Three colleges currently receive an operations and maintenance of plant subsidy:
  - Central Carolina Community College: $192,493
  - College of the Alebemarle: $200,000
  - Southwestern Community College: $121,175

- Original program funded only one college that had seven counties in its service delivery area to help pay for the cost of out-of-county students.

- A later modification gave these funds to all colleges serving three or more counties.

- The current program funds only those colleges who's out-of-county student population is 50% or higher on the main campus.

- Total appropriation for FY98-99: $513,668

Center For Applied Textile Technology

- Established in 1941 as a special purpose institution to provide educational and training opportunities for students who worked in the fiber, textile, and apparel industries.

- Offers the following credentials to students:
  * Associate in Applied Science in Textile Management
  * One year Diploma program
  * Customized certificate programs designed to meet industry needs

- While the Center operates under the rules of the State Board of Community Colleges, it also has its own nine member local board of trustees appointed by the Governor.

- Provides faculty to all parts of the state for expertise in textiles as needed.

- FY98-99 budget: $1,625,790

Department of Community Colleges

- Office of the President:
  - Top statewide leadership of the Community College System
  - Budget for FY98-99: $1,985,576
  - Positions: 26.5

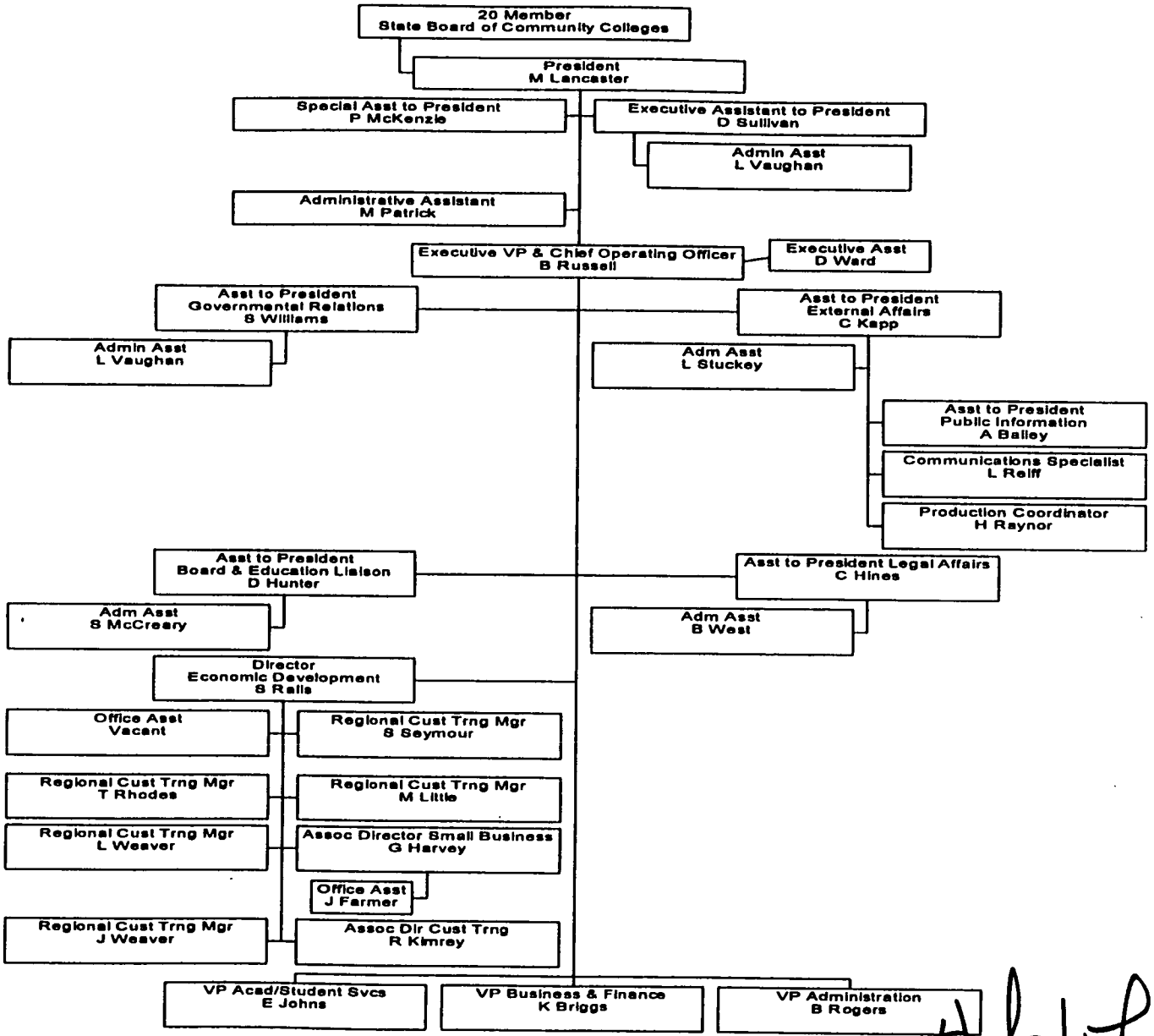
- Administrative Services:
  - Planning, information, technology and computer services, program audit staff
  - Budget for FY98-99: $4,878,367
  - Positions: 75

- Business and Finance:
  - Develop allocation formulas, oversight of fiscal matters, technical assistance to colleges, Departmental accounting function
  - Budget for FY98-99: $1,590,387
  - Positions: 32

- Academic and Student Services:
  - Program review, specialists in various categorical programs, technical assistance to colleges
  - Budget for FY 98-99: $2,139,507
  - Positions: 53

- Total Departmental Budget FY98-99: $10,593,837
- Total Positions: 186.5

OFFICE OF THE PRESIDENT



2/99

President

2-11-99
Date

STUDENT COMPLETIONS BY PROGRAM—1997–98

CODE	CURRICULUM	TOTAL
A25100	ACCOUNTING	504
C25100	ACCOUNTING	82
D25100	ACCOUNTING	20
A30100	ADVERTISING AND GRAPHIC DESIGN	205
C30100	ADVERTISING AND GRAPHIC DESIGN	33
A15100	AGRIBUSINESS TECHNOLOGY	6
A6024A	AGRICULTURAL SYSTEMS	7
A35100	A/C, HEATING & REFRIGERATION TECH	27
C35100	A/C, HEATING & REFRIGERATION TECH	167
D35100	A/C, HEATING & REFRIGERATION TECH	230
A55100	ANIMAL CARE AND MGMT TECH	4
A15120	AQUACULTURE TECH	2
A40100	ARCHITECTURAL TECH	90
C40100	ARCHITECTURAL TECH	18
A1010A	ART EDUCATION (PRE-MAJOR)	3
A45100	ASSOC DEGREE NURSING (INTEGRATED)	1,043
C45100	ASSOC DEGREE NURSING (INTEGRATED)	36
D45100	ASSOC DEGREE NURSING (INTEGRATED)	79
A45120	ASSOC DEGREE NURSING (NON-INTEGRATED)	697
D45120	ASSOC DEGREE NURSING (NON-INTEGRATED)	1
A10100	ASSOCIATE IN ARTS	1,920
A10200	ASSOCIATE IN FINE ARTS	46
A10300	ASSOCIATE IN GENERAL EDUCATION	322
A10400	ASSOCIATE IN SCIENCE	289
C60100	AUTO BODY REPAIR	23
D60100	AUTO BODY REPAIR	71
A40120	AUTOMATION/ROBOTICS TECH	8
C60140	AUTOMOTIVE RESTORATION TECH	8
A60160	AUTOMOTIVE SYSTEMS TECH	125
C60160	AUTOMOTIVE SYSTEMS TECH	75
D60160	AUTOMOTIVE SYSTEMS TECH	89
A60180	AVIATION MGT & CAREER PILOT TECH	7
C60180	AVIATION MGT & CAREER PILOT TECH	1
A60200	AVIATION SYSTEMS TECH	13
C60200	AVIATION SYSTEMS TECH	11
A2512A	BANKING AND FINANCE	13
C2512A	BANKING AND FINANCE	2
C55120	BASIC LAW ENFORCE TRNG	1,145
A3028A	BIOMEDICAL	5
A50100	BIOMEDICAL EQUIPMENT TECH	25
A20100	BIOTECHNOLOGY	3
D35120	BOAT BUILDING	4
A30120	BROADCASTING AND PROUCTION TECH	31
D30120	BROADCASTING AND PROUCTION TECH	7
A35140	BUILDING CONSTR TECH	11
A25120	BUSINESS ADMINISTRATION	952
C25120	BUSINESS ADMINISTRATION	17
D25120	BUSINESS ADMINISTRATION	12
A1010B	BUSINESS ADMINISTRATION (PRE-MAJOR)	17
A1010C	BUSINESS ED AND MKTG ED (PRE-MAJOR)	1
D35160	CABINETMAKING	18
A5034A	CAD SYSTEMS MANAGEMENT	8
A45160	CARDIOVASCULAR SONOGRAPHY	2
C45160	CARDIOVASCULAR SONOGRAPHY	1
D45140	CARDIOVASC/VASCULAR INTERVENT TECH	11
C35180	CARPENTRY	65
D35180	CARPENTRY	73
A20120	CHEMICAL TECHNOLOGY	5
A1040B	CHEMISTRY & CHEMISTRY ED (PRE-MAJOR)	2
A40140	CIVIL ENGINEERING TECH	59
A3028B	COMMERICAL PHOTOGRAPHY	19
A40160	COMPUTER ENGINEERING TECH	68
C40160	COMPUTER ENGINEERING TECH	22
A1040C	COMPUTER SCIENCE (PRE-MAJOR)	4
C6024B	CONSTRUCTION EQUIP SYSTEMS	5
D6024B	CONSTRUCTION EQUIP SYSTEMS	7
A55140	COSMETOLOGY	14
C55140	COSMETOLOGY	157
D55140	COSMETOLOGY	395
C55160	COSMETOLOGY INSTRUCTOR	7
A25140	COURT REPORTING & CAPTIONING	1
A1010D	CRIMINAL JUSTICE (PRE-MAJOR)	5
A55180	CRIMINAL JUSTICE TECHNOLOGY	695
C55180	CRIMINAL JUSTICE TECHNOLOGY	5
C45200	CT AND MRI TECHNOLOGY	13
D45200	CT AND MRI TECHNOLOGY	4
A55200	CULINARY TECHNOLOGY	100
C55200	CULINARY TECHNOLOGY	21
D55200	CULINARY TECHNOLOGY	7
C45220	CYTOTECHNOLOGY	4
C25160	DATA ENTRY	2
D45240	DENTAL ASSISTING	187
A45260	DENTAL HYGIENE	112
A45280	DENTAL LABORATORY TECH	2

CODE	CURRICULUM	TOTAL
C45280	DENTAL LABORATORY TECH	25
A5018A	DESIGN AND PRODUCT DEVELOPMENT	7
A4538A	DEVELOPMENTAL DISABILITIES	7
D45300	DIALYSIS TECHNOLOGY	9
A4032A	DRAFTING AND DESIGN	63
C4032A	DRAFTING AND DESIGN	7
D4032A	DRAFTING AND DESIGN	3
A55220	EARLY CHILDHOOD ASSOCIATE	368
C55220	EARLY CHILDHOOD ASSOCIATE	174
D55220	EARLY CHILDHOOD ASSOCIATE	50
A3526A	ELECTRICAL	2
A40180	ELECTRICAL ENGINEERING TECHNOLOGY	27
C40180	ELECTRICAL ENGINEERING TECHNOLOGY	1
A35220	ELECTRICAL/ELECTRONICS TECHNOLOGY	86
C35220	ELECTRICAL/ELECTRONICS TECHNOLOGY	144
D35220	ELECTRICAL/ELECTRONICS TECHNOLOGY	203
D45320	ELECTRONEURODIAG TECHNOLOGY	6
A50120	ELECTRONIC SERVICING TECHNOLOGY	2
C50120	ELECTRONIC SERVICING TECHNOLOGY	9
D50120	ELECTRONIC SERVICING TECHNOLOGY	76
A40200	ELECTRONICS ENGINEERING TECH	308
C40200	ELECTRONICS ENGINEERING TECH	18
D40200	ELECTRONICS ENGINEERING TECH	4
A50140	ELECTRONICS TECHNOLOGY	18
C50140	ELECTRONICS TECHNOLOGY	5
D50140	ELECTRONICS TECHNOLOGY	1
A1010P	ELEMENTARY, MIDDLE GRADES & SPECIAL	5
A45340	EMERGENCY MEDICAL SCIENCE	84
A1040D	ENGINEERING (PRE-MAJOR)	5
A50160	ENVIRONMENTAL, HEALTH & SAFETY TECH	17
C50160	ENVIRONMENTAL, HEALTH & SAFETY TECH	1
A20140	ENVIRONMENTAL SCIENCE TECH	24
A15140	EQUINE TECHNOLOGY	12
C15140	EQUINE TECHNOLOGY	12
D15140	EQUINE TECHNOLOGY	10
C50170	FACILITY MAINTENANCE WORKER	25
A30140	FILM AND VIDEO PRODUCTION TECH	5
A30160	FINE AND CREATIVE WOODWKG	5
C30160	FINE AND CREATIVE WOODWKG	2
A55240	FIRE PROTECTION TECHNOLOGY	81
C55240	FIRE PROTECTION TECHNOLOGY	1
A15160	FISH AND WLDLFE MGT TECH	6
C15180	FLORICULTURE TECHNOLOGY	8
D15180	FLORICULTURE TECHNOLOGY	12
C55250	FOODSERVICE TECHNOLOGY	128
A15200	FOREST MANAGEMENT TECH	60
A55260	FUNERAL SERVICE EDUCATION	31
C55260	FUNERAL SERVICE EDUCATION	7
D55260	FUNERAL SERVICE EDUCATION	28
A50180	FURNITURE PRODUCTION TECHNOLOGY	2
C50200	FURNITURE PRODUCTION WORKER	27
C50220	FURNITURE UPHOLSTERY	11
D50220	FURNITURE UPHOLSTERY	11
A55280	GENERAL OCCUPATIONAL TECH	117
C55280	GENERAL OCCUPATIONAL TECH	48
D55280	GENERAL OCCUPATIONAL TECH	32
A30180	GRAPHIC ARTS AND IMAGING TECH	20
C30180	GRAPHIC ARTS AND IMAGING TECH	1
D30180	GRAPHIC ARTS AND IMAGING TECH	6
C15220	GREENHOUSE AND GROUNDS MAINT	10
A30200	GUNSMITHING	9
C30210	GUNSMITHING	10
D30210	GUNSMITHING	2
C45350	HEALTHCARE TECHNOLOGY	98
A1010G	HEALTH EDUCATION (PRE-MAJOR)	1
A45360	HEALTH INFORMATION TECHNOLOGY	41
D45360	HEALTH INFORMATION TECHNOLOGY	6
C25220	HEALTH UNIT COORDINATOR	22
A25200	HEALTHCARE MGT. TECHNOLOGY	10
C25200	HEALTHCARE MGT. TECHNOLOGY	1
A60240	HEAVY EQUIPMENT & TRANSPORT TECH	9
C60240	HEAVY EQUIPMENT & TRANSPORT TECH	9
D60240	HEAVY EQUIPMENT & TRANSPORT TECH	24
C35240	HEAVY EQUIPMENT OPERATOR	2
D35240	HEAVY EQUIPMENT OPERATOR	1
A2526B	HELPDESK AND SUPPORT	2
A1010H	HISTORY (PRE-MAJOR)	1
A15240	HORTICULTURE TECHNOLOGY	67
C15240	HORTICULTURE TECHNOLOGY	99
D15240	HORTICULTURE TECHNOLOGY	5
A25240	HOTEL AND RESTAURANT MGMT	39
C25240	HOTEL AND RESTAURANT MGMT	2
A2512C	HUMAN RESOURCES MGT	13
C2512C	HUMAN RESOURCES MGT	7
A45380	HUMAN SERVICES TECHNOLOGY	119
A35260	INDUSTRIAL CONSTRUCTION TECH	1

CODE	CURRICULUM	TOTAL
A40240	INDUSTRIAL ENGINEERING TECH	5
A20160	INDUSTRIAL LABORATORY TECH	7
A50240	INDUSTRIAL MAINTENANCE TECH	68
C50240	INDUSTRIAL MAINTENANCE TECH	72
D50240	INDUSTRIAL MAINTENANCE TECH	120
A50260	INDUSTRIAL MANAGEMENT TECH	21
C50260	INDUSTRIAL MANAGEMENT TECH	12
A20180	INDUSTRIAL PHARMACEUTICAL TECH	22
A25260	INFORMATION SYSTEMS	728
C25260	INFORMATION SYSTEMS	266
D25260	INFORMATION SYSTEMS	42
A4020A	INSTRUMENTATION	3
A30220	INTERIOR DESIGN	59
C30220	INTERIOR DESIGN	3
D30220	INTERIOR DESIGN	3
A2512D	INTERNATIONAL BUSINESS	6
A55300	INTERPRETER EDUCATION	27
C55300	INTERPRETER EDUCATION	2
A40260	LANDSCAPE ARCHITECTURE TECH	1
A15260	LANDSCAPE GARDENING	24
A40280	LASER AND PHOTONICS TECHNOLOGY	9
A2536A	LEGAL	17
A15280	LIVESTOCK & POULTRY TECHNOLOGY	11
A2512E	LOGISTRICS MANAGEMENT	2
C15300	LUMBER SPECIALIST	7
D15300	LUMBER SPECIALIST	1
A50300	MACHINING TECHNOLOGY	43
C50300	MACHINING TECHNOLOGY	62
D50300	MACHINING TECHNOLOGY	194
A1524A	MANAGEMENT	6
C55380	MANICURING INSTRUCTOR	5
C55400	MANICURING/NAIL TECHNOLOGY	39
A40300	MANUFACTURING ENGINEERING TECH	28
C40300	MANUFACTURING ENGINEERING TECH	35
A50320	MANUFACTURING TECHNOLOGY	3
C50320	MANUFACTURING TECHNOLOGY	3
D50320	MANUFACTURING TECHNOLOGY	2
C60220	MARINE PROPULSION SYSTEMS	3
A6024C	MARINE SYSTEMS	3
C6024C	MARINE SYSTEMS	30
D6024C	MARINE SYSTEMS	2
A15320	MARINE TECHNOLOGY	26
A2512F	MARKETING AND RETAILING	94
C2512F	MARKETING AND RETAILING	6
C35280	MASONRY	93
D35280	MASONRY	21
A1040E	MATHEMATICS (PRE-MAJOR)	3
A3526B	MECHANICAL	2
A50340	MECHANICAL DRAFTING TECH	38
C50340	MECHANICAL DRAFTING TECH	31
D50340	MECHANICAL DRAFTING TECH	15
A40320	MECHANICAL ENGINEERING TECH	64
C40320	MECHANICAL ENGINEERING TECH	8
D40320	MECHANICAL ENGINEERING TECH	6
A25300	MEDIA INTEGRATION TECH	8
A2536B	MEDICAL	247
C2536B	MEDICAL	48
D2536B	MEDICAL	10
A45400	MEDICAL ASSISTING	231
C45400	MEDICAL ASSISTING	45
D45400	MEDICAL ASSISTING	126
A45420	MEDICAL LABORATORY TECH	87
A45440	MEDICAL SONOGRAPHY	4
D25320	MEDICAL TRANSCRIPTION	23
A4538C	MENTAL HEALTH	7
C30240	METAL ENGRAVING	1
D30240	METAL ENGRAVING	1
C60260	MOTORCYCLE MECHANICS	5
D60260	MOTORCYCLE MECHANICS	10
A2526D	NETWORK ADMIN AND SUPPORT	7
D2526D	NETWORK ADMIN AND SUPPORT	2
A25340	NETWORKING TECHNOLOGY	19
A45460	NUCLEAR MEDICINE TECHNOLOGY	18
A1010I	NURSING (PRE-MAJOR)	2
C45480	NURSING ASSISTANT	561
A55320	OCCUPATIONAL EDUCATION ASSOCIATE	3
A45500	OCCUPATIONAL THERAPY ASSISTANT	91
A25360	OFFICE SYSTEMS TECHNOLOGY	493
C25360	OFFICE SYSTEMS TECHNOLOGY	240
D25360	OFFICE SYSTEMS TECHNOLOGY	78
A2512G	OPERATIONS MANAGEMENT	39
C2512G	OPERATIONS MANAGEMENT	5
D2512G	OPERATIONS MANAGEMENT	2
A45560	OPTICIANRY	11

CODE	CURRICULUM	TOTAL
C45560	OPTICIANRY	9
A25380	PARALEGAL TECHNOLOGY	248
D25380	PARALEGAL TECHNOLOGY	3
A15360	PARK RANGER TECHNOLOGY	11
D45580	PHARMACY TECHNOLOGY	38
C45600	PHLEBOTOMY	153
A30260	PHOTOFINISHING TECHNOLOGY	3
A30280	PHOTOGRAPHIC TECHNOLOGY	22
C30280	PHOTOGRAPHIC TECHNOLOGY	2
A3028C	PHOTOJOURNALISM	6
A1010J	PHYSICAL EDUCATION (PRE-MAJOR)	1
A45640	PHYSICAL THERAPIST ASSISTANT (1+1)	57
A45620	PHYSICAL THERAPIST ASSISTANT (2-YEAR)	48
A5032A	PLASTICS	9
C5032A	PLASTICS	2
C35300	PLUMBING	89
D35300	PLUMBING	12
A3028D	PORTRAIT STUDIO MANAGEMENT	5
A55340	POSTAL SERVICE TECHNOLOGY	6
C55340	POSTAL SERVICE TECHNOLOGY	2
D45660	PRACTICAL NURSING	471
A30300	PROFESSIONAL CRAFTS—CLAY	4
C30300	PROFESSIONAL CRAFTS—CLAY	2
D30300	PROFESSIONAL CRAFTS—CLAY	2
D30320	PROFESSIONAL CRAFTS—FIBER	2
A30340	PROFESSIONAL CRAFTS—JEWELRY	2
D30340	PROFESSIONAL CRAFTS—JEWELRY	2
A30360	PROFESSIONAL CRAFTS—WOOD	5
D30360	PROFESSIONAL CRAFTS—WOOD	2
A2526E	PROGRAMMING	234
C2526E	PROGRAMMING	34
D2526E	PROGRAMMING	2
A1010L	PSYCHOLOGY (PRE-MAJOR)	7
A2512H	PUBLIC ADMINISTRATION	7
A45680	RADIATION THERAPY TECHNOLOGY	6
D45680	RADIATION THERAPY TECHNOLOGY	3
A45700	RADIOGRAPHY	231
A25400	REAL ESTATE	2
C25400	REAL ESTATE	14
C25420	REAL ESTATE APPRAISAL	2
A55360	RECREATION AND LEISURE STUDIES	23
D45710	REHABILITATION ASSISTANT	1
A45720	RESPIRATORY CARE	124
D45720	RESPIRATORY CARE	30
C15380	SAM FILER	7
C15400	SAWYER	3
D15400	SAWYER	3
A40360	SCIENTIFIC GRAPHICS TECHNOLOGY	1
C60280	SMALL ENGINE & EQUIPMENT REPAIR	49
A4538D	SOCIAL SERVICES	132
A1010Q	SOCIAL WORK	3
A5522A	SPECIAL EDUCATION	2
A1010O	SPEECH/COMMUNICATIONS (PRE-MAJOR)	2
A4538E	SUBSTANCE ABUSE	23
A45740	SURGICAL TECHNOLOGY	27
D45740	SURGICAL TECHNOLOGY	67
A40380	SURVEYING TECHNOLOGY	45
C40380	SURVEYING TECHNOLOGY	1
A1528B	SWINE MANAGEMENT	3
C30380	TAXIDERMY	30
D30380	TAXIDERMY	2
A5522B	TEACHER ASSOCIATE	37
C5522B	TEACHER ASSOCIATE	5
D5522B	TEACHER ASSOCIATE	7
C50380	TELEPHONY	119
A45760	THERAPEUTIC RECREATION	11
A5030A	TOOL, DIE, AND MOLD MAKING	19
C5030A	TOOL, DIE, AND MOLD MAKING	6
D5030A	TOOL, DIE, AND MOLD MAKING	26
A25440	TRAVEL AND TOURISM TECHNOLOGY	8
D25440	TRAVEL AND TOURISM TECHNOLOGY	3
C60300	TRUCK DRIVER TRAINING	730
A15420	TURFGRASS MANAGEMENT TECHNOLOGY	37
C50400	UPHOLSTERY PRODUCTION WORKER	17
A45780	VETERINARY MEDICAL TECHNOLOGY	49
A20200	WATER AND WASTE TREATMENT TECH	2
C20200	WATER AND WASTE TREATMENT TECH	1
A50420	WELDING TECHNOLOGY	5
C50420	WELDING TECHNOLOGY	139
D50420	WELDING TECHNOLOGY	91
TOTAL		22,161

Source: North Carolina Community College System, Information Services.

List of Potential

Topics For

Education Appropriations

Subcommittee Discussion

Possible Topics for Community College Presentations:

- **Faculty Salaries**
  Current averages by college
  SREB rankings
  Excellence in teaching funds
  Transfer of funds from instructional allocation

- **Technology/Equipment/MIS**
  Backlog in equipment survey
  Recent technology funds
  Study of new management information system proposal
  Other cost funding for computer operations and support

- **Distance Learning Programs**
  Current use of distance education
  Cost issues
  New fee structure negotiated with UNC(combine with UNC's enrollment and pilot site discussion)

- **Occupational Extension/Continuing Education**
  Recent increase in funding
  State Board of Community Colleges' proposal
  Possible change in fee structure

- **Services to Business and Industry**
  New and Expanding Industry
  Focused Industrial Training
  Small Business Centers

- **Literacy programs**
  Enrollment patterns
  Adult High School program
  Remediation

- **Accountability**
  Critical Success Factors report
  Report from Accountability Task Force on new proposal

- **Performance Budgeting**
  Report from Consultant required by special provision

- **Articulation agreement with UNC (Combine with UNC's Enrollment Discussion)**
  Transfer agreements with the University System
  Agreements with private colleges and universities
  Performance of transfer students

- **Cooperative Agreements with High Schools**
  Huskins bill and dual enrollment progress report

- **Funding Formula**
  Explanation of existing distribution formula
  History of recent changes
  Change in place for next year
  Enrollment

- **Tuition (Jointly With the UNC Discussion)**
  History of tuition changes
  Governor's proposed increase
  Comparison with other states

- **Federal Changes that impact community colleges**
  Workforce Investment Act

- **Operations and Maintenance of Plant Funds**

Potential University Topics for Discussion

Faculty Salaries
- Rank over time
- Recent Increases
- Other Fringe Benefits

Distance Education/ Off-Campus Programs
- Number
- Funding History and Sources
- Sites in Pilot Projects
- Pilot site budgets
- Policy change to funding all semester credit hours
- Cost Issues (which campus gets SCH funding)

Enrollment
- Projections over time
- Plan and Strategies to address enrollment demand
  - Pilot sites enrollment (May be joint presentation with community colleges)
  - **Community College Articulation**
    - Transfer agreements (history, scope, number of systemwide agreements)
    - Number of transfers over time
    - Performance of transfers
    - (Would be joint presentation with community colleges)
- NC college going rates and educational attainment
- Funding Methodology changes

Access
- Changes in student profile over time (income, race, gender)
- Role of UNC in promoting accesses (Pathways proposal, etc.)
- Efforts to improve access and going rates
- Barriers to college attendance and completion
- Efforts to address barriers
- Financial aid
  - Current funding levels
  - Changes affecting types of aid (federal credits, etc)
  - Current proposals

Costs
- Fees
- Tuition
  - Current rates
  - Role of tuition in funding
  - UNC BOG role in setting tuition
  - BOG proposal on tuition for 99-2000
- Tuition Remission
- Tuition Tax Credits

Academic Support

Libraries: Budgetary Emphasis
- Recent funding increases
- Inflationary increases-Lack for 1999-2001
- Trends in spending
- Rankings: Library Study
- NC LIVE and UNC

Information Technology

Role of Information Technology in UNC Missions
- Instruction (On campus and distance education)
- Research
- Public Service
- Student Support Services

UNC planning process
Recent funding
Current funding and additional requests
Review of funding to MCNC for supercomputing and NC-REN contracts
- (Status Report)

Assessment Measures

Satisfaction of graduates (trends)-Focus on change and responses of campuses to perceived problems; role of BOG and administration in reviewing trends and addressing problems
Satisfaction of undergraduates (trends)
Graduation rates (4, 5, 6 year rates) over time
- Compare to national rates

Retention rates
Remediation rates
Freshman performance data over time
Faculty Workload

UNC/ Public School Relationships

IHE Report Cards-preliminary data
Federal requirements
Status of efforts to provide full year of clinical experience to prospective teacher candidates
Recent budget increases for various proposals
- Status report on UNC-Public Schools Partnerships
- Matching Incentive Grants status

Budgets of schools of education
Supply and demand projections, including UNC enrollment and production of graduates
Current efforts to change curriculum

Progress in reorganization and delivery of professional development programs
Changes in UNC-TV Learning Link Delivery Site

Management
Privatization efforts to date-changes since 1995
Span of Control-changes underway as response to 98-99 budget reductions
UNC General Administration Personnel Administration efforts and proposal

Public Schools: Possible Topics of Special Interest to Members in the Presentations on the Continuation and Expansion Budgets

1. Expenditure of Low Wealth and Small School Supplemental Funding

2. At-risk students and alternative schools

3. Cost of ending social promotions

4. Special education

5. Availability of federal funds to low performing schools

6. Instructional technology, including public private partnerships

7. Expenditures for school administrators and central office personnel

8. Comparisons of educational expenditures between North Carolina and other states

Reengineering the NCCCS and Developing the Comprehensive Articulation Agreement

Sharon Morrissey, Fayetteville Technical Community College

Myra Cain, UNC-General Administration

Attachment 2

What Was Reengineering?

- *Reengineering: a systems approach to restructuring curriculum programming in the NCCCS*
- No project of this magnitude was ever attempted before

Why Reengineer?

- 30 years of incremental program development in NCCCS
- Problems with course transferability
- Employers confused about graduate competencies and program outcomes

Impetus for Reengineering

- 1992 Government Performance Audit
- 1992-94 GPAC Task Forces
- 1994 General Assembly: Regionalism
- 1994/95 SBCC: Reengineering and Semester Conversion
- 1995 General Assembly: Articulation

Reengineering Components

- ✔Semester calendar
- ✔Common course numbering system
- ✔Reengineered programs
- ✔Collaborative program planning process

CC 115

Reengineering Components

- ✔Electronic program data process
- ✔Comprehensive Articulation Agreement

Process

- Steering Committee
- 4 Work Teams
- Faculty Writing Teams
- *Approximately 1500 people were involved in the Reengineering process from 1995-1997.*

CC 117

Process

- Regional meetings to inform administrators, faculty, and staff
- Involved appropriate constituent groups
- Statewide review process

Reengineering Outcomes

- ✔Comprehensive review of programs and courses by faculty
- ✔More consistency in programs and courses
- ✔Core courses and competencies for each program in the NCCCS
- ✔Concentrations of study within programs

CC 119

Reengineering Outcomes

- ✔More collaboration among colleges in delivering programs to meet training needs of business and industry
- ✔Increased transferability of courses
- ✔Better connectivity with other educational systems

Reengineering Outcomes

- ✔Statewide articulation between NCCCS and UNC

How has Reengineering changed the NCCCS?

- Primary mission unchanged: *provide workforce training for citizens of NC*
- Changed vehicle for delivery but not the content
- Improved accountability because programs are more consistent

How has Reengineering changed the NCCCS?

- New opportunities for articulation with public schools and universities
- Procedure for regional program delivery of offer high-cost programs
- Increased collaboration among colleges in program planning process

Comprehensive Articulation Agreement

- The UNC Board of Governors and the State Board of the NC Community College System are committed to simplifying the transfer of credits for students and thus facilitating their educational progress as they pursue associate and baccalaureate degrees within and among post-secondary institutions in NC.

Comprehensive Articulation Agreement

- House Bill 739 and Senate Bill 1161 (1995 Session): Required a plan to simplify the transfer of credit in public post-secondary institutions
- March 1996: Proposed plan approved by Boards & presented to Joint Legislative Education Oversight Committee; status report presented in January, 1997

Comprehensive Articulation Agreement

- April 1996 to present: Faculty and institutions developed the CAA
  - Over 650 faculty from all UNC and NCCCS institutions participated in developing the CAA
- Fall 1997: Comprehensive Articulation Agreement went into effect for students entering the college transfer programs in the NCCCS

Comprehensive Articulation Agreement

- ✦One statewide Agreement among 58 colleges and 16 universities
- ✦Upon admission to a university, 64 semester hours guaranteed to transfer if student has met all articulation requirements
- ✦44 semester hour general education core fulfills institution-wide, lower-division general education requirements

Comprehensive Articulation Agreement

- Pre-major articulation agreements prepare students to enter the university prepared to matriculate in the major field of study

General Education Core

- 44 semester hours
- Over 150 courses approved for transfer in the following general education disciplines:
  - English Composition
  - Humanities and Fine Arts
  - Social and Behavioral Sciences
  - Math
  - Natural Sciences

General Education Core

- Based on assumption that there is sufficient commonality among lower-division general education requirements to agree on a transferable core
- Comprises a coherent, well-planned sequence of courses that provide breadth and depth of knowledge

AA/AS Pre-Major Articulation Agreements

- Art Education
- Biology and Biology Education
- Business Administration
- Business Education and Marketing Education
- Chemistry and Chemistry Education
- Computer Science
- Criminal Justice
- Elementary, Middle Grades and Special Education
- Engineering
- English
- English Education
- Health Education
- History
- Mathematics
- Mathematics Education
- Nursing
- Physical Education
- Political Science
- Psychology
- Social Science Secondary Education
- Social Work
- Sociology
- Speech Communication

AFA Pre-Major Articulation Agreements

(Pending March, 1999 action by UNC and NCCCS Boards)

- Art
- Drama
- Music and Music Education

Advising

- Ensure "Accurate and accessible academic counseling for students considering transfer between community colleges and between community colleges and the constituent institutions of the University of North Carolina."
- Sources of academic counseling
  - personal, printed, electronic

Transfer Information System

- CAA database www.ga.unc.edu/ student_info/caa
- On-line catalogs
- Computerized Common Application Forms
- Electronic mail network for Counselors
- Links between UNC and NCCCS web pages

Transfer Student Academic Performance Report

- Provides data for analysis of transfer issues and for evaluating and improving transfer process
- CAA participants are not yet reflected in data
- Baseline data for future studies
  - Retention, Graduation, and Persistence Rates
  - NCCCS Graduates Transferring to UNC Institutions
  - First-Year Academic Performance of NCCCS Graduates

Summary

- The NCCCS Reengineering process resulted in a semester calendar, a common course numbering system, and revised programs.
- The CAA built upon the Reengineering outcomes.
- The CAA went into effect in the Fall of 1997.
- Sixteen private colleges and universities have joined the CAA.
- The Transfer Advisory Committee will continue to monitor the implementation of the agreement and address questions and concerns as they arise.

DISTANCE LEARNING INITIATIVES

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

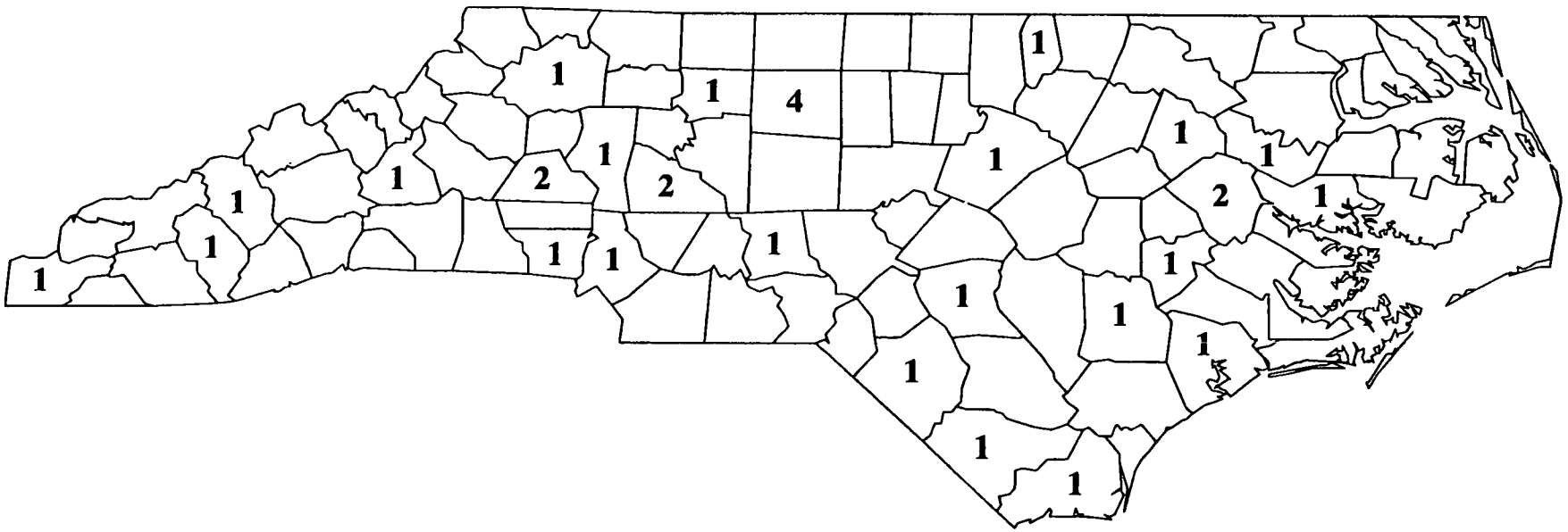
Presented by:
Dr. Brenda H. Rogers
Vice President for Administration
&
Dr. Donald P. Altieri
President
Anson Community College

March 3, 1999

North Carolina Community College System
Distance Learning Courses Offered Fall 1998

Mode of Delivery	Number of Course Titles	Number of Course Sections	Enrollment (Duplicated)	Average Class Size
Telecourse	94	405	7,024	17.3
Two-Way Video--Originating	56	74	1,667	22.5
Two-Way Video--Receiving	31	35	332	9.5
Internet	140	243	3,357	13.8
Tele-Web	9	10	172	17.2
Total	330	767	12,552	16.4

North Carolina Community College System
NC Information Highway Sites



CC 137

NCCCS Virtual Learning Community

Executive Summary

The Concept

The North Carolina Community College System (NCCCS) Virtual Learning Community (VLC) is a consortium of colleges which collaboratively develop and offer Internet-based courses following common policies and guidelines. The goal is to provide easy access and quality distance learning instruction for students in a cost-effective manner through the sharing of resources.

The Course Library

VLC courses will be selected from the Common Course Library and Master Course List and converted into Internet-based courses. These courses may be offered at any time. Conversion of the courses will be done by faculty teams which will design course templates that include competencies, content, and resource materials but which also provide for some local flexibility. Courses will be interactive and incorporate effective distance learning methodologies. Course development will begin with Internet-based courses already offered by VLC members, and additional courses will be added following a time frame to be developed. All courses will be evaluated regularly and revised as needed.

The Delivery System

The delivery system selected will be an open standards Internet-based system that is affordable and easy to use. It will support student interaction in a variety of modes, accommodate multimedia materials developed locally and commercially, and be scaleable to meet present and future needs.

Student Services

To facilitate student access to courses in the VLC, common student services policies and procedures will be developed. These include admissions and registration, tuition and fees, financial aid, transcripts, and advising. Access to library resources will also be addressed.

Implementation

Four work teams with representatives from member colleges will recommend how to implement the Virtual Learning Community. The teams and their charges are:

- Work Team 1: Identify and recommend a common delivery system.
- Work Team 2: Select course templates and oversee the course development process.
- Work Team 3: Recommend policies and procedures to facilitate student access and support the delivery of courses among members of the VLC; propose marketing plan.
- Work Team 4: Establish training programs for instructors and technical staff.

The Distance Learning Consortium will oversee the work of the four teams.

Dr. Brenda Rogers
Attachment # 3

Distance Learning Presentation
Joint Education Appropriations Subcommittee
March 3, 8:30 AM in Legislative Annex 421

North Carolina Community Colleges have been early adopters of distance learning in large part because of its mission to serve the educational and training needs of adults in North Carolina wherever they live and work. Access to adult education is a central component of our mission. Our colleges offer courses both day and night--even at midnight when factory workers get off the late shift; weekdays and weekends, even on Sunday; and on-campus and at remote sites all across the state. The use of technology to deliver instruction directly into homes and work sites or to combine classes at remote locations has therefore been readily adopted by our faculty.

I would like to show you the extensive use of distance learning technology by community colleges. Let's begin with telecourses which were first introduced in 1975 by Central Piedmont Community College. However, colleges did not offer many telecourses until after 1988 when the System Office negotiated the license and paid a portion of the license fee.

delivered over the TV
student may to take video tape view

Slide 1 Last year we offered 767 telecourses to 12,869 students. **[Slide 2]** The enrollment figure represents registrants in courses, so students may be counted

more than once if they are enrolled in multiple telecourses during the year. However, you can see the dramatic increase in both courses offered and students enrolled. For each student who enrolls in a telecourse, however, the college must pay a $20 fee to cover the total licensing cost. Our expansion budget request includes under systemwide projects the funds to pay for the telecourse fees. We know that the growth in the number of courses increased dramatically after the System Office took responsibility for negotiating the licenses for all of the colleges and began paying the licensing fee. Therefore, we believe that further telecourse offerings will occur if the System Office funded the cost fully.

The North Carolina Information Highway is another technology that our colleges use to both deliver and receive instruction. This technology uses live two-way video and most nearly replicates the live classroom instruction of any of the technologies. **[Slide 3]** Twenty five (25) community colleges have distance learning classrooms and are using the technology for either delivering or receiving instruction. We are combining students at remote locations or from other community colleges with one instructor. The map shows where distance learning classrooms are located. A few colleges have more than one site. Rowan-Cabarrus, for example, uses the technology to combine students at its South Campus with students on main campus.

Presently our colleges receive grants through Information Technology Services (formerly SIPS) to cover the line charges for 44 hours of instruction each month. (The new H.320 technology provides 50 hours of line charges.) These funds are non-recurring and they are not in our colleges' budgets. Some colleges have not invested in video classrooms because there is no assurance that the funds will be continued. It is our goal to have at least one video classroom or conference room at each of our 59 institutions.

—anytime not limited by time place

Our colleges have added asynchronous learning using the Internet to their distance learning technologies, without having receiving any significant funding or support from the System Office. We conducted a survey of our colleges to determine the extensiveness of the various distance learning technologies and were pleasantly surprised to learn that Internet-delivered courses abound. Thirty-three colleges reported delivering instruction using the Internet or a combination of telecourses and Internet, referred to as TeleWeb courses. A total of 243 sections of courses were offered this fall to 3,357 students and 140 different course titles, the vast majority of them curriculum courses that lead to a certificate, diploma, or degree, were available to adults who have Internet access or who choose to use open computer laboratories on our college campuses to take these courses. Another 9 courses were offered using a combination of telecourse and

Internet instruction.

Let's look at the results from the survey. First 54 of the 58 community colleges are offering courses using one or more distance learning technologies. **[Slide 4]** The number of course titles offered by the different technologies totals 330. Internet-delivered courses dominate. And it is important for us to understand that faculty are developing their own courseware for use over the Internet, possibly incorporating existing material but creating on the Web their own version of their course. What courses are available over the Web? Everything from introductory college transfer courses to computer technology courses, accounting and business courses, to opticianry courses--the variety of courses was amazing. Ninety-four course titles were available through telecourse, and 56 course titles were delivered by two-way video.

[Slide 5] The next graph shows the number of course sections delivered by the different technologies. Here telecourses dominate, indicating that the same courses are being offered by many of the 58 colleges and perhaps multiple sections are offered. Web-based courses are next, with 243 sections. Seventy-four course sections originated from our community colleges, meaning that our faculty taught the courses that were delivered to other sites. Some of those other sites were our own community colleges, though high schools were also receive

sites.

[Slide 6] The numbers of students enrolled in the courses totaled 12,552. Over half were enrolled in telecourses, with 7,024 students. Another 3,357 were enrolled in courses delivered over the Internet, an astounding number when we realize that no additional financial support has been given to our colleges to develop and deliver Web-based courses. In two-way video classes, we had a total of almost 2,000 students at either originating sites or receive sites. Recognize that those 332 students at receive sites may not have been able to take that course either because of small numbers of students or the availability of a qualified faculty member to teach the course.

[Slide 7] Class size is in the range of the size for on-campus courses, from 9.5 at the receive sites for two-way video to 22.7 for the originating sites using two-way video. We would expect small class size at the receive sites for rtwo-way video, for one of the purposes is to combine small numbers of students with another class to make it economically feasible to offer.

Contrary to what many people think, our faculty have found that courses delivered over the Internet are much more time intensive for faculty than the traditional lecture/discussion format, and enrollment is usually limited. Why is it more labor intensive? Students ask more questions and require more feedback to

e-mail sent to faculty. There is in fact more interaction using this mode of instruction than face-to-face classroom instruction.

A major component of our distance learning expansion budget request includes funds to support our virtual learning community. As you are probably aware, many distance learning consortiums have formed across the United States. We began organizing a consortium this year, and Dr. Don Altieri, president of Anson Community College, serves on the Steering Committee of our distance learning consortium. Dr. Altieri will describe to you our vision for the future, and what I see as a way of ensuring high quality distance learning programs available to anyone with Internet access and a computer. Rather than building buildings to accommodate the thousands of new students, we need support to build a virtual learning community. Let me present to you Dr. Altieri.

Dr. Altieri

CORRESPONDENCE/NOTES

DISTANCE LEARNING PRESENTATION
MARCH 3, 1999
JOINT EDUCATION APPROPRIATIONS SUBCOMMITTEE

I. RECOGNIZE THE COMMITTEE CHAIRS

II. THANK THE COMMITTEE FOR THE OPPORTUNITY TO ADDRESS THEM & THANK THEM FOR THEIR CONTINUED SUPPORT FOR THE COMMUNITY COLLEGE SYSTEM

"EVERYDAY – SOMEWHERE IN OUR SYSTEM WE MAKE A DIFFERENCE IN SOMEONE'S LIFE.

* YOU CAN TAKE PRIDE KNOWING THAT YOU HELPED TO MAKE THAT HAPPEN!

III. I WOULD LIKE TO OPEN MY REMARKS BY READING A VERY SHORT STORY TO YOU — WHICH VERY QUICKLY TELLS YOU ABOUT THE IMPACT OF TECHNOLOGY ON ALL OF US & HOW WE MUST PLAN TO USE TECHNOLOGY TO PROVIDE THE BEST EDUCATION & TRAINING POSSIBLE FOR OUR CITIZENS

* READ THE "MONSTER UNDER THE BED" STORY

** WHAT WE WANT TO DO — IS TO HARNESS THIS MONSTER & MAKE IT WORK FOR US!

Over

© 1993 Priority Management Systems Inc.

Distance Learning Presentation March 3

Don, your presentation will follow one by Brenda Rogers giving facts and figures about distance learning. She'll conclude by saying something like, "Now Dr. Don Altieri, president of Anson Community College, will tell you about a major new initiative for a new century."

As Dr. Rogers pointed out, our community colleges have been involved in distance learning since the 1970s, and there were 12,552 enrollments in distance learning courses this fall. As you might imagine, there is a great variation in our colleges in their distance learning activities. A few have chosen to invest large amounts of resources, and they offer dozens of courses to hundreds of students...while other colleges are just beginning to develop their capacity to deliver instruction by distance. But the fact is, that every one of the community colleges has made some type of investment of people, time, and money in this new delivery method for the purpose of making education more accessible to the people of this state.

Looking to the future, the community college system recognizes the great potential for collaboration among our colleges in distance learning. In June 1998, the statewide strategic plan included an objective to begin the delivery of instruction through a virtual learning community by September 2000. Last September, 58 college presidents were invited to participate in the creation of this virtual learning community. And a remarkable thing happened: 58 said "yes." They recognized that distance learning is a new frontier with no boundaries. It opens wider the door to access, especially for the working adult. And it calls for new approaches.

Since the September meeting, the Distance Learning Steering Committee, of which I am a member, has collected information and slowly transformed the concept of a virtual learning community into an action plan. This month, work teams of community college representatives will begin building its foundation. As our strategic plan indicates, by the fall of 2000 we expect the Virtual Learning Community to be fully operational.

UNDER THE LEADERSHIP OF LARRY NORRIS

WORK TEAM 1:

So what is it and what are its benefits?

WORK TEAM 2:

Across the system, colleges will pool their resources and expertise to develop a set of interactive, distance learning courses that will be offered via the Internet. These courses will be both curriculum courses that lead to diplomas and associate degrees, and non-credit courses that upgrade the skills of people in the workforce. Courses will be selected from our existing library of courses, the Common Course Library and the Master Course List. With time--and resources--students will be able to earn two-year degrees without driving to a college and hunting for a place to park. At the same time, employees will be able to upgrade their technical skills without leaving the worksite or the comfort of their homes. And these courses will be developed collaboratively by all our colleges and they will be available for use by all of our colleges.

WORK TEAM 3:

In addition to the development of these courses (which will provide for some local flexibility of content), we will also develop common procedures for the full array of student services such as registration, financial aid, advising, and library resources. Our goal for students in the Virtual Learning Community is that the procedures will be the same from college to college. (Those of you who have attended more than one

WORK TEAM 4:

school understand that this is no small feat!)

And what are the benefits? Four big ones stand out:

*Lower cost. By the year 2008, the number of youth planning to attend college will increase dramatically, placing a major strain on the resources and facilities of all of the post-secondary institutions in North Carolina. Many of these students--and the vast population of working adults--will look to community colleges for their educational needs. The Virtual Learning Community is our best opportunity to serve these new students in a cost effective way. Certainly, distance learning is expensive...until you compare it to the cost of the alternatives.

*Greater access. By offering courses and programs via distance learning, a person in your county will have access to specialized training not available before. Likewise, your local college can offer its specialized courses to students around the state.

*Targeted training. Community colleges have long listened to the needs of business and industry and taken training into the community. But there have always been limitations of time and location. Distance learning enables us to provide our courses to workers any where, any time provided there is access to Internet. And through listening to the needs of business and industry, we have determined that some of our initial courses to be developed are information technology and an array of professional development topics for public school teachers.

R.R.

*Economic Development. The 21st century will be the age of the lifelong learner when everyone needs advanced skills and every worker will need retraining across a lifetime. The Virtual Learning Community will deliver that specialized training to workers all across North Carolina.

With your support, distance learning will help us fulfill our mission in an efficient, cost effective manner.

Barry Russell will follow you with information on collaboration with UNC, fees, etc.

PERSONAL PROSPECTIVE

- HAVE BEEN A PART OF THE SYSTEM SINCE EARLY 70S
  WORKED AT CCC & TI, CVCC & ACC
- 3/4 MAJOR INITIATIVES
  * RURAL RENASSIANCE
  * PRIME COMPUTER / INTEGRATED SOFTWARE
    ELECTRONIC TRANSFER OF INFO
  * SEMESTER CONVERSION

NOW THE VIRTUAL LEARNING COMMUNITY
(MAJOR INITIATIVE TO MOVE US INTO
THE 21ST CENTURY

& THE ABILITY TO MEET THE NEEDS OF
BUSINESS & INDUSTRY USING A
"JUST-IN-TIME" APPROACH.

YOUR SUPPORT FOR THIS INITIATIVE IS
CRITICAL TO THE FUTURE ABILITY OF THE
SYSTEM TO MEET THE SKILLED
TRAINING NEEDS OF THE STATE.

Dr. Pulley

Collaboration Between the University of North Carolina and the North Carolina Community College System in Distance Education

The University of North Carolina General Administration

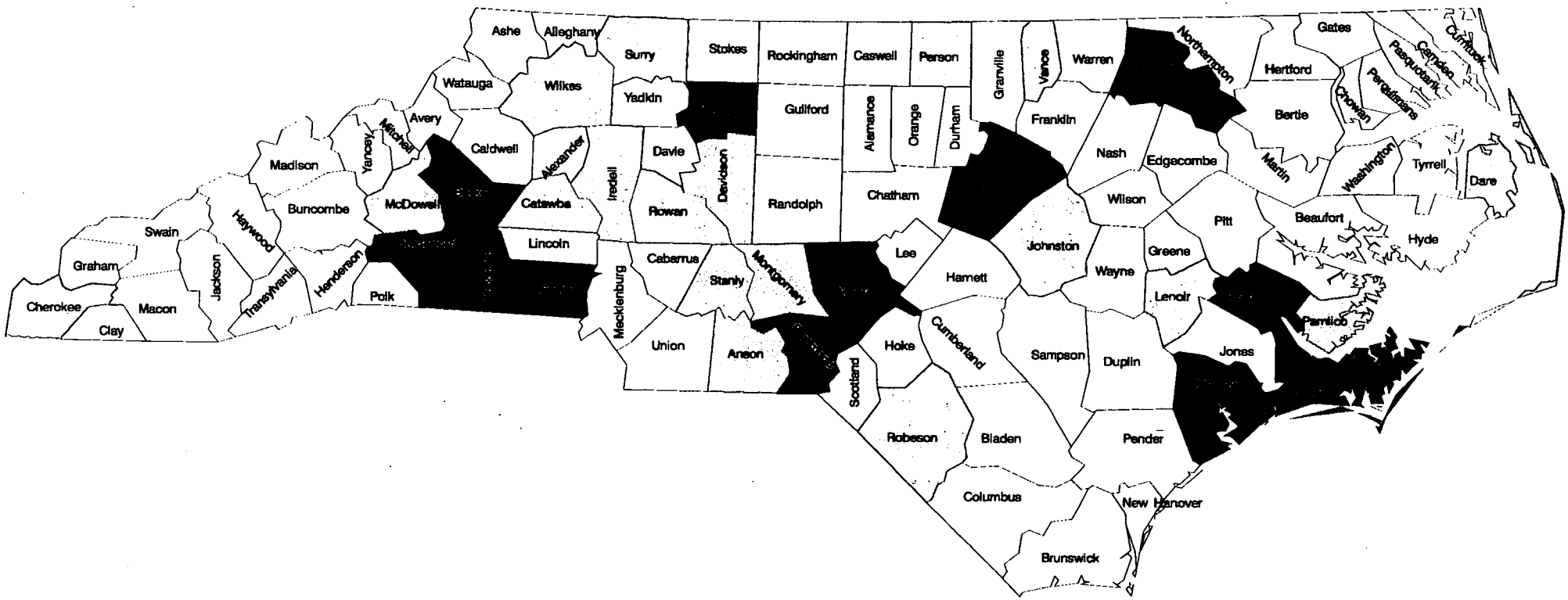
Dr Pulley

Attachment 4

UNC Programs at Community College Sites
Overview

	Counties/CC's	Programs		
		Bacc.	Master's	Total
Pilot Site Programs (bacc.)	12	28	0	28
Other Programs	21	15	9	24
Total Programs (at all sites)		43	9	52
Unduplicated Count of Programs and Sites	30	28	9	36

UNC Degree–Related Programs on NCCCS Campuses



Pilot Sites Other Sites

UNC–GA ProgAssess/Map.GG021B/02MAR99

CC141

Enrollment and Projected Degree Completion in Pilot Site Baccalaureate Completion Cohorts

UNC Inst.	Programs	Enrollment	Projected Degrees
ASU	Business Mgt. (96-99)	14	11
	Elementary Ed. (96-00)	18	11
	Social Work (96-99)	11	10
ECU	Info. Processing (96-99)	22	19
	Industrial Tech. (96-98)	16	11
	Nursing (96-99)	21	21
NCCU	Nursing (97-99)	17	17
UNCC	Engineering (97-01)	48	37
UNCP	Business (96-99)	38	10
	Nursing (96-99)	23	12
	Sociology (96-99)	34	9
UNCW	Business (96-99)	34	20
	Ed. Young Child. (96-99)	11	4
	Elementary Ed. (96-99)	97	35
	Nursing (96-99)	17	15

UNC Baccalaureate Completion Pilot Programs at Community College Sites (by County)

- **Burke County (Western Piedmont CC)**
  - Business Management (ASU)
  - Elementary Education (ASU)
  - Social Work (ASU)
- **Carteret County (Carteret CC)**
  - Industrial Technology (ECU)
  - Information Processing (ECU)
- **Cleveland County (Cleveland CC)**
  - Business Management (ASU)
  - Elementary Education (ASU)
  - Social Work (ASU)
- **Craven County (Craven CC)**
  - Industrial Technology (ECU)
  - Information Processing (ECU)

UNC Baccalaureate Completion Pilot Programs at Community College Sites (by County)

- **Forsyth County (Forsyth Technical CC)**
  - Engineering Technology (UNCC)
- **Gaston County (Gaston College)**
  - Engineering Technology (UNCC)
- **Halifax County (Halifax CC)**
  - Nursing (ECU)
- **Moore County (Sandhills CC)**
  - Business Management (UNCP)
  - Nursing (UNCP)
- **Onslow County (Coastal Carolina CC)**
  - Business Administration (UNCW)
  - Education of Young Children (UNCW)
  - Elementary Education (UNCW)
  - Nursing (UNCW)

UNC Baccalaureate Completion Pilot Programs at Community College Sites (by County)

- **Richmond County (Richmond CC)**
  - Business Management (UNCP)
  - Sociology (UNCP)
- **Rutherford County (Isothermal CC)**
  - Business Management (ASU)
  - Elementary Education (ASU)
  - Social Work (ASU)
- **Wake County (Wake Technical CC)**
  - Engineering Technology (UNCC)
  - Nursing (NCCU)

Instructional Delivery Methods Used for Pilot Site Baccalaureate Completion Programs

- **ASU**
  - First tried 2-way interactive video using ISDN lines, but both students and faculty were dissatisfied with video quality. Switched to on-site, face to face instruction with some Web-based supplement in education courses this year.
- **ECU**
  - Combination of on-site, Internet, and video conferencing for Information Processing and Industrial Technology. Nursing program taught entirely on-site.
- **NCCU**
  - On-site instruction with some CD-ROM supplemental material.
- **UNCC**
  - Two-way interactive videoclass (NCIH).
- **UNCP**
  - On-site instruction.
- **UNCW**
  - On-site instruction and NCIH two-way interactive video. Web-based courses are being developed.

"Lessons Learned" from UNC Pilot Site Baccalaureate Completion Programs

- Stagger initiation of programs at two or more CC's so that students can take a course at another site if they miss the course at their main site. Otherwise, the student will not graduate with his/her cohort. Reducing the courseload required each year and offering the program over a longer period would also help more students eventually obtain degrees.
- Funding and availability of programs need to be ensured one or more years in advance so that CC students can plan their course of study.
- Expansion to more CC sites is partially contingent on development of appropriate communications capabilities.
- Pilot programs were also used by non-cohort students who were seeking additional courses for teaching lateral entry and other reasons. Some of these students later enrolled full-time on a campus.
- CC's offer many advantages such as libraries, Internet access, computer labs, and student recruitment and advising.
- Greater access to CC classrooms and libraries needed in evenings and on weekends. NCCCS/UNC agreement on guidelines for compensation for use of facilities should help.
- A consortium approach to offering some degree programs would reduce the effort and resources required of a single UNC campus and would promote delivery of programs to a larger number of CC's.

Other UNC Distance Education Programs at Community College Sites (by County)

- **Anson County (Anson CC)**
  - Adult Education (M) (NCA&T)
- **Carteret County (Carteret CC)**
  - Nursing (ECU)
- **Catawba County (Catawba Valley CC)**
  - Industrial Arts, Technical Education (WCU)
- **Cherokee County (Tri-County CC)**
  - Industrial Arts, Technical Education (WCU)
- **Dare County (College of the Albemarle)**
  - Information Processing (ECU)
- **Davidson County (Davidson County CC)**
  - Nursing (WSSU)
- **Gaston County (Gaston College)**
  - Adult Education (M) (NCA&T)
  - Special Education (M) (UNCC)

Other UNC Distance Education Programs at Community College Sites (by County)

- **Iredell County (Mitchell CC)**
  - Special Education (M) (UNCC)
- **Johnston County (Johnston CC)**
  - Educational Technology (M courses) (NCCU)
  - Elementary Education (ECU)
- **Lenoir County (Lenoir CC)**
  - Engineering (NCSU)
- **Montgomery County (Montgomery CC)**
  - Nursing (UNC-CH)
- **Onslow County (Coastal Carolina CC)**
  - Criminal Justice (UNCW)
- **Pamlico County (Pamlico CC)**
  - Information Processing (ECU)
- **Person County (Piedmont CC)**
  - Special Education (M courses) (NCCU)

Other UNC Distance Education Programs at Community College Sites (by County)

- **Robeson County (Robeson CC)**
  - Occupational Education (courses) (NCSU)
- **Rowan County (Rowan-Cabarrus CC)**
  - Special Education (M) (UNCC)
- **Stanly County (Stanly CC)**
  - Adult Education (M courses) (NCA&T)
- **Surry County (Surry CC)**
  - Nursing (WSSU)
- **Vance County (Vance-Granville CC)**
  - Education (M courses) (NCCU)
- **Wake County (Wake Technical CC)**
  - Health Education (UNCG)
- **Wilkes County (Wilkes CC)**
  - Nursing (WSSU)

Current Outreach by UNC Institutions to Identify and Address Needs of Community Colleges

- **Every baccalaureate completion pilot site program has reported an ongoing need for additional cohorts at the sites.**

- **Several UNC institutions are currently offering individual courses at community college sites that may be expanded into full degree program offerings if sufficient demand is evident.**

- **UNC institutions are actively engaged in reaching out to community colleges in their geographic or service regions.**
  - **WCU has a group of nine community colleges with which it regularly consults as new programs are considered.**
  - **ASU is currently surveying 10 community colleges in its region to determine technology capabilities and program needs. Presidents of these colleges are invited to ASU to meet with Chancellor Borkowski later this month to discuss these issues.**
  - **ECU is co-hosting a meeting later this week at Pitt Community College with 20 community colleges (presidents, CIOs, CAOs) to discuss program and collaborative opportunities.**

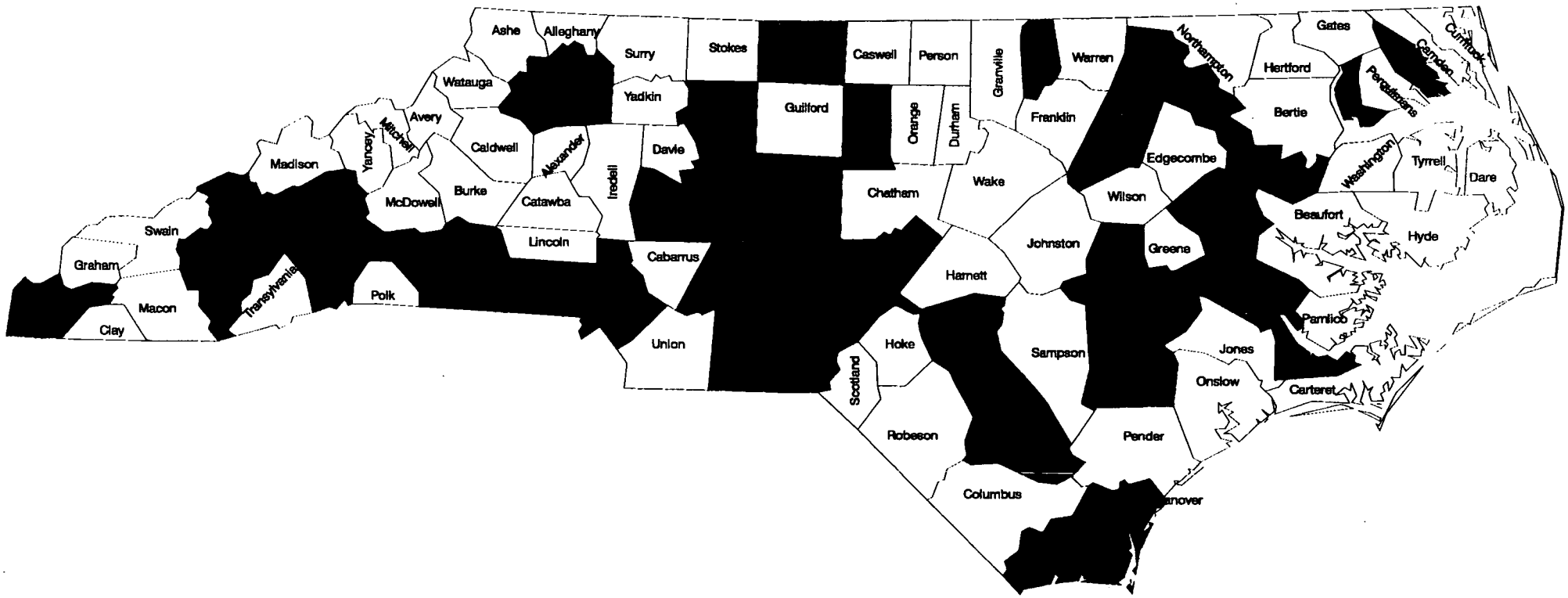
Most Frequently Requested Baccalaureate Completion Programs in Survey Responses from 17,000 Community College Students (Fall 1996)

- **Nursing**
- **Business Administration**
- **Computer Science / Information Systems**
- **Criminal Justice**
- **Elementary Education**
- **Psychology**

Most Frequently Requested Baccalaureate Completion Programs in Survey Responses from 37 NCCCS Presidents (August 1998)

- **Business Administration (23)**
- **Computer Science/Information Systems (14)**
- **Criminal Justice (14)**
- **Elementary Education (14)**
- **Nursing (14)**
- **Early Childhood (8)**

Requests For UNC Distance Learning Programs



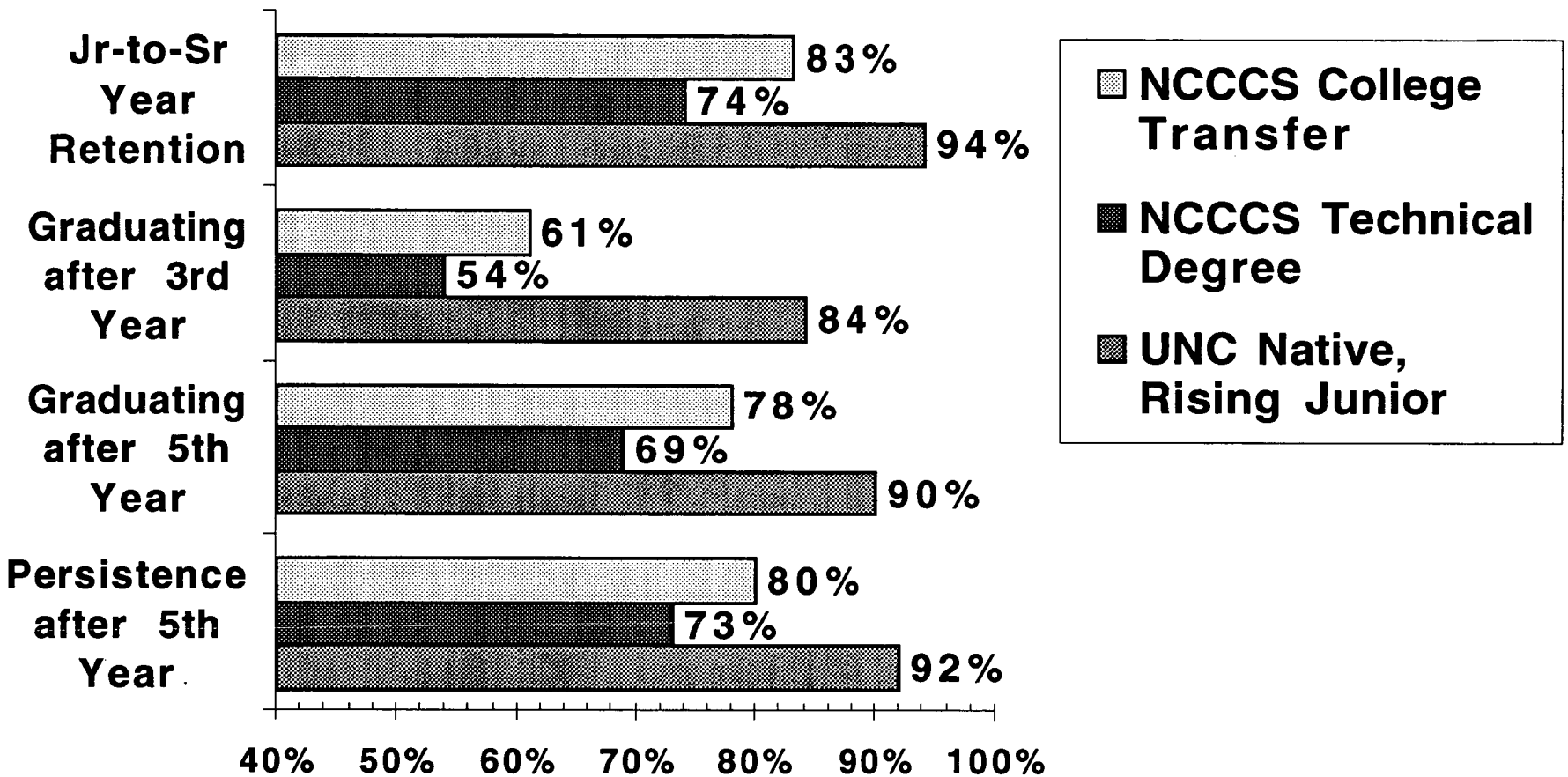
UNC – GA ProgAssess/Map.GG021A/02MAR99

Plans for Expansion of UNC Baccalaureate Completion Programs to Community Colleges

Line 1B -- Access: Distance Education / Extension Enrollment Changes (1999-2001 Expansion Budget Request)

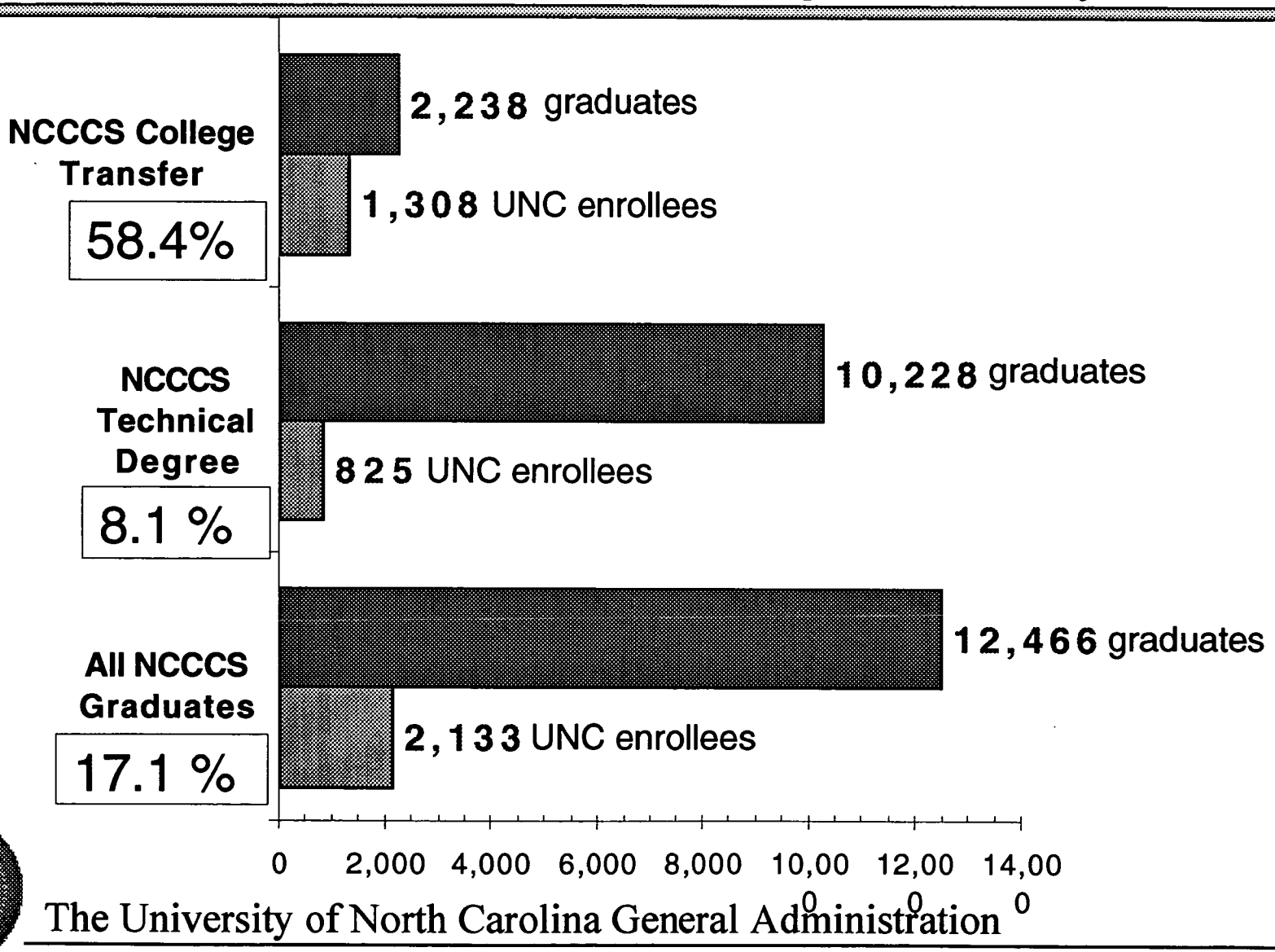
- **Will enable UNC institutions to respond to requests to add new cohorts and new programs at pilot sites.**
- **Will enable UNC institutions to respond to demand demonstrated in surveys of students and community college presidents.**
- **Will enable UNC institutions to carry out plans they are making with community colleges in their respective service regions.**
- **Will enable UNC to use distance education to offset some of the projected demand (increase of 48,000 during the next decade) for enrollment on campus.**

Retention, Graduation, and Persistence Rates



Transfer Rates

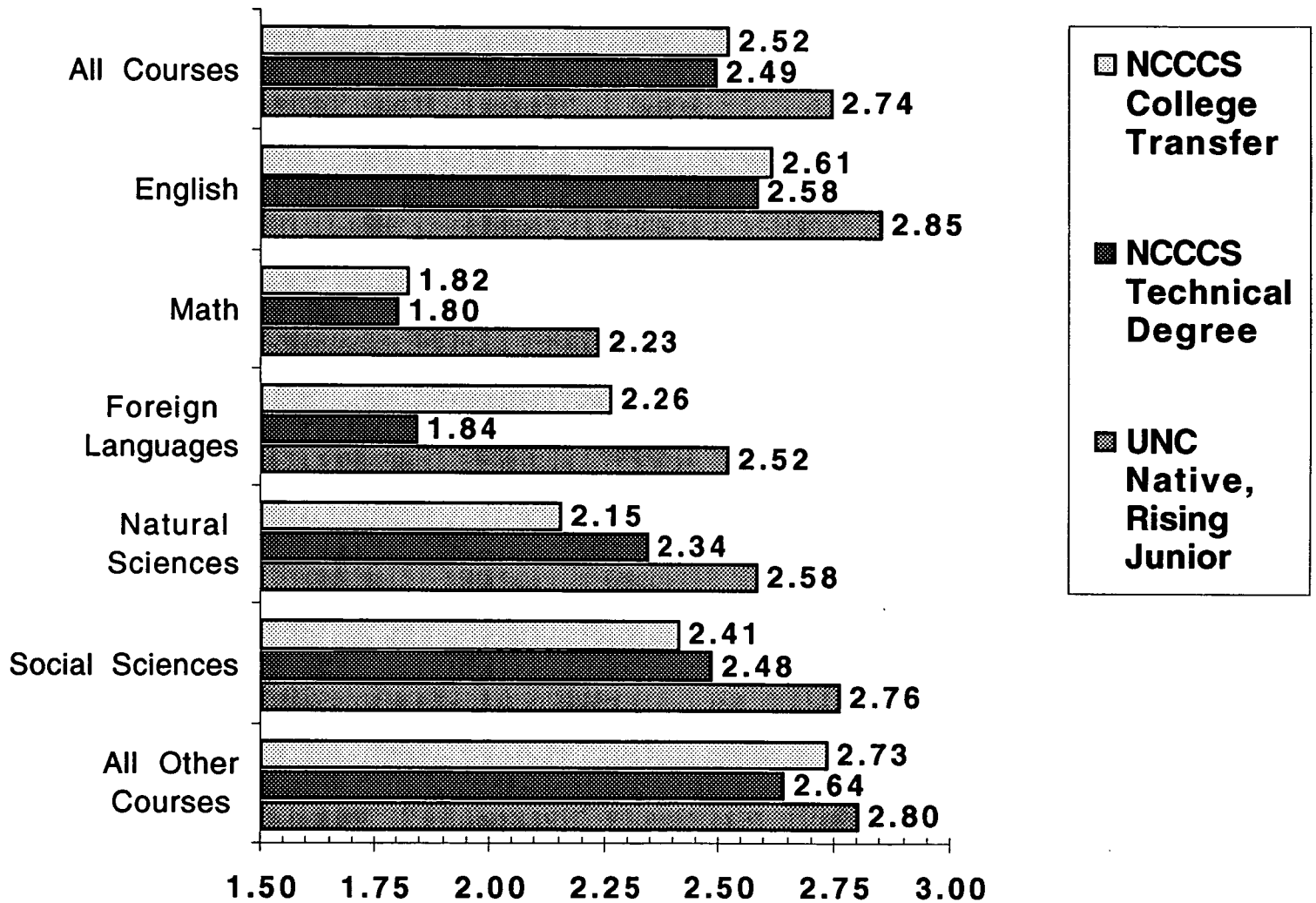
(1995-96 NCCCS Graduates Enrolling at UNC by Fall 1997)



The University of North Carolina General Administration

UNC-GA ProgAssess/NCCCS.OR001/3-3-99

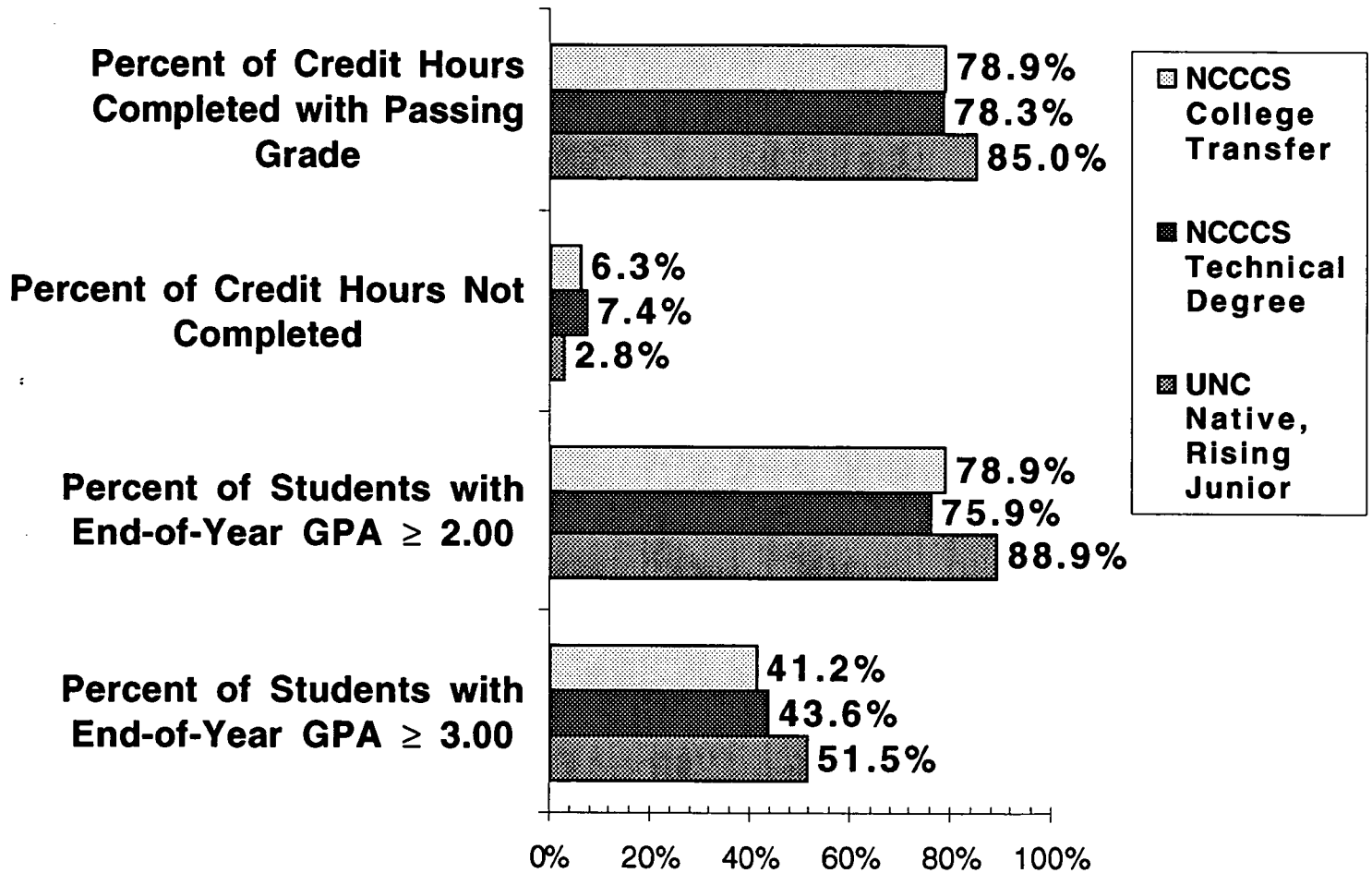
First-Year UNC GPA (1995-96 NCCCS Graduates)



The University of North Carolina General Administration

UNC-GA ProgAssess/NCCCS.OR001/3-3-99

Other Measures of First-Year UNC Academic Performance (1995-96 NCCCS Graduates)



VISITOR REGISTRATION SHEET

APPROPRIATIONS Subcommittee on Education — March 3, 1999 8:30 AM

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Brenda Rogers	Dept. of Community Colleges
Jennifer Barrett	NCASW
PARKS TODD	Dept Comm Colleges
Judith Pulley	UNC General Administration
Roy Carroll	" " "
TB MILLIKEN	UNC
[illegible]	Governor's Office
Janet Pulliam	OSBM
[illegible]	"
Maurice Kay	"
Elizabeth Lloyd-Jones	"
Glenn Morris	Public Sch. Forum of NC
Larry Morgan	DCC
[illegible]	DCC
DONALD ALTIERI	ANSON COMMUNITY COLLEGE
Janette Fredrickson	DCC
Barry Russell	DCC
Myra Cain	UNC General Administration
Ann Bellam	SBE
Steve Dimmick	DCC
Sharon Mainieri	Fayetteville Technical Comm. College
Hal Miller	NCACCT
Hod Davis	NCAE
Harriet Dial	NCAE
Suzanne Williams	NCCCS
Kent Dixon	Gov's office
Daniel Brown	OSBM

VISITOR REGISTRATION SHEET

APPROPRIATIONS Subcommittee on Education — March 3, 1999 8:30 AM

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Louise Woods	Charlotte-Mecklenburg Board of Education
Mary H. Odom	NC CARE
Molly Griffin	Charlotte Mecklenburg Bd of Education
Arthur Griffin	Charlotte Mecl Schools
Kay Gainey	Office of State Planning
Beth Johns	NCCCS
Leanne Winner	NCSBA
Sandy Carmany	NC PTA
Jeffrey L. Nieman	Student Member - UNC Board of Governors
Nil Heinke	UNC Chapel Hill Student Body Pres.-Elect

Joint Appropriations Subcommittee
On Education/Higher Education

March 3, 1999
2:30 p.m.
Presiding- Senator Walter Dalton

Call to Order	Chair
Presentation on the Community College System's Funding Formula	John Malia Assistant Director For State Aid Auditing
Faculty Salary Presentation	Dr. Barry Russell Executive Vice President Community College System
Occupational Extension Programs	Kennon Briggs Vice President for Business and Finance

JOINT APPROPRIATIONS SUB-COMMITTEE ON EDUCATION/HIGHER EDUCATION

Wednesday, March 3, 1999
2:30 P.M.
Room 421 LOB

The Joint Appropriations Sub-Committee on Education/Higher Education met at 2:30 P.M. on Wednesday, March 3, 1999 in the Legislative Office Building. There were eight Senators present. The following Representatives were present: Gene Rogers, Co-Chair; Flossie Boyd-McIntyre, Co-Chair; Warren Pete Oldham, Co-Chair; Alex Warner, Vice-Chair; Donald Bonner; Harold Brubaker; Charlotte Gardner; Mitch Gillespie; Verla Insko; Richard Moore; Richard Morgan; Ronald Smith; W.B. Teague, Jr.; and Douglas Yongue.

Senator Dalton, Co-Chair called the meeting to order. He recognized Pages Christian Huisman from Wake County, sponsored by Speaker Black and Ben York from Albemarle County, and sponsored by Senators Purcell and Plyler. Senator Dalton introduced his Student Assistant, Angie Whitener from McDowell County and a student at North Carolina State University.

Senator Dalton introduced Mr. John Malia, Assistant Director for State Aid Auditing. Mr. Malia presented a comprehensive report on the Community College System's Funding Formula. (See Attachment 1, PP's 91,92,93, & 94). He presented a slide presentation that illustrated several examples of funding, utilizing the FTE formula at various Community College Campus's. Mr. Malia stressed that the funding formula was designed and implemented in order to provide funding equity to the 58 Community College campuses. Mr. Malia explained how the formula worked for both the Occupational and Curriculum areas. In addition, he explained the Literacy/Basic Skills funding formula applications and the enrollment allotments.

Next, Senator Dalton introduced Dr. Barry Russell, Executive Vice President of the Community College System. Dr. Russell presented data on Faculty Salaries. (See Attachment 1). The data that Dr. Russell presented included the status of North Carolina Community College faculty salaries in comparison with National averages. Dr. Russell stated that salary determinations are the responsibility of the Local Boards. He discussed the full time/part time mix of faculty positions and the impact this mix has on the college's budget.

On behalf of the Community College System, Dr. Russell presented recommendations for improvements in the funding formulas for faculty salaries. They were:

1). To accurately evaluate "Other Cost" needs and to receive additional funding to cover the "Other Cost" needs rather than transferring funds from one area to another. The funding formula was intended to provide equity.

2). To recalibrate the current funding formula to more realistically reflect The population utilizing the Community College System.

Dr. Russell thanked the Committee for the opportunity to present information on Faculty Salaries within the Community College System. He addressed several questions and comments.

Senator Dalton adjourned the meeting at 3:40 P.M.

Senator Walter Dalton, Co-Chair

Christina K. Minard, Senate Education Committee Assistant

FACULTY SALARIES

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Presented by:
Dr. Barry W. Russell
Executive Vice President
&
Chief Operating Officer

March 2, 1999

Average State Salary

Low	Mean	High
$34,965	$41,303	$46,271

Average Number of Months Employed

Low	Mean	High
9.98	11.22	12.00

Source of Data: Tables 7B and 11B of the 1998-99 College Staff Information Reports and Average Salary Studies, Information Services, NCCCS

Chart 1

Average State Salaries for Full-Time Faculty by Employment Period

Length of Employment	Number of Faculty 1998-99	Percent of Total Faculty 1998-99	1998-99 Average Annual State Salary
9-month	891	21.1%	$32,711
10-month	316	7.5%	$35,902
11-month	69	1.6%	$37,831
12-month	2,945	69.8%	$44,545

Source of Data: 1998-99 College Staff Information Reports and Average Salaries, Information Services, NCCCS

Chart 2

Average 9-Month Salary of Full-Time Curriculum Faculty at Two-Year Public Institutions: A Comparison of North Carolina to the National Average 1992-93 to 1996-97

Academic Year	NC SREB Average	SREB Average	SREB Rank***	National Average*	National Rank
1992-93	$26,113	$32,302	14	$38,935	50
1993-94	$27,454	$33,470	15	$41,040	49
1994-95	$30,454	$34,433	15	$42,101	46
1995-96	$30,638	$36,146	15	$43,295	49
1996-97**	$32,153	$37,163	15	$44,584	47

Source: *IPEDS Faculty Salary Survey, National Center for Education Statistics
**1996-97 IPEDS Data Not Verified....Draft Data
***Ranking of 15 Southern Regional Education Board (SREB) states
Planning and Research, NCCCS

Chart 3

OTHER COSTS

SUPPLIES
(Instruction, Office, Repair, Audio-Visual)

POSTAGE
(Catalogs, Grades, 1098 for Hope Scholarship)

REPAIRS TO EQUIPMENT
(Classroom, Laboratory, Shop, Office)

SOFTWARE
(Instruction & Support)

SERVICE CONTRACTS
(Classroom, Laboratory, Shop, Office)

TELECOMMUNICATIONS
(Inter/Intra Campus, Internet Access)

ADVERTISING
(Course Offerings, Special Events, Employment)

MAGAZINE & NEWSPAPER SUBSCRIPTIONS
(Term Papers, Research, General Information, Trade Journals)

PRINTING
(Announcements, Diplomas, Certificates, Catalogs)

RENTAL OF EQUIPMENT
(Classroom, Laboratory, Shop, Office)

ACCREDITATION EXPENSES

Chart 4

The Effects of Inflation on "Curriculum [illegible]ner Costs" Since it was Last Adjusted
1984-85 thru 1997-98

Fiscal Year	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
Amount Adjusted for Net Inflation	$ 108.68	$ 109.22	$ 114.46	$ 127.97	$ 140.25	$ 148.95	$ 153.57	$ 154.95	$ 161.92	$ 167.26	$ 194.19	$ 196.13	$ 198.88
Base Amount	$ 105.00	$ 105.00	$ 105.00	$ 105.00	$ 105.00	$ 105.00	$ 105.00	$ 105.00	$ 105.00	$ 105.00	$ 105.00	$ 105.00	$ 105.00
Supplies & Materials	-0.4%	-3.5%	2.1%	7.1%	5.5%	1.9%	-1.1%	-1.7%	1.0%	1.2%	12.4%	-1.2%	-1.9%
Services	3.9%	4.0%	2.7%	4.7%	4.1%	4.3%	4.2%	2.6%	3.5%	2.1%	3.7%	2.2%	3.3%
Net	3.5%	0.5%	4.8%	11.8%	9.6%	6.2%	3.1%	0.9%	4.5%	3.3%	16.1%	1.0%	1.4%

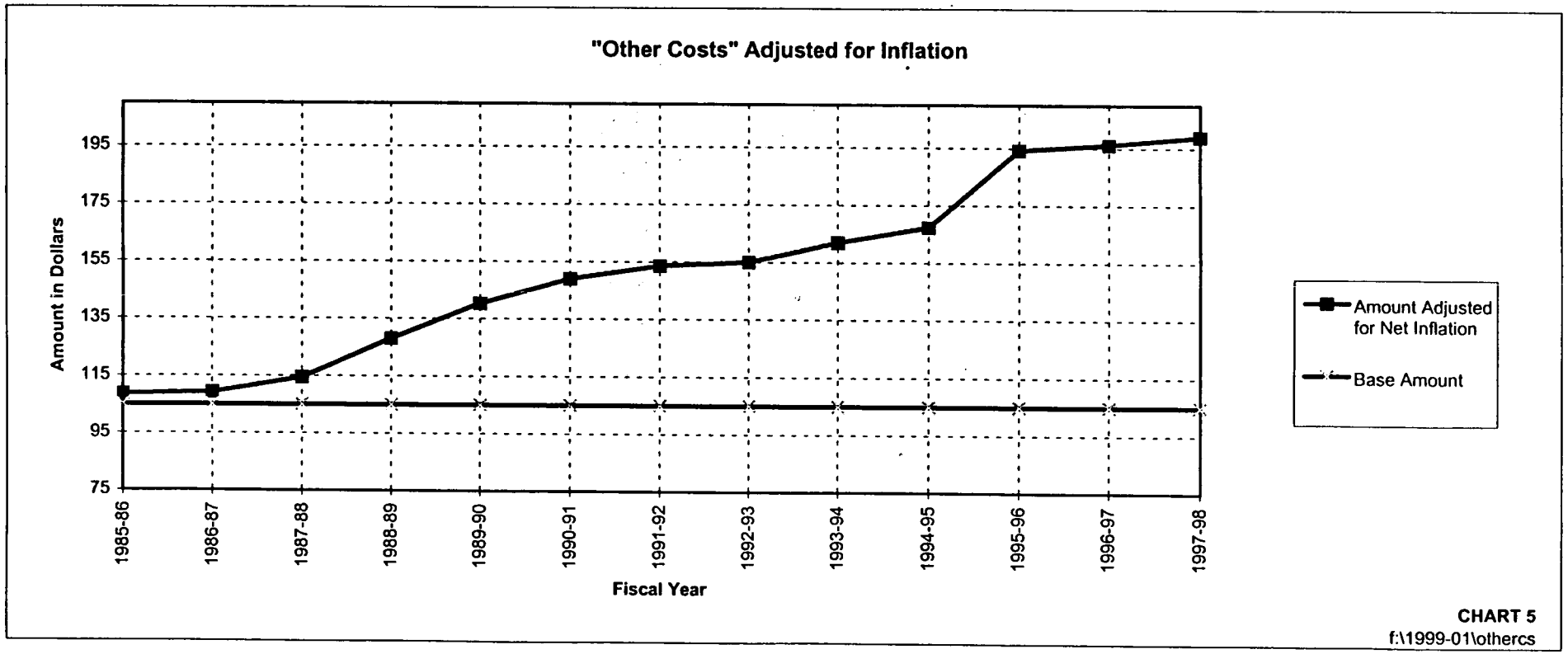


CHART 5
f:\1999-01\othercs
Bus Fin\KDB
2-99

INSTRUCTIONAL SUPPORT

DEAN OF INSTRUCTION

LIBRARIAN

CLERICAL

COUNSELORS

BUSINESS MANAGER

INSTRUCTIONAL RESOURCE ASSISTANT

PLACEMENT OFFICER

COMPUTER REPAIR TECHNICIAN

REGISTRAR

PAYROLL CLERK

FINANCIAL AID OFFICER

CASHIER

PURCHASING AGENT

CONTINUING EDUCATION DIRECTOR

NETWORK ADMINISTRATOR

Chart 6

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
1989-90 thru 1998-99

Fiscal Year	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	1,001.71	1,092.74	995.55	1,021.85	1,033.27	1,120.50	1,142.06	1,179.96	1,217.05	1,298.07

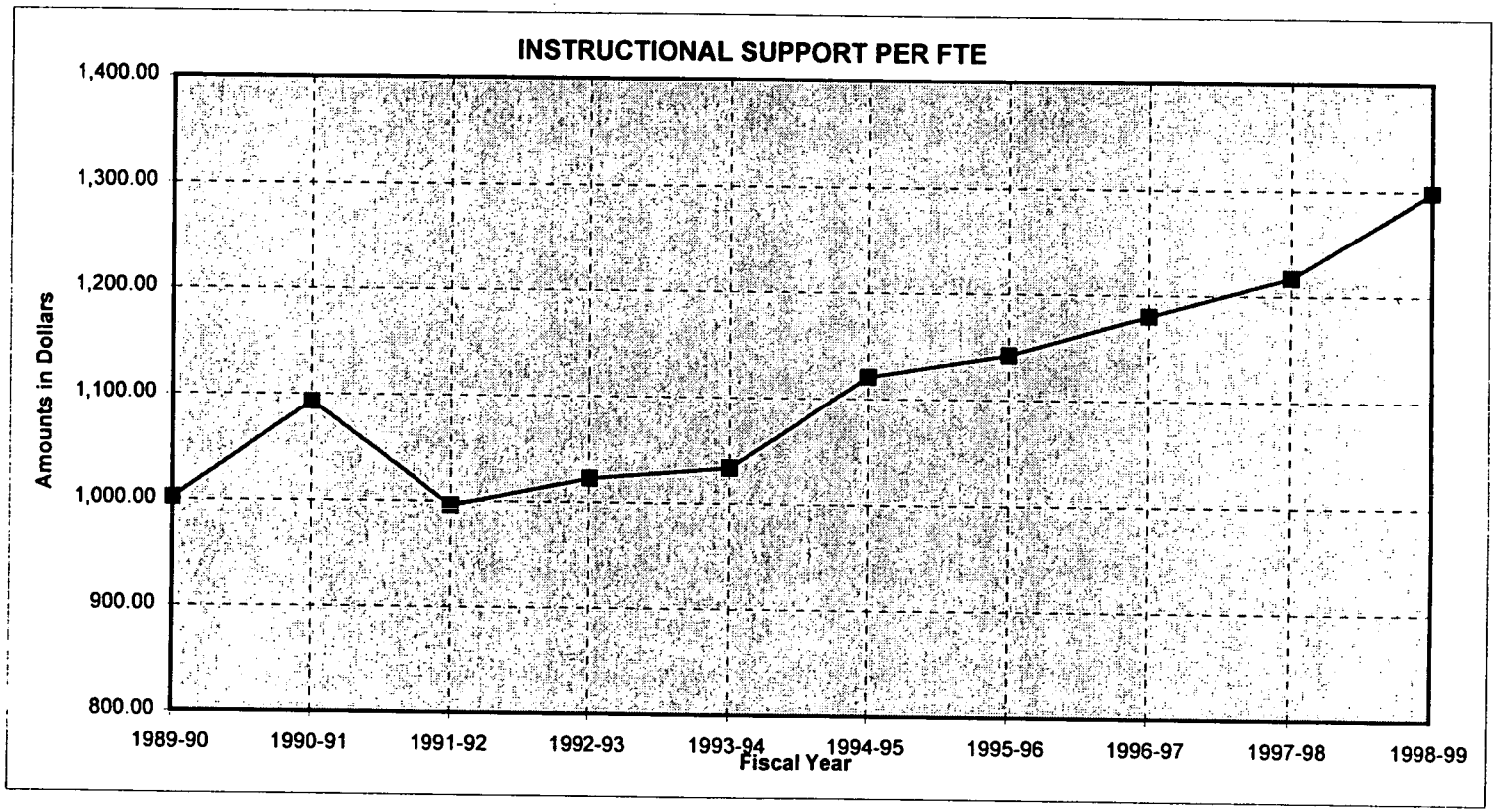


Chart 7
INSTSUP.XLS
2-26-99 dt

North Carolina Community College System

*

Calculating The Formula Budget

North Carolina Community College System

*

Calculating The Formula Budget

Three Major Steps

- Determine Current FTE
- Apply "3/5" Rule
- Calculate Formula Budget

Budget Stability

1998 / 1999	"3/5" Rule
1999 / 2000	"2/3" Rule
2000 - 20??	3 Year Average

Step 1 - Determine Current FTE

- Three Categories:
  - Curriculum
  - Occupational Extension
  - Literacy

Determine Current FTE

Curriculum

	Actual 1996-97	Actual 1997-98	Average	Higher 1997-98 or Avg
First College	2,126	2,121	2,124	2,124
Second College	877	899	888	899
Third College	2,698	2,736	2,717	2,736
Fourth College	1,009	1,077	1,043	1,077

Step 2 - Apply "3/5" Rule

	Current *Budgeted* FTE	Current or Average FTE	Actual/Avg Less Budget	Growth Greater Than 3%	Loss Greater Than 5%	New Budgeted FTE
First College	2243	2124	(119)		7	2,236
Second College	857	899	42	16		873
Third College	2753	2736	(17)		0	2,753
Fourth College	1049	1077	28	0		1,049

Apply "3/5" Rule

Actual Curriculum FTE:

1996-97	2,126
1997-98	2,121
Average	2,124

Since the average is greater than the actual FTE, use the average.

Calculation for Budget FTE:

Budgeted 1997-98	2,243
Average of last 2 years	2,124
Loss	119

In order to effect a college budget, a loss must exceed 5% of their prior year budget.

5% of 2,236 =	112
Loss (from above)	119
Loss in excess of 5%	7
Budgeted 1997-98	2,243
Loss in excess of 5%	7
Budget FTE 1998-99	2,236

Apply "3/5" Rule
Repeat Steps 1 & 2

Curriculum	2,236
Occupational Ext.	211
Literacy	238
Total Budget FTE	2,685

Step 3 - Calculate Formula
(Sliding Scale)

- Curriculum Units 2,236 FTE
- 1st 500 @ 17:28:1 = 28.9
- Above 500 @ 20.94:1 = 82.9
  - (2,236 - 500 = 1,736) 111.8

Step 3 - Calculate Formula Curriculum

- 111.8 Instructional Units
  @ $42,201 = $4,718,072
- Benefits @ 17.75% = 837,458
  (FICA = 7.65% + Ret = 10.10%)
- Health Ins (111.8 X 1735.20) 193,995
- Other Cost (2,236 X $105) 234,780
- Total Curriculum $5,984,305

Step 3 - Calculate Formula Occupational Extension

211 FTE

211 @ 17.28:1	=	12.2 Units
12.2 Units X $30,069	=	$366,842
Benefits @ 7.65%	=	28,063
Other Costs (211 X $56)	=	11,816
Total Occupation Ext		$406,721

Step 3 - Calculate Formula

- **Literacy Formula (Basic Skills)**
  - Calculated in Seperate 7 Step Formula
    - Base - $20,000
    - Target Population 16-54 years $0.25 ea
    - State FTE X $1,944
    - Federal Supplement FTE X $409
    - GED Certificates X $50
    - AHS Diplomas X $150
    - Relative Level of Effort

Step 3 - Calculate Formula

- Community Service Grant

Set Amount

Grant began in 1989-90 as:

$20,000 Base

$.25 per Service Area Population

$315 per Community Service Area FTE

Step 3 - Calculate Formula

- President's Allotment:

Salary via President's Salary Chart

Size of School & Years of Experience

FICA (up to FICA ceiling)+ Retirement

Health Insurance

Step 3 - Calculate Formula

Base Allotment - First 750 FTE

		Value	Salary	Fringe	Total
Sr. Admin	4	$61,531	$246,124	$ 50,628	$296,752
Professional Staff	13	41,640	541,320	118,642	659,962
Technical/Para	5	28,095	140,475	33,610	174,085
Clerical	8	22,682	181,456	46,090	227,546
	30				$1,358,338
Other Costs					$ 107,909
Total Base Allotment					**$1,466,247**

Step 3 - Calculate Formula

Enrollment Allotment (2,406 - 750) = 1,656 FTE

		Value	Salary	Fringe	Total
Professional Staff	18.8	$ 43,136	$810,961	$176,568	$987,529
Technical/Parapro	4	28,095	112,380	26,888	139,268
Clerical	8	22,682	181,456	46,090	227,546
	30.8				$ 1,354,338
Other Costs					$ 286,465
Total Enrollment Allotment per 2,406 FTE					**$1,640,803**

(A Hypothetical Community College)

Step 3 - Calculate Formula

Enrollment Allotment - 750 + 1,653 = 2,403 FTE

Yields $1,640,803

Each college will receive some multiple of this amount

2,685 FTE - 750 = 1,935 Enrollment FTE

1,935 X $991 = $1,917,585

$1,917,585 / $1,640,803 = 1.1686871

(Actual) (Hypothetical) **Multiplier**

Step 3 - Calculate Formula

Enrollment Allotment (2,406 - 750) = 1,656 FTE

		X 1.16868	Value	Salary	Fringe	Total
Professional	18.8	21.9	$ 43,136	$947,759	$206,352	$1,154,111
Tech/Para	4	4.7	28,095	131,337	31,424	162,761
Clerical	8	9.3	22,682	212,065	53,865	265,930
	30.8					$1,582,803

Other Cost	$ 334,782
Total Enrollment Allotment	**$ 1,917,585**

Formula Budget - Summary

Curriculum	$ 5,984,305
Occupational Extension	406,721
Literacy Grant	603,044
Community Service	44,325
President	116,424
Adm & Inst Support - Base	1,466,247
Adm & Inst Support - Enroll	1,917,585
TOTAL	$10,538,651

NORTH CAROLINA
COMMUNITY COLLEGE SYSTEM
FORMULA BUDGET COMPUTATION

1998.99

College: NORTH CAROLINA COMMUNITY COLLEGE

BUDGETED CURRICULUM FTE:		BUDGETED NON-CURRICULUM FTE:	
COLLEGE TRANSFER.....	0	OCCUPATIONAL..	211
TECHNICAL.....	2,236		
VOCATIONAL.....	0	LITERACY.....	238
GENERAL ED.....	0		
CONTRACTED INSTRUCTION	0		
TOTAL CURRICULUM:	2,236	TOTAL BUDGETED:	2,685

CURRICULUM ALLOTMENT:			
REGULAR CURRICULUM:			
111.8 INSTRUCTIONAL POSITIONS AT $42,201 EACH			$4,718,072
EMPLOYEE BENEFITS: (A) 17.75% OF SALARIES		$837,458	
(B) HOSPITALIZATION AT $1,735.20		$193,995	$1,031,453
OTHER COSTS @ $105.00 PER FTE			$234,780
TOTAL REGULAR CURRICULUM			$5,984,305
CONTRACTED INSTRUCTION:			
0 INSTRUCTIONAL POSITIONS AT $30,069 EACH			$0
EMPLOYEE BENEFITS: 7.65% OF SALARIES			$0
OTHER COSTS @ $105.00 PER FTE			$0
TOTAL CONTRACTED INSTRUCTION			$0
TOTAL CURRICULUM ALLOTMENT			$5,984,305
NON-CURRICULUM INSTRUCTION:			
OCCUPATIONAL EXTENSION:			
12.2 INSTRUCTIONAL POSITIONS AT $30,069 EACH			$366,842
EMPLOYEE BENEFITS: 7.65% OF SALARIES			$28,063
OTHER COSTS @ $56.00 PER FTE			$11,816
TOTAL OCCUPATIONAL EXTENSION			$406,721
BASIC SKILLS BLOCK GRANT			$603,044
COMMUNITY SERVICE GRANT			$44,325
TOTAL NON-CURRICULUM ALLOTMENT			
TOTAL INSTRUCTIONAL ALLOTMENT			$7,038,395
PRESIDENT'S ALLOTMENT:			
PRESIDENT'S SALARY		$99,624	
FICA AT 7.65%		$5,003	
RETIREMENT AT 10.10%		$10,062	
HOSPITALIZATION AT $1,735.20		$1,735	
TOTAL PRESIDENT'S ALLOTMENT			$116,424
ADMINISTRATIVE AND INSTRUCTIONAL SUPPORT ALLOTMENT:			
BASE ALLOTMENT - FIRST 750 FTE		$1,466,247	
ENROLLMENT ALLOTMENT @ $991.00 PER FTE IN EXCESS O 750		$1,917,585	
TOTAL ADMINISTRATIVE & INSTRUCTIONAL SUPPORT ALLOTMENT			$3,383,832
TOTAL FORMULA ALLOTMENT			$10,538,651
NET FORMULA BUDGET ALLOTMENT			$10,538,651

North Carolina
Community College
System

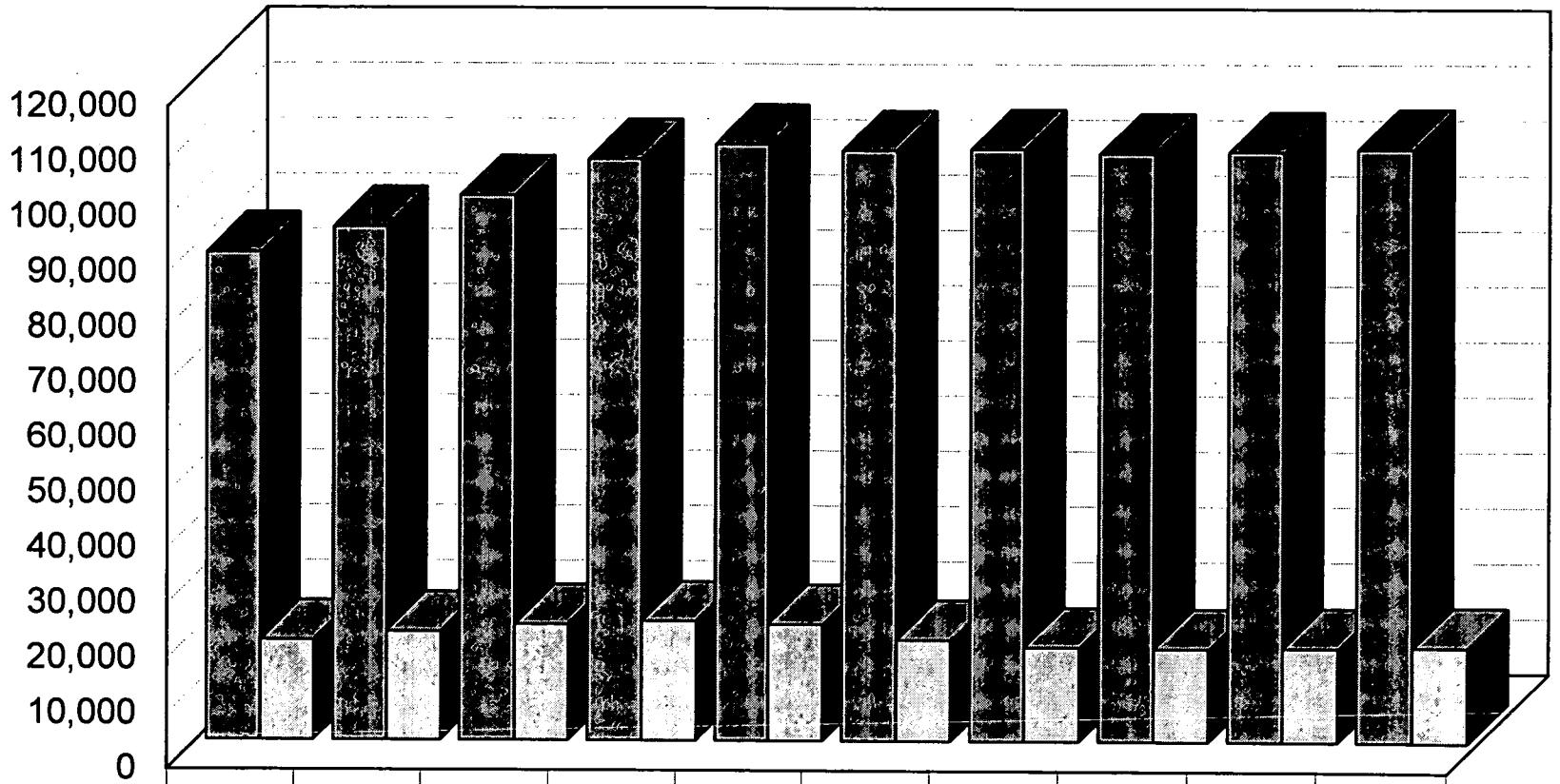
State Board of Community Colleges
Division of Business and Finance
Division of Academic and Student Services

Presentation to the

North Carolina General Assembly
Joint Education Appropriations Sub-Committee

March 1999

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BUDGET FTE

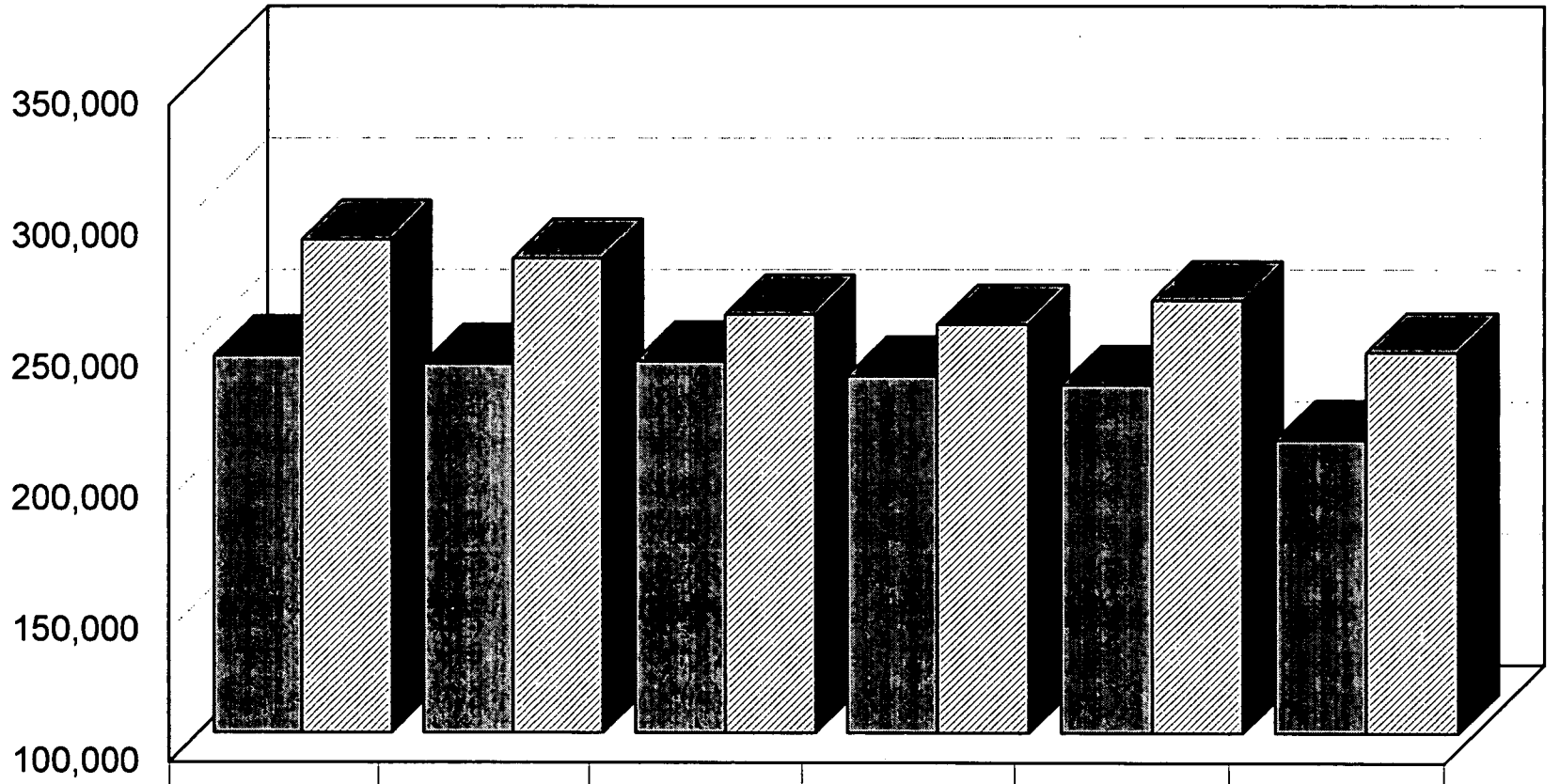


	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999
CURRICULUM	88,408	93,052	98,703	105,300	108,040	106,969	107,213	106,462	106,822	107,321
CONTINUING EDUCATION	18,140	19,702	21,012	21,583	21,067	18,312	17,021	16,829	16,998	17,214

CURRICULUM CONTINUING EDUCATION

dt 2-26-99

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
CONTINUING EDUCATION HEADCOUNT VERSUS CURRICULUM HEADCOUNT

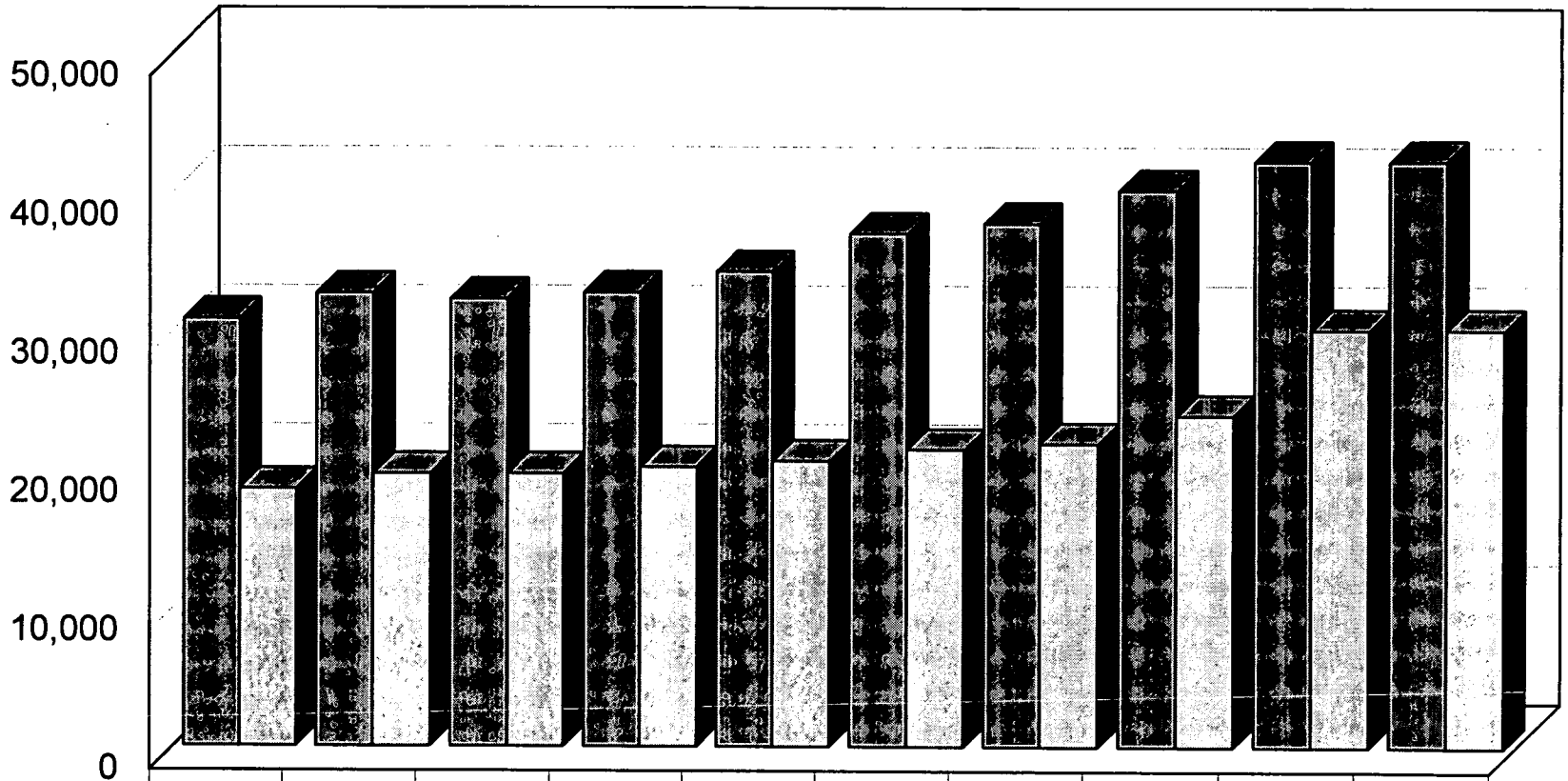


	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
CURRICULUM	243,714	240,479	241,392	235,793	232,316	211,440
CONTINUING EDUCATION	287,719	280,511	259,210	255,457	264,444	244,761

CURRICULUM CONTINUING EDUCATION

dt 2-26-99

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
UNIT VALUE FUNDING



	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999
CURRICULUM	30,842	32,693	32,274	32,753	34,262	37,000	37,740	40,119	42,201	42,201
CONTINUING EDUCATION	18,564	19,678	19,678	20,157	20,604	21,428	21,857	23,876	30,069	30,069

CURRICULUM CONTINUING EDUCATION

DT 2-26-99

CONTINUING EDUCATION

Actual Uses of $10 Million Additional Funding

- Conducted business and industry need's assessment/labor market analysis for new unmet training needs.

  Major Areas Emphasized:

  - Team Building Skills
  - Preparation for ISO Certification
  - Computer and Technology Skills
  - Professional trade association's certification and licensing
  - Developed and implemented Work First Training Program - "Pathways to Employment"

- Employed and shared full-time personnel with curriculum programs to deliver continuing education programs, facilitated the transition of Continuing Education students who continued their education in curriculum programs.

- Utilized funds to procure the best continuing education instructors available for quality training.

- Employed full-time instructional personnel to allow more flexible delivery/development of customized courses for business/industry, and for delivery/development of instructional materials across broad subject areas.

- Upgraded continuing education software -- specifically state-of-the-art software for computer training courses.

- Upgraded continuing education instructional equipment to enhance course offerings.

- Provided continuing education training in small classes previously too expensive to offer; e.g., OSHA training.

- Increased offerings to meet workforce development needs identified by various councils and commissions as special economic development initiatives.

- Enhanced marketing of continuing education offerings to business, industry, trade, and other key associations.

- Enhanced cooperative course development/delivery initiatives with Small Business Centers and Focused Industrial Training Coordinators.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
OCCUPATIONAL BUDGET AND EXPENDITURE SUMMARY
PERIOD ENDING: 06/30/98

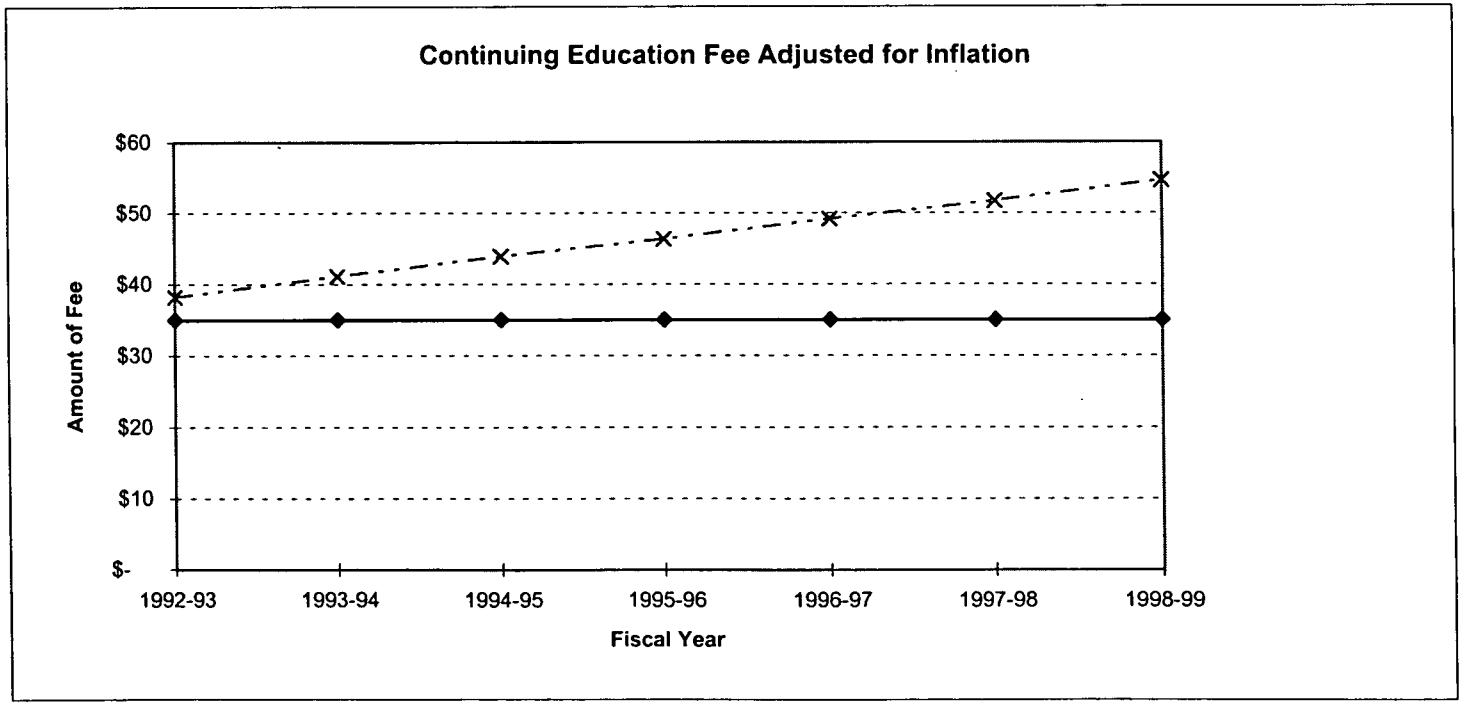
COMMUNITY COLLEGES	TOTAL BEGINNING OCCUPATIONAL FORMULA BUDGETS	NET TRANSFERS & ADJUSTMENTS OCCUPATIONAL CURRENT OPERATING	OCCUPATIONAL BUDGET ENDING 06/98 CURRENT OPERATING	ACTUAL FORMULA OCCUPATIONAL EXPENDITURES CURRENT OPERATING	TRANSFERS TO OCCUPATIONAL EDUCATIONAL EQUIPMENT	ACTUAL OCCUPATIONAL EQUIPMENT EXPENDITURES 6/30/98
ALAMANCE CC	$397,010	$472,018	$869,028	$905,585.42	$0.00	$0.00
ANSON CC	176,877	17,213	194,090	204,403.11	15,000	15,000.00
ASHEVILLE-BUNCOMBE TCC	794,133	(28,502)	765,631	778,011.53	50,049	49,139.68
BEAUFORT COUNTY CC	490,500	(25,369)	465,131	505,707.28	25,369	25,312.79
BLADEN CC	116,765	(23,851)	92,914	115,128.68	18,000	17,901.44
BLUE RIDGE CC	640,642	(60,264)	580,378	575,051.67	60,264	52,705.07
BRUNSWICK CC	270,311	(47,044)	223,267	246,097.48	24,750	21,306.50
CALDWELL CC & TI	550,502	(129,869)	420,633	429,075.24	120,542	120,220.38
CAPE FEAR CC	703,992	(92,443)	611,549	552,950.74	111,599	105,456.82
CARTERET CC	246,925	(60,925)	186,000	202,520.58	6,000	0.00
CATAWBA VALLEY CC	597,218	(52,992)	544,226	453,712.87	-	0.00
CENTRAL CAROLINA CC	550,502	99,094	649,596	591,053.73	-	494.57
CENTRAL PIEDMONT CC	1,437,855	408,660	1,846,515	1,930,156.22	324,194	338,724.67
CLEVELAND CC	280,246	(102,982)	177,264	133,276.74	102,982	102,981.49
COASTAL CAROLINA CC	1,038,325	(125,525)	912,800	944,494.46	145,074	136,840.71
COLLEGE OF ALBEMARLE	326,963	(38,651)	288,312	293,013.69	-	0.00
CRAVEN CC	590,576	(20,564)	570,012	520,720.11	-	0.00
DAVIDSON COUNTY CC	737,369	12,679	750,048	582,316.92	-	0.00
DURHAM TCC	593,925	(94,349)	499,576	472,146.59	-	0.00
EDGECOMBE CC	150,142	51,194	201,336	223,584.21	-	0.00
FAYETTEVILLE TCC	3,637,115	(353,149)	3,283,966	3,496,725.48	262,149	351,037.14
FORSYTH TCC	1,196,172	59,066	1,255,238	1,286,607.20	-	0.00
GASTON COLLEGE	433,793	119,578	553,371	540,980.22	-	0.00
GUILFORD COLLEGE	1,212,973	(132,499)	1,080,474	1,188,510.07	174,524	174,523.63
HALIFAX CC	330,368	(25,074)	305,294	249,143.36	30,797	30,222.70
HAYWOOD CC	210,199	67,272	277,471	229,728.37	12,510	11,311.40
ISOTHERMAL CC	220,189	1,031	221,220	180,774.26	9,685	9,435.27
JAMES SPRUNT CC	163,537	(19,459)	144,078	82,783.53	24,027	24,026.31
JOHNSTON CC	370,331	(17,964)	352,367	385,119.80	62,908	56,833.68
LENOIR CC	513,831	4,490	518,321	526,017.87	24,233	11,439.12
MARTIN CC	233,585	5,078	238,663	261,566.24	-	0.00
MAYLAND CC	367,038	(36,499)	330,539	351,698.51	60,000	60,420.00
MCDOWELL TCC	150,142	43,761	193,903	125,365.02	-	0.00
MITCHELL CC	370,331	(24,842)	345,489	319,170.06	24,842	24,842.00
MONTGOMERY CC	130,160	9,102	139,262	152,210.03	-	0.00
NASH CC	403,708	(1,539)	402,169	349,774.39	1,539	1,539.00
PAMLICO CC	53,358	33,072	86,430	50,219.52	-	0.00
PIEDMONT CC	130,104	863	130,967	93,739.78	1,248	1,248.00
PITT CC	380,378	210,928	591,306	584,124.76	-	9,653.92
RANDOLPH CC	580,586	20,557	601,143	607,232.50	-	0.00
RICHMOND CC	370,387	8,000	378,387	344,088.79	-	0.00
ROANOKE CHOWAN CC	93,378	(2,024)	91,354	101,642.84	5,000	3,053.00
ROBESON CC	557,255	(16,276)	540,979	431,447.46	48,291	37,141.00
ROCKINGHAM CC	370,331	77,266	447,597	429,595.33	-	0.00
ROWAN-CABARRUS CC	824,161	28,719	852,880	880,559.71	-	0.00
SAMPSON CC	220,189	45,222	265,411	284,988.74	-	0.00
SANDHILLS CC	597,274	61,622	658,896	690,924.29	35,000	37,103.50
SOUTHEASTERN CC	270,255	52,473	322,728	386,776.21	-	0.00
SOUTHWESTERN CC	613,963	(7,100)	606,863	547,009.15	191,798	209,816.99
STANLY CC	377,085	(6,000)	371,085	341,706.34	6,000	5,465.88
SURRY CC	690,652	(8,600)	682,052	634,810.67	8,600	8,576.85
TRI COUNTY CC	153,434	8,366	161,800	186,402.12	-	0.00
VANCE-GRANVILLE CC	583,935	196,565	780,500	796,219.29	21,311	21,310.61
WAKE TCC	1,427,752	95,740	1,523,492	1,603,320.22	-	0.00
WAYNE CC	623,953	13,711	637,664	693,118.49	-	0.00
WESTERN PIEDMONT CC	306,926	(13,999)	292,927	262,295.60	19,412	1,368.46
WILKES CC	613,963	67,629	681,592	625,567.83	6,002	6,002.14
WILSON TCC	510,538	(59,799)	450,739	295,872.32	81,762	74,843.76
TOTAL	$30,984,107	$662,816	$31,646,923	$31,256,843.67	$2,115,461	$2,157,298.48
	(A)	(B)		(C)	(D)	(E)

A: Includes: Salary & fringe; other costs which include travel,instructional supplies, subscriptions, equipment rental and repair.
B: Transfers in and out of salary & fringe and other costs; additional fees, audit exception reduction.
C: Expenditure period ending June 30, 1998
D: INFORMATION ONLY. Actual adjustments are shown in column B.
E: INFORMATION ONLY. Expenditure period ending June 30, 1998.

Continuing Education Fee History

Fee in Today's Dollars if Adjusted for Inflation

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Continuing Education Fee History	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35
Tuition Rate Adjusted for Inflation							
Adjusted Tuition Rate	$ 38.22	$ 41.09	$ 43.92	$ 46.34	$ 49.16	$ 51.67	$ 54.56
{Source: Higher Education Price Index}							
Average Increase in Student Tuition							
Rate	9.2%	7.5%	6.9%	5.5%	6.1%	5.1%	5.6%

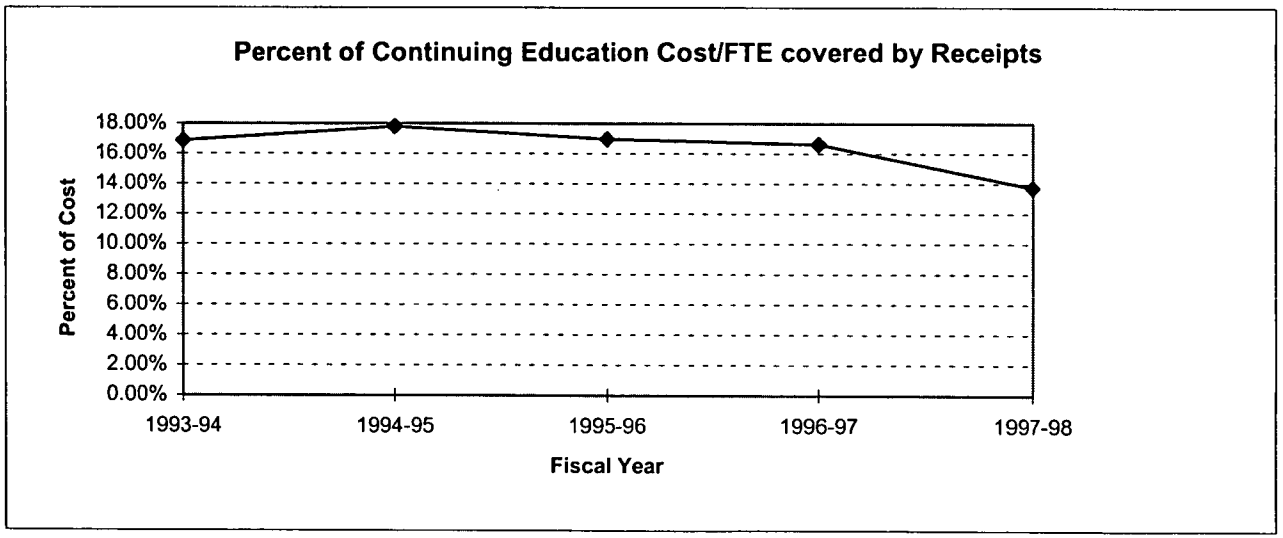


f:\1999-01\Appcond2
Bus Fin\KDB
-26-99

Continuing Education Instruction
The Percent of the Cost of Instruction Covered By Receipts

	1993-94	1994-95	1995-96	1996-97	1997-98
Total Requirements Per FTE	$ 2,349.00	$ 2,389.00	$ 2,517.00	$ 2,606.00	$ 3,254.00
Total Receipts Per FTE	$ 396.00	$ 425.00	$ 427.00	$ 433.00	$ 447.00

	1993-94	1994-95	1995-96	1996-97	1997-98
Percent of Requirements Covered by Receipts	16.86%	17.79%	16.96%	16.62%	13.74%



f:\1999-01\appcond
Bus Fin\KDB
2-99

Continuing Education Instruction
Options for Increasing the Continuing Education Fee

Course Length	# of Students	% of Total Enrollmnent	Current Basis		Option A Flat $5 Increase		Option B Sliding Scale: $5		Option C 2-Step Scale: $5	
			Fee	Receipts Generated	Fee	Receipts Generated	Fee	Receipts Generated	Fee	Receipts Generated
0 to 10 Hours	159,076	43.2%	$ 35	$ 5,567,660	$ 40	$ 6,363,040	$ 40	$ 6,363,040	$ 40	$ 6,363,040
11 to 20 Hours	81,113	22.0%	$ 35	$ 2,838,955	$ 40	$ 3,244,520	$ 45	$ 3,650,085	$ 40	$ 3,244,520
21 to 30 hours	54,441	14.8%	$ 35	$ 1,905,435	$ 40	$ 2,177,640	$ 50	$ 2,722,050	$ 45	$ 2,449,845
31 > 500 Hours	73,610	20.0%	$ 35	$ 2,576,350	$ 40	$ 2,944,400	$ 55	$ 4,048,550	$ 45	$ 3,312,450
Percent Range of Increase					14.30%		14.3% to 57.1%		14.3% to 28.6%	
Sub-Totals	368,240			**$ 12,888,400**		**$ 14,729,600**		**$ 16,783,725**		**$ 15,369,855**
Gross Receipts Increase						**$ 1,841,200**		**$ 3,895,325**		**$ 2,481,455**
<Less Uncollectable> at 20%						**$ (368,240)**		**$ (779,065)**		**$ (496,291)**
Net Increase						**$ 1,472,960**		**$ 3,116,260**		**$ 1,985,164**

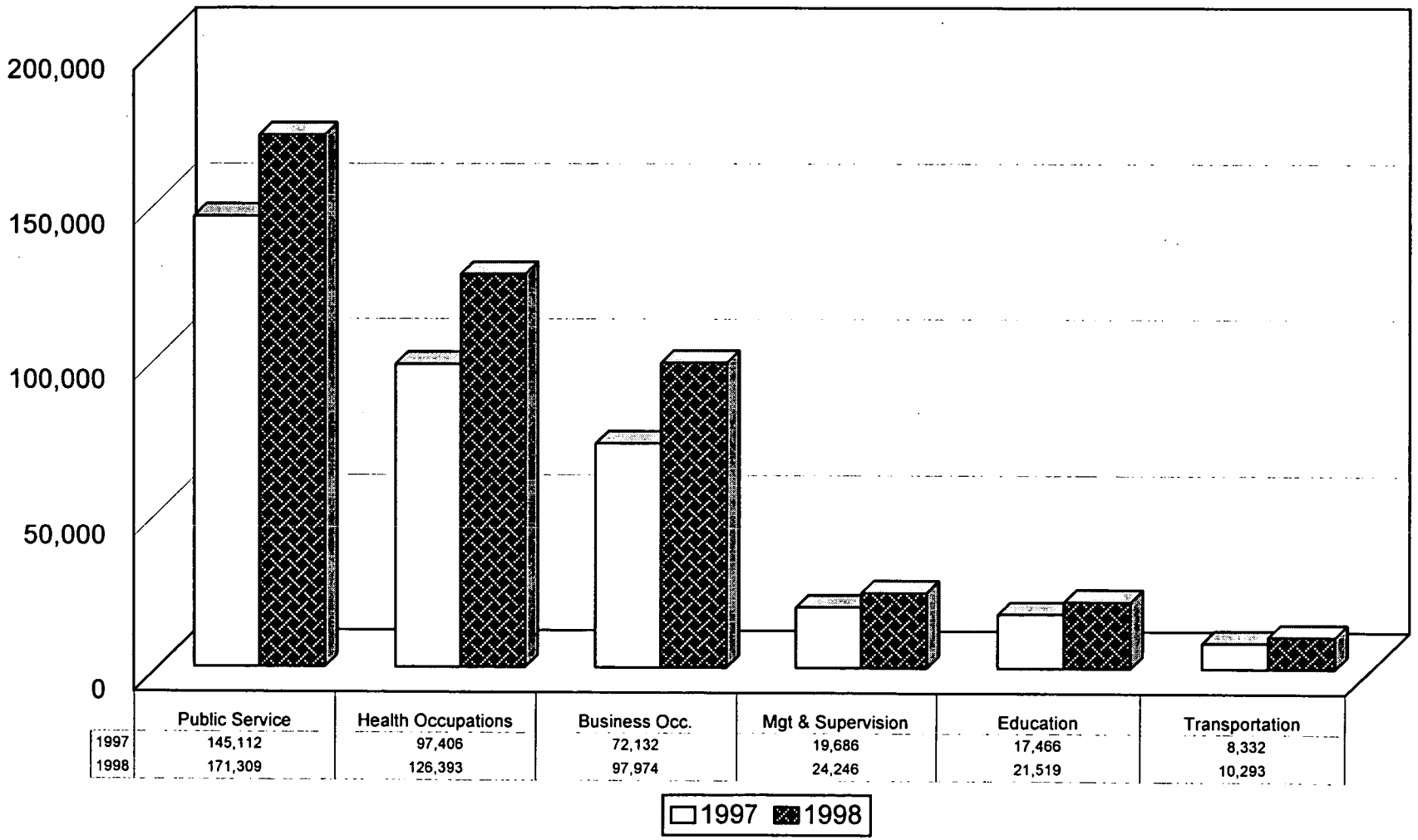
f:1999-01\occfee
Bus Fin\KDB
-25-99

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Occupational Continuing Education

Enrollment Growth Data for Select Occupational Skill Training Areas

Duplicated Headcount



	Public Service	Health Occupations	Business Occ.	Mgt & Supervision	Education	Transportation
1997	145,112	97,406	72,132	19,686	17,466	8,332
1998	171,309	126,393	97,974	24,246	21,519	10,293

Special Report CC539-3, Spring, Summer, Fall 1997
Special Report CC539-3, Spring, Summer, Fall 1998

VISITOR REGISTRATION SHEET

APPROPRIATIONS Subcommittee on Education — March 3, 1999 2:30PM

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Suzanne Williams	NCCCS
Jeff Grothach	UNC-GA/NCSU Ag Pg
Jennifer Blanck	NASW
Brenda Rogers	Dept. of Community Colleges
Steve Ijames	DCC
David Brown	OSBM
Ann Bedsole	SBE
Lee Albano	OSBM
Maurice Kerz	"
Elizabeth Shoenstein	"
Phil Albano	DCC
Barry Russell	DCC
Thad Bary	NCAE
[illegible]	NCCCS
Hal Miller	NCACCT
Annette Ethridge	Office of the Governor
Janet Pollard	OSBM
Gene Causby	NC SFSA
[illegible]	NCAICU
Don Wildman	North Carolina Community College Faculty Association
Bryan Ryan	NC Community College Faculty Assoc.

Joint Appropriations Subcommittee
On Education/Higher Education

March 4, 1999
8:30 a.m.
Presiding- Representative Pete Oldham

Call to Order	Chair
Review of Critical Success Factors Report	Dr. Brenda Rogers Vice President for Administrative Services Department of Community Colleges
Accountability Task Force Report	Dr. Steve Scott President Southeastern Community College
Performance Budgeting and Capital Task Force Report	Kennon Briggs Vice President for Business and Finance Department of Community Colleges

MINUTES
JOINT APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

March 4, 1999
8:30 AM

The Joint Appropriations Subcommittee on Education/Higher Education met on Thursday, March 4, 1999, at 8:30 am in Room 421 of the Legislative Office Building.

The following members were present: Chairpersons Gene Rogers, Warren Oldham; Representatives Bonner, Gardner, Gillespie, Insko, Moore, Smith, Teague, Warner, Yongue; Eight Senators; Fiscal Staff, Jim Johnson, Jim Newlin, and Charlotte Todd.

Chairman Oldham called the meeting to order and recognized the Pages and Sgt. At Arms staff.

The first order of business was a presentation by Dr. Brenda Rogers, Vice President for Administrative Service, Department of Community Colleges. Dr. Rogers presented the"Review of Critical Success Factors Report." The major focus of this report was to give a review of the Department of Community Colleges' current accountability measures and standards. This presentation addressed the following topics:

- Goal Completion, 1995-96
- Satisfaction with Program, 1995-96
- Satisfaction with College, 1995-96
- Transfer Student Performance at UNC Institution
- Licensure/Certification Exams with a First-Time Passing Rate > 90%, 1996-97
- Licensure/Certification Exams with a First-Time Passing Rate of 75-89%, 1996-97
- Licensure/Certification Exams with a First-Time Passing Rate < 75%, 1996-97
- Employment Rate, 1995-96
- Employer Satisfaction with Technical and Vocational Program Completers, 1995-96
- Progress of Basic Skills Students
- Percent of Participants Satisfied with Small Business Center Activities, 1997-98

Accountability measures and standards are based on critical success factors, annual program reviews, and proposed accountability standards and measures. See **Attachment 1, CC141-CC156** for more detailed information.

Rep. Yongue: Do you provide prior screenings of students to determine their potential of success in the categories you mentioned?

Dr. Rogers: Yes. In our curriculum program we administer placement tests. Based on the placement tests we recommend developmental course work, if necessary, or placement in a

curriculum program. Our open door policy requires that we find a program that suits the needs of all students.

Sen. Lee: Where is the aviation segment you mentioned?
Dr. Rogers: It is at Wayne Community College near the Kinston Airport.

Rep. Moore: Do we have information available to look at the ABE-GED adult high school level and how many students are coming as it relates to the dropout rate. How long does it take on average for a student to finish based on students between the ages of 18-24 and true adults in the program?
Dr. Rogers: I will get the information to you from our literacy tracking system.

Sen. Wellons: In your tracking do you show what your graduates of all of these programs are doing and how much money they are making as compared to those who dropped out?
Dr. Rogers: Early leavers we have defined narrowly as those who have completed a semester's worth of work and have been enrolled in a curriculum program. We do not follow up with students that come to us taking one or two courses and leave because we assume that they are not committed to the program. If they take 12 semester hours then we track them to see how they are doing. In terms of the literacy programs, we have not been reporting the follow up data on those who do not complete. I suspect that it would be possible to do so using our common follow up system.

Sen. Dalton: How many of the member institutions are accredited by SACS?
Dr. Rogers: All of them all accredited. The State Board requires that they be accredited by SACS.
Sen. Dalton: Does the criteria for a high school diploma from a community college differ from that of a public school?
Dr. Rogers: Dr. Russell will address that issue during his presentation at a later date.

Rep. Insko: When will you begin to implement your annual program review of accountability measures?
Dr. Rogers: Those are in place. Much of the data I represented was based on the annual program review data. We have collapsed it to the overall for the system.
Rep. Insko: So some of the 12 factors are in place and you are putting more in place?
Dr. Rogers: They are all in place. We have moved to that system completely and we are now recommending the 12 performance measures which Dr. Scott will address next.

Sen. Carter: Where are the small business centers you referred to?
Dr. Rogers: All colleges have small business centers.

Dr. Steve Scott, President, Southeastern Community College gave the next presentation. Dr. Scott's presented the "Accountability Task Force Report" to the committee. In his presentation, Dr. Scott recommends that the following 12 performance measures replace the Critical Success Factors and the Annual Program Review accountability measures:

- Progress of Basic Skills Students
- Performance of College Transfer Students
- Passing Rates for Licensure and Certification Examinations
- Passing Rates of Students in Developmental Courses
- Success Rate of Developmental Students in Subsequent College-Level Courses
- Program Enrollment
- Student Satisfaction of Program Completers and Non-Completers
- Goal Completion of Program Completers
- Curriculum Student Progress and Success
- Employer Satisfaction with Graduates
- Employment Status of Graduates
- Client Satisfaction with Customized Training

The goal for implementation of these measures is to meet the needs of the businesses, the industries, and the citizens of North Carolina by improving the quality of their programs and services, and that accountability, through performance measures and standards, is a process and not a destination. Please refer to **Attachment 1, CC165-CC181** for further details of these measures.

Sen. Wellons: Is there a way to measure the employment status level of graduates to determine whether or not they are finding better employment?

Dr. Scott: Yes, a measurement is available. ESC uses a process by which they track a student's previous year's earnings and compare to it to his/her current earnings. However, we are using self-reporting data by asking graduates to tell us their present earnings.

Sen. Lee: Are you able to measure the success rate of students entering community colleges directly from high school as opposed to students who entered the workforce first and then returned to the community college for further education?

Dr. Scott: Those students returning from employment tend to be more successful as a result of student maturity.

Sen. Lee: Are we putting ourselves in a stronger position or just treading water by implementing a procedure to increase the number of students who come in directly from high school and not really generating a high degree of success by virtue of some other possible action?

Dr. Scott: Usually, vocational students can visualize the job that they want. Whereas, someone going into a transfer program cannot; consequently, with that clearer vision they tend to do better.

Dr. Rogers noted that these are tracking procedures that can be put in place.

Rep. Teague: Do you have funds in the community college system set aside to retrain workers that have been laid off?

Dr. Scott: Those funds tend to come from ESC under the Dislocated Workers Fund.

Rep. Teague: What are the criteria for obtaining NAFTA funds?

Dr. Scott: Jobs have to be lost as a result of NAFTA.

Rep. Moore: Due to the fact that the accountability measures in these 12 are so closely tied to the results of the critical success factors and the critical success factors are so closely tied to receiving a survey factor, have you thought about doing a more statistically accurate measure of the success even if it means smaller sample sizes and maybe not getting information on every program here?

Dr. Rogers: We have put the burden of this on our local colleges. It may mean that we will need additional funding to outsource the surveying and to ensure that we have statistically valid samples before we use it.

Rep. Rogers: Do you have a feel from transfer students as to what schools they tend to attend (state or private) and is there a school that stands out more than others?

Dr. Rogers: This information is in your handout materials.

Mr. Jim Newlin noted that these students tend to go to the school closest them.

The final presentation was presented by Mr. Kennon Briggs, Vice President for Business and Finance, Department of Community Colleges. He presented the "Performance Budgeting and Capital Task Force Report" to the committee. Mr. Briggs outlined the results of a study of performance budgeting measures as follows:

- Current Status of Performance Budgeting/Funding for Public Higher Education in the United States
- Core Indicators of Effectiveness in the Community College Based on Report of the Community College Roundtable
- Core Indicators of Effectiveness in the Community College Perceived Relevance and Data Availability
- States Directly Linking Performance Measures to the Budget
- Ten-Year Trend in Unexpended Balances in the North Carolina Community College System
- Recommended Performance Indicators by the Performance Measures and Standards Task Force
- Overview of Proposed Performance Funding Model
- Recommended Performance Standards for the Four Systemwide Performance Measures

Mr. Briggs' presentation on Capital Task Force Report was reserved for a later date. Please see **Attachment 2, CC183-CC197** for more details on the report.

Rep. Rogers: How is the 2% being distribution?

Mr. Briggs: Every college should determine how they use that 2% of the college's budget. They will have that flexibility.

Rep. Rogers: What if they didn't have 2% reversions?

Mr. Briggs: If a college knew at the beginning of the year that it had the potential to carry forward up to 2%, it may have the ability to set aside that 2% up front as an incentive that if they achieved by year-end they could carry those funds forward. They would still be eligible, if they were in the upper quartile, to share in that pool of funds from schools that didn't achieve

superior performance. Colleges are going to be measured by these standards regardless. It is not an option.

Rep. Rogers: Is this enough of an incentive? Should the General Assembly include extra dollars for this incentive? I don't think we ought to rely simply on reversions.

Mr. Briggs: We would welcome the appropriation of additional funding. We didn't want to compete with our expansion budget.

Sen. Lee: On page CC194, what does the heading "Available for Local Selection" mean?

Mr. Briggs: If a college felt like it was placing a great deal of emphasis on improving in the area of college transfer or if it had a very strong performance in the college transfer program, it could include that measure among its six pools of performance dollars.

Sen. Lee: Why are we, the General Assembly, not expressing a stronger interest in the transfer piece.

Ms. Charlotte Todd: If the General Assembly wants to go forward with this type of performance budgeting, you are free to put these measures in any type of arrangement that you want. This is simply a recommendation from the State Board. The General Assembly has the authority to put these measures in place.

Sen. Hagan: It seems that we would get a better sampling of performance standards when we compare all of the colleges if we focused only on the four required standards. Does the General Assembly need to set forth these acceptable standards or is this something that the Board of Community Colleges needs to do?

Mr. Briggs: That is certainly a question for the General Assembly. This is only a recommendation – the General Assembly has the authority to change these standards as needed.

Mr. Briggs' report on Capital Outlay was delayed until a later date.

A Visitor Registration Sheet is attached and made a part of these minutes.

This meeting adjourned at 9:50 am.

Respectfully submitted,

Warren C. Oldham, Chair

Delta F. Prince, Committee Assistant

ACCOUNTABILITY MEASURES & STANDARDS

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Presented by:
Dr. Brenda H. Rogers
Vice President for Administration
&
Dr. Stephen C. Scott
President
Southeastern Community College

March 4, 1999

Review of 1998 Critical Success Factors and APR Data

Presented to:

Joint Education Appropriations Subcommittee

March 4, 1999

CC

North Carolina Community College System
Accountability Measures and Standards

Critical Success Factors	Annual Program Review	Proposed Accountability Standards and Measures
Goal Completion-Program Completers	Goal Completion-Program Completers	Goal Completion-Program Completers
Goal Completion-Early Leavers	Goal Completion-Early Leavers	Curriculum Student Progress and Success
Satisfaction with College-Program Completers	Satisfaction with College-Program Completers	Satisfaction with College-Program Completers
Satisfaction with College-Early Leavers	Satisfaction with College-Early Leavers	Satisfaction with College-Early Leavers
Transfer Student GPA after 2 Semesters at a UNC Institution	Transfer Student GPA after 2 Semesters at a UNC Institution	Performance of College Transfer Students
Licensure/Certification Exam Passing Rate	Licensure/Certification Exam Passing Rate	Licensure/Certification Exam Passing Rate
Employment-Program Completers	Employment-Program Completers	Employment Status of Graduates
Employment-Early Leavers	Employment-Early Leavers	
-Percent of Basic Skills Students Moving from One Level to the Next -Percent of GED/AHSD Recipients Moving into a Curriculum Program -Goal Completion-Basic Skills Students		Progress of Basic Skills Students
Participant Satisfaction With Small Business Centers Activities		Client Satisfaction with Customized Training
	Employer Satisfaction with Graduates	Employer Satisfaction with Graduates
	Program Enrollment	Program Enrollment
		Passing Rates in Developmental Courses
		Success Rate of Developmental Students in Subsequent College-Level Courses

CC141

Community College Accountability Measures
Chapter 321, Senate Bill 27, Sec. 109
1993 Legislative Session

The State Board of Community Colleges shall establish standards for levels of institutional performance on those critical success factors that can be appropriately measured to indicate how individual colleges are performing in meeting the goals of the North Carolina Community College System. Each community college shall report its performance on these measures to the State Board. Colleges that fail to attain any of the standards in any year shall report to the State Board the reasons why performance fell below standards and the steps being taken to meet the standards.

Performance Standards Recommendations Adopted April 1994

- Base performance on a 3 year average
- Utilize performance standards required by outside agencies, where they exist
- Lacking an external performance standard, the standard will be set at the System 3-year average minus 15 percent

Goal Completion, 1995-96

	Completers	Non-Completers
Technical & Vocational	98.6%	72.5%
College Transfer	96.2%	73.3%

Source: Annual Program Review, 1997

Satisfaction with Program, 1995-96

	Completers	Non-Completers
Technical & Vocational	89.2%	83.3%
College Transfer	92.7%	78.7%

Source: Annual Program Review, 1997

CC145

Satisfaction with College, 1995-96

	Completers	Non-Completers
Technical & Vocational	90.3%	85.4%
College Transfer	90.5%	83.7%

Source: Annual Program Review, 1997

Transfer Student Performance at a UNC Institution

Year	Number	Fall GPA	End of Year GPA
1994-95	4,065	2.61	2.62
1995-96	3,904	2.66	2.66
1996-97	4,050	2.52	2.59

Source: 1998 Critical Success Factors Report, page 25

Licensure/Certification Exams with a First-Time Passing Rate > 90%, 1996-97

- Aviation Maintenance-General
- Aviation Maintenance-Airframe1
- Aviation Maintenance-Power Plant
- Basic Law Enforcement Training
- Cosmetology-Apprentice
- Cosmetology-Cosmetology Teacher
- Cosmetology-Manicurist
- Cosmetology-Manicurist Teacher
- Dental Assisting

Source: 1998 Critical Success Factors Report, page 29

Licensure/Certification Exams with a First-Time Passing Rate > 90%, 1996-97

- Dental Hygiene
- Emergency Medical Technician-Paramedic
- Medical Sonography-Physics
- Medical Sonography-Abdomen
- Nursing-RN
- Nursing-PN
- Physical Therapist Assistant

Source: 1998 Critical Success Factors Report, page 29

Licensure/Certification Exams with a First-Time Passing Rate of 75-89%, 1996-97

- Cosmetology
- Emergency Medical Technician-Defibrillation
- Emergency Medical Technician-Intermediate
- Emergency Medical Dispatch
- Health Information Technology
- Medical Sonography-OB-GYN
- Veterinary Medicine Technician

Source: 1998 Critical Success Factors Report, page 29

CC150

Licensure/Certification Exams with a First-Time Passing Rate < 75%, 1996-97

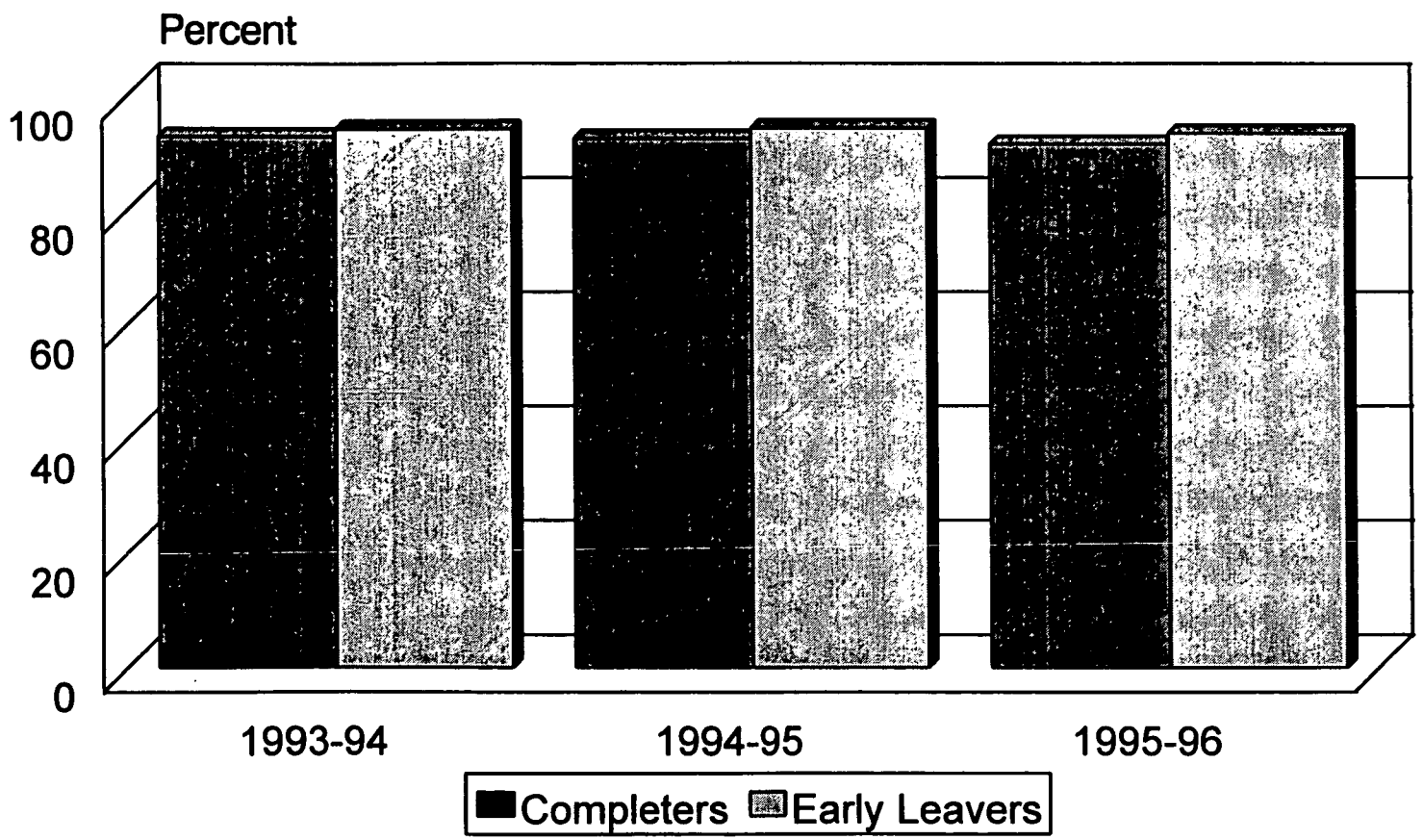
- Emergency Medical Technician
- Insurance-Life and Health
- Insurance-Property and Liability
- Insurance-Medicaid/Medicare Supp.
- Opticianry
- Real Estate-Broker
- Real Estate-Sales

Source: 1998 Critical Success Factors Report, page 29

Employment Rate, 1995-96

	Completers	Non-completers
Annual Program Review Data- Technical & Vocational (survey)	87.7%	74.5%
Common Follow-up System Data All Curriculum Students (UI data)	91.6%	93.5%

Employment Rate



Source: Common Follow-Up System (Unemployment Insurance Data)

CC 153

Employer Satisfaction with Technical and Vocational Program Completers, 1995-96

Satisfied	Very Satisfied	Total Satisfied
34.3%	57.0%	91.3%

Source: Annual Program Review, 1997

CC154

Progress of Basic Skills Students

Year	Exit, Non-Completer	Progress, Same Level	Completed Goal or Level	Advanced Next Level
1995-96	22%	31%	35%	12%
1996-97	22%	34%	32%	12%

Source: 1998 Critical Success Factors Report, page 12

CC155

Percent of Participants Satisfied with Small Business Center Activities, 1997-98

Presenter Knowledge	Content Appropriate	Overall Satisfaction Rating
95.6%	97.6%	98.8%

Source: Small Business Combined Annual Report, 1997-98

CC156

Final Report on Senate Bill 1366
Annual Review of Accountability Enhanced
North Carolina Department of Community Colleges

The State Board of Community Colleges is responding to the special provision in Senate Bill 1366, Section 10.5:

ANNUAL REVIEW ACCOUNTABILITY ENHANCED

> Section 10.5. The General Assembly finds that the current annual program review standards are not adequate to ensure that programs are meeting the needs of students, employers, and the general public; therefore, the State Board of Community Colleges shall review the current standard to ensure a higher degree of program accountability and shall establish appropriate levels of performance for each measure based on sound methodological practices.
>
> The State Board shall make an interim report to the Joint Legislative Education Oversight Committee and to the Fiscal Research Division on its improved accountability measures prior to November 1, 1998, and a final report prior to February 1, 1999.

Background

In its 1989 session, the North Carolina General Assembly adopted a provision (S.L.1989; C.752:S.80) that mandated that:

> The State Board of Community Colleges shall develop a "Critical Success Factors" list to define statewide measures of accountability for all community colleges. Each college shall develop an institutional effectiveness plan, tailored to the specific mission of the college. This plan shall be consistent with the Southern Association of Colleges and Schools criteria and provide for collection of data as required by the "Critical Success Factors" list.

The staff in the Department of Community Colleges collaborated with the Presidents' Association, staff at the colleges, and the system's planning committee to develop the list of critical success factors and measures in 1989-90. The State Board of Community Colleges adopted the critical success factors in July 1989. A matrix of factors and measures was approved, and the first

report on the critical success factors was presented in April 1990. Annually since then reports are presented to the State Board of Community Colleges.

In 1993 the General Assembly passed a special provision on accountability, mandating the following:

> The State Board of Community Colleges shall establish standards for levels of institutional performance on those critical success factors that can be appropriately measured to indicate how individual colleges are performing in meeting the goals of the North Carolina Community College System. Each community college shall report its performance on these measures to the State Board.

In addition, the legislation required that the State Board study models for measuring institutional effectiveness to use in reporting accountability information. Specifically, colleges were mandated to report on graduate placement rates and employer, graduate, and early leaver satisfaction with the college.

To respond to the 1993 legislation, the Department of Community Colleges appointed the Accountability Task Force and charged it to develop institutional performance standards on critical success factors.

Standards adopted are as follows:

A. Where performance standards have been established by an outside accrediting/ licensing agency, such standards were adopted by the system. Nursing requires a 75% passing rate for both RN and Licensed Practical Nursing. Insurance has a standard of 65%, and real estate requires a passing rate of no less than 15% below the state average.

B. Where performance standards do not exist, the standard is designated as being 15% below the state average on any given measure.

C. In reporting performance on colleges and setting standards based on the system average, a three-year system average measure is used. Each college's three year average performance is compared with this standard.

While the Accountability Task Force was addressing the 1993 legislation, the Program Review Task Force was charged with responding to Senate Bill 27:

1. "Identifying any unproductive, low-quality, unnecessary, or duplicative programs . . . ." (Senate Bill 27, p. 86, Sec. 119 (a) (1) (d).)
2. "Establish standards for the periodic review of community college programs including standards for the termination of programs." (Senate Bill 27, p. 87, Sec. 119 (a) (6).)

The accountability and program review task forces coordinated their efforts, resulting in a recommendation that each community college collect specified core measures for each academic program and submit to the department each fall.

The measures and standards for the annual review of programs are provided below:

A. Associate of Applied Science, Diploma and Certificate Programs

1. Enrollment by discipline (average of 10 students, unduplicated headcount, for previous three years)
2. Student goal accomplishment
   a. Program completion
   b. Other
3. Student satisfaction with program
   a. Program completers
   b. Early leavers
4. Employment rate
   a. Program completers
   b. Early leavers
5. Employer satisfaction
6. Certification/licensure passing rate, if applicable (Standard as set by outside certification/ licensure agency if such standards exist. All others are set by the Department of Community Colleges based on the previous three-year average--no less than 15% below the system average.)

Standards are based upon a three-year average. The system average minus 15% of the system average is the minimum standard for all measures except for enrollment and certification/licensure examinations that have agency standards. Failure to meet certification/licensure standards leads to program termination or level 2 review (Documentation of Program Improvement and Continuation). If a program fails to meet more than three of the other eight measures (II.A.1-5), then the program is terminated or moves into level 2 review.

B. Associate of Arts, Associate of Science, and Associate of Fine Arts Programs

1. GPA of students identified as college transfer after two semesters in a four-year institution

If a college transfer program fails to meet the state standard of 15% below the state average for two of three years, then the program is terminated or moves to level 2 review.

The core program measures correspond closely to the measures of the critical success factors: program completion; student satisfaction with the program; employment rate; employer satisfaction; certification/licensure passing rate; and transfer student performance. The Annual Program Review was implemented the fall of 1995 as a trial data collection. Based on the 1996 data collection, system-level data on employer satisfaction with community college curriculum program completers were included in last year's critical success factors report.

In 1997 Dr. Barry Russell, Executive Vice President for the Department of Community Colleges, appointed the Accountability Monitoring Committee, which he chairs and which consists of departmental staff. The committee used the data on passing rates on licensure and certification examinations to identify programs at the system level that were not performing at an acceptable level. Program staff worked with college staff to identify "best practices" at the colleges where

passing rates exceeded expectations. Best practices are shared with college staff for the purpose of improving the programs at all campuses.

Using the critical success factors standards, the Accountability Monitoring Committee identified programs at the 58 community colleges that failed to meet the standards. Dr. Elizabeth Johns, Vice President of Academic and Student Services, notified the presidents of these colleges of the programs that did not meet the standards and has asked for a response--either program termination or an action plan and timetable for improving the programs. Presidents responded with detailed plans for improvement, and staff are reviewing and monitoring the action plans. It is the intent of the department to work with colleges to improve programs.

Study of Performance Measures and Standards

To respond to the special provision enhancing accountability, President Martin Lancaster appointed in August the Performance Measures and Standards Task Force to study and to recommend accountability measures and standards. Members of the task force are Dr. Willard Lewis, President of Isothermal Community College and chair; Dr. Steven Scott, President of Southeastern Community College; Dr. Cecil Groves, President of Southwestern Community College; Ms. Johnnie Simpson, Vice President for Instruction at Brunswick Community College; Mr. Jan Crawford, Director of Research and Planning at Fayetteville Technical Community College; Dr. Susan Allred, Vice President of Institutional Planning and Support Services at Forsyth Technical Community College; Dr. David Heatherly, Vice President of Instruction and Support Services at Coastal Carolina Community College; Dr. Dennis King, Vice President of Student Services at Asheville-Buncombe Technical Community College; Ms. Anne-Marie Knighton, member of the State Board of Community Colleges; Dr. Barry Russell, Executive Vice President of the Department

of Community Colleges; Dr. Elizabeth Johns, Vice President of Academic and Student Services of the Department of Community Colleges; Dr. Brenda Rogers, Vice President for Administration of the Department of Community Colleges; and Mr. Kennon Briggs, Vice President for Business and Finance of the Department of Community Colleges. Keith Brown, Associate Vice President of Planning and Research of the Department of Community Colleges, serves as staff to the task force.

As the review of previous legislation and actions taken by the State Board of Community Colleges indicates, the Department of Community Colleges currently responds to two mandates: (1) the critical success factors and performance measures; and (2) the annual program review with associated performance standards for each program at each college. Because there is much overlap between the standards and the measures, the Performance Measures and Standards Task Force decided to review existing measures and to develop a single set of measures for evaluating effectiveness. This review and the final recommendations are consistent with the following two objectives in the 1999-2001 Strategic Plan adopted by the State Board of Community Colleges in June 1998:

Objective 9.1 By 2000 review and revise the requirements of system-level accountability processes to reduce redundancy in reporting, improve data for decision making, and improve the cost effectiveness of the processes.

Objective 9.2 By 2000 establish *system benchmarks of core indicators* that measure programs and services.

The Performance Measures and Standards Task Force held its first meeting on September 3 at Guilford Technical Community College, at which time the purpose of the task force was reviewed and a tentative calendar was distributed. Keith Brown provided background information and distributed articles and other materials for the members to review before the next meeting. At

the second meeting, held on October 7, the task force reviewed performance measures, categorized each measure as to its strength, and evaluated the availability of the data to support the measure.

Based upon its evaluation of measures of program and institutional effectiveness that were identified in the literature and that are currently used by our colleges, the Performance Measures and Standards Task Force recommended sixteen measures for program accountability. Staff drafted information about each of the sixteen measures: description/definition; data collection methods, analysis of data, and source of the data; and the reporting periods and timelines for collecting the data. Staff disseminated the draft of the sixteen measures and the interim report prepared for the Joint Education Oversight Committee by posting it on the Department of Community College's Web page.

Dr. Peter Ewell, Senior Associate at the National Center of Higher Education Management Systems (NCHEMS), is serving as a consultant in the study of performance measures and standards. Dr. Ewell reviewed the proposed measures and provided a written critique with recommendations for standard setting. At its December 15 meeting, the task force reviewed the measures and discussed with Dr. Ewell by a conference call his critique and recommendations. As a result of this discussion, the performance measures were reduced to twelve and the method of setting the standard for each measure was defined. Dr. Ewell agreed to provide further assistance in developing the standards, using existing performance data provided by the Department of Community Colleges and data from other community college systems when available and when appropriate.

Recommendations

The task force recommends the following:

A. The proposed set of measures and standards for each measure will replace the existing annual program review and critical success factors standards.

B. Standards will be applied at the institutional level, except for licensure/certification data for which each exam at each college must meet the standard.

C. To ensure sound methodological practices as required in the special provision, the Department of Community Colleges will review data collection procedures and analysis for reliability and validity.

D. Periodic evaluations of the standards will be conducted by the Department of Community Colleges and, based upon the evaluations, modifications to the standards will be recommended to the State Board of Community Colleges.

E. The following twelve performance measures will replace the Critical Success Factors and the Annual Program Review accountability measures:

1. Progress of basic skills students
2. Performance of college transfer students
3. Passing rates for licensure and certification examinations
4. Passing rates of students in developmental courses
5. Success rate of developmental students in subsequent college-level courses
6. Program enrollment
7. Student satisfaction of program completers and non-completers
8. Goal completion of program completers
9. Curriculum student progress and success
10. Employer satisfaction with graduates
11. Employment status of graduates
12. Client satisfaction with customized training

Discussion of Measures and Standards

1. Progress of Basic Skills students

Description/definition: Basic skills students include all adult literacy students. The percentage of students who progress is based on three measures: (1) progressing within level, (2) completing the level entered or a predetermined goal, and (3) completing the level entered and advancing to a higher level. In the case of AHS (Adult High School) and GED (General Educational Development), students progress to a higher level when they move to a curriculum or occupational extension program.

Methodology and data source: The indicator measures the progress of basic skills students through the basic skills program. A second indicator of the progress of basic skills students is an analysis of the number of students with an Adult High School Diploma (AHSD) or a GED who enter a curriculum or occupational extension program at the college. This indicator is a measure of success for the student in gaining additional training and for the System and colleges in providing a continuum of programs.

All of the data on literacy students are entered at the college level. Data on the progression of students through the basic skills programs are collected and analyzed using the Literacy Education Information System (LEIS) at the Department of Community Colleges. To determine the number of students with an AHSD or GED enrolled in the System, analyses of the annual curriculum registration and extension registration data tapes are conducted.

Reporting periods/timelines: Data are requested annually on students enrolled in Basic Skills programs in a community college between the beginning of the summer term and the end of spring semester. Colleges report the status of these students by August 15. The federal report completed

by the department is due to Department of Education - Division of Adult Education and Literacy on October 1.

Standard: A fixed standard of 75%

Rationale: The standard is based on data from the last five years for the system. For the last two years, the system average was 78%. However, the average over the last five years is 74%.

2. Performance of college transfer students

Description/definition: College transfer programs provide educational experiences that will enable transfer students to make the transition to a baccalaureate program and perform as well as the students who enroll as first-time freshmen at universities. The purpose of this measure is to compare the performance of community college associate degree students who transfer to public North Carolina universities with students native to the four-year institution.

Methodology and data source: The cohorts consist of college transfer students entering the public universities each fall. One cohort analysis compares the cumulative GPA of college transfer degree recipients at the end of two semesters to the cumulative GPA of native juniors. The other cohort analysis compares the cumulative GPA of college transfer students completing 24 hours at a community college to the cumulative GPA of native sophomores. The two cohorts will be combined for this analysis. There must be at least ten students for a community college to have this measure reported for accountability purposes.

Performance data on students who transfer to a four-year public institution are provided by the University of North Carolina General Administration and include only those students who transferred to one of the 16 constituent institutions of the UNC System. No data are available from the private colleges and universities in North Carolina.

Reporting periods/timelines: The UNC System provides data annually, between June and September. The data are published annually in the Critical Success Factors Report.

Standard: 84% will attain an overall GPA of 2.0 or higher after completing one academic year at the public university.

Rationale: The most recent data for associate degree recipients from community colleges report 79% achieving a cumulative GPA of 2.0 or higher as compared to 89% for students at the junior level who originally enrolled in the public university. Data from the cohort completing 24 hours at a community college is not yet available; however, staff predict that the percentage of this cohort with GPAs of 2.0 or higher will be over 79%. Data from other states show that community college transfers consistently perform slightly lower than the native population, so this goal stretches the community colleges while also appearing to be reasonable given the national trends.

3. Passing rates for licensure and certification

Description/definition: The percentage of first-time test-takers from community college graduates passing an examination required for North Carolina licensure or certification prior to practicing the profession.

A licensure requirement for an occupation is one that is required by state statute for an individual to work in that occupation. Certification is generally voluntary but may be required by employers or an outside accrediting agency. Purely voluntary examinations will not be reported.

Methodology and data source: The examination pass rates for each college are reported on a program-by-program basis. The pass rate for a particular college program will be calculated by dividing the number of first-time test-takers passing the examination by the number of first-time test-takers sitting for the examination.

Data are collected by the department from agencies issuing the license or certification. The data are collected and analyzed during the fall and reported in the spring.

Reporting periods/timelines: Participating boards and agencies report data to the department annually and colleges review the data before publication in the Critical Success Factors Report.

Issues: A fixed standard, such as 70% or 80% passing rate, could have the unintended consequence of colleges eliminating programs that provide essential services to the community. For example, the emergency medical basic exam has had average System passing rates in the 60% to 65% range for the past three years. Even if only half of the students taking the test pass, this number of persons certified may be providing a needed service to communities.

On the other hand, programs that have licensing/certification requirements should prepare students for passing the examinations. Poor programs with low passing rates should not continue to exist. Procedures need to be implemented to ensure that only students who have the potential to succeed are enrolling in these programs. To do otherwise is to mislead students, wasting their time and wasting taxpayers money.

A fixed standard for each examination fails to take into account the normal distribution of scores and average passing rates. The 70% passing rate will, in some cases, exceed the licensure/certification agency's standard required for institutions in order for their students to sit for the examination (for example, insurance and real estate). In another case, the passing rates for the opticianry examination are lower for test-takers who have not completed the program at the community college than for community college graduates, and the passing rate for community college graduates of the opticianry program is well below the 70% standard (38% for the 1996-97 year). According to the 1998 Critical Success Factors report, the examinations that had average

passing rates for the system below 70% were Emergency Medical Technician--Basic (63%), Opticianry (38%), Life and Health Insurance (69%), Property and Liability Insurance (60%), Real Estate--Sales (61%), and Real Estate--Broker (65%).

Standard: An aggregate institutional passing rate of 80% for all first-time takers of licensure/certification examinations, plus no passing rate falling below 70% for any single examination.

Rationale: The 1996-97 data report six examinations for which the system average was below 70%. Since passing licensure/certification examinations is an important step in becoming qualified for employment in the field, then high passing rates are expected.

4. Passing rates of students in developmental courses

Description/definition: The developmental course passing rates for all courses coded as developmental will be computed for each college.

Methodology and data source: The department has developed a computer program to identify developmental courses, identify students who are enrolled in these courses, and calculate passing rates for these courses. An overall passing rate for all developmental courses at each colleges will be computed.

Reporting periods/timelines: Annually data from each college will be sent electronically to the department and reported in the Critical Success Factors Report.

Issue: The measures may encourage grade inflation in developmental courses. However, if this occurs, the next measure should show low performance on the measure of student success in subsequent credit courses.

Some colleges may have many developmental students enrolling with very low academic skills, whereas others may have students who simply need a refresher course. These differences may need to be taken into account. One approach is to use initial placement test scores as a control variable. Another approach is to use pre- and post-test scores to analyze gains.

Standard: 70% passing rate for all developmental courses

Rationale: In the absence of system-level data, the task force established 70% as an arbitrary starting point. Dr. Ewell had suggested 75% based on his knowledge of data from other states. However, members of the task force argued for a lower standard based upon their knowledge of grade distributions and withdrawals from developmental courses at their colleges.

5. Success rate of developmental students in subsequent college-level courses

Description/definition: The proportion of community college students who pass at least one developmental course and successfully complete at least 15 credit hours of subsequent college-level courses and obtain a cumulative GPA of 2.0 or higher.

The purpose is to provide evidence that developmental courses equip students with the skills and knowledge necessary for success in their college studies. Once students have successfully completed the developmental courses, they should be able to pass curriculum courses.

Methodology and data source: A computer program has been developed and is being implemented at the colleges that will identify developmental courses and identify students who are enrolled in these courses. This program will have to be expanded to track cohorts of developmental students and compare cumulative GPAs with non-developmental students.

Reporting periods/timelines: Annually data from each college will be sent electronically to the department and reported in the Critical Success Factors Report.

Issues: The high standard may encourage imposing entry requirements for certain curricula and have the effect of reducing access for students.

Standard: No statistically significant difference in the proportion of developmental students as compared to non-developmental students who obtain cumulative GPAs of 2.0 or higher.

Rationale: A cumulative GPA of 2.0 is necessary to graduate from a program and to transfer to another college or university. The expectation is that developmental students who complete successfully the prescribed sequence of courses will be as successful as non-developmental students in their programs of study.

6. Program enrollment

Description/definition: The annual unduplicated headcount enrollment in a curriculum program.

Methodology and data source: This indicator would measure the number of individuals enrolled in a given curriculum program, with enrollment meaning the student was enrolled as of the census date. The data are available from the colleges' Curriculum Registration File.

Reporting periods/timelines: Curriculum registration data are submitted to the department by the colleges at the end of each semester. In addition, the annual data are available from the Annual Program Review file submitted by each college in October.

Standard: The current fixed standard of an average of 10 students over a three-year period is recommended. **However, this measure is not recommended for use in performance funding since it is a minimum standard for program viability.**

Rationale: The current standard was acceptable as a minimum for program viability.

7. Student satisfaction of program completers and non-completers

Description/definition: This indicator reports the proportion of a sample of graduates and early-leavers who indicate that the quality of the college programs and services met or exceeded their expectations.

Methodology and data source: These data are being collected annually as part of the Annual Program Review (APR) process. The data are collected by survey, with each college using a standard set of questions. A response rate of 50% for completers is suggested, and a minimum of 15 respondents (total) will be required to report the data at the institutional level. No minimum response rate is proposed for non-completers.

Reporting periods/timelines: The data are reported to the department each October as part of the APR.

Standard: 85% of the combined respondents will report being satisfied with quality of college's programs and services.

Rationale: Historical data show that 90% of completers and 85% of non-completers are satisfied. The 85% standard is supported by data from South Carolina, Hawaii, Massachusetts, and Kentucky community colleges.

8. Goal completion of program completers

Description/definition: The proportion of graduates of certificate, diploma, and degree programs who report that their primary goal in attending has been met.

Methodology and data source: These data are being collected annually as part of the Annual Program Review (APR) process. The data are collected by survey, with each college using a

standard set of questions. A response rate of 50% is suggested, and a minimum of 15 respondents will be required to report the data at the institutional level.

Reporting periods/timelines: The data are reported to the department each October as part of the APR.

Standard: 90% of program completers will report goal completion

Rationale: Historical data show that the system average is over 90%.

9. Curriculum student progress and success

Description/definition: To appropriately measure student success, a composite of three measures will be used:

1. Number completing a curriculum program with a certificate, diploma, or degree
2. Number who have not completed a program but who are continuing enrollment in either curriculum or occupational extension programs
3. Of the remaining non-completers, the number responding to a survey that they have met their primary goal for attending college

None of the three measures in isolation are sufficient to indicate student success; however, the three measures taken together do represent student success. This composite indicator will consist of three measures, each reported separately for each college. It will be based upon tracking an entering cohort of students.

The sum of the three will be divided by the total curriculum students in the cohort to compute an indicator of curriculum student progress and success.

Methodology and data source: Entering cohorts will be defined each fall based upon the new students admitted to curriculum programs. The cohort will be tracked each fall to determine those

who have graduated and those who have continued to be enrolled. Those who have not graduated and are not enrolled will be surveyed. The actual number of non-completers who respond that their educational goals were attained will be included as goal completers. The sum of the graduates, students retained in curriculum or occupational extension programs, and non-completers reporting goal accomplished will be the number of students who are progressing toward or have completed their goals. This number divided by the entering cohort is the percentage reported as students' achieving or progressing toward their educational goal.

Reporting periods/timelines: Initial cohorts will be identified each fall. Graduates of programs are obtained from the Curriculum Student Progress Information System which is submitted each fall by the colleges. Student enrollment files as of the census date will be used to determine the number from the cohort who are still enrolled in either a curriculum or occupational extension program. Students who have not graduated and are not enrolled will be surveyed in the spring to determine if their educational goals have been achieved.

Standard: 80% of the defined cohort will graduate, be retained, or report goal completion.

Rationale: In the absence of system-level data, Dr. Ewell based this recommendation on data from Tennessee, South Carolina, Missouri, and Hawaii.

10. Employer satisfaction with graduates

Description/definition: The percentage of a sample of businesses who employ community college students indicating that their expectations of graduate performance have been met. This measure is intended primarily to determine the satisfaction of organizations whose employees have been trained through a community college.

Methodology and data source: Since 1994-95, all colleges are required to review all curriculum programs annually using a State Board of Community Colleges adopted Annual Program Review (APR) model. One measure contained in the APR is employer satisfaction. A common set of survey questions is used by each college to assess employer satisfaction. A response rate of 50% is suggested, and a minimum of 15 respondents will be required to report the data at the institutional level.

Reporting periods/timelines: The data are submitted as part of the Annual Program Review each October.

Issues: Colleges are having low response rates from employers. Some employers have company policies of not responding to surveys that assess the performance of their employees. The methods for collecting the data differ across colleges. A minimum response rate of 50% may be difficult, if not impossible, to obtain. However, a minimum number of respondents (15) and standard questions must be required for the data to be used. Reducing the frequency of surveying may increase responsiveness.

Standard: 85% of employers report being satisfied with preparation of graduates.

Rationale: Based on one year's data for the system, 91% of employers were satisfied. Because of the limited amount of data and based upon Dr. Ewell's knowledge of single-institution studies, he recommended a conservative standard of 85%.

11. Employment status of graduates

Description/definition: The proportion of identified community college completers achieving a marketable skill who obtain employment or increase their earnings within one year of last attendance.

Methodology and data sources: With the North Carolina Common Follow-up System (CFS), we are now able to accurately track students' employment status after they leave the colleges. The Common Follow-up System (CFS) is a cooperative venture of the participating state agencies under the auspices of the North Carolina State Occupational Information Coordinating Committee (NC SOICC). The CFS provides a highly efficient and cost effective method for collecting follow-up information for education, employment, and training program participants statewide. The NC SOICC decided that the CFS would be maintained by the Employment Security Commission (ESC).

Each year the agencies involved in the CFS submit unit record data on participants to the ESC. Among the agencies included in this process are the public high schools, community colleges, and the four-year public universities. Each agency's data is matched against the Unemployment Insurance (UI) files and the other participating agencies' files. A database containing information on employment, employer, quarterly wages, receipt of unemployment benefits, and participation in other agencies' programs is returned to each submitting agency. The database each agency receives is limited to the participants that the agency submits for the data match. This is to say, the database received by community colleges has information only on community college students.

Once the CFS database is received, it is matched against the Curriculum Student Progress Information System (CSPIS) database and the following year curriculum student registration database. This matching is conducted to determine demographic characteristics of the participants, such as students' completion status at the end of the academic year and whether they re-enroll the following year. Students who obtain an associate degree, certificate, or diploma in the year given and do not re-enroll in any of the colleges the following year are defined as "exit completers." Those

who do not obtain an associate degree, certificate, or diploma in the year given and do not re-enroll in any of the colleges the following year are considered as "exit non-completers."

Students who have wages in any quarter during the year are considered employed. Those who are found both in registration records and UI records but have no quarterly wages during the year are considered unemployed.

Reporting periods/timelines: The data will be collected, analyzed and reported annually in the CSF Report.

Issues: Employment opportunities differ greatly across the state. There must be some adjustment made for community colleges that serve counties with very high unemployment rates.

The CFS provides objective data on employment and earnings; however, it should be noted that only individuals employed in North Carolina and employed in jobs subject to the federal unemployment insurance guidelines will be found in the data match. If an individual is employed outside the state or is self-employed, no match will be found. This is not to say that such individuals are not employed; it simply means they are not found in the UI records.

Standard: 90% will be employed. The percentage will be corrected for the average annual unemployment rate in the service area of each college in the following way: compute the difference between the state's average annual unemployment rate and that of the service area and divide by 2. This amount will be deducted from (for colleges with unemployment rates **higher** than the state average) or added to (for colleges with unemployment rates **lower** than the state average) the 90%.

Rationale: Historical data show employment rates near 90%. Since graduates of community colleges most often remain in their local communities and college programs are designed to meet local needs, the unemployment rates of the service area will impact employment rates. Therefore,

an adjustment based on the difference between the state's unemployment rate and the service area's unemployment rate is necessary. However, we expect completers of community college programs to have an advantage over job-seekers in general, so the adjustment for the unemployment rate is only half of the difference between state and local unemployment rates.

12. Client satisfaction with customized training

Description/definition: The proportion of a sample of businesses for whom the college has provided services through the New and Expanding Industry program indicating that their expectations have been met will be reported. This indicator is intended primarily to measure the satisfaction of sponsoring organizations whose employees have been trained through customized programs provided by a community college under contract or agreement.

The program examined by this measure is categorical and was created specifically to address employer needs. North Carolina's New and Expanding Industry training program provides the customized training that has been a major part of the state's economic development strategy.

Methodology and data sources: Each college is requested to survey clients of customized training programs annually. Specific questions have been developed and each college is required to use these questions.

Reporting periods/timelines: The data are collected annually by the Economic Development Section at the Department.

Standard: 85% will report being satisfied with the New and Expanding Industry program.

Rationale: Based upon general experience with client satisfaction surveys, Dr. Ewell recommends the 85% standard as a starting point. Clearly, this standard will need to be reviewed after actual data are available.

In Table A the recommended measures are compared with the previous performance measures from the Critical Success Factors and the Annual Program Review. All existing accountability measures in the Critical Success Factors and Annual Program Review are recommended. The measures of success of developmental education programs are new measures.

Table A. Current Use Status of Recommended Performance Measures in the North Carolina Community College System

Measure	Current Use			
	Critical Success Factors	Annual Program Review	Perform. Program Budget.	New Use
Progress of Basic Skills Students	X	X	X	
Performance of College Transfer Students	X	X	X	
Pass Rates on Licensure/Certification	X	X		
Pass Rates in Developmental Courses				X
Success Rates of Students Taking Developmental Courses in Subsequent Related Courses				X
Program Enrollment		X		
Student Satisfaction with College, Completers and Noncompleters		X	X	
Goal Completion of Program Completers		X	X	
Curriculum Student Progress and Success				
--Completion Rate				X
--Continuing Enrollment	X		X	
--Goal Completion		X	X	
Employer Satisfaction with Graduates	X	X	X	
Employment Status with Graduates	X	X	X	
Client Satisfaction with Customized Training		X	X	

Implementation

A work group will be appointed to review the methodology for collecting and analyzing data to support the performance measures, with any changes in data collection and analysis implemented in 1999-2000. The performance measures and standards will be approved by the State Board of Community College by July 1, 1999, and data collection and analysis will begin in 1999-2000. For those measures for which the Department of Community Colleges has collection procedures in place, the standards will be applied to the 1999-2000 data.

The Accountability Monitoring Committee, chaired by Dr. Barry Russell, will be responsible for monitoring the data and notifying colleges when they do not meet the accountability standards. The Accountability Monitoring Committee will continue to monitor colleges that do not meet minimum standards and require action plans to be submitted when standards are not met. Included in the action plans must be goals for improved performance and the timeframe for reaching the standard. The goal for demonstrating progress toward the standard will be based on the deviation from the standard and reasonable expectation for performance improvements.

The Department of Community Colleges will ask that the General Assembly to enact legislation to adopt the performance measures and standards in place of the 1993 special provision on accountability and the 1993 Senate Bill 27, Sec. 119(a) (6) on annual program review.

The Department of Community Colleges will review the measures and standards on a regular basis and propose modifications to ensure sound methodological practices.

References

American Association of Community Colleges. Community Colleges: Core Indicators of Effectiveness. AACC Special Reports No. 4. Washington, DC: AACC, 1994.

Albright, B. N. The Transition from Business as Usual to Funding for Results: State Efforts to Integrate Performance Measures in the Higher Education Budgetary Process. Denver, CO: SHEEO, 1998.

Christal, M. E. State Survey on Performance Measures: 1996-97. Denver, CO: State Higher Education Executive Officers, 1998.

Ewell, P. T. "Linking Performance Measures to Resource Allocation: Exploring Unmapped Terrain." Boulder, CO: National Center for Higher Education Management Systems.

Ewell, P. T. "Review of Proposed Accountability Measures and Standards Associated with Senate Bill 1366." Personal memorandum, November 30, 1998.

Ewell, P. T. "Standard-Setting." Personal memorandum, January 5, 1999.

Hawkins, C. "Review of Literature on Performance Indicators in Higher Education." Oakland Community College, Performance Indicators Task Force.

Manning, T. "Concerns of Community Colleges: A Response to Performance Accountability Measures Proposed by the Performance Measures and Standards Task Force." October 7, 1998.

MCCA Presidents Performance Outcomes Task Force and Michigan Community College Data & Evaluation Committee. "Michigan Community College Performance Indicators." July 15, 1998.

_____ "Midlands Technical College Higher Education Performance Indicators Report Card - 1997-98."

North Carolina Community College System. 1998 Critical Success Factors for the North Carolina Community College System, Raleigh, NC, 1998.

Ruppert, S. S. Focus on the Customer: A New Approach to State-Level Accountability Reporting and Processes for Higher Education. Denver, CO: State Higher Education Executive Officers, 1998.

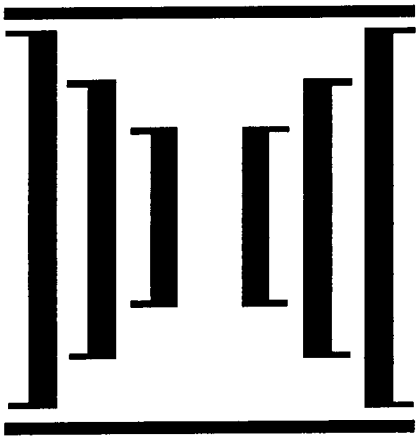
SHEEO/SPRE Technical Assistance Network. "Developing Quantitative Performance Standards for SPRE Reviews: A Technical Assistance Primer." Denver, CO: State Higher Education Executive Officers, 1995.

Southern Regional Education Board. "Educational Benchmarks 1998." Atlanta: SREB, 1998.

ATTACHMENT 2

THE NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

PERFORMANCE BUDGETING



Division of Business and Finance

Presentation to the Joint Education Appropriations Sub-Committee

March 1999

3.0 PERFORMANCE BUDGETING

3.1 Background of Issue

As discussed in the first chapter, the 1998 session of the General Assembly enacted a special provision that called for the State Board of Community Colleges to "study performance budget measures and recommend options for allocating community college funds on a performance budgeting basis." In addition to this directive, the General Assembly also expressed its interest in the performance of the Community College System through a separate special provision that states:

> The General Assembly finds that the current annual program review standards are not adequate to ensure that programs are meeting the needs of students, employers, and the general public; therefore, the State Board of Community Colleges shall review the current standard to ensure a higher degree of program accountability and shall establish appropriate levels of performance for each measure based on sound methodological practices.
>
> The State Board shall make an interim report to the Joint Legislative Education Oversight Committee and to the Fiscal Research Division on its improved accountability measures prior to November 1, 1998, and a final report prior to February 1, 1999. (Section 10.5)

The concurrent schedules for the performance budgeting and accountability measure studies and the inter-relatedness of their subject matter led to the need for close coordination between the two projects.

The current study of performance budgeting focuses on the process that might be used to allocate resources among the colleges based on performance measures. On the other hand, the accountability study focuses on the measurement of, and the establishment of standards for, institutional and program performance. The two studies are integrated by having the proposed performance measures for the budgeting model being selected directly from those being proposed for the accountability reports.

The North Carolina General Assembly's interest in performance measurement and performance budgeting are indicative of a growing and broad concern across the nation regarding quality versus quantity in higher education. Some observers have suggested that a weaknesses in most state funding models for colleges is the overemphasis on quantity through their provisions for rewarding enrollment growth but not qualitative improvement.

As one means to provide more balance in the financial incentives facing colleges and universities, a growing number of states have implemented performance funding or performance budgeting systems. Under such models, the funding levels for an institution are based, at least partly, on how well it accomplishes programmatic goals. For instance, a college is rewarded for the number of its students achieving their educational goals (e.g., graduation or employment) as well as for increasing the number of students it enrolls.

Although a majority of the states are using performance information in the budget process, the approaches being implemented vary widely from one state to another. Burke and Serban, two long-time observers of the performance funding movement, have attempted to classify state practices into two categories. They use the term "performance budgeting" where performance information is reported in budget documents alongside resource requirement information, but does not play a direct role in budget calculations. The term "performance funding" describes situations where performance scores are used directly in budget calculations to determine the amounts to be appropriated (i.e., a 10 percent increase in performance might result in a 10 percent increase in allocations from the performance fund). As shown in Exhibit 17, approximately one-half the states reported in early 1998 their adoption of performance

EXHIBIT 17
CURRENT STATUS OF PERFORMANCE BUDGETING/FUNDING FOR PUBLIC HIGHER EDUCATION IN THE UNITED STATES

State	Currently Use Performance Budgeting 1997	Currently Use Performance Budgeting 1998	Currently Use Performance Funding 1997	Currently Use Performance Funding 1998	Current Use Either Performance Budgeting/Funding 1997	Current Use Either Performance Budgeting/Funding 1998
Alabama						
Alaska						
Arizona						
Arkansas						
California						
Colorado	X	X	X	X	X	X
Connecticut			X	X	X	X
Delaware						
Florida	X	X	X	X	X	X
Georgia	X	X			X	X
Hawaii	X	X			X	X
Idaho	X	X			X	X
Illinois	X	X		X	X	X
Indiana	X	X		X	X	X
Iowa	X	X			X	X
Kansas	X	X			X	X
Kentucky			X		X	
Louisiana		X		X		X
Maine		X				X
Maryland						
Massachusetts						
Michigan						
Minnesota			X		X	
Mississippi	X	X			X	X
Missouri			X	X	X	X
Montana						
Nebraska	X	X			X	X
Nevada						
New Hampshire						
New Jersey						
New Mexico						
New York						
North Carolina	X	X			X	X
North Dakota						
Ohio			X	X	X	X
Oklahoma	X	X		X	X	X
Oregon		X				X
Pennsylvania						
Rhode Island	X	X			X	X
South Carolina			X	X	X	X
South Dakota		X		X		X
Tennessee			X	X	X	X
Texas	X	X			X	X
Utah						
Vermont						
Virginia						
Washington		X	X	X	X	X
West Virginia	X	X			X	X
Wisconsin						
Wyoming						
Total	16	21	10	13	24	26

Source: Survey of State Higher Education Finance Officers by Burke and Serban (7/1/98)

CC185

budgeting, performance funding or both. The number of states with performance-based budgeting/funding has grown rapidly in the second half of the past decade.

3.2 Current Performance Incentives in NCCCS

Every higher education budget model, whether intentionally or not, creates various incentives for institutional behavior. One of the key factors in the successful design of a budget model is to understand these incentives and to ensure that they support the policy goals of the state.

As with most budget formulas, the current NCCCS budget model includes a strong incentive for enrollment growth. Generally speaking, a college earns additional dollars for each additional student it serves. We believe that an incentive for enrollment growth continues to be an appropriate part of the formula in a state that seeks to maintain a highly trained workforce that will be competitive in a global economy and that faces a significant increase in the number of high school graduates over the next decade. Also, the model removes any disincentive to operate relatively small colleges through its provision of base-level funding in several components of the formula.

The formula for the basic skills block grant illustrates one component of the current funding model that contains explicit incentives for qualitative performance. Through its recognition of GED certificates and adult high school diplomas awarded, the model rewards successful program completions. Also, it rewards colleges that are most successful in reaching out to this hard to serve population.

3.3 Performance Funding Approaches Used in Other States

The performance funding models of other states can be described both in terms of the types of performance information that are used and the ways that the performance component relates to the overall budgeting strategy. Each feature is summarized below.

Several recent surveys have attempted to identify the performance measures that states use (or should use) in their performance budgeting and/or accountability programs. At the community college level, a recent survey by the Community College Roundtable of a sample of 200 community college presidents provided a listing of potential performance indicators and their definitions. The survey then asked the respondents to assess both the relevance of, and data availability for, each indicator. Exhibit 18 provides definitions for 13 indicators that are grouped into seven categories.

Since the indicators to be ranked were all known to be in use somewhere, the not-surprising result is that all the indicators were judged to be reasonably relevant. On a five-part scale (with 5 being most relevant), the lowest average score was 3.24 for student persistence or retention. The highest scores were for student goal attainment and subsequent success of developmental education students.

The survey also sought to determine the perceived ability of the responding colleges to collect and report valid information for each performance measure. The majority of colleges could report on 11 of the 13 measures (See Exhibit 19). Interestingly, about one-third of the college presidents reported difficulty in providing information on what they had identified as the most relevant indicator – student goal attainment.

EXHIBIT 18
CORE INDICATORS OF EFFECTIVENESS IN THE COMMUNITY COLLEGE BASED ON REPORT OF THE COMMUNITY COLLEGE ROUNDTABLE

Category	Indicator	Definition
Student Progress	Student Goal Attainment	The proportion of students who on leaving a community college report that their original goal in attending has been met
	Persistence (Fall to Fall)	The proportion of an identified fall term entering student cohort that is still enrolled the following fall term and has not completed a degree or certificate
	Degree Completion Rates	The proportion of an identified entering cohort officially enrolled in a degree program that actually complete a degree or certificate
Career Preparation	Placement Rate in the Work Force	The proportion of an identified entering cohort achieving a "marketable skill" who obtain employment in a field directly related to this skill
	Employer Assessment of Students	The proportion of a sample of regional employers in a given field indicating that their employees who received training at the college exhibit skills and job performance at rates equivalent or superior to all employees
Transfer Preparation	Number and Rate Who Transfer	The proportion of an identified entering cohort actively enrolled in a degree program at that institution and completing at least 12 semester hours of credit who enroll within two years for at least 12 college-level credits at a 4-year college
	Performance After Transfer	The proportion of regular college-level courses at the transfer institution completed with a grade of "C" or better by students who previously attended the college compared to a parallel proportion for students who began at the 4-year institution
Developmental Education	Success in Subsequent Related Coursework	The proportion of an identified student cohort assessed deficient in one or more of the basic skills who subsequently a) successfully complete developmental work and b) within one year, complete with a grade of "C" or better their first college-level cour
General Education	Demonstration of Critical Literacy Skills	No measure is described by the Community College Roundtable
	Demonstration of Citizenship Skills	No measure is described by the Community College Roundtable
Customized Education	Client Assessment of Programs and Services	No measure is described by the Community College Roundtable
Community Development	Responsiveness to Community Needs	No measure is described by the Community College Roundtable
	Participation Rate in Service Area	The proportion of the total population aged 17 or over residing in the designated service area of the community college, partricipating in at least one organized activity sponsored by the college in the past year

Source: National survey of sample of 200 community college presidents by Arnold J. Gelfman, Brookdale CC

EXHIBIT 19
CORE INDICATORS OF EFFECTIVENESS IN THE COMMUNITY COLLEGE PERCEIVED RELEVANCE AND DATA AVAILABILITY

Category	Indicator	Relevance		Data Availability	
		Score	Rank	Score	Rank
Student Progress	Student Goal Attainment	4.43	1	1.31	7
	Persistence (Fall to Fall)	3.86	11	1.10	2
	Degree Completion Rates	3.97	10	1.08	1
Career Preparation	Placement Rate in the Work Force	4.31	4	1.27	6
	Employer Assessment of Students	4.29	5	1.34	8
Transfer Preparation	Number and Rate Who Transfer	4.25	6	1.23	4
	Performance After Transfer	4.14	7	1.38	9
Developmental Education	Success in Subsequent Related Coursework	4.37	2	1.21	3
General Education	Demonstration of Critical Literacy Skills	4.03	9	1.52	12
	Demonstration of Citizenship Skills	3.24	13	1.80	13
Customized Education	Client Assessment of Programs and Services	4.34	3	1.25	5
Community Development	Responsiveness to Community Needs	4.09	8	1.44	11
	Participation Rate in Service Area	3.48	12	1.40	10

5=Highest Relevance 1=Yes, 2=No

Source: National survey of sample of 200 community college presidents by Arnold J. Gelfman, Brookdale CC

Once the indicators are selected and data are reported, the next problem faced by states is to decide how to make use of the information. Generally, some type of performance criterion is established. Some states set absolute goals, such as 75 percent of the students should achieve their goal for the college to be successful. Other states rely on comparative measures, such as the college should rank above the state or national average for the indicator. Still other states set improvement goals, with the college being measured on how well it performs in the current year compared to its own performance in the prior year.

When performance information is used as a factor in the funding process, it typically affects a relatively small proportion of the budget. Tennessee, which has had the most experience with performance budgeting for higher education, has allocated from 3-5 percent of the total budget on a performance basis in recent years. Tennessee leaders have observed over time that relatively small amounts of funds are sufficient to provide strong incentives to change institutional behavior. Exhibit 20 shares information from a recent analysis by the State Higher Education Executive Officers (SHEEO)

CC189

association that shows the funding amounts for performance budgeting and the proportion of the total budget these amounts represent for several states. As listed, South Carolina is currently breaking new ground in its effort to allocate 100 percent of the budget on a performance basis by the year 2000.

EXHIBIT 20
STATES DIRECTLY LINKING
PERFORMANCE MEASURES TO THE BUDGET

State/Sector	Legislative Mandate	Year Implemented	FY97 Dollars Allocated to Performance Funding	Percent of Budget
Tennessee (2- and 4-Year)	No	FY81	$25M	4%
Colorado (2- and 4-Year)	Yes	FY94	$6M	2%
Missouri (2- and 4-Year)	No	FY94 (4-Year) FY95 (2-Year)	$11M	2%
Arkansas (2- and 4-Year)	No	FY95*	$9M	2%
Ohio (2-Year)	Yes	FY96	$3M	1%
Florida (2-Year)	Yes	FY97	$12M	1%
Kentucky (2- and 4-Year)	Yes	FY97	$3M	0.5%
South Carolina (2- and 4-Year)	Yes	FY98	NA	100% by2000

3.4 *Goals for a Performance-Based Budgeting Component in Funding Model*

Given the relative lack of experience with using performance information for resource allocation and the many other budget issues that need to be addressed by the NCCCS, we believe that the first steps toward performance funding should be modest. We propose that the performance budgeting model for the NCCCS should be designed with the following goals in mind:

- Simplicity – The model should be relatively simple for all parties (trustees, administrators, faculty and legislators) to understand. The colleges should be able to see a direct link between their own performance and its financial implications.

- Stability – The model should provide sufficient funding to provide strong incentives for improved performance, but the relative amount based on performance should not be so large as to threaten the funding stability of the colleges.

- Validity – The measures should be selected according to their relevance to the community college mission. Further, the measures should be based on data that are collected and reported in a consistent manner across the 58 colleges.

- Efficiency – In order to avoid excessive costs of data collection and reporting, the measures used for performance budgeting should be consistent with the performance indicators and benchmarking effort being undertaken by the NCCCS.

- Flexibility – The performance budgeting model should be sufficiently flexible to provide rewards for colleges in different situations.

- Improvement-Oriented -- The model should provide strong incentives for improvement of performance as well as for continued superior accomplishment.

In the section that follows, we describe a proposed model for performance budgeting that responds to each of these goals.

3.5 Proposed Model for Performance Budgeting

The call for the consideration of a performance budgeting component in the overall funding model comes at a time when the NCCCS has many other funding priorities. One of the challenges in the design of the performance budgeting model, then, is to determine an appropriate amount of initial funding for the program and a source of funding that will at once provide meaningful incentives yet will not detract from other System priorities.

One promising way to accomplish these seemingly conflicting goals would be for the General Assembly to authorize the NCCCS to carry forward up to 2 percent of its final appropriation at the close of each fiscal year. The amounts carried forward could serve as the basis for a pool of funds to be allocated on performance criterion. The

previous exhibit with information from other states suggests that 2 percent is a reasonable target for the initial efforts in performance budgeting by the NCCCS. The carry-forward concept has a precedent in the state from the legislative action several years ago that granted UNC such authority.

A possible issue concerns how much funding for a performance budgeting model might be created in this manner. We examined the rates of budget reversions for the NCCCS over the past ten years, and found the ten-year average to be approximately 2 percent (see Exhibit 21). Although the rate has been somewhat lower in recent years, NCCCS officials believe that the existence of a carry-forward authority would serve to raise the rate to earlier levels.

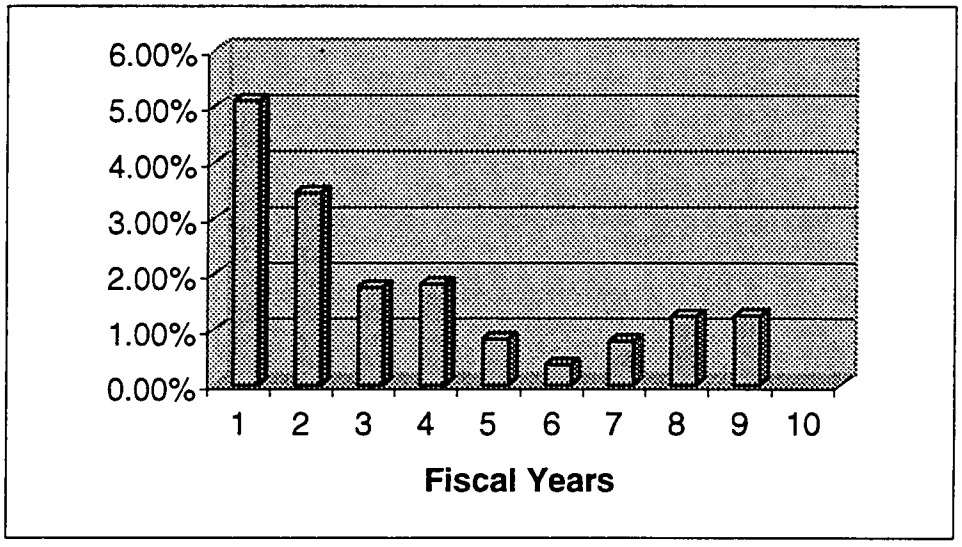
We propose that both statewide and local measures be used in the performance budgeting model. In particular, we envision a performance budgeting model that would consist of six measures, with four measures being common across all 58 colleges and the remaining two being selected by each institution from the list of 12 measures being recommended for adoption in the accountability reports.

While all of the measures being recommended by the Performance Measures and Standards Task Force are important, several of the measures are clearly of statewide concern. These are:

- goal completion of program completers
- employment status of graduates
- progress of basic skills students
- passing rates for licensure and certification.

Exhibit 22 summarizes the 12 measures being recommended and identifies those that we propose as the common elements of the performance budgeting model.

EXHIBIT 21
TEN-YEAR TREND IN UNEXPENDED BALANCES
NORTH CAROLINA COMMUNITY COLLEGE SYSTEM



Fiscal Year	Budgeted	Actual	Unexpended	Percent Unexpended	Rolling 5-Year Average
1988-89	332,064,381	324,207,283	7,857,098	2.37%	
1989-90	365,537,274	346,856,268	18,681,006	5.11%	
1990-91	387,611,956	374,186,097	13,425,859	3.46%	
1991-92	344,131,858	338,050,542	6,081,316	1.77%	
1992-93	398,689,471	391,402,904	7,286,567	1.83%	2.92%
1993-94	450,882,491	447,100,088	3,782,403	0.84%	2.53%
1994-95	455,651,184	453,927,375	1,723,809	0.38%	1.59%
1995-96	470,880,697	467,105,237	3,775,460	0.80%	1.07%
1996-97	501,802,184	495,543,157	6,259,027	1.25%	1.00%
1997-98	534,873,175	528,107,909	6,765,266	1.26%	0.92%
Average				1.91%	

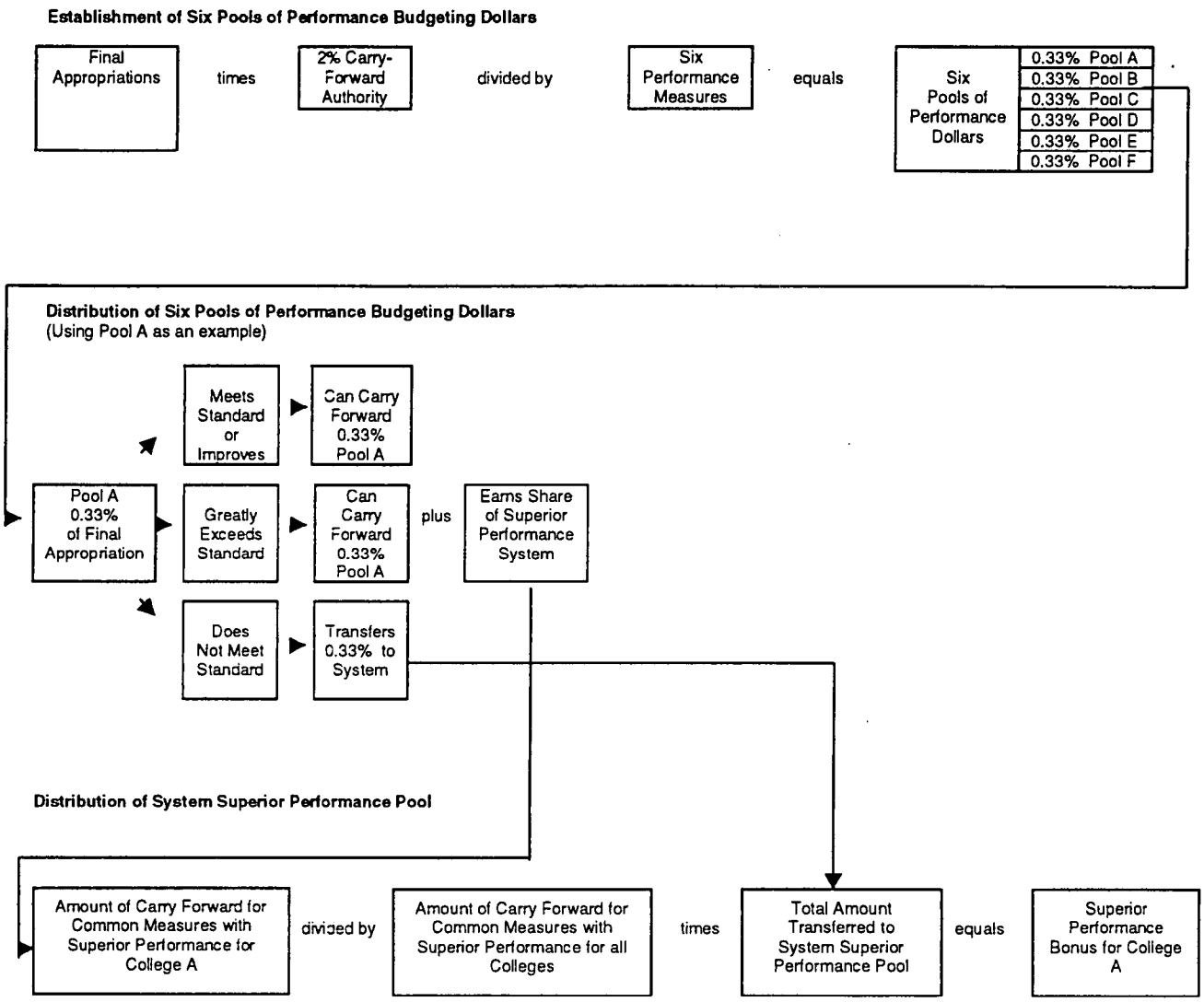
CC193

EXHIBIT 22
RECOMMENDED PERFORMANCE INDICATORS BY THE PERFORMANCE MEASURES AND STANDARDS TASK FORCE

Program Measure	Proposed Use in Performance Budgeting Model	
	Common to All 58 Colleges	Available for Local Selection
Progress of Basic Skills Students	X	
Performance of College Transfer Students		X
Passing Rates for Licensure and Certification	X	
Passing Rates in Developmental Courses		X
Success Rate of Developmental Students in Subsequent Related Courses		X
Program Enrollment		N/A
Student Satisfaction of Completers and Non-Completers		X
Goal Completion of Program Completers	X	
Curriculum Student Progress and Success		X
Employer Satisfaction with Graduates		X
Employment Status of Graduates	X	
Client Satisfaction with Customized Training		X

Assuming a funding source equal to 2 percent of the final appropriation for the performance budgeting component and the adoption of six performance measures, we propose that each college establish six pools of performance dollars each equaling 1/3 of 1 percent (i.e., 2 percent divided by six measures). Under our proposal, the college would be allowed to carry forward the dollars in a pool if it met its performance standard for the particular measure associated with that pool. If the college failed to reach its performance standard, the dollars in that pool would be transferred to a systemwide pool to be distributed among institutions who demonstrated superior performance on the for common measures. The funding model is illustrated in Exhibit 23.

EXHIBIT 23
OVERVIEW OF PROPOSED PERFORMANCE FUNDING MODEL



Adoption of a two-tiered budgeting model will require a performance scoring system that is capable of differentiating three levels of performance on each of six measures for each college. That is, the performance of a college on a standard must be scored as:

- does not meet standard
- meets standard
- superior performance.

The Performance Measures and Standards Task Force is currently completing its recommendations for proposed standards for each measure. We expect that the funding model will adopt the recommendations for proposed standards as one way of demonstrating accomplishment of the "meets standard" level of performance. The "meets standard" level of performance for the four statewide indicators is listed in Exhibit 24.

EXHIBIT 24
RECOMMENDED PERFORMANCE STANDARDS
FOR THE FOUR SYSTEMWIDE PERFORMANCE MEASURES

Program Measure	Description of Measure	Recommended Performance Standard
Progress of Basic Skills Students	Program Completion, Progression to Higher Level or Within Same Level, or Goal Completion	75% Success Rate
Passing Rates for Licensure and Certification	Successful Completion of Program Completers on State-Recognized Exam	Aggregate Passing Rate of 80% with 70% Passing Rate for Each Examination
Goal Completion of Program Completers	Proportion of Graduates of Certificate, Diploma, and Degree Programs Who Report that They Have Achieved Their Primary Goal in Attending College	90% of Survey Respondents Reporting Goal Achievement
Employment Status of Graduates	Percentage of Community College Completers Who Are Employed Within One Year of Attending	90% Employment Adjusted for Local Unemployment Rate

We also propose that a significant improvement in performance over the prior year serve as an alternative way for a college to become eligible for performance funding. The criterion for demonstrating significant improvement will need to depend on the individual program measures and each college's prior performance. As a starting point

for further analysis, however, we propose that the criterion may be roughly equivalent to an improvement of five ranks among the 58 colleges.

The level of performance necessary for the "superior performance" rating is not currently a subject of the Performance Measures and Standards Task Force recommendations. In absence of such a recommendation, we propose the standard be set sufficiently high so that no more than one-fourth of the colleges would qualify for second-round performance funding.

Considerable additional effort will be needed to implement the performance funding model that is being proposed. If adopted, each college would need to select two additional measures to be used with the four systemwide measures for the funding model prior to the funding cycle. Also, the State Board of Community Colleges will need to adopt criteria for determining the "meets standard" and "superior performance" levels of funding eligibility. We understand that the data needed to establish standards and measure performance for each of the 12 measures should be available in Spring 1999. This schedule will permit the establishment of standards early in the 1999-2000 fiscal year during which carry forward funding would first be available.

VISITOR REGISTRATION SHEET

APPROPRIATIONS Subcommittee on Education — March 4, 1999 8:30 AM

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Nancy Simpson Hake	The Daily Dispatch - Henderson
Steve Scott	Southeastern Community College
[illegible]	NAW
Kay Onney	State Planning
Dave Brown	OSBM
Phil Albano	DCC
Harrut Dial	NCAE
[illegible]	DCC
[redacted]	[redacted]
Brenda Rogers	DCC
Barry Russell	DCC
Larry Morgan	DCC
Hal Miller	NCACCT
Karen Gray	Gov's Office
Bill Wilson	NCAE
Harrut Dial	NCAE
Elizabeth Grossenstein	OSBM
Janet Pittard	"
Sue Adams	"
Maurice King	"
John Malia	DCC

Joint Appropriations Subcommittee
On Education/Higher Education

March 9, 1999
2:30 p.m.
Presiding- Senator Charles Carter

Call to Order	Chair
Services to Business and Industry: New and Expanding Industry Focused Industrial Training Small Business Centers	Scott Ralls Director, Economic Development Department of Community Colleges
Occupational Extension Programs	Kennon Briggs Vice President Business and Finance Department of Community Colleges Peggy Graham Associate Director of Continuing Education Department of Community Colleges

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Tuesday, March 9, 1999
Room 421 LOB

The Joint Appropriations Subcommittee on Education/Higher Education met at 2:30 P.M. on Tuesday, March 9, 1999 in the Legislative Office Building. There were four Senators present. The following Representatives were present: Gene Rogers, Co-Chair; Flossie Boyd-McIntyre, Co-Chair; Alex Warner, Co-Chair; Donald Bonner; Charlotte Gardner; George Holmes; Verla Insko; Richard Moore; Ronald Smith and W.B. Teague, Jr.

Senator Charles Carter, Vice-Chair presided and called the meeting to order. He introduced the following Pages: Jake Abernathy from Catawba County and sponsored by Representative Setzer; Justin Carpenter from Wake County and sponsored by Speaker Black and Zak Green from Wake County and sponsored by Representative Reeves.

Senator Carter recognized Charlotte Todd, Fiscal Research who briefed the Committee on the Speakers and Reports for this afternoon's meeting. Ms. Todd introduced Scott Ralls, Director of Economic Development for Community College System.

COMMUNITY COLLEGE SERVICE TO BUSINESS AND INDUSTRY

Mr. Ralls presented a slide show presentation. His presentation included the Economic Development Services Program. *(See Attachment 1).* He stated that these programs are categorically funded with a specific economic development mission either to create or retain jobs and support small business development. The programs that will be discussed are New and Expanding Industries; Focused Industrial Training and Small Business Centers.

New and Expanding Industry Training Program

Mr. Ralls stated that this program is specifically designed to serve as an incentive to help in creating new jobs in North Carolina by working with companies that are new or are expanding in North Carolina. *(See Attachment 2).* This program was started in 1958 and was the first customized training program in the nation. It has been ranked as the number one training program in the nation. The program works with industries that

create 12 or more production related jobs in the state in a given year. Some of the services offered are job analyses, customized training media materials (training manuals, videos, CD Rohms), Instructors, supplies, materials and equipment. During 1998, the number of companies that received free training from the Expanded Industry Program was 201. The program provided training for 23,000 people across the state for new jobs in North Carolina.

Focused Industrial Training Program

Mr. Ralls stated that the Focused Industrial Training Program provides opportunities to manufacturing companies primarily for technology up-grade training for traditional industries. There are 38 centers for this training at various Community Colleges throughout the state. Mr. Ralls presented several examples of companies that have benefited from this program. During 1998, training was provided to 576 manufacturing companies and 9,000 workers across the state.

Small Business Centers

Mr. Ralls explained that the Small Business Center is the largest Small Business Assistance Network in the nation. Statewide there are over 60 locations of the Small Business Network centers. These centers have been recognized for the quality of their service. They have been ranked as number 1. During 1998, 2700 free seminars and workshops were held. During the past two years there has been a 29% increase in the number of clients in the small business centers. There is a statewide advisory board that advises the Small Business Centers.

COMMUNITY COLLEGE SYSTEM CONTINUING EDUCATION

Senator introduced Mr. Kennon Briggs, Vice President of Business and Finance for the Community College System. Mr. Briggs presented information on Continuing Education Programs in the Community College System *(See Attachment 3)*. He presented a history of the legislative mandates by the General Assembly for Continuing Education. Mr. Briggs presented documentation that demonstrated there are more participants in the continuing education programs than in the curriculum programs. However, the statistics also demonstrated that the funding for the continuing education programs per unit lagged behind the curriculum instruction. The 1997 Session of the General Assembly appropriated 10 million dollars in continuing funds for each year of the biennial, for two specific purposes for continuing education. First, to bring the faculty/student ratio in line with curriculum instruction. Secondly, the General Assembly mandated that the unit value funding be increased as far as possible to meet curriculum instruction.

The State Board of Education has made two recommendations to be considered:

1. That the Community College System fund both the Continuing Education and the Curriculum Programs at the same level.

2. For the Community College System to reevaluate the current fee schedule for the continuing education programs.

Mr. Briggs stated the fees for continuing education courses have not been adjusted since 1992-93. The Community College System requests consideration of the market forces and sensitivity to the population that it serves in determining adjustments to the fee schedule. Mr. Briggs responded to questions from the Committee.

Next, Senator Carter introduced Ms. Peggy Graham, Associate Director of Continuing Education, for the Community College System. Ms. Graham presented the results of the increased funding that the Community Colleges received for the Continuing Education Programs. She noted the Public Service courses had an 18% increase in enrollment; the Health Occupations, a 30% increase and Business Occupation courses, a 35% increase. Ms. Graham cited several examples of specific training for businesses that is now offered as a result of the increased funding by the General Assembly.

Senator Carter adjourned the meeting at 3:45 P.M.

Senator Charles Carter, Vice-Chair

Christina K. Minard, Senate Education Committee Assistant

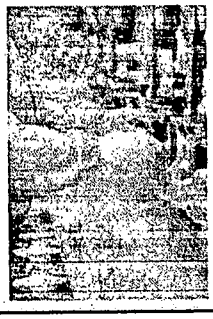
Economic Development Services

Scott Ralls
North Carolina Comm. College Syst.
March 2, 1999

Economic Development Services

- Customized Training & Development
  - New & Expanding Industry Training
  - Focused Industrial Training
- Small Business Center Network

New & Expanding Industry Training



- First customized training program in nation.
- Widely benchmarked and publicized.
- Ranked #1 worker training program in nation.

CC 220

NEIT -- Program Services

- Customized training to companies creating 12 or more production-related jobs.
- Provides job/task analysis services, customized training media materials, instructors, supplies and materials, and temporary training facilities and equipment.
- Companies reimbursed for instructor wages and travel.

NEIT -- Recent Program Events

- Significant funding shortage in FY 96-97. Special appropriation of $4.7 million.
- New program guidelines -- 4/28/97
- Supported training for 201 companies (101 expansions, 100 new) and 23,000 trainees in FY 97-98
- For FY 97-98, 9% increase in projects with 20% reduction in expenditures.

NEIT-- Program Challenges

- Increased competition from other states.
- Sophistication of economic development and importance of customized training in site selection decisions.
- Significant economic growth relative to program funding.

CC 221

Focused Industrial Training

- Manufacturing program with focus on technology upgrade training for traditional industries.
- 38 FIT Centers located across the state.
- *Wall Street Journal* recognition.

FIT -- Program Services

- Supports customized training infrastructure throughout the state.
- Provides flexible instructional funds to support manufacturing training.
- Examples: low class sizes
  expensive technology training
  strategic program development
  workforce assessments

FIT -- Recent Program Events

- New guidelines approved on July 18, 1997
- Provided training to 576 manufacturing companies and 8,939 workers in 97-98.

CC 222

FIT -- Program Challenges

- Demand for new FIT Centers
- Increased expectations for significant funding to support large capital investments.

Small Business Center Network

- Largest small business assistance network in nation. Over 60 locations throughout the state.
- Highly rated for quality of services.

Program Services

- Small Business Center located at every community college in the state.
- Provides free informational resources, counseling, and seminars for potential and existing small business owners.
- First line of referral to other government services.

CC 223

SBC -- Recent Program Events

- Provided 2,768 seminars/workshops and counseling to 6,626 people in 97-98
- 13% increase in clients served in FY 97-98
- 99% of seminar participants rate quality as very good or excellent
- Initiated statewide advisory committee and implemented new program guidelines.

SBC -- Program Challenges

- Consistency of programs throughout the state.
- Retaining qualified directors.
- Additional funds to support large, multi-county service areas and areas of greater economic need.
- Additional funds to support statewide program initiatives and customized training.

CC 224

INFORMATION SYSTEMS FOR THE FUTURE

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Presented by:
Dr. Brenda H. Rogers
Vice President for Administration
&
Dr. Edward H. Wilson, Jr.
President
Wayne Community College

March 9, 1999

CC 225

Plan for an Efficient and Effective Technology and Management Information System for the North Carolina Community College System

To comply with Senate Bill 1366, Section 10.6, this plan for an efficient and effective technology and management information system for the North Carolina Community College System was approved by the State Board of Community Colleges on January 15, 1999. In accordance with the provisions of S.B. 1366, Section 10.6, the approved plan is submitted to the Joint Legislative Education Oversight Committee.

Executive Summary

The attached report provides detailed information as to how the Department of Community Colleges will provide a modern, efficient information system that will support both the administrative operations of the 59 institutions and the management information needs for the colleges as well as the department. The system-wide study has involved personnel in all functional areas of the colleges. The recommendation for a new integrated information system results from the finding that the current system is inadequate to meet today's needs and that a major overhaul to prepare the system for the next century is not feasible or economical.

The Department must secure adequate funding in this session for one-time purchase and development of software and for ongoing support for maintaining and upgrading. The data warehouse is a major new item to support management reporting and decision-making, analysis and research using historical data. The data warehouse and reporting systems are essential for responding to the legislature and to all other customers, prospective business clients, and other agencies requiring reports on the community colleges.

While the report explains the management information systems in some detail, staff in the department can provide concrete examples of how the system will improve operations at the 59 institutions and the reporting capabilities of the department. The real issue is the value of accurate and consistent data from all 59 institutions for reporting and accountability. Without this investment in a new information system, more of the community colleges will find it necessary to contract with independent vendors for new software, and reporting on the system will become more difficult with non-standardized systems in place. Presently there are two community colleges whose needs are not adequately met by the administrative software provided by the Department, and the costs of the software, the additional staff, and the inability to provide data immediately as often is required to respond to special requests can not be measured. This investment in the long run will save the State funds through a single management information system that serves the needs of all 59 institutions and the Department.

The presidents of the 59 institutions have unanimously and repeatedly supported the primary goal and assumption of the project: to acquire, implement and support an <u>integrated</u> information system that meets the needs of <u>all</u> of the institutions. The presidents recognize not only the benefits of such an information system being used by all of the institutions, but also the

CC 226

Plan for an Efficient and Effective Technology and Management Information System for the North Carolina Community College System

This Plan for an Efficient and Effective Technology and Management Information System for the North Carolina Community College System is in response to Senate Bill 1366 Section 10.6 of the 1998 legislature:

> The State Board of Community Colleges shall develop a plan for an efficient and effective technology and management information system. The system shall be designed to support the North Carolina Community College System's planning, evaluation, communication, resource management, full-time equivalent student (FTE) reporting, and decision-making processes. The plan shall identify the technology and management information needs of the local colleges and the Department of Community Colleges, the costs of meeting these needs, and the benefits of meeting them.
>
> The State Board shall report the Joint Legislative Education Oversight Committee prior to February 1, 1999, on the plan it develops.

1. <u>Developing a plan for an efficient and effective technology and management information system</u>.

History. Prior to 1984 the community colleges prepared manual reports on students, classes, staff and other data that were sent to the Department in printed form. In 1984, an effort began to computerize the administrative functions of all colleges with standard hardware and software applications. The software enabled colleges to computerize administrative operations: student registration, student records, accounts payable and receivable, and other business operations. It was not designed as a management information system to support decision making. On the contrary, it was designed to support the administrative functions of the colleges. The Department then had to develop programs to extract data from the colleges' operational databases to meet reporting requirements. The state-level applications for external reporting have increased dramatically over the last fifteen years, and the demands for new reports have outstripped the ability of the department to respond in a timely way.

After contracting with a vendor for the initial development of the software, the Department assumed full responsibility for the maintenance and development of new software applications in 1986. The initial computer system utilized Prime computers as the hardware and the Educator package as the software. In 1990 the wide area network was completed connecting all colleges. In 1991 Prime's decision to drop its support of Prime computers forced the colleges to migrate to Unix-based platforms.

This project was implemented with **no new State** funds and was never adequate to meet the needs of the largest community colleges. The resources allocated to the

2. Designing a system to support the North Carolina Community College System's planning, evaluation, communication, resource management, full-time equivalent student (FTE) reporting, and decision-making processes

The Project Management Team includes administrators and staff members from fifteen community colleges representing the following functional areas:

- Student-related functions: curriculum faculty, academic dean, continuing education, basic skills/literacy, registrar, financial aid, deans of student services, learning resources, planning & research.
- Business functions: financial reporting, budgeting, general ledger, human resources, personnel, payroll and benefits, accounts receivable, student accounts, cashier, auxiliary services, equipment, fixed assets, purchasing, accounts payable, facilities management, room scheduling, parking and safety.
- Technology evaluation.

The Project Management Team, working with functional working groups in each of the above areas, identified overall requirements that fulfill the Vision Statement:

- *Comprehensive, fully integrated administrative system that supports student-centered learning and business operations for all community colleges.*
  - Data must be entered once and shared among a variety of applications and users, both across the community college and System and statewide.
  - Information about students and employees must be accessible to all functions (with appropriate security) across the college (all depts. and functions), across the Community College System (all colleges) and across the State (all institutions and agencies) and inter-state in the future.
  - Enabling students to access and update their information, including application, registration, payment and other services, without requiring assistance or service from a staff member unless problems arise.
  - All systems and functions operate through electronic forms and workflow, rather than paper forms that are carried or sent from office to office.
- *Support management decisions, accountability to external constituencies and business operations for all community colleges.*
  - Information about all colleges is collected and stored centrally to accommodate information retrieval and reporting using historical data, including comparison of specific college data to community college system-wide data; and retrieving and reporting using specific data (individuals, programs, colleges) as well as program-, college- or system-wide data.
  - Data inquiry, reporting and analysis software tools that are appropriate for use by casual, intermediate and advanced users.

-- fully integrated administrative systems are required; and
-- the gap between the system-wide vision and off-the-shelf vendor solutions is manageable.

The primary limitation of this strategy is that the information systems must be customized to meet the mandated requirements of the NC Community College System, and such modifications will require ongoing maintenance and support by the Department in addition to that provided by the vendor. The new information systems may require colleges to change operating procedures, workflows, etc., as part of the implementation.

3. Identifying the technology and management information needs of the local colleges and the Department of Community Colleges

During the fall 1998, the Project Management Team members, working with functional work groups, developed detailed plans and specifications to address the following issues:

A. Implementation Plan and Schedule

1. Phase 1 of the implementation will be completed by June 30, 2001 and will include at least six community colleges, including two small colleges, two medium-sized colleges and two large colleges (in terms of FTE's).
   A. Planning of the "standard" configuration, including enhancements, etc., by representatives of the participating community colleges, the Project Management Team, Information Services' staff and the vendor.
   B. Software installation and configuration.
   C. Customization as required to provide a standard NCCCS version of the complete, integrated information system.
   D. Migration of data to the new information system.
   E. Technical and user training.
   F. Development of standard NC Community College System reports (as specified in the Annual Reporting Plan).
2. Following the completion of Phase 1, the Project Management Team will evaluate how well the information system meets the requirements in the bid specifications.
3. The vendor will make any required modifications to the "standard" system; the resulting changes will be implemented and tested by the community colleges participating in Phase 1.
4. When the "standard" system has been accepted in production by all of the Phase 1 colleges, Phase 2 implementation will begin.
5. Phase 2 will implement the "standard" system at the remaining community colleges over a two year period.

"'Best Value' procurement means the selection of a contractor based on a determination of which proposal offers the best trade-off between price and performance, where quality is considered an integral performance factor. The award decision is made based on multiple factors, including: total cost of ownership, meaning the cost of acquiring, operating, maintaining, and supporting a product or service over its projected lifetime; the evaluated technical merit of the vendor's proposal; the vendor's past performance; and the evaluated probability of performing the requirements stated in the solicitation on time, with high quality, and in a manner that accomplishes the stated business objectives and maintains industry standards compliance."

The "Administrative Software Acquisition Project" developed by the Center for Information Services which supports Washington State's Community and Technical Colleges[2] has served as a model for this procurement.

The chief technology officer of the NC Information Resource Management staff, Ms. Emilie Schmidt, has agreed to work with the Community College System to pursue this procurement strategy with the Division of Purchase & Contract.

C. Strategies and plans for training and support

The Information Services section of the Department will manage the training and support for the implementation and operation of the new information systems.

Vendors are responsible for the training for the Phase 1 implementation. In Phase 2, the vendor(s) will train the community college system staff members who will then train staff at the community colleges implementing in Phase 2. Community College System staff will also provide ongoing training, retraining, and upgrade training after full implementation.

D. Upgrade college information technology infrastructure

The Technology Evaluation Team has surveyed the community colleges to determine the current and planned technology environment. This survey includes the central equipment (such as Unix systems and other servers), desktop computers and intra- and inter-campus networks. This information will be added to the technical specifications that are included in the RFB requirements.

---

2 http://www.cis.ctc.edu/pub/asap/asap1.htm

2. Across the Community College System (all colleges).
3. Across the State (all institutions and agencies) & inter-state in the future.

C. Data Warehouse: information about all colleges will be collected and stored centrally to accommodate information retrieval and reporting.
   1. Analytical: using historical data, including comparison of specific college data to community college system-wide data.
   2. Operational: retrieving and reporting using specific data (individuals, programs, colleges) as well as program-, college- or system-wide data.

D. Data inquiry, reporting and analysis software tools will be provided for casual, intermediate and advanced users.

E. Self-service: students will be able to access and update their information, including application, registration, payment and other services, without requiring assistance or service from a staff member unless problems arise.

F. Online/Real-Time: all transactions will be reflected immediately in the database and in related processes (such as a student dropping a course and immediately having their financial aid recalculated).

G. Workflow: all systems and functions will operate through electronic forms and workflow, rather than paper forms that are carried or sent from office to office.

H. Modularity and Integration of Optional Components: consistent with the North Carolina Information Resources Management Commission's Statewide Technical Architecture, optional components, such as voice response, imaging systems, etc., may be integrated into the system(s).

I. System Enhancement and Application Development: software tools will allow the enhancement and development of additional applications, to meet the specific needs of the community colleges and the Department.

The process of developing the plan for information systems for the future has been based on the assumption that the community colleges would continue to use a single, standard system. An explicit goal of the project is to ensure that the system will meet the needs of <u>all 59 institutions</u>, including the two community colleges whose needs are not met by the current software.

The experience of the 56 community colleges that use the current software demonstrates the significant benefits of this approach:

- consistent data definitions and formats;
- consistent processing of data, including system-wide policies and procedures;
- consistent reporting of required information, including the Annual Reporting Plan;
- software enhancements and changes in policies, procedures, data definitions, formats, etc., are incorporated into the software once for all colleges; and
- reduced costs for training, documentation and technical support provided from a central source.

September 26, 1997

Information Systems for the Future

Gap Analysis

1. Cultural (External) Environment

Present State	Future State
Activity-based funding	Outcomes-based funding
Activity-based credentials	Outcomes-based credentials
College- and System-based programs	Business/industry needs-based programs
Clearly defined organizations & functions	Entrepreneurial organizations
Accreditation by college	Accreditation by colleges, programs, etc.
Services for diverse population	Services for diverse population

2. Operational (College) Environment

Present State	Future State
Distance learning pilot projects	Distance learning widely implemented
College-based activities	Collaborative activities
Hierarchical organizations	Flattened organizations
Traditional functions & processes	Streamlined processes
Input & activity-based assessment	Outcomes-based assessment
Limited access to information	Widespread access to information & tools

3. Technical Environment

A. Fast

Present State	Future State
Non-SQL database	SQL-standard database
Separate curriculum & Cont. Educ. Data	Fully integrated student data
Data available at college, reported to System	Data available across colleges/System
Restricted access to data	Open access to data (within legal reqmts)
	Institutions not constrained by System (& vice-versa)

B. Flexible

Present State	Future State
College-level systems internally compatible	Data compatible across college-level & state-level systems and with external applications
	Electronic Data Interchange via standard formats
	Conversion & migration to new versions & environments/technologies facilitated by standards-based systems
	Workflow & email-based applications are provided

CC 238

NEW AND EXPANDING INDUSTRY TRAINING PROGRAM EXPENDITURE REPORT

submitted to the

JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE

March 1, 1999

North Carolina Community College System
200 West Jones Street
Raleigh, North Carolina 27603

ATTACHMENT 2

CONTENTS

PAGES

EXECUTIVE SUMMARY.....i-x

JULY 1, 1998 - DECEMBER 31, 1998 PROJECT DATA.....1-11

PROGRAM-RELATED EXPENDITURES.....12-13
- Media Development Office
- Equipment Warehouse
- Asian Trade Mission
- Special Program Funds

ADDENDUM.....14-15

PROJECT COMPLETIONS.....16-17

EXECUTIVE SUMMARY

Section 9.5 G.S. 115D-5(I) reads as rewritten:

(I) The State Board of Community Colleges shall report to the Joint Legislative Education Oversight Committee on March 1 and October 1 of each year on expenditures for the New and Expanding Industry Program each fiscal year. The report shall include, for each company or individual that receives funds for New and Expanding Industry:

(1) The total amount of funds received by the company or individual;

(2) The amount of funds per trainee received by the company or individual;

(3) The amount of funds received per trainee by the community college training the trainee;

(4) The number of trainees trained by company and by community college; and

(5) The number of years the companies or individuals have been funded.

This report is submitted as the March 1, 1999 mid-year expenditure report for the New and Expanding Industry Training (NEIT) Program.

HISTORY AND BACKGROUND OF THE NEIT PROGRAM

The New and Expanding Industry Training (NEIT) Program supports the economic development efforts of the State by providing education and training opportunities for new and expanding businesses. Started in 1958, it was the first state-sponsored customized training program and has since been copied by numerous other states around the nation.

The program was developed in recognition of the fact that one of the most important factors for a business or industry considering locating or expanding in North Carolina, is the ability of the State to ensure the presence of a well-trained workforce. The program is designed to respond quickly to the needs of businesses, and to respect the confidential nature of the proprietary processes and information within those businesses.

PROGRAM GUIDELINES

On April 18, 1997, the State Board of Community Colleges adopted new program guidelines which are provided as follows.

PURPOSE

The purpose of the New and Expanding Industry Training (NEIT) Program is to provide customized training assistance in support of new, full-time production positions created in the State of North Carolina, thereby enhancing the growth potential of companies located in the state while simultaneously preparing North Carolina's workforce with the skills essential to successful employment in emerging industries.

ELIGIBILITY

Companies creating 12 or more production jobs in excess of their previous 3-year maximum employment level are eligible for assistance through the New and Expanding Industry Training Program. Resources may support training assessment, program development, instructional costs, and training delivery for new front-line personnel involved in the direct production of goods and services and their first-line supervisors.

Companies which downsize positions in one area of the State and then transfer those positions to another area of the State are not eligible for training assistance for those transferred positions.

Employees of temporary or staffing agencies are not eligible for post-hire training support under the NEIT program.

EXPENDITURE GUIDELINES

Salaries, Wages, and Related Expenses

- The following priorities will be given to the recruitment and utilization of instructors for New and Expanding Industry Training projects: 1) community college permanent or part-time employees; 2) contractors of the community college; 3) company personnel or contractors. It shall be the responsibility of community college staff, with consultation from the client company, to determine the appropriate length and provision of training, and this shall be indicated in the Training Project Profile submitted for approval.

- Reimbursement for instructors will be made at a 6:1 or greater trainee to trainer ratio.

- In those cases when community college staff or contractors are used for instruction, they will be compensate directly in accordance with existing policies and guidelines. In addition to costs of instruction

including travel expenses and course preparation time, community college staff or contractors may be reimbursed for costs associated with job analysis, training needs assessment and program development. The payment of social security taxes and other employee benefits to community college employees will be made in accordance with the existing policies and procedures of the college.

- Employees or contractors of the client company may be used as instructors if community college staff or contractors with the appropriate expertise are not readily available. The community colleges have the responsibility, in such circumstances, to insure that all trainees are registered, and to monitor the instruction so as to assure that it is being delivered according to the Training Plan and Project Profile.

  In such cases where company personnel or contractors are used as instructors, they will be reimbursed their normal rate of pay, not to exceed a maximum of $26.50 per hour. In addition to actual hours of direct instruction, compensation for additional time devoted to training program preparation may be recommended by the Regional Economic Development Manager and authorized by the Director of Economic Development for the North Carolina Community College System. This amount may not exceed 15 percent of the scheduled training hours or a maximum of 80 hours total. Wages may not be paid to prospective trainers while they themselves are training in production operations, and under no circumstances may funds be used to pay trainee wages or salaries.

- Colleges will receive 5 percent of the project costs as an administrative allowance, not to exceed $60,000 per project during any one fiscal year. Temporary clerical and administrative personnel, and project coordination staff, may be employed by a community college expressly for direct services related to a specific project, if recommended by the Regional Economic Development Manager and the Director of Economic Development.

- If recommended by the local community college and the Regional Economic Development Manager, and approved by the Director of Economic Development, NEIT funds may also support training of community college instructors for skill acquisition of strategic technologies associated with a New and Expanding Industry Training project. The purpose of these expenditures will be to support specialized college instructor training for skills deemed important for future support of employers within the college's service area.

Travel Expenses

- Community college instructors may be reimbursed for travel expenses in accordance with established travel policies and procedures.

- Out-of-state residents, employed or reimbursed directly by the company, may be temporarily assigned as training instructors and reimbursed for their expenses after having trained six or more North Carolina residents who are new company employees. The number of individuals per project supported for travel to the state is subject to negotiation and prior approval, and under such circumstances they will be limited to:
  a) a maximum of twelve (12) weeks per diem at a daily rate of $71.
  b) one round-trip air fare (coach class, reimbursed at a 14-day prior purchase rate) or cost equivalent for each of the two complete or partial six-week periods of supported state residency.
  c) local travel allowances as authorized by the Regional Economic Development Manager prior to departure.

- In-state residents, serving as instructors and employed by the company, may be reimbursed for previously authorized out-of-state travel, after having returned and trained six or more North Carolina residents who are new company employees in the knowledge or skills acquired as a result of the out-of-state travel. The intent of the out-of-state travel will be to acquire knowledge or skills necessary for NEIT project instruction. The number of individuals supported for out-of-state travel per project is subject to negotiation and

prior approval, and under such circumstances they will be limited to:

a) a maximum of six weeks per diem at a daily rate of $83. Per diem allowances for international travel may be adjusted for actual cost differences in different locations.

b) one round-trip air fare (coach class, reimbursed at a 14-day prior purchase rate) or cost equivalent to location of the temporary assignment.

c) local travel allowances as authorized by the Regional Economic Development Manager prior to departure.

Training Facilities

- Community colleges may be reimbursed for costs associated with providing dedicated training facilities for New and Expanding Industry projects. Reimbursement may be provided for the period required by the client company for dedicated temporary training space, not to exceed twelve months in duration.

  For training provided at existing college facilities, the college may be reimbursed a reasonable cost share of utilities (including electricity, gas, oil, water and sewer) for the space provided to the NEIT project. If suitable space is not available at a community college permanent facility, colleges may also be reimbursed for the costs of leasing space on a temporary basis. In such cases, colleges may be reimbursed the reasonable costs of leasing, utilities, maintenance, trash and garbage service, protective and security services, and insurance costs. Colleges may not lease temporary training space from New and Expanding Industry client companies or their subsidiaries.

  Colleges may be reimbursed for reasonable costs associated with necessary alterations to facilities to accommodate the training. Authorization for the provision of training facility reimbursements, including costs associated with alterations to facilities, must be approved by the Director of Economic Development prior to initiation of the project.

Client companies may not be reimbursed for the leasing of training or other facilities through the New and Expanding Industry Training Program. They may, however, be reimbursed the reasonable costs of transporting, installing, and removing training equipment to and from community college-provided training facilities.

Training Materials, Supplies, and Equipment

- The State may provide necessary classroom and training-related supplies and materials in support of a specific training project.

- Media development services, including videos and print media, may be provided at State expense if recommended by the Regional Economic Development Manager and approved by the Director of Economic Development. In addition, if authorized, the State may assist with offsetting a percentage of the expenses of developing and producing customized training manuals and computer-based training programs.

- The State may provide, install, and maintain at the training site, standard items of equipment normally associated with vocational-occupational training as available and typically used within the North Carolina Community College System.

- Considerations for non-salvageable material, consumed by company employees during formal training periods of instruction, may be reimbursed if approved in advance by the Director of Economic Development. The eligible company may be reimbursed for 50% of the costs of the non-salvageable materials consumed during formal training, not to exceed $100 per trainee participating in the training in which the materials were consumed. The cost and the amount of non-salvageable materials must be authenticated with appropriate company documentation.

APPROVAL PROCEDURES

- A Project Profile Form as well as Expenditure Authorization Forms must be signed by both a local college representative and the Regional Economic Development Manager and submitted for approval prior to project initiation. The Project Profile Forms must include total estimated project costs and a project time frame, not to exceed 36 months in duration after project approval. Time frames and project costs may be amended according to project training needs, with prior approval from the Director of Economic Development.

- Approval for projects with estimated total expenditures less than $75,000 may be made by the Director of Economic Development. Projects in excess of $75,000 must be approved by the Director of Economic Development, and submitted by the Director for secondary approval to a Joint Community College/ Department of Commerce Review Panel consisting of a designate(s) of the President of the North Carolina Community College System and a designate(s) of the Secretary of Commerce.

- Project expenditures must be in accordance with the approved profile and may not exceed the amount indicated in the profile without prior amendment and approval.

GUIDELINE EXCEPTIONS

- In unusual or extenuating circumstances, the Director of Economic Development after consultation with the Review Panel consisting of both designated representatives from the North Carolina Community College System and the Department of Commerce, may authorize exceptions to these Guidelines. Exceptions will be documented and included with the Project Profile Form as a matter of public record.

DATA CATEGORY DEFINITIONS

COLUMN	DEFINITION
1 Community College	College to which funds have been allocated for the support of an NEIT project.
2 Company	New or expanding company supported by NEIT project funding.
3 Years Funded	Total number of years the NEIT project has been funded.
4 Company Training Reimbursement Expenditures	Funds provided directly to a company for instructional and other training-related expenditures allowable under the NEIT program.
5 Number Trained by Company Instructors	Number of trainees trained by instructors who are company employees/contractors, for which the company has received NEIT funds to reimburse travel for train-the-trainer expenses, and/or their wages for instructional and company instructors course development time.
6 Average Company Reimbursement Per Trainee	NEIT training-related company expenditures divided by the number of trainees trained by company instructors.

7 College Training Expenditures	Funds expended by a community college to support the training of employees and potential employees of a particular company under the NEIT program, including the 5 percent administrative allowance.
8 Number Trained by College Instructors	Number of trainees at a particular company trained by either full or part-time contracted community college instructors under a NEIT funded project.
9 Average College Cost Per Trainee	Total NEIT funds expended by a community college for support of a NEIT project, outside of funds provided directly to a company, divided by the total number of trainees trained by community college instructors.
10 Total Expenditures	Total amount of NEIT funds expended to support a specific NEIT training project.
11 Total Trained by Company and College Instructors	Total number of employees trained under a NEIT funded project, including those trained by both company and community college instructors.
12 Average Total Cost Per Trainee	Total NEIT expenditures for a particular NEIT training project divided by the total number of employees trained.

North Carolina [illegible]nity College System
New and Exp[illegible] Industry Training

Expenditure Report

JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
ALAMANCE											
	Laboratory Corp. of America	4	9,902.88	75	132.04	1,311.75	0	N/A	11,214.63	75	149.53
ASHEVILLE-BUNC.											
	Atlas Precision, Inc.	1	0.00	0	0.00	7,306.17	24	304.42	7,306.17	24	304.42
	Goldstar Coatings	2	0.00	0	0.00	1,185.17	1	1,185.17	1,185.17	1	1,185.17
	Medical Action Industries	1	0.00	0	0.00	234.00	7	33.43	234.00	7	33.43
	Safety Equipment	2	739.72	48	15.41	7,349.27	3	2,449.76	8,088.99	51	158.61
	Smoky Mountain Machining	3	0.00	0	0.00	1,944.10	1	1,944.10	1,944.10	1	1,944.10
	Wahl Instruments	2	0.00	0	0.00	4,930.15	9	547.79	4,930.15	9	547.79
BEAUFORT CO. CC											
	Amilite Corporation	1	12,500.00	135	92.59	750.99	30	25.03	13,250.99	105	126.20
BLUE RIDGE											
	Continental Teves	3	0.00	0	0.00	2,002.45	25	80.10	2,002.45	25	80.10
	Eaton Fluid Power Div.	2	0.00	0	0.00	1,081.67	44	24.58	1,081.67	76	14.23

North Carolina [illegible]nity College System
New and Exp[illegible] Industry Training
Expenditure Report
JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
	Meritor, Inc.	2	4,240.00	26	163.08	0.00	0	0.00	4,240.00	26	163.08
	Steelcase, Inc.	2	3,286.00	60	54.77	30,377.50	60	506.29	33,663.50	60	561.06
	Wilsonart	2	0.00	0	0.00	1,504.82	22	68.40	1,504.82	22	68.40
BRUNSWICK											
	Victaulic Co. of America	2	3,800.00	19	200.00	0.00	0	0.00	3,800.00	19	200.00
CATAWBA VALLEY											
	Alcatel Cable	8	13,258.28	19	697.80	0.00	0	0.00	13,258.28	19	697.80
	Alcatel Fiber	8	20,620.00	61	338.03	0.00	0	0.00	20,620.00	61	338.03
	Comm Scope, Clairmont	6	6,966.40	16	435.40	0.00	0	0.00	6,966.40	16	435.40
	Moretz Mills, Inc.	1	4,042.80	22	183.76	5,779.58	0	N/A	9,822.38	22	446.47
	Siecor Specialty Cable	4	18,450.00	97	190.21	966.94	17	56.88	19,416.94	114	170.32
	Siecor TCP	4	5,400.00	16	337.50	0.00	0	0.00	5,400.00	16	337.50
CENTRAL CAROLINA											
	Catepillar	1	0.00	14	0.00	13,671.98	26	525.85	13,671.98	26	525.85
	Eaton Corp.	6	0.00	0	0.00	947.30	56	16.92	947.30	56	16.92

North Carolina [illegible]nity College System
New and Exp[illegible] Industry Training

Expenditure Report

JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
	Frontier Air Jet Spinning	2	45,941.60	48	957.12	0.00	0	0.00	45,941.60	48	957.12
	Lee Brick & Tile Co.	1	4,200.00	24	175.00	1,060.00	40	26.50	5,260.00	64	82.19
	Pac Fab, Inc.	2	800.00	53	15.09	4,252.00	43	98.88	5,052.00	96	52.63
	Static Control Components	2	212.00	10	21.20	710.49	0	N/A	922.49	10	92.25
	Townsends, Inc.	2	4,080.00	23	177.39	0.00	0	0.00	4,080.00	23	177.39
CENTRAL PIEDMONT											
	Carrier Corp.	1	0.00	0	0.00	17,581.47	69	254.80	17,581.47	69	254.80
	IBM-Global Services	1	1,682.00	23	73.13	989.24	17	58.19	2,671.24	18	148.40
	Metropolitan Life	2	34,360.39	1,001	34.33	544.92	0	N/A	34,905.31	153	228.14
	Stanley Doors	1	0.00	0	0.00	11,158.61	18	619.92	11,158.61	18	619.92
	The Equitable	2	0.00	180	0.00	39,250.90	173	226.88	39,250.90	173	226.88
	The Vanguard Group	2	68.73	194	0.35	176.20	0	N/A	244.93	90	2.72
CLEVELAND											
	Cleveland Yutaka Corp.	1	12,228.00	6	2,038.00	0.00	0	0.00	12,228.00	6	2,038.00
	Copeland Corp.	3	20,898.00	91	229.65	8,487.15	9	943.02	29,385.15	100	293.85
	Curtiss Wright Flight Sysems	3	14,633.60	12	1,219.47	0.00	11	0.00	14,633.60	23	636.24

North Carolina [illegible]nity College System
New and Exp[illegible]ndustry Training

Expenditure Report

JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
	Eaton Corp.	2	13,852.80	19	729.09	0.00	0	0.00	13,852.80	19	729.09
COASTAL CAROLINA											
	Gibralter Publishing Inc.	2	0.00	0	0.00	28,979.55	156	185.77	28,979.55	156	185.77
	Tiara Yachts	2	0.00	0	0.00	24,647.27	92	267.91	24,647.27	92	267.91
CRAVEN											
	Wheatstone Corp.	2	10,248.00	12	854.00	360.00	0	N/A	10,608.00	12	884.00
DAVIDSON											
	B & W Metal Fabricators	1	0.00	0	0.00	812.85	12	67.74	812.85	12	67.74
	Kaydon Custom Bearings	2	0.00	0	0.00	960.00	46	20.87	960.00	46	20.87
DURHAM TECH											
	Becton Dickinson Labware	2	0.00	0	0.00	3,695.24	12	307.94	3,695.24	12	307.94
	Eisai Pharmatechnology	2	0.00	0	0.00	20,132.79	44	457.56	20,132.79	44	457.56
	General Electric Aircraft	7	0.00	0	0.00	13,045.35	26	501.74	13,045.35	26	501.74
	Turnkey International 8/18	1	0.00	0	0.00	5,607.28	50	112.15	5,607.28	50	112.15

North Carolina [illegible]nity College System
New and Exp[illegible] Industry Training

Expenditure Report

JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
EDGECOMBE											
	Air System Components (1)	2	0.00	0	0.00	7,200.00	0	N/A	7,200.00	0	N/A
	Cardinal System Technology	2	26,191.00	48	545.65	0.00	0	0.00	26,191.00	48	545.65
	Glenoit Corp. (2)	1	0.00	0	0.00	19,504.83	0	N/A	19,504.83	0	N/A
FAYETTEVILLE											
	Carolina Converting, Inc.	2	7,600.00	17	447.06	0.00	0	0.00	7,600.00	17	447.06
GASTON COLLEGE											
	Freightliner	2	18,280.00	167	109.46	4,536.50	0	N/A	22,816.50	167	136.63
	Gold Medal Homes	2	51,528.38	46	1,120.18	2,566.43	30	85.55	54,094.81	76	711.77
	Quality Metal Products	2	0.00	0	0.00	1,265.79	34	37.23	1,265.79	34	37.23
	R-Anell Custom Homes, Inc.	2	16,710.79	62	269.53	3,591.79	50	71.84	20,302.58	62	327.46
	Stabilus	3	15,532.00	18	862.89	0.00	18	0.00	15,532.00	18	862.89
	Thermoform Plastics	2	0.00	0	0.00	643.21	23	27.97	643.21	23	27.97

North Carolina [illegible]nity College System
New and Exp[illegible] Industry Training

Expenditure Report

JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
GUILFORD TECH											
	AETNA U. S. Healthcare	2	22,862.72	94	243.22	0.00	0	0.00	22,862.72	94	243.22
	Banner Pharmacaps, Inc.	4	0.00	0	0.00	1,100.00	55	20.00	1,100.00	55	20.00
	Bonset America Corp.	1	4,999.20	13	384.55	0.00	0	0.00	4,999.20	13	384.55
	Convatec (Bristol Meyers)	4	0.00	0	0.00	1,650.00	47	35.11	1,650.00	47	35.11
	Deluxe Financial Services	3	10,993.60	141	77.97	0.00	0	0.00	10,993.60	141	77.97
	Timco (Triad Int. Maint. Co.)	2	18,774.40	109	172.24	0.00	0	0.00	18,774.40	109	172.24
HALIFAX											
	Westpoint Stevens	2	9,177.60	24	382.40	999.48	0	N/A	10,177.08	24	424.05
HAYWOOD											
	Associated Packaging Ent.	2	0.00	0	0.00	127.65	16	7.98	127.65	16	7.98
	Dana/Echlin	1	11,154.04	58	192.31	0.00	0	0.00	11,154.04	58	192.31
MCDOWELL TECH											
	Dodge Marion	4	46,619.00	17	2,742.29	883.54	25	35.34	47,502.54	42	1,131.01
	Galey & Lord	2	0.00	0	0.00	2,205.00	36	61.25	2,205.00	36	61.25

North Carolina [illegible]nity College System
New and Exp[illegible] Industry Training

Expenditure Report

JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
	Spectrum Dyed Yarns, Inc.	2	39,796.80	45	884.37	0.00	0	0.00	39,796.80	45	884.37
MITCHELL											
	Cardinal FG (3)	1	0.00	0	0.00	10,336.06	0	N/A	10,336.06	0	N/A
	Goodyear Tire & Rubber		0.00	0	0.00	38,850.23	27	1,438.90	38,850.23	27	1,438.90
NASH											
	DIVX (Digital Video Express)	2	10,770.00	61	176.56	258.36	0	N/A	11,028.36	61	180.79
	Interstate Brands Corp.	2	3,716.00	15	247.73	0.00	15	0.00	3,716.00	15	247.73
	McLane Company, Inc.	3	7,350.00	147	50.00	2,531.46	18	140.64	9,881.46	165	59.89
PIEDMONT											
	Amerimark, Inc.	2	9,613.33	12	801.11	28.09	10	2.81	9,641.42	19	507.44
	Clairemont Electronics	2	0.00	0	0.00	6,875.44	65	105.78	6,875.44	65	105.78
	Eaton Corp.	4	2,766.67	17	162.75	0.00	0	0.00	2,766.67	17	162.75
PITT											
	NACCO Materials Handling	2	18,911.95	40	472.80	0.00	0	0.00	18,911.95	40	472.80

North Carolina [illegible]nity College System
New and Exp[illegible] Industry Training
Expenditure Report
JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
	North Carolina ASAHI (4)	4	0.00	19	0.00	-250.12	0	0.00	-250.12	19	N/A
RANDOLPH											
	Greenfield Industries	1	1,920.00	8	240.00	5,373.35	15	358.22	7,293.35	15	486.22
	The Timken Company	8	21,450.00	26	825.00	2,208.54	55	40.16	23,658.54	75	315.45
ROBESON											
	Kayser-Roth Corp.	1	18,936.00	85	222.78	0.00	0	0.00	18,936.00	85	222.78
	Quickie Manuf., Inc.	2	5,914.00	16	369.63	103.34	67	1.54	6,017.34	83	72.50
ROCKINGHAM											
	A C Furniture	2	7,950.00	30	265.00	0.00	0	0.00	7,950.00	30	265.00
	Liberty Embroidery, Inc.	2	14,080.00	58	242.76	0.00	0	0.00	14,080.00	58	242.76
	Mayo Yarns, Inc.	2	0.00	0	0.00	6,000.00	7	857.14	6,000.00	7	857.14
ROWAN-CABARRUS											
	Draftex, Inc. USA	3	54,112.00	270	200.41	46,681.10	438	106.58	100,793.10	540	186.65
	Freightliner	6	294,573.00	832	354.05	0.00	0	0.00	294,573.00	832	354.05

North Carolin[illegible]unity College System
New and Ex[illegible]g Industry Training

Expenditure Report

JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
SAMPSON											
	Schindler Elevator	2	7,867.50	52	151.30	0.00	0	0.00	7,867.50	52	151.30
SANDHILLS											
	Sentry Furniture Inds.	2	636.00	86	7.40	25,529.13	86	296.85	26,165.13	86	304.25
SOUTHEASTERN											
	Conflandey, Inc.	1	0.00	0	0.00	11,603.40	9	1,289.27	11,603.40	9	1,289.27
SOUTHWESTERN											
	Clearwood L.L.C.	2	0.00	0	0.00	12,587.77	17	740.46	12,587.77	23	547.29
STANLY											
	Fiber Composites Corp.	1	6,313.00	17	371.35	0.00	0	0.00	6,313.00	17	371.35
SURRY											
	The Timken Company (5)	1	0.00	0	0.00	87.25	0	N/A	87.25	0	N/A

North Carolina Community College System
New and Expanding Industry Training

Expenditure Report

JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
TRI-COUNTY											
	Blackhawk Industries (6)	1	0.00	55	0.00	276.75	0	N/A	276.75	55	5.03
VANCE-GRANVILLE											
	Corporate Express, Inc.	1	0.00	0	0.00	1,545.31	48	32.19	1,545.31	48	32.19
WAKE TECH											
	American Kennel Club	2	2,445.80	18	135.88	13,917.60	106	131.30	16,363.40	122	134.13
	John Deere Turf Care	3	0.00	0	0.00	18,060.00	32	564.38	18,060.00	32	564.38
	MCI Telecommunications	7	70,414.21	1,043	67.51	68,820.93	133	517.45	139,235.14	1,099	126.69
	Morton Metalcraft	2	28,160.00	6	4,693.33	35,638.00	22	1,619.91	63,798.00	26	2,453.77
	Perstorp Flooring	3	1,537.00	74	20.77	1,412.00	0	N/A	2,949.00	74	39.85
WESTERN PIEDMONT											
	Baker Furniture Co.	1	0.00	0	0.00	6,622.78	15	441.52	6,622.78	15	441.52
	Caterpillar	2	29,362.00	43	682.84	15,298.79	43	355.79	44,660.79	43	1,038.62

North Carolina [illegible]nity College System
New and Exp[illegible] Industry Training

Expenditure Report

JULY 1, 1998 - DECEMBER 31, 1998

Community College (1)	Company (2)	Years Funded (3)	Company Training Reimbursement Expenditures	Number Trained by Company Instructors (5)	Average Company Reimbursement Per Trainee	College Training Expenditures (7)	Number Trained by College Instructors (8)	Average College Cost Per Trainee	Total Expenditures	Total Trained by Company & College Instructors (11)	Average Total Cost Per Trainee
WILKES											
	Magnolia Mfg. (7)	1	0.00	0	0.00	26,176.77	0	N/A	26,176.77	0	N/A
	Oldham Co.	2	0.00	0	0.00	43,887.71	230	190.82	43,887.71	270	162.55
TOTALS		**247**	**$1,185,429.19**	6,193	$191.41	**$710,529.41**	**2,935**	$242.09	**$1,895,958.60**	7,440	$254.83

PROGRAM-RELATED EXPENDITURES

Media Development Office

Central Piedmont Community College $60,458.18

As specified in the New and Expanding Industry Training Guidelines, "Media development services, including videos and print media, may be provided at State expense if recommended by the Regional Economic Development Manager and approved by the Director of Economic Development. In addition, if authorized, the State may assist with offsetting a percentage of the expenses of developing and producing customized training manuals and computer-based training programs."

The NEIT program supports a Media Development Office at a local college to provide comprehensive media development services for NEIT projects. Located at Central Piedmont Community College, the Media Development Office supports the statewide new and expanding industry training projects through the production of video, print, and computer-based media training programs.

Equipment Warehouse

Forsyth Technical CC $13,311.96

As specified in the NEIT Guidelines, "The State may provide, install, and maintain at the training site, standard items of equipment normally associated with vocational-occupational training as available and typically used within the North Carolina Community College System." To facilitate in the temporary storage and transfer of equipment, the program currently utilizes an equipment warehouse in Kernersville that is leased by Forsyth Technical Community College for that purpose.

Asian Trade Mission

President's travel funds $6,607.50

President Lancaster's participation in the state-sponsored Asian Trade Mission was financed by NEIT program funds. During the mission, the President interacted with Asian business leaders and government officials to describe the community college programs and encourage investment in North Carolina.

Special Program Funds

As stated in amendment to Section 9.6. (a) G.S. 115D-5: "Of the funds appropriated to the Department of Community Colleges for the New and Expanding Industry Training (NEIT) Program, the Department of Community Colleges may use up to one hundred twenty-five thousand ($125,000) a year to monitor compliance with the North Carolina Community College System's New and Expanding Industry Training (NEIT) Program Guidelines. The Joint Legislative Education Oversight Committee shall review the expenditure of these funds."

Of the FY 98-99 NEIT program funds, the Department expended $46,571.58 under this provision to support the wages and expenses of one full-time and one part-time regional manager. In addition, funds were carried forward from the previous year to complete development of a Management Information System for computer-based reporting, record keeping, and budgeting. During the reporting period, $3,245 was expended for this purpose.

ADDENDUM

The report is footnoted to explain project expenditures that occurred when no trainees were reported for the report period.

NOTE: For those projects where college expenditures were incurred but all instruction was carried out by company employees, the college expenditures in almost all cases occurred in one of three categories: 1) instructional supplies and material costs, 2) travel costs, and 3) administrative allowance. As specified in the New and Expanding Industry Guidelines, "Colleges will receive 5 percent of the project costs as an administrative allowance, not to exceed $60,000 per project during any one fiscal year." Projects reporting fewer than 12 trainees for the report period are ongoing projects which have or will provide training for greater than 12 jobs over the project time frame (the minimum requirement for NEIT projects).

1. Edgecombe CC
Air Systems Components

Funds provided for this project supported job analysis and program development costs for training to occur subsequent to the reporting period.

2. Edgecombe CC
Glenoit

Funds provided for this project supported building renovations for a temporary training center where training was to occur. The company's hiring plans were halted during the renovation process and so no training was ever carried out.

3. Mitchell CC
Cardinal FG

Funds provided for this project supported job analysis and program development costs for training to occur subsequent to the reporting period.

4. **Pitt CC**
North Carolina ASAHI

A mistaken expenditure was made out of this project during this report period. The mistake was rectified through later program reimbursement. This is an ongoing training project in which training has occurred during this time period, and trainees have been registered, but no expenditures were booked during the report period.

5. **Surry CC**
The Timken Company

Expenditures for this project supported college-related travel for out-of-state presentations and potential program planning. Surry County remains a finalist for this project which has not yet been announced.

6. **Tri-County CC**
Blackhawk Industries

Expenditures for this period were for administrative costs associated with training to be conducted subsequent to the report period.

7. **Wilkes CC**
Magnolia Manufacturing

Funds provided for this project supported program development costs and supplies and materials purchases for training to occur subsequent to the reporting period.

North Carolina [illegible]nity College System
New and Exp[illegible] Industry Training
Project Completions
July 1, 1998 - December 31, 1998

Community College	Company	Start Date	Completion Date	Allocations	Expenditures	Positions Filled	Pre-Hire Training	Post-Hire Training	Trained by Company Instructors	Trained by College Instructors
BLUE RIDGE										
	Manual Woodworkers & Weavers	4/1/96	11/1/96	$12,000.00	$9,659.75	52	52	52	52	0
CENTRAL PIEDMONT										
	American Communications	6/1/98	6/30/98	$855.00	$855.00	0	0	0	0	0
	First Data Bankcard	Jul-97	Jun-98	0.00	0.00	252	252	252	252	0
	First Union	Jul-96	Jun-98	0.00	0.00	1,325	1,324	1,324.00	1,324	0
	Foamex	Jul-96	Dec-97	0.00	0.00	50	50	50	360	30
	Sea-Land	Feb-95	Dec-97	0.00	0.00	421	421	421	421	876
	Transco	Jul-96	Dec-97	0.00	0.00	24	24	24	24	13
CLEVELAND										
	Express Container	Oct-97	Jun-98	$15,624.00	$14,952.96	18	5	5	5	0
DURHAM										
	Bell and Howell	1/1/95	6/30/97	$477,405.33	$477,405.33	327	327	327	327	232
MCDOWELL										
	Baxter Healthcare	2/1/97	9/30/98	$188,643.00	$169,480.00	458	1,757	1,757	0	1,757

North Carolina [illegible]nity College System
New and Exp[illegible] Industry Training
Project Completions
July 1, 1998 - December 31, 1998

Community College	Company	Start Date	Completion Date	Allocations	Expenditures	Positions Filled	Pre-Hire Training	Post-Hire Training	Trained by Company Instructors	Trained by College Instructors
	Dodge Rockwell	Mar-96	10/1/98	$122,626.00	$111,574.00	160	215	215	118	215
	Galey and Lord	4/1/97	10/15/98	$67,381.00	$67,381.00	90	161	161	65	96
MITCHELL										
	LB Plastics	recalled 2/13/98		$5,329.00	0.00	0	0	0	0	0
ROBESON										
	Campbell Soup Company	10/1/97	12/15/97	$14,456.00	$10,591.00	34	34	34	34	34
SOUTHEASTERN										
	Amerimark	1994	6/26/98	0.00	$4,671.28	not available	84	84	52	64
	Haworth	6/23/97	8/13/97	$4,295.00	$2,351.00	90	0	0	0	61
	International Paper	2/5/96	2/26/98	$8,000.00	$7,878.29	60	126	126	0	126
	Sumitomo Electric	9/10/96	4/11/98	$36,695.00	$36,695.00	50	191	191	161	30
WAKE TECH										
	Mallinckrodt	7/1/95	9/8/97	$10,495.00	$10,495.00	87	87	87	87	0
TOTALS				$963,804.33	$923,989.61	3498	5110	5110	3282	3,534

North Carolina Community College System

State Board of Community Colleges
Division of Business and Finance
Division of Academic and Student Services

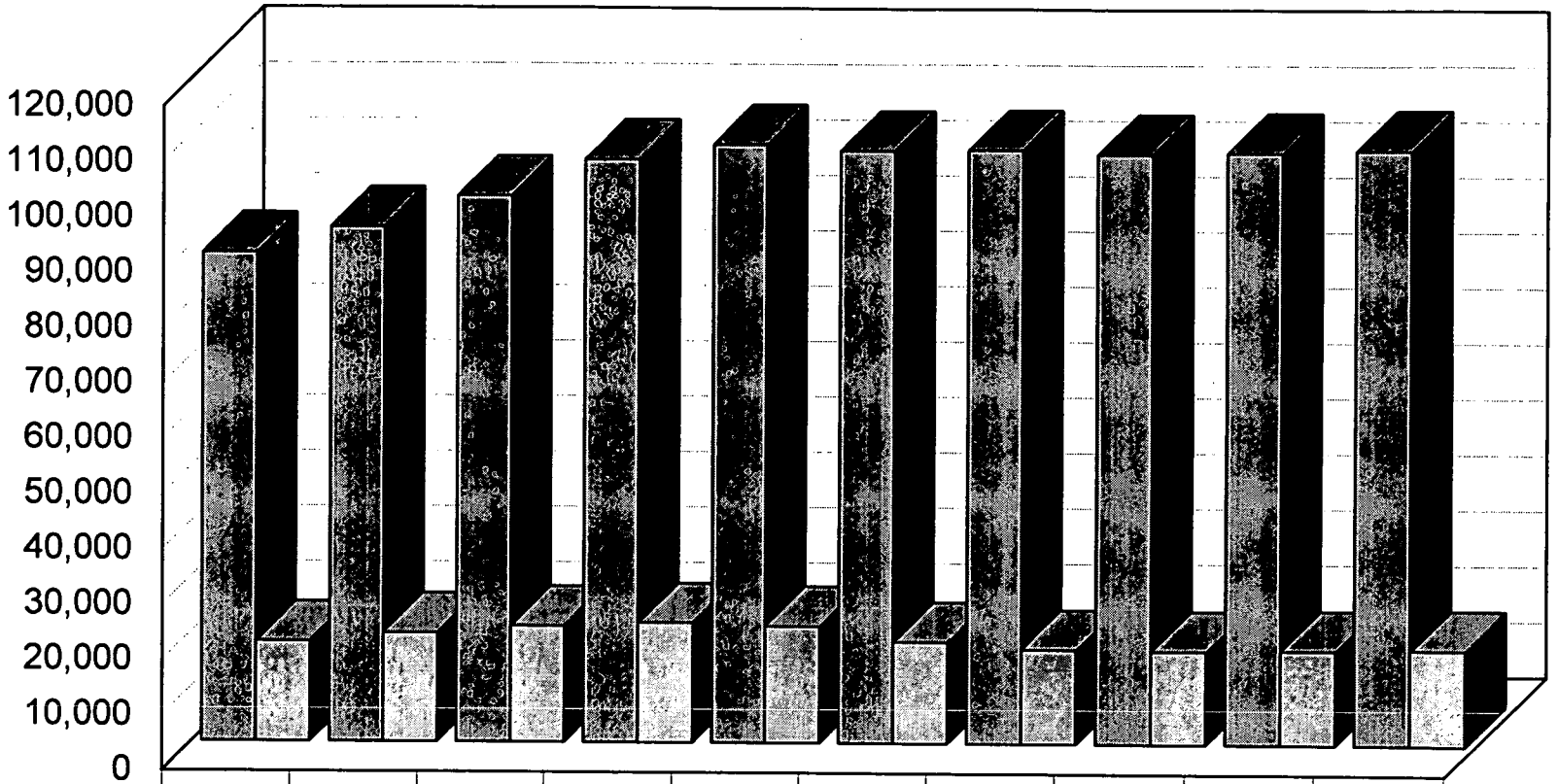
Presentation to the

North Carolina General Assembly
Joint Education Appropriations Sub-Committee

March 1999

ATTACHMENT 3

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BUDGET FTE

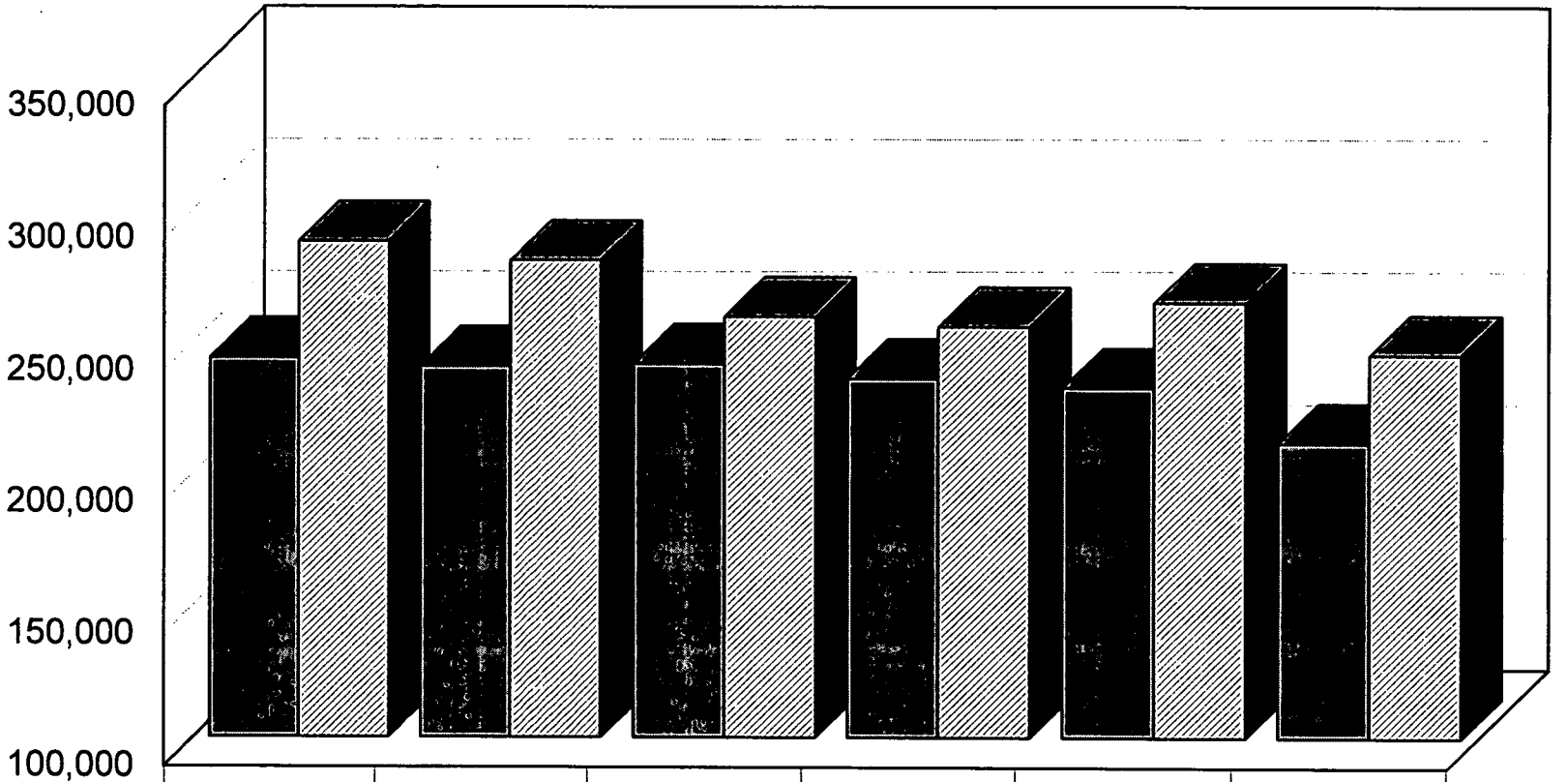


	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999
CURRICULUM	88,408	93,052	98,703	105,300	108,040	106,969	107,213	106,462	106,822	107,321
CONTINUING EDUCATION	18,140	19,702	21,012	21,583	21,067	18,312	17,021	16,829	16,998	17,214

CURRICULUM CONTINUING EDUCATION

dt 2-26-99

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
CONTINUING EDUCATION HEADCOUNT VERSUS CURRICULUM HEADCOUNT

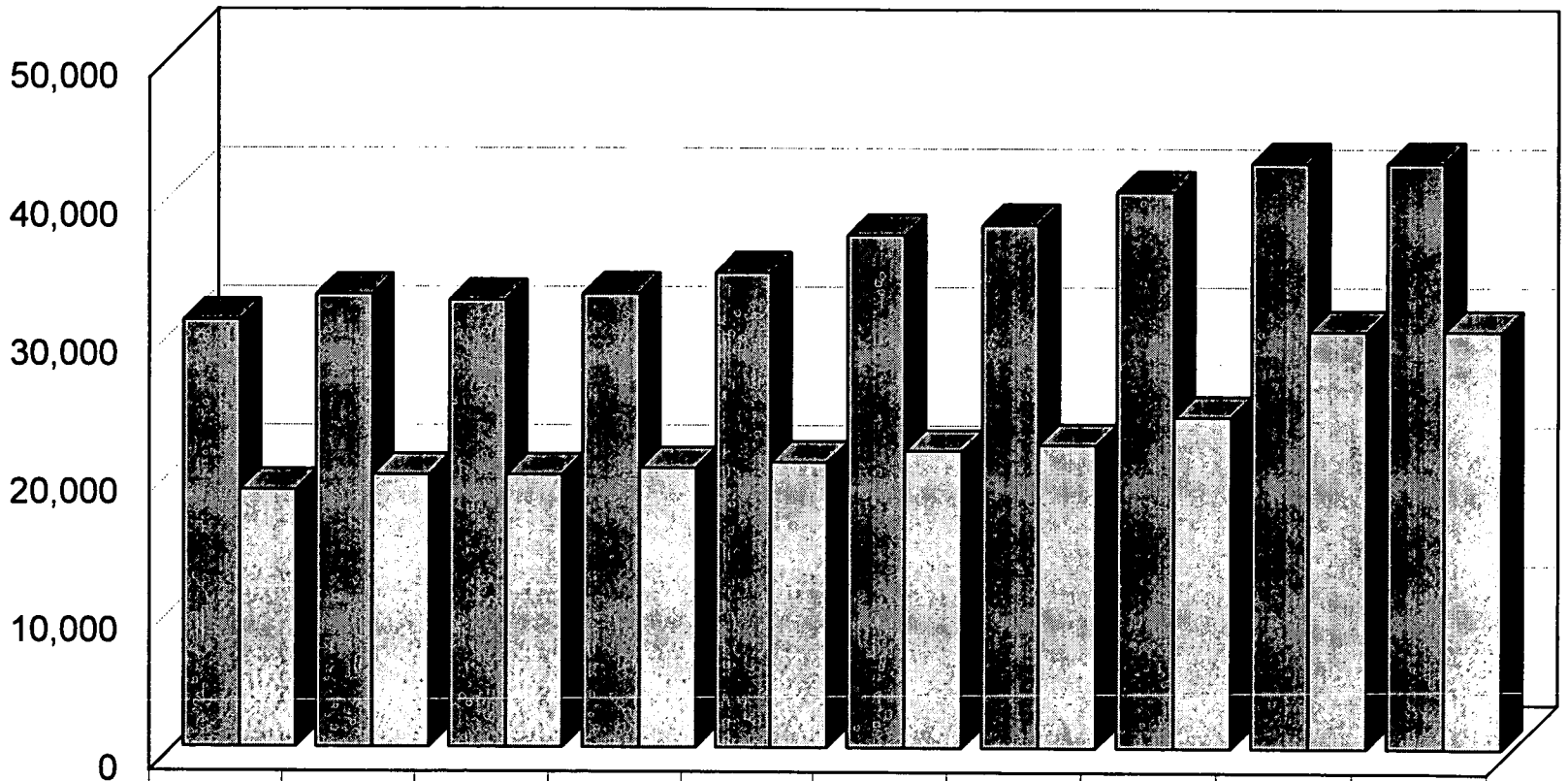


	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
CURRICULUM	243,714	240,479	241,392	235,793	232,316	211,440
CONTINUING EDUCATION	287,719	280,511	259,210	255,457	264,444	244,761

CURRICULUM CONTINUING EDUCATION

dt 2-26-99

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
UNIT VALUE FUNDING



	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999
CURRICULUM	30,842	32,693	32,274	32,753	34,262	37,000	37,740	40,119	42,201	42,201
CONTINUING EDUCATION	18,564	19,678	19,678	20,157	20,604	21,428	21,857	23,876	30,069	30,069

CURRICULUM CONTINUING EDUCATION

DT 2-26-99

CONTINUING EDUCATION

Actual Uses of $10 Million Additional Funding

- Conducted business and industry need's assessment/labor market analysis for new unmet training needs.

  Major Areas Emphasized:

  - Team Building Skills
  - Preparation for ISO Certification
  - Computer and Technology Skills
  - Professional trade association's certification and licensing
  - Developed and implemented Work First Training Program - "Pathways to Employment"

- Employed and shared full-time personnel with curriculum programs to deliver continuing education programs, facilitated the transition of Continuing Education students who continued their education in curriculum programs.

- Utilized funds to procure the best continuing education instructors available for quality training.

- Employed full-time instructional personnel to allow more flexible delivery/development of customized courses for business/industry, and for delivery/development of instructional materials across broad subject areas.

- Upgraded continuing education software -- specifically state-of-the-art software for computer training courses.

- Upgraded continuing education instructional equipment to enhance course offerings.

- Provided continuing education training in small classes previously too expensive to offer; e.g., OSHA training.

- Increased offerings to meet workforce development needs identified by various councils and commissions as special economic development initiatives.

- Enhanced marketing of continuing education offerings to business, industry, trade, and other key associations.

- Enhanced cooperative course development/delivery initiatives with Small Business Centers and Focused Industrial Training Coordinators.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
OCCUPATIONAL BUDGET AND EXPENDITURE SUMMARY
PERIOD ENDING: 06/30/98

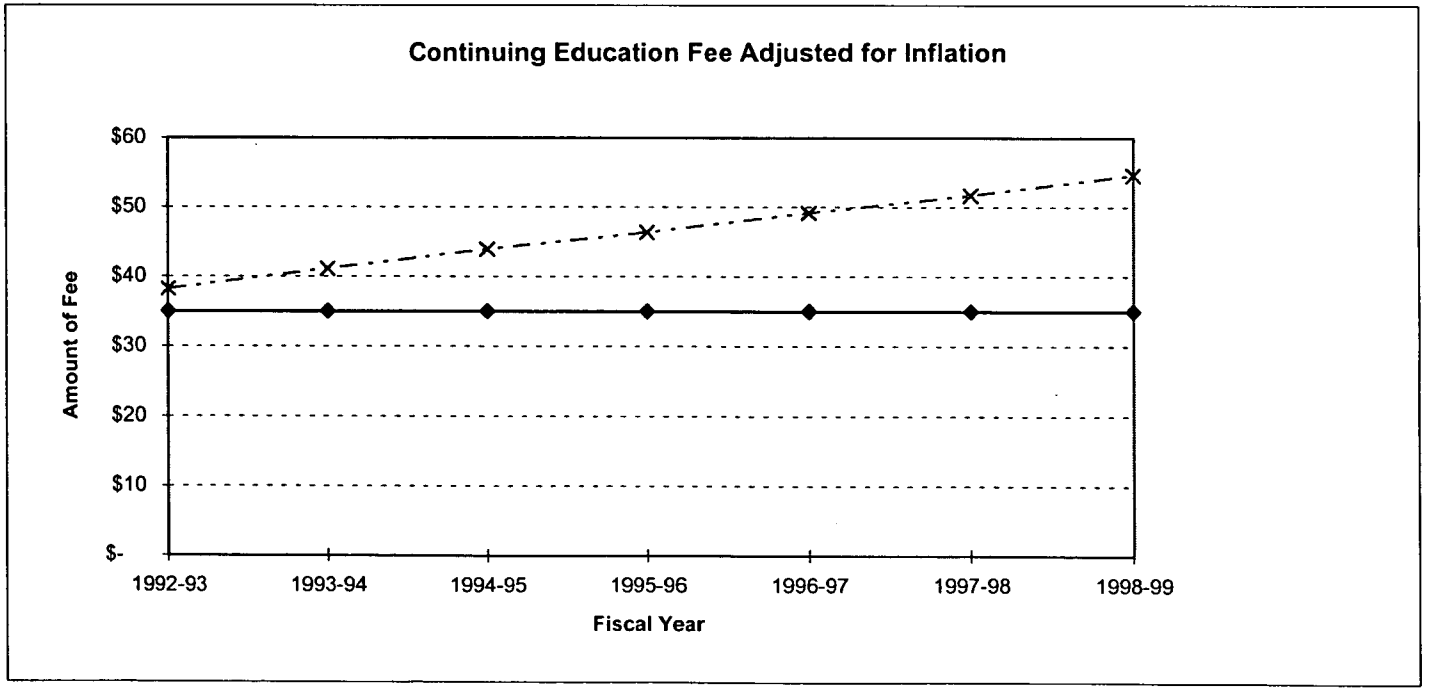
COMMUNITY COLLEGES	TOTAL BEGINNING OCCUPATIONAL FORMULA BUDGETS	NET TRANSFERS & ADJUSTMENTS OCCUPATIONAL CURRENT OPERATING	OCCUPATIONAL BUDGET ENDING 06/98 CURRENT OPERATING	ACTUAL FORMULA OCCUPATIONAL EXPENDITURES CURRENT OPERATING	TRANSFERS TO OCCUPATIONAL EDUCATIONAL EQUIPMENT	ACTUAL OCCUPATIONAL EQUIPMENT EXPENDITURES 6/30/98
ALAMANCE CC	$397,010	$472,018	$869,028	$905,585.42	$0.00	$0.00
ANSON CC	176,877	17,213	194,090	204,403.11	15,000	15,000.00
ASHEVILLE-BUNCOMBE TCC	794,133	(28,502)	765,631	778,011.53	50,049	49,139.68
BEAUFORT COUNTY CC	490,500	(25,369)	465,131	505,707.28	25,369	25,312.79
BLADEN CC	116,765	(23,851)	92,914	115,128.68	18,000	17,901.44
BLUE RIDGE CC	640,642	(60,264)	580,378	575,051.67	60,264	52,705.07
BRUNSWICK CC	270,311	(47,044)	223,267	246,097.48	24,750	21,306.50
CALDWELL CC & TI	550,502	(129,869)	420,633	429,075.24	120,542	120,220.38
CAPE FEAR CC	703,992	(92,443)	611,549	552,950.74	111,599	105,456.82
CARTERET CC	246,925	(60,925)	186,000	202,520.58	6,000	0.00
CATAWBA VALLEY CC	597,218	(52,992)	544,226	453,712.87	-	0.00
CENTRAL CAROLINA CC	550,502	99,094	649,596	591,053.73	-	494.57
CENTRAL PIEDMONT CC	1,437,855	408,660	1,846,515	1,930,156.22	324,194	338,724.67
CLEVELAND CC	280,246	(102,982)	177,264	133,276.74	102,982	102,981.49
COASTAL CAROLINA CC	1,038,325	(125,525)	912,800	944,494.46	145,074	136,840.71
COLLEGE OF ALBEMARLE	326,963	(38,651)	288,312	293,013.69	-	0.00
CRAVEN CC	590,576	(20,564)	570,012	520,720.11	-	0.00
DAVIDSON COUNTY CC	737,369	12,679	750,048	582,316.92	-	0.00
DURHAM TCC	593,925	(94,349)	499,576	472,146.59	-	0.00
EDGECOMBE CC	150,142	51,194	201,336	223,584.21	-	0.00
FAYETTEVILLE TCC	3,637,115	(353,149)	3,283,966	3,496,725.48	262,149	351,037.14
FORSYTH TCC	1,196,172	59,066	1,255,238	1,286,607.20	-	0.00
GASTON COLLEGE	433,793	119,578	553,371	540,980.22	-	0.00
GUILFORD COLLEGE	1,212,973	(132,499)	1,080,474	1,188,510.07	174,524	174,523.63
HALIFAX CC	330,368	(25,074)	305,294	249,143.36	30,797	30,222.70
HAYWOOD CC	210,199	67,272	277,471	229,728.37	12,510	11,311.40
ISOTHERMAL CC	220,189	1,031	221,220	180,774.26	9,685	9,435.27
JAMES SPRUNT CC	163,537	(19,459)	144,078	82,783.53	24,027	24,026.31
JOHNSTON CC	370,331	(17,964)	352,367	385,119.80	62,908	56,833.68
LENOIR CC	513,831	4,490	518,321	526,017.87	24,233	11,439.12
MARTIN CC	233,585	5,078	238,663	261,566.24	-	0.00
MAYLAND CC	367,038	(36,499)	330,539	351,698.51	60,000	60,420.00
MCDOWELL TCC	150,142	43,761	193,903	125,365.02	-	0.00
MITCHELL CC	370,331	(24,842)	345,489	319,170.06	24,842	24,842.00
MONTGOMERY CC	130,160	9,102	139,262	152,210.03	-	0.00
NASH CC	403,708	(1,539)	402,169	349,774.39	1,539	1,539.00
PAMLICO CC	53,358	33,072	86,430	50,219.52	-	0.00
PIEDMONT CC	130,104	863	130,967	93,739.78	1,248	1,248.00
PITT CC	380,378	210,928	591,306	584,124.76	-	9,653.92
RANDOLPH CC	580,586	20,557	601,143	607,232.50	-	0.00
RICHMOND CC	370,387	8,000	378,387	344,088.79	-	0.00
ROANOKE CHOWAN CC	93,378	(2,024)	91,354	101,642.84	5,000	3,053.00
ROBESON CC	557,255	(16,276)	540,979	431,447.46	48,291	37,141.00
ROCKINGHAM CC	370,331	77,266	447,597	429,595.33	-	0.00
ROWAN-CABARRUS CC	824,161	28,719	852,880	880,559.71	-	0.00
SAMPSON CC	220,189	45,222	265,411	284,988.74	-	0.00
SANDHILLS CC	597,274	61,622	658,896	690,924.29	35,000	37,103.50
SOUTHEASTERN CC	270,255	52,473	322,728	386,776.21	-	0.00
SOUTHWESTERN CC	613,963	(7,100)	606,863	547,009.15	191,798	209,816.99
STANLY CC	377,085	(6,000)	371,085	341,706.34	6,000	5,465.88
SURRY CC	690,652	(8,600)	682,052	634,810.67	8,600	8,576.85
TRI COUNTY CC	153,434	8,366	161,800	186,402.12	-	0.00
VANCE-GRANVILLE CC	583,935	196,565	780,500	796,219.29	21,311	21,310.61
WAKE TCC	1,427,752	95,740	1,523,492	1,603,320.22	-	0.00
WAYNE CC	623,953	13,711	637,664	693,118.49	-	0.00
WESTERN PIEDMONT CC	306,926	(13,999)	292,927	262,295.60	19,412	1,368.46
WILKES CC	613,963	67,629	681,592	625,567.83	6,002	6,002.14
WILSON TCC	510,538	(59,799)	450,739	295,872.32	81,762	74,843.76
TOTAL	$30,984,107	$662,816	$31,646,923	$31,256,843.67	$2,115,461	$2,157,298.48
	(A)	(B)		(C)	(D)	(E)

A: Includes: Salary & fringe; other costs which include travel,instructional supplies, subscriptions, equipment rental and repair.
B: Transfers in and out of salary & fringe and other costs; additional fees, audit exception reduction.
C: Expenditure period ending June 30, 1998
D: INFORMATION ONLY. Actual adjustments are shown in column B.
E: INFORMATION ONLY. Expenditure period ending June 30, 1998.

Continuing Education Fee History

Fee in Today's Dollars if Adjusted for Inflation

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Continuing Education Fee History	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35
Tuition Rate Adjusted for Inflation							
Adjusted Tuition Rate	$ 38.22	$ 41.09	$ 43.92	$ 46.34	$ 49.16	$ 51.67	$ 54.56
{Source: Higher Education Price Index}							
Average Increase in Student Tuition							
Rate	9.2%	7.5%	6.9%	5.5%	6.1%	5.1%	5.6%

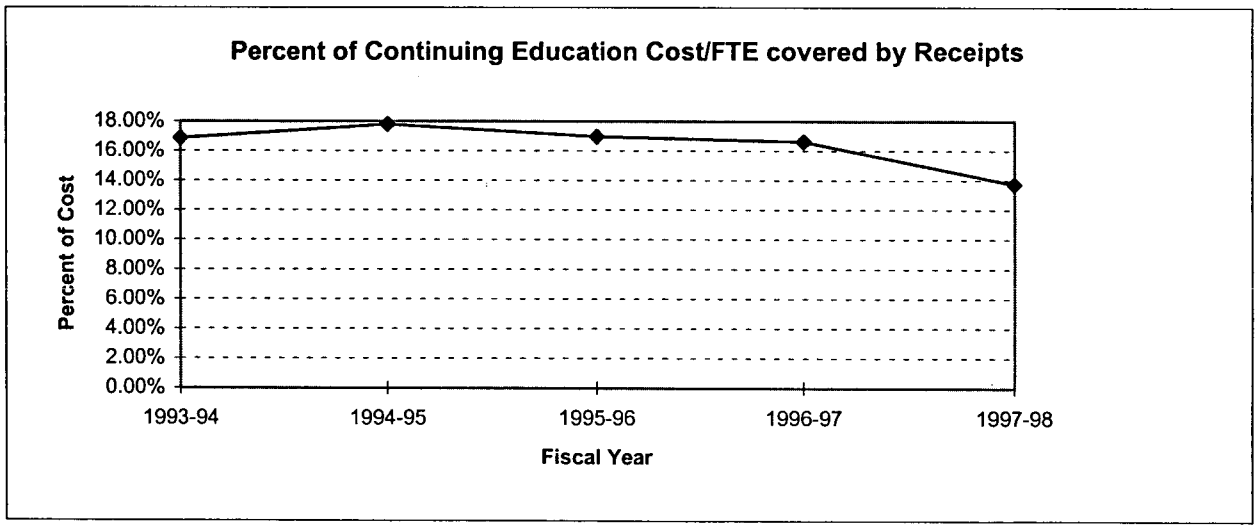


f:\1999-01\Appcond2
Bus Fin\KDB
6-99

Continuing Education Instruction
The Percent of the Cost of Instruction Covered By Receipts

	1993-94	1994-95	1995-96	1996-97	1997-98
Total Requirements Per FTE	$ 2,349.00	$ 2,389.00	$ 2,517.00	$ 2,606.00	$ 3,254.00
Total Receipts Per FTE	$ 396.00	$ 425.00	$ 427.00	$ 433.00	$ 447.00

	1993-94	1994-95	1995-96	1996-97	1997-98
Percent of Requirements Covered by Receipts	16.86%	17.79%	16.96%	16.62%	13.74%



f:\1999-01\appcond
Bus Fin\KDB
2-99

Continuing Education Instruction
Options for Increasing the Continuing Education Fee

			Current Basis		Option A Flat $5 Increase		Option B Sliding Scale: $5		Option C 2-Step Scale: $5	
Course Length	# of Students	% of Total Enrollmnent	Fee	Receipts Generated	Fee	Receipts Generated	Fee	Receipts Generated	Fee	Receipts Generated
0 to 10 Hours	159,076	43.2%	$ 35	$ 5,567,660	$ 40	$ 6,363,040	$ 40	$ 6,363,040	$ 40	$ 6,363,040
11 to 20 Hours	81,113	22.0%	$ 35	$ 2,838,955	$ 40	$ 3,244,520	$ 45	$ 3,650,085	$ 40	$ 3,244,520
21 to 30 hours	54,441	14.8%	$ 35	$ 1,905,435	$ 40	$ 2,177,640	$ 50	$ 2,722,050	$ 45	$ 2,449,845
31 > 500 Hours	73,610	20.0%	$ 35	$ 2,576,350	$ 40	$ 2,944,400	$ 55	$ 4,048,550	$ 45	$ 3,312,450
Percent Range of Increase					14.30%		14.3% to 57.1%		14.3% to 28.6%	
Sub-Totals	368,240			**$ 12,888,400**		**$ 14,729,600**		**$ 16,783,725**		**$ 15,369,855**
Gross Receipts Increase						**$ 1,841,200**		**$ 3,895,325**		**$ 2,481,455**
<Less Uncollectable> at 20%						**$ (368,240)**		**$ (779,065)**		**$ (496,291)**
Net Increase						**$ 1,472,960**		**$ 3,116,260**		**$ 1,985,164**

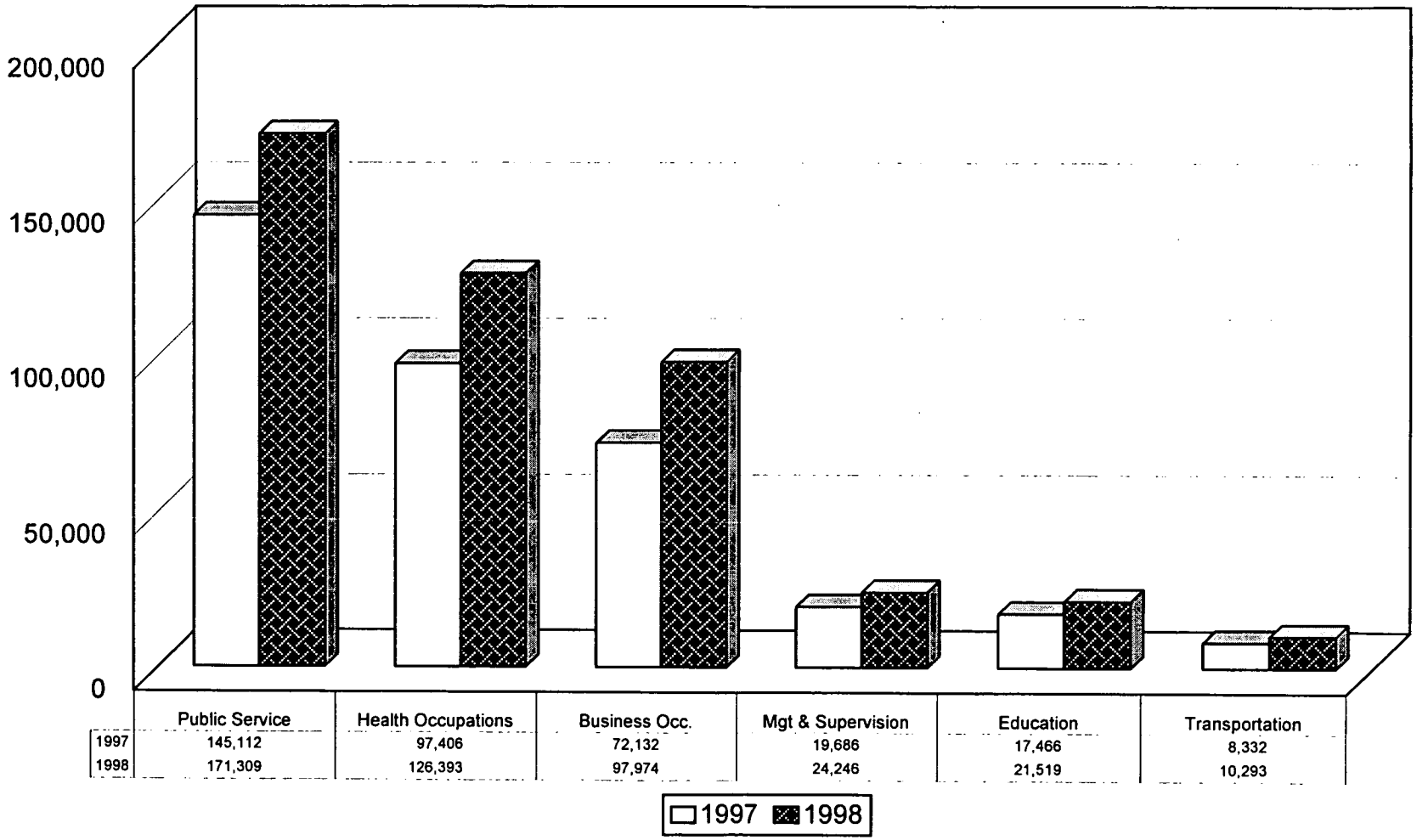
f:1999-01\occfee
Bus Fin\KDB
[illegible]5-99

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Occupational Continuing Education

Enrollment Growth Data for Select Occupational Skill Training Areas

Duplicated Headcount



	Public Service	Health Occupations	Business Occ.	Mgt & Supervision	Education	Transportation
1997	145,112	97,406	72,132	19,686	17,466	8,332
1998	171,309	126,393	97,974	24,246	21,519	10,293

Special Report CC539-3, Spring, Summer, Fall 1997
Special Report CC539-3, Spring, Summer, Fall 1998

VISITOR REGISTRATION SHEET

~~8:30AM~~ 2:30PM

APPROPRIATIONS Subcommittee on Education — March 9, 1999

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Larry Morgan	Community Colleges
Kennon Briggs	"
Jan Hopkins	"
[illegible]	"
[illegible]	"
Barry Russell	"
Kristie Huneycutt	"
Ann Bulam	SBE
[illegible]	State Planning
Hal Miller	NCACCT
Janet Pilland	OSBM
[illegible]	"
Maurice Liz	"
Elizabeth Groenstein	"
Suzanne Williams	NCCCS
[illegible]	OSBM
Leanne Winner	NCSBA
Amy Van Oostrum	PENC
[illegible]	UDC GA
[illegible]	Gov's office
Karen Gaul	Gov's Office

Joint Appropriations Subcommittee
On Education/Higher Education

March 10, 1999
2:30 p.m.
Presiding- Representative Boyd-McIntyre

Call to Order	Chair
Overview of UNC Budget Trends Scope Sources of Funds Changes	Jim Newlin Fiscal Research Div.

MINUTES

JOINT HOUSE AND SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

March 10, 1999

The Joint House and Senate Appropriations Subcommittee on Education met on Wednesday, March 10, 1999, at 2:30 p.m. in Room 421 in the Legislative Office Building. Representative Boyd-McIntyre, presiding chair, called the meeting to order. Five Senators and the following listed House members were present: Representatives Boyd-McIntyre and Rogers, committee chairs; and Representatives Bonner, Gardner, Gillispie, Insko, Preston, Moore, Smith and Teague.

Representative Boyd-McIntyre introduced the following Pages who served at today's meeting. They are: Zack Green from Wake County sponsored by Senator Eric Reeves; Shara Tomlinson from Wake County sponsored by Speaker Black; and Charles Warren from Wake County sponsored by Representative Ellis.

The committee began its review of the budget for higher education. Jim Newlin, fiscal analysts for the committee, was recognized for an overview of the UNC Budget, its trends, scope, sources of funds and changes. He told the committee that the total UNC budget was approaching $4 billion and that the General Assembly looks at about one half of the budget in the general fund budget cuts. Approximately 40 percent of the overall UNC budget come from tax dollar appropriations. There are over 30 thousand employees in the system.. About 55 percent of the core operations are from general fund tax dollars. The budget pays for everything from classroom instructions to parking regulations. The purpose of today's presentation was to look at the overall perspective of the UNC budget in preparation for the committee's work over the next ten days as it looks at the smaller pieces of the budget. Mr. Newlin referred to the documents in the committee notebooks behind the tab entitled "Universities"

Included in the UNC budget funded from the general fund are the 16 campuses, the Agricultural Research and Extension Services at North State University and North Carolina A&T Universities, UNC hospitals which operate as an enterprise fund, the School of Science and Math, related education programs and UNC Television.

The joint meeting adjourned at 3:45 p.m. to reconvene the following day at 8:30 a.m.

Anne Cole

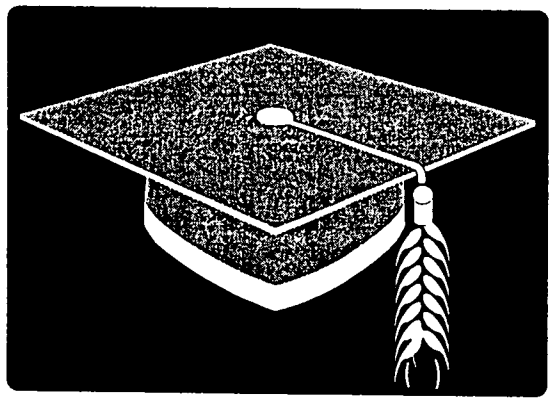
Representative Boyd-McIntyre
Presiding Chair

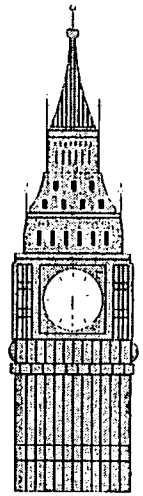
Anne Cole
Acting Committee Assistant

Attachment:
Visitor Registration Sheet

UNIVERSITY OF NORTH CAROLINA

Selected Trends





Prepared for the Joint Appropriations Subcommittee on Education
March 10,1999

Fiscal Research Division

ATTACHMENT 1

Article IX of the Constitution of the State

Sec. 8. **Higher education.** The General Assembly shall maintain a public system of higher education, comprising The University of North Carolina and such other institutions of higher education as the General Assembly may deem wise . The General Assembly shall provide for the selection of trustees of The University of North Carolina and of the other institutions of higher education, in whom shall be vested all the privileges, rights, franchises, and endowments heretofore granted to or conferred upon the trustees of these institutions. The General Assembly may enact laws necessary and expedient for the maintenance and management of The University of North Carolina and the other public institutions of higher education.

Sec. 9. **Benefits of public institutions of higher education.** The General Assembly shall provide that the benefits of The University of North Carolina and other public institutions of higher education, as far as practicable, be extended to the people of the State free of expense.

Statement of Mission

The University of North Carolina is a public, multi-campus university dedicated to the service of North Carolina and its people. It encompasses the 16 diverse constituent institutions and other educational, research, and public service organizations. Each shares in the overall mission of the University. That mission is to discover, create, transmit, and apply knowledge to address the needs of individuals and society. This mission is accomplished through instruction, which communicates the knowledge and values and imparts the skills necessary for individuals to lead responsible, productive, and personally satisfying lives; through research, scholarship, and creative activities, which advance knowledge and enhance the educational process; and through public service, which contributes to the solution of societal problems and enriches the quality of life in the State. In the fulfillment of this mission, the University shall seek an efficient use of available resources to ensure the highest quality in its service to the citizens of the State.

Teaching and learning constitute the primary service that the University renders to society. Teaching, or instruction, is the primary responsibility of each of the constituent institutions. The relative importance of research and public service, which enhance teaching and learning, varies among the constituent institutions, depending on their overall missions.

C. Strategic Directions for the Planning Period 1998-2003

The Board of Governors has selected six interrelated strategic directions to pursue in the fulfillment of its mission during this planning period. In order to provide continuity in the University's planning and budgeting activities, these six strategic directions are the same as those presented in the previous long-range plan adopted by the Board of Governors in November, 1996, although specific strategies have been added or updated as appropriate to reflect recent progress and new activities. Those implementation strategies that will have outcome measures associated with the State's Performance/Program Budget system are marked with an asterisk.

1. Expand access to higher education for both traditional and nontraditional students through:

- continuation of efforts to keep costs of tuition and fees low in order to maintain or increase the percentage of North Carolina high school graduates who attend a UNC institution; maintain or increase the UNC transfer rates of North Carolina community college students; increase the enrollment of undergraduates 25 and older; and increase credit hours produced, and degrees conferred, by UNC institutions*

- continued attention to the adequacy and effectiveness of need-based aid for undergraduates, including the monitoring of increases in tuition and fees and student debt levels, the establishment of a database on student financial aid, and development of an "Early Awareness Program" for middle school students and their parents

- State funding for degree-credit instruction offered off-campus (whether delivered through traditional methods or through distance education) and in the summer at levels comparable to that provided for regular term on-campus instruction in order to extend the benefits of regular term low tuition to students electing these forms of instruction

- continued efforts to increase minority participation on every campus through implementation of recommendations adopted in the revised Program for Further Increases in Minority Presence Enrollment (1995-2000)

- uniform policies for the transfer of credit from community colleges to constituent institutions to maintain or increase the UNC transfer rates of North Carolina community college students*

- more efficient use of space on campus to enable institutions to accommodate more students

- expanded summer school enrollment to facilitate more timely degree completion

- expansion of off-campus instruction sites and distance education courses and programs to enhance outreach to nontraditional, place-bound, and time-bound students

- development of electronic information systems on transfer, off-campus, and distance education opportunities, policies, courses, and programs

- improved services to facilitate enrollment and support the educational experiences of off-campus and distance education students

- resolution of administrative issues related to exchange of courses among constituent institutions via distance learning technologies (e.g., allocation of credits, FTEs, and expenses; dual enrollment; collaborative degrees; etc.)

- increased collaboration among constituent institutions and with other education sectors in facilitating access for all North Carolinians to the state's educational resources (e.g., exchange of distance learning courses, establishment of a North Carolina virtual library [NC-LIVE], etc.)

2. Preserve and heighten the excellence and competitiveness of the University of North Carolina through:

- competitive salaries and Distinguished Professorship Endowments to recruit and retain outstanding faculty

- strengthening of libraries through implementation of measures recommended by the comprehensive study of UNC libraries

- maintenance of exemplary graduate and professional programs, including attracting the best graduate assistants by offering competitive compensation

- continued discovery and dissemination of basic and applied research

- continued growth in the amount of external funding for research and creative activities*

- public service and knowledge transfer that enhance the quality of life of North Carolina citizens.

3. Improve the quality of education on-campus and off-campus through:

- continuing focus on the delivery of effective instruction as reflected in measures such as students' rating of the overall quality of instruction* and peer-review of teaching

- recognition and reward of outstanding teaching

- centers for teaching and learning on each campus

- strengthening of undergraduates' academic skill development*

- preparation of baccalaureate graduates to be successful in post graduate studies and/or in the workplace*

- preparation of successful graduate and professional students*

- satisfactory access to library resources and services*, both traditional and technology based (including NC-LIVE)

- satisfactory access to information technology resources and services and to laboratory resources*

- academic advising and other academic support services that enable students to maximize their educational opportunities and to graduate on a timely schedule*
- student services that foster student development*
- strengthening of academic programs through regular University-wide and institutional academic program review
- enhancement of international education opportunities (e.g. UNC-Exchange Program, study abroad, collaborative research, international outreach projects)
- initiation of systematic review of the performance of tenured faculty.

4. Identify and implement the most promising applications of technology in support of:

- more effective teaching, learning, and research
- improved student - teacher and student - student interaction
- ready access to worldwide sources of information
- development of graduates able to use technology effectively
- delivery of instruction and academic and student support services to place-bound and time-bound students
- delivery of instruction and continuing education to the workplace
- efficient and user-friendly administrative services*
- sponsored programs and collaborative research (e.g. searchable databases on faculty expertise, scientific equipment, sponsored projects, funding opportunities, centers and institutes).

5. Promote increased efficiency and effectiveness in the use of University resources through:

- a revised funding model and funding equity
- implementation of a revised process for determining capital improvements priorities, including the development of space standards
- a study of the relative equity and adequacy of the physical facilities at the constituent institutions, including recommendations to rectify any inequities or inadequacies found in the study
- increased delegations of authority to the constituent institutions in the areas of capital construction administration, purchasing benchmarks for on-campus procurement, and personnel administration
- consideration of the potential of incentive funding
- continued use of flexibility funding and related integrity of financial operations

- complete phase-out of reversion rates and overhead receipts offset to the General Fund
- taking advantage of a recent financial challenge to obtain private matching funds to establish distinguished professorships
- increased linkage between planning and budgeting for both current operations and capital improvements
- refinement of expected outcomes, objectives, and measures for the State's Performance/Program Budget (P/PB) system
- improvement in the ability of the General Administration to collect, process, and analyze university-wide data for accountability and assessment
- a study of tuition levels, other charges, and costs of graduate and professional education
- the biennial review of academic degree program productivity
- dissemination of information about teaching workloads and development of teaching workload standards
- implementation of the phased retirement policy for faculty
- study, in conjunction with the Joint Legislative Education Oversight Committee, of the role, funding, personnel resources, programs, and other aspects of the Cooperative Extension Services
- study of opportunities for privatization of certain support services
- study of the span of control for institutional non-academic and administrative support personnel.

6. Continue to propose and support initiatives to serve the needs of the State's public schools, such as:

- the North Carolina Center for the Prevention of School Violence, the Center for School Leadership Development, the Principals' Executive Program, the North Carolina Teacher Academy, the North Carolina Center for the Advancement of Teaching, and the Math-Science Education Network
- opportunities for academic enrichment for students in grades K-12, such as Summer Ventures and the Math-Science Pre-College Program
- cooperation with the public schools to reduce the need for remedial education through initiatives such as the Early Math Placement Testing Program
- assistance to public schools in preparing teachers to offer Advanced Placement courses in the public schools
- direct services by constituent institutions to the public schools, particularly those with low performance

- assistance to the schools in the use of new teaching technologies
- development of a statewide network of university-school teacher preparation partnerships
- creation of a committee structure to align all University outreach programs with the education goals of the State, under the umbrella of the Center for School Leadership Development
- revision of master's of education degree programs to require a more rigorous course of study, including concentration in the academic content areas to be taught, as prescribed by the Excellent Schools Act
- strengthening of second major requirement in teacher preparation programs
- an annual performance report from schools of education
- participation as a member of an advisory committee to the State Board of Education for the study of lateral entry
- school administrator and teacher preparation programs and by promoting the collaboration of local school officials, local law enforcement officials, and local court officials on addressing issues of school safety in school safety.

UNC Budget Process

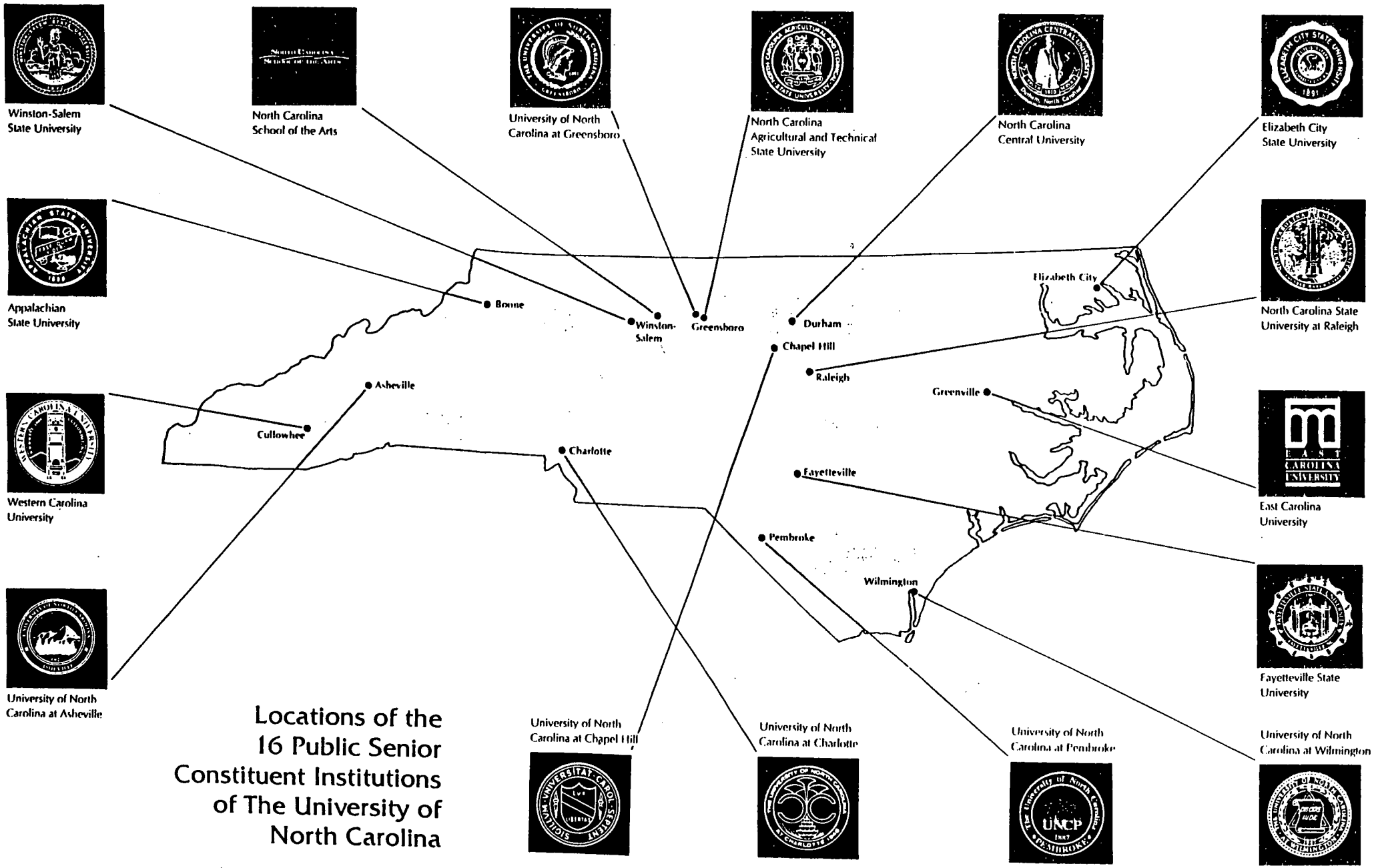
- Unified Budget Request prepared by UNC Board of Governors
  - Presented to Governor and General Assembly
- Continuation Budget
  - Appropriated to each campus or budget code
- Salary Increases for faculty and other EPA Employees
  - Appropriated to Board of Governors
- Expansion Requests
  - Operating
    - Requested by Board in a series of priority categories including enrollment increases, new or expanded programs, and other improvements
    - Appropriated to Board as lump sum
    - Distributed by Board to campuses based on Schedule of Priorities and directives in the Appropriations Bill
- Capital Improvements
  - Requested by Board in priority order by category of projects
  - Capital Needs Study report to General Assembly due April 15, 1999
  - Projects under each category are listed by campus
  - Board is developing space standards to provide more data for making decisions on priorities.
  - Appropriated to Board, usually with specific projects identified

UNC Budget Elements

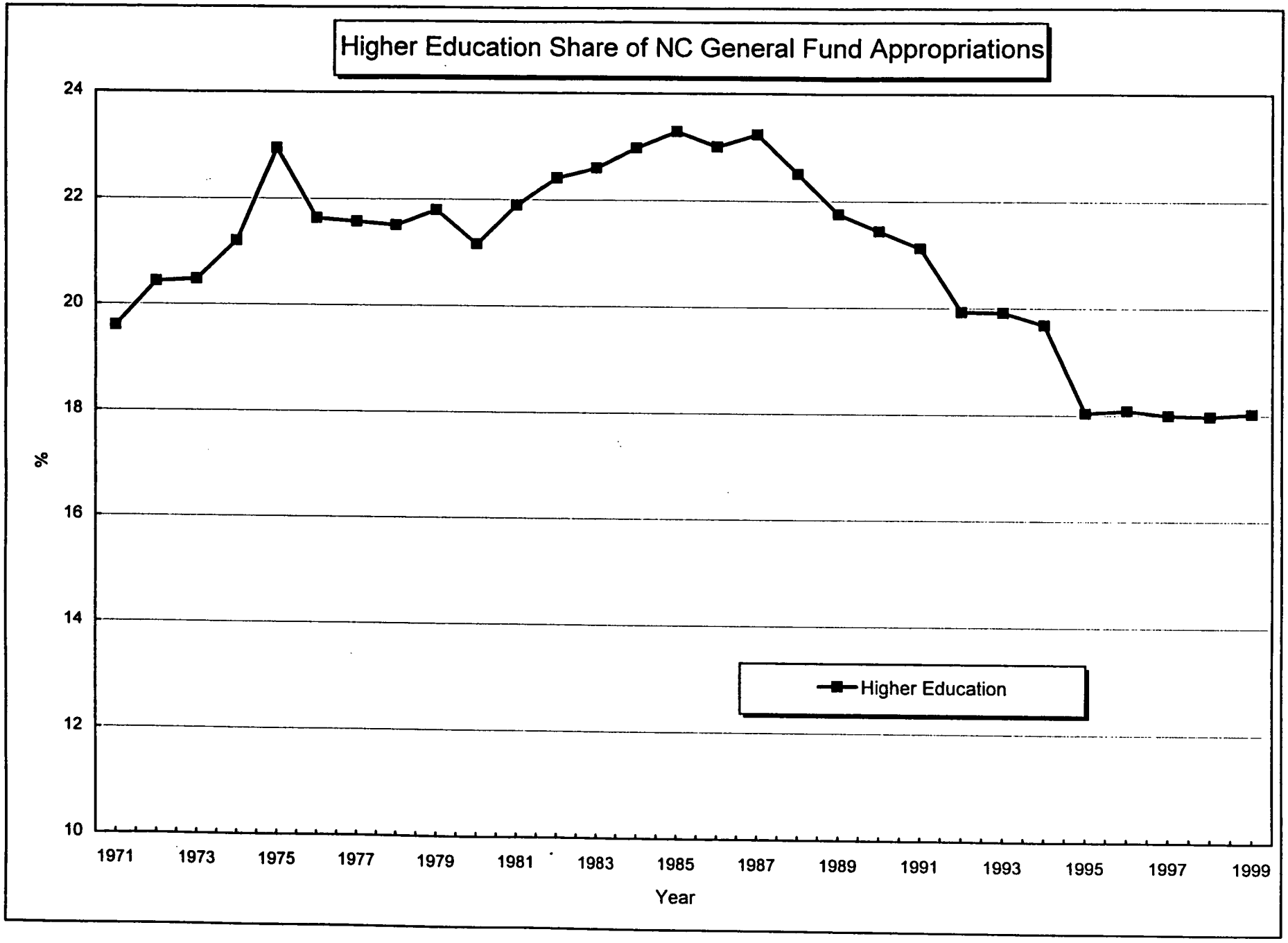
General Fund Appropriations

- **16 Campuses**
- **Agricultural Programs**
- **UNC Hospitals**
- **NC School of Science and Mathematics**
- **Related Educational Programs (Private Colleges Student Aid, Contract Programs)**
- **General Administration (includes Public Television, Expansion Funds)**

Fiscal Research Division 2/5/99



Locations of the 16 Public Senior Constituent Institutions of The University of North Carolina



Fiscal Research Division 3/5/99

A Chart 1

Distribution of Responsibilities for Financing Higher Education 1952 to 1997

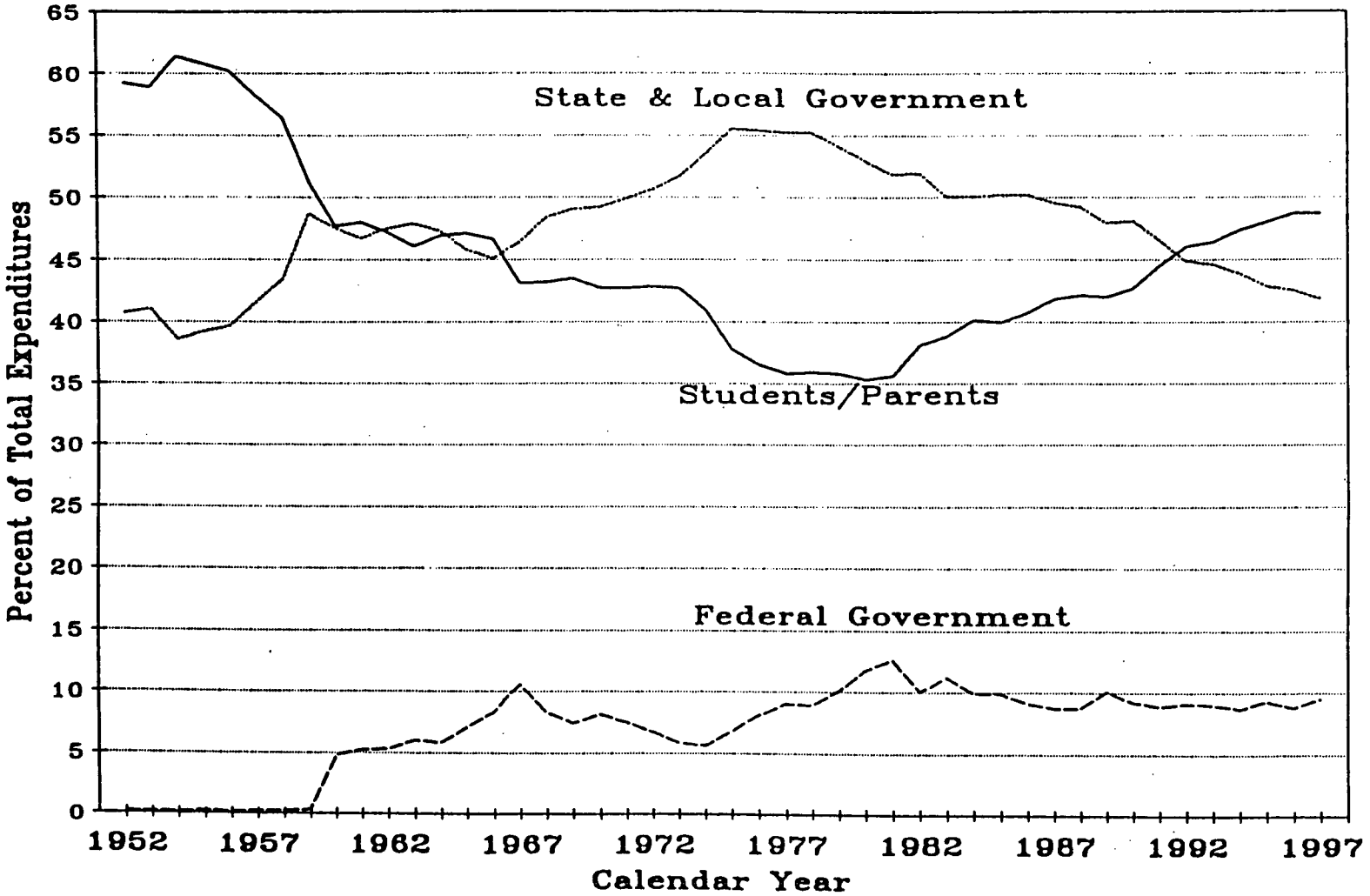
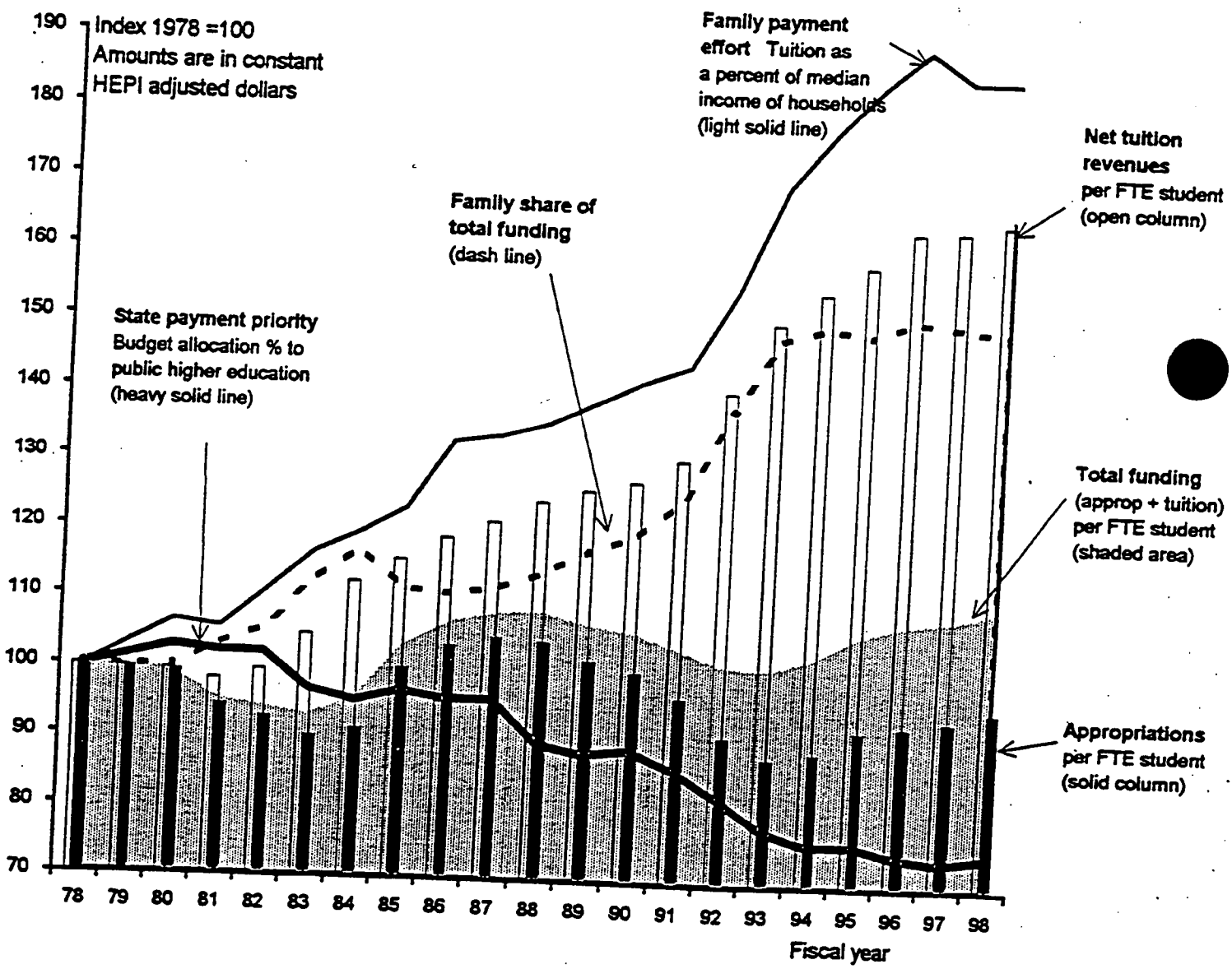
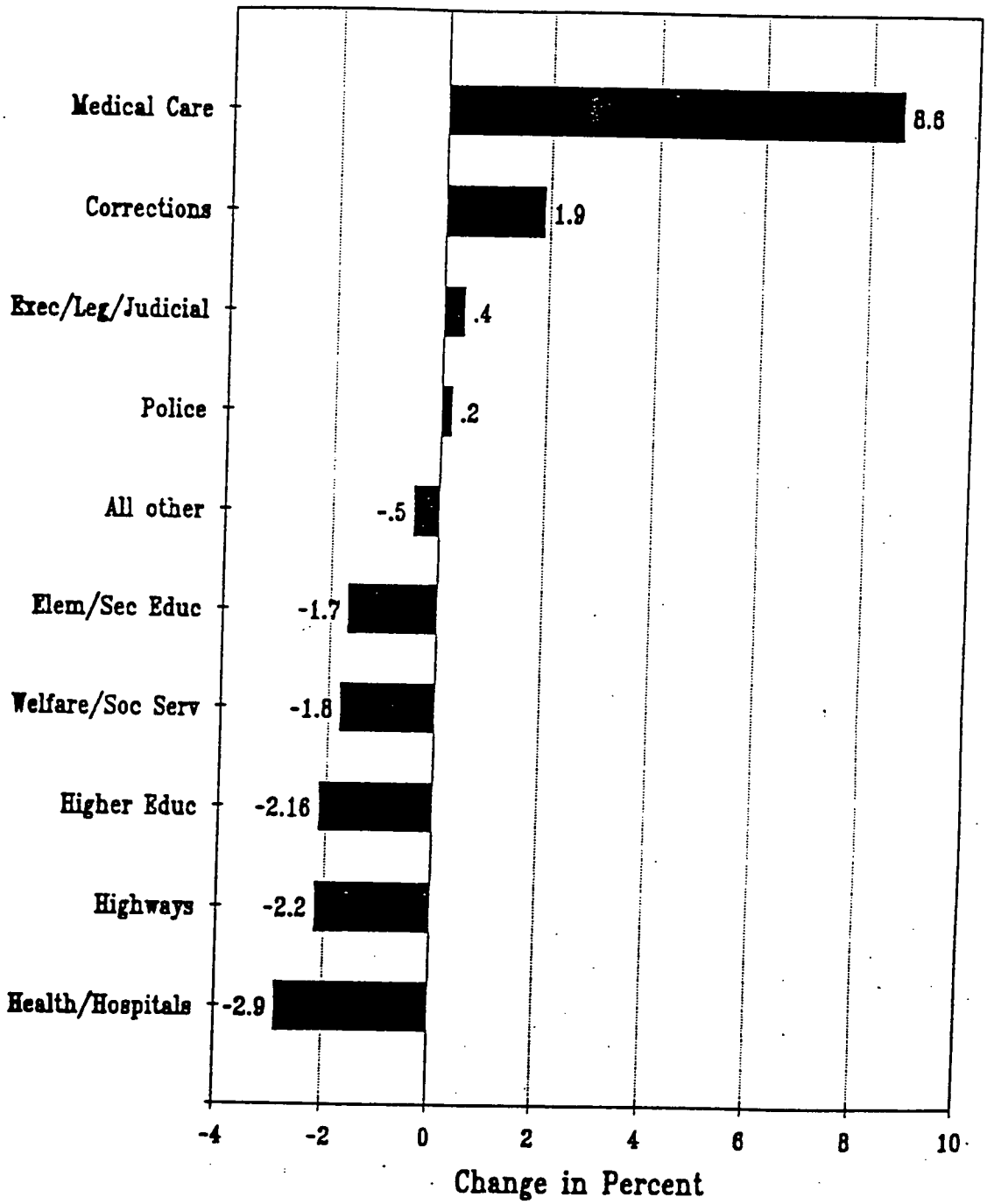


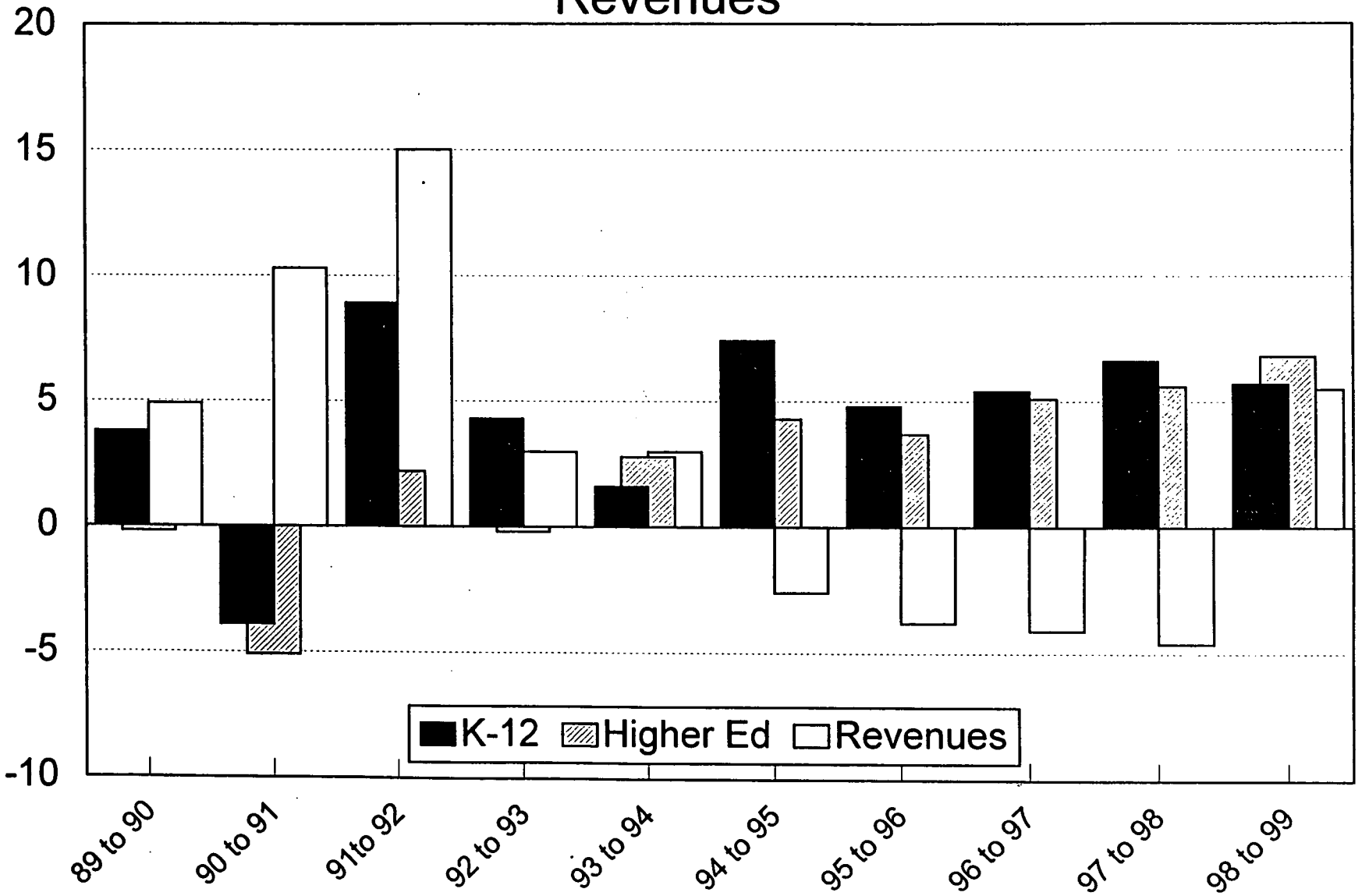
Chart 4.1
National Trends in Constant Dollar (HEPI Adjusted) Appropriations, Tuition, Total Funding, Family Share of Total Funding, State Payment Effort, and Family Payment Effort, 1977-78 to 1997-98



State and Local Government Budget Share Changes
1982 to 1997



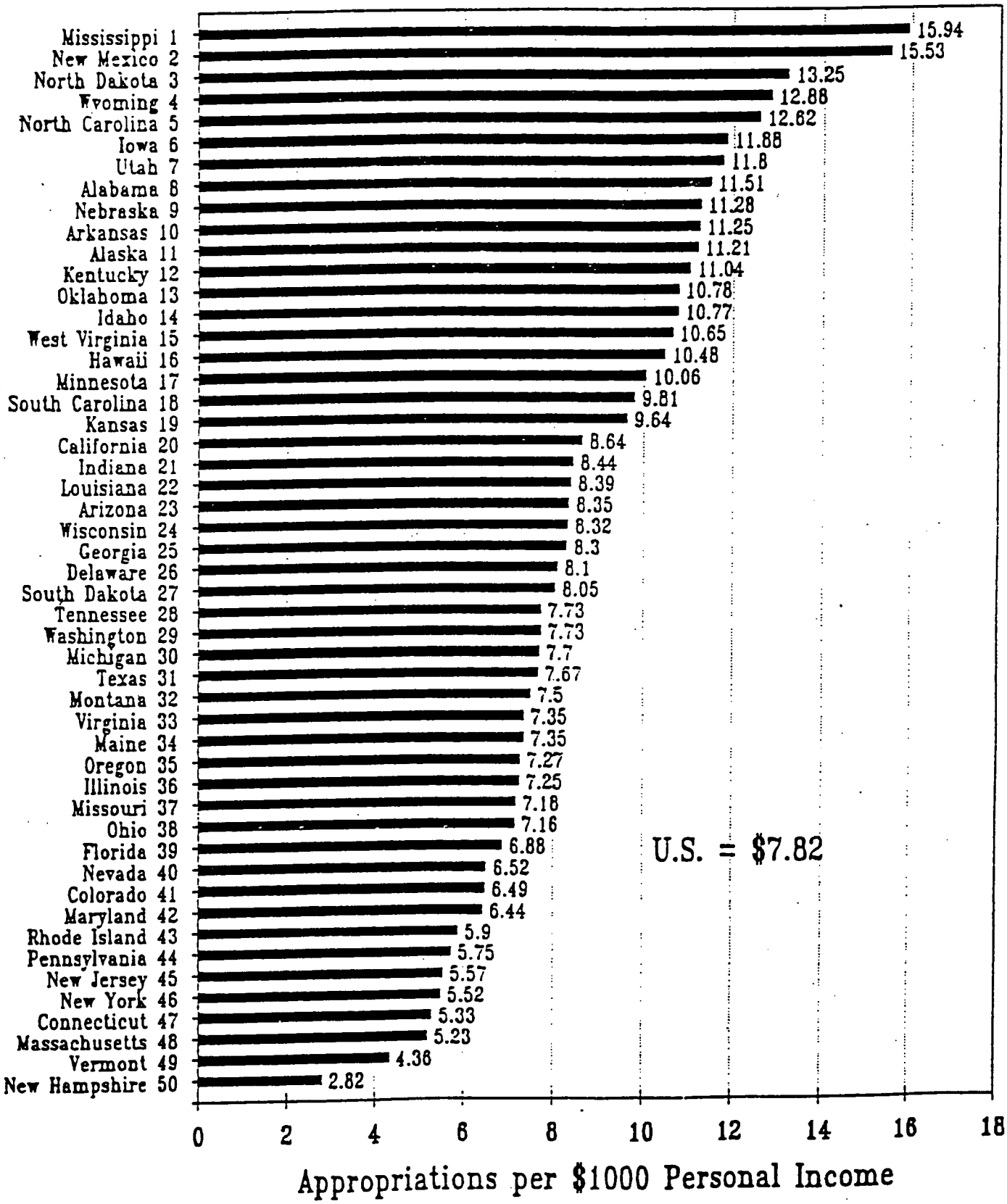
US: Annual Changes in State Funding for Education Compared to Revenues



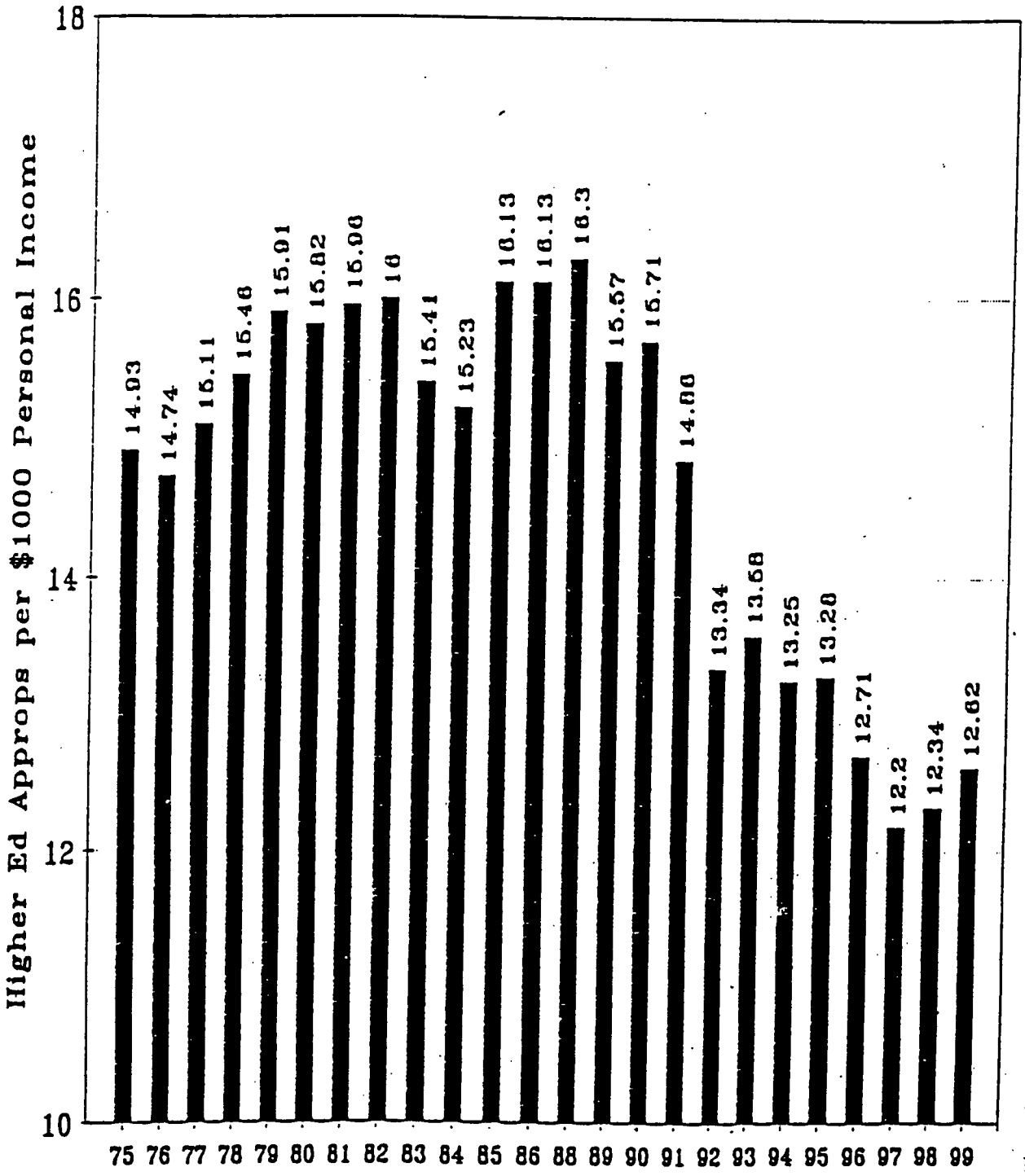
Source: State Budget Actions, NCSL

Fiscal Research Division 2/25/99

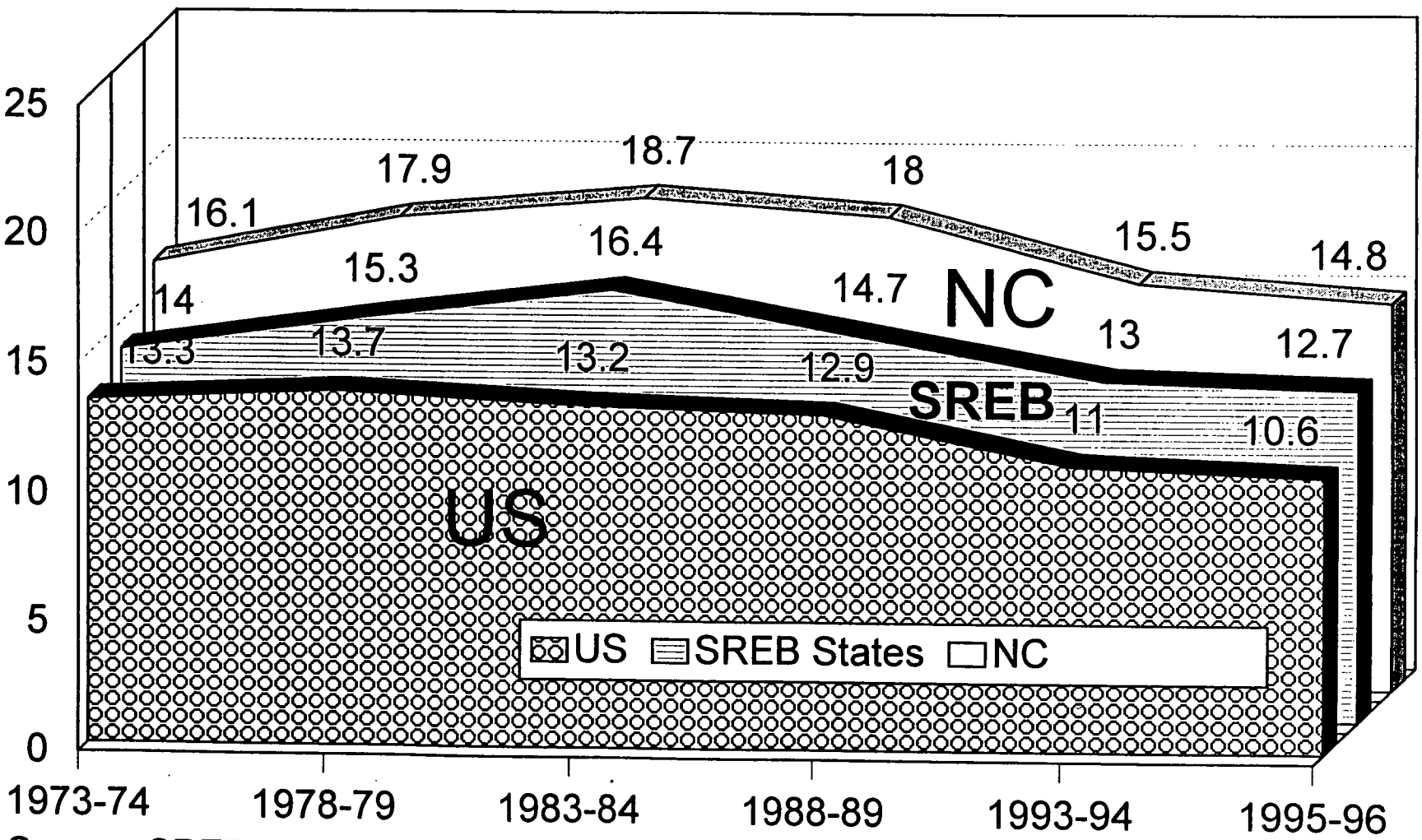
Appropriations of State Tax Funds for Operating Expenses of Higher Education per $1000 of Personal Income FY1999



North Carolina Appropriations of State Tax Funds for Higher Education per $1000 of Personal Income FY1975 to FY1999



Higher Education State Appropriations
As a % of State Taxes



Source: SREB compilation of US Census & Illinois State U. collected data.
FRD 3/8/99

STATE APPROPRIATIONS FOR HIGHER EDUCATION: 1997-98

Rank	State	State Appropriations per FTE	Rank	State	State Appropriations per FTE
1	ALASKA	$9,112	26	ARIZONA	$5,147
2	CONNECTICUT	$8,380	27	TEXAS	$5,095
3	MASSACHUSETTS	$7,235	28	INDIANA	$5,034
4	**NORTH CAROLINA**	**$6,851**	29	WASHINGTON	$5,027
5	HAWAII	$6,725	30	MARYLAND	$4,992
6	WYOMING	$6,713	31	UTAH	$4,973
7	GEORGIA	$6,622	32	NEBRASKA	$4,962
8	NEVADA	$6,346	33	FLORIDA	$4,937
9	MAINE	$6,332	34	ARKANSAS	$4,897
10	NEW JERSEY	$6,331	35	OHIO	$4,712
11	MISSOURI	$6,109	36	OREGON	$4,685
12	MINNESOTA	$6,002	37	NORTH DAKOTA	$4,597
13	MICHIGAN	$5,906	38	TENNESSEE	$4,570
14	WISCONSIN	$5,898	39	VIRGINIA	$4,497
15	NEW MEXICO	$5,771	40	SOUTH DAKOTA	$4,479
16	ILLINOIS	$5,703	41	KENTUCKY	$4,478
17	RHODE ISLAND	$5,689	42	MISSISSIPPI	$4,362
18	IOWA	$5,652	43	SOUTH CAROLINA	$4,303
19	IDAHO	$5,632	44	LOUISIANA	$3,963
20	DELAWARE	$5,518	45	COLORADO	$3,904
21	OKLAHOMA	$5,494	46	ALABAMA	$3,813
22	PENNSYLVANIA	$5,382	47	MONTANA	$3,512
23	CALIFORNIA	$5,357	48	WEST VIRGINIA	$3,321
24	NEW YORK	$5,338	49	NEW HAMPSHIRE	$3,241
25	KANSAS	$5,294	50	VERMONT	$3,166
				U S AVERAGE	$5,304

Source: State Profiles: Financing Higher Education, Research Associates of Washington, 1998
Include and 4-Yr Institutions

STATE TUITION REVENUE PER FTE STUDENT: 1997-98

Rank	State	Tuition Revenue per FTE	Rank	State	Tuition Revenue per FTE
1	VERMONT	$8,228	26	MINNESOTA	$2,553
2	DELAWARE	$6,817	27	LOUISIANA	$2,473
3	NEW HAMPSHIRE	$6,475	28	ARKANSAS	$2,362
4	PENNSYLVANIA	$5,048	29	KENTUCKY	$2,338
5	MICHIGAN	$4,571	30	KANSAS	$2,335
6	RHODE ISLAND	$4,474	31	TENNESSEE	$2,243
7	CONNECTICUT	$4,005	32	ALASKA	$2,225
8	MAINE	$3,901	33	WYOMING	$2,178
9	MISSOURI	$3,760	34	TEXAS	$2,150
10	OHIO	$3,478	35	NORTH DAKOTA	$2,137
11	SOUTH DAKOTA	$3,371	36	MISSISSIPPI	$2,126
12	NEW JERSEY	$3,361	37	OKLAHOMA	$2,052
13	MARYLAND	$3,344	38	GEORGIA	$2,021
14	COLORADO	$3,341	39	ARIZONA	$2,017
15	INDIANA	$3,290	40	HAWAII	$1,970
16	VIRGINIA	$3,124	41	NEBRASKA	$1,931
17	SOUTH CAROLINA	$3,066	42	UTAH	$1,812
18	IOWA	$2,851	43	WASHINGTON	$1,754
19	MASSACHUSETTS	$2,835	**44**	**NORTH CAROLINA**	**$1,555**
20	MONTANA	$2,764	45	ILLINOIS	$1,501
21	OREGON	$2,680	46	NEW MEXICO	$1,481
22	NEW YORK	$2,651	47	NEVADA	$1,466
23	WEST VIRGINIA	$2,646	48	IDAHO	$1,462
24	ALABAMA	$2,603	49	FLORIDA	$1,425
25	WISCONSIN	$2,572	50	CALIFORNIA	$1,001
				U S AVERAGE	$2,410

Source: State Profiles: Financing Higher Education, , Research Associates of Washington, 1998
Includes 2-Yr and 4-Yr Instituitons

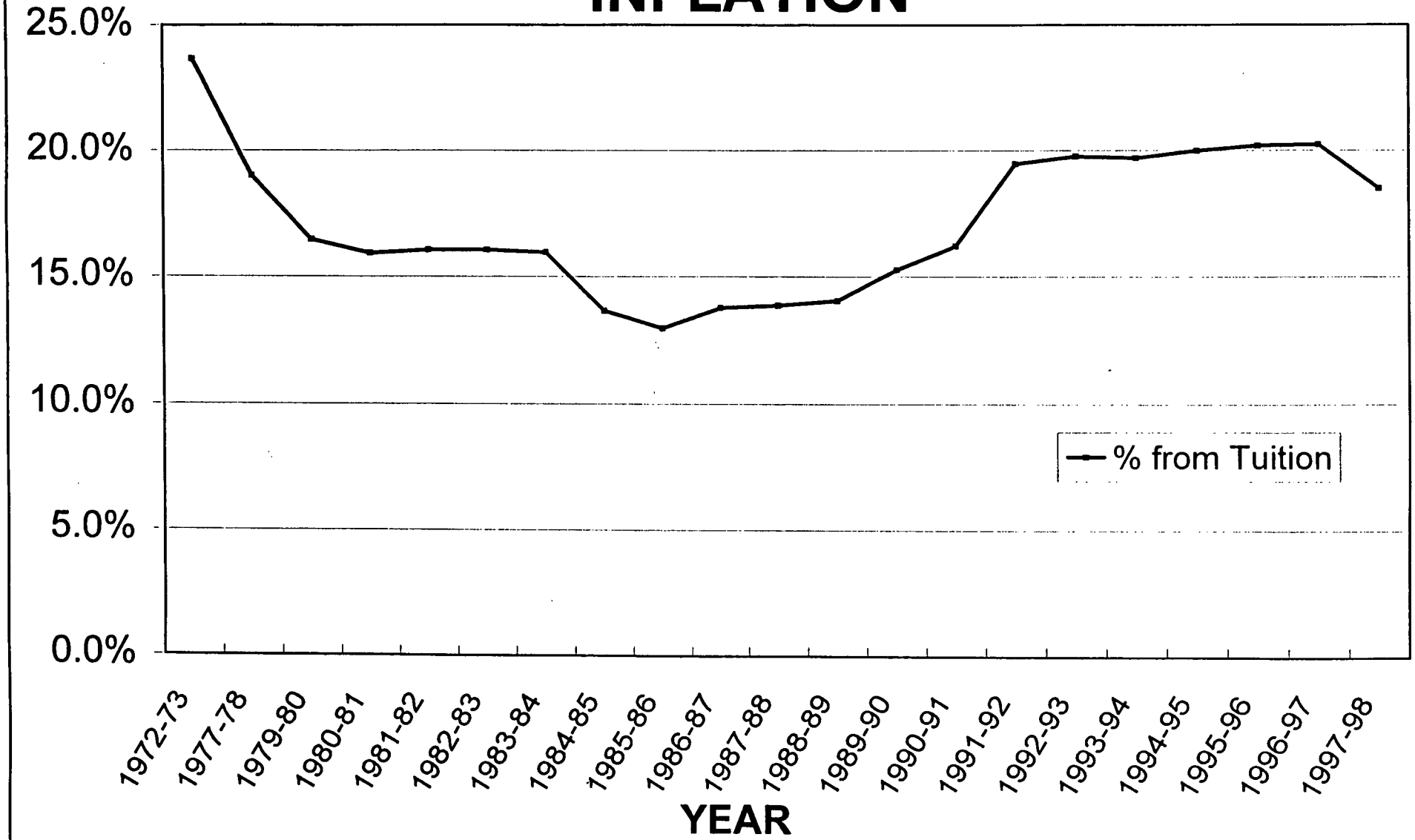
STATE APPROPRIATIONS AND TUITION REVENUE PER FTE STUDENT: 1997-98

Rank	State	Approp. + Tuition Per FTE	% from Tuition	Rank	State	Approp. + Tuition Per FTE	% from Tuition
1	CONNECTICUT	$12,385	32.3%	26	KANSAS	$7,629	30.6%
2	DELAWARE	$12,335	55.3%	27	VIRGINIA	$7,621	41.0%
3	VERMONT	$11,394	72.2%	28	OKLAHOMA	$7,547	27.2%
4	ALASKA	$11,338	19.6%	29	SOUTH CAROLINA	$7,368	41.6%
5	MICHIGAN	$10,477	43.6%	30	OREGON	$7,365	36.4%
6	PENNSYLVANIA	$10,430	48.4%	31	ARKANSAS	$7,259	32.5%
7	MAINE	$10,233	38.1%	32	NEW MEXICO	$7,252	20.4%
8	RHODE ISLAND	$10,163	44.0%	33	TEXAS	$7,245	29.7%
9	MASSACHUSETTS	$10,070	28.2%	34	COLORADO	$7,245	46.1%
10	MISSOURI	$9,869	38.1%	35	ILLINOIS	$7,204	20.8%
11	NEW HAMPSHIRE	$9,716	66.6%	36	ARIZONA	$7,164	28.2%
12	NEW JERSEY	$9,692	34.7%	37	IDAHO	$7,095	20.6%
13	WYOMING	$8,891	24.5%	38	NEBRASKA	$6,893	28.0%
14	HAWAII	$8,695	22.7%	39	KENTUCKY	$6,816	34.3%
15	GEORGIA	$8,643	23.4%	40	TENNESSEE	$6,813	32.9%
16	MINNESOTA	$8,555	29.8%	41	UTAH	$6,785	26.7%
17	IOWA	$8,504	33.5%	42	WASHINGTON	$6,782	25.9%
18	WISCONSIN	$8,470	30.4%	43	NORTH DAKOTA	$6,734	31.7%
19	**NORTH CAROLINA**	**$8,406**	**18.5%**	44	MISSISSIPPI	$6,488	32.8%
20	MARYLAND	$8,336	40.1%	45	LOUISIANA	$6,436	38.4%
21	INDIANA	$8,323	39.5%	46	ALABAMA	$6,416	40.6%
22	OHIO	$8,189	42.5%	47	FLORIDA	$6,362	22.4%
23	NEW YORK	$7,989	33.2%	48	CALIFORNIA	$6,358	15.7%
24	SOUTH DAKOTA	$7,850	42.9%	49	MONTANA	$6,276	44.0%
25	NEVADA	$7,812	18.8%	50	WEST VIRGINIA	$5,967	44.3%
					U S	$7,714	31.2%

Source: State Profiles: Financing Higher Education, Research Associates of Washington, 1998
Includes 2-Yr and 4-Yr Institutions

FRD NC HE per FTE.xls

NC TUITION SHARE ADJUSTED FOR INFLATION

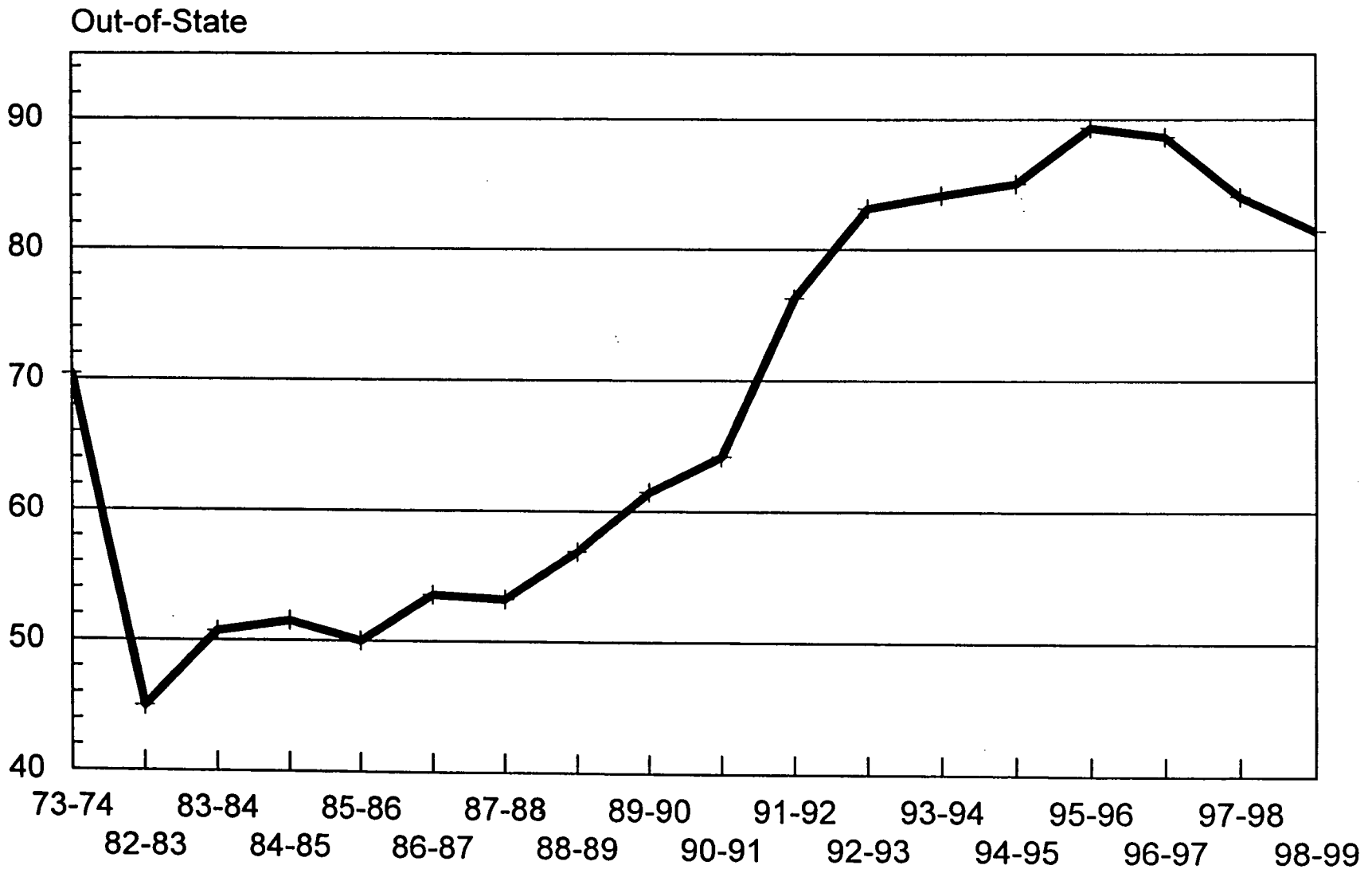


Source: State Profiles: Financing Higher ducation, Research Associates of Washington, 1998
*Includes 2-Yr and 4-Yr Institutions

Fiscal Research Division 3/7/99
NC Tuition SHR Chart Chart 1

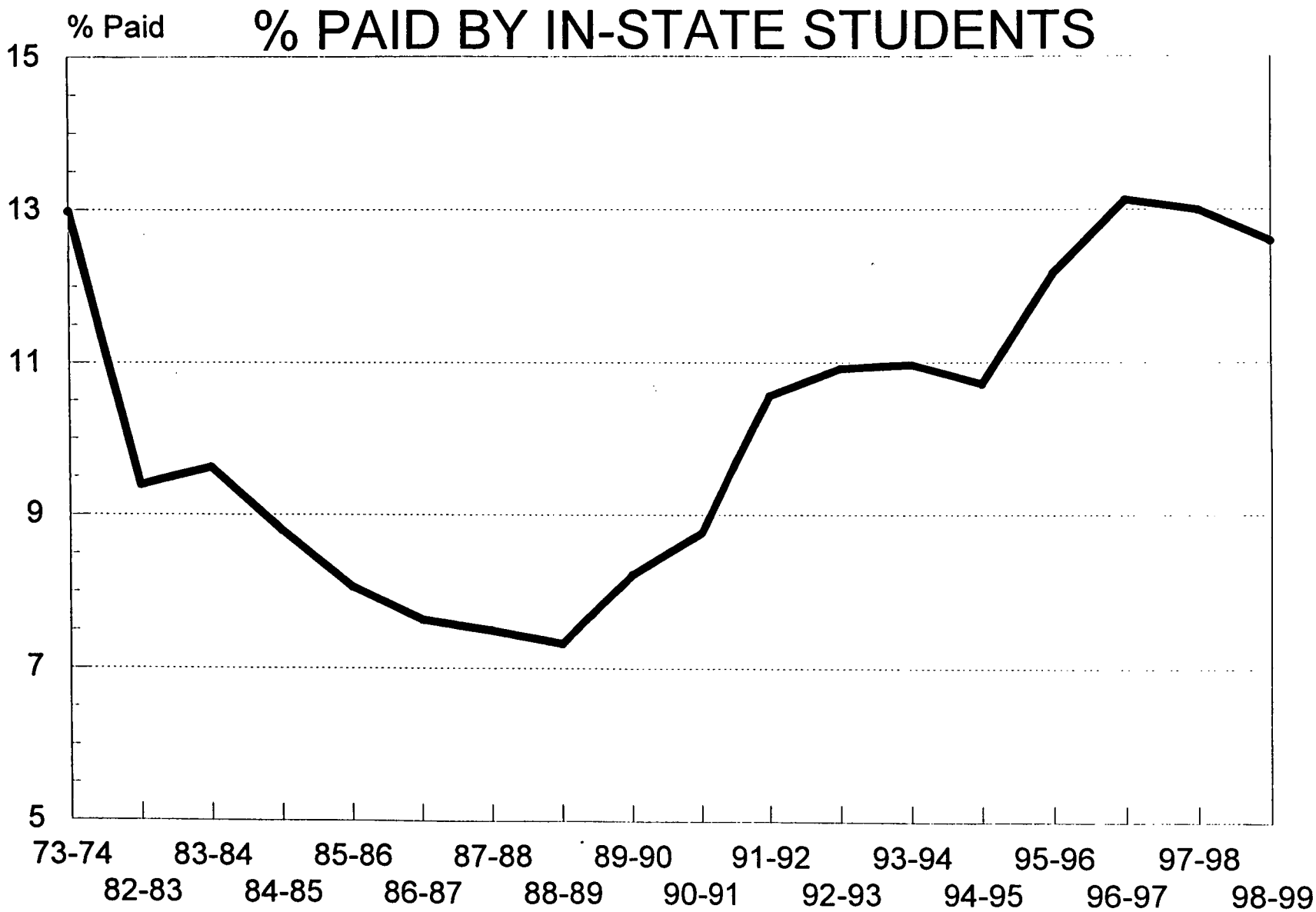
UNC INSTRUCTIONAL & GENERAL COSTS

% PAID BY OUT-OF-STATE STUDENTS



Excludes UNC Health Affairs,ECU Med. School, N.C.State Vet. School, N.C.School of the Arts
FISCAL RESEARCH DIVISION 3/2/99

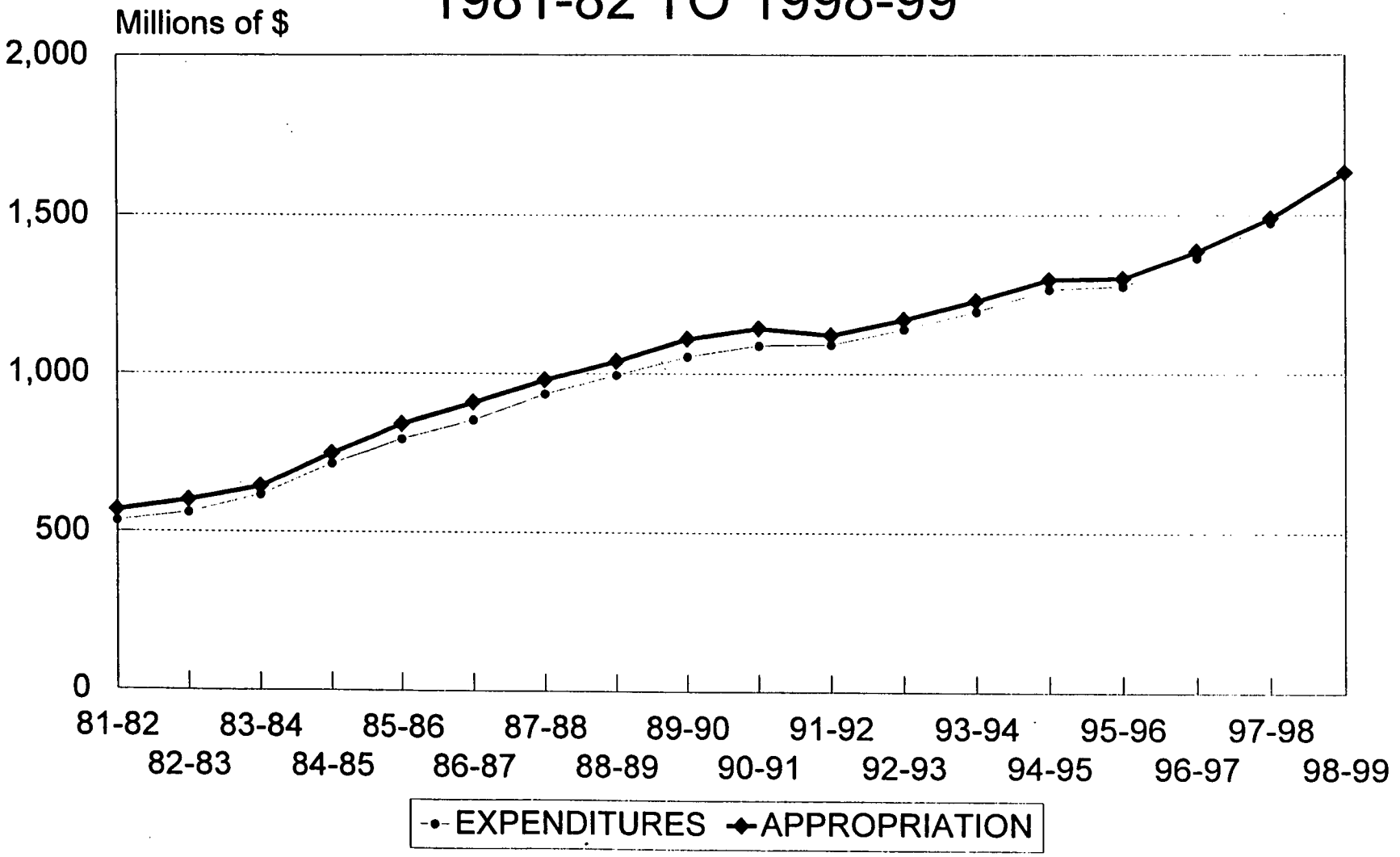
UNC INSTRUCTIONAL & GENERAL COSTS



Excludes UNC Health Affairs, ECU Med. School, N.C. State Vet. School, N.C. School of the Arts
FISCAL RESEARCH DIVISION 3/2/99

UNC GENERAL FUND BUDGETS: ADJUSTED FOR PAYROLL SHIFTS

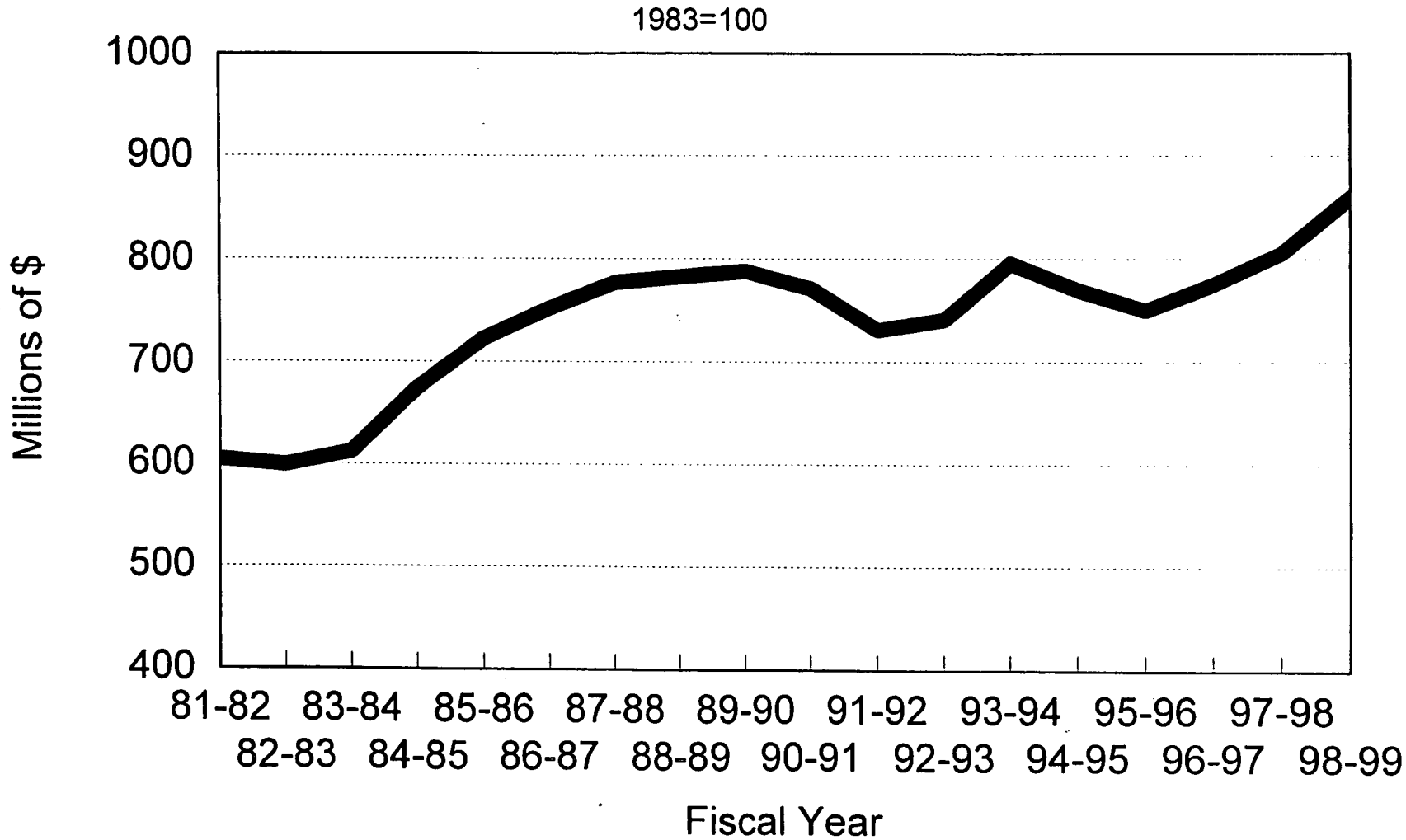
1981-82 TO 1998-99



1989-90 and 1993-94 have been adjusted to account for the shift in the 6/30/90 payroll to 7/1/90 and the later shift back to a June payroll in 1993-94.

FISCAL RESEARCH DIVISION 1/25/99

UNC General Fund Appropriations
1982-1999
Adjusted for Inflation



Inflation adjusted using Higher Education Price Index (HEPI), Research Associates of Washington

FRD 1/25/99

TOTAL UNC BUDGET

FISCAL YEAR 1997-98

TOTAL EXPENDITURES	
CURRENT OPERATIONS	$2.66 BILLION
ENTERPRISE FUNDS	
(UNC HOSPITALS)	.4 BILLION
AUXILIARY ENTERPRISES	.76 BILLION
TOTAL	**$3.8 BILLION**
NON-GENERAL FUND REVENUES	$2.45 BILLION
GENERAL FUND EXPENDITURES	$1.48 BILLION (39%)

Source: UNC IPEDS Reports for 1997-98

FRD 1/25/99

Major Functions in UNC Budget

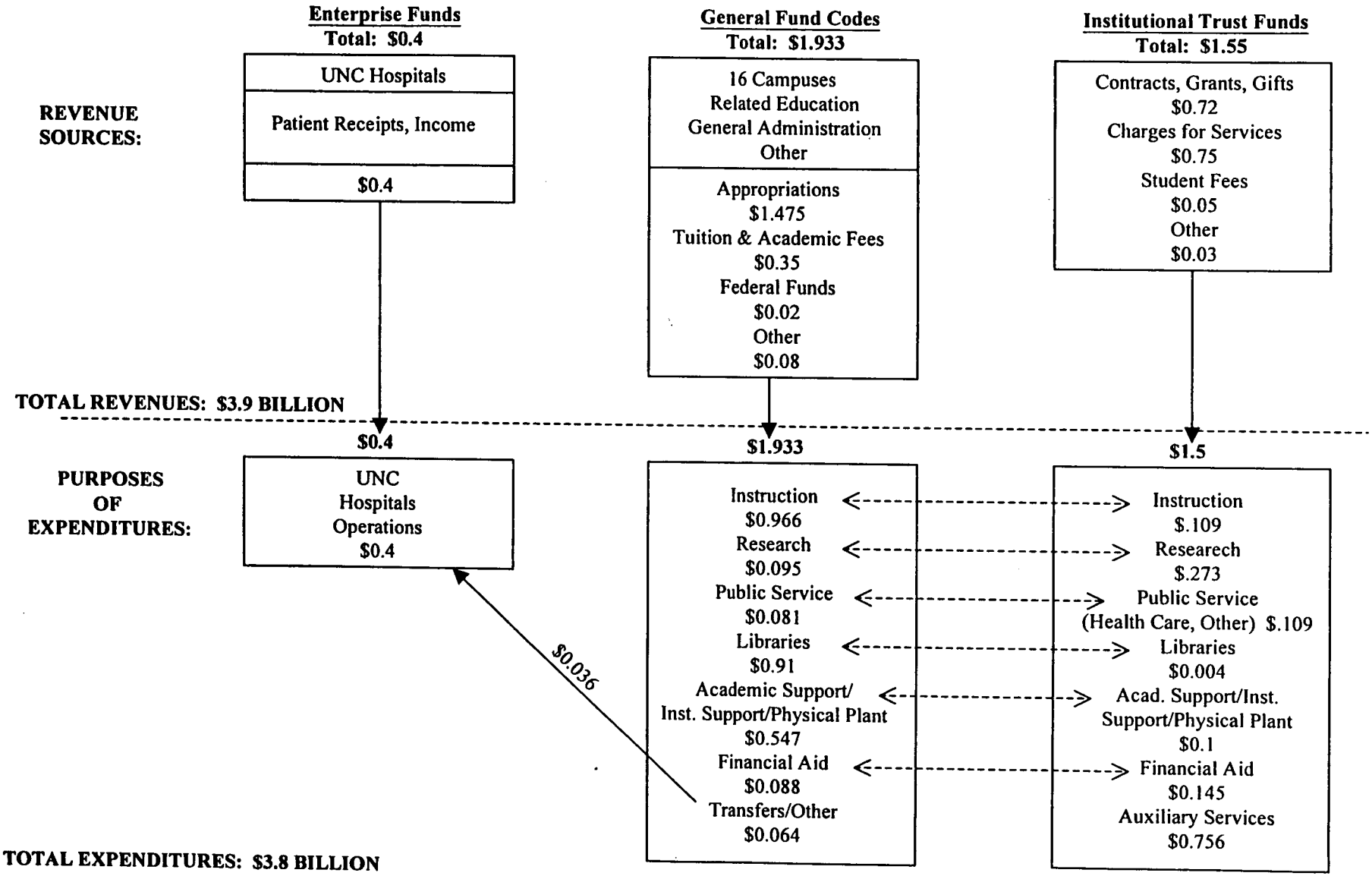
- Instruction
- Research
- Public Service
- Academic Support (including Libraries)
- Institutional Support (including Physical Plant)
- Financial Aid

Auxiliary Services Operations

Student Union and Recreation Services
Food Services
Student Health Services
Housing
Laundry
Student Bookstore

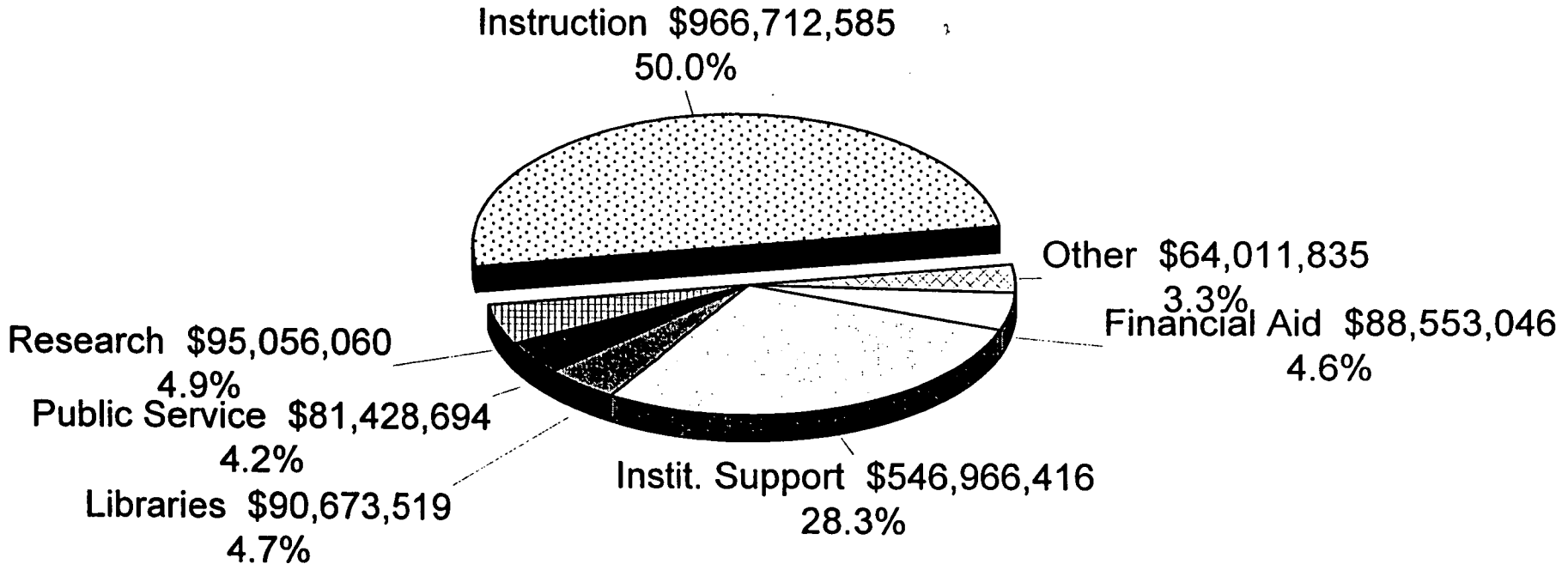
Central Motor Pool
Central Stores
Parking and Vehicle Registration
Utility Operations

UNC FUNDS BY REVENUE SOURCE AND PURPOSE: 1997-98 (BILLIONS OF $)



UNC General Fund Budget

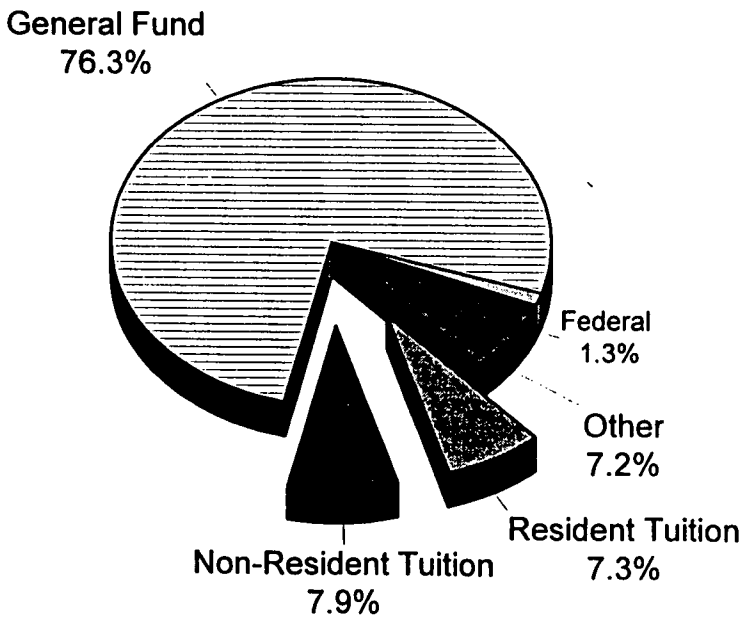
1997-98 Actual Expenditures
$1,933,402,155



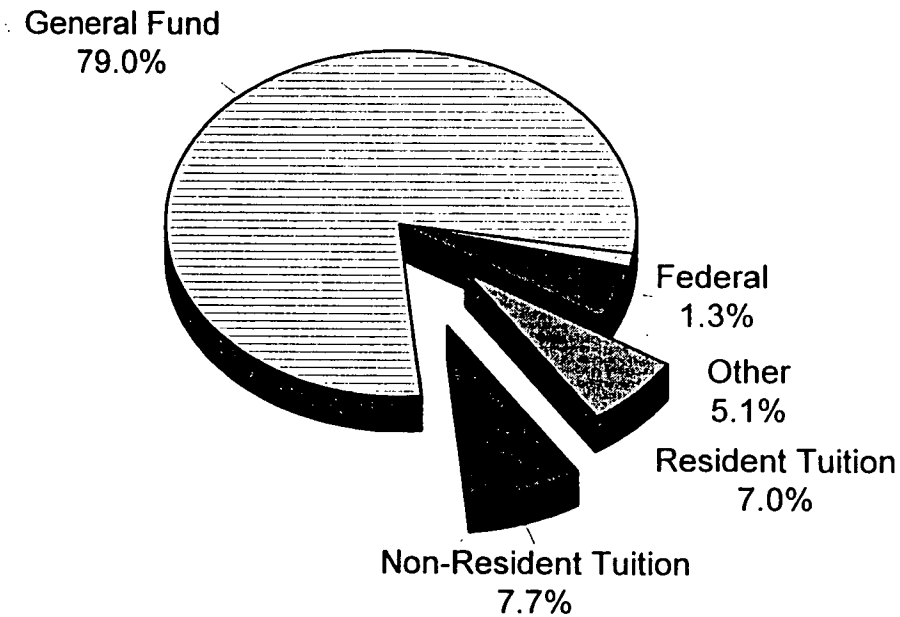
Fiscal Research Division 3/2/99

UNC Budget by Source of Funds 1997-98 & 1998-99

1997-98 (actual)
$1,933,402,155

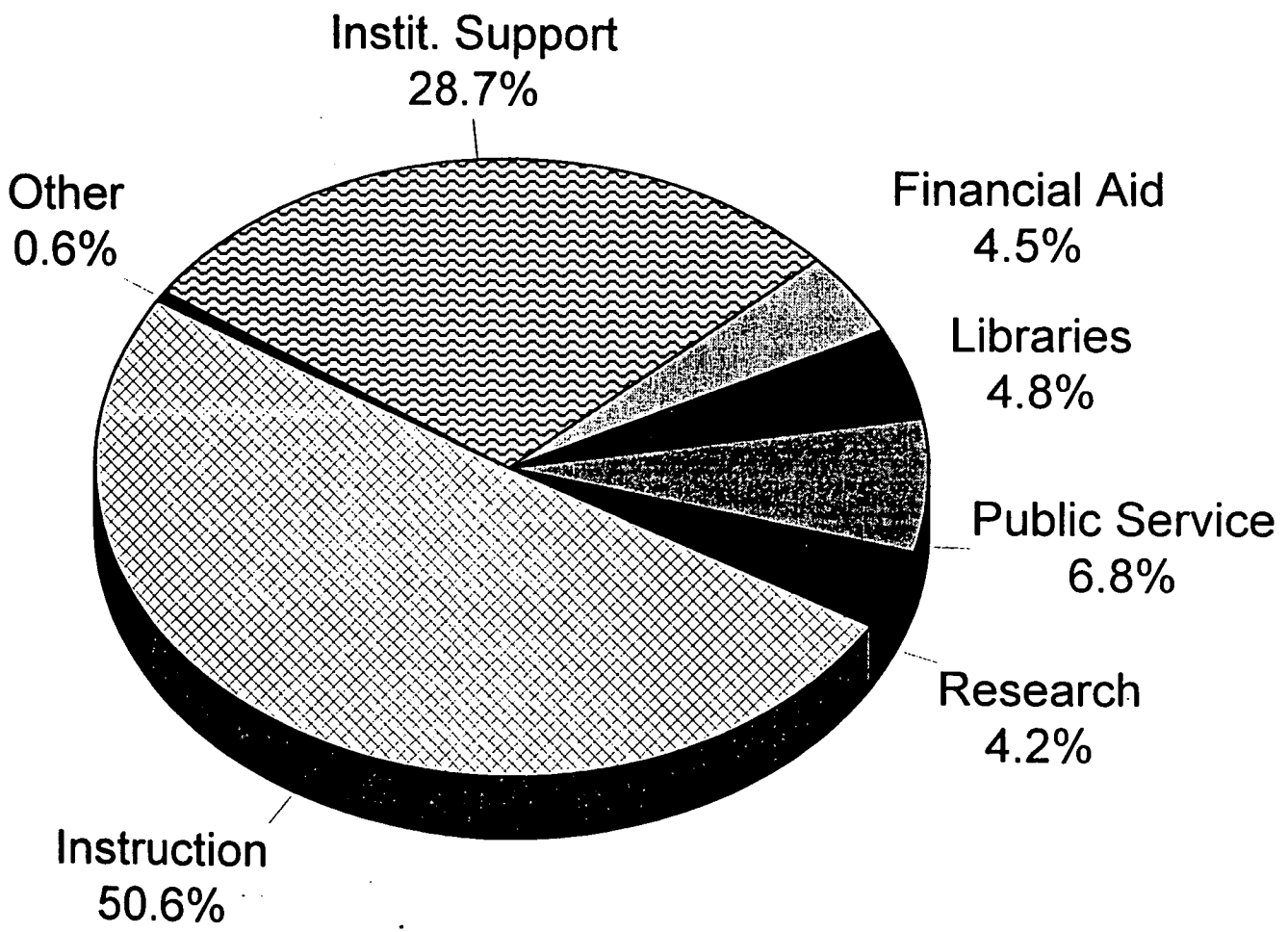


1998-99 (authorized)
$2,065,466,391



UNC General Fund Budgets

1998-99



UNC General Fund Budget Codes

(by Source of Funds)

	1999-2000	2000-2001
General Fund Appropriations		
Governor's Budget	$ 1,589,402,360	$ 1,595,487,506
98-99 Salary Increases	$ 11,128,895	$ 11,128,895
Less Proposed Reductions	$ (7,233,554)	$ (7,233,554)
Total General Fund	$ 1,593,297,701	$ 1,599,382,847
Receipts		
Non-Resident Tuition	$ 158,726,865	$ 158,726,865
Resident Tuition	$ 144,535,221	$ 144,535,221
Academic Fees	$ 32,401,369	$ 32,401,369
Off-Campus Tuition	$ 22,320,027	$ 22,320,027
Federal	$ 25,726,414	$ 25,726,414
Other	$ 49,962,968	$ 50,111,321
Total Receipts	$ 433,672,864	$ 433,821,217
Total Budget	$ 2,026,970,565	$ 2,033,204,064

UNC General Fund Budget Codes

(by Purpose)

Instruction	$ 1,015,581,372	$ 1,015,412,439
Research	$ 98,631,350	$ 98,378,150
Public Service	$ 84,348,387	$ 84,163,969
Libraries	$ 92,368,793	$ 92,371,370
Institutional Support	$ 561,565,376	$ 565,671,862
Financial Aid	$ 98,880,281	$ 98,883,855
Other	$ 71,699,665	$ 74,427,078
Plus 98-99 SPA Salary Increases	$ 11,128,895	$ 11,128,895
Less Governor's Proposed Cuts	$ (7,233,554)	$ (7,233,554)
Total Budget	$ 2,026,970,565	$ 2,033,204,064

UNC Continuation Budget 1999-2001

General Fund Appropriations

	1999-2000	2000-2001
Authorized Amount (General Fund appropriations) 1998-99	$ 1,609,179,970	$ 1,609,179,970
Plus: Salary Increases for SPA UNC employees for 1998-99	11,128,895	11,128,895
Less: Non-recurring appropriations 1999-99	$ (36,060,500)	$ (36,060,500)
Additions:		
Reserves for New Facilities	$ 5,701,745	$ 9,062,270
Social Security Contributions	$ 1,582,820	$ 1,583,648
UNC Hospitals Funding	$ 2,544,383	$ 5,236,131
Aid to Private Colleges	$ 4,025,013	$ 4,025,013
Equipment (Motor vehicles and other)	$ 2,208,423	$ 762,783
Miscellaneous	$ 220,506	$ 1,698,191
Less Governor's Reductions	$ (7,233,554)	$ (7,233,554)
Total Recommended General Fund	**$ 1,593,297,701**	**$ 1,599,382,847**
% Change from 1998-99	-0.99%	-0.61%

UNC GENERAL FUND BUDGET COMPARISONS

	1997-98	1998-99 *	1999-2000 **	2000-2001 **
Total Requirements	$1,962,749,697	$2,098,974,897	$ 2,026,970,565	$ 2,033,204,064
% Increase	6.5%	6.9%	-3.4%	0.3%
Appropriations	$1,489,866,397	$ 1,631,990,163	$ 1,593,297,701	$ 1,599,382,847
% Increase	7.5%	9.5%	-2.4%	0.4%

Inflation Adjusted
(3% Annually: 1997-98 Constant $)

Total Requirements	$ 1,962,749,697	$ 2,036,005,650	$ 1,903,528,058	$ 1,844,726,047
% Increase	6.5%	3.7%	-6.5%	-3.1%
Appropriations	$ 1,489,866,397	$ 1,583,030,458	$ 1,496,265,871	$ 1,451,120,057
% Increase	7.5%	6.3%	-5.5%	-3.0%

* Based on December, 1998 Budget Reports

** Includes 98-99 SPA salary increases and Governor's proposed cuts

Fiscal esearch Division 3/9/99

SUM by Inflation.xls

Reductions in Non-Academic Budgets: UNC
1992-1997

Item	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Eliminate 336 vacancies	$8,930,279	$8,930,279						
Across the Board reduction			$6,481,337	$6,533,454				$ 1,502,974
Eliminate SPA Salary Reserves & reduce remaining vacancies to Step 1	$1,870,986	$1,870,986						
Base budget reductions allocated on Span of Control Study								$ 3,595,609
1% SPA Position Cut				$3,555,227				
Delete 185 positions as part of $10 million statewide vacant position reduction				$4,994,093				
Reduce Community Services & economic development activities	$1,880,000	$1,880,000						
Reduce non-teaching EPA positions	$5,109,173	$5,109,174			$2,700,600	$2,700,601		
Reduce data processing purchases, travel, printing & contracted services (Utilities-1998)	$3,900,156	$3,900,617						$ 800,938
Reduce Equipment Budgets					$1,854,691	$1,854,691		
Annual Total	$21,690,594	$21,691,056	$6,481,337	$15,082,774	$4,555,291	$4,555,292	$ -	$ 5,899,521
Cumulative Impact	$21,690,594	$21,691,056	$28,172,393	$38,773,830	$41,329,121	$41,329,122	$ 41,329,122	$ 47,228,643

University of North Carolina
Continuation Budgets
1999-2001

	1999-2000	2000-01
Appalachian State University		
Total Requirements	97,615,892	99,493,925
Less Estimated Receipts	25,061,114	25,059,064
Appropriations	72,554,778	74,434,861
East Carolina University, Academic		
Total Requirements	140,201,739	140,506,600
Less Estimated Receipts	38,101,917	38,291,537
Appropriations	102,099,822	102,215,063
East Carolina University, Health		
Total Requirements	46,709,900	46,707,794
Less Estimated Receipts	2,378,250	2,378,250
Appropriations	44,331,650	44,329,544
Elizabeth City State University		
Total Requirements	22,826,260	22,765,710
Less Estimated Receipts	3,328,910	3,325,810
Appropriations	19,497,350	19,439,900
Fayetteville State University		
Total Requirements	32,369,050	32,389,050
Less Estimated Receipts	6,245,899	6,245,899
Appropriations	26,123,151	26,143,151
North Carolina A & T State University		
Total Requirements	70,925,942	70,890,942
Less Estimated Receipts	17,131,731	17,129,995
Appropriations	53,794,211	53,760,947
North Carolina Central University		
Total Requirements	50,436,027	50,179,166
Less Estimated Receipts	10,935,455	10,932,855
Appropriations	39,500,572	39,246,311
North Carolina School of the Arts		
Total Requirements	20,747,568	20,821,246
Less Estimated Receipts	6,037,823	6,037,273
Appropriations	14,709,745	14,783,973

Source: UNC General Administration

University of North Carolina
Continuation Budgets
1999-2001

	1999-2000	2000-01
North Carolina State University		
Total Requirements	322,466,577	322,033,252
Less Estimated Receipts	85,307,934	85,297,954
Appropriations	237,158,643	236,735,298
UNC-Asheville		
Total Requirements	27,050,423	27,076,693
Less Estimated Receipts	4,907,180	4,904,280
Appropriations	22,143,243	22,172,413
UNC-Chapel Hill, Academic		
Total Requirements	259,828,434	260,045,001
Less Estimated Receipts	81,577,021	81,578,221
Appropriations	178,251,413	178,466,780
UNC-Chapel Hill, Health		
Total Requirements	167,566,531	168,497,231
Less Estimated Receipts	21,922,122	21,925,322
Appropriations	145,644,409	146,571,909
UNC-Chapel Hill, AHEC		
Total Requirements	44,204,579	44,227,621
Less Estimated Receipts	0	800
Appropriations	44,204,579	44,226,821
UNC-Charlotte		
Total Requirements	115,812,382	116,023,985
Less Estimated Receipts	32,227,555	32,227,555
Appropriations	83,584,827	83,796,430
UNC-Greensboro		
Total Requirements	105,615,454	105,648,294
Less Estimated Receipts	26,204,582	26,204,582
Appropriations	79,410,872	79,443,712
UNC-Pembroke		
Total Requirements	24,339,486	24,290,314
Less Estimated Receipts	3,738,429	3,734,529
Appropriations	20,601,057	20,555,785

Source: UNC General Administration

University of North Carolina
Continuation Budgets
1999-2001

	1999-2000	2000-01
UNC-Wilmington		
Total Requirements	71,300,619	71,668,934
Less Estimated Receipts	21,090,767	21,092,867
Appropriations	50,209,852	50,576,067
Western Carolina University		
Total Requirements	60,976,058	61,114,877
Less Estimated Receipts	13,337,545	13,337,545
Appropriations	47,638,513	47,777,332
Winston-Salem State University		
Total Requirements	28,543,671	28,602,708
Less Estimated Receipts	4,337,636	4,333,936
Appropriations	24,206,035	24,268,772
UNC-General Admin., Operating		
Total Requirements	44,660,887	45,040,877
Less Estimated Receipts	2,762,364	2,754,364
Appropriations	41,898,523	42,286,513
UNC-General Admin., Instit. Prog.		
Total Requirements	28,840,936	28,840,936
Less Estimated Receipts	0	0
Appropriations	28,840,936	28,840,936
NCSU, Ag Research		
Total Requirements	55,442,935	55,183,320
Less Estimated Receipts	9,541,369	9,530,818
Appropriations	45,901,566	45,652,502
NCSU, Cooperative Extension		
Total Requirements	52,900,977	52,795,236
Less Estimated Receipts	16,643,627	16,644,127
Appropriations	36,257,350	36,151,109
UNC Hospitals		
Total Requirements	459,489,215	488,626,171
Less Estimated Receipts	420,398,353	446,843,561
Appropriations	39,090,862	41,782,610

Source: UNC General Administration

University of North Carolina
Continuation Budgets
1999-2001

		1999-2000		2000-01
Related Educational Programs				
Total Requirements		81,907,156		81,946,395
Less Estimated Receipts		550,000		550,000
Appropriations		81,357,156		81,396,395
N. C. School of Science and Math				
Total Requirements		10,710,665		10,751,792
Less Estimated Receipts		319,420		319,420
Appropriations		10,391,245		10,432,372
TOTAL				
Total Requirements	$	**2,443,489,363**	$	**2,476,168,070**
Less Estimated Receipts		**854,087,003**		**880,680,564**
Appropriations	$	**1,589,402,360**	$	**1,595,487,506**
Plus 98-99 SPA Salary Increases		11,128,895		11,128,895
Less Governor's Proposed Reductions		(7,233,554)		(7,233,554)
Net Appropriations	$	**1,593,297,701**	$	**1,599,382,847**

Source: UNC General Administration

VISITOR REGISTRATION SHEET

3-10-99
2:30 PM

Joint Education - Higher Education

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY
1. Kay Amoy	State Planning
2. Del Atkinson	SBE
3. Judith Roberts	wife of James Newlin
4. J B MILLIKEN	UNC
5. Clifton B Metcalf	LAO GA
6. Gene Causby	NC SESA
7. Susanne Williams	NCCCS
8. Carl Pittman	OSBM
9. Lee Adam	"
10. Maurice Hay	"
11. Hal Miller	NC AECT
12. Elizabeth Grovenden	OSBM
13. David Brown	OSMB
14. Jay Davies	UNC.
15. Dennis R. Soga	UNC
16. Steve Grotheer	UNC-GA/NCSU Ag Programs
17. Evelyn Hawthorne	UNC-CH
18. [illegible]	[illegible]
19. [illegible]	NCAE
20. Nic Heinke	UNC-CH
21.	

Joint Appropriations Subcommittee
On Education/Higher Education

March 11, 1999
8:30 a.m.
Presiding- Representative Gene Rogers

Call to Order	Chair
UNC Information Technology	President Molly C. Broad University of North Carolina Dr. Diana Oblinger, Executive on Loan from IBM

MINUTES
JOINT HOUSE/SENATE COMMITTEE
APPROPRIATIONS/Subcommittee on Education

March 11, 1999
8:30 a.m.

The House and Senate Joint Appropriations/Subcommittee on Education met Thursday, March 11, 1999 at 8:30 a.m. in Room 421 of the Legislative Office Building. House members present were Rep. Rogers, Chair, Rep. Boyd-McIntyre, Chair, Rep. Warner, Vice Chair and Representatives Gardner, Insko, Moore, Smith and Teague. Five Senate members and Staff Jim Newlin were present. There were 19 visitors. Rep. Rogers called the meeting to order and introduced the pages for the day, Zack Greene of Wake County sponsored by Senator Reeves, Meredith Fulp, Wake County and Ashley Ellis, Wake County sponsored by Speaker Black.

Rep. Rogers asked Jim Newlin, Fiscal Staff to give a few brief remarks regarding a report with estimated expenditures on information technology for 1997 –1998. Mr. Newlin stated that estimated University expenditures on information technology, not including salaries, was 138 million. Rep. Rogers then introduced University President Molly Broad to give her presentation on "The University of North Carolina and Information Technology". President Broad explained that information technology is changing the way virtually every organization does business today and the University is at the center of how information technology is modifying the way we do business and is the infrastructure for the twenty-first century. She stated the three- part mission of the University is teaching, research and public service.

President Broad introduced Dr. Diana Oblinger, Executive on Loan from IBM who spoke on Information Technology and how it is changing the world as we know it today. President Broad and Dr. Oblinger presented slides with their presentations. Handouts were distributed to members, *(Attachment 1)*. Dr. Oblinger stated that by the year 2000 95% of people in the work force will be using information technology. She explained information at the University of North Carolina and why we should invest in it. President Broad concluded the presentation by presenting the budget request for the University. Questions from members were addressed by President Broad.

The meeting adjourned at 9:48 a.m.

Respectfully submitted.

Representative Gene Rogers,
Chair

Sally Gillis
Committee Assistant

The University of North Carolina and Information Technology

March 11, 1999

Molly Corbett Broad - President

The University of North Carolina

Attachment 1

Handout — 3-11-99
President Molly Broad

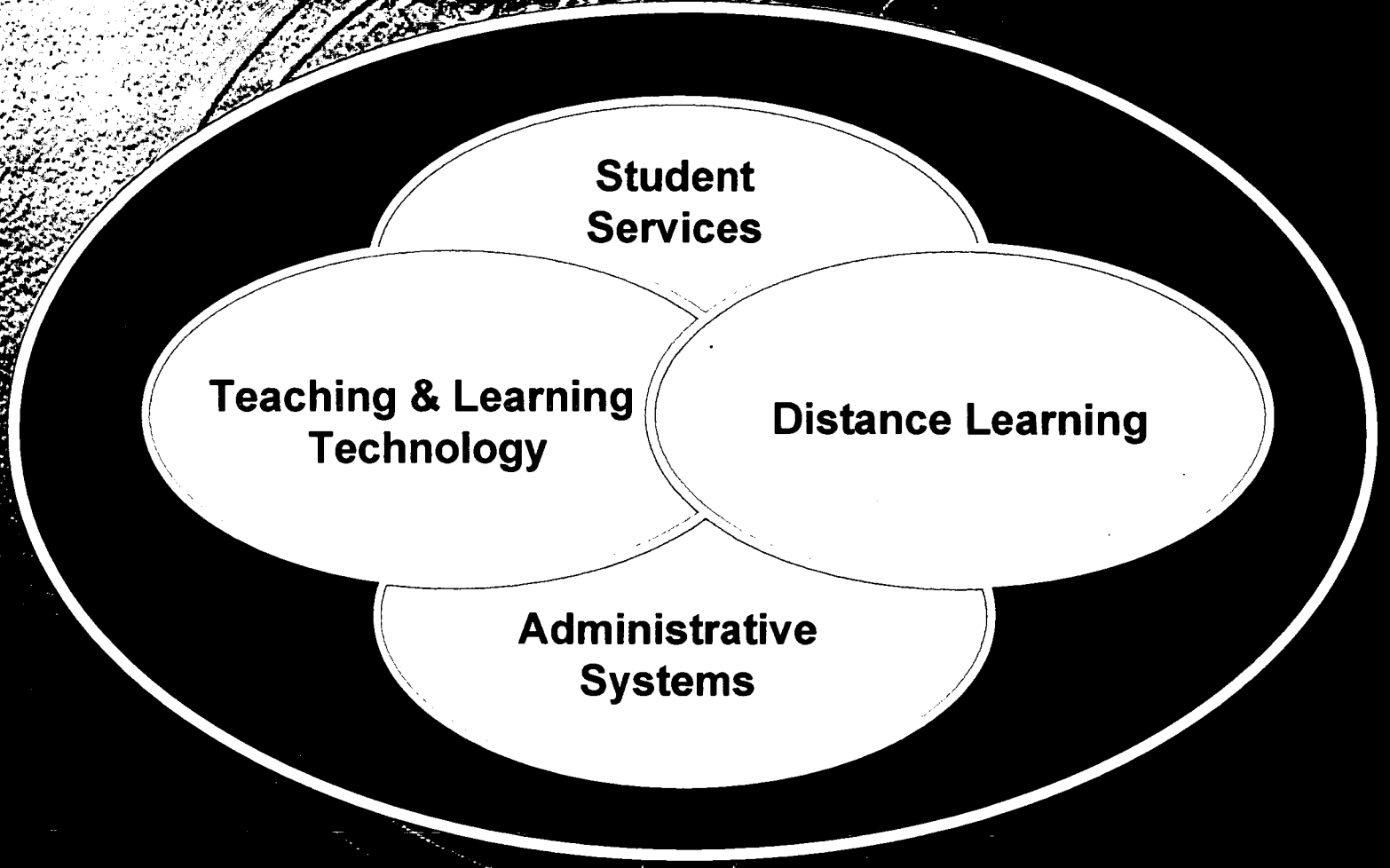
IT Strategy Goals

- Student success
- Access and outreach
- Academic excellence
- Learning relationships
- Global information resources

Network Assessment (Phase 1)

- Premise: functional IT networks are the essential first step
- Upgrade campus networks to baseline standards--requested $77.5 M
- Received $34.9 M in 1998; requesting $46 M in 1999
  - New dollars
  - Repair & Renovation
  - Reversion funds
- Funds are being distributed

IT Strategy (Phase 2)

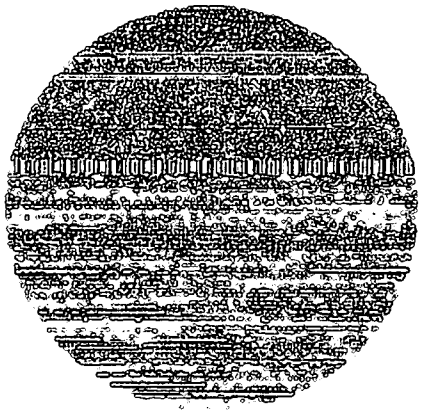


Work in Progress; report in mid-July

Supercomputing and Intercampus Networking

- MCNC currently provides supercomputing and intercampus networking services ($13 million)
- In the process of assessing supercomputing needs and solutions
- Engaged in discussions to evaluate present and future demand for intercampus networking

Anticipating the Unanticipated Revolution



Modern Technology
Educational
Models

The Unanticipated Revolution

IT represents an unanticipated revolution.

Too often it is:

- Unanticipated
- Unplanned
- Unprepared

Changing Economy

More Americans:

- Make computers than make cars
- Build semiconductors than construction machinery
- Spend their days processing data than refining petroleum

In the last 3 years, over one-third of the GDP came from IT industries

Knowledge Workers

- By 1994, 62% of America's work force was comprised of knowledge workers
- Primary responsibilities:
  - Creating information
  - Organizing information
  - Communicating information
- Demand for knowledge workers continues to grow

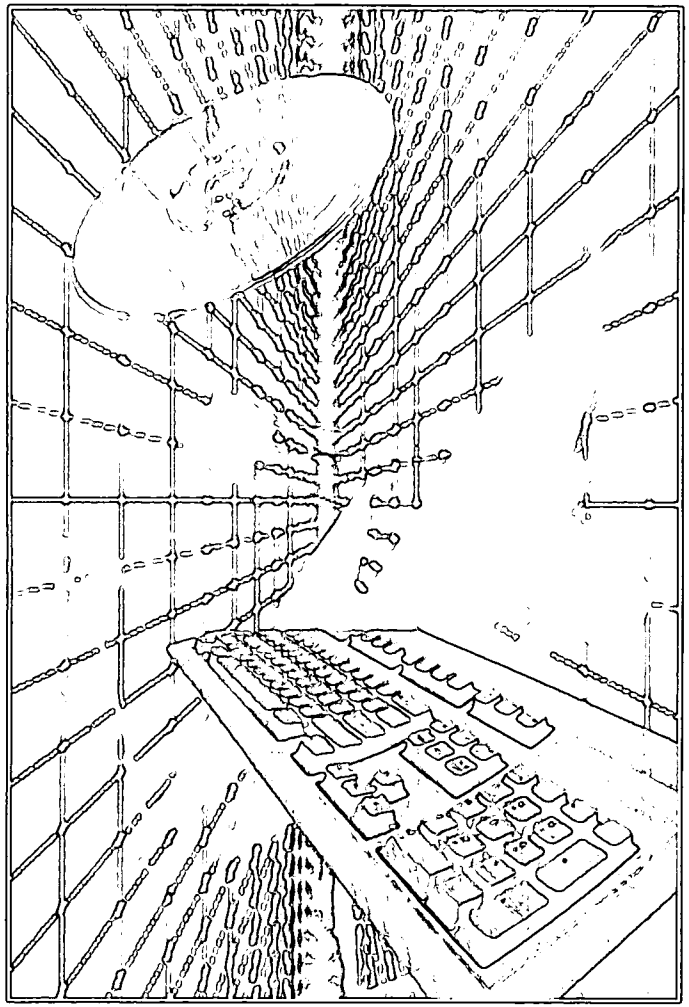
Personal Economic Impact

- Average wage in high-tech industry: $45,170
- Average private sector wages: $25,168
- Students with IT skills have starting salaries 10-15% higher

Our Changing Constituents

- There is a new web user coming online every 2 seconds.
- The .com generation is coming.
- 4 out of 5 high school students use the Internet for research or homework.
- Nearly two-thirds of incoming freshmen communicate using e-mail.
- The second fastest growing group of Internet users are over age 60.

IT in Your Life



Retail

- Wal-Mart's automated delivery system saves it 1.5 to 2% on sales.
- Internet commerce is reaching young audiences and reducing costs by 80%.
- Predictions are that retail prices will drop 30% due to pricing information available over the Internet.

Criminal Justice

- NC Highway Patrol will use mobile data terminals to make inquiries in 10-12 seconds.
- Baltimore is putting officers back on the streets faster and solving more crimes using databases.
- Florida is finding child support violators with traffic tickets.

Changing Economy

More Americans:

- Make computers than make cars
- Build semiconductors than construction machinery
- Spend their days processing data than refining petroleum

In the last 3 years, over one-third of the GDP came from IT industries

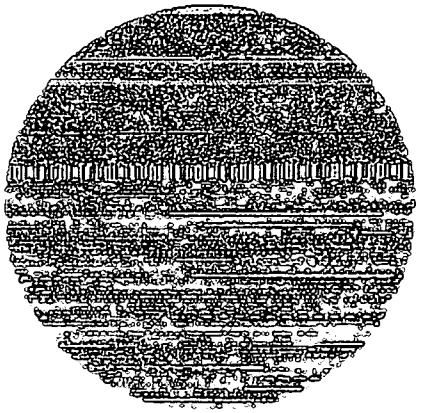
Pharmaceuticals

- Virtual reality and supercomputers have increased the speed of discovering new drug compounds by 2,000%.
- One combinatorial chemistry experiment generates 100 million compounds; computer screening enables researchers to evaluate 30,000 samples a day.
- Modeling reduces use of animal testing.

Transportation

- 61% of trucking companies use electronic data interchange (EDI).
- EDI reduces the cost of an invoice from $1.25 to $0.50.
- "Intelligent freight" allows shipments to be tracked through global positioning systems.

IT at the University of North Carolina



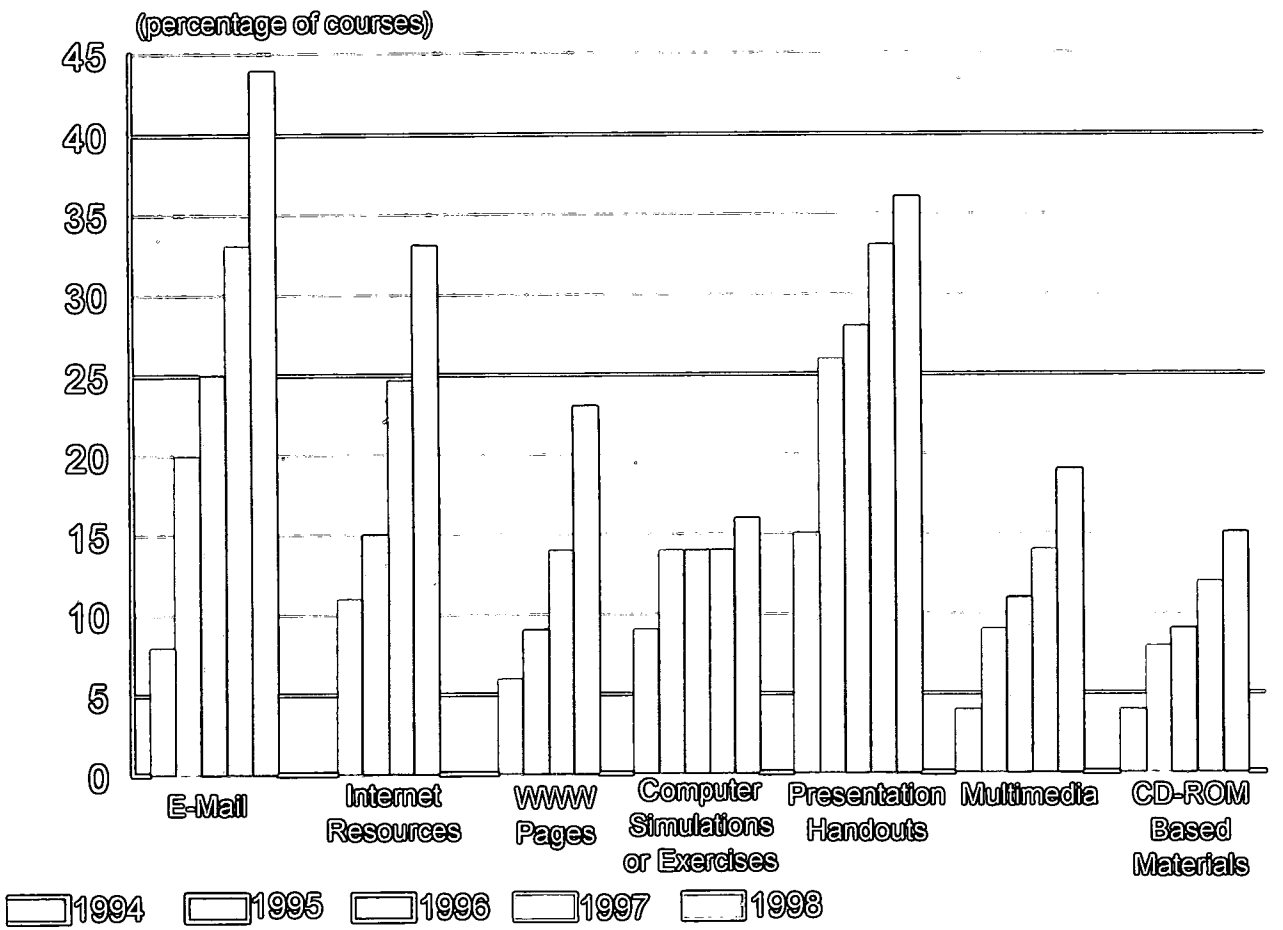
Why Invest in IT?

- Expectations and competitive position
  - 55% of entering freshmen have had IT instruction
  - 35% of American homes now own computers
- Curriculum enhancement
- Role of "information literacy"
  - Ubiquitous technology in the workplace
  - Transformation towards an information economy

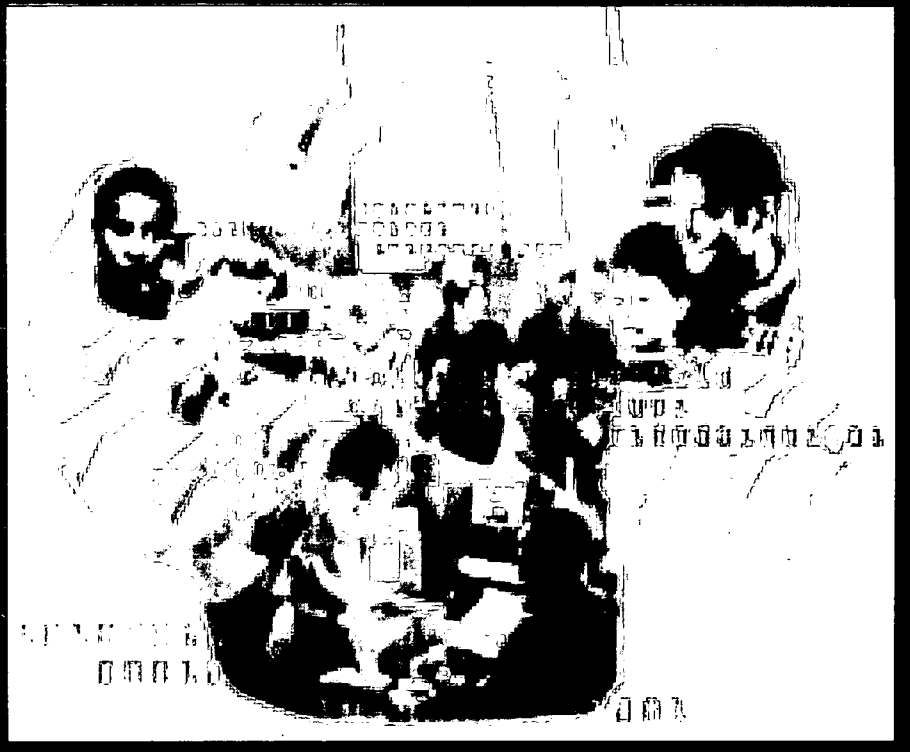
Key Issues

- Rising expectations for IT access
  - Network expansion
  - Hardware and software replacement
- Integrating IT into the curriculum
- Overwhelming demand for user support
- Role of IT in distance education

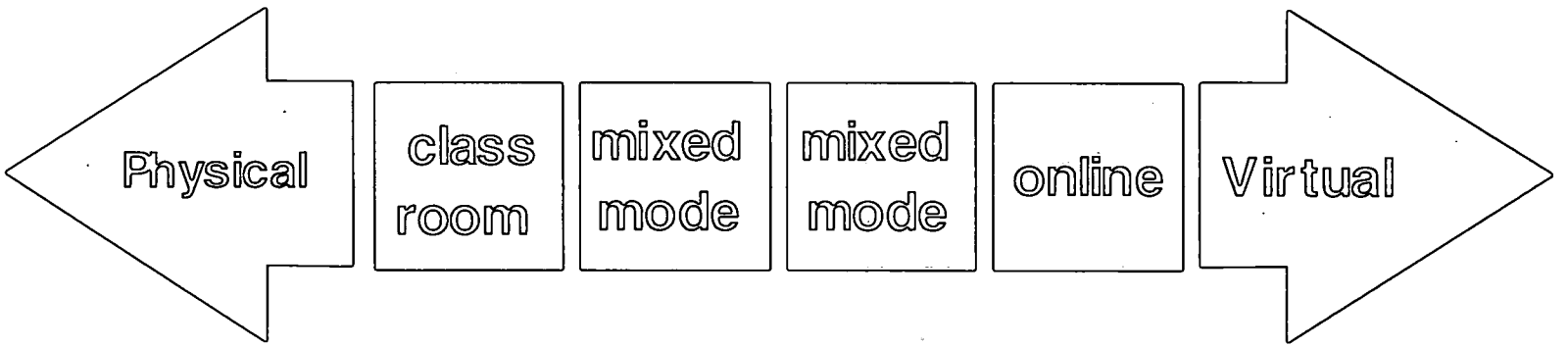
Rising use of Technology in Instruction



Guiding Principles



Campus of the future



The campus of the future may be on a sliding scale of physical to virtual

We believe UNC must...

- Redefine learning
- Expand options with technology
- Learning-centered
- Renew administration

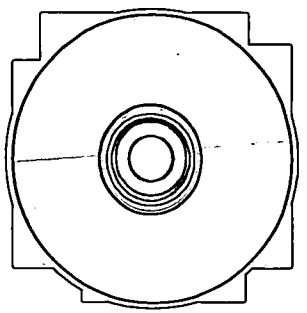
Redefine Learning

Student retention of learning

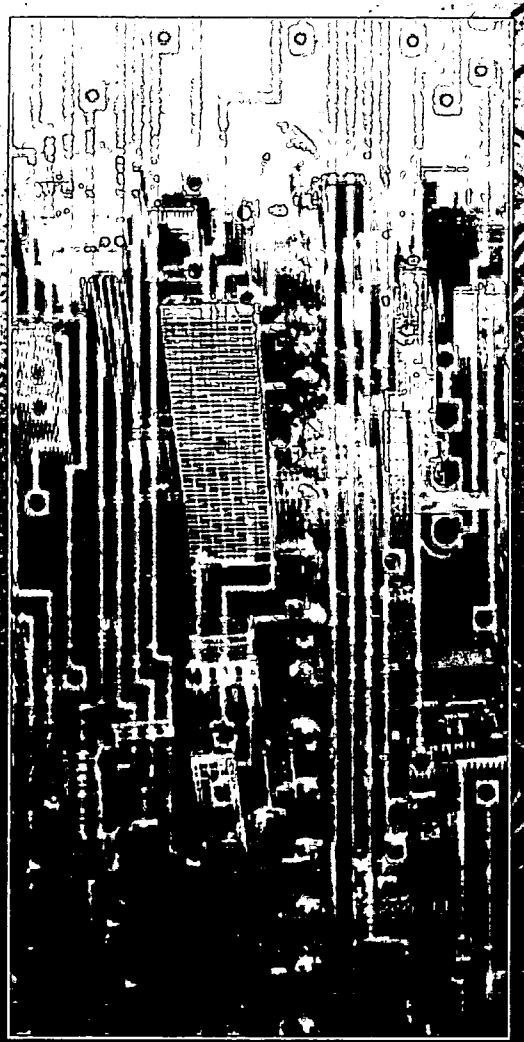
- ☐ 10% of what they read
- ☐ 26% of what they hear
- ☐ 30% of what they see
- ☐ 50% of what they see and hear
- ☐ 70% of what they discuss with others
- ☐ 80% of personal experience
- ☐ 90% of what they say as they do it
- ☐ 95% of what they teach

Shared Responsibility

- Music course
  - Student-as-teacher
  - Learn basics of discipline
  - Select area to study
  - Develop instructional material to share with class
  - Integrate multiple sources of information



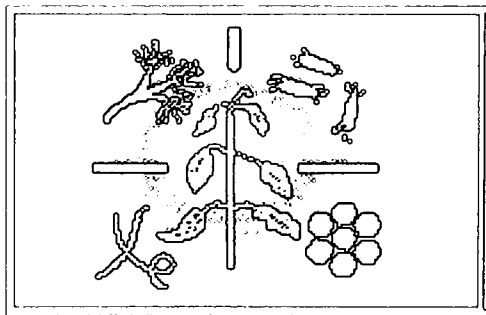
Expand Options with Technology

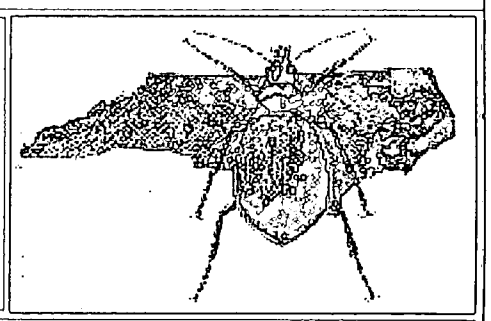


- Getting connected
- Improve access
- Participation, interaction, and collaboration
- Flexibility for different living and learning styles

Outreach Anytime

- Diagnosis of problems
- Cameras transmit digital pictures for rapid assessment





Plant Pathology and Entomology

College of Agriculture and Life Sciences
North Carolina State University

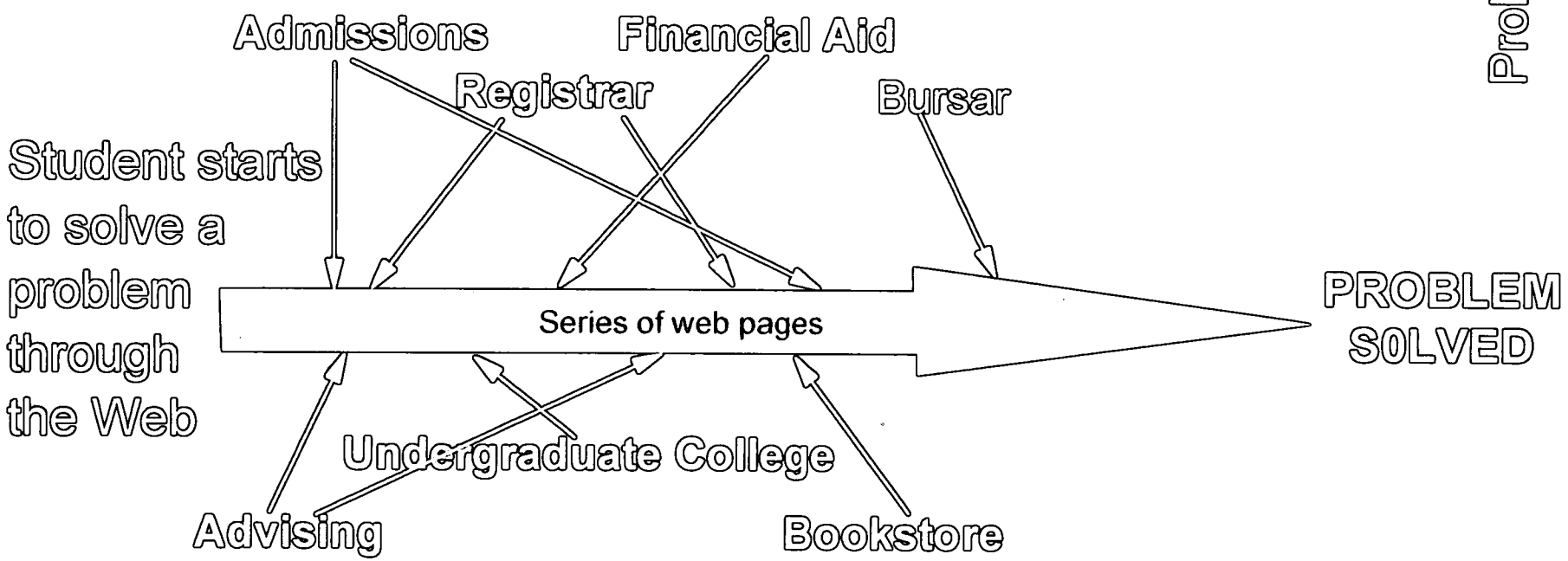
Learning-centered

- Focus on the learner
- Everyone learns — faculty, staff & students!
- Learning carries responsibility

Renew Administration

- Eliminate unnecessary work
- Reengineer processes
- Leverage the IT infrastructure
- Dismantle unproductive policies
- Attack paperwork

Electronic Student Services



Problem solved

UNC Budget Request

FY 1999-2000 IT Strategy Budget Request

- Operating: $20M first year; $40M second year
  - Necessary to support strategic efforts
  - Current needs exceed funding request
  - IT needs are on-going
- Capital: $46M
  - Complete campus infrastructure

SIGILLVM VNIVERSITAT CAROL
1789

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education March 11, 1998 30 A.M.

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Paul Hardy	Univ of North Carolina, POB 2688, Chapel Hill, NC
Ken Sorgen	UNC
Gary Greene	State Planning
David Brown	OSBM
Judith Pulley	UNC
Sue Adams	OSBM
JB Millner	UNC
President Broad	UNC
Clifton Beatty	AOC GA
Elizabeth Grossenbacher	OSBM
Joni Worthington	UNC
Maurice Kij	OSBM
Karen Garr	Gov's Office
Janet Puckett	OSBM
Hal Miller	DCACCT
Barbara Harris	OSBM
Jack Cozort	Parker Poe Adams & Bernstein
Ron Aycock	Court, Can-Assoc
Ed Eddins	Parker, Poe, Eddins & Bernstein

Joint Appropriations Subcommittee
On Education/Higher Education

March 16 1999
8:30 a.m.
Presiding- Senator Walter Dalton

Call to Order		Chair
UNC Enrollment		Jim Newlin Dr. Judith Pulley, Vice President for Planning, UNC General Administration **Julius Chambers**, Chancellor, North Carolina Central University
UNC Distance Education/ Off-Campus Enrollment		**Dr. Judith Pulley** **Dr. Darryl Davis,** Dean, School of Industry and Technology, ECU **Professor Rita Reaves** School of Industry and Technology, ECU **Dr. Tom Miller,** Associate Dean for Distance Education and Information Technology, NC State University

MINUTES

JOINT APPROPRIATIONS SUB-COMMITTEE ON EDUCATION/HIGHER EDUCATION

Wednesday, March 16, 1999
10:00 A.M.
Room 421 LOB

The Joint Appropriations Subcommittee on Education/Higher Education met on Wednesday, March 26, 1999 at 10:00 A.M. in Room 421 of the Legislative Office Building. Senator Dalton, Co-Chair presided.

Senator Dalton called the meeting to order and introduced Pages Jerolyn Brown, sponsored by Speaker Black; Ashley Butler, sponsored by Representative Gillespie and Claire Lodge, sponsored by Senator Hoyle.

Senator Dalton recognized Mr. Jim Newlin, Fiscal Staff. He presented a comprehensive overview of the projected enrollment increase for the UNC System. *(See Attachment 1).* Mr. Newlin stated the enrollment funding is based on the level of instruction, the cost of the discipline and the number of semester credit hours. He explained the factors that contribute to the implementation of the funding formula for enrollment. Mr. Newlin responded to several comments and questions from the Committee.

Senator Dalton then introduced Dr. Judith Pulley, Vice President for Planning, UNC General Administration. Dr. Pulley presented enrollment growth projection data. *(See Attachment 2).* She stated the growth projections were specific to the UNC System and did not include distant education. The projection model presented by Dr. Pulley predicted a 30.7% student increase or 47,600 new students over the next ten years. Next, Dr. Pulley talked about the specific plans by the UNC System to accommodate the expected enrollment increases. The UNC System Enrollment Plan includes increasing the efficient use of existing capacities, decreasing the time for degree completions and utilizing those institutions which have space available and thus, increasing enrollment at those institutions.

Senator Lee introduced Dr.Julius Chambers, Chancellor, North Carolina Central University. Dr. Chambers explained what North Carolina Central University would require to upgrade their facilities if NCCU were to accommodate the projected increase of 5500 students assigned to NCCU during the next ten years. On behalf of the Committee, Senator Lee thanked Dr. Chambers for his presentation.

Next, Senator Lee introduced Dr. Tom Miller, Associate Dean for Distance Education and Information Technology, North Carolina State University. Dr. Miller described the current endeavors in Distance Education within the UNC System. *(See Attachment 3).* Dr. Miller presented a slide presentation, which illustrated Distant Education between several UNC System campuses.

Senator Dalton adjourned the meeting at 9:50 A.M.

Senator Walter Dalton, Co-Chair

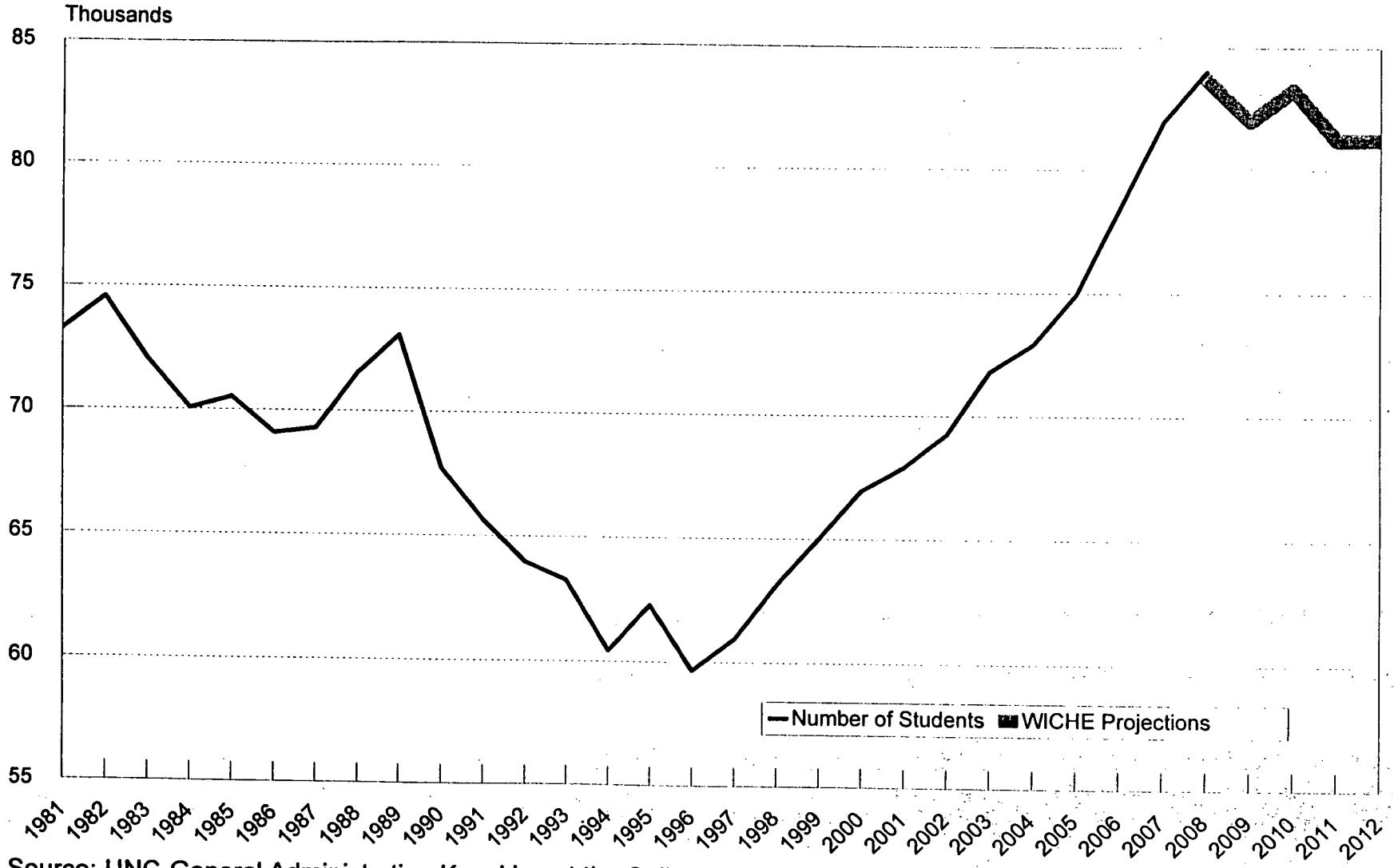
Christina K. Minard, Education Committee Assistant

Attachment 1

UNC ENROLLMENT

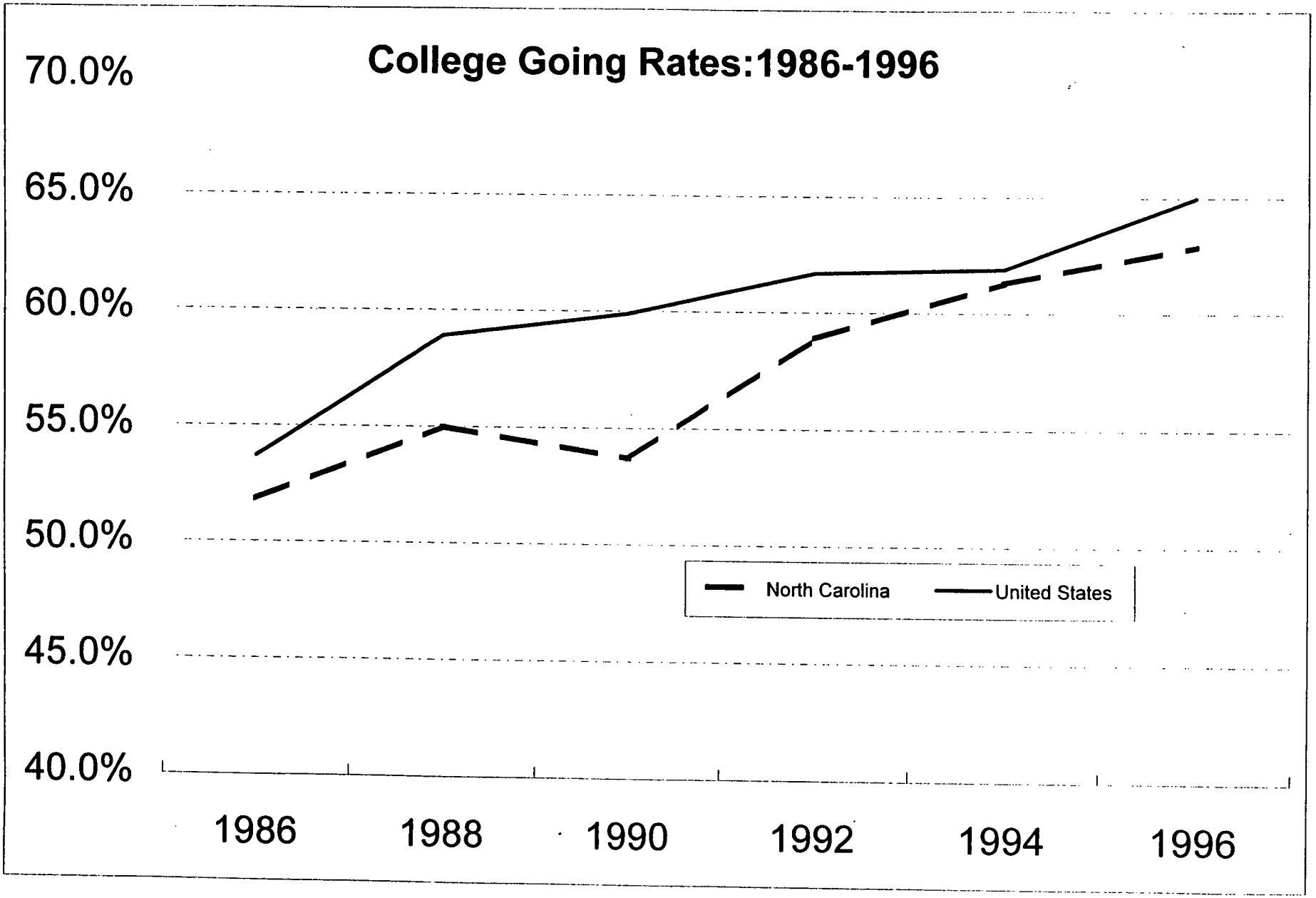
NC HIGH SCHOOL GRADUATES

1981-1998 AND PROJECTED TO 2012



Source: UNC-General Administration, Knocking at the College Door: Projections of High School Graduates by State and Race/Ethnicity: 1996-2012 by WICHE, February, 1998.

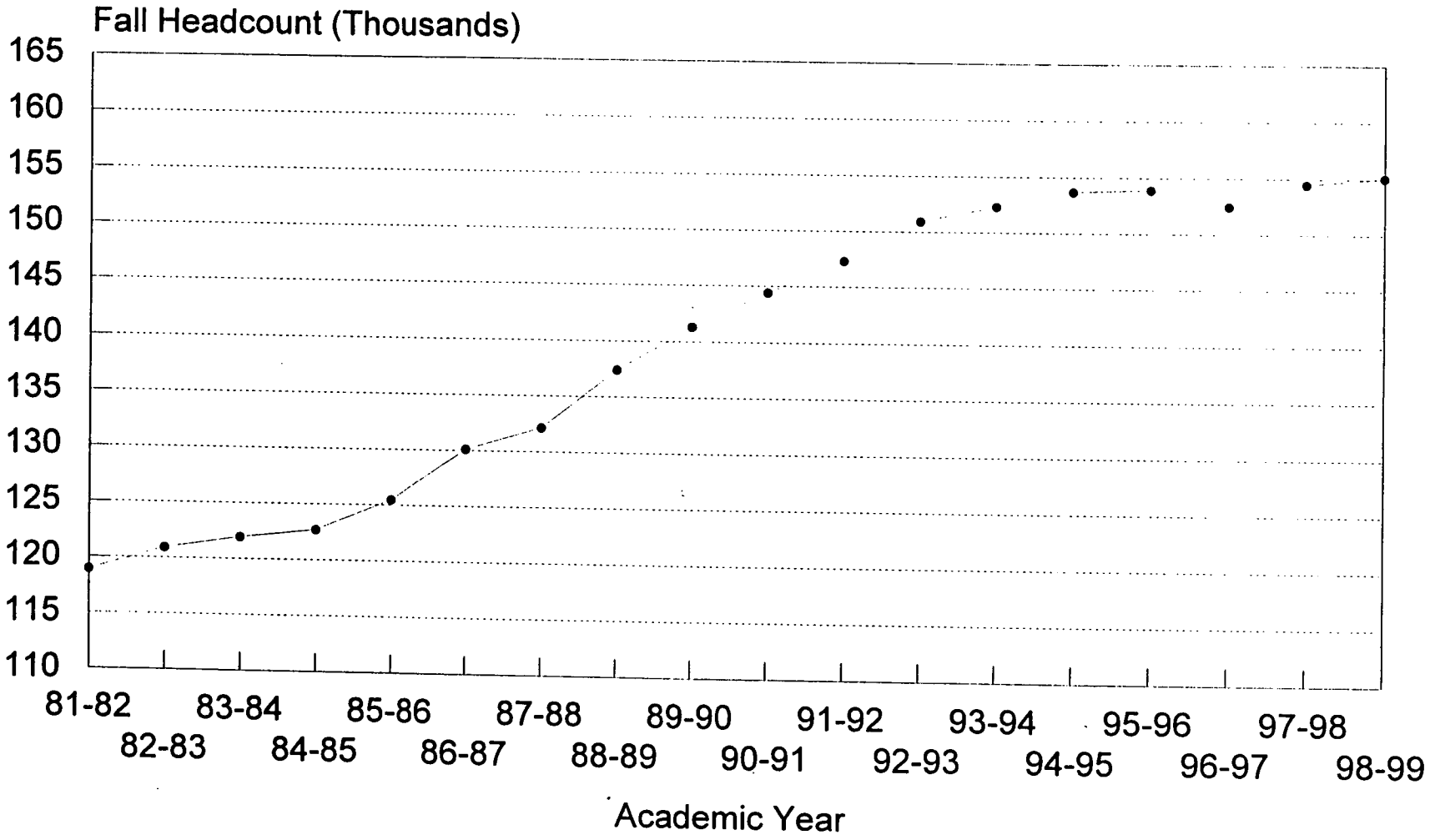
Fiscal Research Division 1/25/99



Source: UNC General Administration
Fiscal Research Division 3/14/99

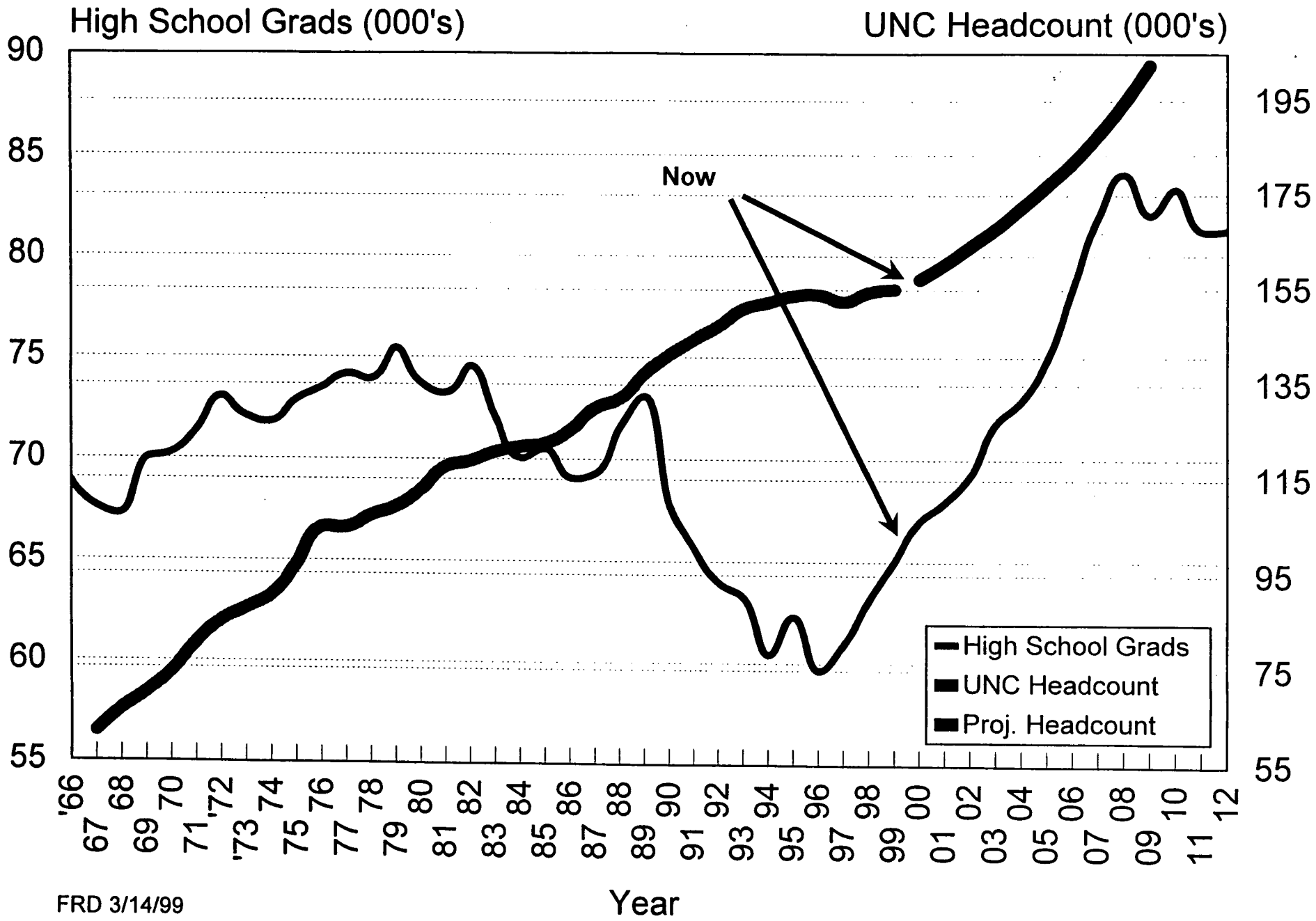
UNC ENROLLMENT GROWTH

STUDENT HEADCOUNT



FISCAL RESEARCH DIVISION 1/25/99

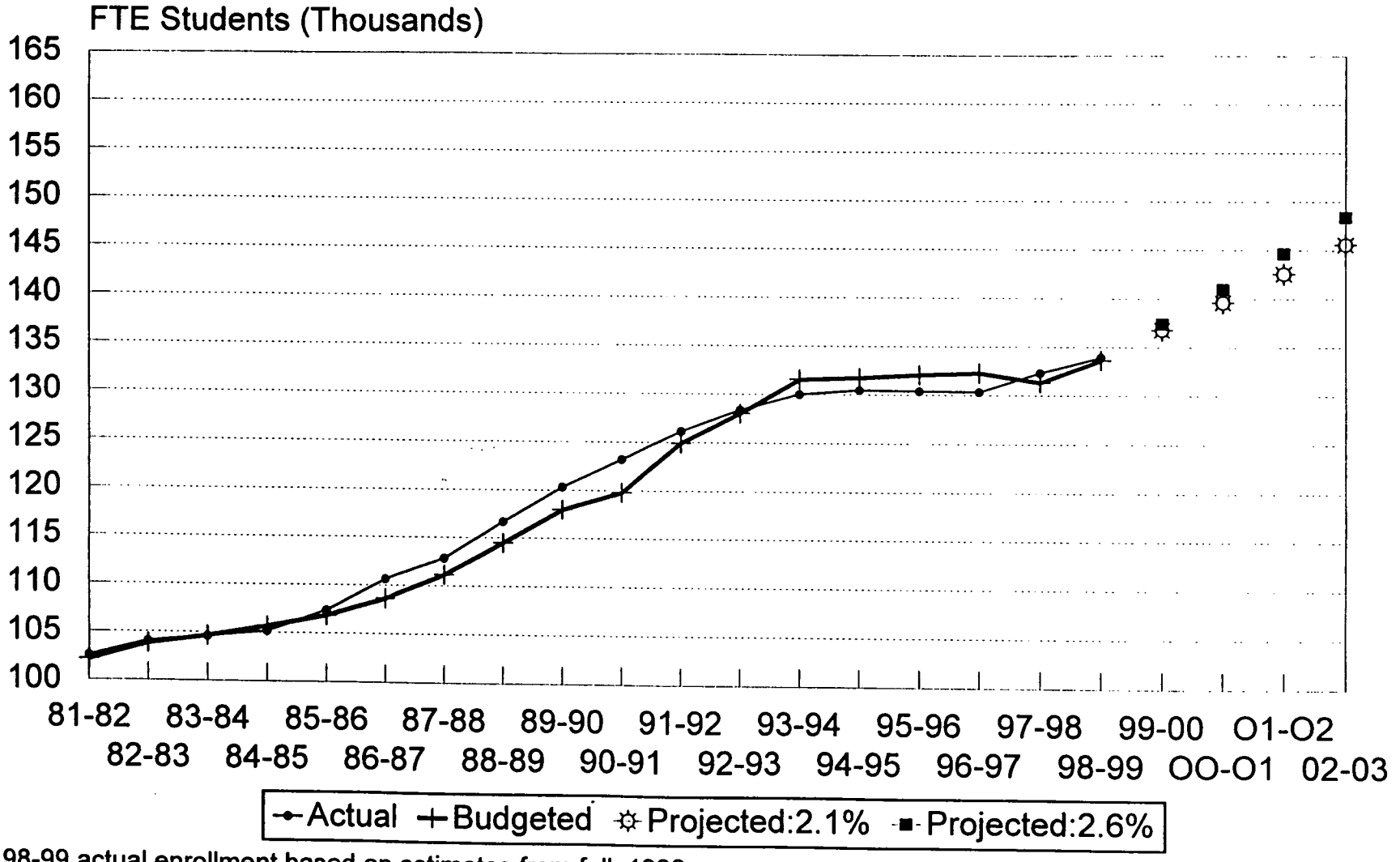
NC High School Graduates and UNC Enrollment



FRD 3/14/99

UNC ENROLLMENT GROWTH

ACTUAL,BUDGETED & PROJECTED



98-99 actual enrollment based on estimates from fall, 1998.

FISCAL RESEARCH DIVISION 2/2/99

UNC Enrollment Funding Model

Formula for Changes

Enrollment Formula

- Based on level of instruction
- Based on cost of discipline (subject)
- Based on semester credit hours of instruction (SCH's)
- Calculates faculty FTE based on above 3 elements
- Multiplies faculty FTE by budgeted salary for campus
- Multiplies resulting salary costs by library and institutional support percentages

Benefits of Formula

- Avoids debate about calculation of student FTE's
- Provides same faculty resources for same type students
- Provides basis for equity in enrollment funding and for benchmark on overall funding

Potential Drawbacks of Formula

- Total faculty funding and "other costs" vary by campus category salary averages
- Applies only to changes in credit hours, not to overall enrollment
- Could provide incentive to enroll graduate students until cost ratios are calibrated on actual experience

Other Factors in Formula

Formula has add-on factors for:

- Lower average class sizes for undergraduates
- Small campus factor
- Proportion of disadvantaged students served
- Public liberal arts college mission (UNC-A)

The University of North Carolina
Enrollment Growth

March 16, 1999

Judith Pulley - Vice President for Planning

The University of North Carolina General Administration

ATTACHMENT 2

The University of North Carolina
Enrollment Growth

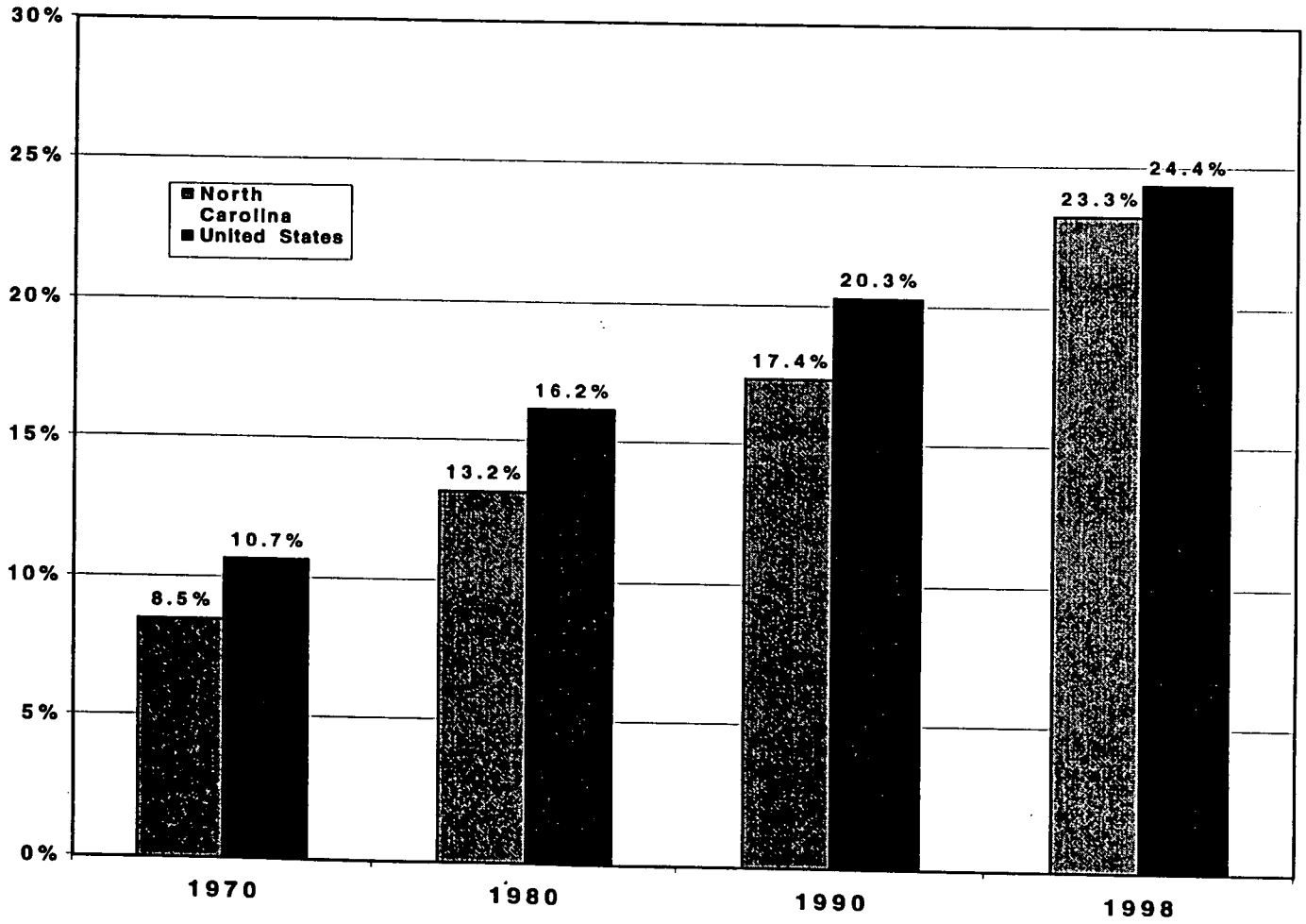
- **The importance of educational attainment for North Carolinians.**
- **How the University of North Carolina projects enrollment growth.**
- **Ten-year enrollment projections (1998-2008) for the University of North Carolina.**
- **Planning for projected enrollment growth.**
- **Strategies to increase enrollment growth substantially at selected institutions (1998-2008).**
- **Increasing enrollment -- the view from a chancellor.**

The Importance of Educational Attainment for North Carolinians

Measuring Our Progress: Targets for the Year 2010 **(A Report of the North Carolina Progress Board, December 1997):**

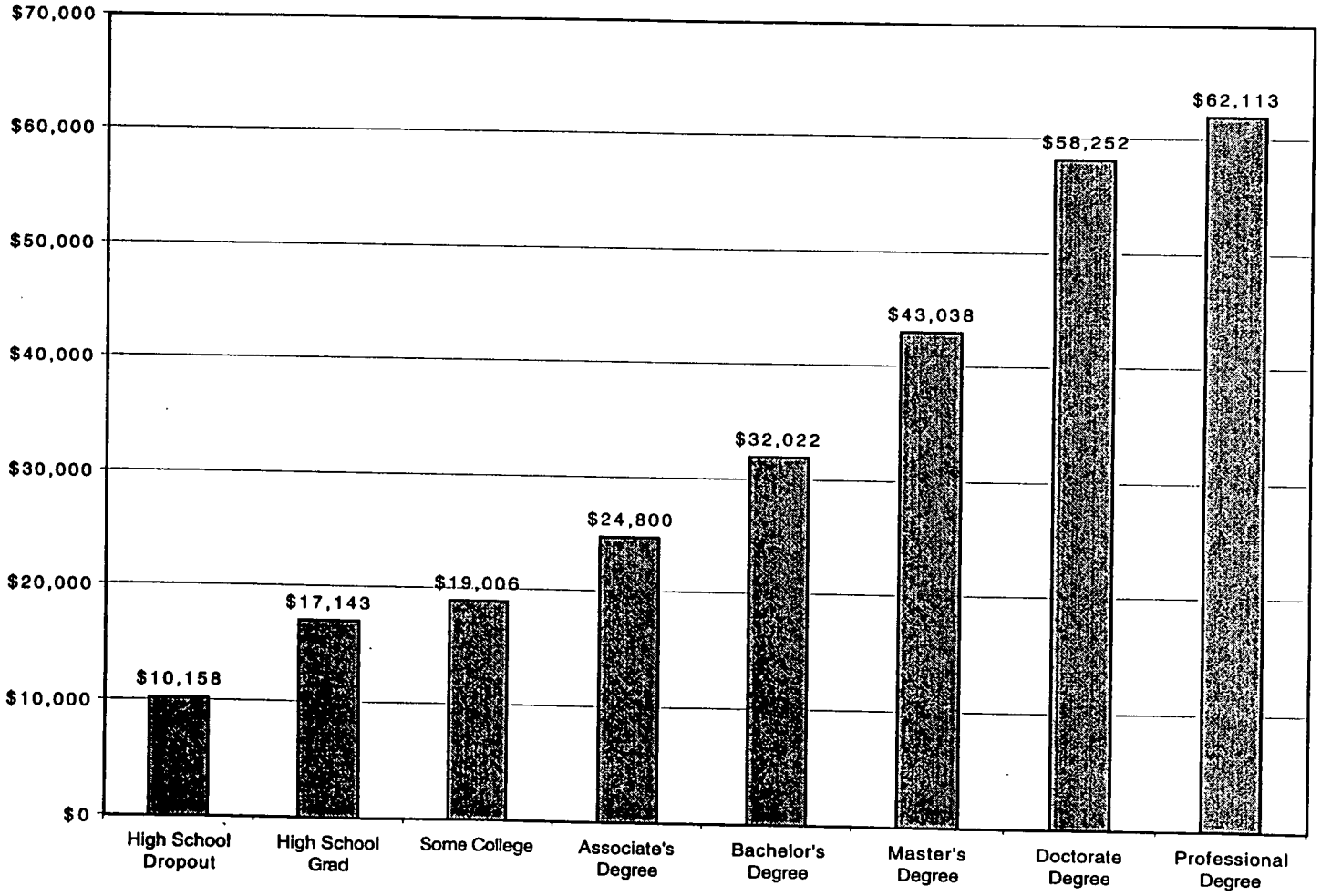
- **TARGET #3 -- North Carolina will reach the national average in bachelor's degrees by 2010 -- and there will be no disparity between blacks and whites.**

Educational Attainment of Persons 25 and Older (Baccalaureate Degree): 1970-1998 (U.S. Census Bureau)



The University of North Carolina General Administration

Median Income of Persons 25 and Older by Level of Educational Attainment: 1998 (U.S. Census Bureau)



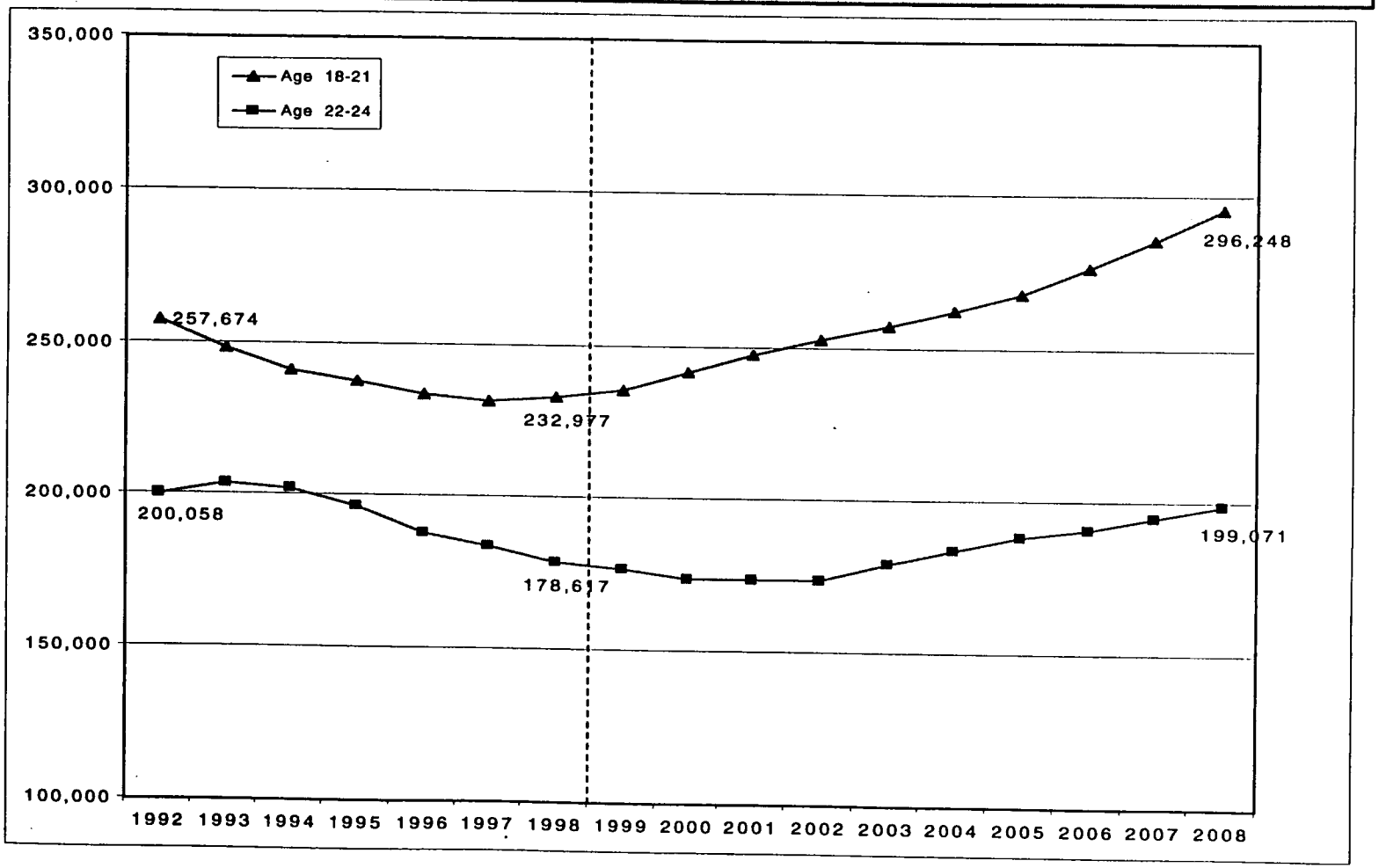
The University of North Carolina General Administration

The UNC Projection Model: Pools and Participation Rates

- **Projected annual size of specified groups (pools of potential students) from independent sources.**
  - **18-21**
  - **22-24**
  - **25-35**
  - **36 and older**
- **Recent trends (past 7 years) in UNC participation (attendance) rates by these age groups at each UNC campus.**
- **Projected participation rate of each age group is multiplied by the projected size of that group for a given year.**

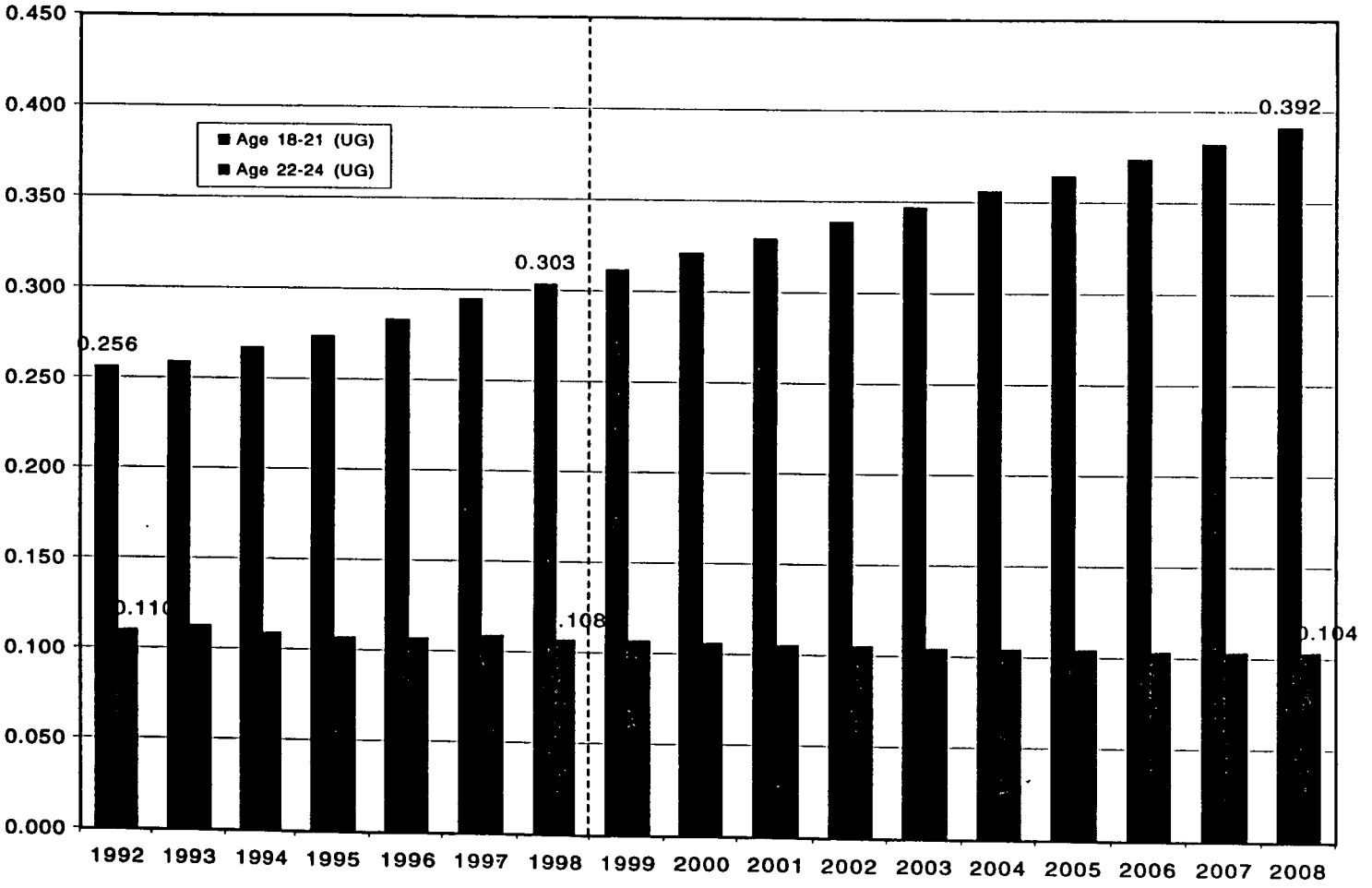
Age Groups (18-21, 22-24) Used in UNC Enrollment Projection Model: 1992-98 (Actual), 1999-2008 (Projected)

Source: U.S. Bureau of the Census



The University of North Carolina General Administration

Participation Rates by Age Groups (18-21, 22-24) Used in UNC Enrollment Projection Model: 1992-98 (Actual), 1999-2008 (Projected)



The University of North Carolina General Administration

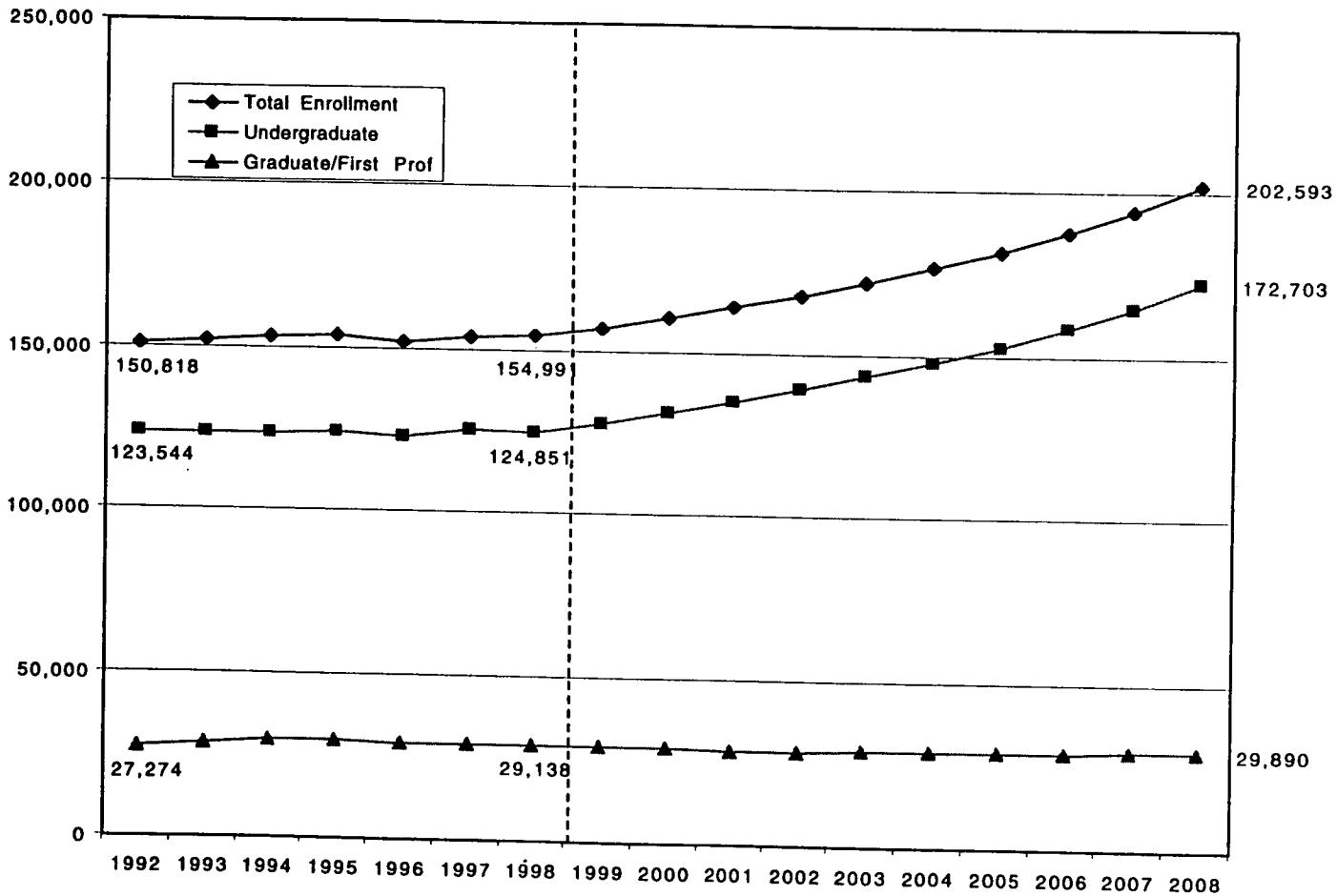
The UNC Projection Model (cont.)

- **Thus projections of demand produced by the UNC projection model are:**
  - **An extrapolation of past enrollment and future population trends**
  - **Not necessarily a predictor of actual enrollment outcomes on a given campus.**
- **The projection model best serves as a reasonable predictor of overall future enrollment demand throughout the University of North Carolina.**
- **What projections are not:**
  - **Enrollment targets for each institution**
  - **Projected demand for all of N. C. higher education**
  - **Projected demand for off-campus and distance education**

UNC Projection Model's Projection of Enrollment Demand

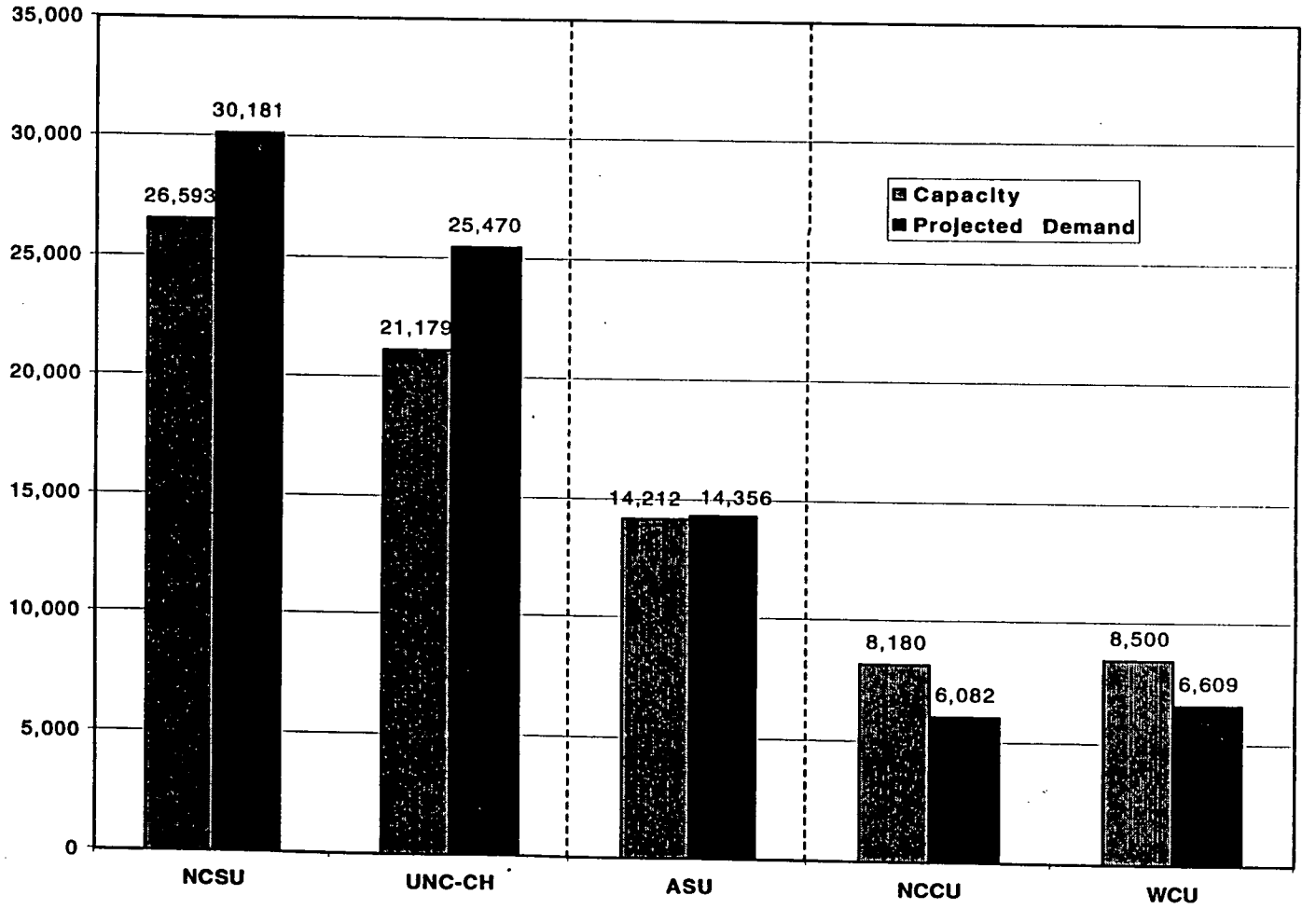
- **Projected enrollment growth in the first five years (1999-2003) will be approximately 17,500 (or 11.3 percent increase).**
- **Projected growth will be greater in the second five-year period (2004-2008) -- approximately 30,000 (or 17.4 percent increase).**
- **Projected enrollment growth for the ten-year period (1999-2008) is approximately 47,600 (or 30.7 percent). (Actual enrollment for the ten-year period 1965-75 was 47,968, an 84.4 percent increase.)**

UNC Undergraduate and Graduate/First Professional Enrollments: 1992-98 (Actual), 1999-2008 (Demand Projected by UNC Enrollment Model)



The University of North Carolina General Administration

Comparison of Capacity Estimates and UNC Projected Enrollment Demand at Selected Institutions: 2003



The University of North Carolina General Administration

Planning for Enrollment Growth: Guiding Principles

The following principles have been proposed to guide the enrollment planning process, but not to be the sole determinants:

- **Use existing capacity to the fullest extent possible.**
- **Promote economies of scale and stronger institutional financial capability by setting a target of at least 5,000 - 6,000 students for most institutions.**
- **Provide facilities for growth beyond capacity for some campuses.**
- **Emphasize accommodation of undergraduates.**

Planning for Enrollment Growth (1999-2008): Application of the Guiding Principles

- **Set enrollment targets that will use estimated capacity of most UNC campuses, but do not expect a rate of growth higher than 20 percent in the first five-year period (1999-2003) or 33 percent for the second five-year period (2004-2008).**
- **Expand capacity at selected campuses to enable them to serve at least a portion of their projected enrollment growth.**
- **Serve some of the projected enrollment growth through expansion of distance education enrollment and the establishment of one or more off-campus "University centers."**

Planning for Enrollment Growth (1999-2008): Requirements for Success of the Enrollment Plan

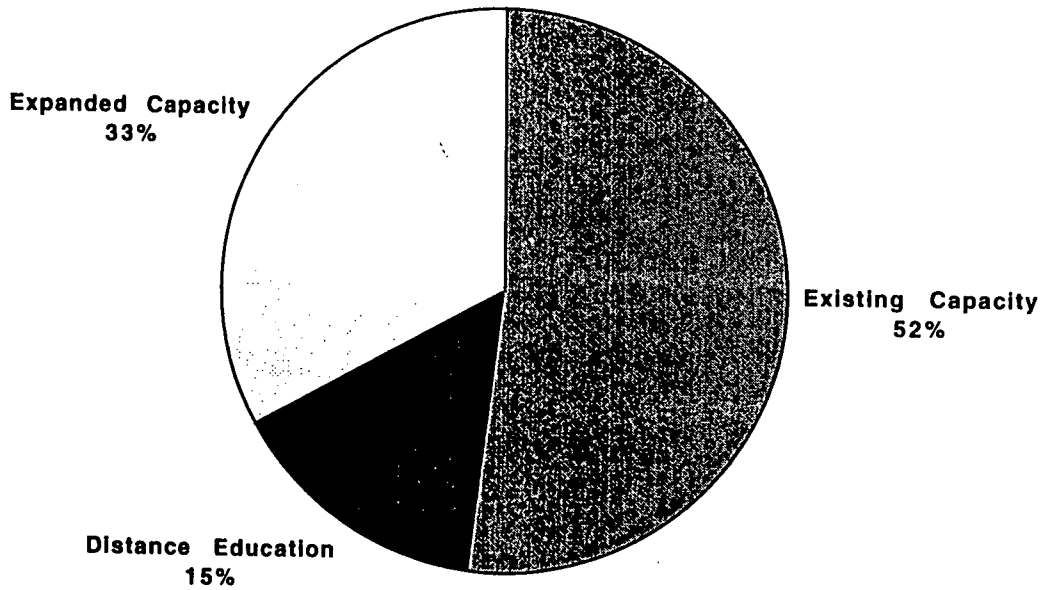
- **Continued funding of UNC enrollment growth, both on-campus and through distance education/off-campus instruction. (Lines 1a and 1b)**
- **Development of strategic business plans to foster above-average growth at smaller institutions with available capacity. (Strategic Initiatives Reserve, Line 2d)**
- **Study to determine feasibility of off-campus University centers. (Strategic Initiatives Reserve, Line 2d)**
- **Renovation, upgrades, and retrofitting of campus facilities (UNC 10-year capital plan).**
- **Construction of new facilities (UNC 10-year capital plan).**

UNC ENROLLMENT FUNDING REQUEST

1999-2001

	1999-2000	2000-2001
Regular Term Enrollment	$19.5 million	$30.14 million
Off-Campus Instruction	5.5 million	13.73 million
Total Enrollment Request	**$25.0 million**	**$43.87 million**

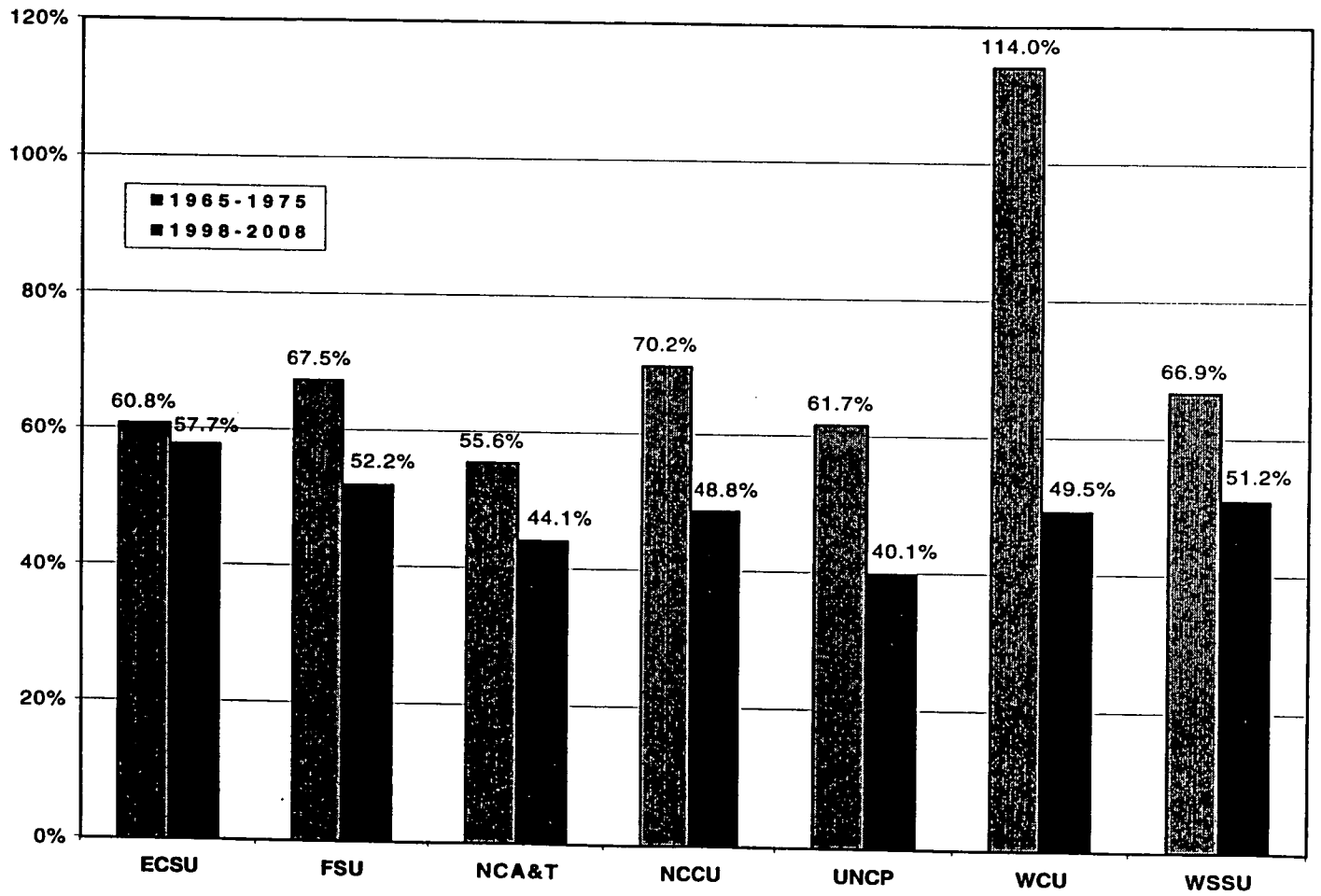
Planning for Enrollment Growth (1999-2008): Preliminary Estimate of Relative Role of Three Strategies in Meeting Projected Demand—Existing Capacity, Expanded Capacity, and Distance Education



Increasing Efficient Use of Existing Capacity

- **Develop university-wide space planning standards.**
  - **Standards adopted by Board of Governors in October 1998.**
- **Improve students' time-to-degree.**
  - **Most recent report indicates that the UNC four-year graduation rate increased by 1.6 percentage points, the largest increase in this rate ever recorded.**
- **Make greater use of summer sessions.**
  - **Funding of experimental initiatives begun in Summer 1997 (from fund appropriated in 1996 session.)**

Percent Increase in Enrollment at Selected Institutions: 1965-1975 (Actual) and 1998-2008 (Potential)



The University of North Carolina General Administration

Potential Strategies to Increase Enrollment Substantially at Selected Institutions (1999-2008)

- **Efforts to Improve College-Going Rate: PATHWAYS proposal (Line 1f)–a statewide system of guidance information for students in grades 7-12 and their parents.**
  - **Includes system for sharing applications for admission to UNC institutions. (SL 1998-212 [SB 1366] - UNC Applications Pool)**
- **Additional Student Financial Aid. (Line 1e and UNC Task Force on Student Financial Aid)**

Potential Strategies to Increase Enrollment Substantially at Selected Institutions (1999-2008) (cont.)

- **Develop strategic business plans for each campus that address issues such as:**
  - **Marketing plan**
  - **Recruitment and retention**
  - **Academic program development**
  - **Faculty development (Line 3c, Teaching and Learning Centers)**
  - **Use of technology to strengthen teaching and learning, student services, and business systems (ITS Project, Line 2a)**
- **Renovation and retrofitting of campus facilities, enhancement of overall campus appearance, etc.**

SIGILLVM VNIVERSITATIS CAROLINAE
1789

The University of North Carolina
Distance Education/Off-Campus Programs

March 16, 1999

Judith Pulley - Vice President for Planning

The University of North Carolina General Administration

ATTACHMENT 3

Distance Education/Off-Campus Programs

- Legislative interest in distance education
- Distance education defined
- UNC distance-education activities, 1998-99
- Demonstrations:
  - Delivery of engineering courses via MBone technology
  - Delivery of Web courses over the Internet
- Factors in the selection of distance-education delivery systems

Legislative Interest in Distance Education

- **Ch. 393, S.3 (1993):**
  - **"The Board of Governors... shall develop a plan for the continued and expanded availability of higher education for all citizens, focusing on the availability of opportunities in underserved areas by... distance learning technology."**

- **Ch. 324, S.15.5 (1995):**
  - **"The Board of Governors... shall consider different funding approaches to meeting the needs of an increasing pool of high school graduates, as well as adult learners unable to return to a university campus for additional education."**

Distance Education Defined

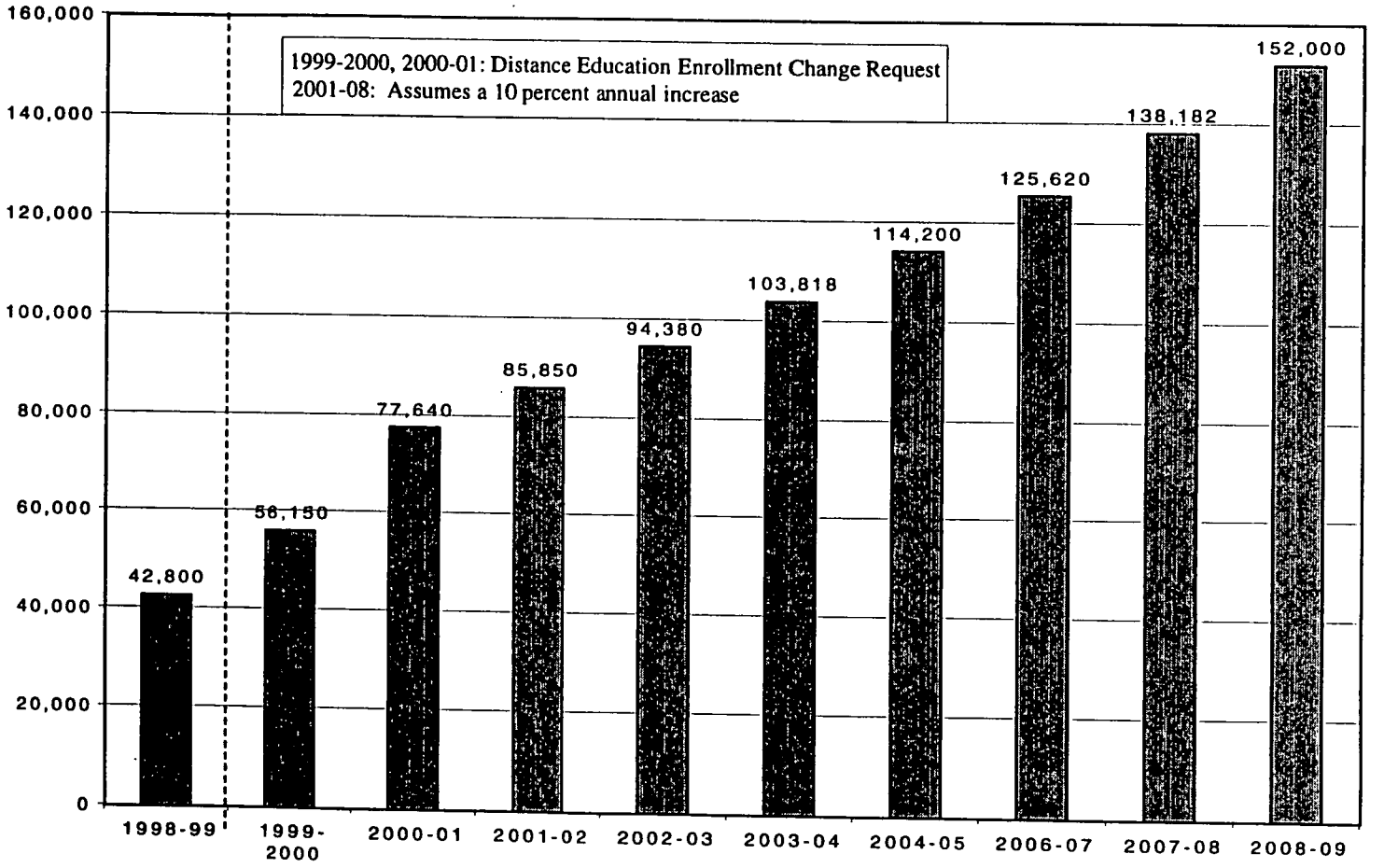
"...the educational process that occurs when instruction is delivered to students physically remote from the main campus, the location or campus of program origin, or the primary resources that support instruction. In this process, the requirements for a course or program may be completed through face-to-face instruction and/or through remote communications with instructional and support staff including either one-way or two-way written, electronic, or other media forms."

Commission on Colleges of the Southern Association of Colleges and Schools (SACS)

Requirements for Quality Distance Education

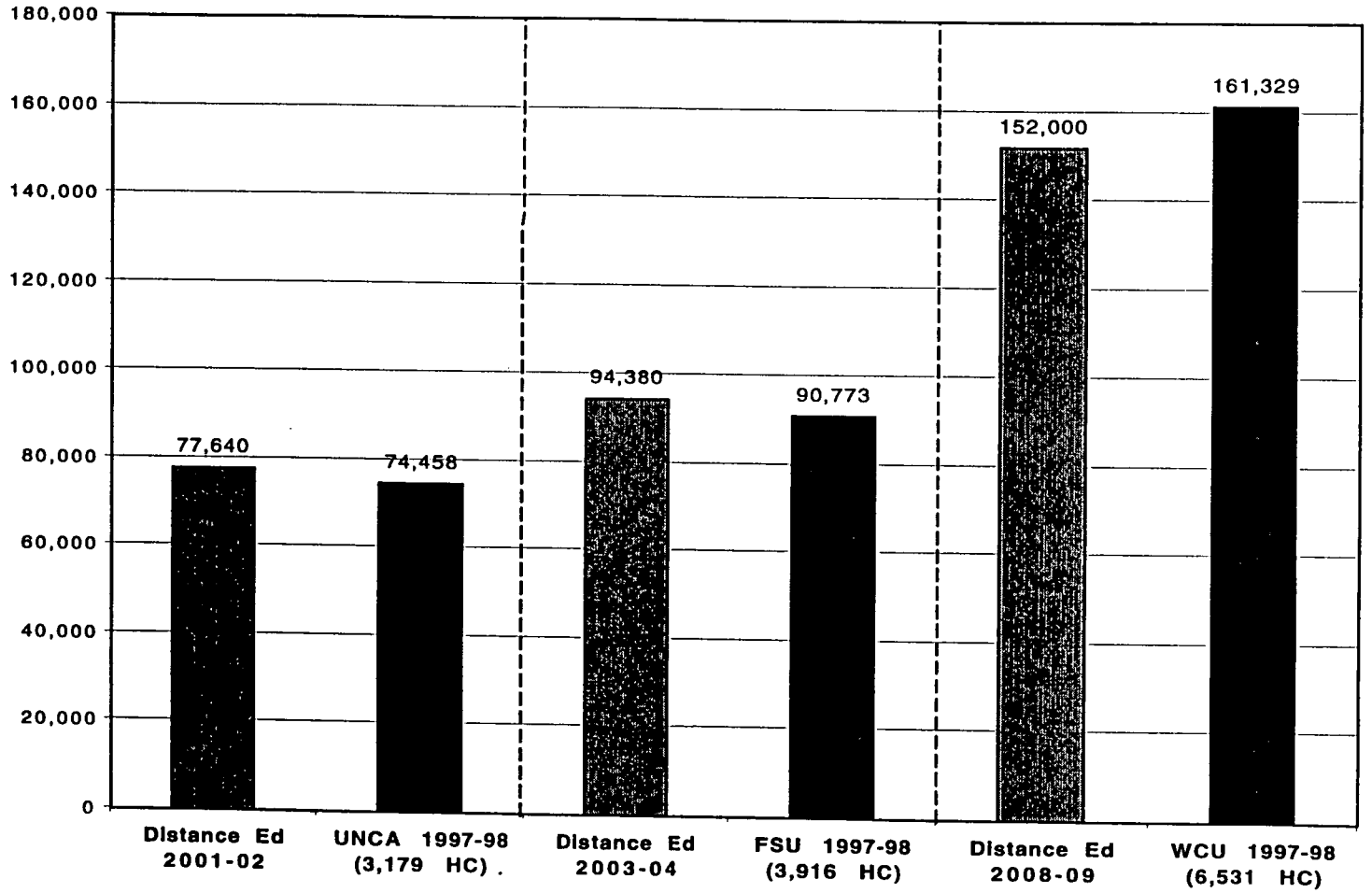
- Instruction comparable to that offered on-campus
- Comparable admissions requirements
- Adequate academic support -- e.g., advising, laboratory access, library access, computer/networking access
- Adequate student support -- e.g., financial aid counseling, career counseling, book orders, etc.
- Evaluation of outcomes and student satisfaction.

Student Credit Hours (SCHs) Taught Via Distance Education: 1998-99 (estimated), 1999-2000 to 2008-09 (projected)



The University of North Carolina General Administration

Comparison of Distance Education Student Credit Hour (SCH) Enrollment to On-Campus Enrollment



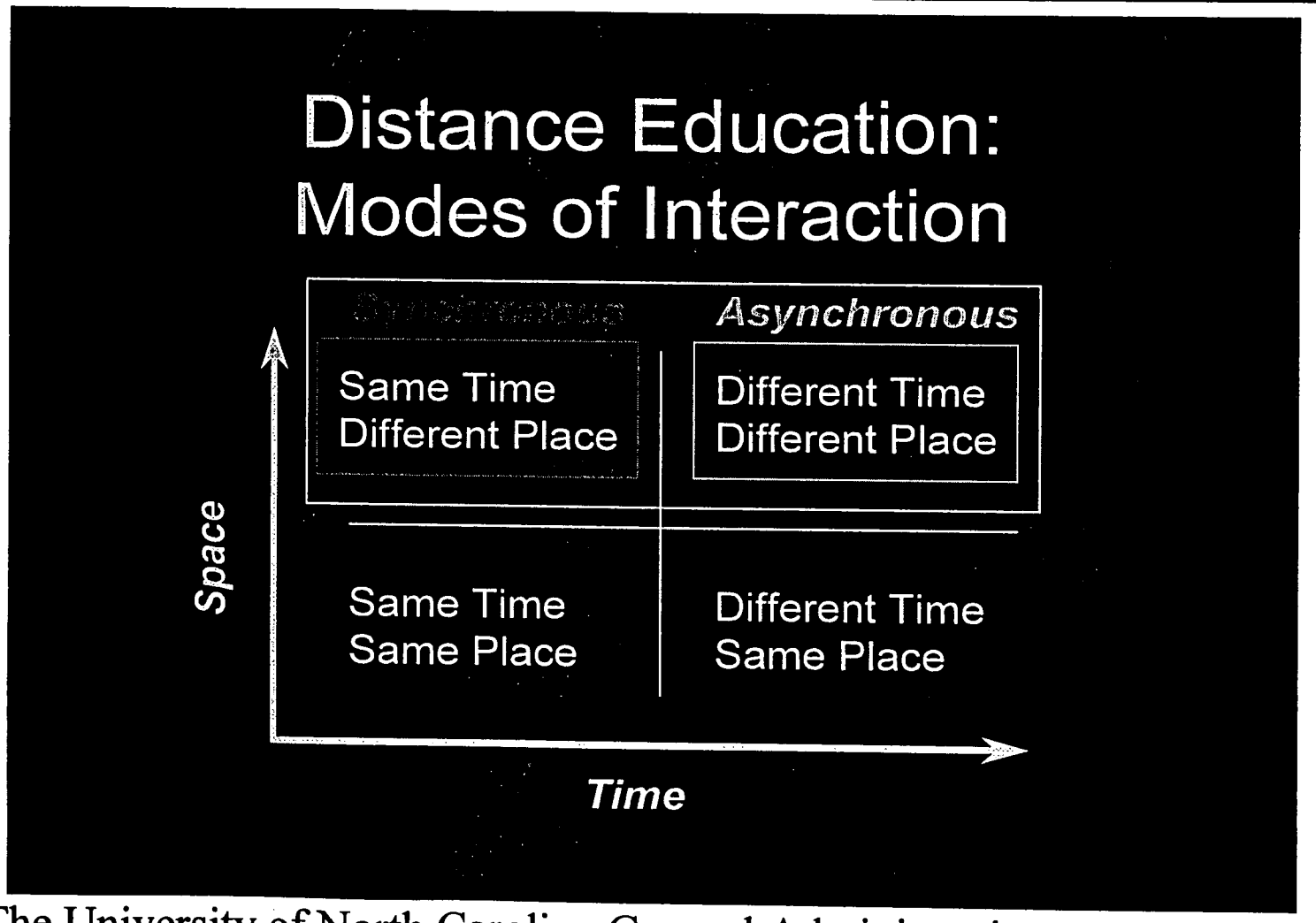
UNC Distance Education Programs by Degree Level and Modes of Instructional Delivery: 1998-99

Level	Number	Mode of Instructional Delivery			
		On Site	NCREN/NCIH	Internet	Taped
Baccalaureate	43	40	13	30	
Master's	58	44	17	46	8
Doctorate	4	1		4	2
Total	105	85	30	80	10

Summary of UNC Distance Education Degree Programs: 1998-99

Program Group	Level	Number	Counties	On Site	NCREN/NCIH	Internet	Taped
Business/Technology	B	10	20	9	6	8	
	M	13	23/Web/Tape	3	1	13	7
	D	2	2			2	2
Education	B	6	9	5	3	4	
	M	22	24	21	4	13	
	D	1	1	1		1	
Health Professions	B	16	51	15	4	7	
	M	14	56	11	9	11	
	D	1	Web			1	
Human Services	B	5	7	5		5	
	M	7	7	7	3	7	
Arts & Sciences	B	6	6	6		6	
	M	2	2	2		2	1

Distance Education Delivery Systems



College of Engineering
North Carolina State University

Mbone Virtual Classroom
NC State College of Engineering

Tom Miller
Associate Dean for Distance Education &
Information Technologies

March 16, 1999

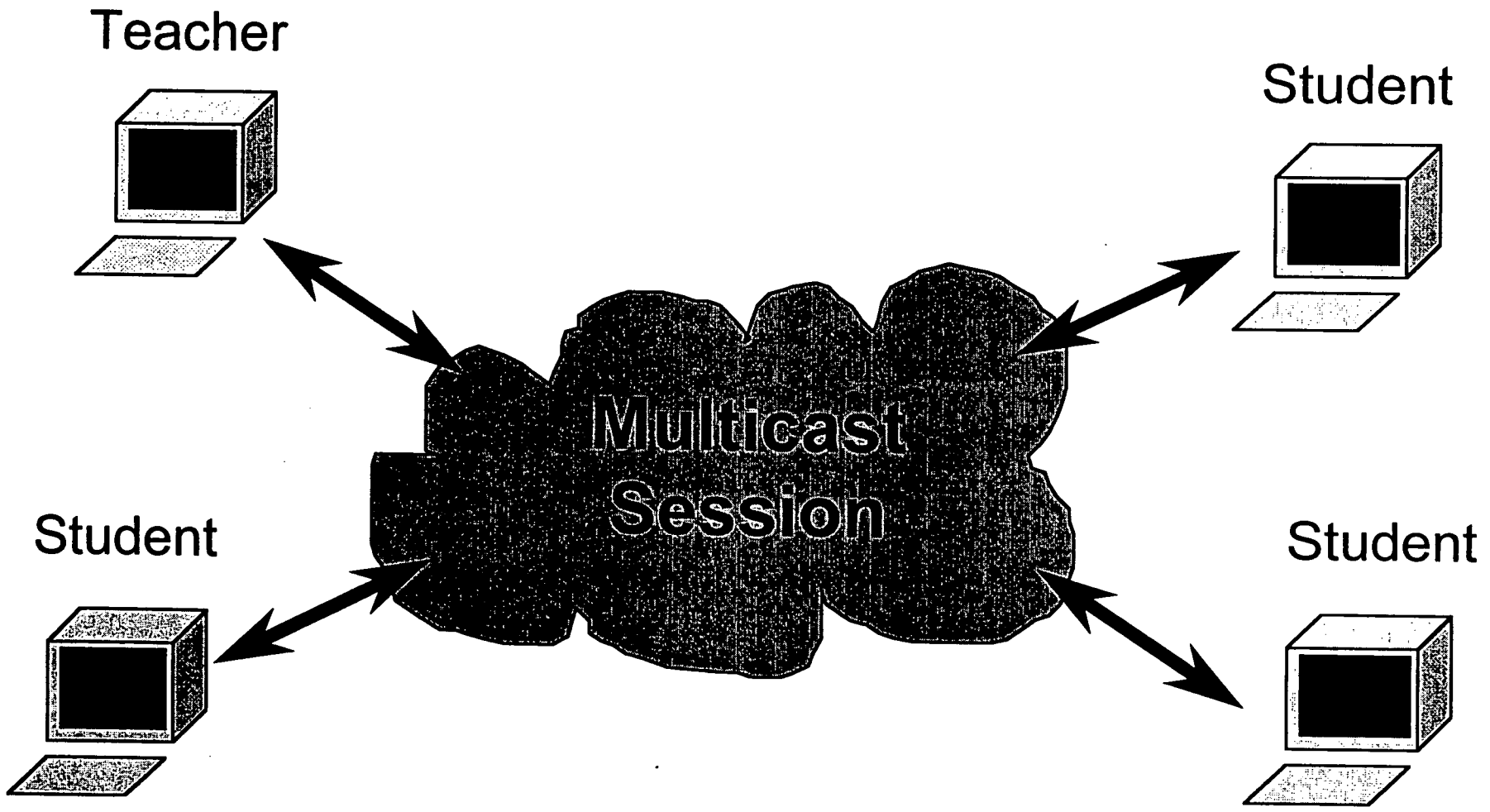
Virtual Classroom Model
"It's all about communication"

- Technology serves to facilitate teacher/student and student/student interaction at a distance
- Enriched interactive communication through integrated voice, video, and data.
- The Web plays a supporting role

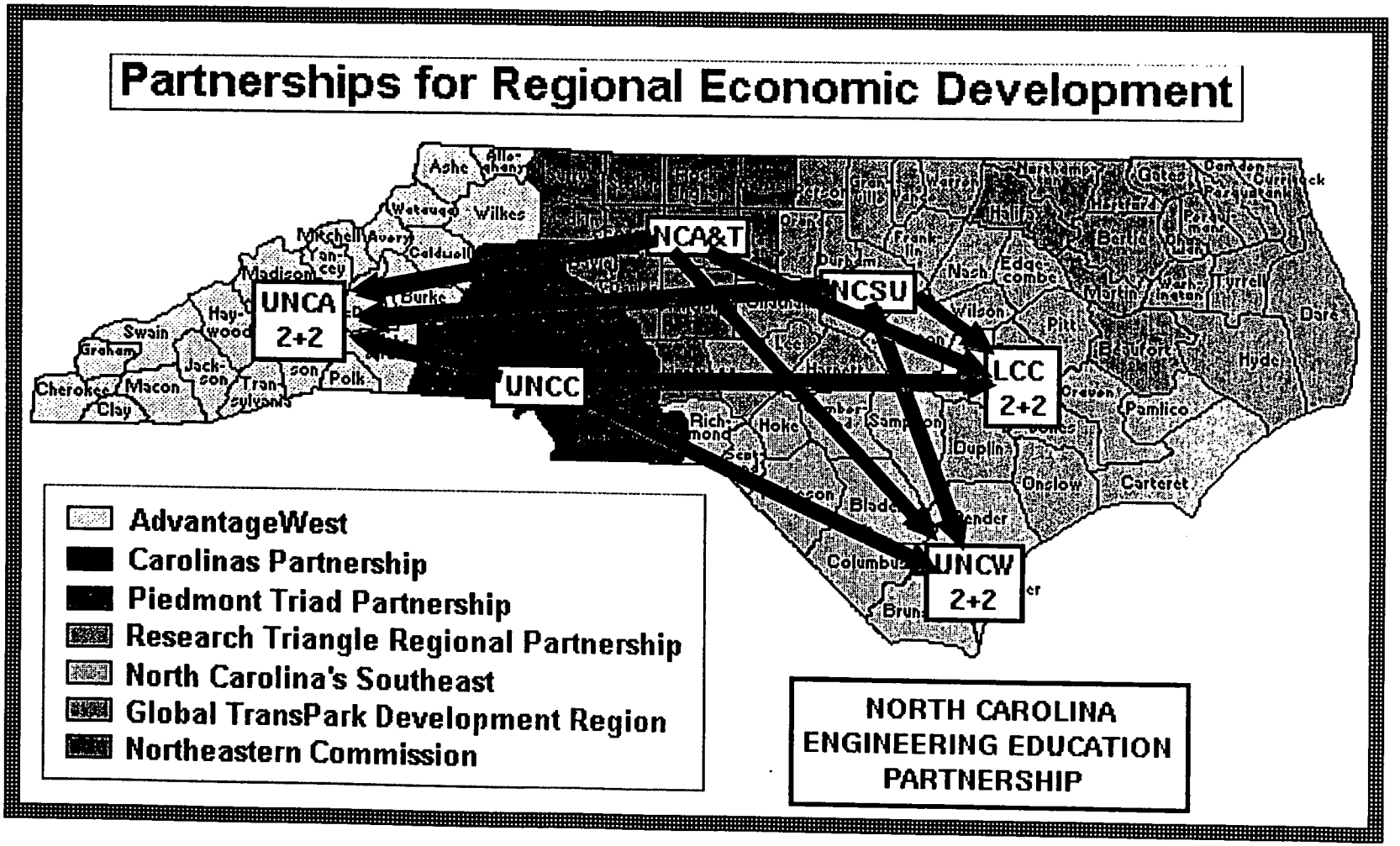
MBone "Virtual Classroom"

- Low cost - desktop computers + Internet
- Scalable - IP multicast protocol
- Fully integrated voice, video and data
- Highly interactive

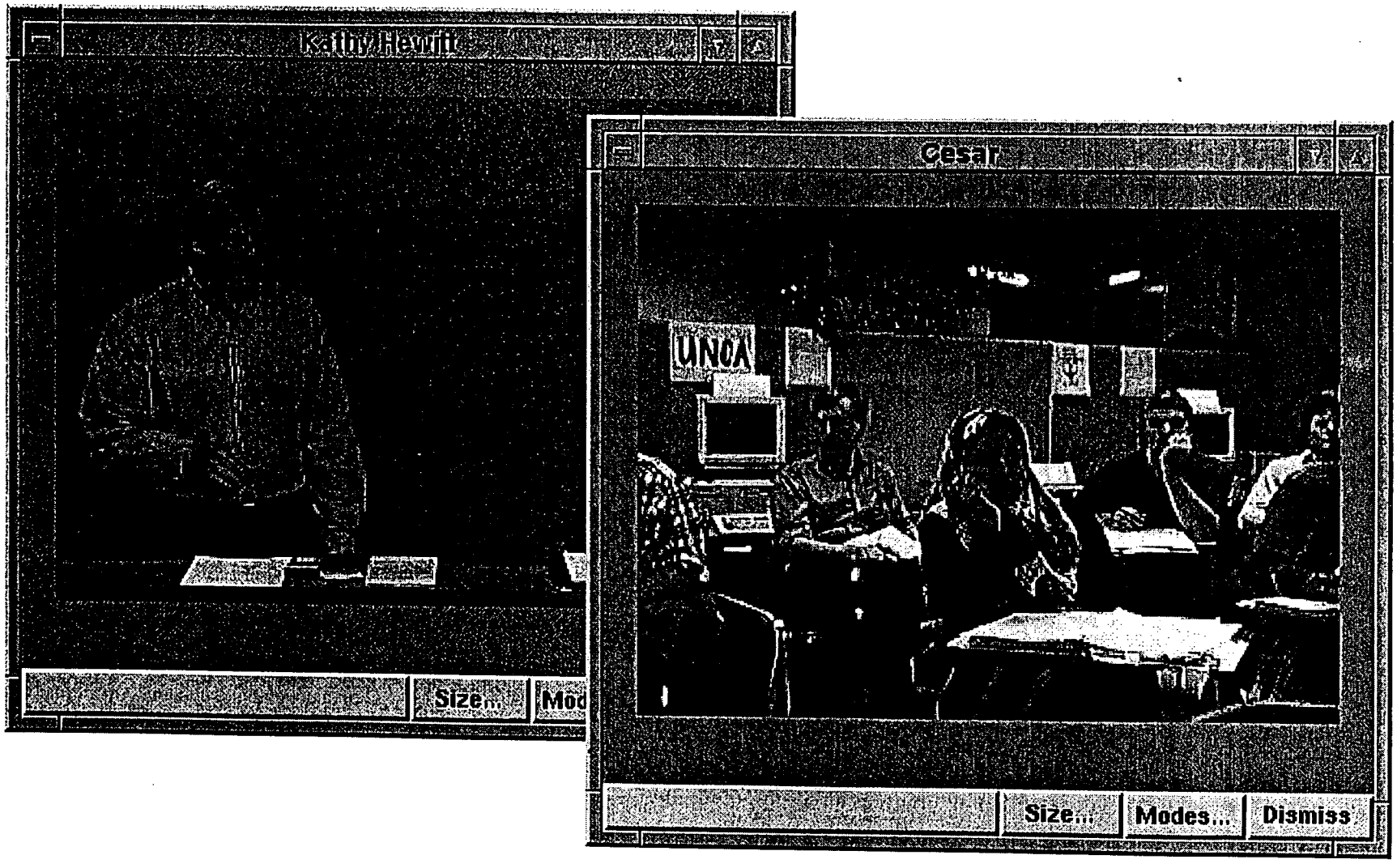
Multicast "Class Session"



NC Engineering Education Partnership



Real-time Interaction



Shared Whiteboard

NCSU IE 544

1991 Revised Lifting Guide Equation (1993)

RWL(kg) = 23 x HM x VM x DM x FM x AM x CM

HM = (25/H)

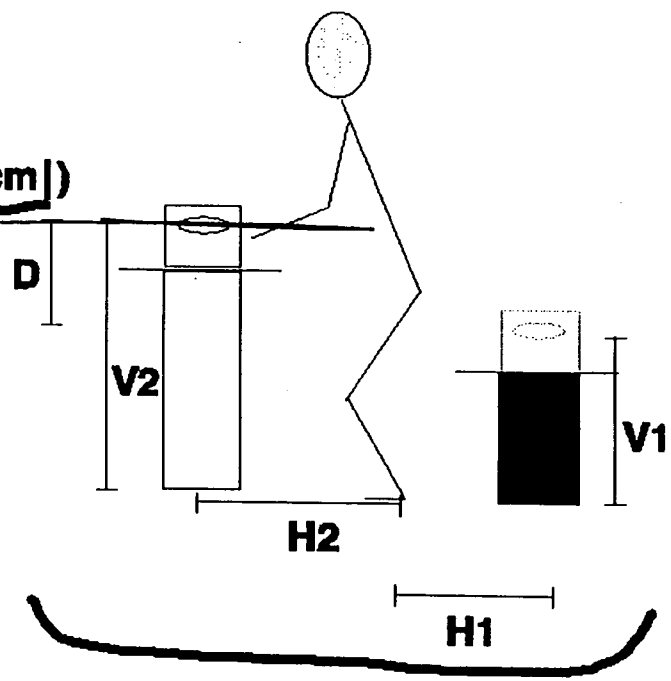
VM = (1-.003 x |V-75cm|)

DM = (.82 +4.5/D)

FM = (From Table)

AM = (1-.0032A)

CM = (From Table)

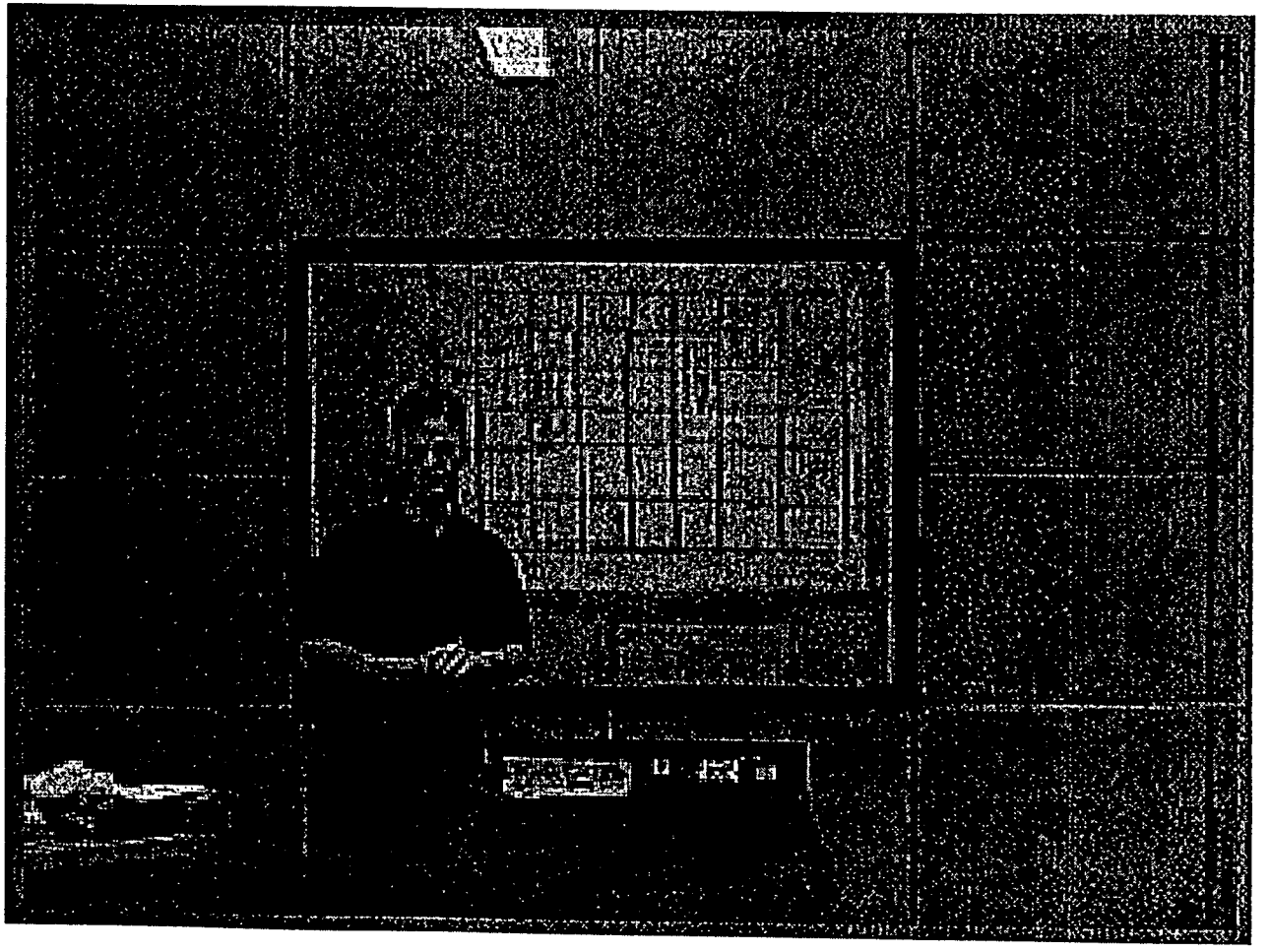


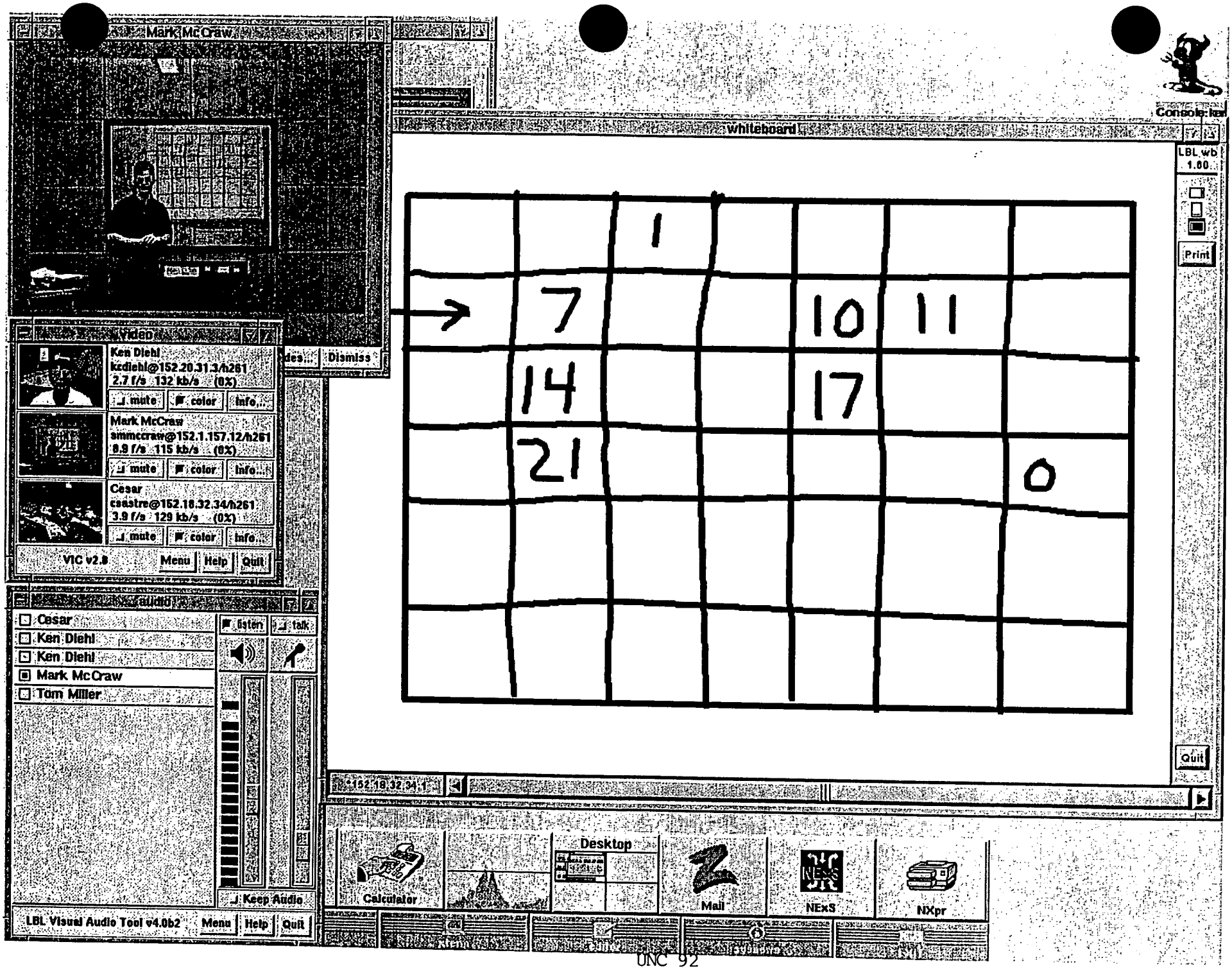
LBL wb 1.59

Print

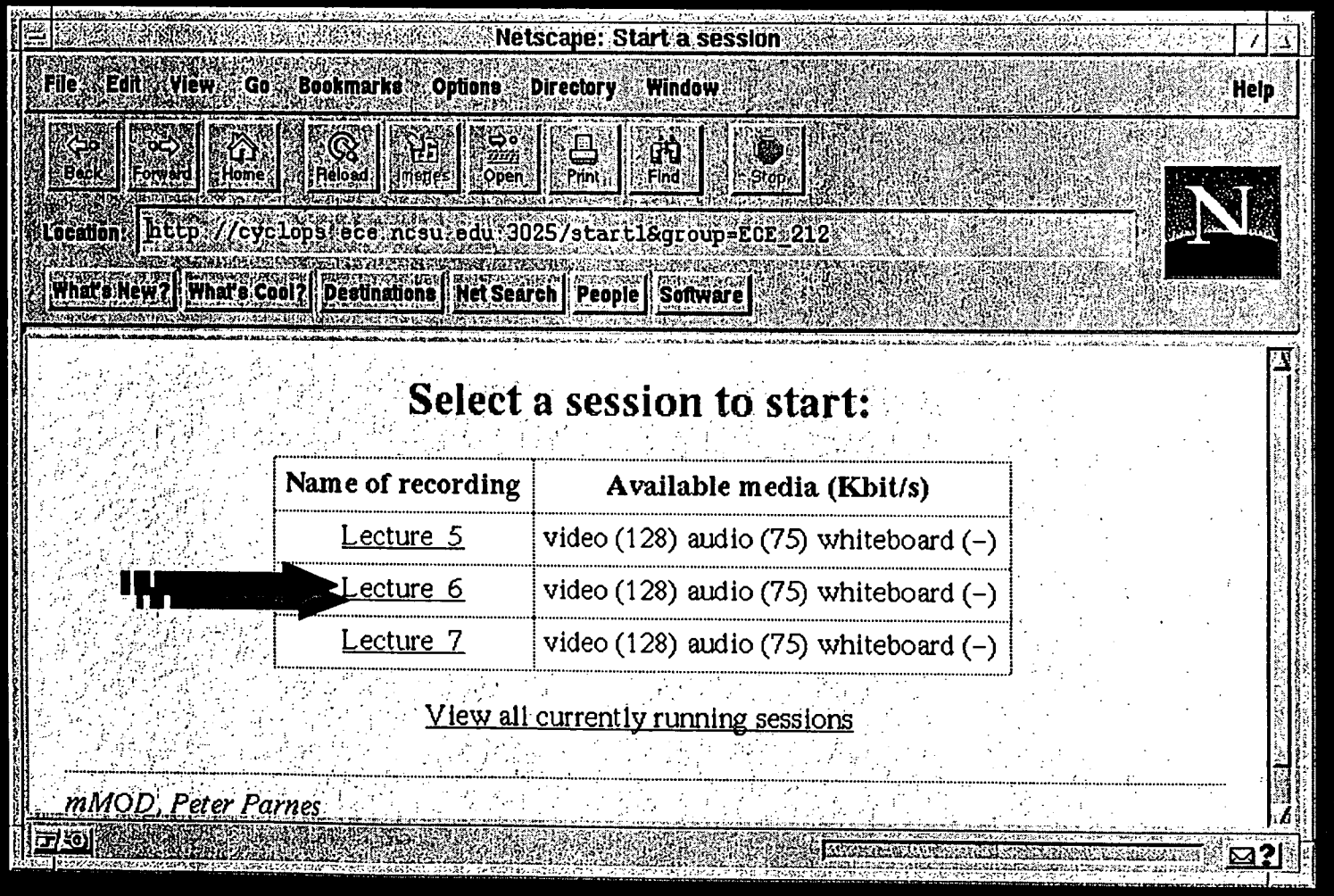
Quit

Touch-screen “SmartBoard”




Mark McCraw
Console: ken
whiteboard
LBL wb 1.60
Print
Quit
1
7
10
11
14
17
21
0
Video
Ken Diehl
kediehl@152.20.31.3/h261
2.7 f/s 132 kb/s (0%)
mute
color
Info...
Mark McCraw
smmccraw@152.1.157.12/h261
9.9 f/s 115 kb/s (0%)
mute
color
Info...
Cesar
cesstre@152.18.32.34/h261
3.9 f/s 129 kb/s (0%)
mute
color
Info...
VIC v2.8
Menu
Help
Quit
Dismiss
audio
Cesar
Ken Diehl
Ken Diehl
Mark McCraw
Tom Miller
listen
talk
Keep Audio
LBL Visual Audio Tool v4.0b2
Menu
Help
Quit
152.18.32.34:1
Calculator
Desktop
Mail
NExS
NXpr

mMOD - MBone Media on Demand



School of Industry and Technology
East Carolina University

The Distance Education Commitment

Development of the Online MS Industrial Technology

Distance Education Commitment

- Why Distance Education
- What Solutions Work
- How to Achieve Interactivity
- What is on the Horizon

Identifying Needs of Region

- Responded to business and industrial needs
  - Began with traditional extension courses and weekend programs
  - Committed to QUALITY delivery of education
  - Realized distance education's potential

University Commitment

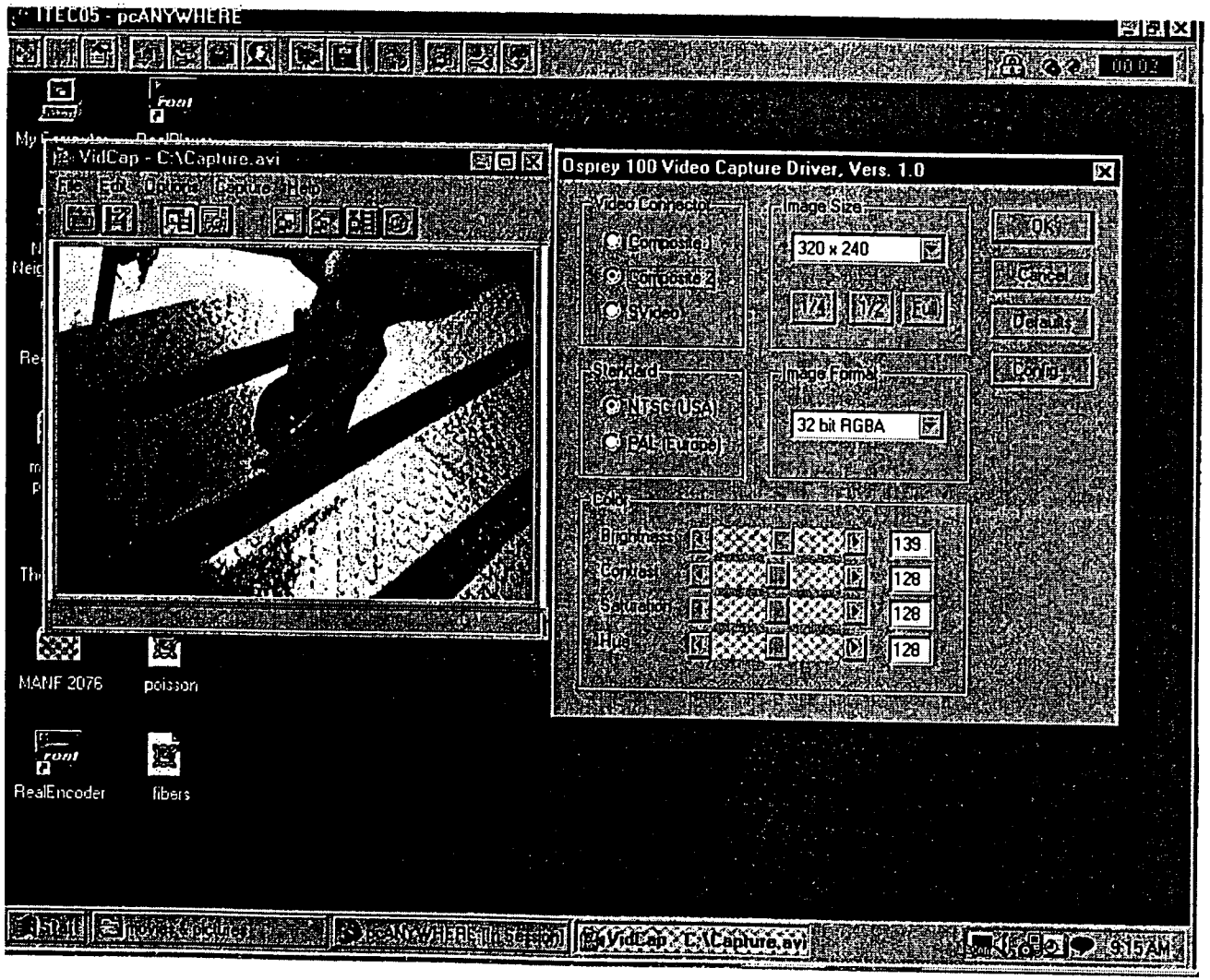
- Reaching Under-served Students
  - Long commutes
  - Economic and societal ties to local communities
  - Varying work schedules
  - Family commitments

Investing in Solutions

- Won NSF grant to deliver Masters Program
- Video Delivery limited to a few locations
- Moved to Internet-based instruction
- Developed Pilot 2+2 BS Degree completion with community colleges

Faculty Commitment to Quality

- Educational experience equal to or better than resident campus experience
  - Technology is a tool - not the subject
  - Student-to-student interaction
  - Student-to-instructor dialog
  - Developing real-world problem solving skills
  - Leveraging into traditional classes


TTEC05 - pcANYWHERE
VidCap - C:\Capture.avi
File Edit Options Capture Help
Osprey 100 Video Capture Driver, Vers. 1.0
Video Connector
Composite 1
Composite 2
S-Video
Image Size
320 x 240
1/4
1/2
Full
OK
Cancel
Defaults
Config...
Standard
NTSC (USA)
PAL (Europe)
Image Format
32 bit RGBA
Color
Brightness
139
Contrast
128
Saturation
128
Hue
128
MANF 2076
poisson
RealEncoder
fibers
VidCap - C:\Capture.avi
9:15 AM

Student Comments

"I am challenged to do my own work, be responsible for my own education."

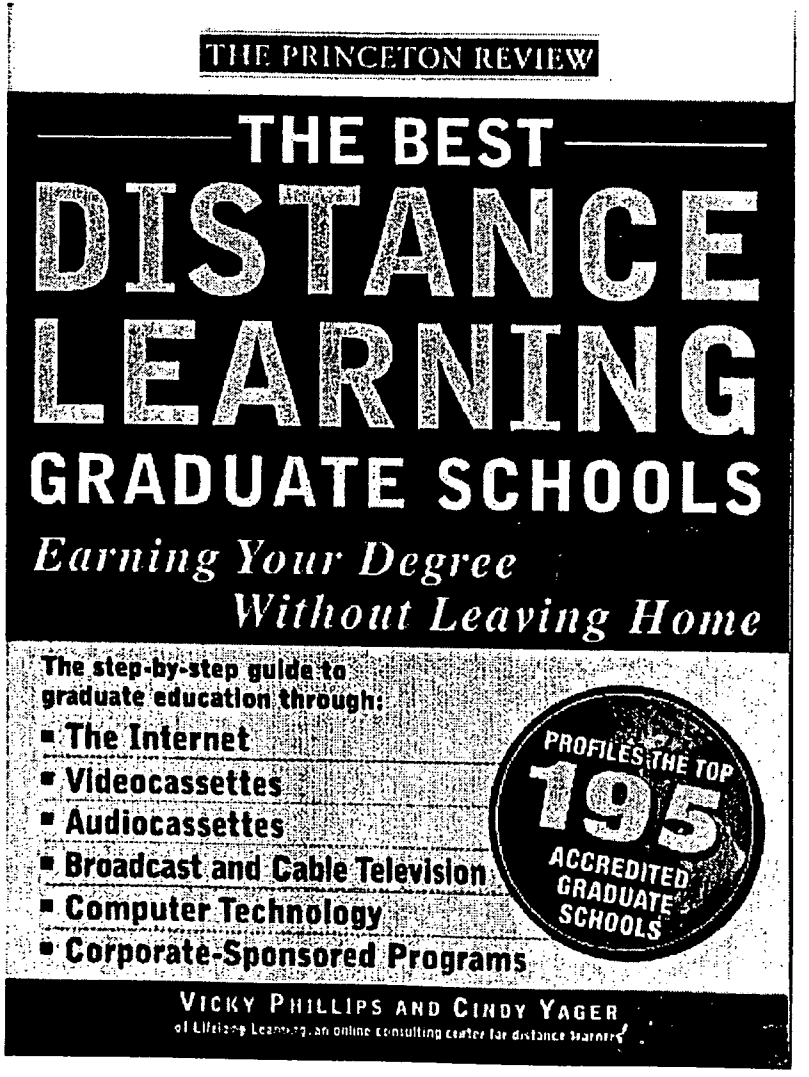
"Made me put my nose in a book (or computer) and dig deep for solutions to real problems."

"I do not have to drive a long distance to get to campus. I pull up a chair in front of my fire on a cold wintry night, and go to school."

"I talk to people every day that now actually see a possibility to complete their education.

Most have given up on that dream many responsibilities ago."

Program Recognition



- Articulation with National Defense University
- DANTES Approved for Military Personnel
- Southern Regional Electronic Campus

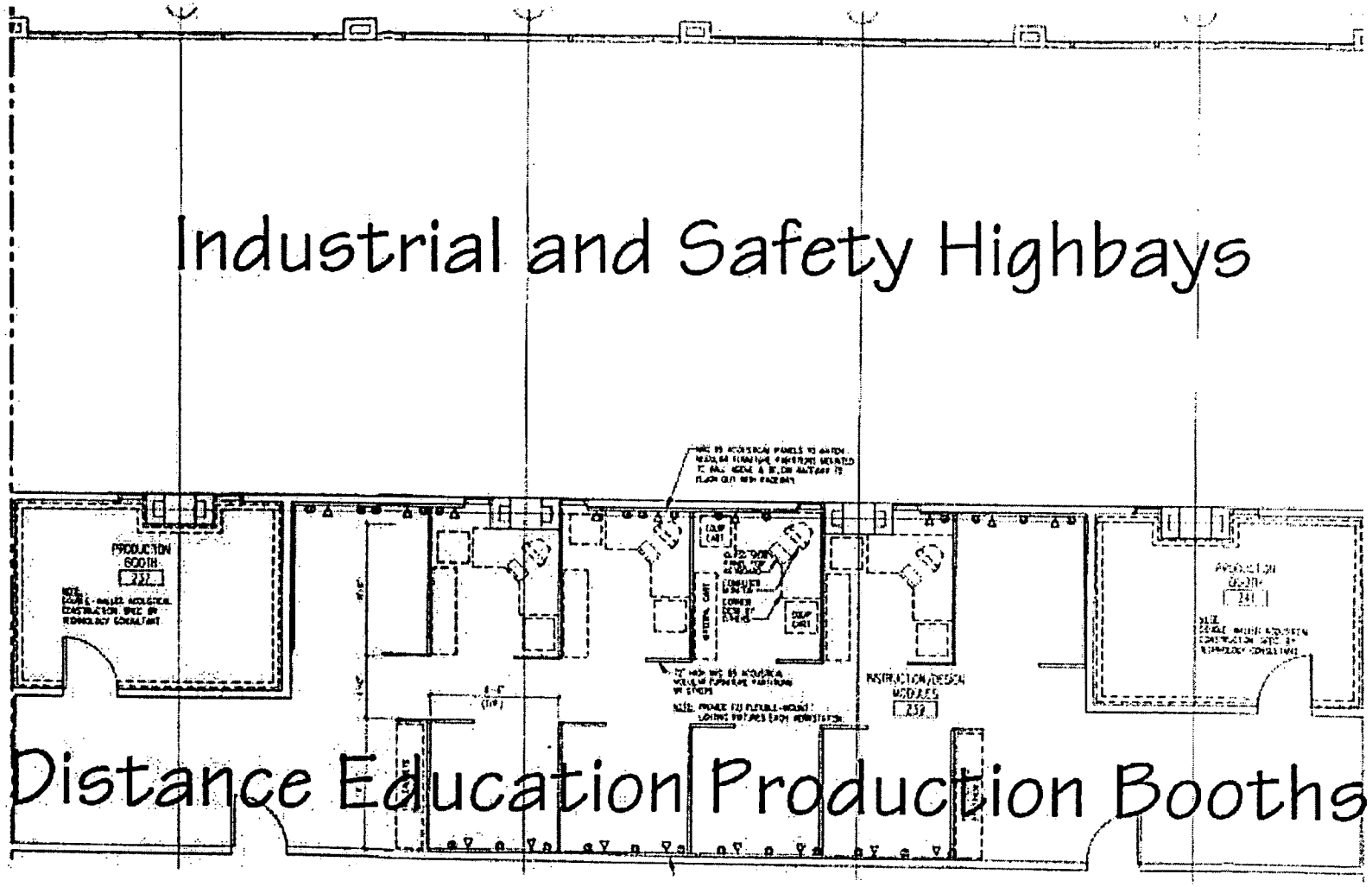
Distance Education will play a prominent role in shaping the future of the university.

UNC 104

Refining and Improving Delivery Model to Serve Students

- Building on Success
  - On-line Transfer Program ~ BS Industrial Technology
  - Masters with three technical concentrations
  - Leading 8 university consortium in a national model for on-line PhD

Building on the Commitment!



Factors in the Selection of Distance-Education Delivery Systems

- **Quality**
- **Convenience**
- **Cost**

SL 1998-212 (SB 1366) - UNC Distance Education

- **"The Board of Governors shall... provide data on the costs of providing these programs [and] shall provide for evaluation of these off-campus programs, including comparisons to the costs and quality of on-campus delivery of similar programs..."**

SIGILLVM VNIVERSITATIS CAROLINAE
1789

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education March 16, 1999 8:30 A.M.

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
David Brown	OSBM
Sue Adams	"
Elizabeth Brouwenstein	OSBM
Peyton B. Wilcox	UNC GA
Tom Worthington	UNC
Dennis R. Hagan	UNC
Judith Pulley	UNC
Julian Chambers	NCCU
Tom Miller	NCSU
Rita Reaves	ECU
Darryl Davis	ECU
Chris Brueckner	ECU
Maurice Cui	OSBM
Janet Pittard	OSBM
Jim Sydnor	UNC-GA
[illegible]	Public School Forum of NC
Barbara Hassi	OSBM
JB Milliken	UNC
Jeff Davies	UNC
Paul Hardy	UNC
Lisa Bishop	UNC-GA / NCSU Ag Pgms
Hal Miller	NCACCT
Joanne Kinney	NCSBA
Susan Markham	EGHS
[illegible]	NCAICU
Kevin Howell	Gov's office
Ann Belcher	SBE

MINUTES
JOINT APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

March 16, 1999
2:30 PM

The Joint Appropriations Subcommittee on Education/Higher Education met on Tuesday, March 16, 1999, at 2:30 pm in Room 421 of the Legislative Office Building.

The following members were present: Chairpersons Gene Rogers, Flossie Boyd-McIntyre, Warren Oldham; Representatives Gardner, Gillespie, Insko, Michaux, Moore, Smith, Teague, Warner, Yongue; Three Senators; Fiscal Staff, Jim Newlin and Charlotte Todd.

Chairman Oldham called the meeting to order and recognized the Pages and Sgt. At Arms staff. Representative Mickey Michaux was recognized as the newest House member of the Committee.

Chairman Oldham asked Dr. Judith Pulley, Vice President for Planning, UNC General Administration to introduce the speakers for the afternoon. The speakers were Dr. Darryl Davis, Dean, School of Industry and Technology, East Carolina University and Professor Rita Reaves, School of Industry and Technology, East Carolina University.

Dr. Davis' presentation began with UNC 94 and concluded with Professor Reaves' presentation on UNC 108. Their presentations included the following:

- Distance Education Commitment
- Identifying Needs of Region
- University Commitment
- Investing in Solutions
- Faculty Commitment of Quality
- Student Comments
- Program Recognition
- Refining and Improving Delivery Model to Serve Students
- Building on the Commitment
- Factors in the Selection of Distance Education Delivery Systems

Active learning through technology was the theme behind the presentations from East Carolina University. Dr. Davis encouraged the support of expansion of the outreach to the under-served population throughout the State of North Carolina.

After the presentations, Chairman Oldham opened the floor for questions from the committee members.

Chairman Oldham: What are the names of the institutions supporting this PhD consortium.

Dr. Davis: There are actually nine institutions involved. I can recall NC A&T State University, Indiana State University (this year's host institution), Central Connecticut University, Southwest Missouri State University, University of Wisconsin-Stout, Eastern Michigan University, and Texas Southern University.

Rep. Moore: How are you able to work effectively with the community colleges so that your technology is meshing together?

Dr. Davis: Community colleges have basically the same problems we do. They, too, are short on space. In a meeting with some community college leaders, all but two of the community colleges are currently offering Internet based online courses for students in their counties. These students will also expect this same service within our universities. We believe that we paralleling very nicely with community colleges.

Rep. Michaux: Is this a self-supporting program?

Dr. Davis: Until this year it was totally self-supporting. It has been an overload on the faculty, but the students keep coming and we do not want to say no to them. We are trying to mainstream this program and maintain the quality of service. With the funding model for extension education, it will become supported by the state for in-state students. Outer-state students will not generate state funds for this program—they will be charged the full amount.

Jim Newlin: The Legislature did fund, for the first time, off-campus enrollment at the same level as new enrollment on campus. This year is the first time the program is being funded by the state. Because of the lateness of the session, the funds are just now being distributed.

Dr. Pulley made final comments (referring to UNC 75-83) on some 1993 and 1995 legislation where the Legislature, through the Board of Governors, directed that Distance Education be used as a means of getting to the under-served population that ECU discussed. Dr. Pulley noted that Distance Education is defined as "...the educational process that occurs when instruction is delivered to students physically remote from the main campus, the location or campus of program origin, or the primary resources that support instruction." Dr. Pulley stated that the factors in the selection of Distance Education delivery systems are quality, convenience and costs.

Chairman Oldham thanked the speakers and announced the next meeting to be held at 8:30 am the following morning.

Attachment 1, UNC Enrollment (UNC 42-108) and the Visitor Registration Sheet are attached and made a part of these minutes.

This meeting adjourned at 3:05 pm.

Respectfully submitted,

Delta F. Prince

Warren C. Oldham, Chair

Delta F. Prince, Committee Assistant

Joint Appropriations Subcommittee
On Education/Higher Education

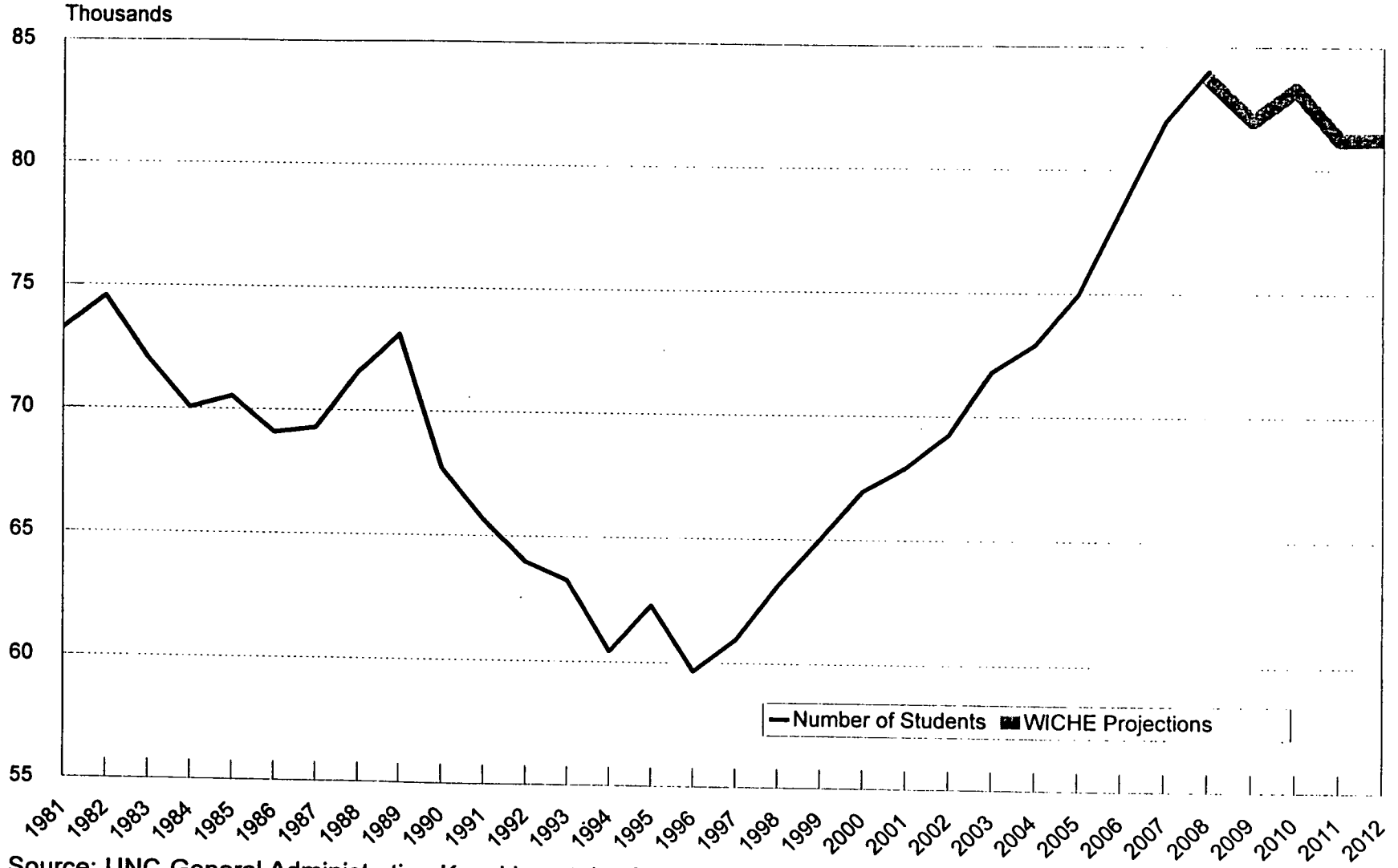
March 16, 1999
2:30 p.m.
Presiding- Representative Pete Oldham

Call to Order		Chair
UNC Distance Education/ Off-Campus Enrollment		**Dr. Judith Pulley** **Dr. Darryl Davis,** Dean, School of Industry and Technology, ECU **Professor Rita Reaves** School of Industry and Technology, ECU

UNC ENROLLMENT

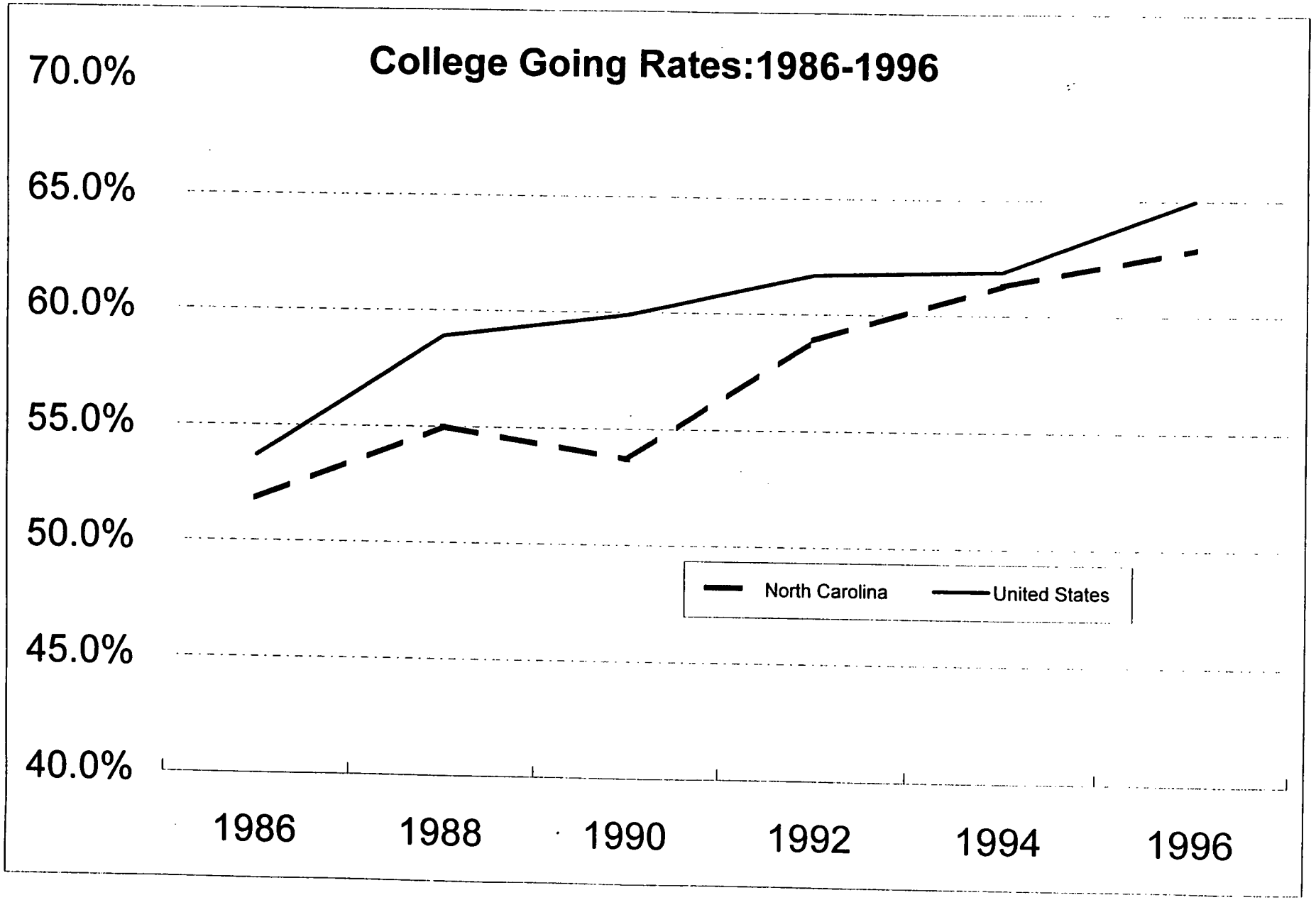
NC HIGH SCHOOL GRADUATES

1981-1998 AND PROJECTED TO 2012



Source: UNC-General Administration, Knocking at the College Door: Projections of High School Graduates by State and Race/Ethnicity: 1996-2012 by WICHE, February, 1998.

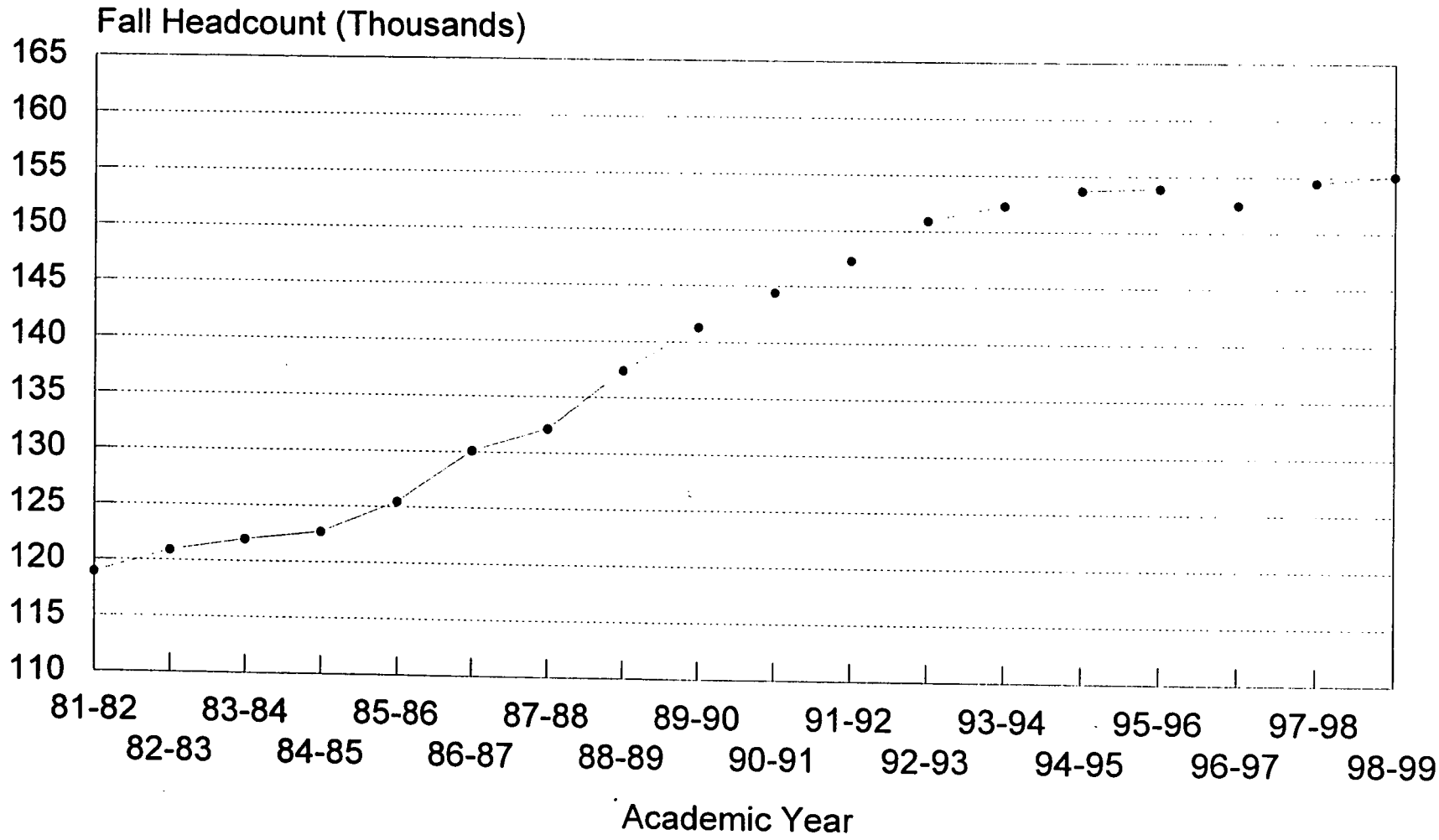
Fiscal Research Division 1/25/99



Source: UNC General Administration
Fiscal Research Division 3/14/99

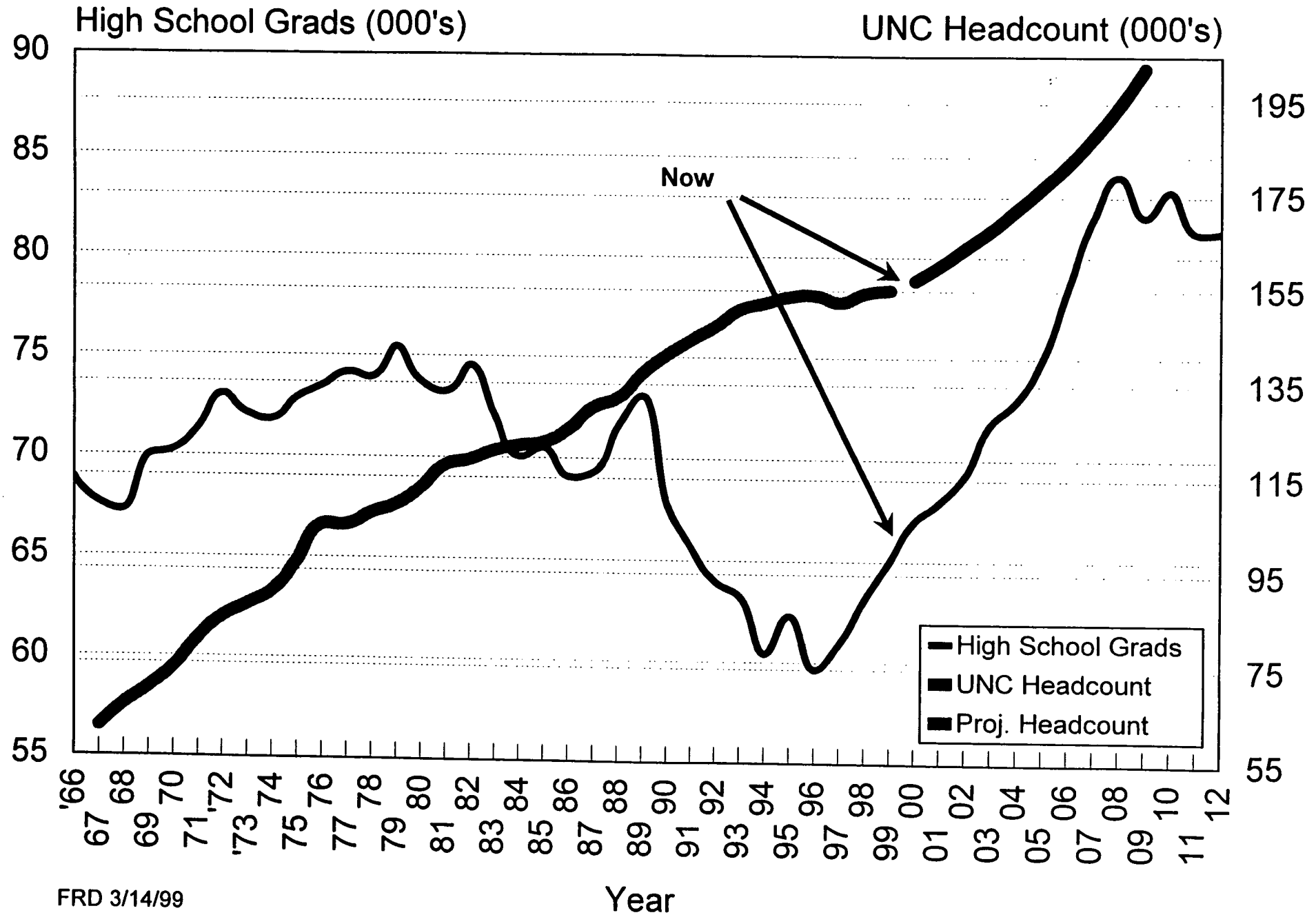
UNC ENROLLMENT GROWTH

STUDENT HEADCOUNT



FISCAL RESEARCH DIVISION 1/25/99

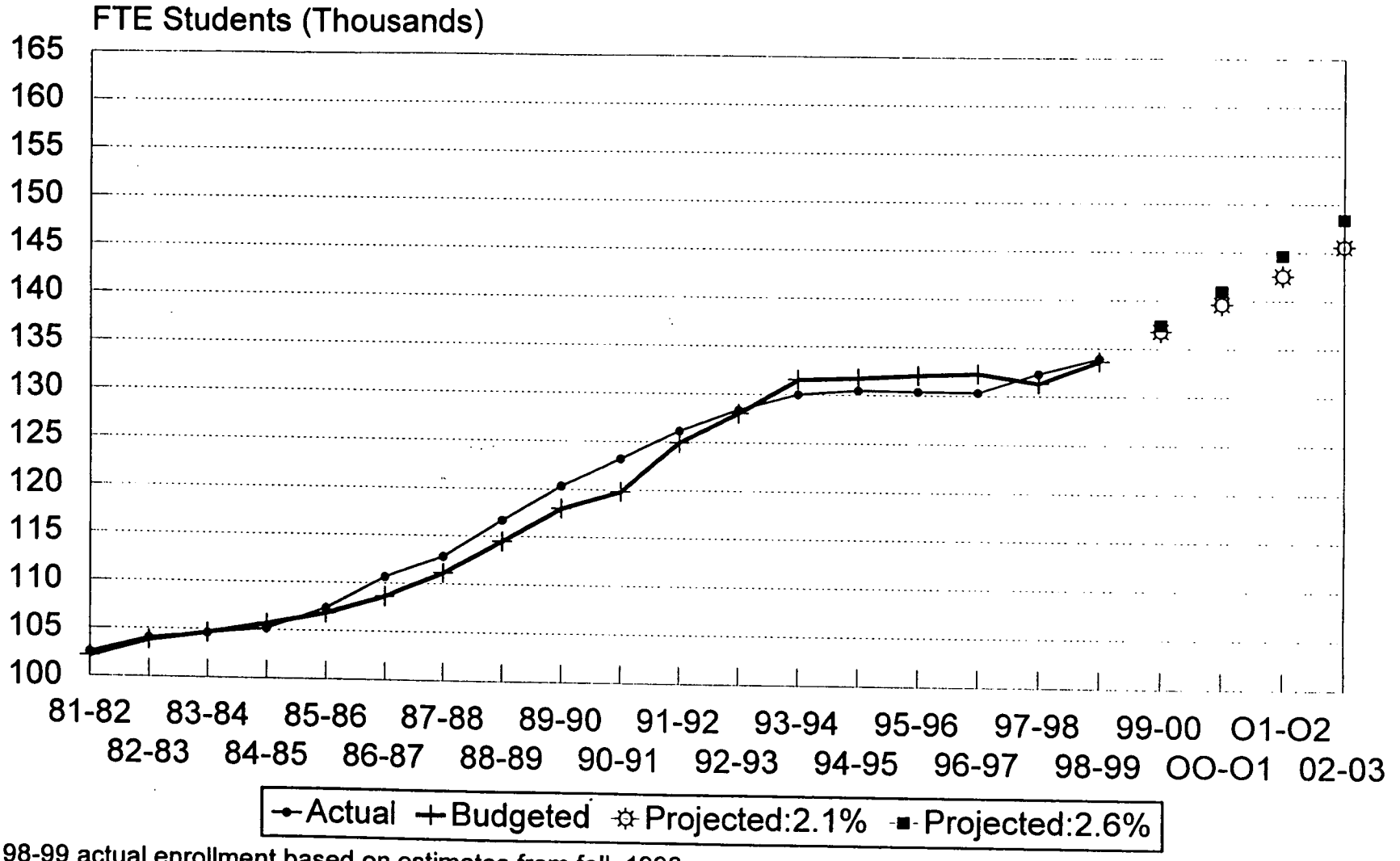
NC High School Graduates and UNC Enrollment



FRD 3/14/99

UNC ENROLLMENT GROWTH

ACTUAL,BUDGETED & PROJECTED



98-99 actual enrollment based on estimates from fall, 1998.

FISCAL RESEARCH DIVISION 2/2/99

UNC Enrollment Funding Model

Formula for Changes

Enrollment Formula

- Based on level of instruction
- Based on cost of discipline (subject)
- Based on semester credit hours of instruction (SCH's)
- Calculates faculty FTE based on above 3 elements
- Multiplies faculty FTE by budgeted salary for campus
- Multiplies resulting salary costs by library and institutional support percentages

Benefits of Formula

- Avoids debate about calculation of student FTE's
- Provides same faculty resources for same type students
- Provides basis for equity in enrollment funding and for benchmark on overall funding

Potential Drawbacks of Formula

- Total faculty funding and "other costs" vary by campus category salary averages
- Applies only to changes in credit hours, not to overall enrollment
- Could provide incentive to enroll graduate students until cost ratios are calibrated on actual experience

Other Factors in Formula

Formula has add-on factors for:

- Lower average class sizes for undergraduates
- Small campus factor
- Proportion of disadvantaged students served
- Public liberal arts college mission (UNC-A)

The University of North Carolina
Enrollment Growth

March 16, 1999

Judith Pulley - Vice President for Planning

The University of North Carolina General Administration

The University of North Carolina
Enrollment Growth

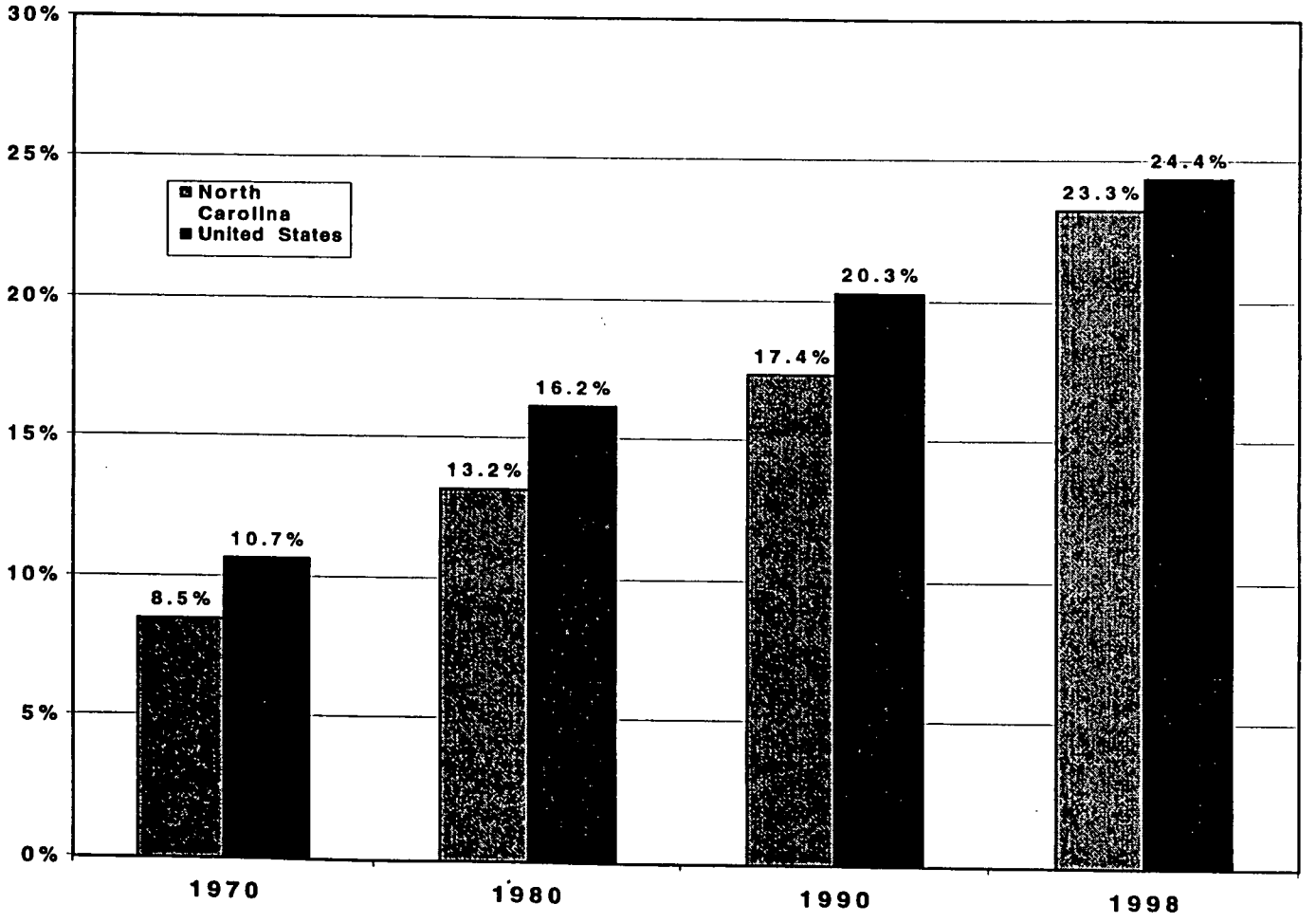
- **The importance of educational attainment for North Carolinians.**
- **How the University of North Carolina projects enrollment growth.**
- **Ten-year enrollment projections (1998-2008) for the University of North Carolina.**
- **Planning for projected enrollment growth.**
- **Strategies to increase enrollment growth substantially at selected institutions (1998-2008).**
- **Increasing enrollment -- the view from a chancellor.**

The Importance of Educational Attainment for North Carolinians

Measuring Our Progress: Targets for the Year 2010 **(A Report of the North Carolina Progress Board, December 1997):**

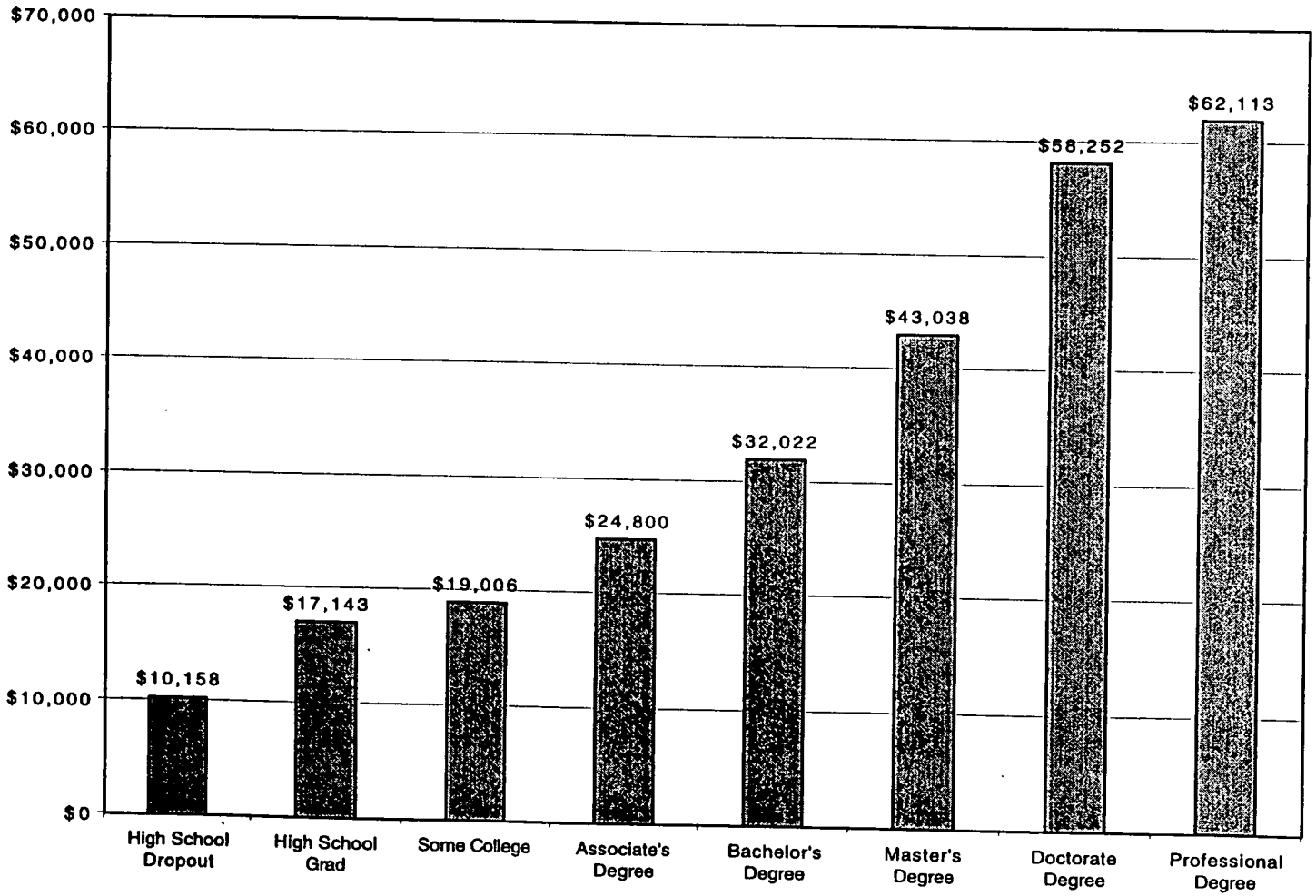
- **TARGET #3 -- North Carolina will reach the national average in bachelor's degrees by 2010 -- and there will be no disparity between blacks and whites.**

Educational Attainment of Persons 25 and Older (Baccalaureate Degree): 1970-1998 (U.S. Census Bureau)



The University of North Carolina General Administration

Median Income of Persons 25 and Older by Level of Educational Attainment: 1998 (U.S. Census Bureau)

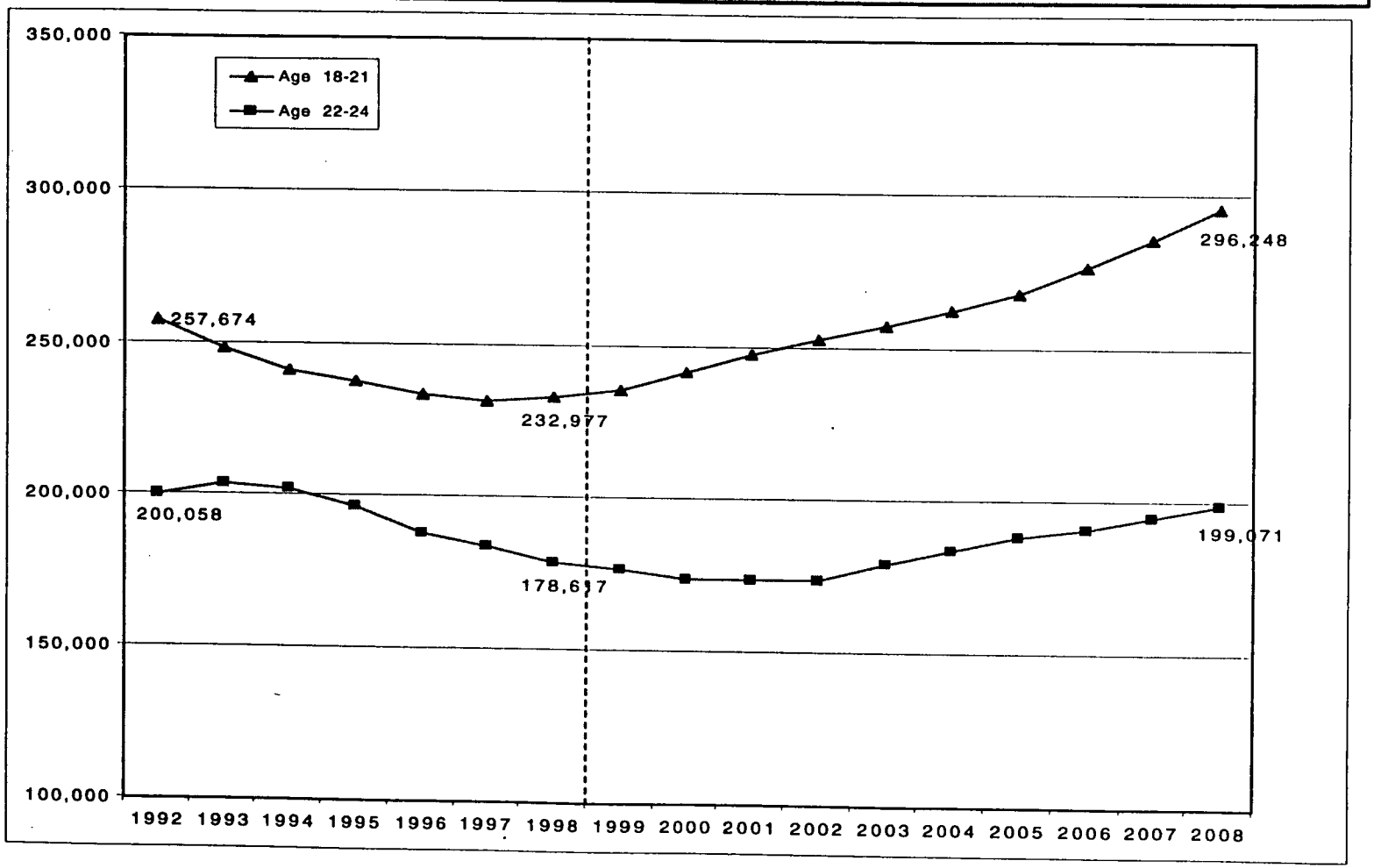


The UNC Projection Model: Pools and Participation Rates

- **Projected annual size of specified groups (pools of potential students) from independent sources.**
  - **18-21**
  - **22-24**
  - **25-35**
  - **36 and older**
- **Recent trends (past 7 years) in UNC participation (attendance) rates by these age groups at each UNC campus.**
- **Projected participation rate of each age group is multiplied by the projected size of that group for a given year.**

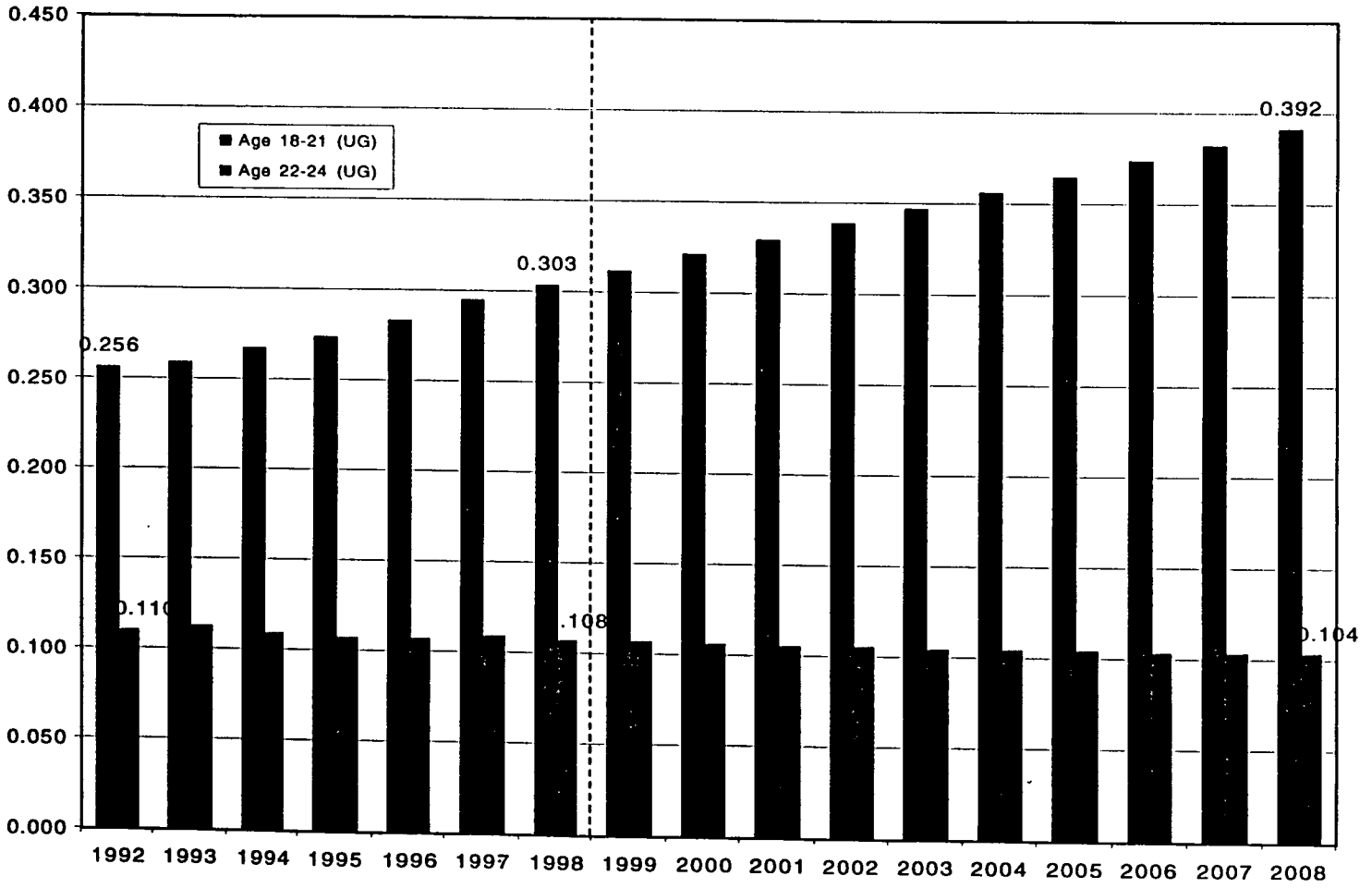
Age Groups (18-21, 22-24) Used in UNC Enrollment Projection Model: 1992-98 (Actual), 1999-2008 (Projected)

Source: U.S. Bureau of the Census



The University of North Carolina General Administration

Participation Rates by Age Groups (18-21, 22-24) Used in UNC Enrollment Projection Model: 1992-98 (Actual), 1999-2008 (Projected)



The University of North Carolina General Administration

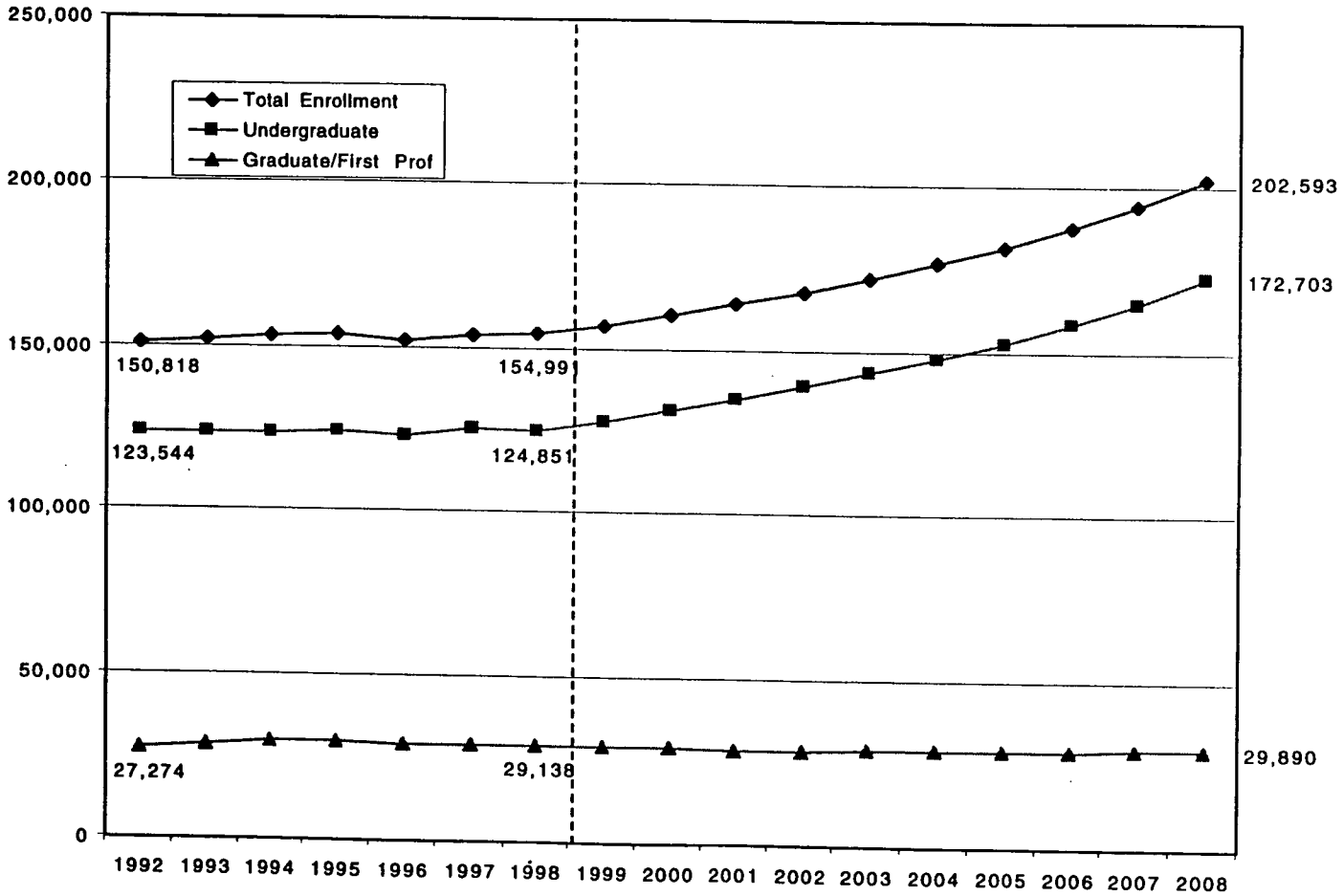
The UNC Projection Model (cont.)

- **Thus projections of demand produced by the UNC projection model are:**
  - **An extrapolation of past enrollment and future population trends**
  - **Not necessarily a predictor of actual enrollment outcomes on a given campus.**
- **The projection model best serves as a reasonable predictor of overall future enrollment demand throughout the University of North Carolina.**
- **What projections are not:**
  - **Enrollment targets for each institution**
  - **Projected demand for all of N. C. higher education**
  - **Projected demand for off-campus and distance education**

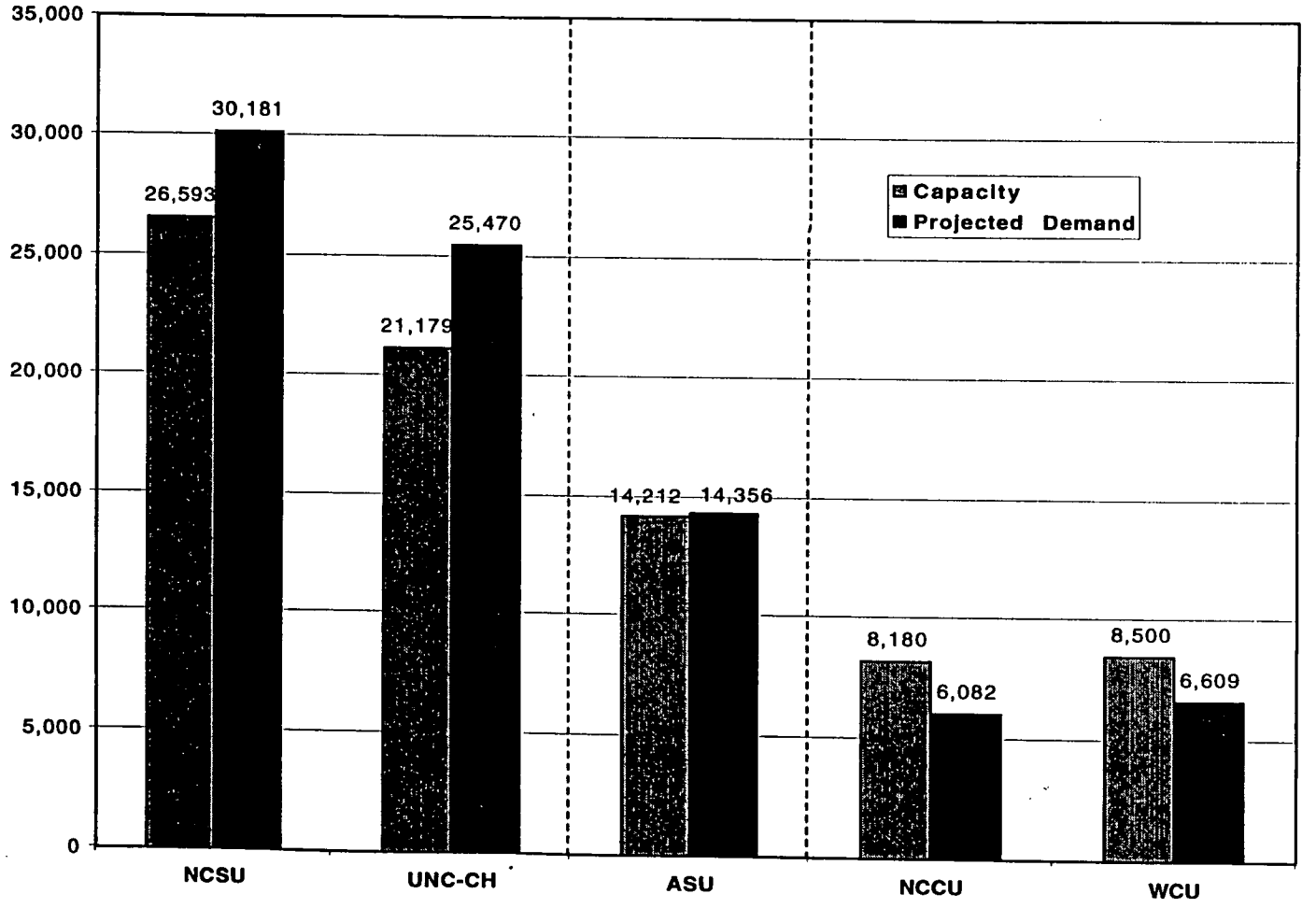
UNC Projection Model's Projection of Enrollment Demand

- **Projected enrollment growth in the first five years (1999-2003) will be approximately 17,500 (or 11.3 percent increase).**
- **Projected growth will be greater in the second five-year period (2004-2008) -- approximately 30,000 (or 17.4 percent increase).**
- **Projected enrollment growth for the ten-year period (1999-2008) is approximately 47,600 (or 30.7 percent). (Actual enrollment for the ten-year period 1965-75 was 47,968, an 84.4 percent increase.)**

UNC Undergraduate and Graduate/First Professional Enrollments: 1992-98 (Actual), 1999-2008 (Demand Projected by UNC Enrollment Model)



Comparison of Capacity Estimates and UNC Projected Enrollment Demand at Selected Institutions: 2003



The University of North Carolina General Administration

Planning for Enrollment Growth: Guiding Principles

The following principles have been proposed to guide the enrollment planning process, but not to be the sole determinants:

- **Use existing capacity to the fullest extent possible.**
- **Promote economies of scale and stronger institutional financial capability by setting a target of at least 5,000 - 6,000 students for most institutions.**
- **Provide facilities for growth beyond capacity for some campuses.**
- **Emphasize accommodation of undergraduates.**

Planning for Enrollment Growth (1999-2008): Application of the Guiding Principles

- **Set enrollment targets that will use estimated capacity of most UNC campuses, but do not expect a rate of growth higher than 20 percent in the first five-year period (1999-2003) or 33 percent for the second five-year period (2004-2008).**
- **Expand capacity at selected campuses to enable them to serve at least a portion of their projected enrollment growth.**
- **Serve some of the projected enrollment growth through expansion of distance education enrollment and the establishment of one or more off-campus "University centers."**

Planning for Enrollment Growth (1999-2008): Requirements for Success of the Enrollment Plan

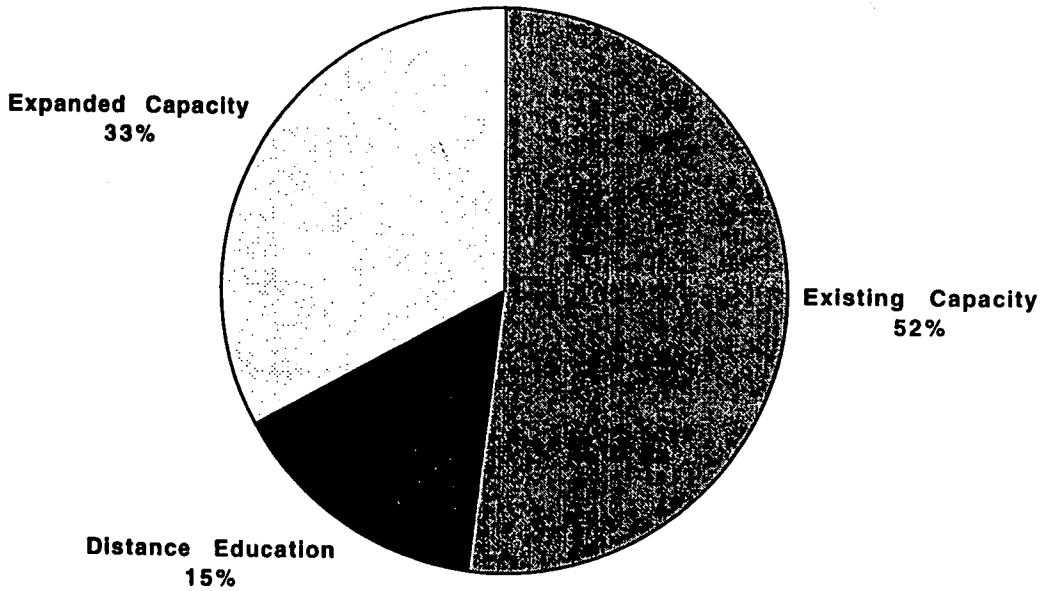
- **Continued funding of UNC enrollment growth, both on-campus and through distance education/off-campus instruction. (Lines 1a and 1b)**
- **Development of strategic business plans to foster above-average growth at smaller institutions with available capacity. (Strategic Initiatives Reserve, Line 2d)**
- **Study to determine feasibility of off-campus University centers. (Strategic Initiatives Reserve, Line 2d)**
- **Renovation, upgrades, and retrofitting of campus facilities (UNC 10-year capital plan).**
- **Construction of new facilities (UNC 10-year capital plan).**

UNC ENROLLMENT FUNDING REQUEST

1999-2001

	1999-2000	2000-2001
Regular Term Enrollment	$19.5 million	$30.14 million
Off-Campus Instruction	5.5 million	13.73 million
Total Enrollment Request	**$25.0 million**	**$43.87 million**

Planning for Enrollment Growth (1999-2008): Preliminary Estimate of Relative Role of Three Strategies in Meeting Projected Demand—Existing Capacity, Expanded Capacity, and Distance Education

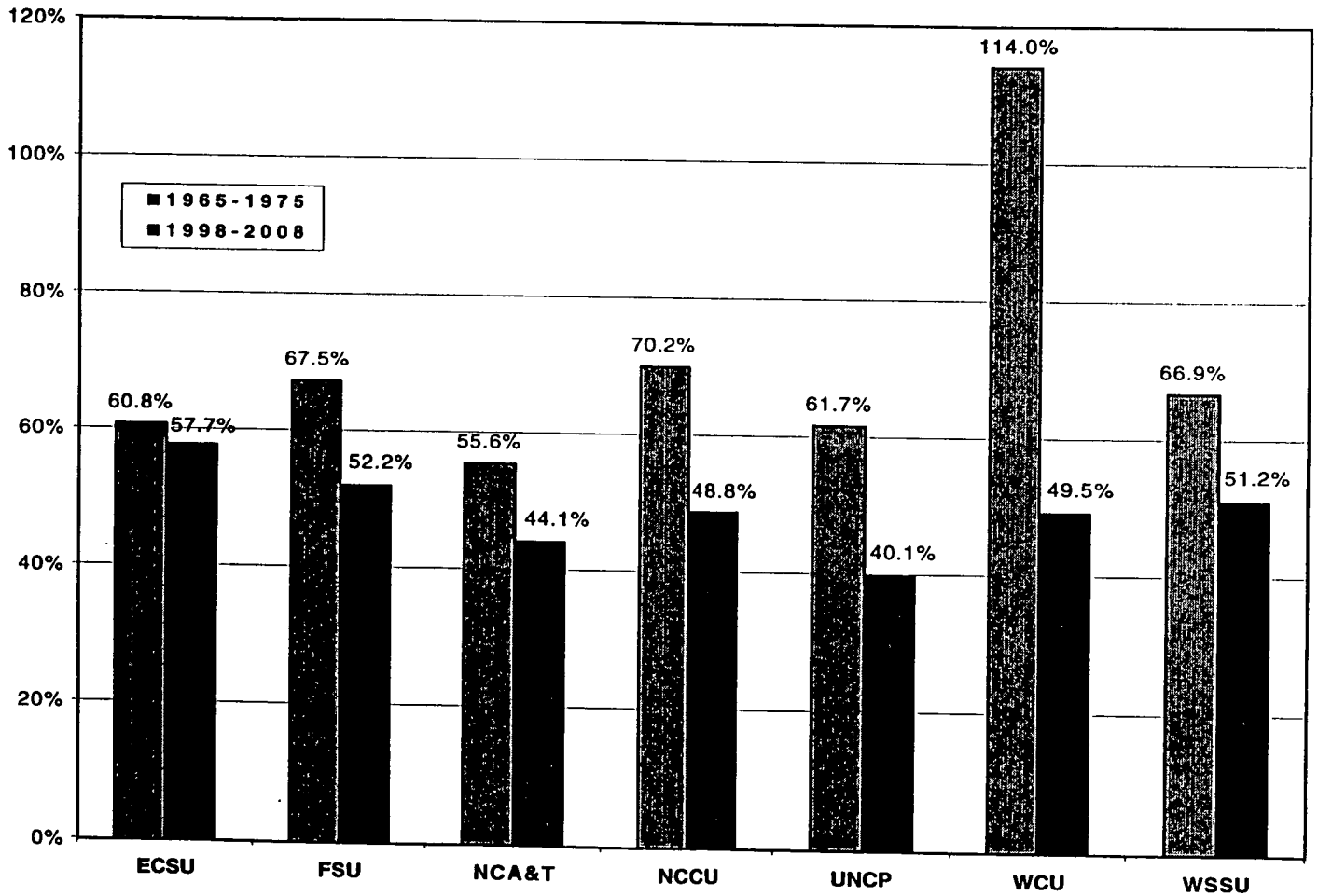


The University of North Carolina General Administration

Increasing Efficient Use of Existing Capacity

- **Develop university-wide space planning standards.**
  - **Standards adopted by Board of Governors in October 1998.**
- **Improve students' time-to-degree.**
  - **Most recent report indicates that the UNC four-year graduation rate increased by 1.6 percentage points, the largest increase in this rate ever recorded.**
- **Make greater use of summer sessions.**
  - **Funding of experimental initiatives begun in Summer 1997 (from fund appropriated in 1996 session.)**

Percent Increase in Enrollment at Selected Institutions: 1965-1975 (Actual) and 1998-2008 (Potential)



The University of North Carolina General Administration

Potential Strategies to Increase Enrollment Substantially at Selected Institutions (1999-2008)

- **Efforts to Improve College-Going Rate: PATHWAYS proposal (Line 1f)–a statewide system of guidance information for students in grades 7-12 and their parents.**
  - **Includes system for sharing applications for admission to UNC institutions. (SL 1998-212 [SB 1366] - UNC Applications Pool)**
- **Additional Student Financial Aid. (Line 1e and UNC Task Force on Student Financial Aid)**

Potential Strategies to Increase Enrollment Substantially at Selected Institutions (1999-2008) (cont.)

- **Develop strategic business plans for each campus that address issues such as:**
  - **Marketing plan**
  - **Recruitment and retention**
  - **Academic program development**
  - **Faculty development (Line 3c, Teaching and Learning Centers)**
  - **Use of technology to strengthen teaching and learning, student services, and business systems (ITS Project, Line 2a)**
- **Renovation and retrofitting of campus facilities, enhancement of overall campus appearance, etc.**

UNIVERSITAS CAROLINA
1789

The University of North Carolina
Distance Education/Off-Campus Programs

March 16, 1999

Judith Pulley - Vice President for Planning

The University of North Carolina General Administration

Distance Education/Off-Campus Programs

- **Legislative interest in distance education**
- **Distance education defined**
- **UNC distance-education activities, 1998-99**
- **Demonstrations:**
  - **Delivery of engineering courses via MBone technology**
  - **Delivery of Web courses over the Internet**
- **Factors in the selection of distance-education delivery systems**

Legislative Interest in Distance Education

- **Ch. 393, S.3 (1993):**
  - **"The Board of Governors... shall develop a plan for the continued and expanded availability of higher education for all citizens, focusing on the availability of opportunities in underserved areas by... distance learning technology."**

- **Ch. 324, S.15.5 (1995):**
  - **"The Board of Governors... shall consider different funding approaches to meeting the needs of an increasing pool of high school graduates, as well as adult learners unable to return to a university campus for additional education."**

Distance Education Defined

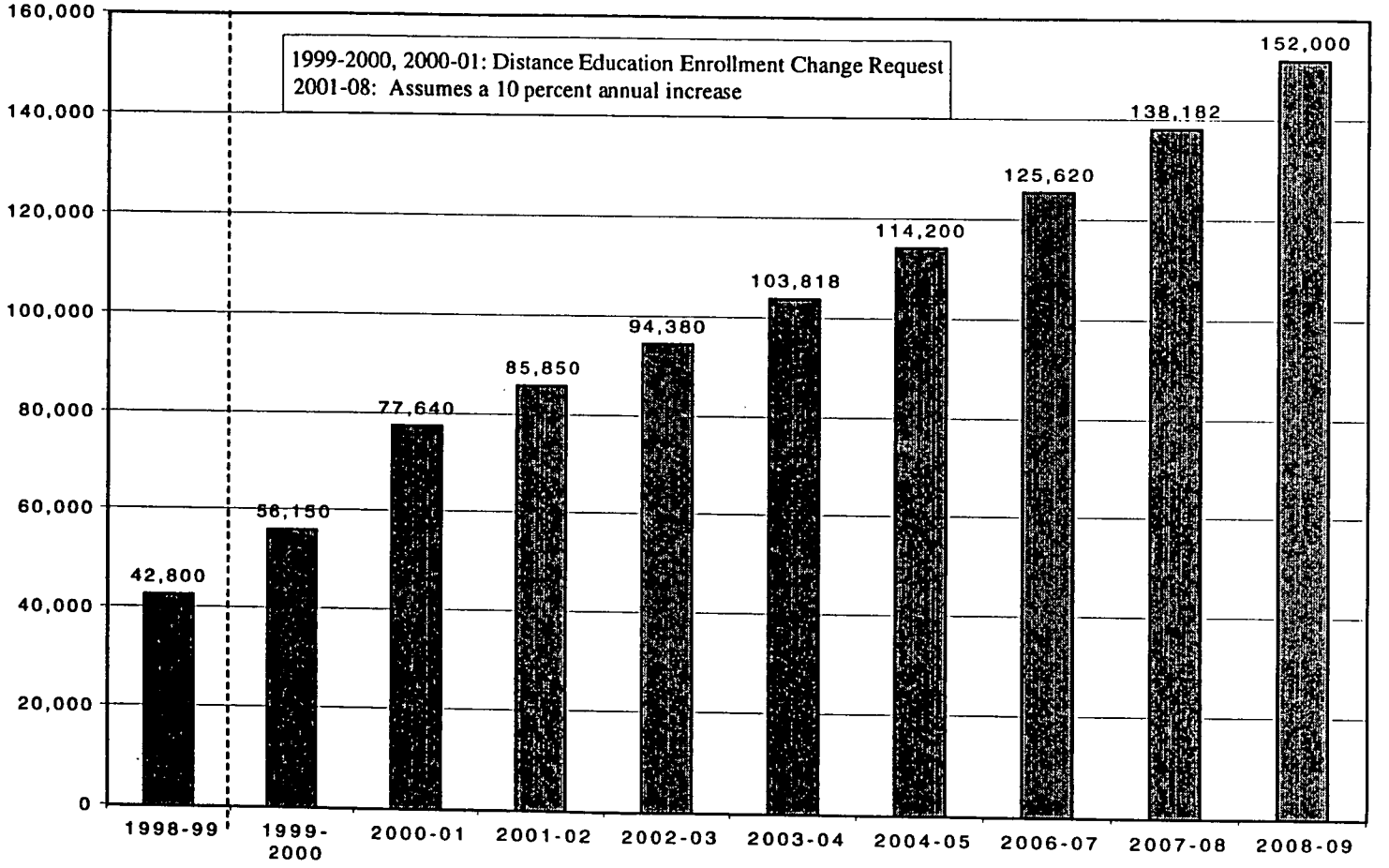
"...the educational process that occurs when instruction is delivered to students physically remote from the main campus, the location or campus of program origin, or the primary resources that support instruction. In this process, the requirements for a course or program may be completed through face-to-face instruction and/or through remote communications with instructional and support staff including either one-way or two-way written, electronic, or other media forms."

Commission on Colleges of the Southern Association of Colleges and Schools (SACS)

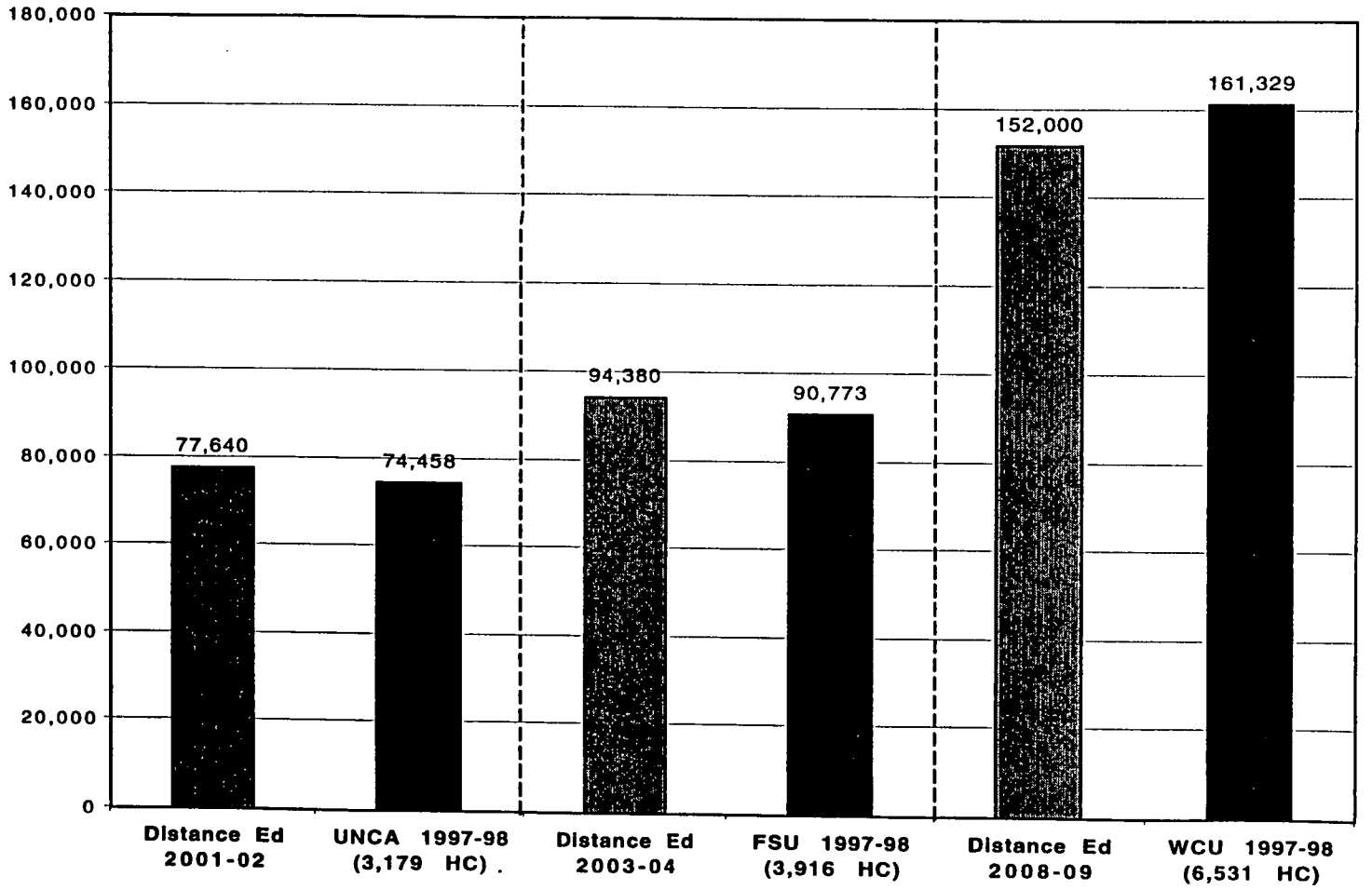
Requirements for Quality Distance Education

- Instruction comparable to that offered on-campus
- Comparable admissions requirements
- Adequate academic support -- e.g., advising, laboratory access, library access, computer/networking access
- Adequate student support -- e.g., financial aid counseling, career counseling, book orders, etc.
- Evaluation of outcomes and student satisfaction.

Student Credit Hours (SCHs) Taught Via Distance Education: 1998-99 (estimated), 1999-2000 to 2008-09 (projected)



Comparison of Distance Education Student Credit Hour (SCH) Enrollment to On-Campus Enrollment



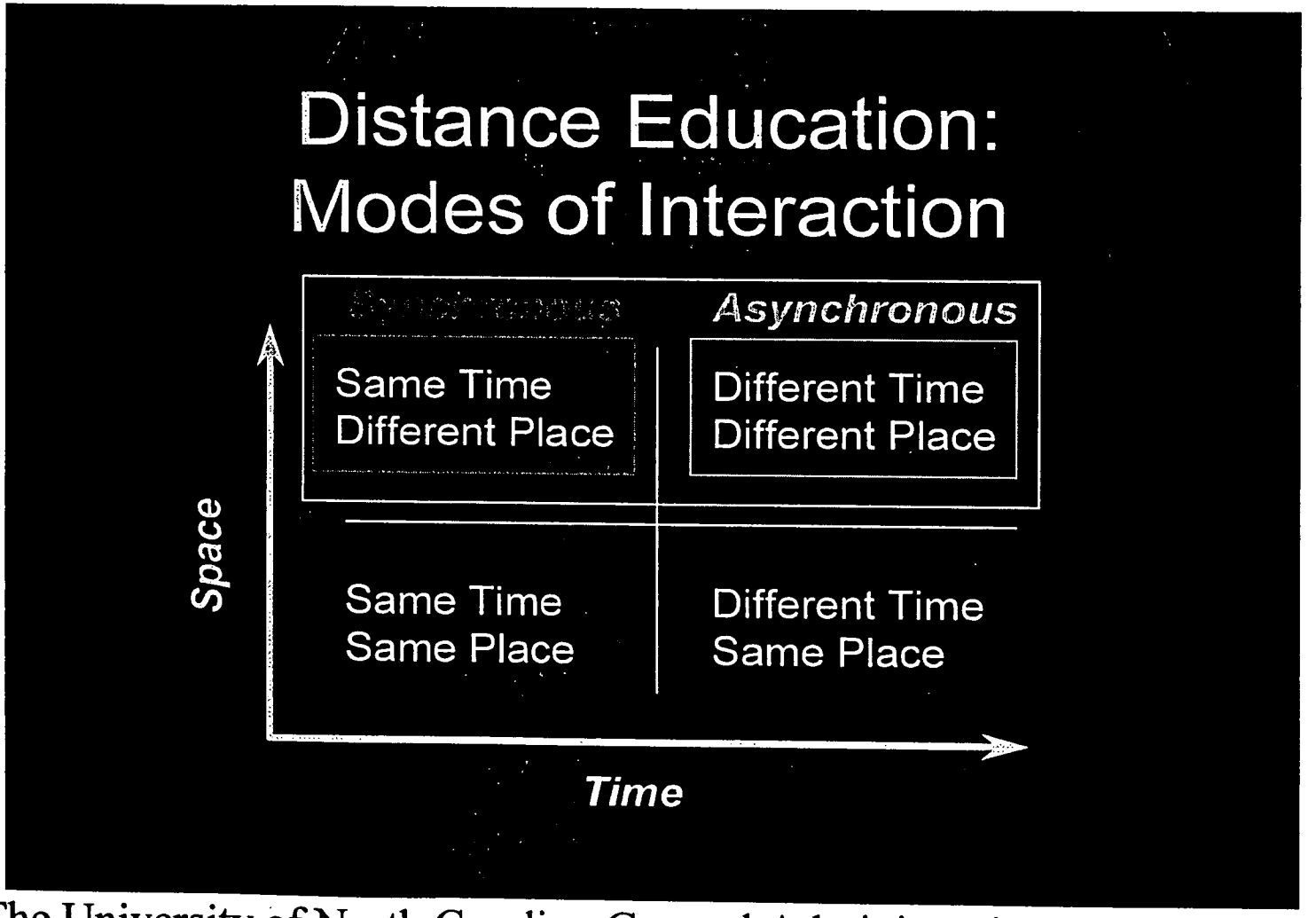
UNC Distance Education Programs by Degree Level and Modes of Instructional Delivery: 1998-99

Level	Number	Mode of Instructional Delivery			
		On Site	NCREN/NCIH	Internet	Taped
Baccalaureate	43	40	13	30	
Master's	58	44	17	46	8
Doctorate	4	1		4	2
Total	105	85	30	80	10

Summary of UNC Distance Education Degree Programs: 1998-99

Program Group	Level	Number	Counties	On Site	NCREN/NCIH	Internet	Taped
Business/Technology	B	10	20	9	6	8	
	M	13	23/Web/Tape	3	1	13	7
	D	2	2			2	2
Education	B	6	9	5	3	4	
	M	22	24	21	4	13	
	D	1	1	1		1	
Health Professions	B	16	51	15	4	7	
	M	14	56	11	9	11	
	D	1	Web			1	
Human Services	B	5	7	5		5	
	M	7	7	7	3	7	
Arts & Sciences	B	6	6	6		6	
	M	2	2	2		2	1

Distance Education Delivery Systems



College of Engineering
North Carolina State University

Mbone Virtual Classroom
NC State College of Engineering

Tom Miller
Associate Dean for Distance Education &
Information Technologies

March 16, 1999

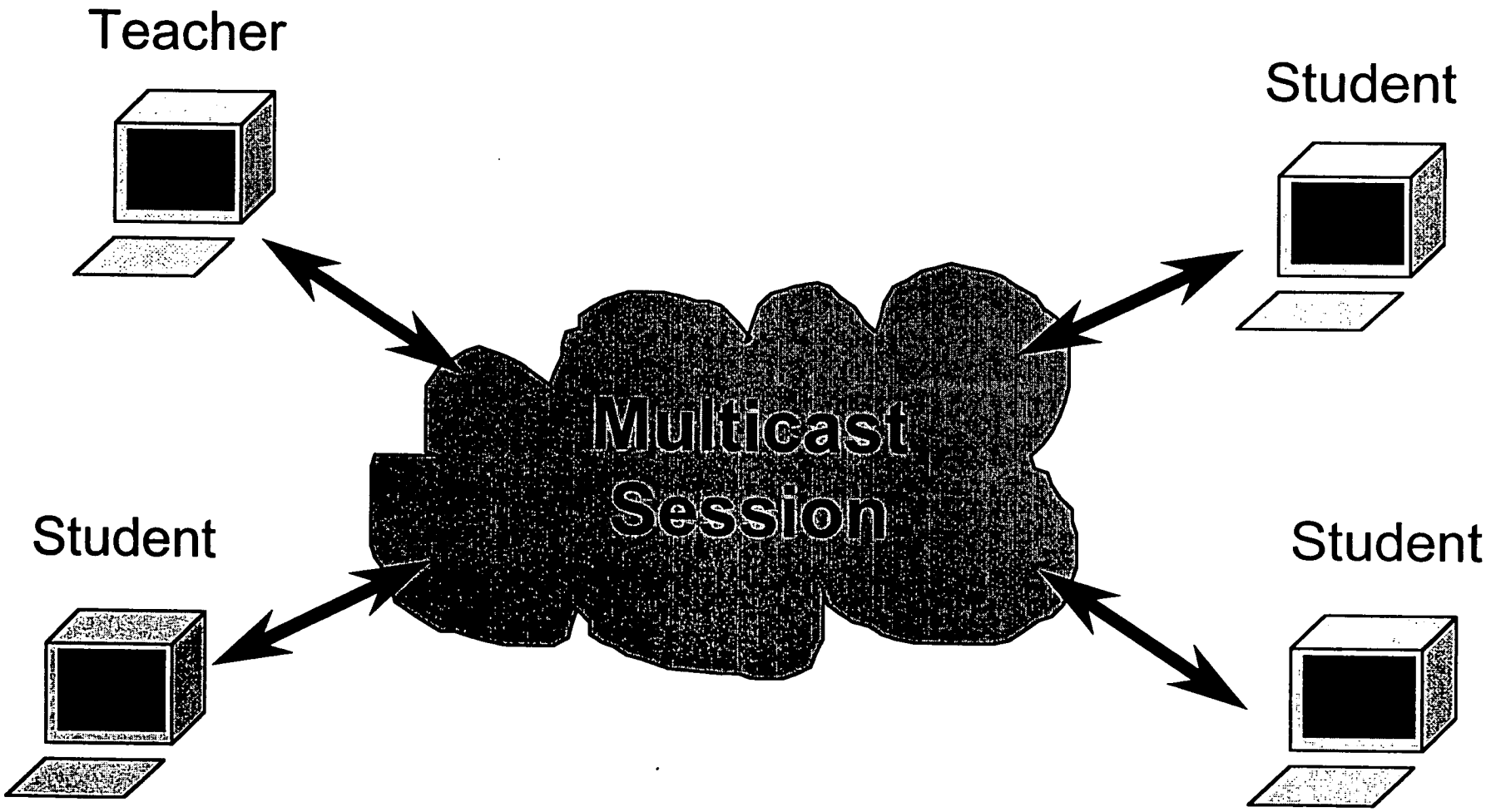
Virtual Classroom Model
"It's all about communication"

- Technology serves to facilitate teacher/student and student/student interaction at a distance
- Enriched interactive communication through integrated voice, video, and data.
- The Web plays a supporting role

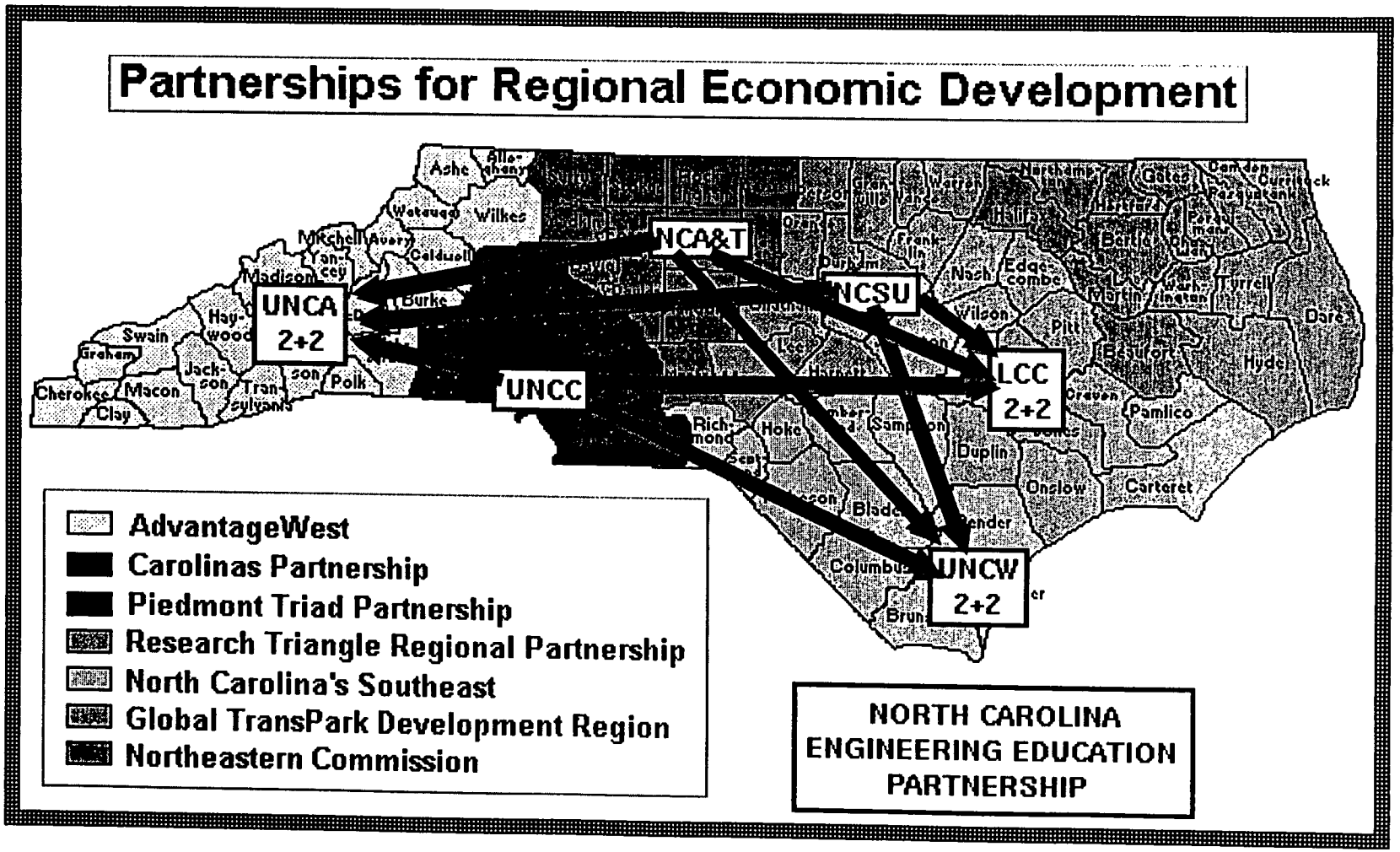
MBone "Virtual Classroom"

- Low cost - desktop computers + Internet
- Scalable - IP multicast protocol
- Fully integrated voice, video and data
- Highly interactive

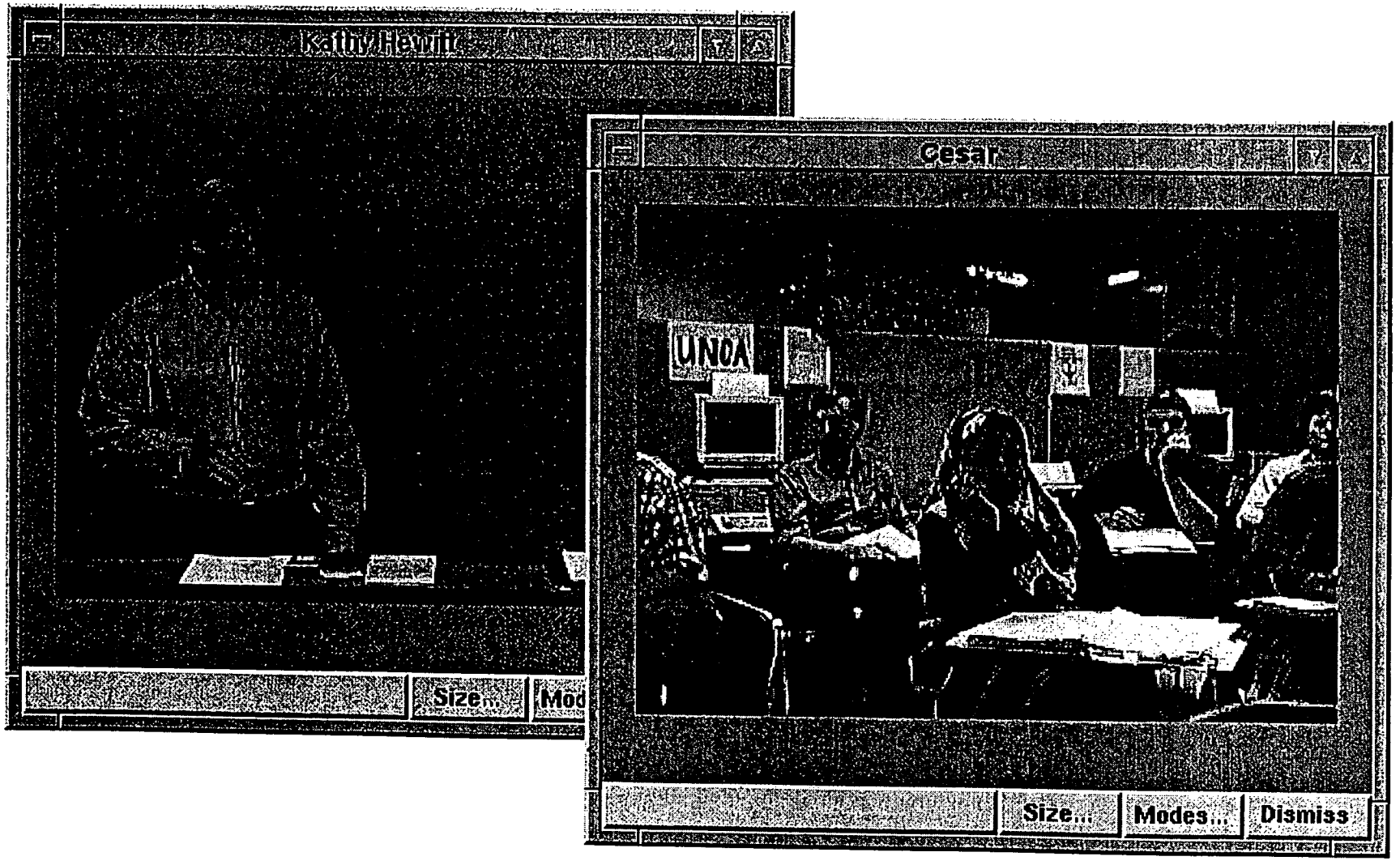
Multicast "Class Session"



NC Engineering Education Partnership



Real-time Interaction



Shared Whiteboard

NCSU IE 544

1991 Revised Lifting Guide Equation (1993)

RWL(kg) = 23 x HM x VM x DM x FM x AM x CM

HM = (25/H)

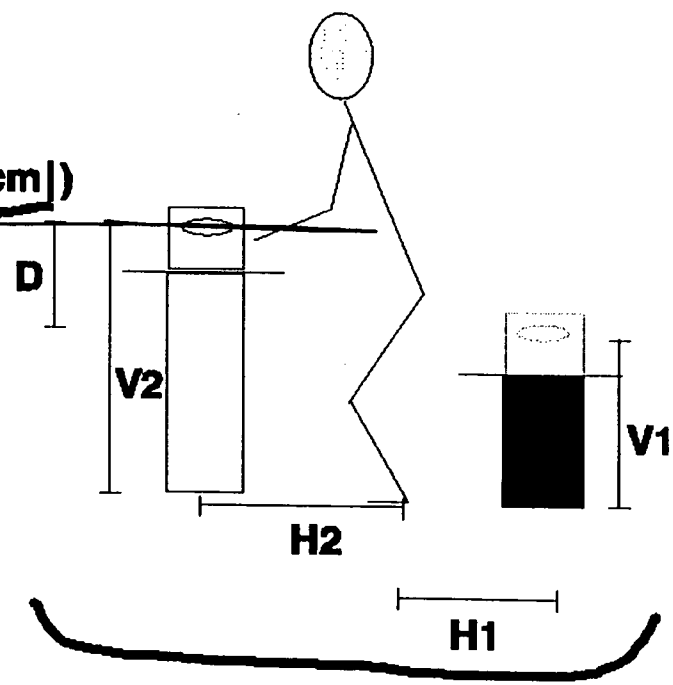
VM = (1-.003 x |V-75cm|)

DM = (.82 +4.5/D)

FM = (From Table)

AM = (1-.0032A)

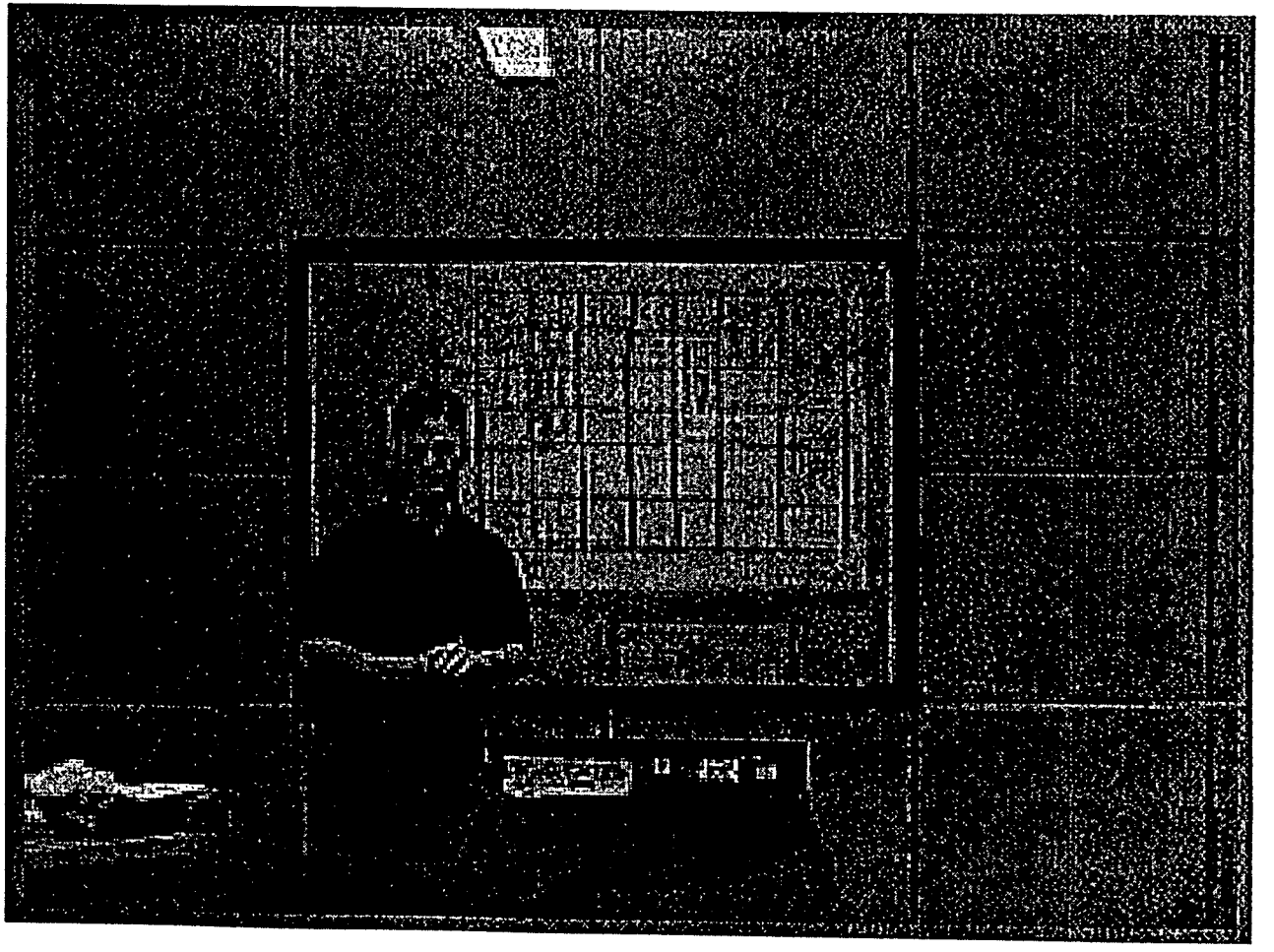
CM = (From Table)

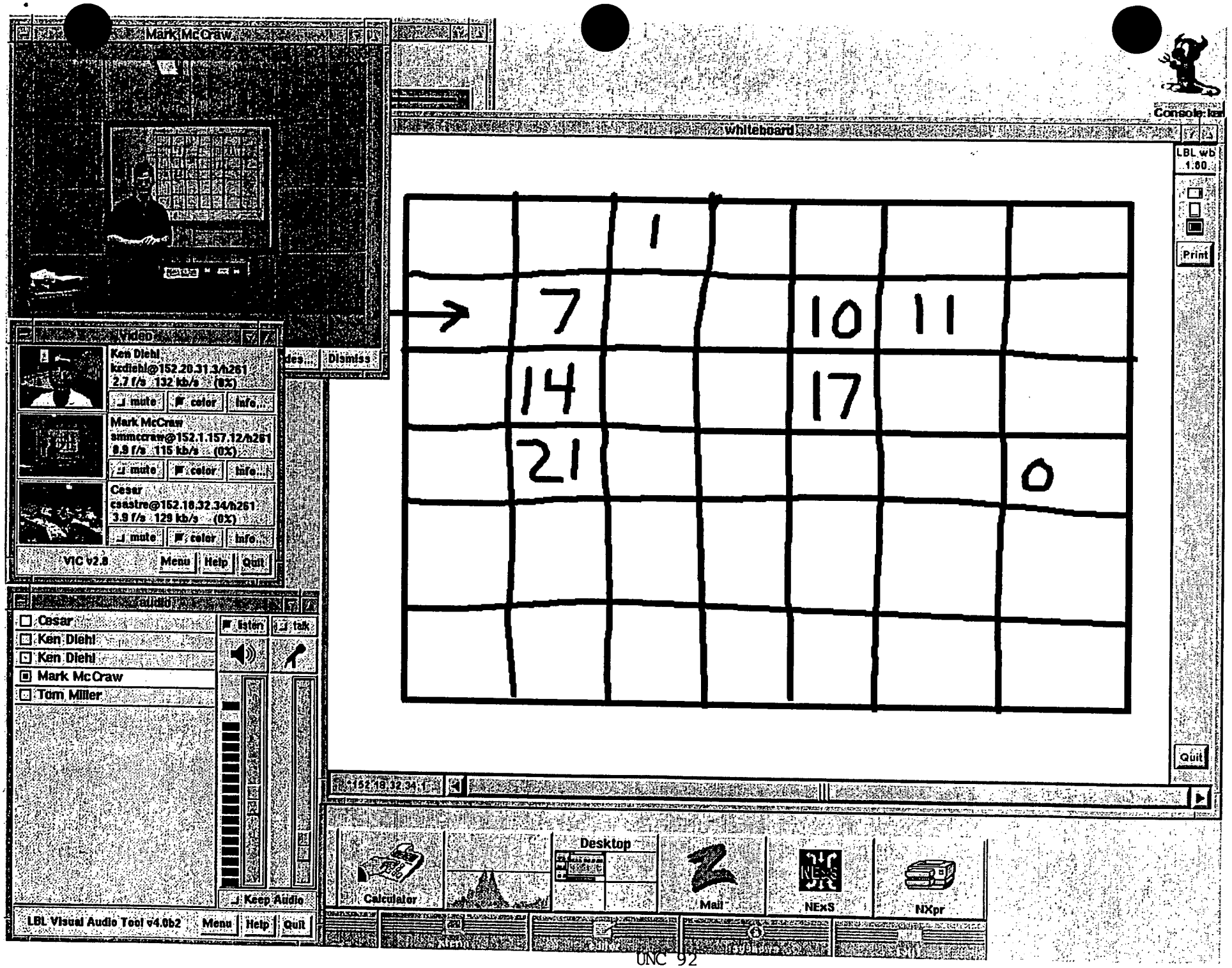


Print

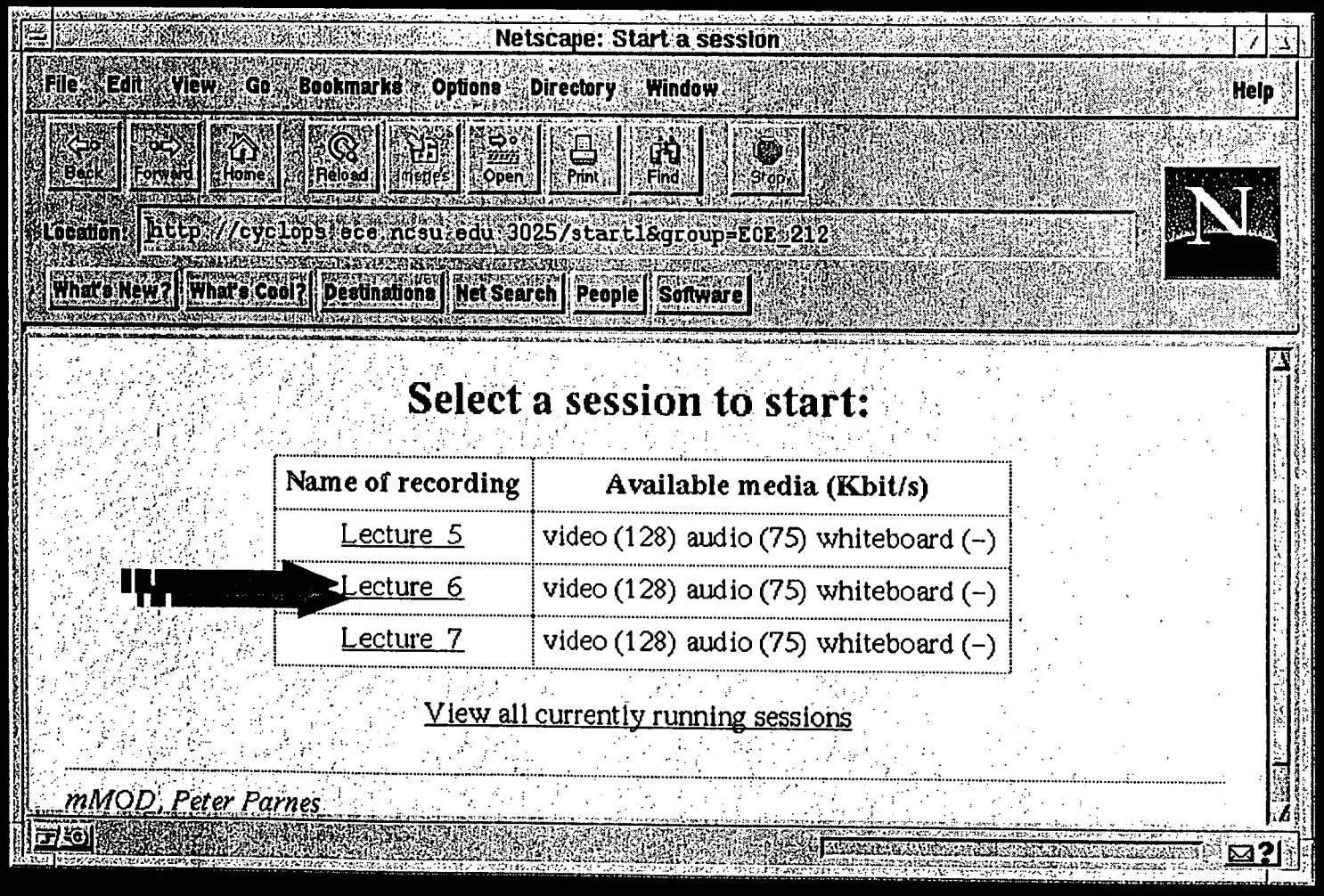
Quit

Touch-screen “SmartBoard”




Mark McCraw
Video
Ken Diehl
kdiehl@152.20.31.3/h261
2.7 f/s 132 kb/s (0%)
mute
color
info...
Mark McCraw
ammccraw@152.1.157.12/h261
9.9 f/s 115 kb/s (0%)
mute
color
info...
Cesar
caastre@152.18.32.34/h261
3.9 f/s 129 kb/s (0%)
mute
color
info...
Dismiss
VIC v2.8
Menu
Help
Quit
Audio
Cesar
Ken Diehl
Ken Diehl
Mark McCraw
Tom Miller
listen
talk
Keep Audio
LBL Visual Audio Tool v4.0b2
Menu
Help
Quit
whiteboard
LBL wb 1.60
Print
Quit
1
7
10
11
14
17
21
0
Desktop
Calculator
Mail
NExS
NXpr

mMOD - MBone Media on Demand



School of Industry and Technology
East Carolina University

The Distance Education Commitment

Development of the Online MS Industrial Technology

Distance Education Commitment

- Why Distance Education
- What Solutions Work
- How to Achieve Interactivity
- What is on the Horizon

Identifying Needs of Region

- Responded to business and industrial needs
  - Began with traditional extension courses and weekend programs
  - Committed to QUALITY delivery of education
  - Realized distance education's potential

University Commitment

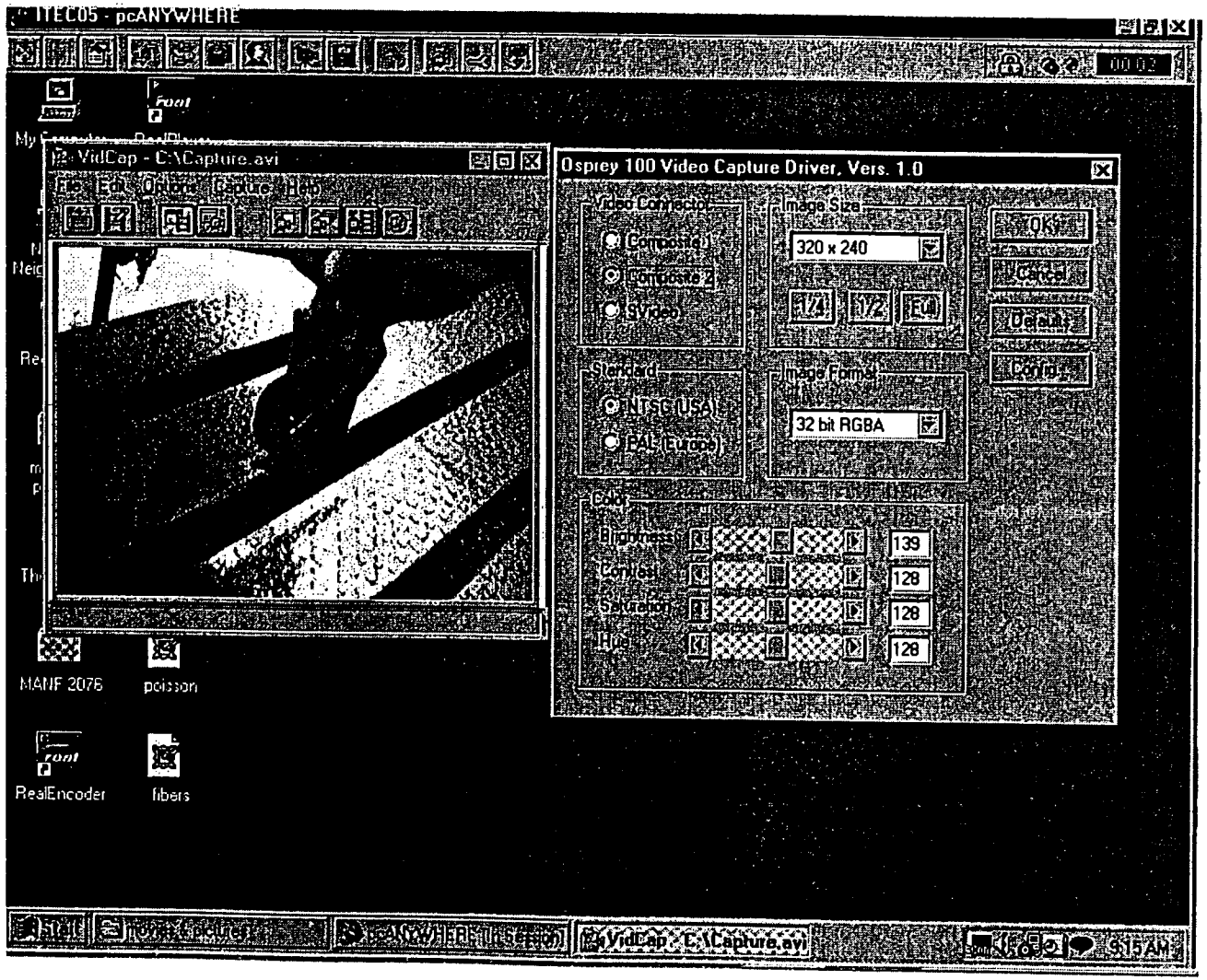
- Reaching Under-served Students
  - Long commutes
  - Economic and societal ties to local communities
  - Varying work schedules
  - Family commitments

Investing in Solutions

- Won NSF grant to deliver Masters Program
- Video Delivery limited to a few locations
- Moved to Internet-based instruction
- Developed Pilot 2+2 BS Degree completion with community colleges

Faculty Commitment to Quality

- Educational experience equal to or better than resident campus experience
  - Technology is a tool - not the subject
  - Student-to-student interaction
  - Student-to-instructor dialog
  - Developing real-world problem solving skills
  - Leveraging into traditional classes


ITEC05 - pcANYWHERE
VidCap - C:\Capture.avi
File Edit Options Capture Help
Osprey 100 Video Capture Driver, Vers. 1.0
Video Connector
Composite 1
Composite 2
S-Video
Image Size
320 x 240
1/4
1/2
Full
OK
Cancel
Defaults
Config...
Standard
NTSC (USA)
PAL (Europe)
Image Format
32 bit RGBA
Color
Brightness
Contrast
Saturation
Hue
139
128
128
128
MANF 2076
poisson
RealEncoder
fibers
VidCap - C:\Capture.avi
5:15 AM

Student Comments

"I am challenged to do my own work, be responsible for my own education."

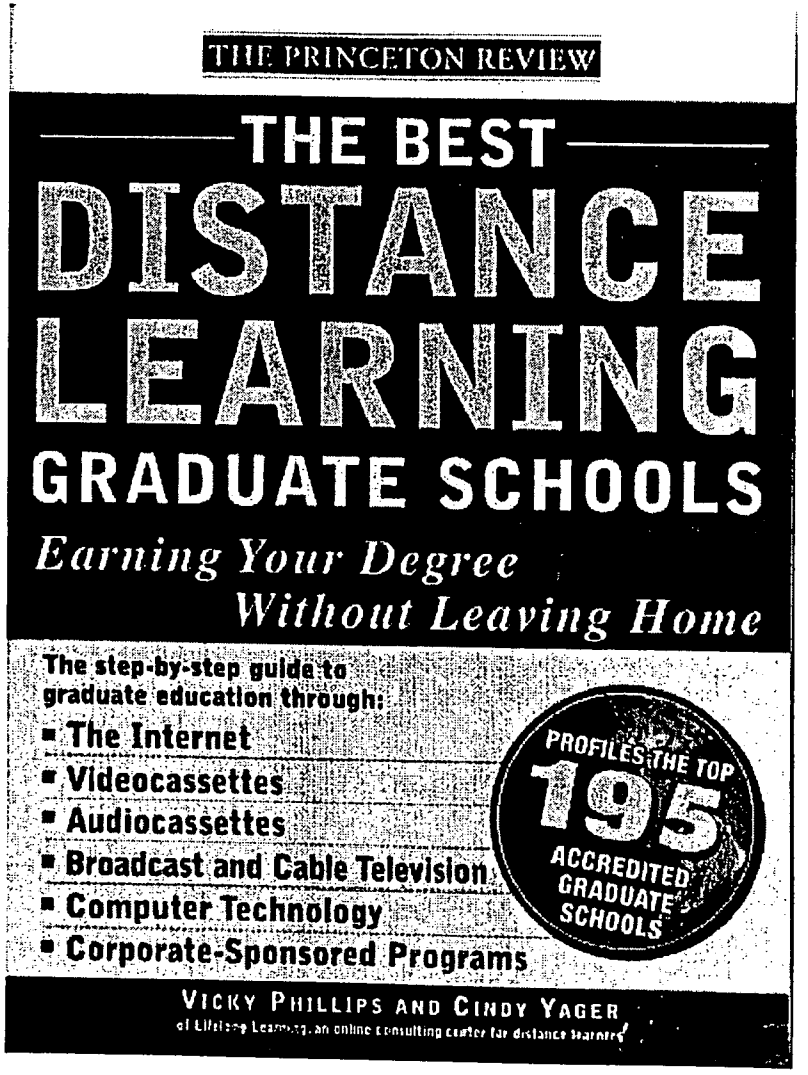
"Made me put my nose in a book (or computer) and dig deep for solutions to real problems."

"I do not have to drive a long distance to get to campus. I pull up a chair in front of my fire on a cold wintry night, and go to school."

"I talk to people every day that now actually see a possibility to complete their education.

Most have given up on that dream many responsibilities ago."

Program Recognition



- Articulation with National Defense University
- DANTES Approved for Military Personnel
- Southern Regional Electronic Campus

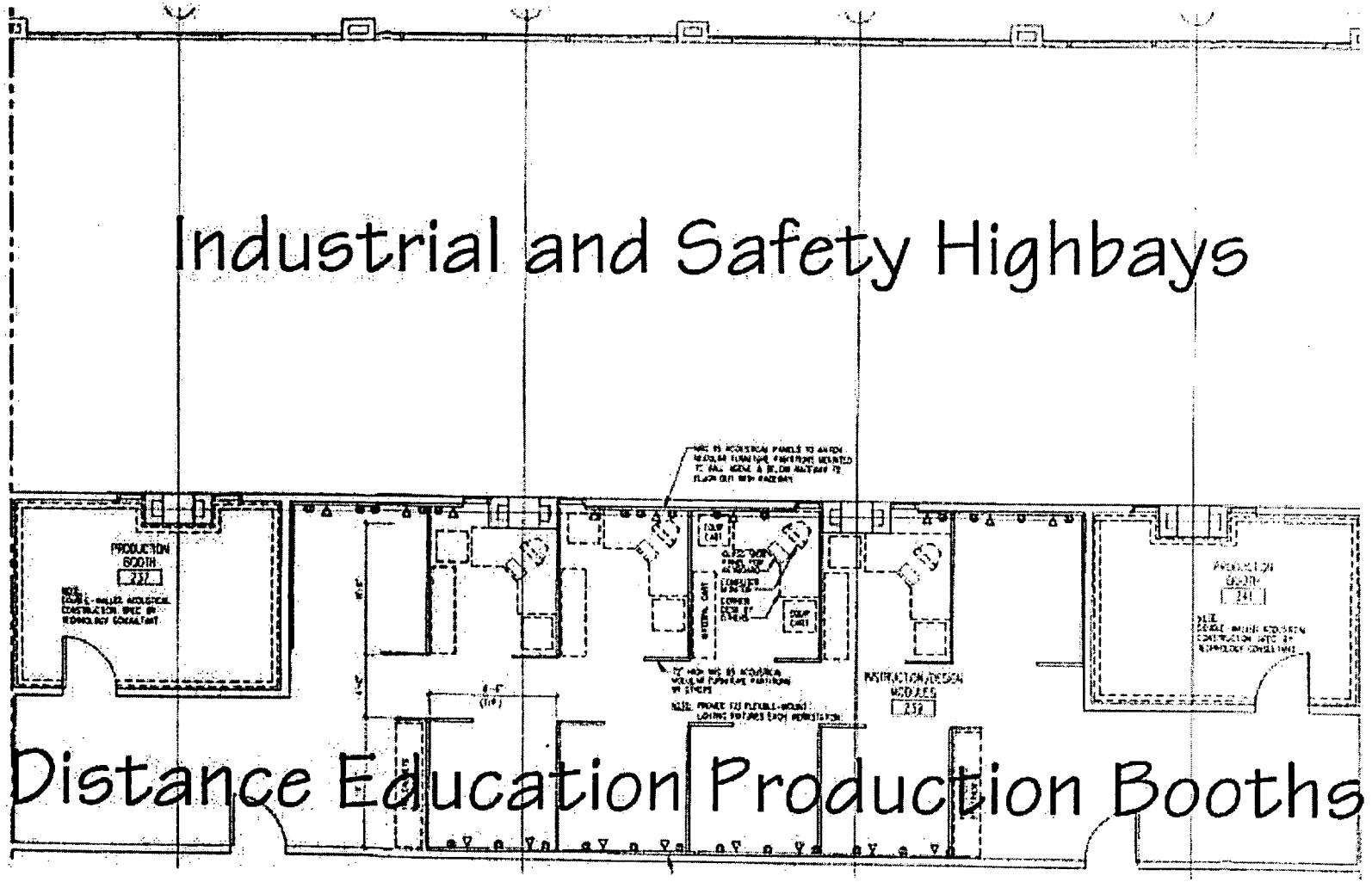
Distance Education will play a prominent role in shaping the future of the university.

UNC 104

Refining and Improving Delivery Model to Serve Students

- Building on Success
  - On-line Transfer Program ~ BS Industrial Technology
  - Masters with three technical concentrations
  - Leading 8 university consortium in a national model for on-line PhD

Building on the Commitment!



Factors in the Selection of Distance-Education Delivery Systems

- **Quality**
- **Convenience**
- **Cost**

SL 1998-212 (SB 1366) - UNC Distance Education

- **"The Board of Governors shall... provide data on the costs of providing these programs [and] shall provide for evaluation of these off-campus programs, including comparisons to the costs and quality of on-campus delivery of similar programs..."**

UNC 108

2:30 pm

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education

Name of Committee Joint Education and Higher Education - Appropiations Subcommittee Date 3-16-99

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Tim McCowell	NCAICU
Elizabeth Grovenstein	OSBM
Lee Adams	"
Jennie R. Gray	UNC-GA
Judith Fuller	UNC-GA
Clifton B. Metcalf	AD@GA
Jim Sadler	UNCGA
Chris Bruechner	ECU
Darryl Davis	ECU
Rita Reaves	ECU
Maurice Kiz	OSBM
Janet Pittard	OSBM
Ashley Westbrook	Governors Office
Austin Bynch	ECU
Hal Miller	NCACCT
Karen Gale	Governor's Office
John Stallings	Farm Bureau
Bill McAuley	PSNC

Joint Appropriations Subcommittee
On Education/Higher Education

March 17, 1999
8:30 a.m.
Presiding- **Senator Howard Lee**

Call to Order		Chair
Assessment Measures		Dr. Gary Barnes, Vice President for Assessment and Public Service, UNC
Management Issues:		
UNC-GA – Human Resources Staffing		**Dr. Roy Carroll,** Sr. Vice President for Academic Affairs, UNC
Outsourcing – Status Report		**Kevin McNaughton**, Associate Vice President for Finance
Span of Control – Budget Reductions		**Jim Newlin**, FRD

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Wednesday, March 17, 1999
8:30 A.M.
Room 421 Legislative Office Building

The Joint Appropriations Subcommittee on Education/Higher Education met on Wednesday, March 17, 1999 at 8:30 A.M. in Room 421 of the Legislative Office Building. Senator Lee, Co-Chair presided and introduced Pages Scott Creech from Johnston County and sponsored by Representative Billy Creech; Jerolyn Brown from Wake County and sponsored by Speaker Black and Syreeta Motley. Syreeta is from Wake County and was sponsored by Senator Brad Miller.

Senator Lee introduced Dr. Gary Barnes, Vice President for Assessment and Public Service, UNC. Dr. Barnes's presentation was *The UNC System-Level Assessment Measures and Activities.* First, Dr. Barnes reviewed the history of the UNC Assessment activities. He stated that Assessments began in 1974 and were done every four years until 1996 at which time the surveys were done every two years. Each of the UNC Campuses is asked to participate in the surveys. Some of the topics addressed in the survey include teaching effectiveness questions, student gains and education aspirations, employment outcome measures; graduation rates and the percent of graduates employed in North Carolina. The surveys are done at the end of the sophomore year and at the conclusion of the senior year. There has consistently been approximately a 75% return rate of the surveys. The Assessment Data is organized pertinent to the Topics surveyed. Some additional areas that will be included in the surveys in the future are: the average credit hours *attempted* by Baccalaureate Graduates and UNC enrollment in remedial education.

Dr. Barnes presented a synopsis of the collected data to the Committee. He stated the data assists the Board of Governors in their accountability planning and oversight, focus's their attention on problem areas and promotes quality improvement within the UNC System. Future endeavors of the Assessment Teams include: visits to campuses to discuss findings with students, faculty, and senior administrators once every two years; requesting the campuses to set targets for some measures that need improvement and report on that progress; summarizing data by department for department heads and faculty and reorganizing World Wide Web presentation of assessment measures.

On behalf of the Committee Senator Lee thanked Dr. Barnes for his informative presentation.

Senator Lee introduced Dr. Roy Carroll, Sr. Vice President for Academic Affairs, UNC-GA. Dr. Carroll addressed the Committee on issues pertinent to Human Resource initiatives within the University. He stated that due to problems with recruitment and retention and the urgent need for professional development activities for faculty and for staff. He stated that staff advisory bodies have been created on each campus to begin to evaluate issues. Dr. Carroll stated that approximately 85% of the University's budget is spent on human resource requirements. He stated a transition team was formed to work on Human Resource Issues. The transition team was composed of representatives from the State Personnel Office, the State Budget Office and campus representatives. They recommended specific Human Resource guidelines for all of the campuses. Dr. Carroll stressed that the goal of the transition team was to recommend policies that were fair and consistent to all of the campuses. The transition team established accountability measures and a database that was consistent for all of the campuses. Dr. Carroll thanked the Committee for the past support the University has received.

Next, Senator Lee introduced Mr. Kevin McNaughton, Associate Vice President for Finance, UNC. Mr. McNaughton discussed the Privatization/Outsourcing Study in progress at the University. He stated the privatization/Outsourcing Study was mandated by the 1995 General Assembly with House Bill 229. The mandate directed the Board of Governors to study the issue University wide. *(See Attachment 2).* The campuses were guided with provisions as the potential Outsourcing opportunities were evaluated. One was that reemployment of existing state personnel should be provided for in that the displaced personnel would have first refusal to work for the new private company. Secondly, the Outsourcing contractor would provide health care benefits and competitive wages. And lastly, only those activities that would result in 10% savings would be privatized. Since the mandate was issued, the University has outsourced 31 activities that have resulted in savings of $431,781. It was determined that it was more cost effective to retain 128 activities in-house. The greatest benefit was a $1,113,937. savings which resulted from cost reductions of in-house operations. Mr. McNaughton presented specific savings at the various campuses, which were a direct result of the Study. He stated that 98 more activities are currently being studied.

Senator Lee adjourned the meeting at 9:50 A.M.

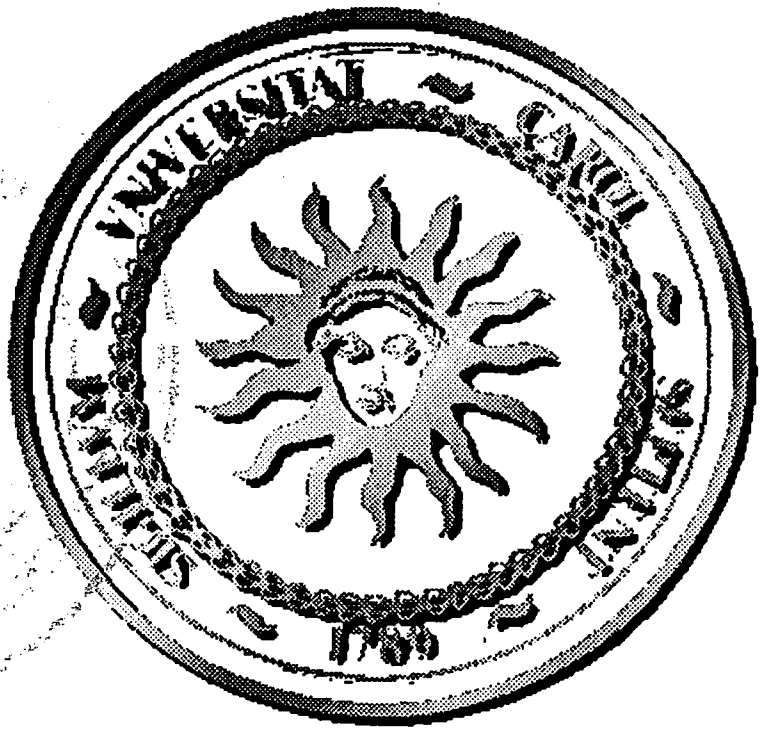
Senator Howard Lee, Co-Chair

Christina K. Minard

Christina K. Minard, Education Committee Assistant

UNC System-Level Assessment Measures and Activities

Presentation to the Joint Appropriations Subcommittee on Education



The University of North Carolina General Administration

March 17, 1999

ATTACHMENT 1

UNC Board of Governors Assessment Activities

1. **Alumni survey (1974, 1979, 1984, 1988, 1992, 1996, 1998)**
2. **Retention, graduation, and persistence rates (since 1977)**
3. **Remedial education enrollments and expenditures (since 1984-85)**
4. **Transfer student performance report (since 1969; major revisions in 1982, 1992, and 1998)**
5. **High school feedback reports (since 1992-93)**
6. **Teaching workload report (since 1996-97)**

(continued)

UNC Board of Governors Assessment Activities (continued)

7. **Performance/Program Budgeting (P/PB) (since 1997-98)**

8. **Biennial surveys (since 1997)**
   - **Second-semester sophomores (evaluate general education experience)**
   - **Graduating seniors (evaluate experience in the major)**
   - **Alumni (employment and postgraduate schooling and satisfaction)**
   - **Employer satisfaction (new in summer of 1999)**

9. **Monthly reports on key topics (since October 1998)**

Topics Covered in Monthly Reports

- √ Teaching effectiveness and quality of instruction
- √ Student skill gains and aspirations
- √ Alumni employment
- √ P/PB measures of research and public service
- √ Retention, graduation, time-to-degree
- Academic advising
- Access
- Incidence and effectiveness of remedial instruction
- Academic, student, and administrative services
- Proposed efficiency indicators
- Accountability overview
- Teaching workload and faculty development
- Passing rates on licensure exams

Teaching Effectiveness Questions

(Seven Principles of Good Practice in Undergraduate Instruction)

(Asked of Sophomores and Seniors)

Please evaluate how well faculty members do each of the following:

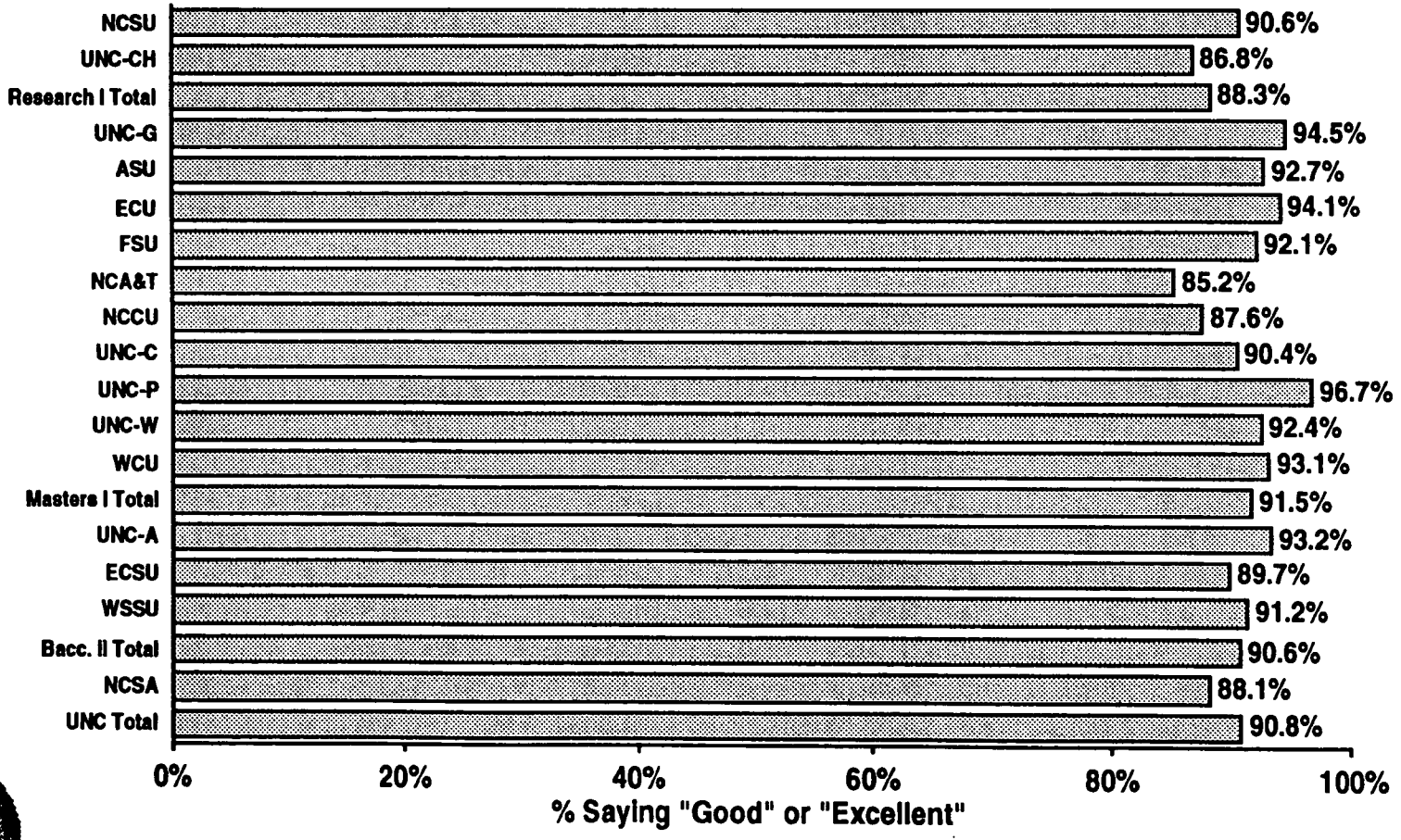
1. **Set high expectations for you to learn**
2. **Respect the diverse talents and ways of learning of you and your classmates**
3. **Encourage you to be an actively involved learner**
4. **Encourage student-faculty interaction, in and out of the classroom**
5. **Give you frequent and prompt feedback**
6. **Encourage you to devote sufficient time and energy to your coursework**
7. **Develop opportunities for you to learn cooperatively with fellow students**
8. **Care about your academic success and welfare**
9. **In general, how would you evaluate your instructors on these eight measures?**

The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

UNC Senior Survey, Spring 1998

Students' General Evaluation of Faculty

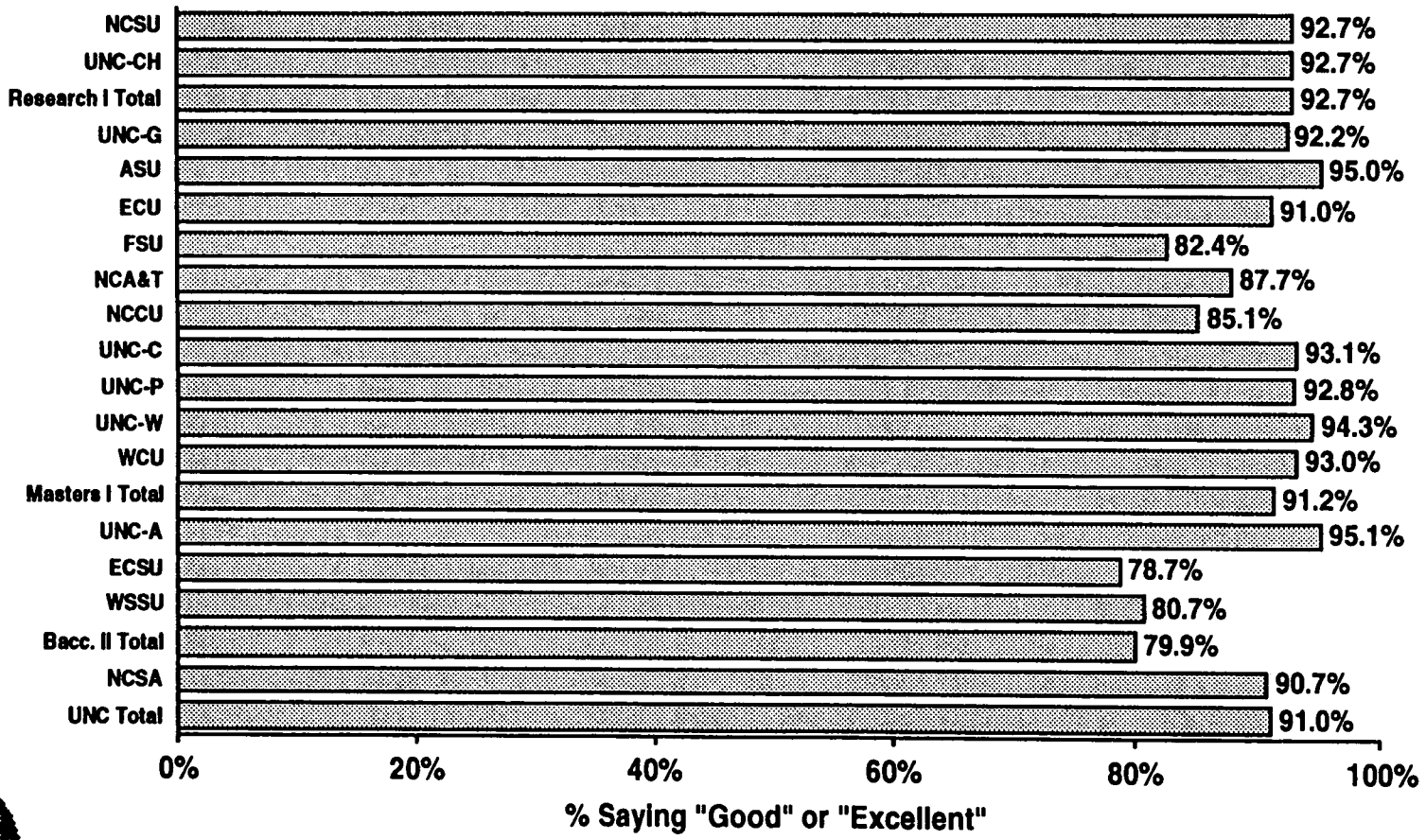


The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

UNC Alumni Survey, Summer 1997

Overall Quality of Instruction

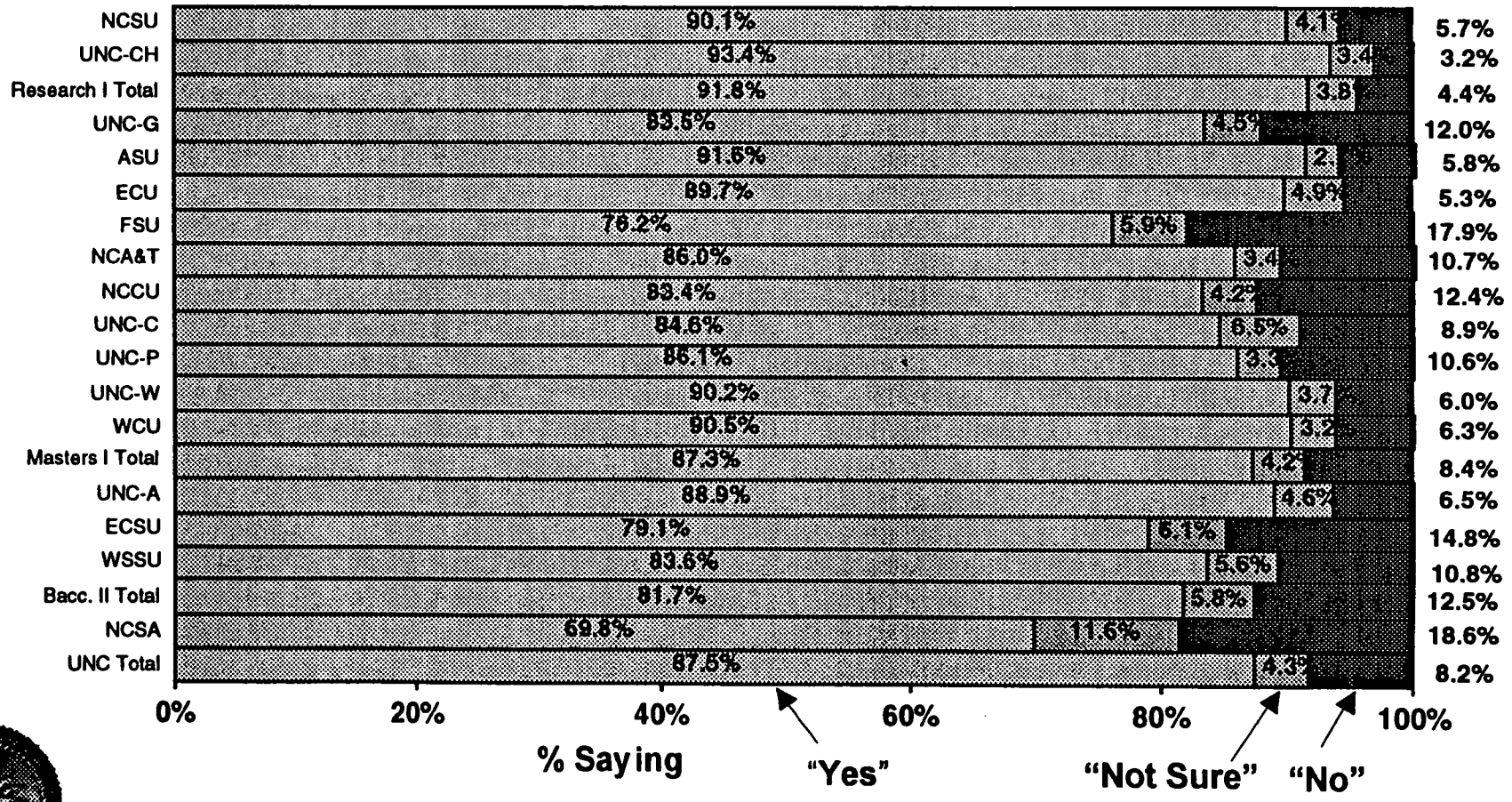


The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

UNC Alumni Survey, Summer 1997

Would You Choose This Institution Again?



The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

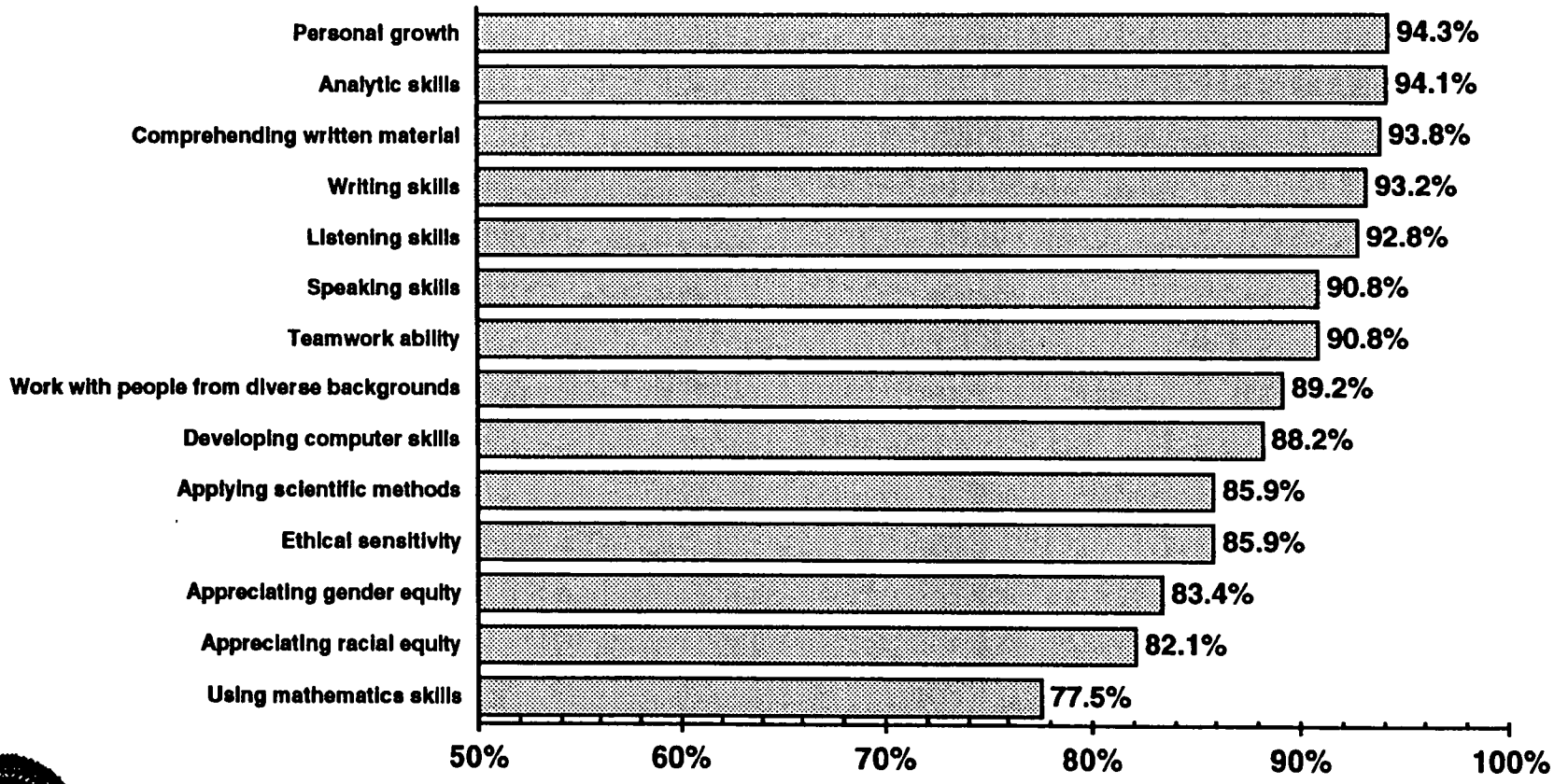
UNC Student Surveys

Student Gains and Educational Aspirations

- College contribution to knowledge, skills, & personal development
- Education plans
  - For the year after graduation
  - For the next ten years
- Postgraduate study, 1996-97
- Preparation for postgraduate study

UNC Student Surveys

Student Gains and Educational Aspirations

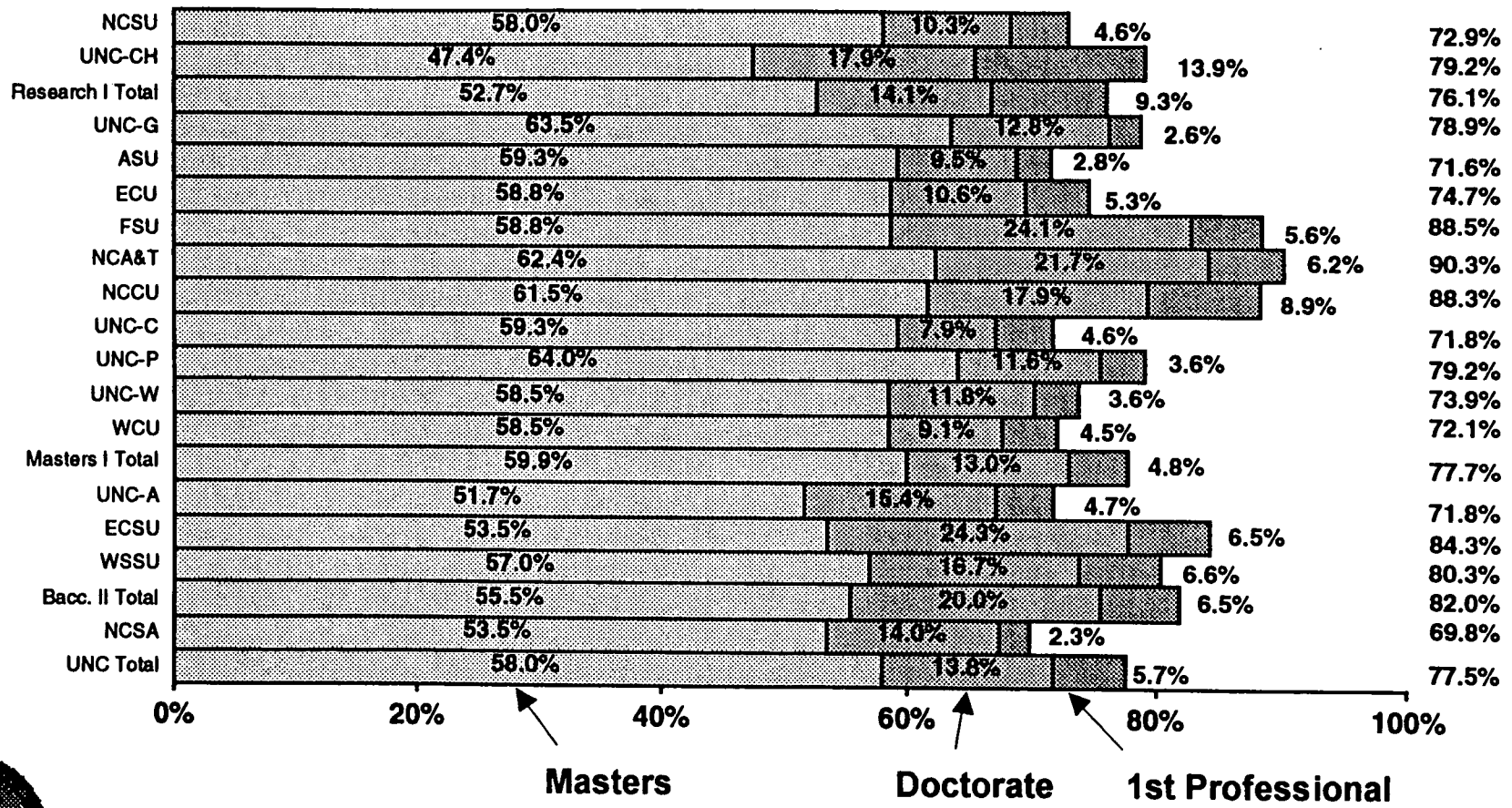


The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

UNC Alumni Survey, Summer 1997

Highest Degree Intended in the Next Ten Years



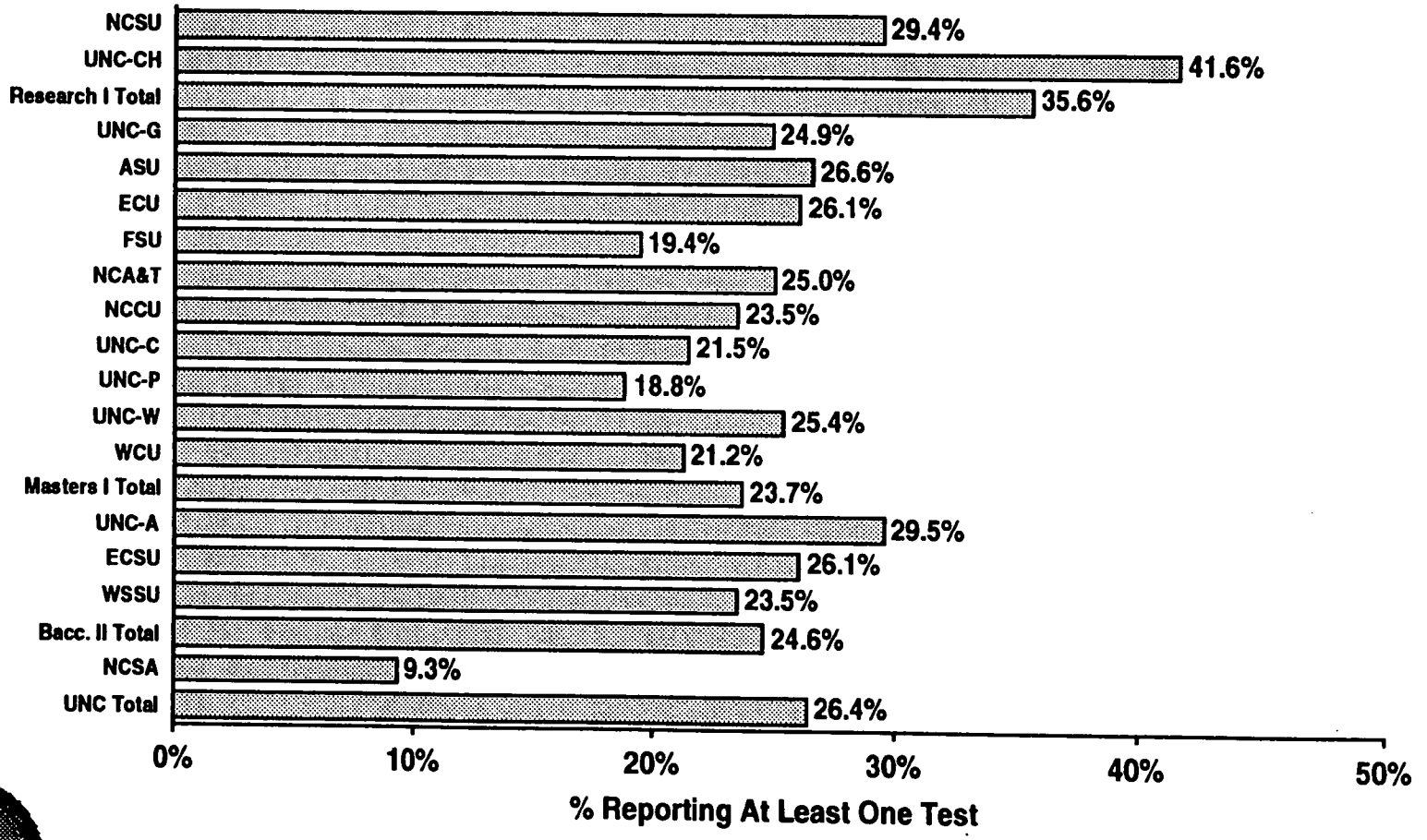
The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

11

UNC Alumni Survey, Summer 1997

Took a Graduate-School Admission Test (GRE, LSAT, etc)

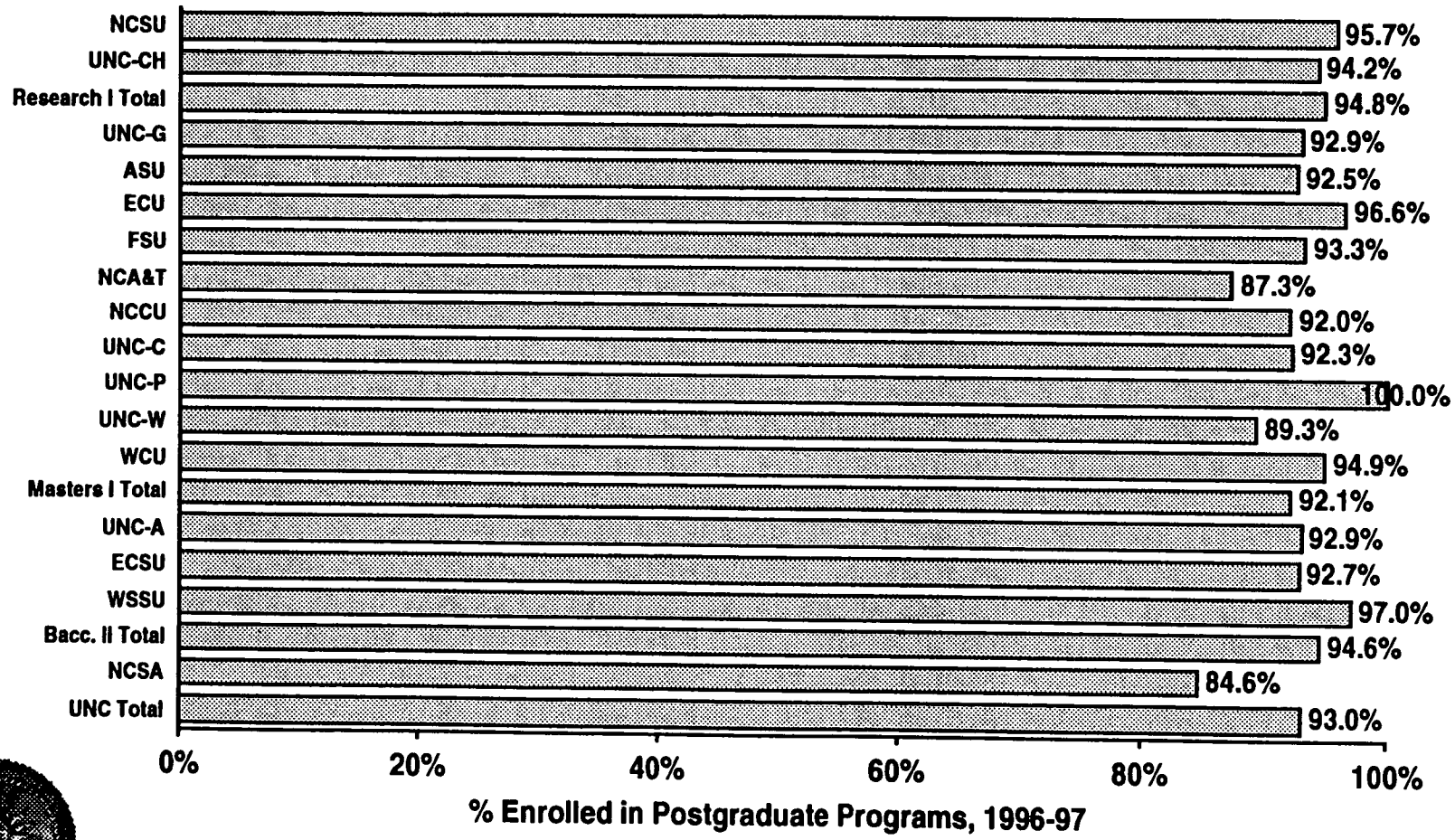


The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

UNC Alumni Survey, Summer 1997

Preparation for Postgraduate Study



The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

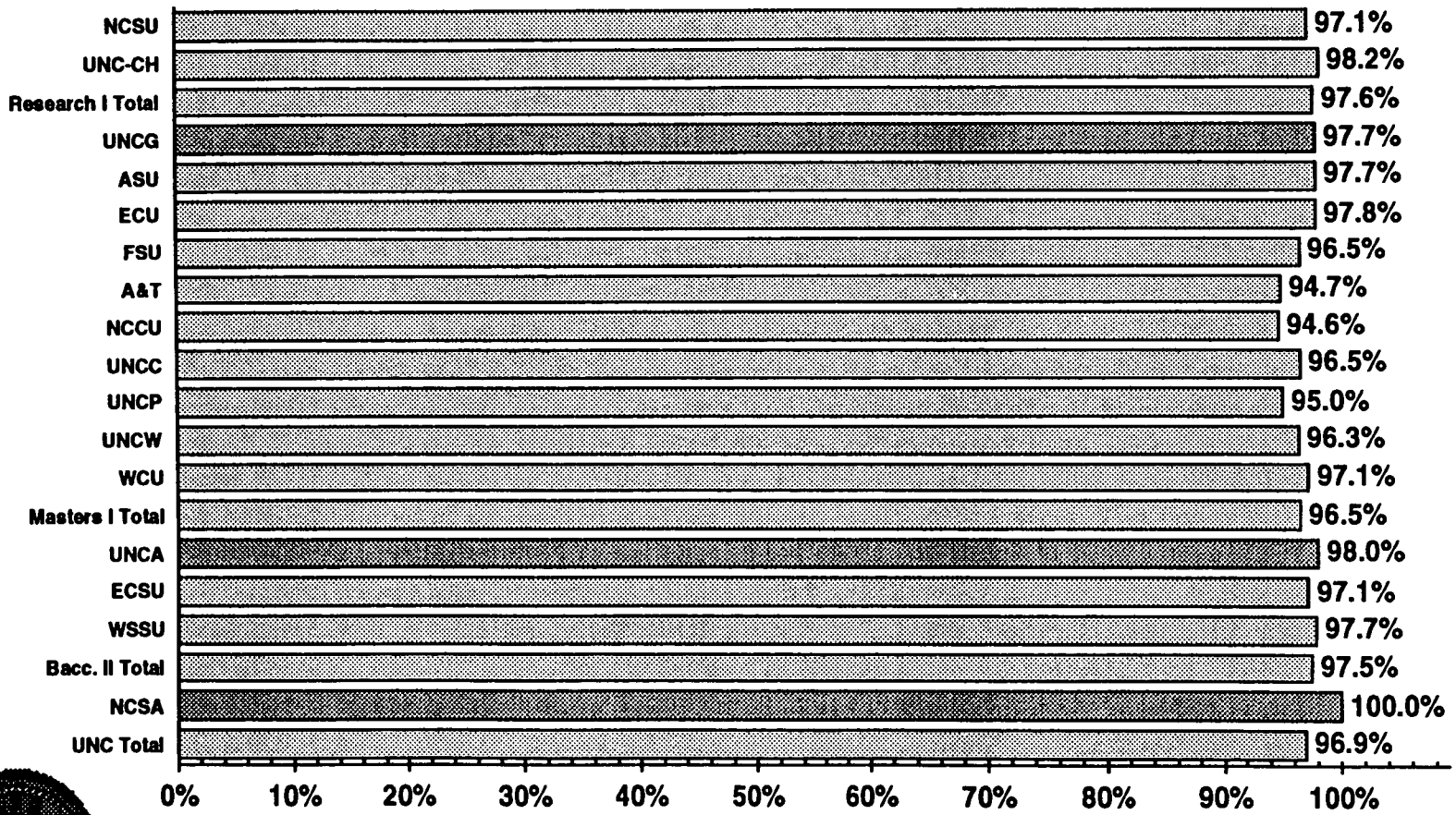
UNC Student Surveys

Employment Outcome Measures Include:

- Employment rate
- Location of employment
- Relationship of job to major
- Did graduate have an off-campus work experience?
- Did graduate feel well prepared for job?
- Median earnings by instruction and by major
- Rating of job quality
- Proposed employer survey

UNC Alumni Survey, Summer 1997

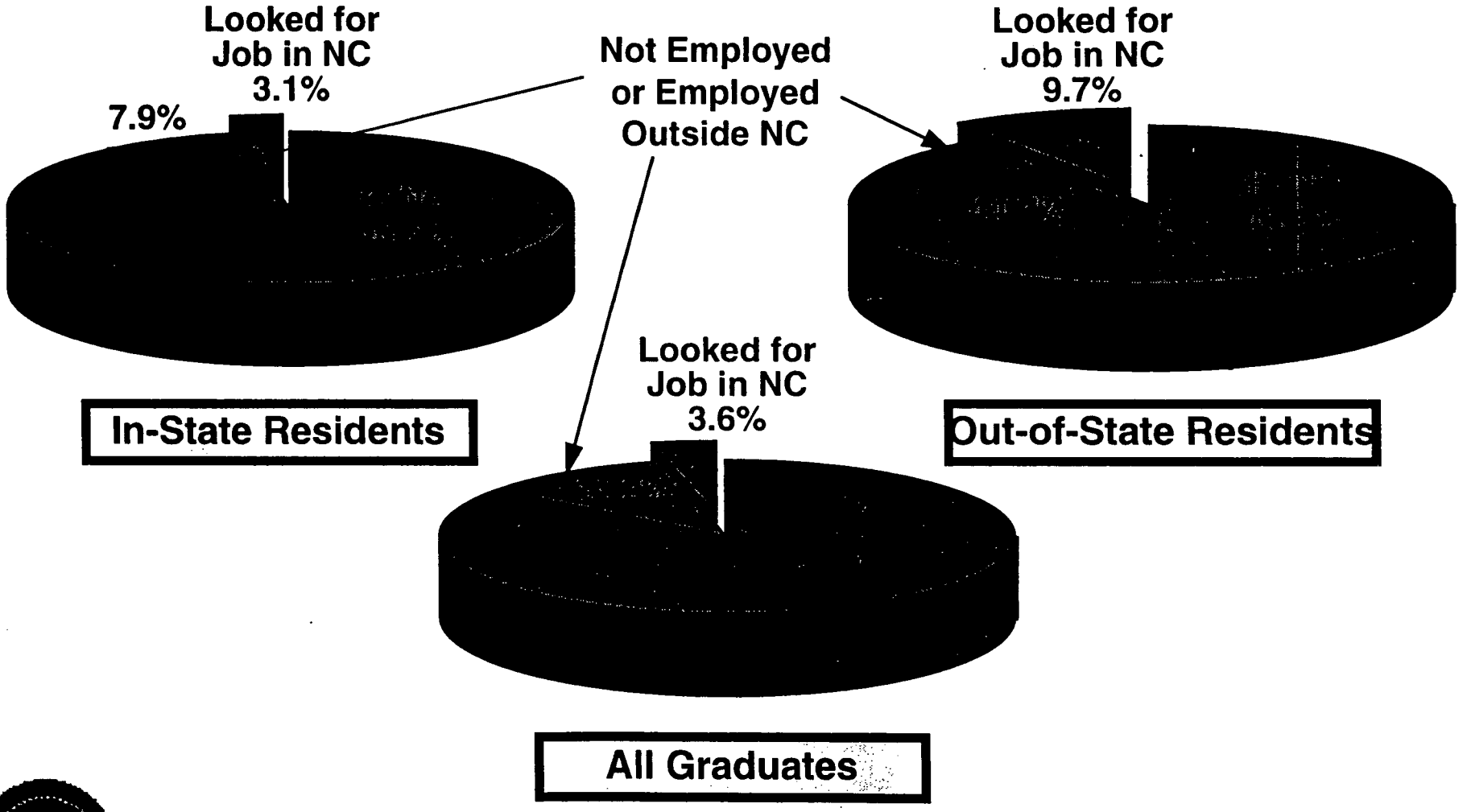
Percent employed in year following graduation



The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

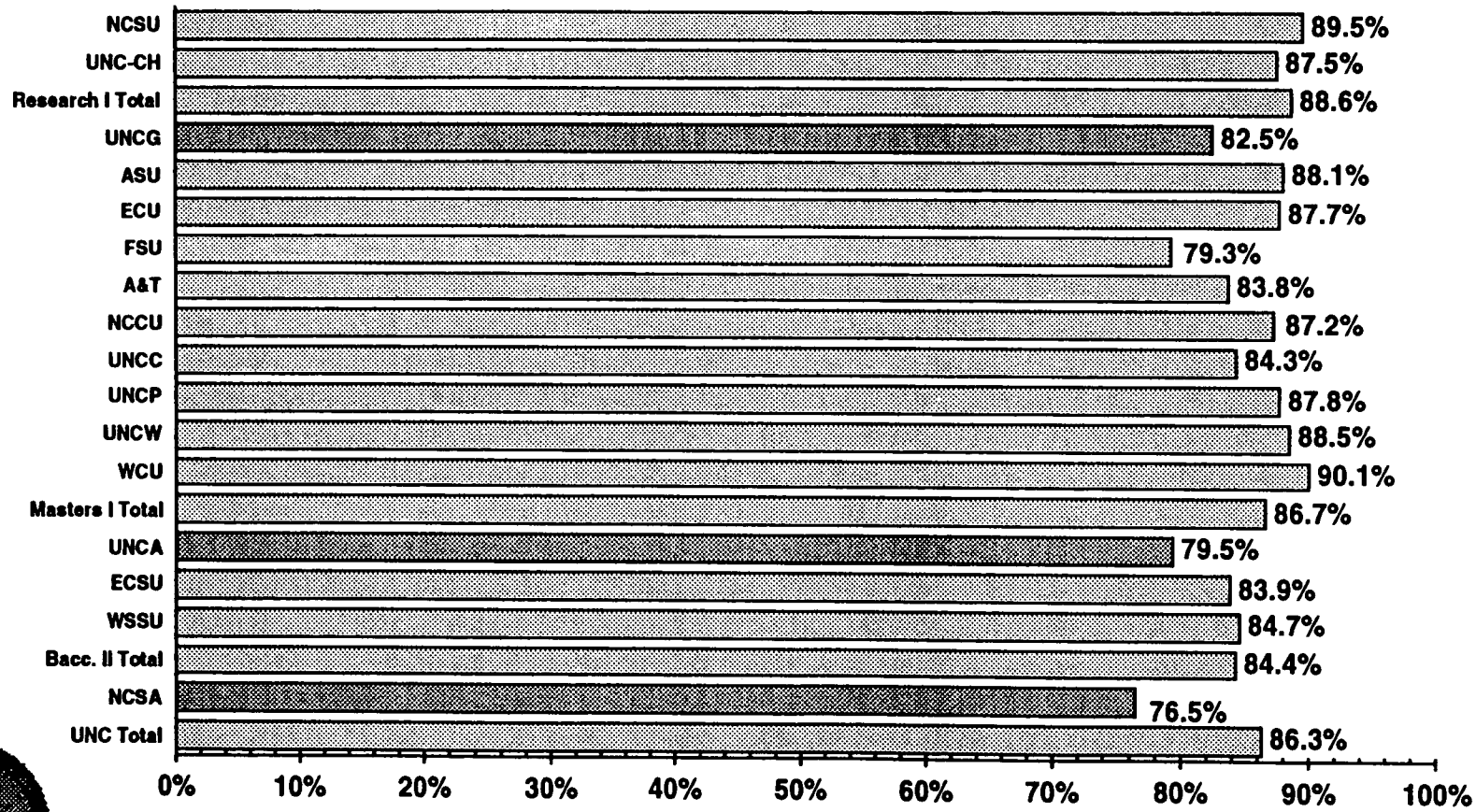
Percent of Graduates Employed in North Carolina*



*Baccalaureate graduates who planned to work and not continue their education.

UNC Alumni Survey, Summer 1997

Percent of those employed full-time who said that their institution "prepared them well for employment"

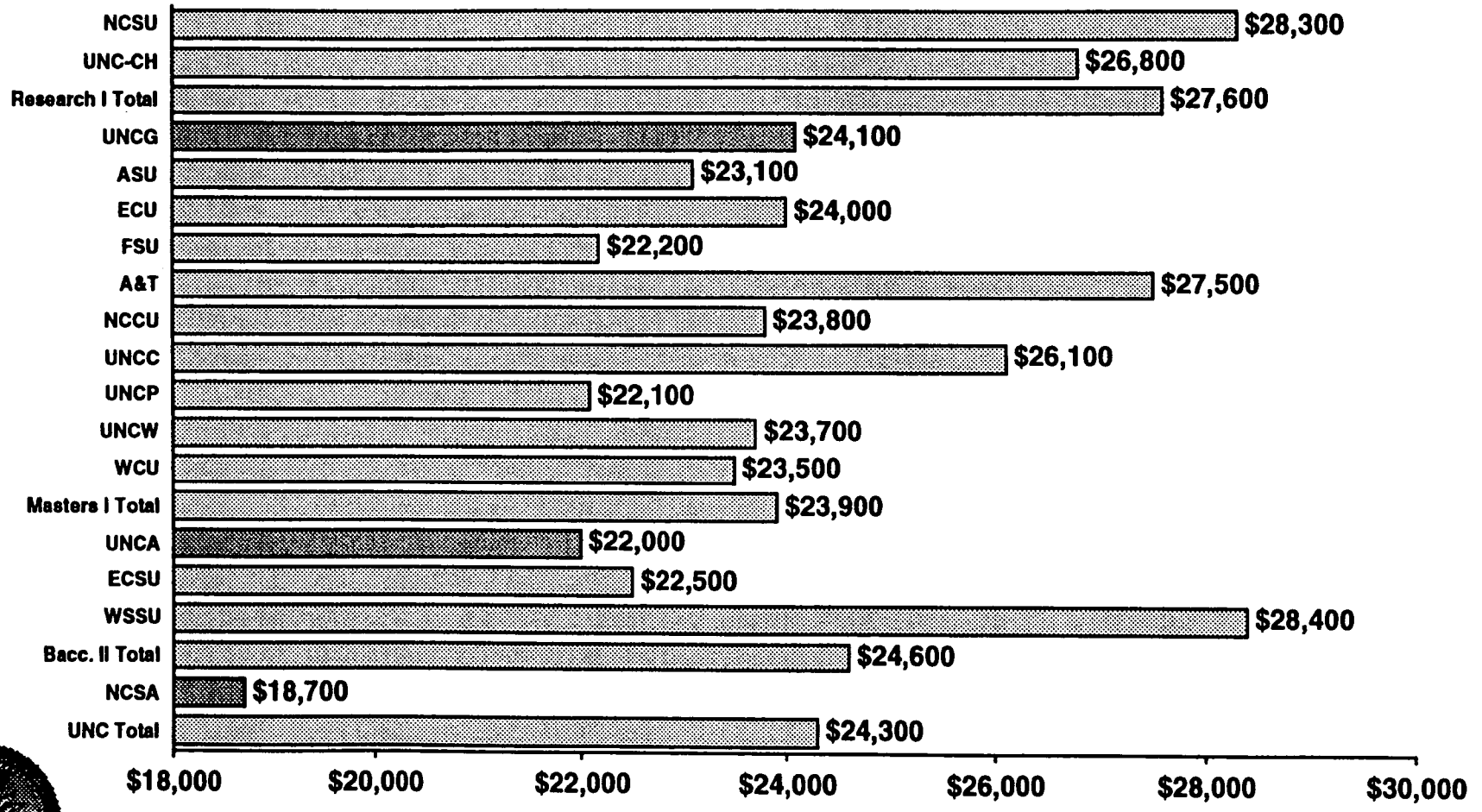


The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

UNC Alumni Survey, Summer 1997

Median earnings of full-time employed graduates

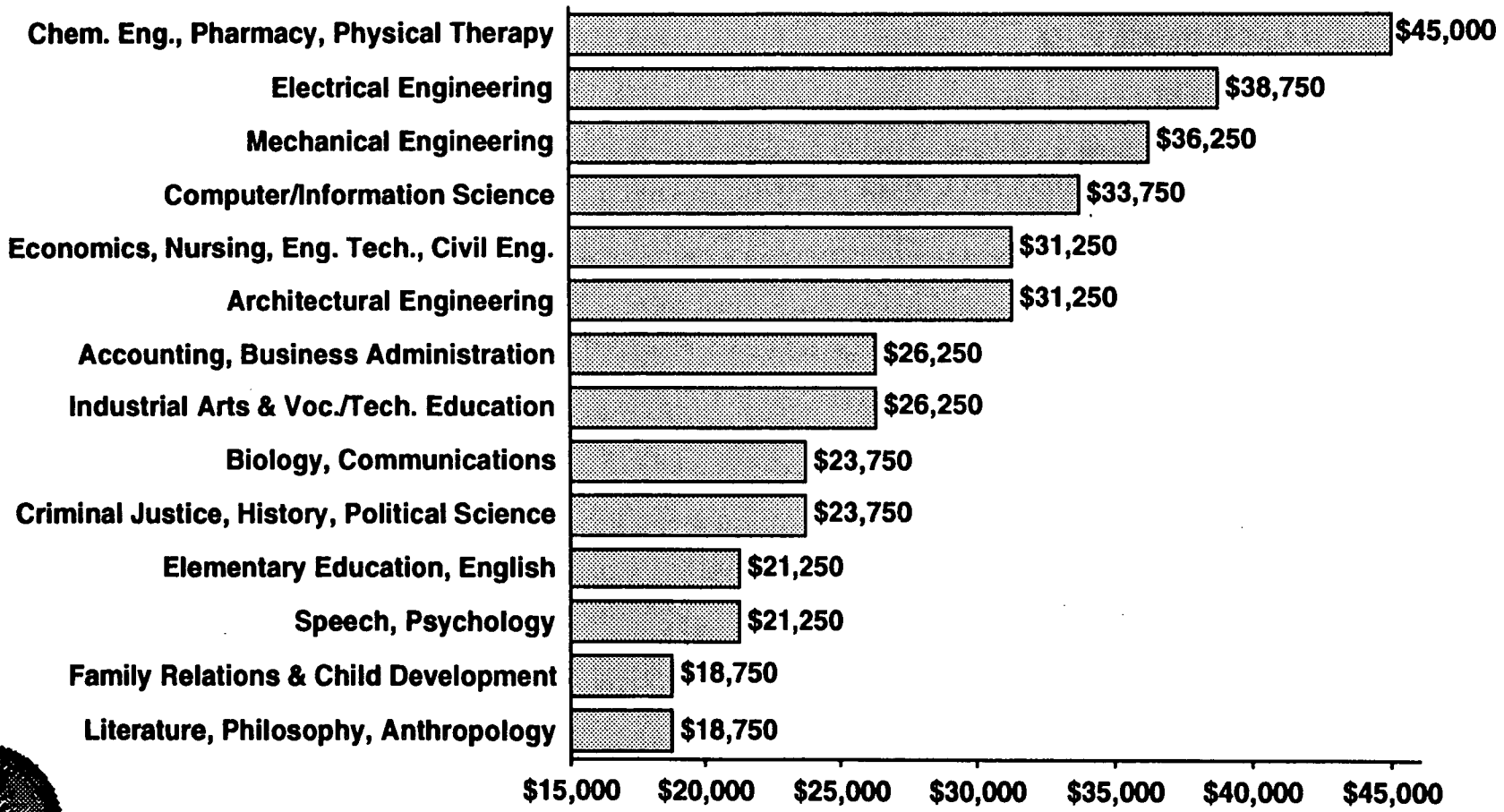


The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

UNC Alumni Survey, Summer 1997

Median earnings in selected majors



The University of North Carolina General Administration

UNC-GA ProgAssess/PPB.OM001/3-17-99

UNC Student Surveys

Proposed Employer Survey

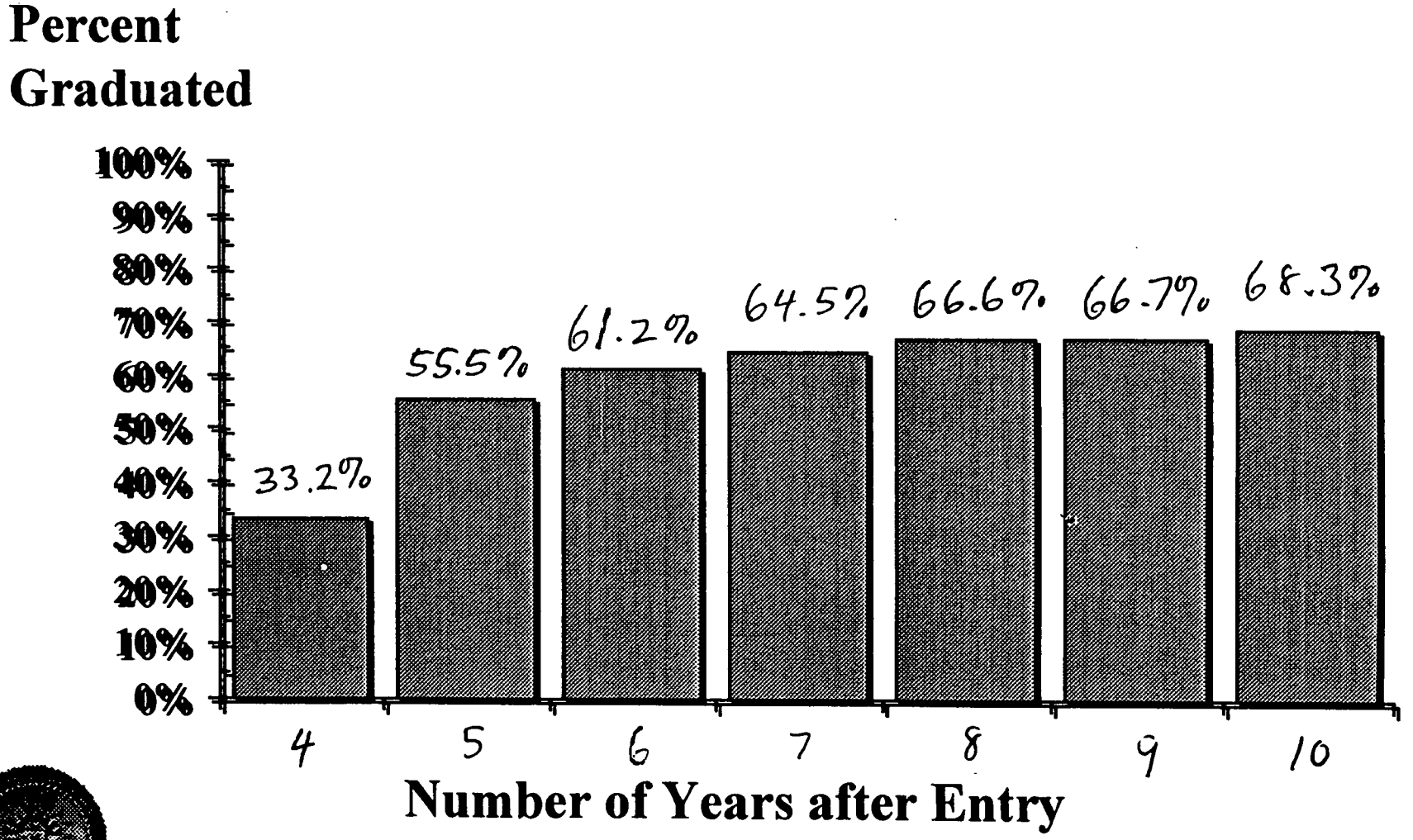
- **To be conducted in the summer of 1999 as a companion to the 1997-98 Alumni Survey.**
- **Alumni and their job supervisors will be asked to assess the extent to which the graduates' alma mater prepared them for the workplace.**
- **Skill areas to be explored are those identified by the American Council on Education's Business-Higher Education Forum as deficiencies: [next slide]**

UNC Student Surveys

Skill Areas

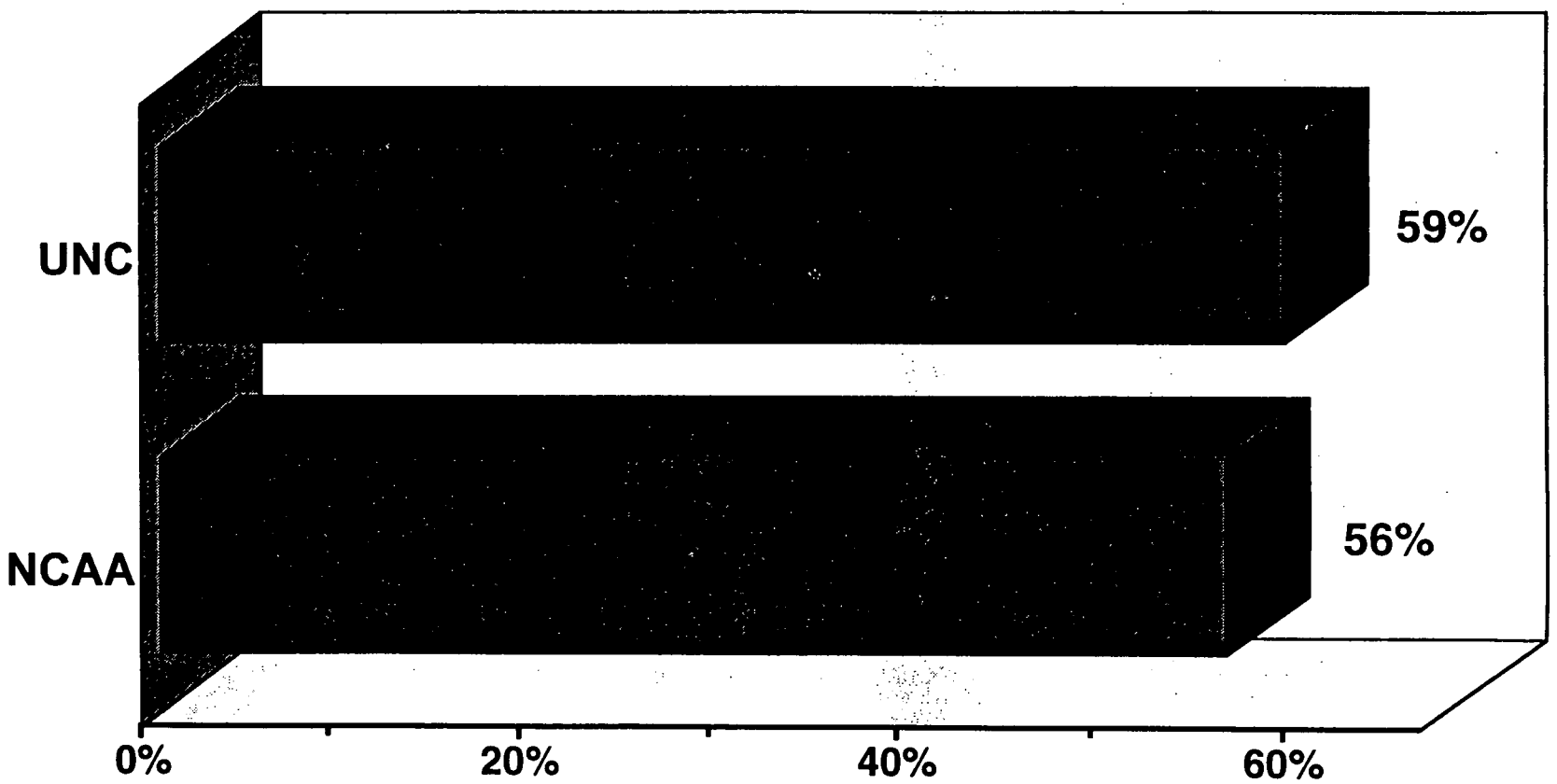
- Oral communication
- Written communication
- Ability to work in teams
- Flexibility
- Ability to accept ambiguity comfortably
- Ability to work with people of diverse backgrounds
- Understanding globalization and its implications
- Adequate ethics training
- Leadership
- Proficiency in major
- Analytical skills

UNC System-wide Graduation Rates



The University of North Carolina General Administration

*UNC Versus NCAA Division I Six-Year Graduation Rates: 1997**



*Class who entered in Fall 1991 as of Fall 1997.

Four-Year Graduation Rates by Institution, Fall 1992 - Fall 1994 Cohorts

	Tracking Within Institution						Tracking Within System		
	Full-Time at Start			Full-Time Each Fall			Full-Time at Start		
Institution	1992	1993	1994	1992	1993	1994	1992	1993	1994
ASU	30.3	31.6	31.2	47.7	48.7	52.0	32.4	33.5	33.5
ECU	19.4	22.9	21.9	39.5	43.7	42.6	20.5	24.3	22.9
ECSU	33.1	35.5	38.4	65.3	73.1	76.8	33.7	36.6	38.9
FSU	17.7	14.2	16.0	44.6	36.6	46.8	18.3	14.6	16.3
NCA&T	19.5	21.1	23.8	43.2	45.5	51.9	20.0	21.6	24.0
NCCU	17.8	24.7	24.8	43.1	52.3	51.2	17.9	25.2	24.9
NCSU	24.9	26.6	25.2	43.9	44.8	45.5	26.0	27.5	26.3
UNC-A	27.7	32.5	31.1	57.0	59.9	63.8	31.6	36.0	32.9
UNC-CH	62.7	63.0	65.2	80.5	83.0	84.7	63.5	64.2	66.1
UNC-C	18.4	18.5	23.1	37.5	38.5	47.4	20.2	19.7	24.2
UNC-G	24.1	19.9	22.0	51.1	43.5	48.5	25.7	21.7	23.4
UNC-P	15.8	16.8	22.1	42.7	43.3	57.6	16.8	18.7	22.9
UNC-W	26.2	28.9	34.3	48.5	53.6	60.5	29.7	31.0	36.6
WCU	19.5	21.4	22.1	37.6	42.6	49.3	20.9	23.3	23.0
WSSU	21.0	21.1	24.7	50.0	50.0	56.6	21.5	21.4	24.7
UNC All	29.0	30.5	32.1	52.4	54.4	58.1	30.3	31.8	33.2

Average Credit Hours Taken by Full-Time Degree-Seeking Undergraduates in UNC Institutions

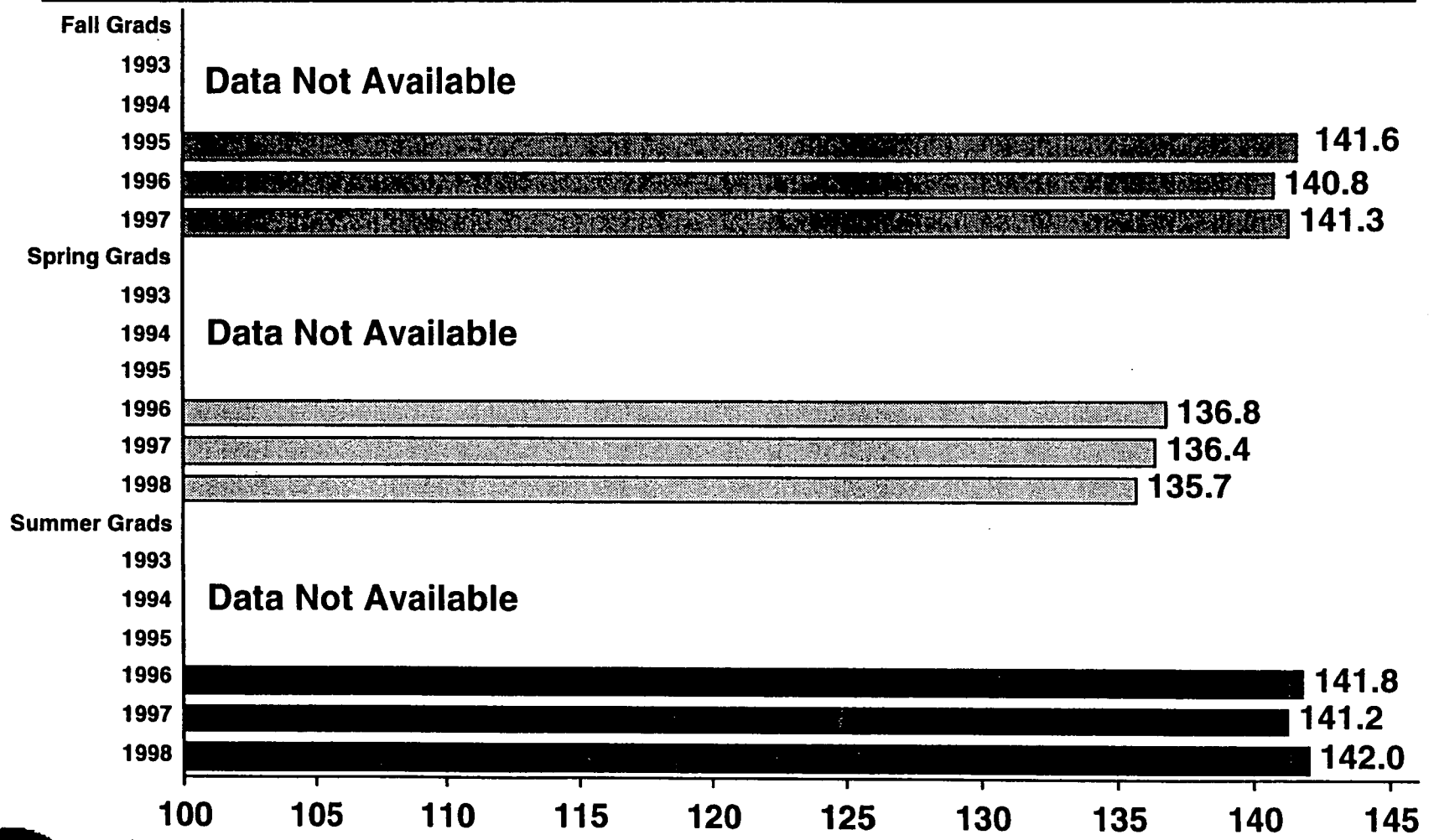
(As required by Section 89(a), Senate Bill 27, 1993 Session Laws)

	1993	1994		1995		1996		1997		1998	
Institution	Actual	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal
ASU	14.70	14.71	14.77	14.73	14.84	14.69	14.92	14.67	15.00	14.70	15.00
ECU	14.85	14.66	14.88	14.66	14.92	14.59	14.96	14.60	15.00	14.66	15.00
ECSU	15.97	15.94	15.00	15.99	15.00	15.86	15.00	15.75	15.00	15.78	15.00
FSU	14.54	14.52	14.65	14.49	14.76	14.61	14.88	14.79	15.00	14.73	15.00
NCA&T	15.55	15.55	15.00	15.46	15.00	15.48	15.00	15.41	15.00	15.39	15.00
NCCU	15.17	15.12	15.00	15.33	15.00	15.32	15.00	15.21	15.00	15.16	15.00
NCSU	14.81	14.80	14.85	14.82	14.90	14.92	14.95	14.96	15.00	15.01	15.00
UNC-A	14.71	14.77	14.78	14.75	14.85	14.78	14.92	14.70	15.00	14.73	15.00
UNC-CH	14.49	14.66	14.61	14.65	14.74	14.74	14.87	14.68	15.00	14.65	15.00
UNC-C	14.29	14.37	14.46	14.45	14.64	14.45	14.82	14.36	15.00	14.35	15.00
UNC-G	14.68	14.71	14.76	14.65	14.84	14.67	14.92	14.66	15.00	14.59	15.00
UNC-P	14.96	15.02	14.97	15.01	14.98	14.96	14.99	14.94	15.00	14.71	15.00
UNC-W	14.45	14.48	14.58	14.53	14.72	14.54	14.86	14.57	15.00	14.60	15.00
WCU	15.16	15.20	15.00	15.17	15.00	15.05	15.00	15.00	15.00	15.05	15.00
WSSU	14.96	15.02	14.97	14.99	14.98	14.92	14.99	14.90	15.00	14.98	15.00
UNC Total	14.77	14.79	14.82	14.79	14.88	14.80	14.94	14.78	15.00	14.78	15.00

The University of North Carolina General Administration

UNC-GA Planning/Persist.AG011G/3-5-99

Average Credit Hours Attempted by Baccalaureate Graduates of UNC Institutions*

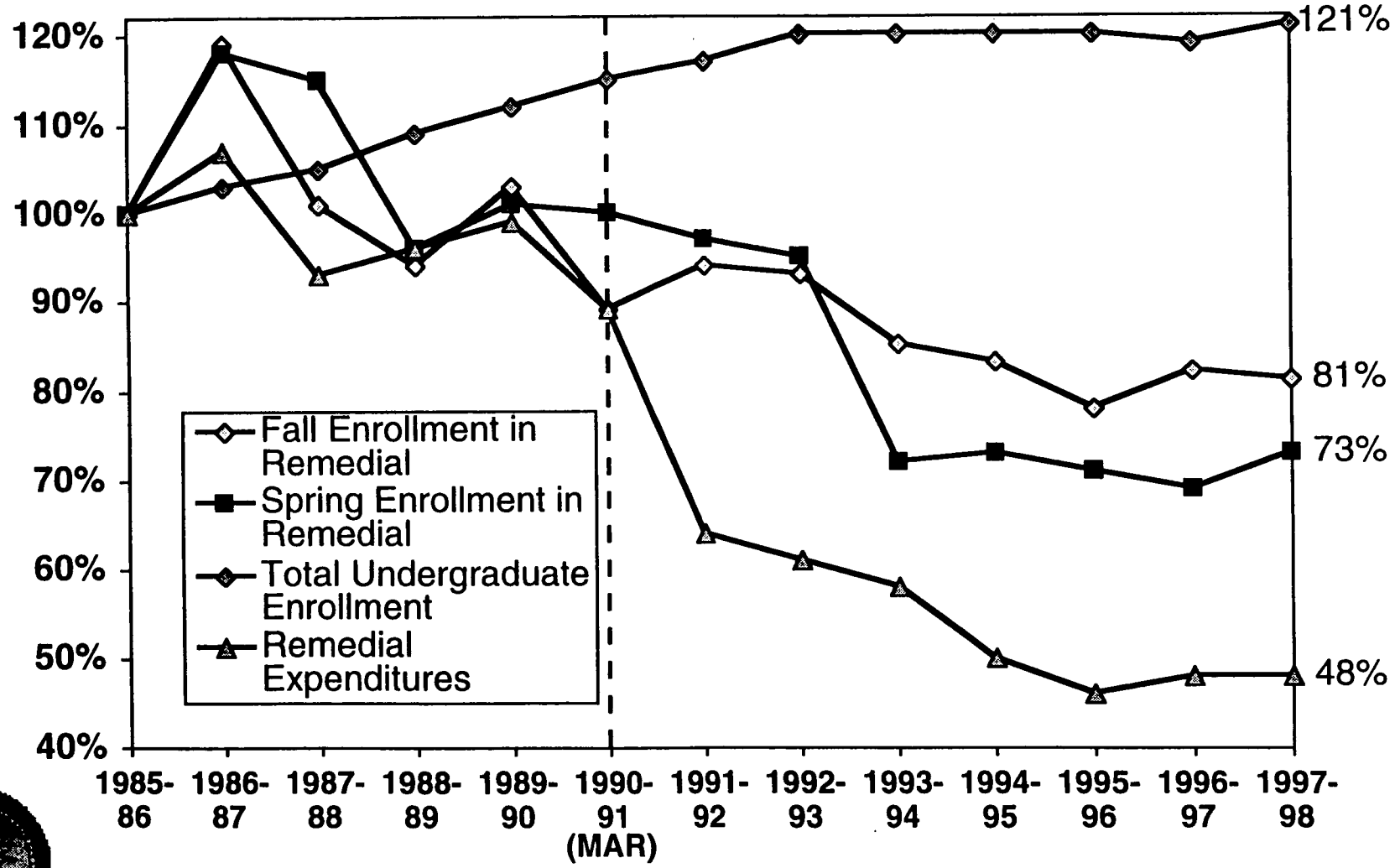


*Includes only graduates who entered the institution as freshmen, took no transfer courses at another institution, and completed only one major.

The University of North Carolina General Administration

UNC-GA Planning/Persist.AG011Y/3-9-99

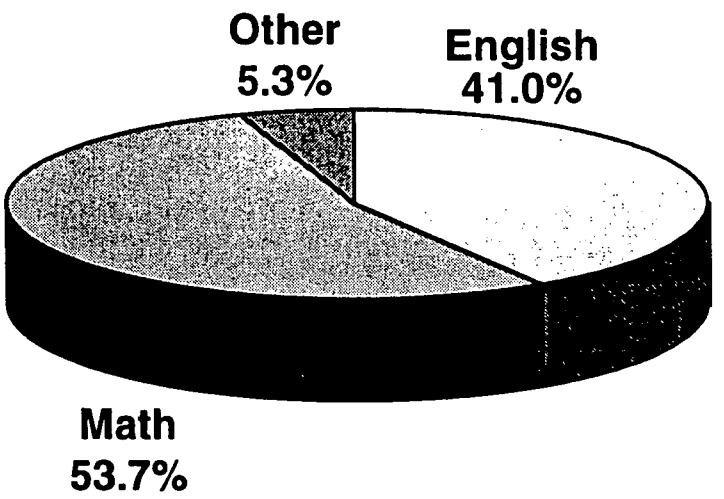
Unduplicated UNC Enrollment in Remedial Education Courses and Constant Dollar Expenditures on Remedial Activities, 1985-86 - 1997-98

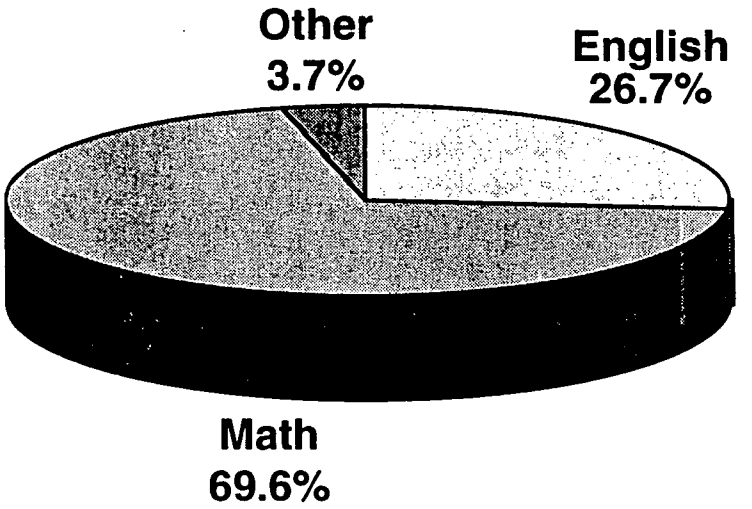


The University of North Carolina General Administration

UNC-GA ProgAssess/RemEd.AG002A/3-16-99

Remedial Course Enrollments, 1987-88 and 1997-98

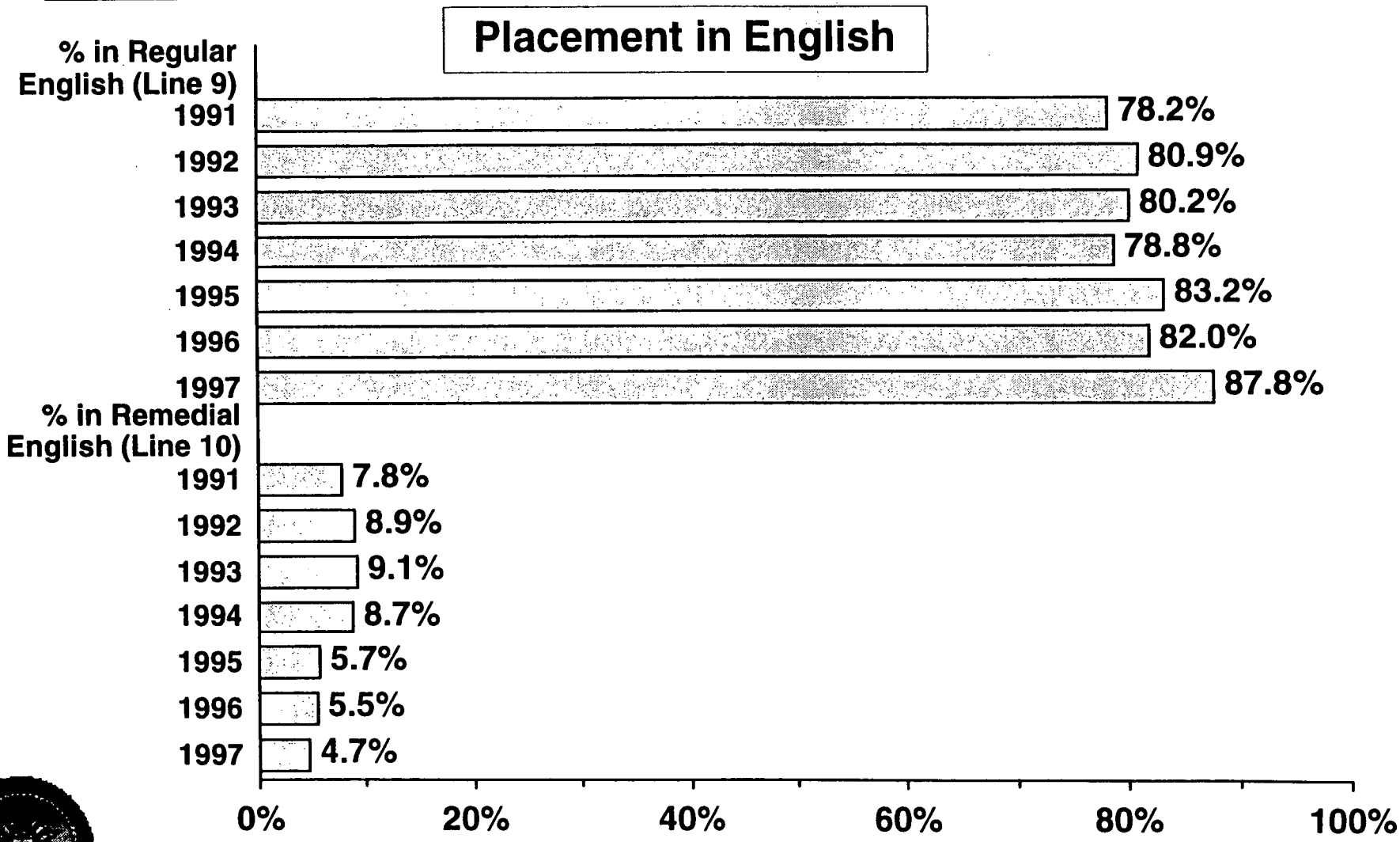




1987-88 = 9,506

1997-98 = 7,124

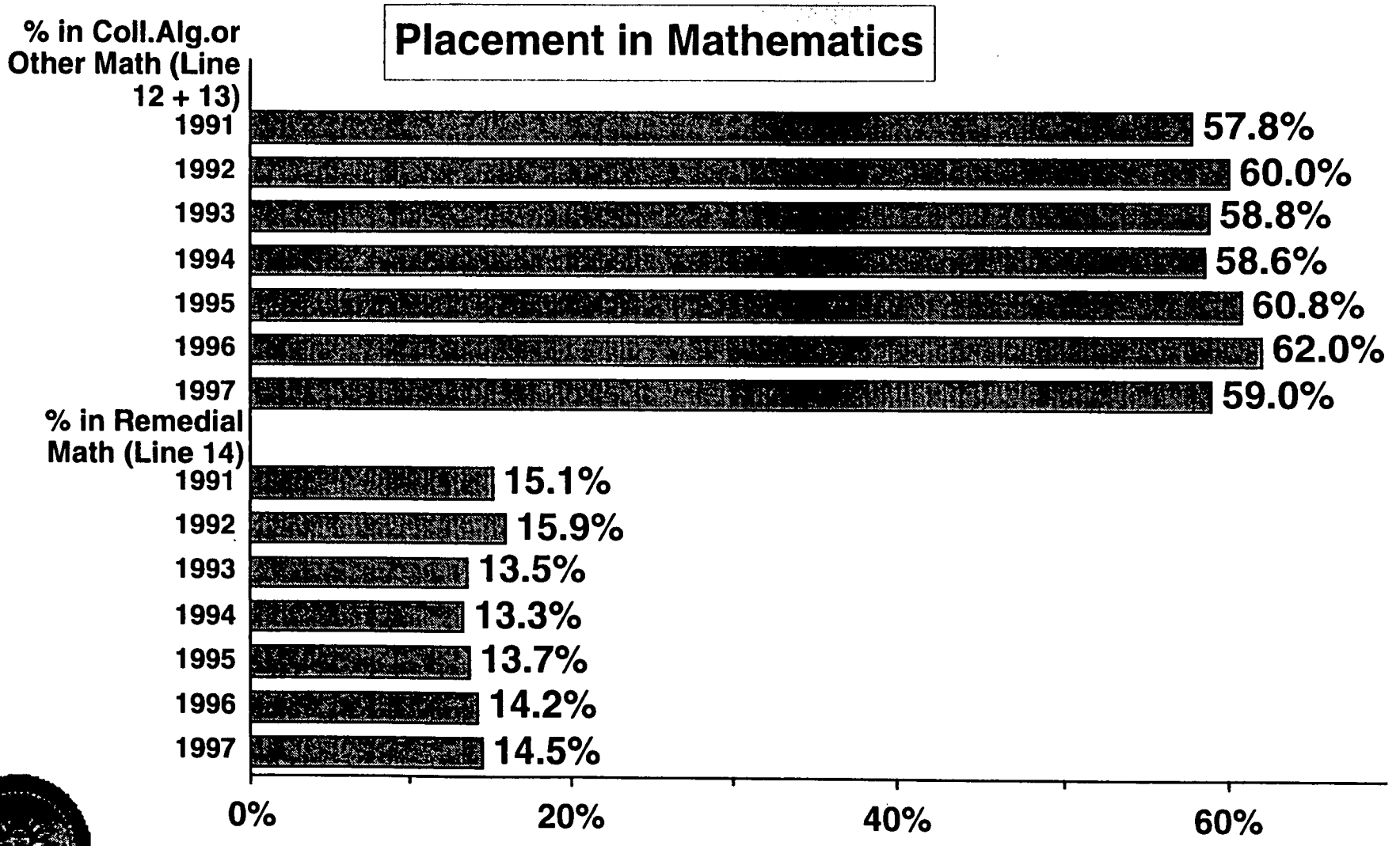
Performance Measures for NC Public High School Graduates Who Attend a UNC Institution in the Fall Semester Following High School Graduation



The University of North Carolina General Administration

UNC-GA ProgAssess/FAR.AG003E/2-15-99

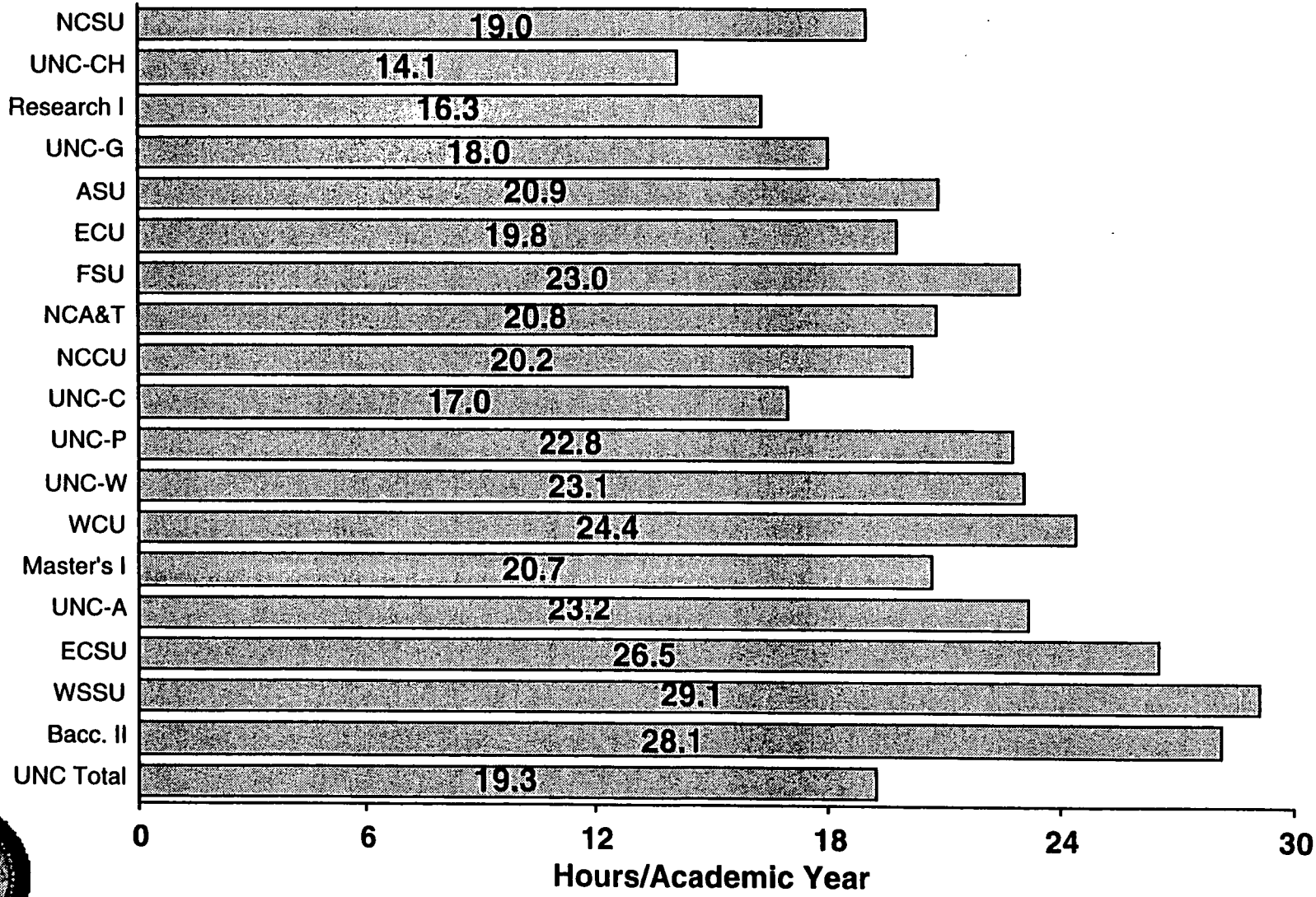
Performance Measures for NC Public High School Graduates Who Attend a UNC Institution in the Fall Semester Following High School Graduation



The University of North Carolina General Administration

UNC-GA ProgAssess/FAR.AG003D/2-15-99

Teaching Workloads of Full-Time Tenured or Tenure Track Faculty: Credit Hours, CHEs, Instructional Course Reductions Per FTE, 1997-98



The University of North Carolina General Administration

UNC-GA ProgAssess/Per.AG005N/3-9-99

Roles and Responsibilities for Accountability

- **Board of Governors**
  - Accountability planning and oversight
  - Focus attention on problem areas (such as time-to-degree and academic advising)
  - Promote quality improvement
- **General Administration**
  - Data collection, monitoring, and reporting
  - Feedback to campuses (senior administrators, department heads, faculty, and students)
  - Distribute to the public, especially potential students, their parents, and school counselors
  - Work with campuses to address problem areas and set targets for improvement
  - Support benchmarking, identification of best practices, and continuous quality improvement

Next Steps in Assessment Activities

1. Visit campuses to discuss findings with students, faculty, and senior administrators once every two years.
2. Ask campuses to set targets for some measures that need improvement (part of P/PB process) and report on progress.
3. Summarize data by department for department heads and faculty.
4. Reorganize World Wide Web presentation of assessment measures.

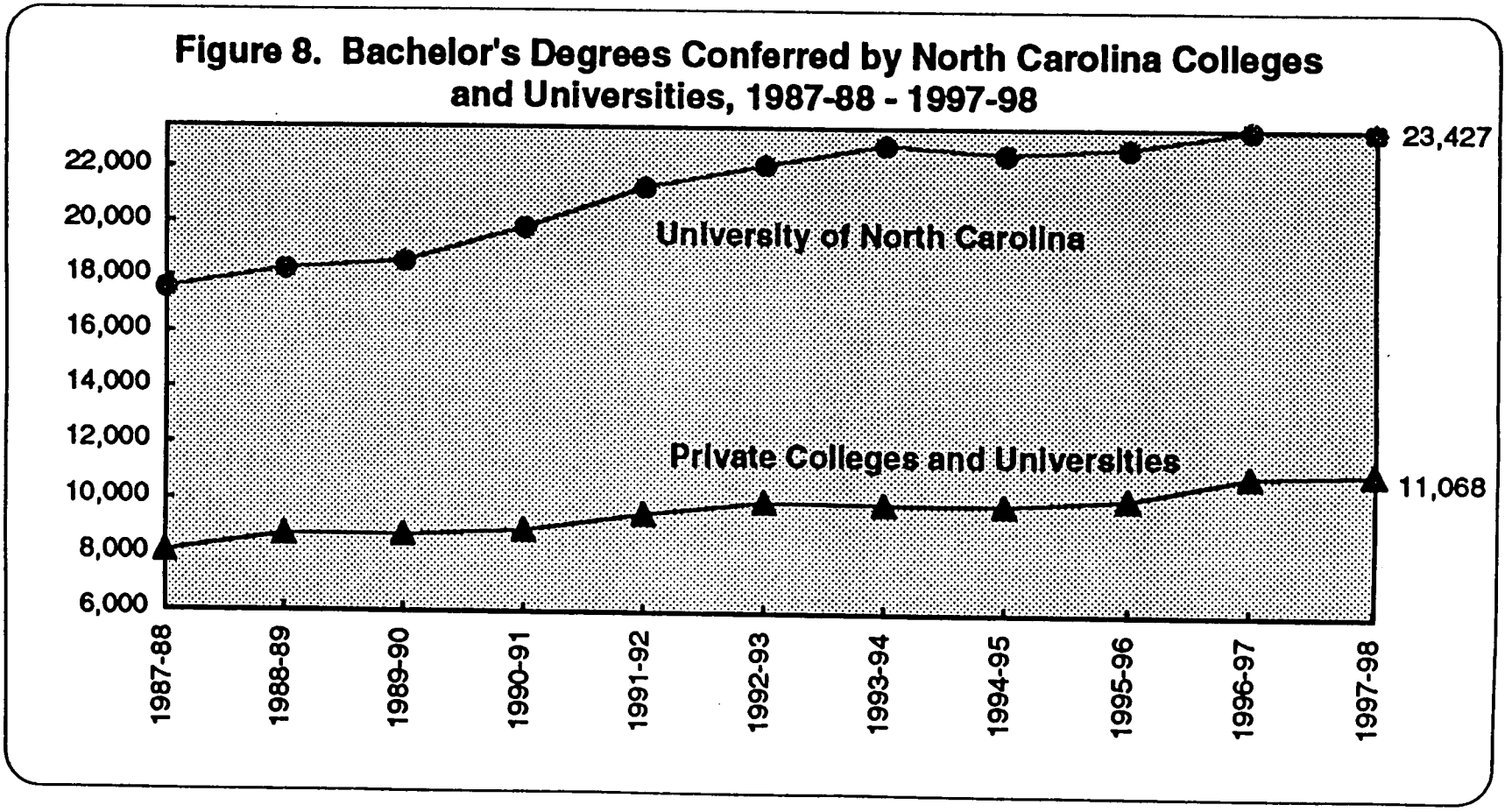


Figure 8. Bachelor's Degrees Conferred by North Carolina Colleges and Universities, 1987-88 - 1997-98
22,000
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
University of North Carolina
Private Colleges and Universities
23,427
11,068
1987-88
1988-89
1989-90
1990-91
1991-92
1992-93
1993-94
1994-95
1995-96
1996-97
1997-98

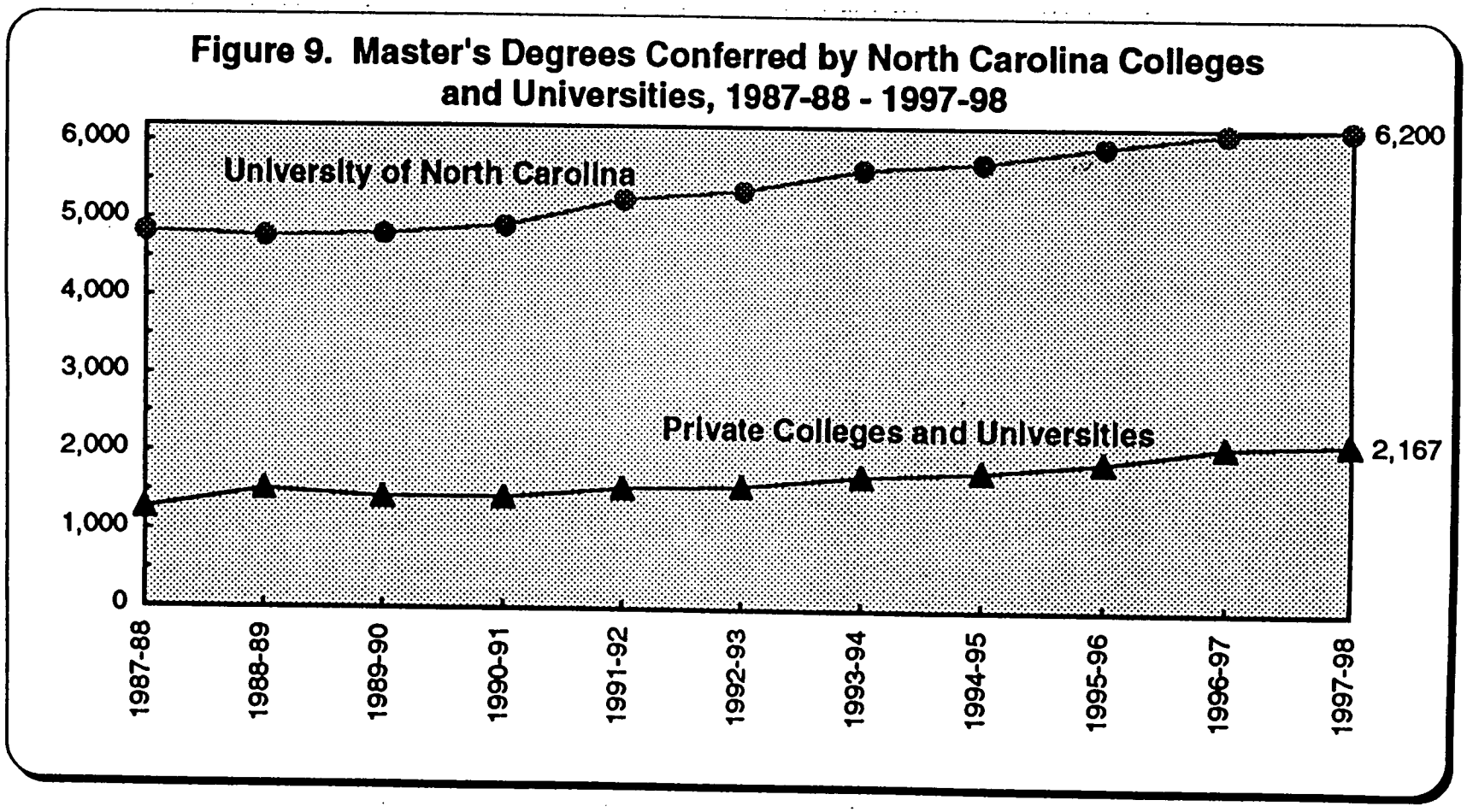
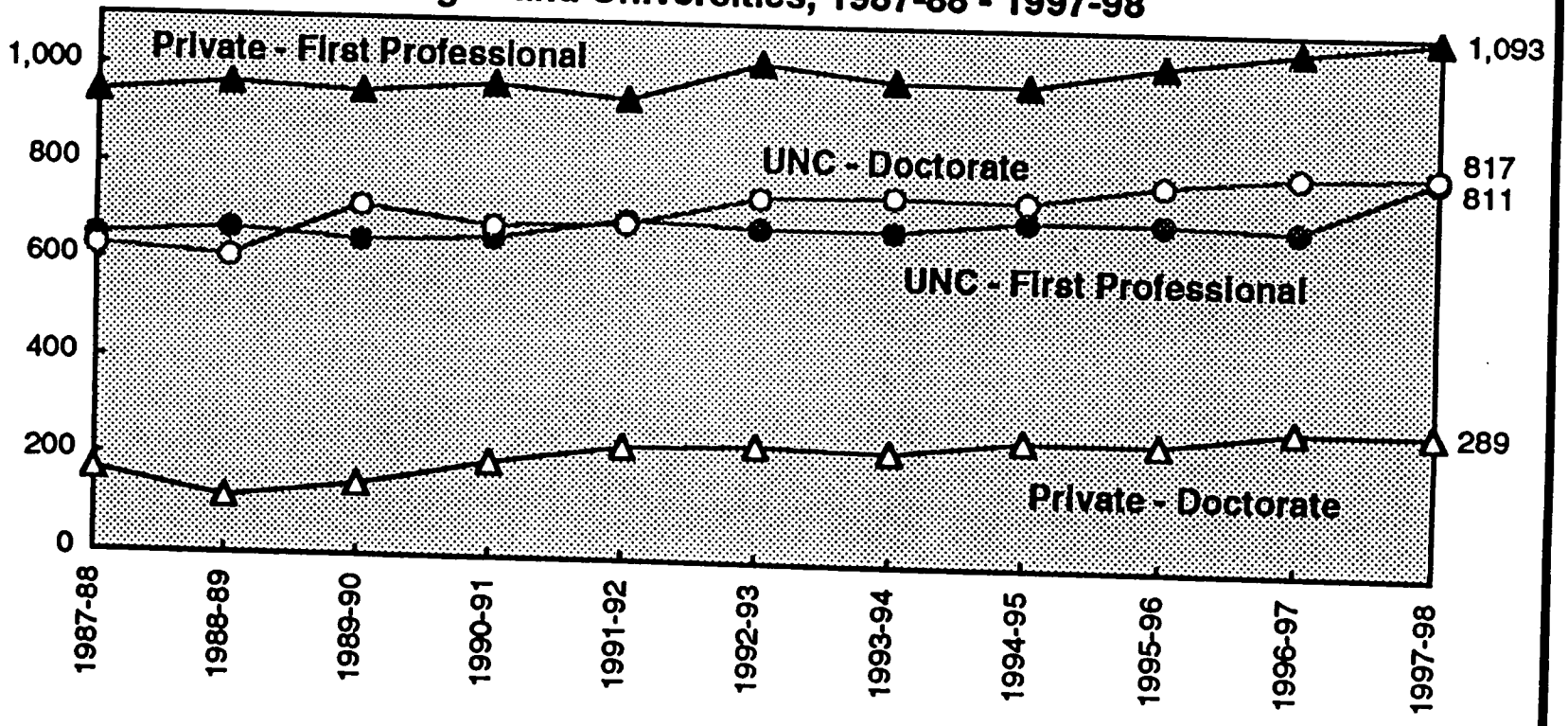


Figure 9. Master's Degrees Conferred by North Carolina Colleges and Universities, 1987-88 - 1997-98
6,000
5,000
4,000
3,000
2,000
1,000
0
University of North Carolina
Private Colleges and Universities
6,200
2,167
1987-88
1988-89
1989-90
1990-91
1991-92
1992-93
1993-94
1994-95
1995-96
1996-97
1997-98

Figure 10. Doctorate and First Professional Degrees Conferred by North Carolina Colleges and Universities, 1987-88 - 1997-98



UNC-GA ProgAssess/Abs.AG012/1-11-99

Outsourcing Study

House Bill 229

" STUDY POTENTIAL COST SAVINGS TO UNC THROUGH PRIVATIZATION OF CERTAIN SERVICES"

Sec. 15.10 The Board of governors of the University of North Carolina, in consultation with the constituent institutions and affiliated organizations, shall study the potential for cost savings by contracting for various services with private contractors, including housekeeping and maintenance of physical facilities.

East Carolina is currently realizing savings from privatizing the management of its housekeeping services. The General assembly has reviewed requests for funding to operate approximately 2.8 million square feet of new or renovated space for the 1995-97 biennium. With this amount of new space opening up, the potential for cost savings by initially contracting for certain services to operate these facilities appears worth reviewing.

The Board Of Governors shall report on the potential for increased efficiency and budget savings from the use of private contractual services to the Joint Legislative Education Oversight Committee by April 15,1996. The board shall identify and include in its report that portion of any savings that is attributed to lower pay scales for lower workers' benefits paid by potential private contractors.

University of North Carolina
Outsourcing/Privatization Study

- Legislative Mandate – House Bill 229 (1995 Session of the NC General Assembly)

- MGT Study dated March 26,1996 commissioned and approved by BOG on April 12, 1996 mapping out the strategy for carrying out the study

- Prior to the mandate there were 647 documented activities outsourced at the sixteen constituent universities and the North Carolina School of Science and Math

- As of February 1999 there were 178 activities reviewed for cost savings in response the mandate

  - 31 outsourced (total savings $431,781)

  - 22 bid but not outsourced based on comparative cost

  - 106 studied with conclusion that in-house is more cost effective; no changes made

  - 19 studied with conclusion that in-house is more cost effective but cost reductions in in-house operations were discovered and implemented (total savings $1,113,937)

- 98 more activities currently being studied or planned to be reviewed

Kjm 3/15/99

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education Wednesday - March 17, 1999

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Cathie Latta	NCPTA
David Brown	OSBM
Harriet Dill	NCAE
Carl Goodwin	OSP
Clifton R. Metcalf	UNC-A
JB Mullikin	UNC
Dennis R. Lopez	WNC -
Jeff Davis	UNC
Ray Carroll	UNC
Gary Barnes	UNC
Kevin MacNaughton	UNC
Maurice Kiz	OSBM
Sue Adam	OSBM
Elizabeth Grossenbacher	"
Janet Pittard	"
Barbara Harris	OSBM
[illegible]	NCSU
[illegible]	UNC-GA / NCSU Ag Res
Hal Miller	NCACCT
[illegible]	NCAE
[illegible]	Public School Forum
Patricia A. Sullivan	UNCG
[illegible]	NCAKU
Karen Gaffney	Gov's Office
Lucie Diaz Woods	Observer

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Thursday, March 18, 1999

The Joint Appropriations Subcommittee on Education met on Thursday, March 18, 1999, at 8:00 A.M. at the Velvet Cloak Inn in Raleigh. There were seven Senators and twelve Representatives present. The Representatives present were Representatives Rogers, Oldham, Warner, Bonner, Brubaker, Gardner, Gillespie, Holmes, Insko, Preston, Smith and Yongue.

The Chairman of the Board of Governors, Mr. Ben Ruffin, welcomed the guests and introduced all members of the Board of Governors. Chairman Ruffin introduced Senator's Lee and Dalton, Co-Chairs of the Senate Education/Higher Education Committee and Representatives Rogers, Oldham and Boyd-McIntyre, Co-Chairs of the House Education Higher Education Committee. The Chairman of the Board of Governors thanked the members of the legislature for all the assistance they have given to the University and to North Carolina educational endeavors.

The meeting consisted of the University of North Carolina board of Governors and the key education committees in the General Assembly jointly meeting to discuss the partnerships the University and the 16 campuses are building with North Carolina public schools. *(See Attachment 1).*

The President of the University System, Molly Corbett Broad, presented a slide presentation outlining the partnership between the University and the North Carolina public schools including the goals and strategies of the partnership.

The meeting concluded at 9:30 A.M.

Senator Howard Lee, Co-Chair

Christina K. Minard

Christina K. Minard, Education Committee Assistant

ATTACHMENT 1

The University of North Carolina

GENERAL ADMINISTRATION

POST OFFICE BOX 2688, CHAPEL HILL, NC 27515-2688

MOLLY CORBETT BROAD, *President*

Telephone: (919) 962-1000 Fax: (919) 962-2751

E-mail: mbroad@ga.unc.edu

Appalachian State University

East Carolina University

Elizabeth City State University

Fayetteville State University

North Carolina Agricultural and Technical State University

North Carolina Central University

North Carolina School of the Arts

rth Carolina te University Raleigh

University of North Carolina at Asheville

University of North Carolina at Chapel Hill

University of North Carolina at Charlotte

University of North Carolina at Greensboro

University of North Carolina at Pembroke

University of North Carolina at Wilmington

Western Carolina University

inston-Salem State University

An Equal Opportunity/ Affirmative Action Employer

March 8, 1999

The Honorable Gene Rogers
North Carolina General Assembly
Raleigh, NC 27601-2808

Dear Gene:

I write to invite you to join the University of North Carolina Board of Governors for a breakfast meeting on Thursday, March 18, 1999, at the Velvet Cloak Inn in Raleigh. The Board's meeting in Raleigh this month creates a rare opportunity for members of the Board and key education committees in the General Assembly to meet together. I plan to use the occasion to discuss with legislators and the Board the partnerships the University and our 16 campuses are building with North Carolina public schools. I hope you will find the information helpful and encouraging.

We have worked with chairs of the education committees and legislative staff to coordinate this meeting and make best use of this opportunity without disrupting legislative committee schedules. Breakfast will be served at 8:00 a.m. at the Velvet Cloak, and the presentation will be concluded by 9:30 a.m. Bus transportation will be provided from the Legislative and Legislative Office buildings to and from the Velvet Cloak for those members of the General Assembly who prefer to park in their usual legislative spaces and leave the driving to us. The bus will depart Lane Street, between the Legislative and Legislative Office buildings, at 7:40 a.m. and depart the Velvet Cloak for the return trip at 9:30 a.m.

Please call the University's Office of State Governmental Affairs at 919-962-7296 by 5:00 p.m. Friday, March 12, to (1) let us know that you will attend and (2) whether you wish to use the bus, so we can complete arrangements.

A strong system of public education, including preschool, K-12, university, and beyond, offers the best hope for a bright North Carolina future. The University of North Carolina–through all its 16 campuses–is fully committed to working with the General Assembly, the Governor, and the state's public schools in building that educational continuum. I look forward to reviewing our initiatives with you over breakfast on March 18.

Sincerely,

Molly

Molly Corbett Broad

NORTH CAROLINA HOUSE OF REPRESENTATIVES
AMENDED COMMITTEE MEETING NOTICE

Please note that the **JOINT APPROPRIATIONS SUBCOMMITTEE**

ON EDUCATION meeting for Thursday, March 18, 1999

Will be held at the **Velvet Cloak Inn** at 8:00 a.m.

The 1:00 p.m. meeting will be as previously scheduled in Room 421 LOB.

Respectfully,

Representatives Rogers, Boyd-McIntyre &
Oldham, Chairs

I hereby certify this notice was filed by the committee assistant at the following offices at **3:00 p.m. on Tuesday, March 16, 1999.**

_____ Principal Clerk
_____ Reading Clerk – House Chamber

Sally Gillis & Delta Prince, Committee Assistants

ATTENDANCE

NORTH CAROLINA HOUSE AND SENATE

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

(1999-2000 SESSION)

DATES	M/D 8:00														
House Members	3/18														
Rogers, Gene, **Chair**	✓														
Boyd-McIntyre, Flossie, **Chair**															
Oldham, Warren C., **Chair**	✓														
Warner, Alex, **Vice-Chair**	✓														
Bonner, Donald A.	✓														
Brubaker, Harold J.	✓														
Gardner, Charlotte A.	✓														
Gillespie, Mitch	✓														
Holmes, George M.	✓														
Insko, Verla	✓														
Michaux, Mickey															
Moore, Richard L.												L			
Morgan, Robert T.															
Preston, Jean R.	✓														
Smith, Ronald L.	✓														
Teague, W. B., Jr.															
Yongue, Douglas Y.	✓														
Senate Members															
Lee, Howard, **Co-Chair**	✓														
Dalton, Walter, **Co-Chair**	✓														
Carter, Charles, **Vice-Chair**	✓														
Hartsell, Fletcher, **Ranking Minority**															
Garrou, Linda	✓														
Garwood, John	✓														
Hagan, Kay	✓														
Wellons, Allen	✓														

DATES	M/D														
Fiscal Division Staff															
Johnson, Jim	✓														
Newlin, Jim	✓														
Todd, Charlotte	✓														
Ex-Officio Members															
Hackney, Joe, Speaker Pro Tem															
Baddour, Phillip A., Maj. Leader															
Dedmon, Andrew T., Majority Whip															
Earle, Beverly M., Majority Whip															
Cunningham, W. Pete, Assistant to the Speaker of the House															

Joint Appropriations Subcommittee
On Education/Higher Education

March 18, 1999
1:00 PM
Presiding- **Representative Gene Rogers**

Call to Order		Chair
University/Public Schools Collaboration		**Dr. Charles Coble,** Vice Presidents for University-Schools Programs, UNC

MINUTES
JOINT HOUSE/SENATE COMMITTEE
APPROPRIATIONS/Subcommittee on Education

March 18, 1999
1:00 p.m.

The House and Senate Joint Appropriations/Subcommittee on Education met Thursday, March 18, 1999 at 1:00 p.m. in Room 421 of the Legislative Office Building. House members present were Rep. Rogers, Chair, Rep. Oldham, Chair, Representatives Bonner, Gillespie, Insko, Smith, Teague and Yongue. Five Senate members and Staff members Jim Johnson, Jim Newlin and Charlotte Todd were present. There were 28 visitors.

Rep. Rogers, Chair called the meeting to order and introduced the pages, Jeff Evans and Jared Motley, both from Wake County and sponsored by Speaker Jim Black. Rep. Rogers introduced Dr. Charles Coble, Vice President for University-Schools Programs, UNC, who spoke on Collaborative University/Schools, a priority of the University President and Board of Governors *(Attachment 1)*. Dr. Coble introduced Dr. Sam Houston, Director for the Center for School Leadership Development, Millie Ravenal and Marty Babcock, leaders of the Center for International Understanding, Pam Riley, Director for the Center for the Prevention of School Violence and Alicia Chapman, Director of Instructional Technology. Dr. Coble also presented a booklet "First Year Progress Report" *(Attachment 2)*. Using a slide presentation, Dr. Coble explained each budget request going over each item by item. After concluding his presentation, Dr. Coble addressed questions from members.

There being no further business, the Chair adjourned the meeting at 1:45 p.m.

Respectfully submitted,

Representative Gene Rogers
Chair

Sally Gillis
Committee Assistant

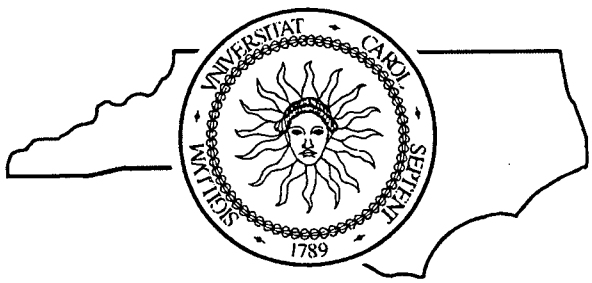
3-18-99

Attachment 1

DRAFT

Preparing for
21st Century Schools

Service and Outreach to the Public Schools 1997-98



Offices of School Services
Deans' Council on Teacher Education
Board of Governors
The University of North Carolina

March 1999

DRAFT

A Report to the Legislature on Service and Outreach to the Public Schools by Constituent Institutions of the University of North Carolina

INTRODUCTION

This report is submitted in accordance with House Bill 131 of the 1991 Session of the General Assembly. Two documents established guidelines for University Service to the Public Schools, legislation enacted in 1989 and Board of Governors' policy adopted in 1991. Section 7 of Chapter 936 of the 1989 Session Laws called for the University of North Carolina Board of Governors to adopt standards to create and enhance an organized program of public service and technical assistance to the public schools which would:

- provide systematic access for public schools to consultation and advice from members of the faculties of the constituent institutions
- facilitate and encourage research in the public schools and the application of the results of this research
- link the education faculties of the constituent institutions with public school teachers and administrators
- create partnerships among all constituent institutions, their schools or departments of education, and public schools

The "Standards for Organized Service and Assistance to the Public Schools" adopted by the Board of Governors in 1991 (appendix A) have led to the creation of an Office of School Services at each of the fifteen constituent institutions with a college/school/department of education. The Offices of School Services report annually on their extensive efforts to provide access and outreach to the public schools. A look at the annual resource directory of any constituent institution would reveal a wide range of faculty members involved in public school service.

The initial mandate for the universities to provide service to the public schools, an activity in which the universities were already involved in varying degrees, did not provide funding to implement the mandate. However, in recent years, the General Assembly has provided funding for two significant initiatives related to the university service to the public schools: the University-School Teacher Education Partnerships and K-16 Matching Incentive Grants.

Chapter 936, Section 7 calls for the creation of "partnerships among all constituent institutions, their schools or departments of education, and public schools." These partnerships were established initially through each advisory Committee on Public School Services which include representatives of the constituent institutions and the public schools. The purpose of the advisory committees was the adoption of an annual program of service that links the needs of the public schools with the resources of the university. The concept of cooperation between the public schools and the universities has expanded to become a true collaborative effort through the development of University-School Teacher Education Partnerships in which the universities are including the public schools as partners in the preparation of teachers. The Partnerships also provide the critical link between theory and practice. The University-School Teacher Education Partnerships were initially funded in 1987. A progress report on their first year of implementation has been published and is available from the University-School Programs Division of the University of North Carolina.

In 1998, the General Assembly provided funds for K-16 Matching Incentive Grants to enable the Offices of School Services to develop a focus on aligning content expectations and standards across K-12/higher education with an emphasis on improving K-12 student performance in the academic disciplines. Each university received funding for a proposal (see Appendix B for proposal guidelines), submitted to and approved by UNC General Administration, to be administered through the Office of School Services on each campus. A small additional allocation was provided to the NC School of the Arts to support K-12 outreach. Reports on the use of these grants will be submitted during the summer of 1999. Preliminary reports indicate the need for continuing funding for these initiatives which strengthen the public schools.

This report focuses on the service to the public schools provided through the Offices of School Services, created by the UNC Board of Governors, to respond to the needs of the school districts in each region. However, it must be noted that the University sponsors various inter-institutional organizations, each of which has a specific mission or target audience throughout the state such as the Mathematics and Science Education Network, the North Carolina Center for the Advancement of Teaching, the North Carolina Center for the Prevention of School Violence, the North Carolina Teacher Academy, and the Principals' Executive Program. In order to better coordinate the outreach of these programs and to ensure alignment with the state's educational goals, those organizations have become part of the UNC Center for School Leadership Development. Also part of the Center are the Principal Fellows Program, the NC Model Teacher Education Consortium, and the Executive Leadership Academy for superintendents.

Service to the public schools is a core part of the mission of every UNC college/school/department of education. Public schools can turn to the universities for assistance with specific needs as well as receive invaluable support through workshops, seminars, and forums planned to respond to the needs of the schools in each region. These services and others, along with the programs within the UNC Center for School Leadership Development, are providing essential support to NC HELPS, a collaborative effort between the public schools, community colleges, and the university to assist low-performing schools in North Carolina.

North Carolina is one of only two states which have established technology competencies as a requirement for teacher licensure. Each college/school/department of education received funding to hire an instructional technology specialist to ensure that students in teacher/administrator preparation programs have appropriate technology competencies and to assist the public schools with technology training for inservice teachers. The UNC constituent institutions are also responding to other critical emerging needs such as teacher recruitment and alternative certification programs, English-as-a-Second language programs, reading and literacy, parent/family involvement, school safety and violence prevention, charter schools, etc. Following are some examples:

Teacher recruitment and retention / alternative certification

Appalachian State University has made a conscientious effort to offer key professional courses in the late afternoon or evening to increase access for lateral entry teachers. Informational materials have been produced to delineate what is expected of lateral entry teachers as they move through their programs of student and there are on-going discussions with school district personnel about ways to work with lateral entry teachers.

East Carolina University works closely with regional superintendents and personnel officers to design and coordinate plans of study for second career teachers.

Fayetteville State University works with four school systems through PATH (Professional Academic Training Highway) to train teacher assistants to become certified teachers. During 1997-98, 22 teacher assistants were enrolled in the program. All the participants are in good academic standing and have demonstrated a commitment to complete the requirements for graduation with the first group graduating in May 1999.

NCA&T focused specifically on Business and Marketing beginning teachers to determine reasons for their high attrition rate and to develop strategies for induction and retention of the teachers. Research funded by the Department of Public Instruction was conducted in three counties and provided feedback to each school system.

Teaching for North Carolina, a UNC-Chapel Hill technology-based professional development, performance support, and knowledge management system for prospective and beginning teachers, has the

mission of enhancing the recruitment, preparation, assessment, and support of new teachers through the strategic application of information technology. The Lighthouse Project connects 25 first-year teachers with faculty members and master teachers, providing beginning teachers with a safe environment to ask questions and receive advice and support from experienced teachers and faculty.

UNC-Charlotte recognizes that para educators are a major source of untapped potential for alleviating the shortage of special education teachers. The Special Education unit began a new phase of "para to professional" in order to provide a preparation program that will result in a professional degree, licensure, and career in special education for 30 para educators currently employed in programs serving children with disabilities in southwest NC. The program has been profiled as a showcase program by Recruiting New Teachers and presented at the Council for Exception Children and Teacher Education Division/CEC Conferences.

In order to reduce teacher turnover resulting from frustrations on the job, a Western Carolina University professor initiated collaborative problem-solving seminars for special education and regular classroom teachers who are having difficulty resolving work-related problems. During the first three months of the program, 20 different teachers attended the weekly 2-hour sessions and indicated more satisfaction with their work situations.

English-as-a-Second language programs

Appalachian State University has received approval to offer an add-on licensure in ESL and has planned workshops for teachers focusing on learning styles and teaching strategies appropriate for differing ESL populations.

East Carolina University provided a workshop for teachers in 11 school systems on work with diverse learners. ESL faculty are involved in the writing of an interdisciplinary graduate course for the MAED programs.

UNC-Chapel Hill has received approval to offer an add-on certification in ESL. The School of Education is working with three school systems to develop a joint program to assist with the rising ESL populations.

Reading and literacy

Appalachian State University sponsors the Northwest Academy of Teaching Fellows, a program through which outstanding teachers who received a master's degree in reading from ASU provide quality reading instruction workshops for other teachers.

UNC-Chapel Hill has established Inquiry Teams at four high schools to identify the issues related to the problems of literacy and reading among h.s. students. Constructing a model to address these issues and addressing the needs of the students will be a multi-year effort.

At UNC-Chapel Hill, over 70 undergraduate students work with 200 first and second graders through the America Reads program.

UNC-Charlotte sponsored two literacy workshops for 52 teachers, instructional leaders, and DPI assistance team members.

As part of an intensive focus on reading and literacy, UNC-Greensboro sponsors Reading Together USA, a peer tutoring reading program developed to improve the reading fluency and comprehension skills of second grade students who are tutored by fifth grade students. This was the third year of data collection from pre and post test measures and the results indicate program success since students made gains in fluency and comprehension.

Parent/family involvement

Fayetteville State University worked with a local elementary school in increasing parent involvement. A Parent Involvement Research Project identified some concerns of parents and strategies to address those concerns are being implemented. Dr. Alvin F. Poussaint spoke during the Distinguished Lecture Series on "Parent and Family Involvement," a seminar attended by 300 students, faculty and parents.

An intensive summer program at UNC-Asheville, geared to at-risk elementary African-American males, emphasizes parent/family involvement. Parents were an integral part of the "Making Choices" curriculum used on a daily basis to teach social problem-solving skills. Program follow-up includes regular meetings with family members to foster a consistent ongoing partnership of support.

A pilot Parenting/Preschool Program developed by Western Carolina University was so successful that it is being repeated and expanded. The program has received national recognition for its achievements.

School Safety / Violence Prevention

Appalachian State University has initiated a program for teachers that focuses on behavior problems in classrooms. A training program which emphasizes the development of social skills among students has been adopted by several school districts in the region. A study center "Bringing It All Back Home" works intensively with dysfunctional families and assists juvenile offenders in returning to the mainstream of education.

Elizabeth City State University education students work with others in the community and the local public schools on the Support Our Students Initiative (S.O.S.) which seeks to prevent juvenile crime by rallying communities around young people, steering them away from trouble and into positive, constructive activities. S.O.S. targets middle school students during the critical after-school hours by helping with homework and organizing clubs and athletic activities.

Working with the US Department of Health and Human Services, a faculty member at NC A&T directed a project "Reach for Success: Family and Community Violence Prevention Program" which served five high schools and one middle school. The basis of the project was on

decreasing opportunities for youth to become involved in alcohol, violence or drug-related activity by offering academic development, personal development, cultural/recreational enrichment, career development, and conflict mediation skills.

North Carolina State University is host to the NC Center for the Prevention of School Violence. The Center has developed a resource library, established a toll-free line to respond to requests for information, and conducted workshops and provided technical assistance across the state. Chapters of SAVE (Students Against Violence Everywhere) involve over 156,000 students in 43 counties. The Center itself reaches all 100 counties in NC through newsletters and workshops.

UNC-Charlotte's Urban Institute has developed the Social Work and Police Partnership to address the social and economic toll of family domestic violence. The collaborative project has police and social work agencies seeking ways to reduce or eliminate services required due to violence, including improved performance in school.

UNC-Greensboro provided two training sessions to help over 100 educators from 15 schools write quality school safety plans.

After a survey conducted by Western Carolina University revealed that 15% of the respondents overall were concerned about safety at school, while 1/3 of the freshmen males expressed concern, WCU developed a program that involves students with disciplinary and behavioral problems by engaging students in discussions of concepts such as independence/responsibility and belonging/security in the context of their daily school experience.

WSSU requires that all student teachers participate in a workshop on Behavior Management and Crisis Intervention.

Charter Schools

The School of Education at FSU has agreed to conduct a three stage research project and evaluation of MAST (Math, Arts, Science, and Technology) Charter School.

The Public Schools of Robeson County, in collaboration with the Communities-in-Schools Program, established a charter school (C.I.S. Academy) in a facility adjacent to the UNCP campus. The school is designed for 100 students in grades 6-12 who are "at-risk" of dropping out of school. The UNCP Office of School and Program Services serves as clearinghouse for student volunteers and faculty/staff involvement in the program.

OUTREACH THROUGH THE OFFICES OF SCHOOL SERVICES

The Offices of School Services (see appendix C) provide a point of entry for linking the resources of the University to public education. Each Office of School Services provides assistance to the public schools through response to specific requests and through the development of programs that bring together an institution's resources with long-term needs of regional school systems. Individual campuses contact school districts through direct mailings, visits to superintendents in the region, posting the resource directory on the Internet, participation in regional meetings, and many other ways. Faculty from the schools/departments of education as well as other departments are regularly involved in the public schools supervising student teachers, presenting workshops, serving on school improvement committees, conducting research, and similar activities.

The Offices of School Services make it possible for a university to develop an extensive resource list and provide a single source for a school system to contact to arrange for needed services. Institutions report each year to the University of North Carolina General Administration on service goals and activities for the previous academic year. Complete reports are on file at the General Administration. Following are some examples of service and research activities from each of the constituent institutions during the 1997-98 school year.

Appalachian State University (ASU)

Three thousand (3000) copies of an ASU Faculty Resources directory were distributed to superintendents, principals, teachers, and others.

Professional development programs involved 37 faculty and 2,527 teachers from 23 school districts. Ten faculty made presentation to 278 students/teachers in 8 school districts. Twenty-two faculty provided consultation to 177 public school personnel in 18 school districts. Student screenings in three counties involved 8,175 students. Eight faculty members serve on Boards/Council in 7 school districts. Seven faculty are members of teacher teams that support 14 initially licensed teachers. A new teacher orientation project in Wilkes County assists 50 teachers. Tutoring in Watauga County involved 33 faculty and 66 students. Three faculty co-teach with public school teachers in seven Partnership school districts.

An extensive list of research projects that relate to public school issues includes: a study of teacher preparation in business education that was presented to the national Business Education Association in April 1998; review of best practices in middle grades education; a project to integrate mathematics and language arts instruction; a report on exemplary programs and practices in senior high schools; a project to improve the curriculum and instruction of a K-8 school and to document changes that result.

One goal at ASU was to work with the public schools to improve teacher preparation curriculum and school practices. Public school and college personnel have been involved in revising the elementary, middle grades, and special education program. Teachers-in-residence from Partnership schools have been employed to teach and supervise in the elementary and middle grades programs Guidelines and training for all student tutors have been developed.

A second major goal was to provide the opportunity for state-of-the-art telecommunications and multimedia and to integrate technology into all curricula. A technology education coordinator in each of the Partnership school districts has telecommunication capabilities with the Reich College of Education. A three-day School Administrators' Technology Conference attracted 250 administrators from across the state. The conference included administrative uses of technology, legal and ethical issues, financing technology, resource sharing, and integration of technology into classroom instruction.

Faculty development activities, a third goal, have included the Learning-Focused School Program to support high student achievement. Nearly 600 teachers participated in workshops in1997-98. Another professional development initiative has been a partnership effort to address the needs of students with language learning disabilities. A fourth goal is to document and evaluate various initiatives. An evaluation plan and collection of baseline data on student achievement accompanied extensive work on curricula at a K-8 school.

An intensive effort to increase technology competency includes TEAM, a collaborative project with the public schools in increase classroom teacher computer skills and to assist teachers to effectively integrate technology into teaching and learning. Sixteen workshops reached 251 public schools, and on-site individual and/or group assistance was provided to 620 teachers. A TEAM website highlights outstanding websites for teachers, a listserv for idea exchange, and the provision of video cameras and software for each Partnership district. Impact North Carolina, a nine-year collaborative effort, has established a model for technology integration into the public school environment. School districts have been assisted in establishing technology plans. Web-based technology will facilitate communication among student teachers and their supervisors.

East Carolina University (ECU)

The Office of School Services (OSS) works through the Eastern North Carolina Consortium for Assistance and Research in Education (ENCCARE), a consortium of school systems, higher education, and businesses. A resource directory listing faculty members and their areas of expertise is published biannually and distributed in 51 counties. The resource directory is also on the web site for the School of Education.

ECU seeks to serve as a catalyst for developing partnerships among the university, public schools, and businesses. One result was a "Best Practices – Quality and Workforce Development Conference" which

focused on School to Work Transition. Approximately 200 people attended the two-day conference which will lead to curriculum changes as the public schools emphasize character education, facilitative leaders, and the use of "Quality tools" for teaching the ABC requirements.

In order to focus research capabilities on educational issues and economic concerns, the Office of School Services conducted and distributed research to 29 school systems on these topics and others: School-Based Budgeting, ABCs of Public Education K-12 Roadmap (technology); Graduate Degrees: Impact on Teacher Performance; Accountability and Authentic Assessment.

Through seeking grants and other resources for model projects on promising educational practices, the OSS received a grant for the purchase of a Starlab, a portable science planetarium. Sixty middle school science teachers have been trained in the use of Starlab and a video training tape was developed.

A grant enabled the OSS to purchase the license to administer a national training for administrators and potential administrators. The Leadership Early Assessment Program (LEAP) is sponsored by the National Association of Secondary School Principals and allows ECU to address the serious shortage of administrators facing public schools. LEAP provides both assessment and leadership building, providing school systems a means for assessing present administrators and developing an "administrator pool" for future leaders.

EASTNET, an expanding Internet access service, provides an average of 30,000 log-on hours per month. EASTNET presently serves 29 school systems and has more than 6,000 user accounts. The web site has been recognized as being among the top 5% of all sites on the Internet. Technology training for teachers and administrators included a 1.5 day training for 18 principals, and "Saturday Series", half-day technology training for public school personnel that is offered four times a year.

The Legislators' School for Youth Leadership Development served 275 students in a leadership program for middle school and high school students. The son of Stephen Covey, author of Seven Habits of Highly Effective People, visited the program and asked the faculty to review the draft of a book he is writing about effective teens.

The Peer Coaching Project provides teachers the support and skills to become role models for their students. The program has been nationally recognized as a model for mentoring teachers; over 400 teachers have been trained in Johnston, Northampton, and Wayne Counties.

A summary of various services to the public schools provided by ECU faculty from the College of Arts & Sciences, School of Business, Eastern AHEC, Health Education, Human Environmental Sciences, School of Medicine, School of Music, School of Nursing, School of Social Work, Sociology, and Theatre Arts, as well as faculty from the School of Education, had an estimated value of $228,800. Services included workshops for second language teachers, environmental planning expertise in the development of playground design, introduction to

teaching world cultures using the internet, work with local school systems to improve the health status of the population, workshops for school counselors on legal and ethical issues, and regional workshops on the ABCs and assessment.

Elizabeth City State University (ECSU)

The advisory committee for the Office of School Services includes two public school superintendents, a school principal, four faculty members, and the vice chancellor for academic affairs. The resource director is posted on the web page with online access for twenty-one counties.

Faculty members offered 34 service activities ranging from science fair judge, to biology lab demonstrations, to career day presentations in addition to various workshops and staff development programs that served over 150 teachers and 1,800 students.

A Communication Skills Enhancement Program strengthens high school students' skills in the areas of technology, oral and written communication. Workshops throughout the school year culminate with a one week summer workshop. Forty-five participants had exposure to the latest technology equipment, SAT preparation workshops, self-esteem building, reading and communication skills. Forty students participated in a summer Health Career Opportunity Program for minority and disadvantaged high school students. Courses strengthen the students' math, science, computer, and study skills.

The Mathematics and Computer science Department worked in partnership with NASA to sponsor several training workshops to assist public school teachers and administrators to implement multimedia world-wide web projects in their classrooms. Two school districts and 120 participants are involved in this on-going project which requires each participating school to conduct a workshop on its project this spring.

The Biology Department invited six high school biology teachers from six school districts to participate in a two-week biotechnology workshop which concentrated on student lab activities introducing biotechnology concepts and techniques.

With support from the National Science Foundation, the ECSU TechTools (Technology Tools for Science and Mathematics Learning) Professional Development project worked with 20 middle and high school teachers over a two-year period, providing 32 full days of instruction on data acquisition tools, data analysis tools, and communication tools.

Approximately 150 teachers were reached through various technology workshops. Teachers are invited to ECSU's Teacher Education Instructional Technology Laboratory for introduction to state-of-the-art hardware and software technology. The two-year program includes the creation of instructional modules to improve instructional techniques and strategies for the classroom. The Academic Computer Center also provides both public schools and the community with technology training sessions.

HOSTS (Helping Our Students To Succeed) works with 75 students in the Elizabeth City/Pasquotank school system. The programs are geared toward improving reading skills and use mentors to help students read at grade level.

Fayetteville State University (FSU)

Workshops, demonstrations, conferences, classes and summer programs (a total of 361 services provided by 132 university faculty) reached 28,768 public school students in 276 schools in 14 school districts. The Office of School Services Advisory Committee is designed to ensure that all University departments and resource centers are connected to the public schools. Three hundred copies of the Campus Resource Directory were mailed to area principals, superintendents, and supervising teachers as well as being on the FSU website. In addition to faculty areas of expertise, the directory included information about the Curriculum Learning Resource Laboratory, Reading Clinic, Math Clinic, Center for Continuing Education, Economic Education Center, Math/Science Education Center, Telecommunications Center, Distance Learning Center, and Spanish Laboratory. Special attention is being given to Hoke and Robeson Counties, two traditionally low-performing districts.

The 12th Annual Education Forum, sponsored in collaboration with Cumberland County Schools, had as its theme "Focus for Change: Partnerships in Education and Technology." More than 200 teachers and administrators from three counties explored how best to educate students for success in this technological age.

Continuing education for public schools teachers in the fields of mathematics, science and technology is provided through the Mathematics and Science Education Center. Thirty instructional activities involved 500 students, 185 parents, and 950 teachers from 12 school districts. Since its beginning in 1984, the Center has served more than 15,000 educators.

The Annual Comprehensive Evaluation encourages and requires university personnel to provide service to the public schools. The various university departments recognize faculty and staff for their service contributions to schools through letters of commendation and certificates given during special recognition programs. The university expended approximately $523,00 to implement the various initiatives in support of the public schools.

North Carolina A&T State University (NCA&T)

A Professional Development School Coordinating Council meets monthly and includes a teacher and administrator from each of 12 partner schools, the coordinators of licensure areas, and other school of education and school district administrators. The Technology Committee of the Council is currently investigating ways to respond to requests for service via a web page.

Three faculty members introduced a computer/curriculum integration research and inservice model to faculty at an elementary

schools. Based on feedback from teachers, the model program is being revised to include more guided practice within the workshop format.

A math professor at A&T offers advance mathematics classes to Guilford County Schools via distance learning. Responses from school districts to other offerings in the resource directory led to 63 faculty members providing a wide array of activities in 9 school districts.

The university's outreach in science and mathematics through GAMSEC (Greensboro Area Mathematics and Science Education Center) reached 1000 participants, both students and teachers, in workshops, seminars, award programs, and field trips. The program gave 20 talented high school juniors and seniors an opportunity for residential mentored research apprenticeships on the campus.

Technology Training is offered to all public schools through on-line training materials in basic computer skills. These materials have been widely used by Robeson and Tyrell counties. A&T collaborated on Technology Literacy Challenge grants with Caswell and Iredell counties and hosted a consortium of four school systems applying for technology grants from the Department of Education. A&T's Instructional Technology Specialist wrote a technology plan for a high school that enabled the school to become networked to every classroom and begin to use its technology resources in an efficient manner.

In addition to the planned program of service, 79 faculty members provided tutorial service, PTA and advisory committee membership, and workshops to 13 school districts. Reports indicate that over 280 days of service were provided to over 26,000 students and teachers.

North Carolina Central University (NCCU)

NCCU offers an extensive summer program for K-12 students and public school personnel. Five thousand copies of a Summer 1998 Activities Program Directory were broadly distributed to schools, organizations and individuals within the university's primary service area.

The NCCU School of Education received private foundation funding to "create a set of ten exemplary middle schools in five counties." The goal of the Middle School Achievement Project is to create "an operational set of characteristics, behaviors and priorities, evident in NC middle schools, shown to be related to exemplary status. Three Durham middle school teachers who are graduate students at NCCU are among the principal investigators for the project. One goal of the project is to close the achievement gap for minority and inclusion students.

The National Council for Accreditation of Teacher Education has selected NCCU's Visual Impairment Program and its partnership with the Governor Morehead Professional Development School, to participate in the NCATE Standards Pilot Project.

NCCU has initiated a Mini-Grant for Action Research project which invites university faculty members and public school personnel to form research teams around five priority areas – improvement of instruction, improvement of services to students, parental involvement, induction of new teachers and other problems or issues that are of current concern.

Activities sponsored by the Office of School Services focused in the areas of student achievement and academic giftedness; curriculum and instruction; teacher recruitment and preparation; technology as a tool to enhance curriculum and instruction; special problems of rural and low-wealth schools. Some specific activities included:

- Durham Public Schools Compact through which150 college students spent 4000 hours tutoring and mentoring K-12 students, 12 African-American male college students served as mentors to 35 male students at an elementary school, a faculty member and his students spend one day a week at an elementary school in a research/service project designed to improve student achievement, 4 faculty members provided speech and hearing screening and services for 80 pre-school and school-aged children each week.
- A partnership with the Roanoke River Valley Consortium (five northeastern counties) involved 55 middle and high school students in a three-week summer residential youth leadership and mathematics literacy worker training program. These young people then returned to their home communities and conducted summer programs for some 250 children in grades K-8. Many continue to work in after-school programs as peer tutors, focusing primarily on mathematics.
- As a participant in the national Algebra Project, NCCU trained 30 mathematics department faculty members from NC A&T and teachers from Guilford County Schools. Several workshops were presented for those interested in establishing an Algebra Project among primarily African-American and immigrant communities.
- Parents, school administrators, teachers, students, School Board members and other community people attended three community development and training workshops in Weldon. The workshops and other follow-up work with The Algebra Project in the Weldon community are credited in large part with the school system's success in bringing all of its schools to standard or exemplary status last year.

NCCU has formed a partnership with Person County Schools to provide professional development and accessible graduate course work. Meetings were held to inform teachers of the state's mandate for advanced competency master's degree programs and the incentives of National Board certification. Person County teachers worked with university faculty members to design NCCU's new master's programs and are developing a cohort group which will begin graduate course work this year.

North Carolina State University (NCSU)

North Carolina State University delivered over $2.75 million of in-kind service in organized service to public schools during 1997-98, providing services to public schools in all of the 1000 counties. An extensive communications network (i.e., a listserv, web pages) allows educators in the public schools easy access to information about NCSU programs and other resources to enhance classroom learning.

For nearly a decade NC State University has been collaborating with school districts in the north central region of the state through the

Model Clinical Teaching Program. The Program links school-based teacher educators and NC State faculty in a network for continuing interaction and professional development.

The Science Junction is a center for teaching, learning, and integrating science into the daily lives of students. In its first year of operation, the interactive site isdesigned to make connections between researchers and educators at the university, and the teachers, children, and parents of NC. The Science Junction helps teachers continue their professional development and access new teaching ideas and techniques.

The Centennial Campus Magnet Middle School (CCMMS) is a partnership between the Wake County Schools and NC State University to create an exemplary education community. The CCMMS, envisioned as an exemplary middle school for grades 6-8, will be the first public school in the nation to combine the resources of a public school system, a land-grant university, and a high-tech research community. The curriculum will be team taught and problem centered. Adolescents will deal with realistic problems and issues that are meaningful to them, and all students will be challenged to integrate their knowledge of the academic core subjects and the unified arts.

The Science House is the learning outreach center of the College of Physical and Mathematical Sciences. All Science House activities promote hands-on, student centered learning. The Science House served over 600 teachers and 20,000 students in 40 counties.

Project Learning Tree, an award-winning environmental education program, is a source of interdisciplinary activities, workshops and inservice programs. PLT focuses on developing critical thinking skills and the activities can be incorporated into all areas of the curriculum. This project has created partnerships with 875 teachers in 30 counties.

The Humanities Extension provides social studies workshops across the state in partnership with 28 lead consultant teachers in 20 counties. The Humanities Extension/Publications Program has developed social studies textbooks used through the state.

NC faculty members are widely published on topics such as research on Preservice Teacher Education, Inservice Teacher Education, technology in Mathematics Education, Student Understanding, and Evaluations.

The University of North Carolina at Asheville (UNCA)

The Committee on School Services assists the Department of Education in the planning and implementation of an organized program of technical assistance to the public schools through teaching, service and research. Over 100 members of the faculty/staff/administration, in addition to an active student volunteer group, volunteer daily in public schools in western North Carolina.

Research courses have been part of the curriculum at the UNCA Department of Education for more than fourteen years and the university was one of the founding institutions of the National Conference on Undergraduate Research. Student research studies in the Partnership schools have included such topics as The Effects of Cooperative Learning

in H.S. Social Studies, The Effect of Parent Participation on Student Academic Performance and Achievement Motivation, The Use of Storysacks to Increase Family-School Literacy Partnerships, Improving the Reading Ability of Unskilled Readers in the Sixth Grade, and Manual Dissection vs. Computer-Simulated Dissection.

Faculty from various departments presented lectures/seminars/ programs on topics such as minerals and rocks, women's history month, theatre presentations, and classical band to over 1,700 students. Workshops and inservice training for public school teachers reached nearly 500 participants. Faculty members also developed elementary and middle school curriculum in connection with the Carl Sandburg Home and Chimney Rock, and created a handbook and training program for substitute teachers.

Both new and on-going programs assist local schools by supplying tutors to work one-on-one with students. The Partners in Learning Program, now eight years old, assists area middle schools by placing trained tutors to work with low-achieving middle school students (95 students served in two school systems). UNCA Teaching Fellows adopted an area high school, two elementary and one primary school for weekly tutoring of at-risk and ESL students (125 students served in two school systems). A Youth Leadership Project on the campus provided social and academic enrichment for 11 at-risk African-American males from fourth grade classrooms. Thirty-four UNCA student tutors worked with over 100 low-achieving elementary students through the America Reads Program

An Initially Licensed Teacher support group for elementary, middle and high school beginning teachers meets monthly, providing opportunities for ILTs to meet and discuss challenges and successes. ILTs are visited in their classrooms and visit campus to talk with students about the first years of teaching.

University of North Carolina at Chapel Hill (UNCCH)

An Advisory Committee provides guidance on the priority issues facing their schools today and recommends how the university might be of service in addressing these issues. As a result of recommendations, the Office of School Services provided support for preparation for National Board Certification, technology support, and planning to meet the increasing need of ESL students. One thousand copies of an annual report, "University Services to Public Schools," was distributed to all NC school superintendents, the key leadership and staff in the State Department of Public Instruction, business leaders, and as many potential users as possible.

Faculty members are involved in an extensive array of research and collaborative projects involving the pubic schools: Evaluation of the A+ Schools Program, Educating Immigrant Students in Social Studies Classrooms, Alternative Approaches to Discipline, Evaluation of Charter Schools; Collaboration of Regular and Special Education Teachers in Inclusive Language Arts Classrooms, Individualized Reading Instruction:

Instructional Models, and Integrating the ABCs through Science for the Early Grades.

UNC-CH is continuing to develop new ways of using technology for teaching and assisting and extending the work to the public schools. For example, the NanoManipulator Project make available the university's atomic force microscope through the Internet to high school students for science classes. The University's largest single technology effort is LEARN NC, a statewide infrastructure that provides an avenue to connect every K-12 school, community college, and university into a single electronic community. Initial access and training has been provided to all 117 school districts in the state. LEARN NC hosted online courses for a multi-campus offering for certification in Learning Disabilities. Over 2500 lesson plans tied to the NC Standard Course of Study have been submitted to the lesson plan database. It is anticipated that at least 10,000 teachers will be trained on LEARN NC in the coming year.

Special outreach was given to low-performing schools. For example, a faculty member worked with five northeastern school districts on a systemic reform project in middle school mathematics and other outreach initiatives were directed toward local low-performing schools.

Beyond the planned research activities, special programs, and joint collaborations, faculty responded to specific requests for service on a variety of topics, and provided services to more than 4,100 teachers and administrators. All 100 counties of NC were touched with some type of assistance and at least $4,000,000 expended in providing services to the public schools.

University of North Carolina at Charlotte (UNCC)

The Advisory Committee has sixteen members representing public education, business and commerce, educational alliances, university faculty, and faculty from other area institutions of higher education. An extensive Faculty School Service Directory was distributed in the region and an abbreviated version is available on the school of education website. Faculty and staff provided approximately 25,000 hours of services to schools and made service contacts with more than 40,000 educators and 475,813 students. To increase faculty involvement in the schools, the first Annual Faculty Award for Sustained Service to Public Schools was presented.

Research projects included a study of the professional knowledge base in order to expand the knowledge base by by professionals who serve children and youth with disabilities and their parents; assistant to Scotland County's redistricting project; review of successful practices in algebra with African-American or low socio-economic students; assessment of innovative interventions enabling schools to provide services to children with emotional and behavioral disorders; implementation of quality improvement principles in the schools of Lincoln County; development of a social studies curriculum for economically disadvantaged high school students.

A two-day conference on Behavior Management and Alternative Learning Programs was attended by 300 public school educators and

community agency personnel. The Conference was developed in response to a survey of superintendents, principals, and curriculum and instruction directors who indicated that their number one area of need was help with managing student discipline so that disruptive behavior does not interfere with the learning process. A regional Task Force on Behavior Management was established as a follow-up to the conference; the Task Force of 20 public school personnel, university faculty, and community agency representatives meets quarterly to plan future conferences and study behavior management problems in schools.

Three all-day Instructional Technology training sessions for 30 clinical instructions dealt with the basic, intermediate, and advanced levels of computer competency. Twenty-five Richmond County teachers received in-service training in teaching gifted and talented students.

Along with the Southwest Education Alliance, UNC-C co-sponsored the Big MAC (Multiple Academic Conference) which provided training for 200 teachers in 12 school districts who teach in content areas that receive few opportunities for staff development.

Two hundred educators from nine school districts attended a conference on "Writing: The Key to Integrated Learning" which was geared to teachers in all grade levels and subjects.

Outreach to low-performing schools included 272 hours of assistance with implementing TQE principles in two low-performing Charlotte-Mecklenburg schools and a project in Anson County (65% economically deprived, 63% minority) with middle school teachers on using technology to aid their students' learning and use of hands-on materials with students who have trouble thinking abstractly.

University of North Carolina at Greensboro (UNCG)

The director of the Office of School Services meets monthly with area superintendents and their leadership teams to request input on services provided and services needed. Over 2000 copies of a services directory were distributed to 14 school districts. A listserv of all senior curriculum leaders in the 14 school districts is used regularly to keep educators aware of offerings from the Office of School Services. The number of requests for services increased by 8% from the previous year. The Office of School Services responded to requests from 1,680 educators for services in specialized areas leading one administrator to report "If our district has a need, I call and get someone to plan services for us."

A research project on grade 3-8 state testing enabled teachers to understand the importance of standard error in the testing program and how to accommodate for it when making decisions. The study also built models of how the variable of poverty affects results. A research project on the high school assessment model allowed seven area superintendents to make recommendations for change in the assessment instruments.

Concentrated services in the area of literacy to enhance achievement of students on the ABCs accountability model was an emphasis at UNC-Greensboro. A series of connected in-depth training sessions in K-12 reading (including phonics) and writing were provided to

1,484 educators. Consultation services in balanced reading, early literacy and success writing were provided to 21 schools and 7 school districts. Caucus groups of teachers and administrators were brought together 4 times to share best practices across school districts in writing. A total of 1,802 teachers from 14 school districts participated in various literacy initiatives with the result that instructional practices in reading and writing K-12 improved significantly which resulted in increased scores on the ABCs.

UNC-Greensboro initiated a series of experiences to assist in the recruitment and retention of highly qualified personnel for the public schools. Forty-two scholarships were given to practicing teachers to pursue graduate degrees in education. A nationwide teacher recruitment even was held by invitation for 482 prospective candidates. Early signing mechanisms were encouraged for UNCG and other area university students. Alternative certification routes were provided to lateral entry candidates. Quality teachers in the area were rewarded with travel and other growth experiences as a retention mechanism. A total of 705 current and prospective teachers were involved in these various programs. As a result, many teachers graduating from UNC-Greensboro and other universities have made a commitment to remain in the area.

On-going support to low-performing and near low-performing schools in the area led to all schools in the area meeting expectations or achieving exemplary status by the end of the school year. Assistance to educators to integrate the curriculum and address differentiation of instruction in heterogeneous classrooms reached 412 educators. Demonstration lessons were conducted in 17 classrooms on writing across the content areas; lessons were presented to students while teachers observed.

University of North Carolina at Pembroke (UNCP)

The School Services Advisory Committee explores ways in which UNCP might be of service to public schools. Based on feedback from the Committee, several areas of interest/need were identified: assistance in the teaching of phonics, professional development in technology integration, expansion of clinical teaching sites, exploration of the possibility of establishing a consortium, and continuation of the "First Friday" professional development seminars. Four "First Friday" seminars on various aspect of the ABCs of NC Public Education drew 300 are public school educators.

Individuals in 17 school systems participated in a study of the "reality shock" faced by student teachers and beginning teachers; data have been collected and a review of the findings is underway. An assessment of the model clinical training component led to a "revamping" of professional development activities with other training models being utilized through a site-based decision-making approach.

In response to specific requests for services, 47 faculty/staff/ administrators logged 302 days of service to public schools in 11 school systems. One example was the chair of the physical science department who spent 12 days training 20 teachers from a local high school.

Responding to a shortage of trained public school administrators, UNCP formed a partnership with East Carolina University to offer a joint Master of School Administration program on the UNCP campus. Twenty-five teachers, currently employed in the UNCP area, participated in the program.

UNCP is an active in the regional Seamless Education Highway Initiative which includes Fayetteville State University, two Community Colleges, and two school systems. Faculty members provided consultative services related to curriculum alignment in the areas of communicative arts, science, and social studies. The curriculum alignment was focused on low-performing schools.

University of North Carolina at Wilmington (UNC-W)

The Chancellor of UNCW chairs the public schools council and has charged the Office of Service to Public Schools with interdepartmental planning to support school improvement.

The University's Professional Development System partnership has specifically focused on research and development efforts. Also, the Consortium for the Advancement of Public Education (CAPE) sponsored a variety of research projects on topics related to school performance and student success such as student motivation, improvement in student test scores, student discipline, creating healthy and productive environments for students, and social issues that directly affect students' successful entry into schooling.

Over 300 educators attended a National Forum on the Future of Teacher Preparation in the Twenty-first Century. Based on the work of the design team for the forum, UNCW intends to develop a collaborative proposal with three other universities in the nation and public school partners to implement a fully integrated teacher preparation model for the future.

The School of Education established an Information Technology Plan in 1991 which is updated annually and focuses on technology training for students, faculty, practicing teachers, and public school administrators. A Coastal Educational Technology Conference attracted over 400 participants, with 50 guest speakers presenting over the course of two days. Twenty-six technology workshops provided 564 public school teachers and administrators with training in mastering the essential technology skills. Three principals' seminars reached 75 people. A full-time Technology Outreach Coordinator works extensively with public school educators. Technical support has been provided for each of 47 PDS schools. Each of 720 designated PDS teachers received direct, personal assistance with technology-related issues. All 47 PDS schools were invited to bring their broken computer equipment to the campus to have it repaired free of charge. Six of the PDS schools did not have an Internet connection, the university provided one year's worth of Internet access for each of those schools. Free software was installed in the classrooms of teachers who attended training in the use of Kid Pix Studio and Microsoft PowerPoint.

The Consortium for the Advancement of Public Education (CAPE), a 15-member non-profit board, produced a video highlighting "what's right with public education" in southeastern NC. CAPE sponsored 3 Distinguished Scholars programs which reached over 500 teachers and administrators from 17 school districts. CAPE also hosted a "best practices" conference highlighting four exemplary schools which was attended by 130 educators.

A series of seminars on leadership development was provided to Principal Fellows statewide utilizing the NC Information Highway. The purpose of the seminars was to assist in the development of management and leadership skills for the future administrators of NC.

Eighty-seven faculty members in the College of Arts and Sciences participated in a variety of workshops and conferences. For example, 15 biology faculty members provided 23 different service activities including presentations and consultation with science teachers. Eight faculty members in Communication Studies worked with elementary school student in reading, writing, and publishing.

The School of Nursing served over 1000 children in two health fairs. A goal is to have school-based health center serve as the primary clinical site for graduate and undergraduate students in child health clinical courses. A byproduct of the project could be recruitment of public school students into the health care professional due to exposure to professional student nurse models.

The Division of Public Service and Extended Education hosts forums, conferences and institute. Some of the workshops and the number/types of participants were: Coast Encounters and River Ecology (600 teachers and students in grades 5-12); Diversity Training (650 hs. administrators, teachers, students; Coast Trek and Ocean Lab (955 middle and high school students); Summer Science by the Sea Camp (630 grade 2-6 students).

Western Carolina University (WCU)

The School Services Advisory Committee seeks to serve 193 schools in 18 school districts. The School Services catalog was mailed to all superintendents and principals in the area and is listed on the Internet where a database permits key word searches of the 137 services listed.

Public school teachers from a Partnership high school team teach in methods and curriculum development classes. A faculty member and the teachers continue to collaborate on methods for improving teacher preparation. Another faculty member assisted two Jackson County high schools with a curriculum audit. As a result of continuing consultation with the school's curriculum review committee, a blended schedule was adopted in which selected classes meet for a double period and completed in one semester while other classes meet for a single period over a full school year.

The initial success of a Parenting/Preschool Program was so powerful that schools insisted the program be offered again. As a result, an isolated rural school with 85% of its students on free or reduced

lunch, created a Children Are Ready for Education program that sponsored numerous activities focused on early childhood education and parenting skills. The school trained upper elementary students to be peer helpers. The program was selected as one of 35 "Most Promising Practices" by Johns Hopkins University and the staff was invited to present their program at an international conference.

A former school principal and assistant professor in the Department of Educational Leadership and Foundations, works with groups of principals in several school districts to improve their leadership skills. Strengthening Teacher Education through a Partnership of Equals (STEPE) is an ongoing leadership development collaboration among all of the public education institutions in NC's six westernmost counties. STEPE has conducted an extensive mentoring program for teachers, conducted classes on using multimedia presentations, and presented distance education/interactive television courses and workshops.

A faculty member surveyed all 193 schools in the western region about their Internet access and usage for classroom instruction. The faculty member has been working with an elementary school for several years and has enabled over 20 teachers to make effective use of educational technologies in their classes. He conducts workshops (many up to a week in duration) for 4 other schools and offers an on-line graduate level course entitled Computers in Education.

The School-University Teacher Education Partnership seeks not only to improve the process of teacher preparation and increase the effectiveness of novice teachers, but also improve the rate of teacher retention and renew the professional enthusiasm of veteran teachers. During 19997-98, 94 teachers participated in various aspects of the program, a new teacher induction retreat was held for 7 teachers who wanted to work with a mentor, and nine partnership schools received technology grants.

College of Education faculty worked closely with the Highlands School to develop a 10 session teleconference series for teachers planned according to the school's self-determined needs. Topics included mainstreaming, school law, the middle school child, math and science at the elementary level. Two additional schools have asked to join the series for the current year.

A survey of WCU faculty services revealed that 82 faculty members from 33 departments provided 375 separate service events with an estimated value of $464,014 reported for 38% of the service events. Categories of activities included mountain heritage and culture, teacher effectiveness, speech and language, and mentoring projects. All school districts in the region received extensive services with 46 events provided for a regional constituency and 113 activities provided for a statewide audience. Considering only the activities for which participation totals were reported, the number of participants included 13,473 students, 2,797 parents, 5,671 faculty, 969 administrators, and 773 others for a total of 23,683.

Winston-Salem State University (WSSU)

Area principals were asked to select six teachers to help recruit African-American ninth graders who possess the qualities to become teachers. A total of 55 ninth graders were recruited and the recruiting teachers serve as their mentors. Education faculty, staff, and student teachers provide additional orientation and support.

A Freshman Seminar course for prospective teachers included community service in 17 area schools; 162 college students completed 3,582 hours of service.

Faculty members provided a variety of services to the public schools. One person conducted a multimedia assessment of programs at an elementary school and serves as a member of an Academically Gifted Task Force. Another faculty member coordinated two summer programs serving 120 students through a Mentor Research Program for students in grades 9-12 and two summer camps for students in Grades K-8.

A faculty member fluent in Spanish provided a Spanish tour of the Diggs Gallery for 50 students and met with a high school class of ESL students. Another professor provided speech therapy for 8 children and wrote Individual Education Plans for them. Special activities were planned for two low-performing elementary schools, including tutoring for students and faculty development seminars. A Science Enrichment and Readiness Program works with students who need academic enrichment in biology and physical science, study skills, and other motivational activities in order to be prepared for college.

A major initiative was improved induction services to first-year teachers. Twenty-eight first-year teachers participated in two first-year teacher forums designed to identify and address their concerns as new teachers and urged that the forums be continued. A stipend of $250 was given to each first-year teacher to help cover some of the costs associated with their initial entry into the classroom (e.g., bulletin boards, school supplies).

Technology training takes part on several fronts. Each education faculty member completed a course matrix of state-required technology competencies. Every education course requires students to become familiar with or master certain competencies. Faculty development courses on instructional application of technology are offered to education faculty and teachers at partnership schools. Teachers at area schools are invited to use the technology resources available in the Curriculum Materials Center.

Standards for Organized Service and Assistance to the Public Schools of the Board of Governors of The University of North Carolina
adopted April 12, 1991

The constituent institutions of The University of North Carolina shall provide service to the public schools in accordance with the mission of The University to address state needs through teaching, service and research. The University's commitment to students requires that teaching be the primary responsibility at all constituent institutions. Although the duties of individual faculty members vary from time to time, all are responsible for performance of service activities at a level which enables the institution to fulfill its teaching and research missions as well as its service mission.

To promote the efforts of the constituent institutions of The University in assisting public schools through appropriate service activities, the Board of Governors calls upon constituent institutions offering programs for the preparation of school teachers and administrators to establish partnerships with public schools; and, further, the Board adopts the following standards:

Standard 1

Each constituent institution offering programs for the preparation of teachers and school administrators shall have a committee on public school services. The committee shall be named by the Chancellor and it shall include at least two members of the education faculty, at least one member of the arts and sciences faculty, two school superintendents, and such other members as may be appropriate. The committee will advise the dean/chair of education on the fulfillment of service commitments including, but not limited to, those described in the standards below.

Standard 2

Each school/department of education shall establish an office of school services to coordinate and encourage service to the public schools. The office will maintain an inventory of campus resources that could be of service to the public schools through technical assistance or research initiatives. The office will also disseminate to school districts information on campus resources; receive requests for assistance from school districts; and direct the requests to the appropriate campus resource.

Standard 3

Each school/department of education shall plan and implement annually a program for service to the public schools that describes the service to be rendered, identifies the faculty members who will be involved, and the sources of support for the program.

Standard 4

The University of North Carolina General Administration shall compile a directory of the offices of school services at the constituent institutions and provide the directory to all public school districts.

Standard 5

The Chancellor shall report periodically to The University of North Carolina General Administration on the service and technical assistance provided to the public schools.

UNC School Services Matching Incentive Grant Funds: K-16 Initiative

If the public schools of North Carolina and their University partners are to continue the recent improvement trends, they must develop a long-range collaborative plan that expands the scope of benefits throughout the state. To encourage such initiatives, the Division of University-School Programs in the UNC General Administration is pleased to announce a Matching Incentive Grants opportunity which allows individual campuses or collaborating campuses in partnership with K-12 school systems and others to apply for planning funds directed toward improving student achievement in the public schools.

All constituent institutions in The University of North Carolina are invited to submit planning proposals through their existing Offices of School Services. The emphasis of the plan should be on aligning the academic content, expectations and standards for K-16. Thus, the expectation is that College/ School/Department of Education faculty, Arts and Sciences faculty, and other University faculty will participate in developing and conducting the work of the grant. Proposals may range from $40,000 to $75,000 per campus. Each proposal will be awarded for 1998-99 based on the basis of the following criteria:

1. The proposal is developed in collaboration with the LEAs and others who are involved with and/or served by the grant such as local community colleges;

2. The proposal documents a commitment to generate matching funds from either the public schools, the community colleges, the University, or business partners, and/or a combination of these entities who agree to support the program plans described in the request for funding;

3. The CEOs of all agencies which have agreed to provide matching funds and commitment to the ßprogram activities outlined in the proposal are listed;

4. The plan aligns primarily with strategic priorities 1 and 3 of the State Board of Education (see attached *The ABCs Plus: North Carolina's Strategic Plan for Excellent Schools*);

5. The plan specifically focuses on activities that align content, expectations and standards across K-12 and higher education. The long-term effects of the plan will be to:
   (a) help ensure that all high school graduates meet high standards;
   (b) encourage schools to employ only teachers who can bring all students' performance to high standards;
   (c) encourage only college students who meet high standards be accepted into teacher preparation;
   (d) ensure that all teacher candidates produced are prepared to bring student performance to high standards.

6. The plan outlines a strategy for sustaining the collaboration and expanding or strengthening the involvement of participating agencies and organization over time.

7. The plan extends or strengthens, where possible, the knowledge and benefits of the University-School Teacher Education Partnerships;

Proposals of 5-10 pages should be submitted to the Vice President for University-School Programs, UNC General Administration by October 5, 1998. Announcements will be made by October 19, 1998, contingent upon funding by the N.C. General Assembly.

Revised 9/11/98

GOALS, MEASURES, AND RESPONSIBILITIES

The ABCs Plus:

North Carolina's Strategic Plan for Excellent Schools

Mission: *North Carolina's public schools will create a system that will be customer driven with local flexibility to achieve mastery of core skills with high levels of accountability in areas of student achievement.* North Carolina State Board of Education, April 10, 1996

STRATEGIC PRIORITY High Student Performance	STRATEGIC PRIORITY Safe and Orderly Schools	STRATEGIC PRIORITY Quality Teachers, Administrators, and Staff	STRATEGIC PRIORITY Effective and Efficient Operation
Strategic Goals	**Strategic Goals**	**Strategic Goals**	**Strategic Goals**
1.1 Every child ready to learn **1.2** Rigorous and relevant academic standards and assessment systems **1.3** Mastery of essential knowledge and skills by every student **1.4** Every student prepared for continuous learning and career readiness	**2.1** Learning environments inviting and supportive of high student performance **2.2** Schools free of controlled and illegal substances and all harmful behavior **2.3** Mutual respect of students, teachers, administrators, and parents **2.4** Adequate, safe education facilities that support high student performance	**3.1** Professional preparation aligned with state priorities **3.2** A system to recruit, retain, and compensate a diverse corps of quality teachers, administrators, and staff **3.3** A system to ensure high performance of teachers, administrators, and staff **3.4** A system of continuos learning and professional development to support high performance of all employees **3.5** High ethical and professional standards for all employees	**4.1** Components of the education system aligned to achieve high performance **4.2** Decision-making authority and control at the most appropriate level closest to the classroom **4.3** Internal and external partnerships promoted and aligned to state goals **4.4** Information and accountability systems capable of reporting strategic and operational results **4.5** A funding system that provides adequate and aligned financial and personnel resources to maximize educational achievement

Note: *Applications of technology and information management systems will be integral to strategies undertaken in support of the strategic goals.*

Revised 9/2/9

OFFICES OF SCHOOL SERVICES
at Constituent Institutions of The University of North Carolina
1998-1999

Each Office of School Services maintains an inventory of campus resources for service to public schools; disseminates information about service programs; receives school district requests for assistance; and directs requests to appropriate campus resources.
Educators are invited to contact the offices listed below in regard to services, technical assistance or research initiatives.

APPALACHIAN STATE UNIVERSITY
Dr. Elizabeth W. Long, Director, Appalachian State University/Public School Partnership
220 C Edwin Duncan Hall, P.O. Box 32022
Boone, NC 28608-2022
Telephone 828/262-6108; fax 828/262-2128

EAST CAROLINA UNIVERSITY
Dr. Emmett Floyd
Director, ENCCARE/Office of School Services
122 Speight Building
Greenville, NC 27858-4353
Telephone 919/328-6208; fax 919/328-4153

ELIZABETH CITY STATE UNIVERSITY
Mrs. Jeanetta H. Foust
Director, Office of School Services
Campus Box 712
Elizabeth City, NC 27909
Telephone 919/335-3590 or 91; fax 919/335-3554

FAYETTEVILLE STATE UNIVERSITY
Dr. Wilbert Jenkins
Director, Office of School Services
1200 Murchison Rd., Fayetteville, NC 28301-4298
Telephone 910/486-1182; fax 910/486-1588

NORTH CAROLINA A & T STATE UNIVERSITY
Dr. Fred S. Wood, Jr.
Coordinator of Office of School Services
110 Hodgin Hall, School of Education
Greensboro, NC 27411
Telephone 336/334-7522; fax 336/334-7033

NORTH CAROLINA CENTRAL UNIVERSITY
Dr. Doris Terry Williams
Director of School Services
208 Taylor Education Building
Durham, NC 27707
Telephone 919/560-6353; fax 919/560-5279ß

NORTH CAROLINA STATE UNIVERSITY
Dr. Edwin R. Gerler, Jr.
Assoc. Dean for Research & External Affairs
College of Education and Psychology, 208 Poe Hall
Raleigh, NC 27695-7801
Telephone 919/515-5975; fax 919/515-5836

UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE
Ms. Joan Elliott, Coordinator for School Services
119-B Zageir Hall, Department of Education
Asheville, NC 28804
Telephone 828/251-6962; fax 828/251-6883

UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
Dr. Robert Kanoy, Associate Dean
for Community Service
School of Education
Chapel Hill, NC 27599-3500
Telephone (919) 966-8000; fax 919/962-1533

UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE
Director *(to be appointed)*
Office of Educational Outreach
College of Education, 9201 University City Blvd.
Charlotte, NC 28223-0001
Telephone 704/547-2760; fax 704/510-6418

UNIVERSITY OF NORTH CAROLINA AT GREENSBORC
Dr. Frances F. Jones, Executive Director
Piedmont Triad Education Consortium
School of Education, Box 26171, UNC-Greensboro
Greensboro, NC 27412-6171
Telephone 336/334-3487; fax 336/334-4093

UNIVERSITY OF NORTH CAROLINA AT PEMBROKE
Dr. Ray Brayboy, Director
School and Program Services, UNC-Pembroke
P.O. Box 1510, Pembroke, NC 28372-1510
Telephone 910/521-6283; fax 910/521-6165

UNIVERSITY OF NORTH CAROLINA AT WILMINGTOI
Dr. Karen Weatherill, Assistant Dean for
Organizational Development & Outreach
Watson School of Education, 601 South College Road
Wilmington, NC 28403
910/962-4174

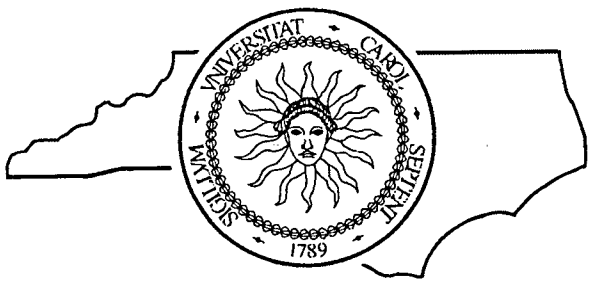
WESTERN CAROLINA UNIVERSITY
Dr. Phil Monk, Director, Office of School Services and
of Business Leaders and Educators
110 Killian Building, Western Carolina Univ.
Cullowhee, NC 28723
Telephone 704/227-7312; fax 704/227-7388

WINSTON-SALEM STATE UNIVERSITY
DrFrancine G. Madrey
Director, Office of School Services
601 Martin Luther King, Jr. Drive
Winston-Salem, NC 27110
Telephone 336/750-2373; fax 336/750-2373

(UNC GENERAL ADMINISTRATION
Dr. Charles R. Coble, Vice President
University-School Programs
P.O. Box 2688, Chapel Hill, NC 27515
Telephone 919/962-4596; fax 919/962-2751)

Reforming Teacher Education: Going to Scale

Establishing Statewide University-School Teacher Education Partnerships in North Carolina



Deans' Council on Teacher Education
The University of North Carolina

University-School Programs
The University of North Carolina General Administration

Spring 1999

Abstract

As a result of a process begun by the Deans' Council on Teacher Education in 1996, the fifteen colleges/schools/departments of education in The University of North Carolina developed a plan that strongly emphasized the strategic involvement of school districts and communities in the preparation and development of teachers, administrators, and other education professionals. The UNC Board of Governors approved this evolving approach to teacher preparation, described as University-School Teacher Education Partnerships, in January 1997, examined by a National Review Team in July 1997, and provided initial funding by the North Carolina General Assembly in August 1997.

Operationally, the University-School Teacher Education Partnerships are being guided by five "guiding principles." They are:

(1) increased time for preservice teachers to experience earlier, longer, and more intensive field-based placements in the public schools, connected to methods classes and clinical teachers at school sites;

(2) jointly-crafted professional development programs for teachers, administrators, and others in the public schools and universities;

(3) increased communication between public schools and higher education for the purpose of sharing and disseminating best practices;

(4) generation and application of research and new knowledge about teaching and learning;

(5) joint involvement of university and school personnel in curriculum planning and program development.

Signed agreements between the universities and surrounding school districts, along with financial support from administrators in public schools and universities and from the North Carolina General Assembly, are helping sustain the University- School Teacher Education Partnerships. The likelihood of long-term success increases as the partners and interested stakeholders understand the factors contributing to successful partnerships and put the lessons learned into actions that continue to improve the Partnerships over time.

Note: Several constituent institutions were well along in the creation of clinical schools and professional development schools prior to the establishment of the University-School Teacher Education Partnerships. These institutions utilized the additional funding to extend their partnerships with the public schools.

All North Carolinians, like the rest of the nation, want an educated, responsible, and productive citizenry, a safe society, and a sound economy. A responsible citizenry and a creative and productive workforce can be a reality, however, only in a society that expects and supports high quality public schools.

Central to quality education are well-prepared and effective teachers, counselors, administrators, and other school professionals. Past efforts to improve the competencies of professional educators, as well as school improvement generally, have been largely piecemeal and without adequate collaboration between public schools and institutions of higher education. To be successful, the initial and continuing education of school-based professionals must be a joint responsibility of both the public schools that employ them and the colleges and universities that initially prepare them and then subsequently provide opportunities for their continuing professional development.

What is needed are strong partnerships that will support the continuous improvement of both PK-12 schools (and their faculties) and university-based professional education programs (and their faculties) and, thereby, the enhancement of student success at every level. However, the term "partnership" has become another buzzword in education. Without definition and without an understanding of what it takes to build and sustain partnerships, the term becomes essentially meaningless.

Partnership Defined

In the absence of an operational definition for the term "partnership" and without standards for assessing successful partnerships, essentially any transaction between persons or organizations could be called a partnership. More important, with neither definition nor standards, there can be no accountability.

There are a wide range of existing relationships between universities and schools, from simple episodic transactions to complex on-going partnerships. What distinguishes between these polarities is the "value-added" to university-school relationships as they grow from transactions to partnerships. Cortada (1995), identifies increased risk and complexity and the extent of rewards and trust as indicators of movement toward true partnership.

The term "partnership" is used in the context of developments in North Carolina to mean a thoughtfully created, value-added, mutually beneficial relationship between organizations, nurtured over time, and leading to measurable results (Coble, 1998). The small, but important, step in North Carolina of defining what is meant by partnership has been helpful in communicating among partners and to the public about the nature of the partnership. This working definition also provides clarity in developing a statewide accountability plan.

University-School Teacher Education Partnerships

The University of North Carolina Board of Governors and President Molly Corbett Broad are committed to reforming teacher preparation in the state's public universities. The collaboratively developed plan currently underway in North Carolina to establish a network of University-School Teacher Education Partnerships (USTEPs) involves 15 campuses of the university system: Appalachian State University, East Carolina University, Elizabeth City State University, Fayetteville State University, N.C. A & T State University, North Carolina Central University, North Carolina State University, UNC-Asheville, UNC-Chapel Hill, UNC-Charlotte, UNC-Greensboro, UNC-Pembroke, UNC-Wilmington, Western Carolina University, and Winston-Salem State University.

The USTEPs connect university faculty and public school educators in ways that can continue to enhance the initial preparation, induction, and continuing professional development of teachers, administrators, and other school personnel

Toward that end public school practitioners and professional educators in universities throughout North Carolina are developing a systemic approaches to achieve simultaneous reform in teacher education and school renewal. With the support of Governor James B. Hunt Jr. and the General Assembly faculty and public schools educators are collaborating to:

(1) restructure and improve both initial preparation and continuing professional development programs for teachers, school administrators, and other specialists, with particular emphasis on beginning teachers;

(2) renew and improve the public school curriculum;

(3) conduct school-based research that improves classroom practice; and

(4) share and disseminate best practices throughout the state (Deans' Council on Teacher Education, 1996).

The establishment of university-school teacher education partnerships in North Carolina aligns with the September 1996 Report of the National Commission on Teaching & America's Future entitled *What Matters Most: Teaching for America's Future* (National Commission on Teaching & America's Future, 1996). It is especially relevant to the Commission's second recommendation, which calls for reinvention of teacher preparation and professional development. The Partnerships also align with the report of the North Carolina School Improvement Panel entitled *Bringing it All Together for Children in Public Schools* (The North Carolina School Improvement Panel, 1997). One of the key strategy recommendations in that report focuses on the need to provide better training and preparation of educators.

The Need

In North Carolina, 16% to 20% of new teachers leave after the first year. Currently about 35% of all teachers drop out of teaching by the end of the fifth year (North Carolina Department of Public Instruction, 1996). Insufficient preparation, difficult teaching assignments, multiple class assignments, and a general lack of support are usually identified as major factors that cause beginning teachers to leave the profession (The Public School Forum of North Carolina, 1996). Those who remain often feel isolated with little opportunity for collaboration with other teachers or for continuing professional development (The North Carolina Professional Practices Commission, 1995).

The development of University-School Teacher Education Partnerships will help address many of the concerns cited by teachers by better preparing them to teach and by better supporting them during their initial years in the classroom. Establishing a statewide network of Partnerships schools will create clinical settings for the preparation, induction, and continuing professional development of educators. The partnerships are, thus, conceptually similar to the linkages between teaching hospitals and medical schools for the preparation of physicians.

Guiding Principles

During 1996-97, university and public school educators met to craft some guiding principles, which were used to frame their future work. They agreed upon five guiding principles to drive the development of the University-School Teacher Education Partnerships. They are:

1. Strengthen relationships and shared responsibilities among schools, colleges and universities, and communities in the initial preparation, induction, and continuing professional development of highly skilled teachers, administrators, and other school personnel for North Carolina Schools.

2. Build on successes of current Model Clinical Teaching Programs and establish professional development partnerships for the initial preparation, induction, and continuing professional development of career teachers, administrators, and other school-based personnel.

3. Extend and improve the school-based components of both initial preparation and continuing professional development programs.

4. Strengthen the linkage between the theory and practice of teaching and learning, thereby narrowing the gap between what is known to be effective practice and how it is applied.

5. Focus and share resources of the colleges and universities, schools, and communities to improve curriculum and increase student learning in both schools and teacher education programs (Deans' Council on Teacher Education, 1997).

In 1997, the Board of Governors of the University of North Carolina approved and presented to the Governor, the Advisory Budget Commission, and the General Assembly a request for $1.8 million for each of two years to support this fundamental transformation of teacher education in North Carolina. The need was compelling enough to gain the full support of Governor Jim Hunt. At the time Governor Hunt was also serving as Chair of the National Commission on Teaching and America's Future.

University and public school faculty and administrators used the five guiding principles in proposing a four-phase process to plan and implement the

University-School Teacher Education Partnerships. The four phases are: Planning, Pilot, Implementation, and Continuation. The complete plan and timelines are outlined below.

Planning Phase (January 1997 - June 1997):

The Z. Smith Reynolds Foundation allocated an initial sum of $35,000 to support the planning phase of the University-School Teacher Education Partnerships. The 15 public universities with teacher preparation programs contributed direct and in-kind costs to support the planning phase that amounted to well over $200,000.

The Z. Smith Reynolds Foundation grant and university funds supported local and statewide meetings of university, public school, and community teams to meet and develop a common core of understandings and a framework for the reform of teacher education. The framework for change were all designed around the guiding principles, but tailored to the specific Partnership programs developed by each public university.

Each University assembled a Planning Team consisting of teachers, building level administrators, superintendents or other central office administrators, university teacher education faculty, the director of teacher education, business and community leaders, and deans. In several cases representatives from the Department of Public Instruction, the Department of Community Colleges, private and independent colleges, and others were involved in the planning process.

During this phase each Planning Team developed a two-year workplan for the University-School Partnerships for 1997-98 and 1998-99 that addressed the five guiding principles described earlier. Each workplan included descriptions of:

(1) how the goals and objectives of the Partnership relate to the knowledge base and conceptual framework of the preparation programs for teachers, administrators, and other educators;
(2) roles, relationships, and responsibilities of all the key stakeholders, including university and public school faculty and administrators private colleges, businesses, and community groups;
(3) the Partnership curriculum, planning process, delivery system, and evaluation strategies;
(4) how the Partnership was attending to issues of diversity;

(5) ways in which technology was intended to be utilized to address the goals of the Partnership;
(6) proposed resource commitments for the Partnership including current and expansion funding;
(7) timelines for implementing the Partnership goals in 1997-98 and 1998-99; and
(8) expected continuing activities and required resources after 1998-99.

Pilot Phase (July 1997 - June 1998):

The university chancellor and board of trustees approved collaboratively developed USTEP plans by all public school superintendents and boards of education involved in the Partnership. Plans included a strategy for identifying and developing clinical schools for the initial and continuing professional development of teachers and other school-based professionals. Completed plans were submitted to the UNC General Administration by July 15, 1997.

The Deans Council on Teacher Education in consultation with the Department of Public Instruction, identified a National Review Panel of recognized experts in teaching and teacher education to review the Partnership proposals. The Z. Smith Reynolds Foundation provided additional funds to support the work of a National Review Panel. The responsibility of the Panel was to evaluate the clarity and strength of the Partnership plans as outlined in the Planning Phase.

The National Review Team met and discussed ways to ensure consensus on expectations and protocols prior to the review process. They also assessed each Partnership workplan for congruence with the five guiding principles and made recommendations for improvement. The National Review Panel had the flexibility to return plans for clarification and revision before making final recommendations, which they did in every case. The review process, which involved Partnership presentations to the National Review Panel, was completed by August 15, 1997.

Proposals judged "acceptable" by the Review Panel were eligible to receive Pilot Implementation funding. Distribution of the funds was based upon student enrollment and documented graduation rates from teacher education programs. An “economies of scale” formula assured that smaller producers of teachers, like UNC-Pembroke or Winston-Salem State University

received more funding per student than the large producers like Appalachian State University and East Carolina University, though ASU and ECU received a larger total allocation than the smaller institutions.

Only plans that were finally approved by the National Review Panel and the UNC General Administration received funding for pilot implementation. One university received no pilot funding in the first year, three received planning funds, and the remaining received pilot funding to support first year activities outlined in each campuses approved workplan.*

Implementation Phase (July 1998 - June 1999):

University-School Teacher Education Partnerships that received acceptable reviews during the Pilot Phase or who revised their initial plan to better align with the Guiding Principles were eligible to receive second year funding from the UNC Board of Governors for implementation. As in the Pilot Phase, funds could be used to support a wide range of activities, including joint university and school staff development, stipends for classroom teachers working with preservice teacher-interns, employment of clinical faculty, travel funds, and other needs as identified in the approved Partnership plans. Expansion budget funds could not be used to add tenure track faculty in the University or in the public schools.

The National Review Team will be invited to visit each campus and selected school sites during the Implementation Phase. The team will assess the progress and success of the USTEPs in implementing their activities and meeting the goals set forth in their approved plans. Findings will be reported back to the UNC General Administration and to the Partnerships for the purpose of supporting universities and schools in the change process, by June 30, 1999.

Continuation Phase (July 1999 - continuing):

All 15 public universities with teacher preparation programs will be strongly encouraged to achieve the program changes required to receive continued funding for their Partnerships. In anticipation of this goal, the UNC Board of Governors has requested continuing funds from the North Carolina General Assembly for ongoing operation of the Partnerships. However, Continuation Phase funding will be released only when the National Review Panel and the UNC Board of Governors grant final approval.

A plan for an annual evaluation of the Partnerships will be developed in collaboration with the deans and staff of the State Department of Public Instruction and the UNC Board of Governors. The evaluation plan will align with the proposed North Carolina "IHE Report Card" currently under development as mandated by the Excellent Schools Act of 1997. Elements of the audit will include the scores of pre-service teachers on PRAXIS tests and other performance measures, the results of follow-up surveys of graduates, performance review data from employers, the results of surveys of employer satisfaction, and employment and teacher retention data.

Universities will be supported to strengthen the USTEPs continuously as new knowledge of teaching and learning emerges from research and from documented "best practices." Extended graduate level preparation of teachers in clinical schools and professional development schools recommended in the National Commission on Teaching and America's Future will likely emerge as support for the reform continues.

Lessons Learned

The University-School Teacher Education Partnerships are still very young and more is yet to be accomplished. However, even in the early years of the change process much has been learned by both university and public school educators. Some of the lessons learned are:

Partnerships are beneficial.

- Partnerships can produce beneficial results that are only possible through collaboration.
- Partnerships can bring professional enrichment and renewal to participants in the public schools and the universities.

Thoughtful selection of partnership participants is an important first step.

- Involve both university and public school faculty in the selection of partnership sites to ensure specific teacher preparation areas of study.
- "Mutual selection" in teacher-intern matching will help ensure compatible pairings and increase the likelihood of successful learning experiences.

- Allowing clinical teacher self-nominations will help ensure that clinical teachers are internally motivated rather than externally pressured to participate in the partnerships.

It is important to take time up-front to lay a foundation for teamwork.

- Building relationships among key participants at the beginning will help build trust and establish ties for open communication.
- Clarifying goals, roles, and strategies for implementation (e.g., which teaching model to use) will help avoid future confusion and conflict.
- A half- or full-day planning retreat for participants focused on mission, vision, and goals is a relatively quick and effective way to begin to accomplish partnership objectives.

All stakeholder groups should be involved at appropriate points throughout program development and implementation.

- All stakeholder groups should be given opportunities to contribute ideas, communicate their interests, and ask questions before decisions that affect them are made.
- When planning, involve individuals who will be instrumental in later efforts.
- Form student cohorts and assign interns during the development phase.
- Having interns participate in the preparation for the opening of school and the first week of fall classes is both a good idea and manageable.

Cultural differences between partners must be acknowledged and addressed.

- Every organization has its own unique culture. Building mutual understanding of differences (e.g., priorities, and reward systems) can strengthen partnerships.
- Partnerships must create value for all parties. For schools, value may mean improved student performance. For universities, value may mean advances in research.
- While university faculties have traditionally held primary responsibility for teacher preparation, these partnerships require shared ownership of this responsibility.

The scope of activities undertaken must be realistic with respect to available resources.

- Goals must be prioritized.
- Begin with a relatively simple focus. Trying to do too many things at one time can dilute the overall effectiveness of the partnership.
- Regional technology plans may help universities and school districts make most effective use of instructional technology resources and forge better communication as well.

Failure to plan ahead can hinder success and result in disappointment over unmet timelines.

- Securing long-term financing can help bring stability to partnerships. Periodically communicating the partnership benefits to those footing the bill and to those who influence the funding agencies will help keep these programs in their budgets.
- Unforeseen difficulties always arise during implementation. Allow extra time when giving promise dates for achievement of specific milestones.
- The time of preservice teachers, teachers and university faculty must be secured well in advance (e.g., one year prior) to ensure that they will have adequate time available to devote to the partnerships.

Training is necessary prior to implementation.

- Once planning is completed, all participants should meet again to discuss how the partnership would be implemented.
- Participants need to know how their individual efforts are important to the overall success of the partnership.
- Effective, school-appropriate methods of training clinical teachers and university supervisors must be provided.

Evaluate, document, and communicate program performance.

- Measurements of program effectiveness are necessary to support funding requests.
- Evaluation of the effectiveness of partnership activities must be routinely conducted. Individual responsibilities for evaluation and documentation must be clearly communicated and consistently reviewed.
- Participants must share successes and lessons learned.

Summary and Conclusions

The North Carolina University-School Teacher Education Partnerships are premised upon John Goodlad's conclusion that "any teacher education program created or conducted without the collaboration of surrounding schools is defective (Goodlad, 1991)." Successful partnerships must be girded by a shared vision, mission, and goals that are jointly crafted by members of both universities and schools. The vision, mission, and goals must focus equally on the transformation of schools and on teacher education programs. Partnerships must be governed by a structure that supports equal participation by members. There must be a clearly articulated decision-making process that empowers the governing agency to develop policies to oversee implementation of partnership plans. Finally, the Partnerships must establish an ongoing communication and feedback system at many levels in both organizations so that everyone in the partnership organizations can assess and monitor progress, to identify problems, and to develop self-correcting mechanisms.

It is especially important that the mission and vision of the partnership be driven deep within the partnership organizations, so that as leadership changes occur the partnership will continue. To date, nine of the fifteen deans of education have changed in the two years since the USTEPs were initiated.

Public school and university partnerships that follow these strategies have the potential for becoming potent agents for simultaneous reform and continuous improvement in public schooling and teacher education. It should also help rebuild public confidence in both public schools and schools of education.

The continued support of the Governor, the General Assembly and other policymakers is critical. By maintaining a focus on the value-added approach to partnership and by faithfully implementing the five Guiding Principles, the 15 University-School Teacher Education Partnerships in North Carolina can become more successful and credible over time. Success will mean better initially prepared teachers, increased retention rates of teachers, and a whole new generation of competent, caring, and qualified teachers for the public schools of North Carolina.

Dr. Charles R. Coble, Vice President for University-School Programs
The University of North Carolina General Administration

References

Coble, C. R. (1998). *A framework for building and sustaining university-school partnerships*. North Carolina Journal for Teacher Education, IX (2).

Cortada, J. W. (1995). *Do you take this partner?,* The Total Quality Review, November/December.

Deans' Council on Teacher Education (1996). *A proposal to establish university-school teacher education partnerships in North Carolina.* University of North Carolina. Chapel Hill, NC.

Deans' Council on Teacher Education (1997). *Implementation plan to establish university-school teacher education partnerships in North Carolina.* University of North Carolina. Chapel Hill, NC.

Goodlad, J. (1991). *Why we need a complete redesign of teacher education,* Educational Leadership, (49), 3.

National Commission on Teaching & Americas Future. (1996). *What matters most: Teaching for America's future*. New York: Author.

North Carolina Department of Public Instruction (1996). *Teacher turnover.* Raleigh: NC, Author

North Carolina Professional Practices Commission (1995). *Something must be done: Attracting and retaining a quality and diverse teaching force in North Carolina,* A report of the North Carolina State Board of Education. Raleigh, NC: Author.

North Carolina School Improvement Panel (1997). *Bringing it all together for children in public schools*. Raleigh, NC: Author.

The Public School Forum of North Carolina (1996). *A profession in jeopardy.* Raleigh, NC: Author.

UNC Deans' Council on Teacher Education

Vision Statement

The University of North Carolina's schools, colleges and departments of education, in collaboration with public school partners and others, are committed to producing professional educators of the highest quality and to supporting their continued development on behalf of children in North Carolina.

Dr. Charles Duke
Reich College of Education
Appalachian State University
Boone, North Carolina 28608

Dr. Marilyn Sheerer
School of Education
East Carolina University
Greenville, North Carolina 27858-4353

Dr. Charles Cherry
Division of Education
Elizabeth City State University
Elizabeth City, North Carolina 27909

Dr. Joseph Johnson
School of Education
Fayetteville State University
Fayetteville, North Carolina 28301

Dr. David Boger
School of Education
North Carolina A&T State University
Greensboro, North Carolina 27411

Dr. Sammie Campbell Parrish
School of Education
North Carolina Central University
Durham, North Carolina 27707-3198

Dr. Joan Michael
College of Education & Psychology
North Carolina State University
Raleigh, North Carolina 27695

Dr. James McGlinn
Department of Education
University of North Carolina at Asheville
Asheville, North Carolina 28804-3299

Dr. Madeleine Grumet
School of Education
University of North Carolina at Chapel Hill
Chapel Hill, North Carolina 27599

Dr. John Nagle
College of Education
University of North Carolina at Charlotte
Charlotte, North Carolina 28223

Dr. David Armstrong
School of Education
University of North Carolina at Greensboro
Greensboro, North Carolina 27412

Dr. Don Little
Department of Education
University of North Carolina at Pembroke
Pembroke, North Carolina 28372

Dr. Robert Tyndall
Watson School of Education
University of North Carolina at Wilmington
Wilmington, North Carolina 28403-3297

Dr. Michael Dougherty
College of Education and Allied Professions
Western Carolina University
Cullowhee, North Carolina 28723

Dr. Edwin Bell
Division of Education
Winston-Salem State University
Winston-Salem, North Carolina 27110

Dr. Charles R. Coble
Vice President, University School Programs
UNC General Administration
Chapel Hill, NC 27515-2688

More information about the University-School Teacher Education Partnerships and related initiatives can be located at the following website:

http://www.ga.unc.edu/21stcenturyschools

UNC CENTER FOR SCHOOL LEADERSHIP DEVELOPMENT

In January 1997, the Board of Governors adopted a proposal to establish the University of North Carolina Center for School Leadership Development which will be responsible for the ongoing professional development of professional public school employees. The Executive Director of the Center is Dr. Sam Houston. The Center will move into its new facility near the Friday Center in January 2001.

Seven existing professional development programs, and one in the planning stages, are part of the Center for School Leadership Development:

- NCCAT, the ***North Carolina Center for the Advancement of Teaching*** created in 1985, is a unit of the University of North Carolina dedicated to serving school teachers in order to enhance the learning of the children of North Carolina. NCCAT's mission is to provide a dynamic environment, in an atmosphere of respect and dignity, where North Carolina teachers engage in scholarly activities structured to stimulate intellectual curiosity, create thinking, inquiry, and discussion; examine and challenge ideas; have time for reflection, inspiration, and professional networking; and develop renewed enthusiasm for teaching.

- The ***North Carolina Teacher Academy*** (NCTA), created in 1993, seeks to recognize the importance of continuous learning to the growth of the career teacher by providing quality professional development in the areas of school committee leadership, instruction, core content and use of modern technology. The Academy holds five-day residential programs on college campuses during the summer with follow-up training in the fall and spring. On-site training with schools staffs in reading, learning styles, and school leadership has been added to expand services.

- The ***Mathematics and Science Education Network*** (MSEN), created in 1984, has as its mission to improve the quality of mathematics and science teaching and learning in the schools of North Carolina. MSEN conducts programs for inservice educators aimed at improving mathematics and science instruction and curricula. The pre-college programs focus on increasing the pool of students who graduate from North Carolina high schools prepared to pursue careers requiring mathematics and science. MSEN has ten centers located on university campuses statewide.

- The ***North Carolina Principal Fellows Program*** (PFP) is a scholarship loan program which assists individuals in preparing for a career as a principal or assistant principal by earning a Master of School Administration (MSA) degree at one of eight constituent institutions of the University of North Carolina. The program includes enrichment and enhancement activities provided to the Principal Fellows.

- The ***Principals' Executive Program*** (PEP), created by legislative action in 1984, seeks to improve the education of K-12 students in North Carolina by increasing the commitment, enlarging the knowledge, and developing or improving the skills of public school administrators as instructional leaders and managers of personnel, property, and budgets.

- The *Center for the Prevention of School Violence* (CPSV) was created in 1993. Through providing information, program support, and research, the Center endeavors to be a primary point of contact for helping to eliminate violence in the public schools and to help create schools where students feel safe and secure, free of fear, in an environment conductive to learning.

- The *North Carolina Model Teacher Education Consortium* (NCMTEC) became part of the Center for School Leadership Development in January 1999. NCMTEC, established in 1989, is a collaborative effort which provides affordable, accessible, high-quality education/training to aspiring and practicing educators in participating school districts in northeastern North Carolina. Currently, eighteen local school systems, five colleges and universities, nine community colleges, and the Department of Public Instruction are involved. The NCMTEC has received funding to expand into the southeastern part of the state.

- An *Executive Leadership Academy* is being planned for and by superintendents to provide them with opportunities which enhance their knowledge and skills to lead North Carolina's schools into the 21st century. The mission of the Academy will be to provide:
  - professional development for acting superintendents
  - personal renewal opportunities
  - opportunities for informal learning
  - a setting for networking and professional support.

North Carolina Center for the Advancement of Teaching

Mission Statement:
NCCAT is a unit of the University of North Carolina dedicated to serving school teachers in order to enhance the learning of the children of North Carolina. NCCAT's mission is to provide a dynamic environment, in an atmosphere of respect and dignity, where North Carolina teachers engage in scholarly activities structured to stimulate intellectual curiosity, creative thinking, inquiry, and discussion; examine and challenge ideas; have time for reflection, inspiration, and professional networking; and develop renewed enthusiasm for teaching.

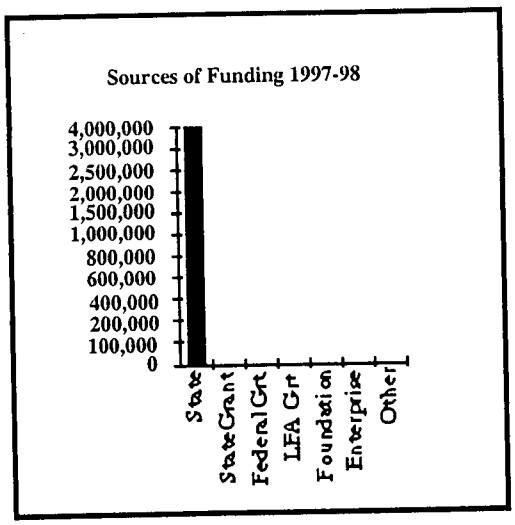
Creation:
Created by legislative action in 1985.

Current Operation: NCCAT conducts residential seminars year-round for teachers in the arts, sciences, and the humanities at the Center and other locations. Also, professional development programs are conducted for schools and school systems needs. Programs have been conducted on such topics as Beginning/Mentor Teachers, Total Quality Management, and Site Based Management. The Center also hosts education-related conferences and meetings.

Location of Programs:
Cullowhee, NC is the permanent site. However, various locations on the coast and in the Piedmont serve as sites.

1997-98 Budget:
Total Budget: $3,960,319

State	$3,960,319	
Other:	$20,897	(food reimbursement)
	3,000	(surplus property sale)



Number of persons served last year:
(1996-97) total participation, 4132

Governance:
Independent board appointed by UNC Board of Governors, President of Senate, Speaker of the House and including ex-officio members. Also, has an advisory board composed of teachers.

Organization:
The Director of the North Carolina Center for the Advancement of Teaching (NCCAT) is appointed by the Board of Governors. The Director reports to the NCCAT Board of Trustees and supervises the professional development program located at Cullowhee, NC.

North Carolina Teacher Academy

Mission Statement:
The mission of the Academy is to recognize the importance of continuous learning to the growth of the career teacher by providing quality professional development in the areas of school committee leadership, instruction, core content and use of modern technology.

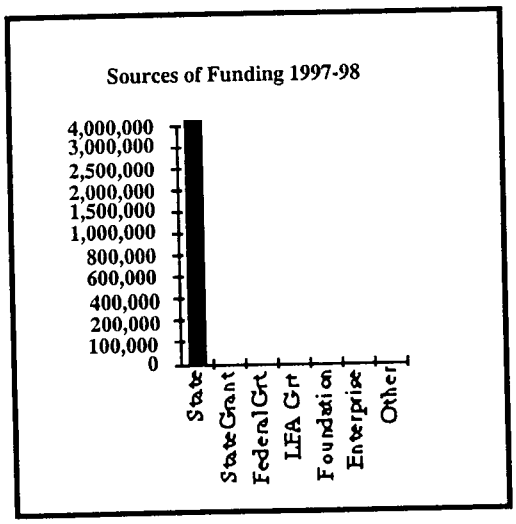
Creation:
The Teacher Academy was created by legislative action in 1993; the legislation was amended in 1995.

Current Operation:
The Academy holds five-day residential programs on college campuses during June and July and follow-up training in the fall and spring. On-site training with school staffs in reading, learning styles, and school leadership has been added to expand services.

Location of Programs:
Appalachian State University
Chowan College
East Carolina University
Elon College
Fayetteville State University
Greensboro College
Lenoir-Rhyne College
Meredith College
UNC-Wilmington
Western Carolina University

Budget:

Source of Funds:	
State	**$4,100,000.00**
Total	4,100,000.00



Number of people served:
July 1, 1996 - August 1997 4762

Governance:
The Teacher Academy is governed by a twenty member Board of Trustees appointed by the Governor, the President of UNC, President of the Senate, Speaker of the House, President of Independent Colleges and Universities, and the Chair of the State Board of Education.

Organization:
The Director is appointed by and reports to the Teacher Academy Board of Trustees.

University of North Carolina Mathematics and Science Education Network

Mission Statement:
Improve the quality of mathematics and science teaching and learning in the schools of North Carolina.

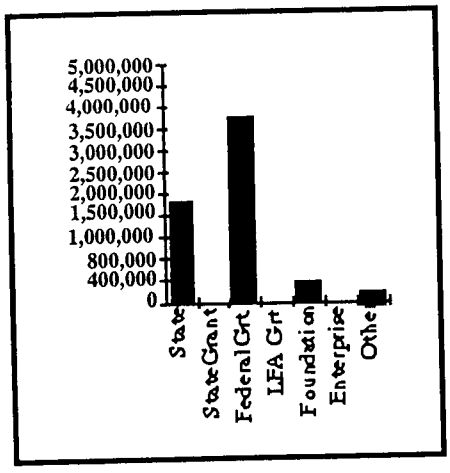
Creation:
Created by legislative action in 1984.

Current Operation:
The MSEN conducts programs for inservice educators aimed at improving mathematics and science instruction and curricula. The pre-college programs focus on increasing the pool of students who graduate from North Carolina high schools prepared to pursue careers requiring mathematics and science.

Location of Programs:
MSEN has ten centers located on university campuses statewide. These campuses include: Appalachian State University, East Carolina University, Elizabeth City State University, *Fayetteville State University, *North Carolina A&T State University/UNC-Greensboro, North Carolina School of Science and Mathematics, *North Carolina State University, *UNC-Chapel Hill, *UNC-Charlotte, UNC-Wilmington, and Western Carolina University. Those with * are Education Centers with Pre-College Program sites, Elizabeth City State University is a Pre-College Site only.

1997-98 Budget:

Total Budget: $6,520,977



Number of persons served last year:
MSEN Professional Development Activities served 5764 teachers in over 300 staff development programs. The Pre-College Program last year served approximately 3000 students, 1000 parents, and 130 teachers.

Governance:
Historically, the Executive Director of the North Carolina Mathematics and Science Education Network has been appointed by the Board of Governors and reports to the Provost's office at UNC-Chapel Hill through the associate Provost. There is an advisory board for the Network and a separate advisory board for the pre-college program.

Organization:
The North Carolina Mathematics and Science Education Network (MSEN) has ten centers located on the university campuses statewide. Each center has a director who reports to the constituent institution's Provost, Vice Chancellor, Dean of Education, or Dean of Arts & Sciences. The Network Executive Director maintains a central, coordinating office at UNC-Chapel Hill.

NC Principal Fellows Program

Mission Statement:
A scholarship loan program which assists individuals in preparing for a career as a principal or assistant principal by earning a Master of School Administration (MSA) degree; the program includes enrichment activities provided to the Fellows.

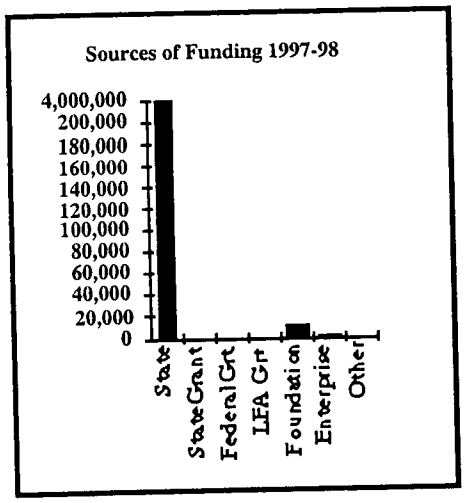
Creation:
G.S. 116-74.41-.43 establishes the Principal Fellows Commission, the Principal Fellows Program and names the State Education Assistance Authority as fiscal agent for disbursement of scholarship funds, monitoring of service repayment and cash collection when necessary.

Current Operation:
A) Administration of the PFP scholarship loans: publicity, recruiting, application processing and selection of recipients annually.
B) Planning and providing enrichment activities in cooperation with the MSA programs at the eight constituent institutions of the University of North Carolina.

Location of Programs:
ASU, ECU, FSU, UNC-C, UNC-CH, UNC-G, UNC-W, and WCU.

1997-98 Budget:

Scholarship Budget	$3,240,000
Operating Budget: (includes salaries for two staff members)	123,000
Enrichment Activities Budget: (BellSouth grant)	125,000



Number of persons served last year: 150 Principal Fellows in the first/second year of the MSA program.

Governance:
12 member appointed commission which sets policy and selects recipients; the director is one of 12 members of the commission and serves as chair - by legislation.

Organization:
Program staff consists of two positions - a director and a program assistant. These two individuals handle all day-to-day operations of the PFP and the director chairs/staffs the Principal Fellows Commission.

Principals' Executive Program (PEP)

Mission Statement:
PEP seeks to improve the education of K-12 students in North Carolina by increasing the commitment, enlarging the knowledge, and developing or improving the skills of public school administrators as instructional leaders and managers of personnel, property, and budgets.

Creation:
Created by legislative action in 1984. The General Assembly expanded and extended the program to superintendents in 1985 and assistant principals in 1991, and added a technology component in 1996.

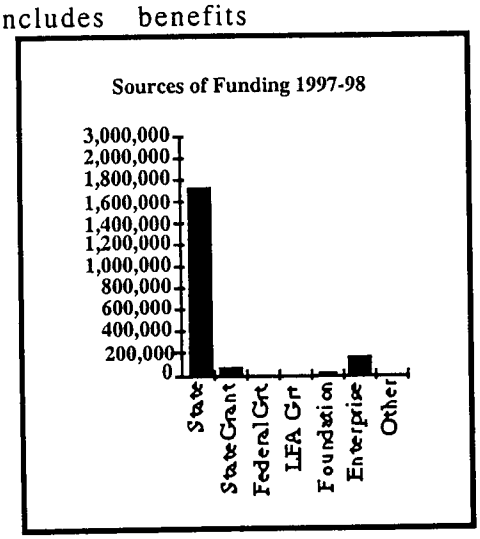
Current Operation:
PEP provides residential leadership development programs of 19- to 26-day duration for principals, assistant principals and central office administrators. It supports its graduates and other educators with ongoing one- to three-day support programs (symposiums, seminars, workshops, and consulting). The program seeks to improve the administrator's ability to lead and demonstrate effective management skills, and teach up-to-date educational theory and practice.

Location of Programs:
Residential programs are held on the campuses of Appalachian State University, UNC-Chapel Hill, and UNC-Wilmington. Support programs are held in Chapel Hill and at retreat settings and public schools across the state.

1997-98 Budget:

State*	$1,743,368
State Grant	39,000
Foundations	1,869
Enterprise (Receipts)	348,764
Total	$2,033,001

*includes benefits



Number of persons served last year: 33,317 in FY 96-97

Governance: The Principals' Executive Program is to be governed by the yet to be appointed Board of Trustees of the North Carolina Center for School Leadership Development. PEP's Advisory Board, constituted from officers of each class of PEP, APEP, SEP, and COEP, meets twice a year in Chapel Hill.

Organization: Before January 7, 1997, the director reported to the Provost at UNC-Chapel Hill. The director currently reports to the Vice President for University - School Programs at UNC General Administration.

Center for the Prevention of School Violence

Mission Statement:
The Center's vision is that every student will attend a school that is safe and secure, one that is free of fear and conducive to learning. Its mission statement: Through providing information, program support, and research, the Center endeavors to be a primary point of contact for helping to get violence out of our schools.

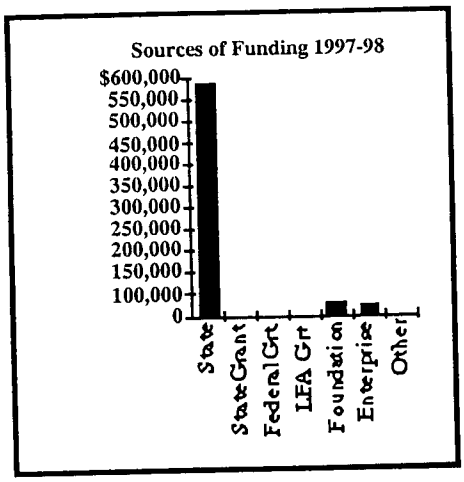
Creation:
The Center was created in 1993 by Executive Order of the Governor and transferred to the University system in 1995.

Current Operation:
The Center focuses on the programs contained in its Safe Schools Pyramid: School Resource Officers; law-related education, including Teens, Crime, the community; conflict management and peer mediation; Students Against Violence Everywhere (SAVE); teen court and student court; and physical design and technology. It also is working on a number of special projects which are designed to make schools more orderly, safer, and more secure. These include: character education, safe school planning efforts and youth out of the education mainstream.

Location of Program:
College of Education & Psychology, North Carolina State University, Raleigh, NC

1997-98 Budget:

Total	**$580,000**



Number of persons served last year: 41,014 +

	FY 96-97
Mailing List	6,432
Presentations	30,214
Information Requests	2,232
Website Hits	2,136
TV Audiences/others	+

Governance:
No governing board exists; however, a 12 member (plus 4 ex-officio members) advisory board is in place, appointed by the President of the University, the Governor, the Chair of the State Board of Education, and the President of the Community College System.

Organization:
The Center is chartered as an interinstitutional service center of the University of North Carolina. The Director is appointed by the Board of Governors.

Schedule of Priorities – Current Operations

Line 4 – Collaborative University/Schools Programs

	1999-2000	2000-2001
Line 4	$4,423,341	$4,939,111

Line 4 represents support of programs that enhance the preparation of teachers and administrators and put the resources of the University at the service of the public schools. These programs and activities are part of the University's response to President Broad's commitment to strengthen the support of the University toward the public schools. The Board of Governors' long-range plan confirms its intent to forge stronger linkages between the University and other educational sectors in order to improve the quality of education in North Carolina.

Successful school reform must have a K-16 focus with emphasis on alignment of content, expectations and standards across K-12 and higher education. Line 4 requests involve increased collaboration and alignment of University initiatives serving the public schools including the programs within the Center for School Leadership Development, the University-School Teacher Education Partnerships and the offices of school services at each constituent institution, and other school-outreach organizations. The University of North Carolina Center for Public Television seeks the capacity to increase the efficient use of existing resources and support linkages between the University and the public schools and community colleges. Other initiatives are expansions of programs with proven track records of improving the quality of the initial and continuing development of teachers and administrators; enhancing the effective use of instructional technology; supporting the strategic priorities of the State Board of Education including safe schools; and emphasis on the critical issues of teaching and learning in mathematics and science, international education, and reading.

The priority program in this category is directed toward fully integrating professional development programs for teachers and administrators within the Center for School Leadership Development and securing appropriate operational

Line 4 – Collaborative University/Schools Programs (Continued)

funds for the new Center facility. The Center proposes a strategy for linking a network of model schools which would serve as "lighthouses" of best practices for educators throughout North Carolina. The second priority is to establish K-16 Matching Incentive Grant Funding to support the alignment of content and teaching standards and expectations between the public schools and universities.

Two requests involving the University of North Carolina Center for Public Television will add significant value to the University's outreach to and support for the public schools. Learning Link will complete its migration to a Web-based service that will serve as a "one-stop" online professional development resource for educators K-16. Through Late-Night Learning, the University of North Carolina Center for Public Television will extend its broadcast services for schools and other educational users between 1:00 a.m. and 6:00 a.m. This will greatly increase the educational productivity of a valuable state resource.

One of the requests is for technology-related support to work toward full implementation of the recommendations of the School Technology Users Task Force Report of October, 1995. This request is to upgrade instructional technology in the 15 colleges/schools/departments of education in the University, thus allowing pre-service teachers and administrators to exit from programs more knowledgeable and skilled in the effective uses of technology to support student learning.

The North Carolina Center for the Prevention of School Violence was established in 1993 with federal and State funds. The Center is implementing successful measures to stem the tide of violence in North Carolina's schools and is a critical organization in helping achieve the second strategic priority of the State Board of Education: Safe and Orderly Schools. The Center assists local education agencies across North Carolina in developing safe schools plans as required by the Board, provides training in conflict management, keeps vital statistics on school violence in North Carolina, and most important, has developed a comprehensive plan for reducing violence and improving the school climate for learning.

Line 4 – Collaborative University/Schools Programs (Continued)

The Mathematics and Science Education Network provides high quality staff development for mathematics and science teachers. The Network also administers the successful, national award-winning Pre-College Program that emphasizes support for minorities and females to pursue higher level mathematics and science courses and to extend that interest into higher education. Summer Ventures in Science and Mathematics, which operates on six University of North Carolina campuses, provides high quality, challenging, and rewarding science and mathematics enrichment programs for North Carolina's academically accomplished high school students. The amounts appropriated in the mid-1980's to initiate these programs are insufficient. Additional resources are needed to maintain the quantity and quality of the programs.

The Principal Fellows Program was established by the General Assembly in 1993 to fund opportunities for full-time graduate work for prospective school leaders. The Principal Fellows Program is a key component in a series of legislative initiatives related to improving the preparation and professional development of public school administrators, such as the new Master of School Administration programs, the establishment of the Center for School Leadership Development, and the creation of the Standards Board for Public School Administrators.

The University of North Carolina Center for International Understanding over the past two years has directed more of its human and material resources toward providing services to public school educators and educational policymakers. Building upon seed money from external grants, the Center is prepared to offer more international exchange initiatives for K-12 educators and to promote international school partnerships through technology links.

Reading Together is a proven model for encouraging improved reading skills and interest in the elementary years. This model, first developed in Israel, is being advanced in the public schools of North Carolina through the work of the University-School Teacher Education Partnership at the University of North Carolina at Greensboro.

Line 4 – Collaborative University/Schools Programs (Continued)

University of North Carolina Center for School Leadership Development

Programming/Operation of the Center: In January 1997, the Board of Governors, in response to previous action taken by the General Assembly, adopted a proposal to establish the University of North Carolina Center for School Leadership Development, which is responsible for the delivery of ongoing professional development for school administrators, teachers, staff, and others. While the University is committed to producing quality graduates, it must simultaneously accept the responsibility for providing continued professional development opportunities for all practicing educators. Thus, the purpose and mission of the Center is to provide high quality professional development that is aligned with the strategic goals of the State Board of Education and that represents the best practices and most current knowledge related to teaching and learning.

A new facility will open during the summer of 2000 that will house the administration and staff of the Center, including the North Carolina Teacher Academy, the Center for the Prevention of School Violence, the Principal Fellows Program, the North Carolina Mathematics and Science Education Network, the Principals' Executive Program, and the Executive Leadership Academy for Superintendents. The North Carolina Center for the Advancement of Teaching is included in the Center's organizational framework but will continue operation at its Cullowhee site. This new facility will significantly enhance the capacity for each of the programs to advance the professional knowledge and skills that support school improvement and higher student performance. The facility's advanced technology and cooperation with the University of North Carolina Center for Public Television's Learning Link will allow the delivery of distance learning opportunities so that continuous professional development may be accessed at anytime from anywhere in the State. The Center facility's classrooms and meeting spaces will be operated on extended hours seven days a week and will require sophisticated management and coordination of events and programs to optimize the services of the Center. ($256,817 – $525,467)

High Performance Lighthouse Schools: Through an effort called NC HELPS, an unprecedented joint effort by the University of North Carolina, the State Board of Education, the Department of Public Instruction, the North Carolina Community College System, and the Governor's Office is assisting in improving schools that have been identified as low-performing under the ABCs of Public Education or are at-risk of becoming identified as low performing. The University of North Carolina provides numerous professional development programs through the Center for School Leadership Development and through partnerships between the Schools of Education and local school districts.

Traditionally, professional development programs are designed to focus on grade level or instructional needs specific to a new program or curriculum change. Seldom are these efforts aligned to address the complexities of full school change. This budget request is proposed as a means to address full school reform and to produce model Lighthouse Schools that are training centers for those wishing to

Line 4 – Collaborative University/Schools Programs (Continued)

see best practices at work. This effort to identify and support the Lighthouse Schools within existing public schools associated with the 15 University-School Teacher Education Partnerships will be the first step in the development of a statewide network of Lighthouse Schools. Staff from schools all over the state will be able to see best practices that are supported by powerful professional development models and carried out by master teachers at work and that can be implemented in other classrooms or schools. ($260,000 – $260,000)

University of North Carolina K-16 School Services Matching Incentive Funds

The University of North Carolina is committed to K-16 education partnerships directed at the development of higher performing professionals and schools that are aligned to the four strategic priorities of the State Board of Education. All constituent institutions in the University of North Carolina are invited to submit proposals through their existing offices of school services to implement activities that align the academic content, expectations and standards for K-16. Thus, the expectation is that college/school/department of education faculty, arts and sciences faculty, and other university faculty will participate in developing and conducting the work of the grant. The total of $975,000 will be allocated among the constituent institutions based on size of the program and scope of the proposed initiative. Proposals may range from $40,000 to $75,000 per campus. Each approved plan will focus on activities that align content, expectations and standards across K-12 and higher education. The ultimate goals of the plan will be to:

(1) help ensure that all high school graduates meet high standards;
(2) encourage schools to employ only teachers who can bring all students' performance to high standards;
(3) encourage that only college students who meet high standards be accepted into teacher preparation; and
(4) ensure that all teacher candidates are prepared to bring student performance to high standards. ($975,000 – $975,000)

University of North Carolina Center for Public Television

Learning Link: The request seeks funds to alter the current on-line computer service that has been supported by the General Assembly since 1993. Learning Link would migrate to a Web-based service that would function as a "one-stop" on-going professional development and information site for educators K-16 across North Carolina. [Examples of other University of North Carolina Learning Link services will include support for programs within the University to provide more opportunities for online teaching and learning, interactive online discussions of educational issues; serve as a curriculum resource center, instructional design support; direct connections between University faculty and public school educators, and general technical support for teachers.] The major components of the request are for additional computer-related equipment and staff to support this service. ($385,852 – $456,902)

Line 4 – Collaborative University/Schools Programs (Continued)

Late-Night Learning: This request seeks support to extend "Late-Night Learning" between 1:00 a.m. and 6:00 a.m. to broadcast programs for schools and for other educational programming. The University of North Carolina Center for Public Television has excellent educational programs and services and could offer more if not limited by the number of hours that it can afford to broadcast. Since broadcast schedules and class times seldom match, many teachers prefer to tape the programs for use at their convenience, which expanding University of North Carolina Center for Public Television operating hours would allow teachers to do. "Late-Night Learning" will enable the State to get the best value for its investment in the center's network by adding a 21 percent increase in operating hours for an 8 percent proposed budget increase. The major components of the request are electrical power for the transmitters for the additional broadcast time, equipment maintenance, repair and replacement costs, and engineering and technical staff to operate the network. ($358,027 – $360,347)

School Technology Users Task Force Implementation

The 1995-96 General Assembly provided funds for colleges/schools/departments of education in the University to significantly upgrade their information and instructional technology and to employ an EPA non-faculty member to begin training education faculty on effective uses of technology. This forward-looking initiative was recommended in the "School Technology Users Task Force Report," a cooperative effort between the University of North Carolina, the Department of Community Colleges, and the Department of Public Instruction to strengthen the initial preparation of teachers and administrators to use technology effectively. What is required are cyclical additions to the technology budgets of education programs to maintain their currency in the availability and application of technology to teacher and administrator preparation. The expansion budget request is higher in the second year than the first in order to purchase the upgrades of equipment that will be required on the technology purchased in the last academic year. ($347,500 – $521,250)

North Carolina Center for the Prevention of School Violence

The North Carolina Center for the Prevention of School Violence was established in the fall of 1993 with federal funds and a State matching appropriation as part of the Governor's Crime Commission. By administrative action, the University of North Carolina Board of Governors requested, and the Governor approved, movement of the Center to North Carolina State University in the College of Education and Psychology, effective July 1, 1995. The Center, in collaboration with numerous other governmental agencies and institutions, is charged with the responsibility of identifying problems and developing recommendations and procedures to stem the tide of violence in North Carolina schools. Specifically, the Center (1) serves as a clearinghouse for information and materials concerning school violence prevention so that problems can be better identified and solutions can be developed; (2) offers program development and implementation expertise

Line 4 – Collaborative University/Schools Programs (Continued)

and technical support to schools, law enforcement agencies, and communities so that programs are able to be more successful; and (3) researches and evaluates school violence prevention programs so that schools and communities are better able to address their specific needs in ways that are effective. The Center is North Carolina's primary point of contact for those interested in obtaining information, support, and research concerning school violence prevention. Since its inception, all 100 counties in North Carolina have requested the Center's assistance, resulting in the dissemination of vast amounts of useful information. Since 1995, presentations have been made by staff to more than 80,000 people. Results of the Center's activities reveal marked decreases in the reported acts of school violence and tremendous growth in the number of student organizations against violence. This request seeks state funds to continue the development of safe schools where children can learn in a positive climate. ($580,000 – $580,000)

Mathematics and Science Education Network

Center Expansion to Elizabeth City State University: A network center at Elizabeth City State University will provide the leadership needed to improve the quality of mathematics/science teaching and learning in the rural, low-wealth northeastern counties bordering the Albemarle Sound and Virginia. The center would coordinate the implementation of new programs focused on developing the ABC Plan initiatives in science and mathematics education in elementary, middle, and high schools; facilitate the implementation of ongoing course and program offerings in mathematics, science, and technology education; assist with grant proposal writing to expand the Center's work with schools; assist with research aimed at documenting the program's impact more clearly; and assist with regional coordination of statewide projects. ($157,480 – $157,480)

Mathematics and Science Education Network Pre-College Program Expansion to East Carolina University: The Pre-College Program recruits female and minority students in grades 6-12 to pursue academic fields in mathematics and science at the university level. The Program provides enrichment classes and activities in the schools as well as Saturday and summer programs currently held on six University of North Carolina campuses. The Program's specific goals are to encourage students to pursue college-bound-track mathematics and science courses through grade 12, to enroll in college immediately following high school, and to pursue mathematics- and science-based majors. The Program is a spectacular success in reaching these goals. In 1994-95, 97 percent of the participating students had adopted the goal of enrolling in a four-year college, and more than 95 percent of Pre-College graduates enroll in four-year colleges, and nearly two thirds of them pursue mathematics- and science-based majors in college. The Pre-College Program graduates an average of 150 students a year and attempts to track these students after they leave high school. Unfortunately, growth of the program has slowed in recent years as the size of the program has reached the limit of available resources. This additional site will help attract more students into science and mathematics from the underserved rural families of eastern North Carolina. ($92,520 – $92,520)

Line 4 – Collaborative University/Schools Programs (Continued)

Summer Ventures in Science and Mathematics

Summer Ventures in Science and Mathematics is an inter-institutional program of the University administered by the North Carolina School of Science and Mathematics. Summer Ventures gives high school students an opportunity to engage in investigative studies at one of the six participating campuses for four weeks in the summer. Students undertake and report on the results of a research project of their own design under the supervision of university faculty and high school teachers. Summer Ventures is a program that may influence career choices of North Carolina's academically motivated young people. One objective of this request is to provide more support for the residential aspects of the program and therefore serve more students than has been possible in recent years due to the increasing cost of food and housing and the need to replace aging equipment. The request also includes funds for increases in faculty lines to add course sections and/or to make salaries more competitive. A research associate for the program, to be located at the School of Science and Mathematics, is requested to ensure continued collection of impact data. ($200,092 – $200,092)

Principal Fellows Program

Chapter 321 of the 1993 Session Laws, Sec. 85(a) §116-74, 41-43 directed that "the final number of scholarship loan awards per year shall be made in accordance with the Board of Governors' findings concerning the supply and demand of administrators." Supply and demand studies that address the number of new administrators needed for the future are difficult to generate and are clouded by factors never before given consideration. It is known that the enrollment changes that are presently affecting school districts have increased the need for new administrators. New licensure requirements have made it more difficult to determine the exact or potential pool of new administrators presently employable. The projections for the number of persons completing school administration programs are for fewer than the expected need of 400 to 500 new administrators each year for the next decade. Given the two years of study before scholarship recipients are eligible for administrative positions, it is important that the program reach full funding authorization as soon as possible. From 1994 to 1998, 181 scholarship loans totaling $3,620,000 have been authorized and funded. Recognizing the need to bring the Principal Fellows Program to its fully authorized level, the Principal Fellows Commission is requesting funding of 19 additional scholarship loans by 1999-2000. This request for an additional 19 scholarships will take the funding level to the full 200 authorized by establishing legislation. ($380,000 – $380,000)

North Carolina Center for International Understanding

International Educator Exchange Initiative for K-12 Educators: In 1998, the North Carolina Center for International Understanding received a year-long planning grant from the Z. Smith Reynolds Foundation to develop a comprehensive five-year plan to increase North Carolina educator access to international resources,

Line 4 – Collaborative University/Schools Programs (Continued)

particularly international educational exchange opportunities, with the assistance of a commission of educational policy makers and practitioners. As a result, the Center now has a detailed plan to deliver a comprehensive program of exchanges and other international educational activities, each designed to accomplish one or more of the following: (1) increase teacher ability to deliver the international aspects of NC's Standard Course of Study, (2) enable educational policy makers to examine educational best practices around the world and establish international educational benchmarks, (3) strengthen commitment to the teaching profession and provide creative renewal for teachers, (4) increase ability of teachers and systems to meet the needs of new populations of students in the State, and (5) enhance the ability of educators to help students understand the concept of global interdependence; become aware of the impact of culture on behavior, attitudes, and perspectives; and increase factual knowledge about other cultures. ($112,000 – $112,000)

International School Partnerships through Technology: The International School Partnerships through Technology matches North Carolina high school classrooms with schools abroad to conduct joint projects using Internet technology and promoting cross-cultural learning, both conditions in demand and necessary to better position students to live successfully in a world-wide economy. Launched in spring, 1997 with two pilot partnerships, the program expanded during the 1997-98 academic year through grants from several foundations. That year the program matched 28 North Carolina classrooms with schools in 13 countries. North Carolina teacher evaluations indicated that the project accomplished its objectives: enhanced curricular goals, increased student competency/confidence in technology skills, and increased student competency in cross-cultural communication. ($68,053 – $68,053)

Reading Together USA

Reading Together USA is a tutorial program that features upper-grades elementary pupils helping second graders to improve their reading proficiency and their attitudes toward reading. A comprehensive evaluation of the program completed in May, 1998 revealed statistically significant gains for participating second-graders in terms of improved reading achievement scores and motivation for reading.
During its first year of operation in North Carolina, 1997-98, the program was introduced into 12 pilot schools by University of North Carolina at Greensboro. An additional 20 schools, located in school districts throughout the State, were added as new pilot sites in 1998-99. The proposed expansion will increase the number of schools using the program to 72. These schools will represent school districts located throughout North Carolina and will include at least one school in each of the University-School Teacher Education Partnerships.

Funds targeted for Reading Together USA will support (1) contracting with coordinators to oversee and facilitate the program at the new pilot sites; (2) needed program support personnel; (3) purchase of needed teacher and student materials; (4) training of teachers; and (5) evaluation of the program. ($250,000 – $250,000)

PART I UNIVERSITY OPERATIONS – Expansions and Improvements

Line 4 – Collaborative University/Schools Programs (Continued)

The following is a summary of the budget requests for Collaborative University/ Schools Programs.

	1999-2000	2000-2001
Line 4 - University-School Programs		
UNC Center for School Leadership Development		
Programming/Operation	$ 256,817	$ 525,467
High Performance Lighthouse Schools	260,000	260,000
UNC K-16 School Services Matching Incentive Funds	975,000	975,000
University of North Carolina Center for Public Television		
UNC Learning Link	385,852	456,902
Late-Night Learning	358,027	360,347
School Technology Users Task Force Implementation	347,500	521,250
North Carolina Center for the Prevention of School Violence	580,000	580,000
Mathematics & Science Education Network		
MSEN Center Expansion to Elizabeth City State University	157,480	157,480
MSEN Pre-College Program Expansion to East Carolina Un.	92,520	92,520
Summer Ventures in Science and Mathematics	200,092	200,092
Principal Fellows Program	380,000	380,000
North Carolina Center for International Understanding		
International Educator Exchange Initiative for	112,000	112,000
K-12 Educators	68,053	68,053
International School Partnerships through Technology		
Reading Together USA	250,000	250,000
Total	**4,423,341**	**4,939,111**

Attachment 2 3-18-99 1pm

University-School Teacher Education PARTNERSHIPS

First Year Progress Report

The University of North Carolina

University-School Teacher Education Partnerships:
First Year Progress Report
Roy Edelfelt, *Editor*

Web address: http://www.ga.unc.edu/21stcenturyschools

3,000 copies of this book were printed at a cost of
$2,464.55, or $0.82 per copy.

VISITOR REGISTRATION SHEET

1PM

APPROPRIATIONS/Subcommittee on Education

Name of Committee ~~Joint Approp~~ Date 3-18-99

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
David Brown	OSBM
Harriet Dill	NCAE
[illegible]	UNC
Bill Olsen	NCAE
Harriet Dial	NCAE
Eleanor Hanna	
Evelyn Hawthorne	UNC-CH
Jeanne Nixon	NCSBA
Marty Babcock	NCCIU
Millie Ravenel	NCCIU
Sam Houston	UNC-GA
Maurice Ivy	OSBM
Elizabeth Grossenstein	OSBM
Lee Adams	"
Joyce Tipton	NC PTA
Ernest Pullen	OSBM
Pam Riley	CPSV
Cliffton R. Retseff	ARCGA
Joy Davis	UNC
Barbara Harris	OSBM
RAJIKA Bhandari	MSEN, UNC
Gary Omer	State Planning
Charles Thompson	NC Ed. Research Council
Dan Short	Bolton Ele Winston Salem EPFP
Jerry Tuttle	EPFP
Glenn R. Morris	EPFP / Public Sch. Forum
Gary Staples	EPFP

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education

Name of Committee

Date 3-18-99

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
John D. Denning	EPFP

Joint Appropriations Subcommittee
On Education/Higher Education

March 23, 1999
8:30 a.m.
Presiding- **Senator Walter Dalton**

Call to Order		Chair
Introduction to Tuition		**Jim Newlin,** Fiscal Research
UNC Board of Governors' Tuition Policy and Study		**President Molly C. Broad**, University of North Carolina
Federal Tax Policy and Higher Education		**Jim Newlin**, Fiscal Research
Community College Tuition Issues		**Charlotte Todd**, Fiscal Research

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

March 23, 1999
8:30 A.M. LOB

The Joint Appropriations Subcommittee on Education/Higher Education met on Tuesday, March 23, 1999 at 8:30 A.M. in the Legislative Office Building. Senator Dalton, Co-Chair presided. He introduced the following Pages: Stephanie Jackson from Wake County. Stephanie represented the Wake County Girl Scouts. Matt Jenkins from Wake county and sponsored by Representative Black and Mike Oliphant from Mecklinburg County and sponsored by Senator Odom.

Senator Dalton recognized Jim Newlin, Fiscal Research Staff to present an introduction on the Tuition Issues. Mr. Newlin stressed two points regarding tuition funds. First, tuition funds do not go into the General Fund, it goes to support that particular University and secondly, tuition increases are not used to cut the budget, rather it is used to fund the expansion budget. Mr. Newlin presented data, which illustrated the North Carolina University System Tuition rates with Universities throughout the nation. *(See Attachment 1).*

Senator Dalton introduced University of North Carolina System President Molly Broad. President Broad presented the Tuition Policy Task Force Report by the Board of Governors. *(See Attachment 2).* President Broad explained the legislative and University Board of Governors history of Tuition Policy. She stated the following are some of the recommendations, which resulted from the Tuition Study by the UNC Board of Governors:

- UNC should maintain commitment to low resident tuition.
- Action on tuition and fees should occur earlier than it does now.
- There should be no differences in rates between programs for the undergraduate level.
- Use fees for dedicated purposes-not for academic and administrative operations.
- Campus-initiated increases strongly discouraged.
- To strengthen public communication about costs and financial aid.
- Those increases are based on the rate of growth of North Carolina per capita income-a primary measure of affordability.
- An ad hoc tuition review committee recommends those increases with representatives from all campuses.

President Broad addressed the out-of state and the graduate Tuition Policy recommendations of the Study. The study further recommended that the University should establish a task force to address student financial aid funding issues.

Senator Dalton thanked President Broad for addressing the Tuition Issues Report with the Appropriations Subcommittee on Education/Higher Education.

Next, Senator Dalton recognized Jim Newlin, Fiscal Research Staff who briefed the Committee on Federal Tax Policy and Higher Education. *(See Attachment 3).*

Following Mr. Newlin's briefing, Senator Dalton asked Charlotte Todd, Fiscal Research Staff to present a briefing on the Community College Tuition Issues. *(See Attachment 4).*

Senator Dalton adjourned the meeting at 9:50 A.M.

Senator Walter Dalton, Co-Chair

Christina K. Minard, Education Committee Assistant

RESIDENT UNDERGRADUATE TUITION AND REQUIRED FEES
UNIVERSITIES

Rank	State	1994-95	1995-96	1996-97	1997-98	1998-99	One Year	Four Year
1	Vermont	6,652	6,801	7,229	7,550	7,788	3.2%	17.1%
2	New Hampshire	4,559	5,041	5,261	5,889	6,555	11.3%	43.8%
3	Michigan*	5,472	5,546	5,710	5,878	6,098	3.7%	11.4%
4	Pennsylvania	5,036	5,258	5,624	5,832	6,092	4.5%	21.0%
5	New Jersey	4,506	4,794	5,074	5,333	5,718	7.2%	26.9%
6	Connecticut	4,712	4,810	4,974	5,242	5,330	1.7%	13.1%
7	Massachusetts	5,467	5,514	5,413 ^	5,332 ^	5,229 ^	-1.9%	-4.4%
8	Virginia	4,480	4,614	4,648	4,786	4,866	1.7%	8.6%
9	Rhode Island	4,242	4,404	4,460	4,592	4,752	3.5%	12.0%
10	Delaware	4,100	4,286	4,430	4,574	4,716	3.1%	15.0%
11	Maryland	3,480	3,794	4,169	4,460	4,699	5.4%	35.0%
12	Minnesota*	3,606	4,153	4,453	4,473	4,602	2.9%	27.6%
13	Illinois	3,701	3,986	4,185	4,406	4,586	4.1%	23.9%
14	Maine	3,661	3,925	4,139	4,339	4,551	4.9%	24.3%
15	New York	3,144	4,060	4,190	4,340	4,510	3.9%	43.4%
16	Missouri	3,394	3,771	4,121	4,280	4,439	3.7%	30.8%
17	California	4,347	4,355	4,355	4,355	4,177 ^	-4.1%	-3.9%
18	Indiana	3,373	3,582	3,783	3,929	4,069	3.6%	20.6%
19	Ohio	3,087	3,273	3,468	3,660	3,879	6.0%	25.7%
20	Texas	1,710	2,384	3,178	3,279	3,847	17.3%	125.0%
21	Oregon	3,258	3,381	3,540	3,648	3,726	2.1%	14.4%
	National Average	**4,136**	**4,418**	**4,643**	**4,826**	**5,025**	**4.1%**	**21.5%**
22	South Carolina	3,196	3,280	3,362	3,534	3,630	2.7%	13.6%
23	Washington	2,907	3,021	3,250	3,366	3,486	3.6%	19.9%
24	Wisconsin	2,735	2,879	3,030	3,240	3,405	5.1%	24.5%
25	Arkansas	1,994	2,190	2,518	2,656	3,181	19.8%	59.5%
26	Nebraska	2,415	2,555	2,638	2,829	3,083	9.0%	27.7%
27	Mississippi	2,546	2,546	2,631	2,731	3,053	11.8%	19.9%
28	Hawaii	1,557	1,631	2,421	2,949	3,045	3.3%	95.6%
29	Colorado	2,714	2,769	2,840	2,939	3,038	3.4%	11.9%
30	Kentucky	2,510	2,594	2,676	2,736	3,016	10.2%	20.2%
31	South Dakota	2,492	2,650	2,727	2,824	3,015	6.8%	21.0%
32	Georgia	2,352	2,559	2,694	2,739	2,930	7.0%	24.6%
33	Montana	2,251	2,437	2,532	2,727	2,880	5.6%	27.9%
34	Iowa	2,455	2,558	2,646	2,760	2,868	3.9%	16.8%
35	Louisiana	2,645	2,663	2,663	2,711	2,841	4.8%	7.4%
36	North Dakota	2,428	2,428	2,528	2,677	2,830	5.7%	16.6%
37	Alaska	2,358	2,334 ^	2,535	2,710	2,770	2.2%	17.5%
38	Tennessee	2,016	2,108	2,136	2,576	2,744	6.5%	36.1%
39	Utah	2,381	2,508	2,514	2,601	2,709	4.2%	13.8%
40	Alabama	2,260	2,374	2,470	2,594	2,684	3.5%	18.8%
41	Oklahoma	2,279	2,324	2,278 ^	2,403	2,633	9.6%	15.5%
42	West Virginia	2,128	2,192	2,262	2,336	2,482	6.3%	16.6%
43	Kansas	2,038	2,182	2,310	2,385	2,470	3.6%	21.2%
44	Wyoming	1,908	1,998	2,144	2,326	2,330	0.2%	22.1%
45	New Mexico	1,884	1,996	2,071	2,165	2,241	3.5%	18.9%
46	North Carolina	1,524	1,640	2,110	2,173	2,211	1.7%	45.1%
47	Arizona	1,894	1,950	2,009	2,058	2,158	4.9%	13.9%
48	Idaho	1,548	1,620	1,768	1,942	2,136	10.0%	38.0%
49	Florida	1,783	1,795	1,888	1,994	2,114	6.0%	18.6%
50	Nevada	1,740	1,830	1,920	1,995	2,070	3.8%	19.0%

Source: 1998-99 Tuition and Fee Rates A National Comparison: Washington Stae Higher Education Coordinating Board

FRD 3/22/99 Res Res I Rank 99.xls

RESIDENT UNDERGRADUATE TUITION AND REQUIRED FEES (STATE AVERAGES)
COLLEGES AND STATE UNIVERSITIES

Rank	State	#	1994-95	1995-96	1996-97	1997-98	1998-99	Percentage Increase One Year	Percentage Increase Four Year
1	New Hampshire	2	3,364	3,679	3,860	4,331	4,765	10.0%	41.6%
2	New Jersey	7	3,454	3,684	3,983	4,336	4,708	8.6%	36.3%
3	Vermont	2	3,890	4,040	4,248	4,428	4,592	3.7%	18.0%
4	Pennsylvania	14	3,755	3,945	4,126	4,265	4,302	0.9%	14.6%
5	Maryland	6	3,184	3,398	3,702	4,003	4,228	5.6%	32.8%
6	Ohio	4	3,389	3,589	3,764	3,927	4,171	6.2%	23.1%
7	Virginia	5	3,841	3,959	3,997	4,058	4,139	2.0%	7.8%
8	New York	10	2,978	3,739	3,831	3,866	3,917	1.3%	31.5%
9	Connecticut	3	3,071	3,191	3,505	3,611	3,670	1.6%	19.5%
10	Michigan	6	2,948	3,213	3,327	3,456	3,603	4.3%	22.2%
11	Illinois	5	2,936	3,058	3,203	3,392	3,500	3.2%	19.2%
12	Indiana	2	2,833	2,988	3,179	3,305	3,438	4.0%	21.4%
13	South Carolina	1	2,920	3,010	3,010	3,270	3,350	2.4%	14.7%
14	Massachusetts	7	3,384	3,510	3,453 ^	3,433 ^	3,337 ^	-2.8%	-1.4%
15	Maine	3	2,888	2,955	3,028	3,192	3,320	4.0%	15.0%
16	Oregon	4	2,891	3,015	3,198	3,275	3,305	0.9%	14.3%
17	Rhode Island	1	2,838	2,969	2,999	3,073	3,149	2.5%	11.0%
18	South Dakota	2	2,385	2,544	2,613	2,768	3,008	8.7%	26.1%
19	Minnesota	7	2,502	2,618	2,674	2,674	2,931	9.6%	17.1%
	Average*		**3,164**	**3,360**	**3,501**	**3,666**	**3,806**	**3.8%**	**20.3%**
20	Missouri	5	2,339	2,442	2,622	2,753	2,870	4.2%	22.7%
21	Iowa	1	2,455	2,558	2,650	2,752	2,860	3.9%	16.5%
22	Wisconsin	4	2,219	2,353	2,471	2,683	2,827	5.4%	27.4%
23	Mississippi	5	2,346	2,352	2,370	2,415	2,689	11.3%	14.6%
24	Montana	2	2,040	2,198	2,276	2,468	2,677	8.5%	31.2%
25	Washington	4	2,256	2,342	2,441	2,537	2,652	4.5%	17.6%
26	North Dakota	4	1,906	1,907	2,218	2,525	2,623	3.9%	37.6%
27	Arkansas	4	1,853	2,100	2,110	2,305	2,615	13.4%	41.1%
28	Alabama	5	2,021	2,193	2,359	2,489	2,572	3.3%	27.3%
29	Texas	9	1,659	1,746	2,012	2,289	2,467	7.8%	48.7%
30	Tennessee	6	1,770	1,869	1,940	2,233	2,441	9.3%	37.9%
31	Kentucky	7	1,900	2,011	2,121	2,187	2,339	7.0%	23.1%
32	Nebraska	2	1,839	1,950	2,042	2,175	2,336	7.4%	27.0%
33	West Virginia	7	1,966	2,032	2,101	2,185	2,280	4.3%	16.0%
34	Colorado	5	1,862	1,964	2,109	2,180	2,238	2.7%	20.2%
35	Louisiana	7	2,030	2,044	2,055	2,117	2,183	3.1%	7.5%
36	Kansas	4	1,847	1,952	2,012	2,096	2,165	3.3%	17.2%
37	Arizona	2	1,894	1,950	2,009	2,058	2,158	4.9%	13.9%
38	Idaho	2	1,540	1,612	1,760	1,979	2,156	8.9%	40.0%
39	Georgia	8	1,752	1,828	1,932	2,059	2,144	4.1%	22.4%
40	Florida	6	1,783	1,795	1,888	1,994	2,114	6.0%	18.6%
41	Nevada	1	1,740	1,830	1,920	1,995	2,070	3.8%	19.0%
42	Utah	1	1,743	1,854	1,863	1,935	1,986	2.6%	13.9%
43	California	11	1,864	1,900	1,923	1,957	1,878 ^	-4.0%	0.8%
44	Oklahoma	6	1,506	1,650	1,645 ^	1,830	1,837	0.4%	22.0%
45	North Carolina	5	1,411	1,551	1,618	1,700	1,757	3.4%	24.5%
46	New Mexico	1	1,454	1,484	1,514	1,514	1,708	12.8%	17.5%

#Number of institutions in survey. ^Fees reduced.
*Does not incl Alaska, Delaware, Hawaii, Wyoming.

Source: 1998-99 Tuition and Fee Rates: A National Comparison
Washington State Higher Education Coordinating Board
FRD 3/22/99

res coll rank 99.xls

NONRESIDENT UNDERGRADUATE TUITION AND REQUIRED FEES
UNIVERSITIES

Rank	State	1994-95	1995-96	1996-97	1997-98	1998-99	One Year	Four Year
1	Michigan*	16,470	17,671	17,916	18,444	19,156	3.9%	16.3%
2	Vermont	15,958	16,497	17,321	18,098	18,660	3.1%	16.9%
3	Virginia	13,052	14,006	14,434	15,030	15,814	5.2%	21.2%
4	Colorado	13,278	13,837	14,432	14,983	15,520	3.6%	16.9%
5	New Hampshire	12,879	13,711	14,231	14,749	15,275	3.6%	18.6%
6	Connecticut	12,544	12,800	13,244	13,760	13,848	0.6%	10.4%
7	California	12,046	12,054	12,749	13,339	13,751	3.1%	14.1%
8	Pennsylvania	10,724	^ 11,310	11,964	12,406	12,908	4.0%	20.4%
9	Rhode Island	11,568	12,096	12,152	12,400	12,756	2.9%	10.3%
10	Delaware	10,630	11,156	11,690	12,204	12,716	4.2%	19.6%
11	Oregon	10,770	11,193	11,664	12,099	12,510	3.4%	16.2%
12	Massachusetts	11,813	11,860	12,180	12,342	12,450	0.9%	5.4%
13	Indiana	10,155	10,771	11,403	11,853	12,310	3.9%	21.2%
14	Minnesota*	10,168	11,317	11,869	11,920	12,277	3.0%	20.7%
15	Missouri	9,441	10,395	11,342	11,723	12,107	3.3%	28.2%
16	Maine	9,421	10,075	10,679	11,209	11,631	3.8%	23.5%
17	Wisconsin	9,094	9,634	10,148	10,979	11,586	5.5%	27.4%
18	Washington	8,199	8,525	9,866	10,656	11,508	8.0%	40.4%
19	Ohio	9,315	9,315	9,813	10,869	11,448	5.3%	22.9%
20	Illinois	8,234	9,158	9,615	11,023	11,402	3.4%	38.5%
21	North Carolina	9,050	9,756	10,642	11,159	11,377	2.0%	25.7%
22	Maryland	9,284	9,738	10,228	10,589	11,221	6.0%	20.9%
23	New Jersey	8,502	8,933	9,482	10,004	10,672	6.7%	25.5%
24	Texas	6,000	8,144	9,598	9,699	10,237	5.5%	70.6%
25	Iowa	8,313	8,808	9,244	9,616	9,990	3.9%	20.2%
26	Georgia	6,150	6,846	7,875	8,691	9,860	13.5%	60.3%
27	Hawaii	4,557	4,825	7,869	9,429	9,525	1.0%	109.0%
28	New York	7,044	8,960	9,090	9,240	9,410	1.8%	33.6%
29	South Carolina	8,074	8,324	8,574	8,940	9,342	4.5%	15.7%
30	Arizona	7,500	7,978	8,377	8,710	9,110	4.6%	21.5%
31	Kansas	7,382	7,900	8,370	8,690	8,918	2.6%	20.8%
32	Florida	6,685	6,697	7,133	7,911	8,769	10.8%	31.2%
33	New Mexico	7,114	7,542	7,822	8,174	8,461	3.5%	18.9%
34	Kentucky	6,870	7,114	7,356	7,536	8,376	11.1%	21.9%
35	Utah	7,284	7,707	7,713	7,998	8,251	3.2%	13.3%
36	Idaho	5,962	7,000	7,420	7,742	8,136	5.1%	36.5%
	National Average	**8,467**	**9,065**	**9,696**	**10,210**	**10,675**	**4.6%**	**26.1%**
37	Arkansas	5,090	5,382	6,040	6,604	7,981	20.9%	56.8%
38	Montana	6,311	6,607	6,913	7,431	7,931	6.7%	25.7%
39	Nevada	6,490	6,730	7,020	7,430	7,840	5.5%	20.8%
40	Tennessee	5,950	6,238	6,472	7,258	7,800	7.5%	31.1%
41	West Virginia	6,370	6,784	7,124	7,356	7,666	4.2%	20.3%
42	Wyoming	5,988	6,396	6,872	7,414	7,418	0.1%	23.9%
43	Alaska	6,378	6,654	6,945	7,210	7,390	2.5%	15.9%
44	Nebraska	5,955	6,312	6,508	6,872	7,350	7.0%	23.4%
45	Alabama	5,642	5,924	6,268	6,808	7,216	6.0%	27.9%
46	North Dakota	5,952	5,952	6,052	6,411	6,774	5.7%	13.8%
47	South Dakota	4,786	5,305	6,177	6,357	6,690	5.2%	39.8%
48	Oklahoma	5,745	6,014	5,968 ^	6,423	6,653	3.6%	15.8%
49	Louisiana	5,948	5,963	5,963	6,311	6,621	4.9%	11.3%
50	Mississippi	5,006	5,366	5,476	5,576	6,155	10.4%	23.0%

Source: 1998-99 Tuition and Fee Rates: A National Comparison-Washington State Higher Education Coordinating Board

FRD 3/22/99

Nonres Univ 99 rank.xls

NONRESIDENT UNDERGRADUATE TUITION AND REQUIRED FEES (STATE AVERAGES)
COLLEGES AND STATE UNIVERSITIES

Rank	State	#	1994-95	1995-96	1996-97	1997-98	1998-99	Percentage Increase One Year	Percentage Increase Four Year
1	Virginia	5	9,114	9,575	9,714	9,937	10,193	2.6%	11.8%
2	New Hampshire	2	8,644	9,169	9,520	9,831	10,065	2.4%	16.4%
3	Vermont	2	8,234	8,552	9,008	9,408	9,860	4.8%	19.7%
4	Pennsylvania	14	8,552	8,919	9,328	9,624	9,624	0.0%	12.5%
5	Ohio	4	7,671	8,101	8,385	8,858	9,420	6.3%	22.8%
6	Washington	4	7,974	8,289	8,626	8,972	9,345	4.2%	17.2%
7	California	11	9,244	9,280	9,303	8,791 ^	9,259	5.3%	0.2%
8	Massachusetts	7	7,847	8,137	8,107 ^	8,519	9,227	8.3%	17.6%
9	Connecticut	3	8,005	8,283	8,849	9,089	9,179	1.0%	14.7%
10	Wisconsin	4	7,007	7,488	7,935	8,625	9,109	5.6%	30.0%
11	Maryland	6	5,995	6,758	7,611	8,713	9,009	3.4%	50.3%
12	Texas	9	5,949	7,506	8,432	8,709	8,863	1.8%	49.0%
13	**North Carolina**	**5**	**7,745**	**8,232**	**8,604**	**8,661**	**8,857**	**2.3%**	**14.4%**
14	Indiana	2	7,068	7,524	8,075	8,443	8,833	4.6%	25.0%
15	New York	10	6,878	8,639	8,731	8,765	8,817	0.6%	28.2%
16	Florida	6	6,685	6,697	7,133	7,911	8,769	10.8%	31.2%
17	Oregon	4	7,094	7,626	8,174	8,462	8,706	2.9%	22.7%
18	Arizona	2	7,123	7,572	7,951	8,267	8,592	3.9%	20.6%
19	Illinois	5	7,298	7,573	7,933	8,295	8,537	2.9%	17.0%
20	Michigan	6	6,891	7,532	7,915	8,026	8,340	3.9%	21.0%
21	Idaho	2	5,883	7,000	7,270	7,909	8,216	3.9%	39.7%
22	Rhode Island	1	7,162	7,489	7,519	7,729	7,929	2.6%	10.7%
23	Colorado	5	6,437	6,758	7,379	7,645	7,916	3.5%	23.0%
24	Nevada	1	6,490	6,730	7,020	7,430	7,840	5.5%	20.8%
25	Maine	3	6,788	6,915	7,078	7,452	7,700	3.3%	13.4%
	Average*		**7,375**	**7,893**	**8,272**	**8,609**	**8,938**	**3.8%**	**21.2%**
26	New Jersey	7	5,314	5,687	6,258	6,864	7,535	9.8%	41.8%
27	Iowa	1	6,261	6,634	6,868	7,136	7,415	3.9%	18.4%
28	Georgia	8	4,596	5,038	5,811	6,520	7,364	12.9%	60.2%
29	Montana	2	5,764	6,105	6,357	6,838	7,358	7.6%	27.7%
30	Tennessee	6	5,704	5,999	6,276	6,829	7,275	6.5%	27.5%
31	Kansas	4	5,937	6,376	6,568	6,834	7,013	2.6%	18.1%
32	South Dakota	2	4,356	4,824	5,607	6,300	6,683	6.1%	53.4%
33	South Carolina	1	5,840	6,020	6,020	6,020	6,450	7.1%	10.4%
34	Louisiana	7	4,208	4,490	4,549	5,435	6,448	18.6%	53.2%
35	Kentucky	7	5,232	5,537	5,753	5,959	6,396	7.3%	22.2%
36	New Mexico	1	5,307	5,452	5,602	5,602	6,205	10.8%	16.9%
37	Minnesota	7	4,963	5,365	5,554	5,554	5,971	7.5%	20.3%
38	Utah	1	5,514	5,541	5,550	5,730	5,886	2.7%	6.7%
39	North Dakota	4	4,757	4,758	5,066	5,507	5,737	4.2%	20.6%
40	Mississippi	5	4,570	4,936	4,959	4,999	5,631	12.6%	23.2%
41	West Virginia	7	4,646	4,977	5,151	5,390	5,575	3.4%	20.0%
42	Missouri	5	4,470	4,608	4,932	5,170	5,391	4.3%	20.6%
43	Arkansas	4	3,668	3,791	4,403	4,734	5,280	11.5%	43.9%
44	Alabama	5	3,242	3,617	3,979	4,753	4,905	3.2%	51.3%
45	Oklahoma	6	3,702	3,975	3,970 ^	4,313	4,320	0.2%	16.7%
46	Nebraska	2	3,167	3,435	3,662	3,873	4,106	6.0%	29.6%

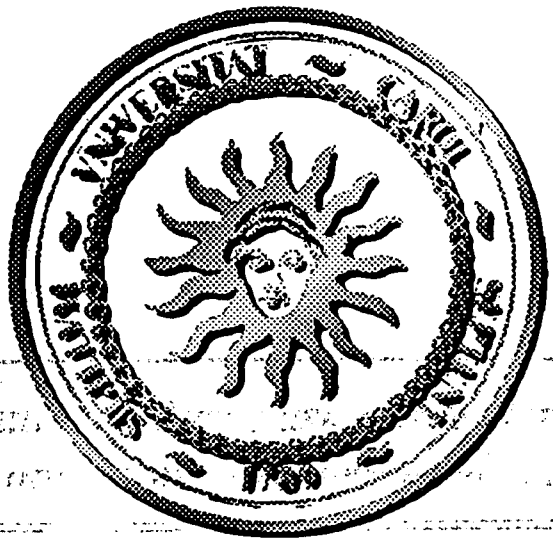
Number of institutions in survey. **Does not incl Alaska, Delaware, Hawaii, Wyoming.
^Fees reduced

Source: 1998-99 Tuition and Fee Rates: A National Comparison
Washington State Higher Education Coordinating Board
FRD 3/22/99

nonres coll 99.xls

Tuition Policy Task Force Report
Joint Appropriations Subcommittee on Education

March 23, 1999



The University of North Carolina General Administration

Statutory Charge

"The Board of Governors shall conduct a study of tuition levels, other charges, and costs of graduate and professional education and shall establish policies with respect to tuition differentials that are educationally and fiscally sound for such programs based on the results of this study. The Board of Governors shall adjust the tuition rates for students in the Masters of Business Administration and the Masters of Accounting programs of the School of Business of the University of North Carolina at Chapel Hill to align with its policies on tuition differentials as developed pursuant to this section. The Board of Governors shall report to the Joint Legislative Education Oversight Committee by January 15, 1999, regarding the findings of its study and shall also report on any action and results of actions taken under this section."

Actions Taken by the Board

- Completed study and adopted report of the Tuition Policy Task Force November 13, 1998.
- Approved Kenan-Flagler tuition increases to be phased in over 1999-2000 and 2000-2001.
- Implementation:
  - 1999-2000—Board of Governors action on 3/19/99.
  - 2000-2001—LRP instructions to campuses.

Constitutional and Legislative Framework for Setting In-State Tuition and Fees

- "The General Assembly shall provide that the benefits of The University of North Carolina and other public institutions of higher education, as far as practicable, be extended to the people of the State free of expense." –Article IX, Section 9
- "The Board shall set tuition and fees not inconsistent with actions of the General Assembly." –G.S. 116-11
- "The Board of Governors of the University of North Carolina shall fix the tuition and fees, not inconsistent with actions of the General Assembly, at the institutions enumerated in G.S. 116-4 in such amount or amounts as it may deem best, taking into consideration the nature of each institution and program of study and the cost of equipment and maintenance. . . ." –G.S. 116-143

Constitutional and Legislative Framework for Setting Out-of-State Tuition and Fees

- "The Board of Governors shall fix the tuition and required fees charged nonresidents. . .at rates higher than the rates charged residents. . .and comparable to the rates charged nonresident students by comparable public institutions nationwide,
- "except that a person who serves as a graduate teaching assistant or graduate research assistant. . .may, in the discretion of the Board of Governors, be charged a lower rate fixed by the Board. . .provided the rate is not lower than the North Carolina resident rate."

Past Policy and Practice Have Resulted In:

- Passive Board of Governors role in the process
- Erratic adjustments in in-state tuition rates
- Using tuition revenue as a budget balancer
- Students and parents not knowing tuition and fees until summer or fall—too late for aid adjustments and efficient billing

(continued) Past Policy and Practice Have Resulted In:

- An overall rate of increase in in-state rates that over the past decade has exceeded that of the CPI, HEPI, and NCPCPI
- Confusion about role of tuition and fees
- Inability of campuses to propose adjustments
- Out-of-state rates too high at some institutions
- Non-competitive levels of tuition remission

New Policy Framework

- UNC should maintain commitment to low resident tuition.
- Board should play same role in setting tuition as in setting fees.
- Action on tuition and fees should occur earlier than it does now.
- Process for setting tuition and fees should be inclusive and comprehensive.
- Criteria for Board action spelled out.

Recommendations: In-State Undergraduate

- Rates should be kept low.
- Board action to set tuition in October, fees in March.
- Criteria to be considered when Board acts:
  - Availability of General Fund Revenues
  - Evidence of institutional cost management
  - Impact of increases on student access
  - Changes in indices (CPI, HEPI, NCPCPI)
  - Analysis of student indebtedness
  - Size of the University's Expansion Budget Request

(continued) Recommendations: In-State Undergraduate

- Differences by program? *No*
  Differences within Carnegie category? *Minimal*
  Differences between categories? *Reasonable and consistent with present practice*
- Use fees for dedicated purposes—not for academic and administrative operations
- Campus-initiated increases strongly discouraged

(continued) Recommendations: In-State Undergraduate

- Strengthen public communication about costs and financial aid
- Follow-up Task Force on Student Financial Aid
  - Consider merit-based aid
  - Consider need-based aid

Board of Governors Action on 3/19/99: In-State Undergraduate

- Increases ranging from $38 to $72.
- Increases based on the rate of growth of North Carolina per capita income (4.9%) —a primary measure of affordability.
- Increases recommended by an ad hoc tuition review committee with representatives from all campuses.
- Increased request for need-based student financial aid.

Recommendations: In-State Graduate

- Rates should be kept low.
- Board action to set tuition in October.
- Graduate/undergraduate tuition differentials appropriate given differences in costs.
- Campus-initiated requests received on LRP schedule and must address Board criteria for approval.
- Campus-initiated increases must be used as intended; one year follow-up report required.

Board of Governors Action on 3/19/99: In-State Graduate

- For graduate students at UNC-CH and NCSU, an additional increase of 3.5%. The total dollar increase for these graduate students is $122.
- For graduate students at all other institutions, an additional increase of 2%. The total dollar increase for these graduate students ranges from $52 to $72.

Justification and Criteria for Campus-Initiated Requests

- Program quality
- Access for North Carolina residents
- Financial aid availability
- Affordability
- Relationship to program cost
- Peer comparison
- Uses of incremental tuition revenue
- Commitment to cost management of increased productivity

Recommendations: Out-of-State Tuition

- Ad hoc committee to revise method for setting rates that are "comparable to the rates charged nonresident students by comparable public institutions nationwide."
- Permit institutions to remit full tuition for recruited graduate assistants using funds appropriated for this purpose and other funds available to the institution.

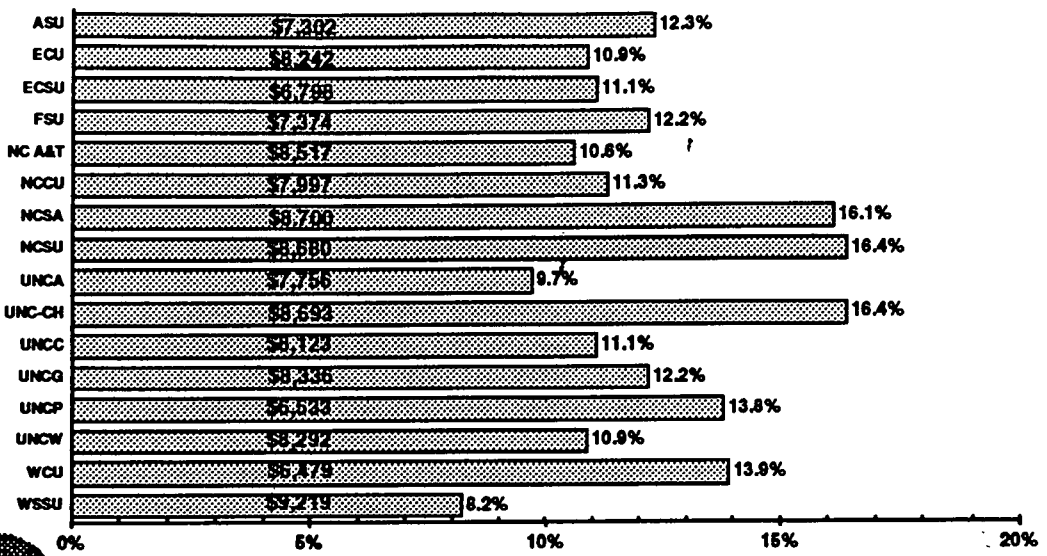
Board of Governors Action on 3/19/99: Out-of-State Tuition

- For all institutions except UNC Asheville, dollar increases equal to the increases for resident students ($38-$122).
- For students at UNC Asheville, an increase of 3.3% to bring rates into greater alignment with the national average for public peer institutions ($238).

Student Financial Aid Considerations

- Findings:
  - Low tuition is not enough to ensure access.
  - Increase in student aid is needed when tuition increases.
- Recommendations:
  - The University should establish a task force to address student financial aid funding issues.
  - The University should strengthen Early Awareness activities.

In-State Tuition as a Percent of the Resident Student's Cost of Attendance, 1997-98



UNC Undergraduate Student Financial Aid Expenditures, 1997-98

	(millions)	% of total
Federal need-based grants		
Pell grants	$ 52.3	12.1%
Supplemental grants (SEOG)	$ 7.1	1.6%
Student Incentive Grants (NCSSIF)	$ 2.0	0.5%
State need-based grants		
Appropriated grants	$ 11.2	2.6%
Minority presence grants	$ 1.1	0.3%
Other grants and scholarships*	$ 90.7	21.1%
Loans	$250.6	58.2%
Federal college work study	$ 6.6	1.5%
Campus jobs	$ 9.2	2.1%
TOTAL	$430.8	100.0%

* Includes scholarship/loan programs

NEW FEDERAL TAX ASSISTANCE FOR HIGHER EDUCATION EXPENSES

1. HOPE CREDIT

2. LIFETIME LEARNING CREDIT

3. DEDUCTIBILITY OF INTEREST ON STUDENT LOANS

4. TAX INCENTIVES FOR COLLEGE SAVINGS

HOPE TAX CREDIT

WHO: (a) STUDENTS ENROLLED ½ TIME FOR AT LEAST ONE ACADEMIC PERIOD DURING CALENDAR YEAR
(b) IN FIRST 2 YEARS OF COLLEGE AT BEGINNING OF CALENDAR YEAR

ELIGIBLE EXPENSES:

TUITION AND REQUIRED FEES LESS SCHOLARSHIPS RECEIVED

INCOME LEVELS:

- SINGLE FILERS WITH ADJUSTED CROSS INCOMES (AGI) OF $50,000 OR LESS
- JOINT FILERS WITH ADJUSTED GROSS INCOMES (AGI) OF $100,000 OR LESS
- CREDITS ARE PRO-RATED FOR :
  - → SINGLE FILERS WITH AGI BETWEEN $40,000 AND $50,000, AND
  - → JOINT FILERS WITH AGI BETWEEN $80,000 AND $100,000

BENEFITS:

- FIRST $1,000 OF ELIGIBLE EXPENSES RECEIVES 100% TAX CREDIT
- SECOND $1,000 OF ELIGIBLE EXPENSES RECEIVES 50% TAX CREDIT
- CREDITS ARE ONLY UP TO AMOUNT OF TAX LIABILITY

LIFETIME LEARNING TAX CREDIT

WHO: STUDENTS TAKING ANY HIGHER EDUCATION COURSES

ELIGIBLE EXPENSES: TUITION AND REQUIRED FEES LESS SCHOLARSHIPS RECEIVED

INCOME LEVELS: SAME AS HOPE CREDIT

BENEFITS:

- 20% TAX CREDIT ON UP TO $5,000 OF ELIGIBLE EXPENSES (MAXIMUM: $1,000)
- MAXIMUM OF $1,000 LIFETIME LEARNING CREDIT PER TAXPAYER (HOUSEHOLD) PER YEAR
- CREDIT IS ONLY UP TO AMOUNT OF TAX LIABILITY

Hope Tax Credit

Calculation of Annual Family Cost to UNC : First Two Years of the Hope Credit

UNC Tuition. Cost of tuition and Fees	$2,000
Hope Tax Credit - Available for the first two years of college	($1,500)
Net Cost to Family, after Hope Credit	$500

Fiscal Research Division March 22, 1999

Lifetime Learning Credit

Calculation of Annual Family Cost to UNC : Last Two Years Using the Lifetime Credit

UNC Tuition. Cost of tuition and Fees	$2,000
Lifetime Credit - Available for the second two years. 20% of tuition & fees	($400)
Net Cost to Family, after Life Time Credit	$1,600

Fiscal Research Division March 22, 1999

UNC TUITION & FEES
1999-2000

AVERAGE: MASTERS CAMPUSES $1,850

CREDITS:

	AMOUNT
HOPE: (1ST TWO YEARS)	
100% OF FIRST $1,000	$1,000
50% OF SECOND $1,000 (50% X $850)	425
MAXIMUM HOPE CREDIT	**$1,425**

LIFETIME: (AFTER 2 YEARS)

20% OF FIRST $5,000 (20% X $1,850)	$370

IF MORE THAN 1 STUDENT, MAXIMUM CREDIT = $1,000

Hope Tax Credit

Calculation of Annual Family Cost to Community College: First Two Years of the Hope Credit

Community College Tuition. Cost of tuition and Fees	$580
Hope Tax Credit - Available for the first two years of college	$580
Net Cost to Family, after Hope Credit	$0
Hope 100% tax credit unavailable to N.C. citizens	$420

Fiscal Research Division March 22, 1999

Lifetime Learning Credit

Calculation of Annual Family Cost to Community College: Last Two Years Using the Lifetime Credit

Community Colleges Tuition. Cost of tuition and Fees	$580
Lifetime Credit - Available for the second two years. 20% of tuition & fees	($116)
Net Cost to Family, after Life Time Credit	$464

Fiscal Research Division March 22, 1999

COMMUNITY COLLEGE TUITION & FEES 1998-99

AVERAGE: $580

CREDITS:

	AMOUNT
HOPE: (1ST TWO YEARS)	
100% OF FIRST $1,000	$580
LIFETIME: (AFTER 2 YEARS COURSE WORK)	
20% OF FIRST $5,000	
(20% X $580)	$116
IF MORE THAN 1 STUDENT,	
MAXIMUM CREDIT = $1,000	

DEDUCTIBILITY OF INTEREST ON STUDENT LOANS

WHO: STUDENTS WITH STUDENT LOANS IN FIRST 60 MONTHS OF REPAYMENT

ELIGIBLE EXPENSES:

- INTEREST DURING FIRST 60 MONTHS OF REPAYMENT
- MAXIMUM AMOUNTS DEDUCTIBLE

1998	-	$1,000
1999	-	$1,500
2000	-	$2,000
2001+	-	$2,500

INCOME LEVELS:

- SINGLE FILERS WITH ADJUSTED GROSS INCOME OF $55,000 OR LESS (PHASE-OUT BETWEEN $40,000 AND $55,000)
- JOINT FILERS WITH ADJUSTED GROSS INCOME OF $75,000 OR LESS (PHASE-OUT BETWEEN $60,000 AND $75,000)

BENEFITS:

- DEDUCTION OF UP TO $1,000 IN INTEREST
- DO NOT NEED TO ITEMIZE
- BASED ON TAX BRACKET AND INTEREST PAID

Benefits of Student Loan Deductions

Loan Amount	$8,000
Interest (Federal Stafford Subsidized Loans)	7.46%
Repayment Period (Years)	10
Monthly Payment	$94.79
Interest for First 12 months	$559.61

Value of Deduction:

Federal Tax Rate	Value of Deduction
15%	$ 84
28%	$ 157
31%	$ 173

Benefits of Student Loan Deductions

Loan Amount	$10,000
Interest (Federal Stafford Subsidized Loans)	7.46%
Repayment Period (Years)	10
Monthly Payment	$118.49
Interest for First 12 months	$699.51

Value of Deduction:

Federal Tax Rate	Value of Deduction
15%	$ 105
28%	$ 196
31%	$ 217

TAX INCENTIVES FOR COLLEGE SAVINGS

1. **EDUCATION IRA**

   - $500 PER YEAR CONTRIBUTION
   - EARNINGS AND WITHDRAWAL ARE TAX-EXEMPT IF USED FOR HIGHER EDUCATION
   - LIMITED TO FAMILIES WITH INCOMES OF $95,000 (SINGLE: PHASE-OUT UP TO $110,000) AND $150,000 (JOINT: PHASE-OUT UP TO $160,000)

2. **IRA WITHDRAWALS**

   - EARLY WITHDRAWALS NOT SUBJECT TO 10% IF USED FOR COLLEGE EXPENSES (SELF, SPOUSE, CHILD, GRANDCHILD)

3. **PREPAID PLANS**

   - COSTS OF ROOM AND BOARD ARE ADDED TO ELIGIBLE EXPENSES FOR SAVINGS

OPTIONS FOR NORTH CAROLINA FOR TARGETED FINANCIAL AID

1. **STATE INCOME TAX CREDIT** FOR TUITION AND FEE EXPENSES NOT COVERED BY FEDERAL CREDIT (COULD BE "REFUNDABLE" CREDIT)

2. INCREASE FUNDING FOR **SCHOLARSHIP ASSISTANCE TO LOWEST INCOME STUDENTS** (INCOMES TOO LOW FOR FEDERAL TAX CREDITS)

3. **SCHOLARSHIP PROGRAM TARGETED TO ROOM AND BOARD** AND OTHER EXPENSES

4. **LOAN POOL FOR TUITION INCREASES** FOR THOSE ELIGIBLE FOR THE FEDERAL TAX CREDITS **("BRIDGE" LOANS)**

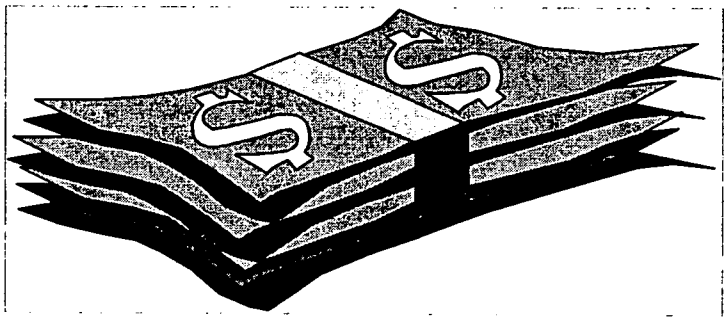
Graduate Remissions & Tuition Awards

Institution	Non-Resident Graduate Remissions Proposed 1999-2000 Resident Grad Tuition Rate (a)	Proposed 1999-2000 Non-Res Grad Tuition Rate (b)	Cost per Non-Res Graduate Remission (b) - (a) (c)	Current Number of Non-Res Graduate Remissions (d)	Current Budget (c) x (d) (e)
NCSU	1,578	10,744	9,166	838	7,681,108
UNC-CH, AA	1,578	10,744	9,166	1,020	9,349,320
UNC-CH, HA	1,578	10,744	9,166	290	2,658,140
UNC-G	1,108	9,562	8,454	159	1,344,186
				0	
ECU Doc II	1,012	8,578	7,566	63	476,658
ASU	982	8,252	7,270	26	189,020
FSU	982	8,252	7,270	3	21,810
NCA&T	982	8,252	7,270	40	290,800
NCCU	982	8,252	7,270	24	174,480
UNC-C	982	8,252	7,270	81	588,870
UNC-P	982	8,252	7,270	1	7,270
UNC-W	982	8,252	7,270	18	130,860
WCU	982	8,252	7,270	25	181,750
NCSA	1,527	10,155	8,628	5	43,140
ECSU	820	7,238	6,418	0	0
UNC-A	820	7,424	6,604	0	0
WSSU	820	7,238	6,418	0	0
Total	na	na	na	2,593	23,137,412

Source: UNC Gen. Admin 3/22/99

Grad Remit 99-2.xlw

COMMUNITY COLLEGE TUITION ISSUES



Fiscal Research Division
March 23, 1999

ATTACHMENT 4

COMMUNITY COLLEGE TUITION

- Current Tuition:
  * In-state: $ 560 a year
  * Out-of-state: $4,564 a year

- Every 1% increase generates the following revenue:
  * In-state: $506,168
  * Out-of-state: $ 75,859

- The Governor is recommending a 2% tuition increase which will generate $1,164,054 and will increase in-state tuition by $14 and out-of-state tuition by $91 a year.

- North Carolina has the second lowest tuition in the country. The five lowest are:
  * California $360
  * North Carolina $560
  * New Mexico $664
  * Arizona $831
  * Mississippi $972

- North Carolina's in-state tuition is less than half of our neighboring states:

  * North Carolina $ 560
  * South Carolina $1,269
  * Tennessee $1,240
  * Virginia $1,437

- We could raise our in-state tuition by 125% and still be lower than all of our neighboring states. A 125% increase would add $700 to our current rate (total of $1,260 a year) and would generate approximately $63 million.

Federal Financial Aid

- 34,497 students received an average Pell Grant of $1,550 last year

- The maximum Pell Grant award will be raised from $3,000 to $3,125 next year. There is a significant gap between what may be available to North Carolina students and what they currently receive. Part of this difference may be the low tuition and fees for community colleges.

- The Department of Community Colleges is developing a program to determine how many additional students currently receiving a Pell Grant are below the maximum they could receive if tuition were raised. At one pilot site approximately half could receive another $300 if tuition were raised.

- In addition, the Federal Government has a Hope Scholarship Tax Credit and Lifetime Learning Tax Credit that is available to community college students. Since the community college system has no MIS, we have no financial data on these students. According to a 1995 National Household Education Survey, 88% of all participants in adult education had a household income of $50,000 or less and 95% have less than $75,000.

- If North Carolina mirrors the national distribution, the numbers of community college students who may be eligible for some part of these two tax credits may be as follows:

  * Hope Tax Credit:
    - curriculum students: 59,062
  * Lifetime Learning Tax Credit:
    - curriculum students: 145,885
    - continuing education students: 349,828

Issues to Consider

- In-state tuition has not been raised in seven years
- Tuition could be raised by $104 a year without losing our ranking as second lowest in the country. (More if other states raise their rates this year)
- If N.C. raised tuition by $270 a year, we would be the third lowest in the country.
- All of our neighboring states have in-state tuition rates that are more than twice as high as North Carolina's.
- A February 1999 Study in Postsecondary Education Opportunity found that states with a high tuition/high financial aid model of financing higher education increase the college participation rate more than those with a low tuition policy.
- A significant part of any tuition increase could be "cost-shifted" to the Federal government through Pell Grants and the Hope and Lifetime Learning Tax Credits.
- A significant portion of the additional receipts generated by tuition increases could be designated for need-base financial aid for students who are not eligible for any of these federal programs.

TUITION POSSIBILITIES:

A. **Curriculum**: (Currently $560 a year)

Dollar Increase	% Increase	Receipts Generated	Potential* Hope Tax Credit	Potential* Lifetime Learning Tax Credit
$100	17.8%	$9 m.	$5.9 m.	$2.9 m.
$300	53.5%	$27 m.	$17.7 m.	$8.7 m.
$500	89%	$45 m.	$29 m.	$14.5 m.

B. **Continuing Education**: (currently $35 per course)

Dollar Increase	% Increase	Receipts Generated	Potential* Lifetime Learning Tax Credit
$10	28.5%	$3.7 m.	$ .7 m.
$20	57%	$7.4 m.	$1.4 m.
$30	85.7%	$11.1 m.	$2.1 m.
$40-55 (sliding scale by hours)	14.3-57.1%	$3.9 m.	$ .7 m.

*These credits go directly to students as an offset against their tax liability. This figure will be overstated depending on how many students have a tax liability less than the amount of tuition. Fiscal Research is undertaking an analysis, with the help of the Department of Revenue, to get a more accurate picture of the income tax liability profile for higher education students. We will adjust these figures as data are available.

Options for Tuition:

- **Option A**:

Raise in-state and out-of-state tuition by $300 a year. Increase continuing education fees by $5-$20 depending on the length of the course:

Additional receipts generated:	
Curriculum tuition:	$27.5 million
Continuing education fees:	3.9 million
Total:	$31.4 million*
Set aside for need-based financial aid:	$ 10 million
Net additional receipts:	$21.4 million

* *(Of the $31.4 million in tuition and fee increases, there is a possibility that as much as $27 million might be "cost-shifted" to the federal government through Pell grants and Hope and Lifetime Learning Tax Credits.)*

- **Option B**:

Raise tuition by $500 a year and continuing education fees by $5-$20 depending on course length:

Additional receipts generated:	
Curriculum tuition:	$45.8 million
Continuing education fees:	3.9 million
Total:	$49.7 million*
Set aside for need-based financial aid:	$16.5 million
Net additional receipts:	$33.2 million

* *(Of the $49.7 million in tuition and fee increases, there is a possibility that as much as $44.7 million might be "cost-shifted" to the federal government through Pell grants and Hope and Lifetime Learning Tax Credits.)*

- **Option C**:

Raise tuition by $200 a year and continuing education fees by $30 per course.

Additional receipts generated:

Curriculum tuition:	$18.3 million
Continuing education fees:	11.1 million
Total:	$29.4 million*

Set aside for need-based financial aid:	$ 10 million
Net additional receipts:	$19.4 million

* *(Of the $29.4 million in tuition and fee increases, there is a possibility that as much as $19.7 million might be "cost-shifted" to the federal government through Pell grants and Hope and Lifetime Learning Tax Credits.)*

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
David Blom	GSPN
John Malia	Comm Colleges
Kenwood Briggs	"
Brenda Rogers	"
Gary Qumey	State Planning
Ann Nowell	Public School Assn of NC
Joanne Kinner	NCSBA
Stacey Yongue	Scotland Arts Council, Inc.
Ken Gray	UNC
Clifton B Bluteau	UNC GA
JBM Illken	UNC
Jeff Davis	UNC
Gary Barnes	UNC
Molly Broad	UNC
Elizabeth Grovenstein	OSBM
Marvin Li	OSBM
Janet Pulliam	OSBM
Sue Adams	OSBM
Charlene Moore	guest
Barbara Harris	OSBM
Gene Causby	NCMA
Kevin Ivey	Gov's office
Sarah Gark	Gov's office
Evelyn Hawthorne	UNC-GA
Eugene Williams	NCCCS
Bill Wilson	NCAE
Pat Allen	Allen

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Hal Miller	NCACCT

Joint Appropriations Subcommittee
On Education/Higher Education

March 24, 1999
8:30 a.m.
Presiding- **Representative Pete Oldham**

Call to Order		Chair
Access to College: Trends and Issues		**Dr. Gary Barnes,** Vice President for Program Assessment and Public Service, UNC **Dr. Jim Woodward,** Chancellor, University of NC at Charlotte **Jim Newlin,** Fiscal Research
Aid to Students in NC Private Colleges/ Private College Enrollment		**Jim Newlin,** Fiscal Research **Dr. Hope Williams,** President, NC Association of Independent Colleges and Universities

MINUTES
JOINT APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

March 24, 1999
8:30 AM

The Joint Appropriations Subcommittee on Education/Higher Education met on Wednesday, March 24, 1999, at 8:30 am in Room 421 of the Legislative Office Building.

The following members were present: Chairpersons Gene Rogers, Flossie Boyd-McIntyre, Warren Oldham; Representatives Bonner, Gardner, Insko, Michaux, Smith, Teague, Warner, Yongue; Seven Senators; Fiscal Staff, Jim Newlin and Charlotte Todd.

Chairman Oldham called the meeting to order and recognized the Pages and Sgt. At Arms staff.

Chairman Oldham introduced Dr. Gary Barnes, Vice-President for Program Assessment and Public Service, UNC and Dr. Jim Woodward, Chancellor, University of North Carolina at Charlotte as our presenters for the day.

Dr. Barnes' presentation was entitled "Access to Colleges: Trends and Issues." He gave an overview of the trends in enrollment based on current enrollment data and current census data. Dr. Barnes also noted the increase in student financial aid awards. The increase was primarily due to the increase in independent student enrollment (age 24 and over). Dr. Barnes stated that the basis for qualifications has been liberalized under the Pell formula. For example, home equity is no longer considered in the assessment of assets. See **Attachment 1, UNC-175 – UNC-190**.

Chairman Oldham opened the floor for questions to Dr. Barnes.

Rep. Rogers: What is the difference between need-base and base? In other words, does the 62.5% figure referenced on UNC-181 include students who seek loans and get them?
Dr. Barnes: Yes.

Rep. Michaux: Is the cost of an education a reason why there is an increase in financial aid? Can you conclude from there that the legislative constitutional mandate that provides for a free education was not followed?
Dr. Barnes: Sure. We noted that tuition over the past ten years has increased an average rate of over 8%. Yes, tuition has had an impact. As for the legislative constitutional mandate, the language reads "as far as practicable." We wrestle with what "practicable" is.

Sen. Lee: You indicated that the driver was the tuition. Isn't the real driver the fees?
Dr. Barnes: Actually the fees have increased slower than tuition over the past ten years.
Sen. Lee: Isn't there more financial aid available for tuition than there is for fees?
Dr. Barnes: Need-base aid is based on tuition fees, room/board, books, etc. There is a full expense budget calculated according to a Federal methodology, so it should be affected by all of it.

Sen. Carter: Is there any kind of threshold that the university has attempted to reach for need-based scholarships?
Dr. Barnes: There isn't now, but the university has a task force to study need-based aid. We will take a very careful look at that and tell you more next year.

Dr. Barnes: Roughly 40% of our students now are receiving need-based aid. Another notable trend is in the mix of financial aid. See UNC – 182-183. The initiatives that the Board has on the way to improve access are referenced on UNC-184.

Rep. Michaux: Do you have any figures on the increase in minority presence at the historically white colleges? What about white student enrollments at historically black colleges?

Dr. Barnes: Yes. Black student enrollments at white institutions have increased over 10% this year. White student presence at historically black colleges is around 14%-14 ½%.

Chairman Oldham: At the time the consent decree was agreed upon, what percentages were established for each the historically white colleges and the historically black colleges?

Dr. Barnes: The percentages were 10.6% and 15% respectively.

Dr. Barnes: We have established three measures of access for the high school graduate: attendance rate, community college transfer rates for those who finished transfer degrees and technical degrees, and the enrollment of non-traditional students. Transfer counselor networks have been established at all institutions (public/private and two/four-years). We have a comprehensive agreement that spells out what students need to take to ensure transfer of courses and policies on transfer. Much of this information is presented on a web site so that students can access the information from wherever they are. We have expanded participation in our annual workshops with school counselors to now include elementary and middle school counselors and to target our efforts on activities that promote access.

The College Division is a tax-sheltered savings plan established to permit North Carolina residents to save for college with tax-sheltered fixed income investments. The Federal Student Aid Initiatives that Mr. Newlin went through yesterday are going to be very important and the dollar amount is significant. Another program not mentioned yesterday is a program called "Gear-Up," which stands for Gaining Early Awareness and Readiness for Undergraduate Programs. This program is designed to reach the Title I population in our schools, primarily those in middle schools that are on school lunch programs, and to provide mentoring and active intervention to bring them along.

Finally, we are proposing and seeking funding for a program called "PATHWAYS." This is a collaborative program. It is designed to increase "the college-going" rate and not "the UNC" attendance rate. Our colleagues from the Department of Public Instruction, community colleges, independent colleges, the State Education Assistance Authority, and the State Occupational Information Coordinating Committee are all part of this collaboration. The program is designed to package information that we know students need to have, particularly, students who come from families in which neither parent has graduated from college or even gone to college. This information will be made available not only to the students in middle schools, but also to their parents. We will form an advisory group of representatives from all of the sectors that are participating and basically try to get our information house in order. A lot of this information is institution specific or school specific. Access will be provided through Gateway. We will also provide an 800 number service to students who do not have access to the web site. See Pathways to the Future, UNC-185 for more information on the electronic vision.

Chairman Oldham: You mentioned that there were two schools that were not ready to accept some of the electronic information. What two schools are those?

Dr. Barnes: I am not sure, but they are the ones that are wrestling with the Y2K conversions.

Jim Newlin: Winston-Salem State University was one of the two schools.

Chairman Oldham: What reasons were given for not being ready?

Jim Newlin: They were having a hard time gearing up for the year 2000. However, additional status systems have now been added for assistance.

Dr. Jim Woodard (UNC-Charlotte) followed. His presentation focused on student recruitment. Dr. Woodard stated that 16,700 students (1/4 part-time, ¾ full-time) are presently enrolled at UNC-Charlotte and that the university offers professional programs in Arts and Science. Every Spring UNC-Charlotte host College Day on campus for all North Carolina schools in order to better educate our

citizens about education opportunities here in North Carolina. In the Fall, College Day is also held in downtown Charlotte where about 200 colleges, universities, and community colleges are represented.

UTOP (University Transition Opportunities Program) is a bridge program that connects students to the school. It was initially established to help minority students in their transitions. Because of its success, it is now extended to include other students. Total Quality Improvement teams such as the Students Success and Retention Improvement Team and the Advising Team were implemented to show students the level of importance the university gives to their activities. Dr. Woodard stated that this past fall 18.4% of the university's new applicants were African-Americans and African-Americans make up 16% of their total enrollment.

The enrollment target for UNC-Charlotte was set at an overall growth of 2% for the fall of 1999. However, enrollment was expected to increase over 10%. With this in mind, the admission criteria was increased for a six-week period in order to drop the enrollment rate low enough to accommodate the projected growth. Dr. Woodard asked the committee to connect accessibility, retention, graduation rates, and the lack of campus space when making decisions regarding the UNC budget requests.

Rep. Michaux: Are you saying that you are looking for "no growth" because of space limitation?
Dr. Woodard: No, we are looking at the probability of being able to acquire capital funding to build space fast enough to keep up with demand.
Rep. Michaux: You said that 900 students were turned down last year and you are in the processing of turning down about 1,600 this year, would those students have otherwise qualified for entry if the criteria standards had not risen?
Dr. Woodard: No, the 900 students turned down last year were students who did not meet the admission criteria. The 1,600 turned down through March 1, 1999, are combinations of those who would not have met the old criteria, plus the students that have now not been admitted because of the increase in admission criteria.

Rep. Warner: I want to commend you on your freshmen orientation program. Is this program generally part of your curriculum?
Dr. Woodard: It is not required of all students; however, our professional schools (engineering, business, nursing, etc.) now require its freshmen to take this one-hour elective.
Rep. Warner: This is exactly what we need to be doing throughout the state.

Rep. Boyd-McIntyre: I, too, am impressed with your freshmen orientation program. Can you brief us on the attrition rate versus the retention rate of your African-American students?
Dr. Woodard: There are two ways to look at success: retention and the graduation rate. The best measure of retention is from the freshman to sophomore year because that is when you tend to loose students. At UNC-Charlotte, our retention rate is about 80%, slightly less for African-American students. Our graduation rate is 60%, also slightly less for African-American students.

Chairman Oldham thanked Dr. Woodard and introduced Dr. Hope Williams, President, North Carolina Association of Independent Colleges and Universities. Dr. Williams' presentation was entitled "Aid to Students in North Carolina Private Colleges/Private College Enrollment."

Dr. Williams gave a brief overview of the history of private colleges in North Carolina. She stated that approximately 71,000 students (undergraduates/graduates) are enrolled in North Carolina's private colleges and more than half of these students are residents of North Carolina. There are 36 private colleges/universities in North Carolina (this includes 6 historically black colleges, 4 colleges for women, and 1 private two-year college). Dr. Williams also noted that private colleges award one-third of the bachelor's degrees, one-half of the medical degrees, and one-half of the law degrees in North Carolina. See **Attachment 1, PC 196-197** for further details on Dr. Williams' presentation.

Chairman Oldham opened the floor for questions to Dr. Williams.

Rep. Rogers: What is the ratio of the students who receive financial aid from the state through the grant program as opposed to those on the need-base program?

Dr. Williams: About 28,000 students receive the Legislative Tuition Grant and of that about one-third receive the need-base award. The average need-base award is approximately $2,000. This includes a Legislative Tuition Grant of $1,600 for students taking 12 credit hours or more, and a portion of the $900 in need-base funds for qualifying students.

Rep. Rogers: Are the six historically black colleges at capacity?

Dr. Williams: Yes. Of our 60,000 undergraduate students, 13,000 are African-Americans. We also have approximately 3,000 other minority students.

Rep. Smith: Did you say you have 7,000 capacity slots open?

Dr. Williams: Yes. Actually, it's closer to 9,000 slots.

Chairman Oldham thanked Dr. Williams for her presentation and adjourned the meeting at 9:50 am.

The Visitor Registration Sheet is attached and made a part of these minutes.

Respectfully submitted,

Delta F. Prince

Warren C. Oldham, Chair

Delta F. Prince, Committee Assistant

Access Trends and Issues

Presentation to Joint Appropriations Subcommittee on Education

March 24, 1999

The University of North Carolina General Administration

UNC-GA Planning/StAid.AG003A/3-22-99

*UNC Enrollment Trends: Fall Headcount by Race**

Year	Black	White	A.Ind.	Asian	Hisp.	Other	Total	%Min.
1988	24,850	106,120	1,206	1,808	811	2,606	137,401	22.8%
1989	25,660	108,792	1,321	1,994	865	2,685	141,317	23.0%
1990	26,138	110,918	1,390	2,292	931	2,763	144,432	23.2%
1991	26,775	112,657	1,421	2,557	1,124	2,970	147,504	23.6%
1992	28,212	113,882	1,483	2,836	1,263	3,280	150,956	24.6%
1993	29,193	113,771	1,467	3,171	1,397	3,331	152,330	25.3%
1994	30,001	113,971	1,518	3,503	1,514	3,201	153,708	25.9%
1995	30,043	113,797	1,577	3,734	1,643	3,142	153,936	26.1%
1996	29,889	112,020	1,608	3,886	1,787	3,293	152,483	26.5%
1997	31,005	112,346	1,668	4,133	1,934	3,414	154,500	27.3%
1998	31,479	112,076	1,637	4,281	2,011	3,622	155,106	27.7%
Ten-Yr.Change:								
#	6,629	5,956	431	2,473	1,200	1,016	17,705	4.9
%	26.7%	5.6%	35.7%	136.8%	148.0%	39.0%	12.9%	21.5%

*Includes graduate center enrollment.

The University of North Carolina General Administration

UNC-GA Planning/StAid.AG003K/3-23-99

*UNC Enrollment Trends: Headcount by Age, Gender, and Residency**

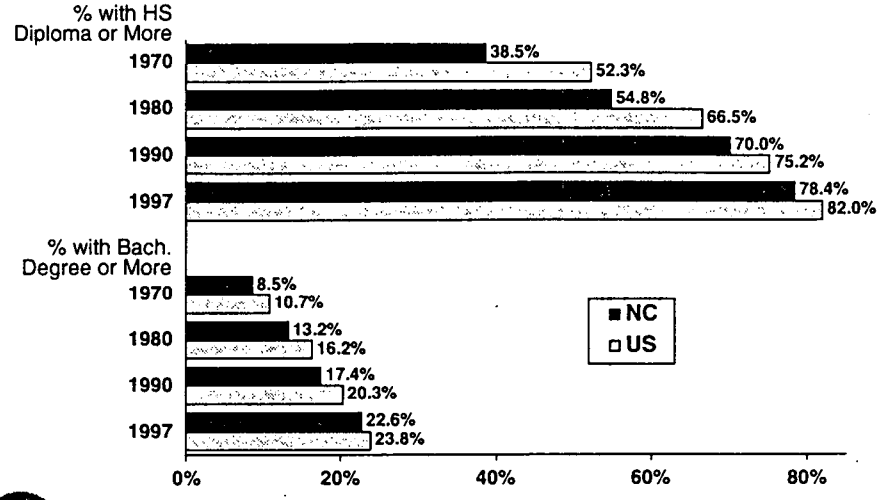
Year	≤ 24	≥ 25	Men	Women	In-State	O-o-S	Total
1988	100,745	36,457	63,792	73,410	116,922	20,280	137,202
1989	103,355	37,777	65,564	75,568	121,031	20,101	141,132
1990	105,795	38,446	66,950	77,291	124,248	19,993	144,241
1991	107,851	39,496	68,449	78,898	127,027	20,320	147,347
1992	109,691	41,127	70,029	80,789	129,553	21,265	150,818
1993	109,880	42,229	70,518	81,591	130,247	21,862	152,109
1994	108,892	44,623	70,542	82,973	131,728	21,787	153,515
1995	108,078	45,747	69,979	83,846	132,046	21,779	153,825
1996	107,504	44,847	68,561	83,790	131,072	21,279	152,351
1997	109,323	45,030	68,726	85,627	133,382	20,971	154,353
1998	110,830	44,161	68,791	86,200	134,036	20,955	154,991
Ten-Year Average:							
#	10,085	7,704	4,999	12,790	17,114	675	17,789
%	10.0%	21.1%	7.8%	17.4%	14.6%	3.3%	13.0%

*Excludes graduate center enrollment.

The University of North Carolina General Administration

UNC-GA Planning/StAid.AG003L/3-23-99

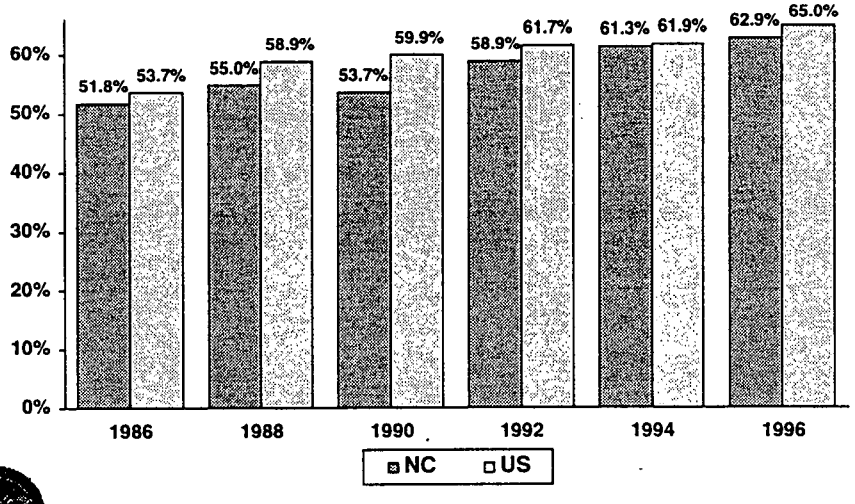
Educational Attainment of Persons 25 and Older



The University of North Carolina General Administration

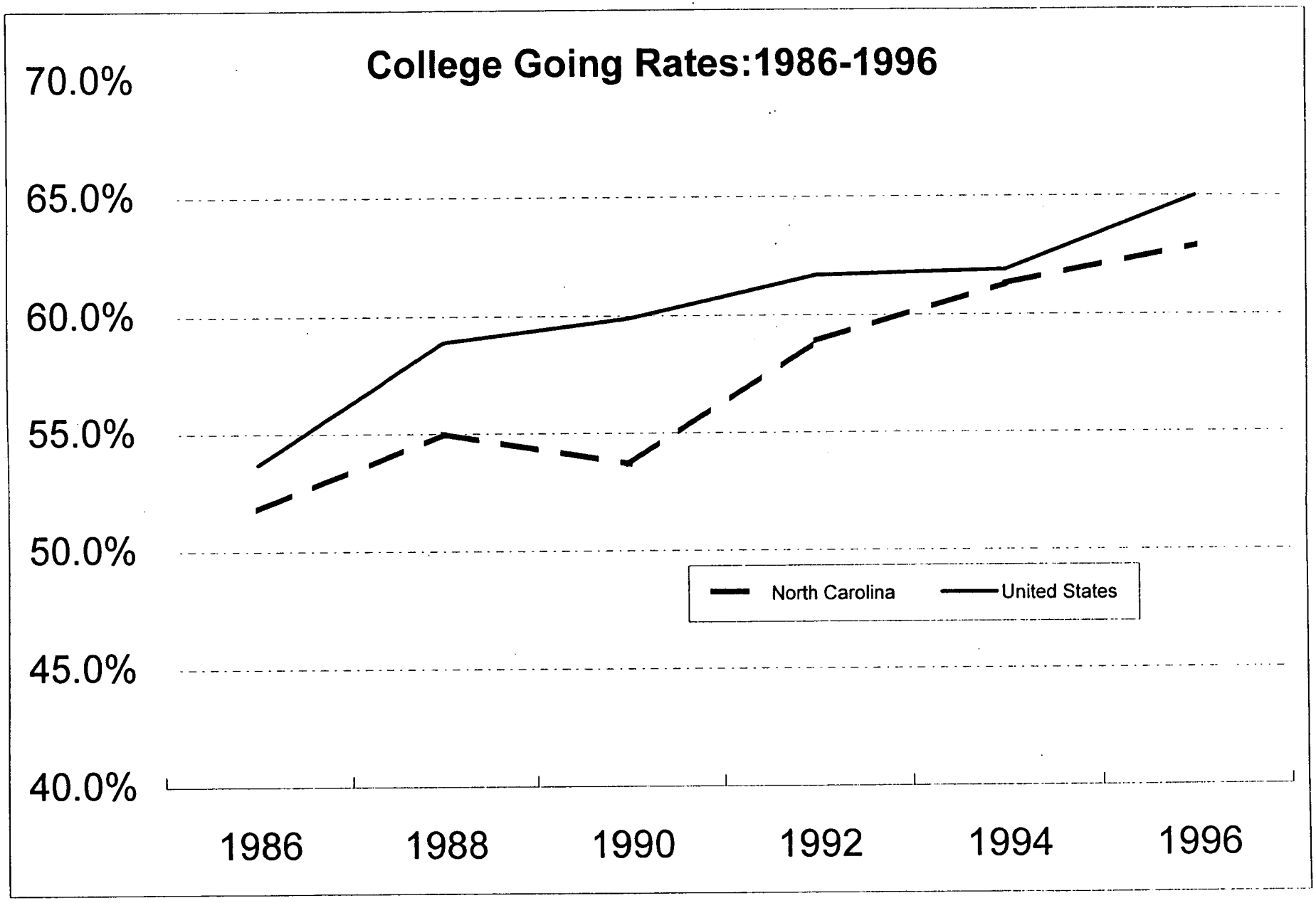
UNC-GA Planning/StAid.AG003G/3-22-99

Percent of Recent High School Graduates Attending College



The University of North Carolina General Administration

UNC-GA Planning/StAid.AG003F/3-22-99



Source: UNC General Administration
Fiscal Research Division 3/23/99

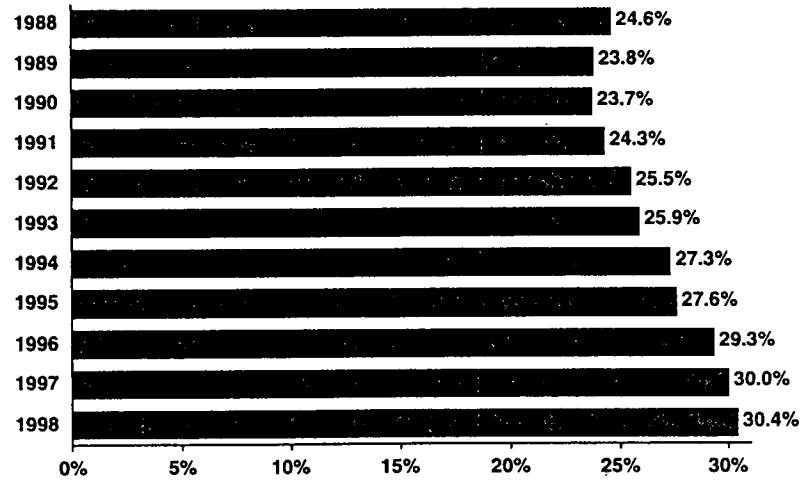
Mortenson Data on Chance for College: Percent of 19-Year Olds Enrolled in College

	1994		1996	
	Percent Enrolled*	National Rank	Percent Enrolled	National Rank
North Carolina	33.7%	43	33.5%	42
United States	40.0%		39.7%	
NC as % of US	84.3%		84.4%	

*Percent enrolled reflects the high school graduation rate and the postsecondary attendance rate.

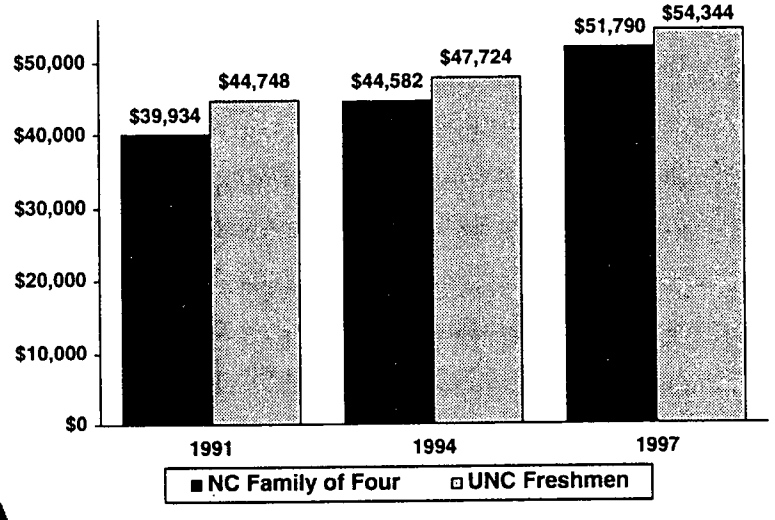
The University of North Carolina General Administration
UNC-GA Planning/StAid.AG003K/3-23-99

UNC Attendance Rate for NC High School Graduates



The University of North Carolina General Administration
UNC-GA Planning/StAid.AG003H/3-22-99

Median Income of Four-Person Family in North Carolina Compared to Median Family Income of UNC Freshmen



The University of North Carolina General Administration

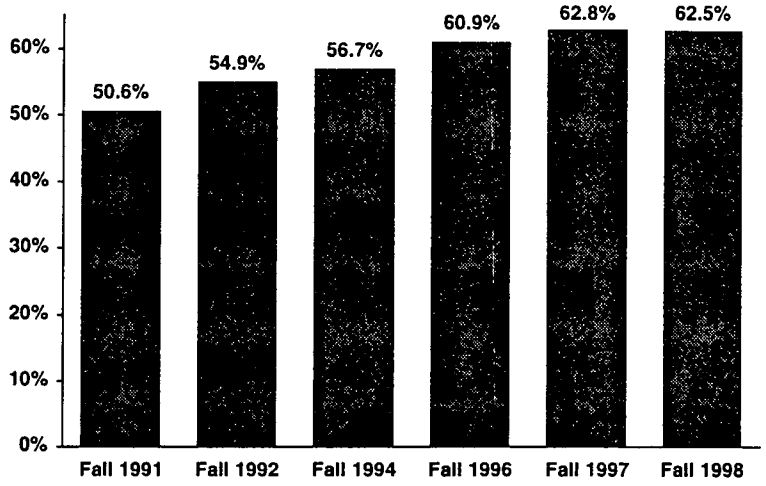
UNC-GA Planning/StAid.AG003B/3-22-99

Barriers to College Attendance and Completion

- Low educational attainment of parents or guardians
- Low income and wealth
- Low educational expectations
- Low academic achievement in high school

The University of North Carolina General Administration

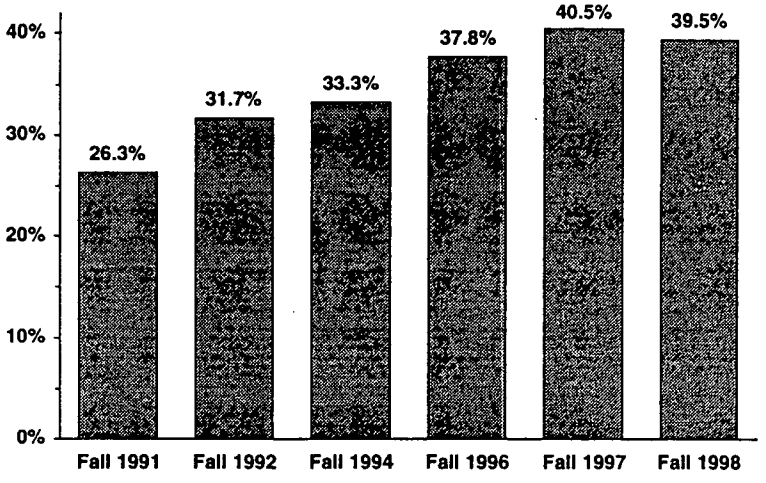
Percent of UNC Freshmen Reporting That They Received Financial Aid



The University of North Carolina General Administration

UNC-GA Planning/StAid.AG003C/3-22-99

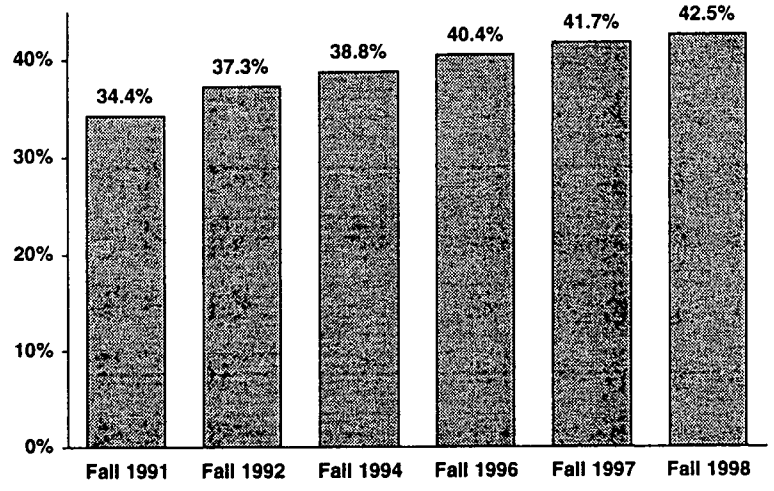
Percent of UNC Freshmen Reporting That They Received Need-Based Financial Aid



The University of North Carolina General Administration

UNC-GA Planning/StAid.AG003D/3-23-99

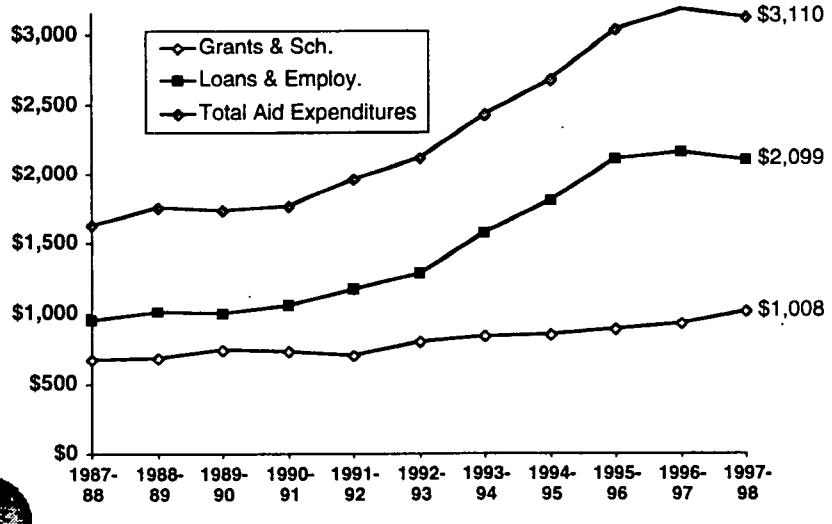
Percent of UNC Freshmen Who Plan to Work in Their Freshman Year



The University of North Carolina General Administration

UNC-GA Planning/StAid.AG003E/3-22-99

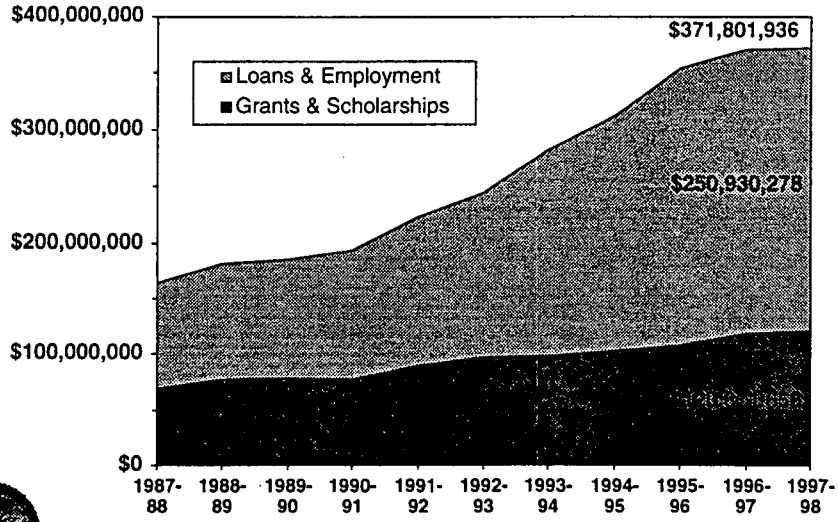
Constant Dollar Aid per Full-Time Student in the University of North Carolina



The University of North Carolina General Administration

UNC-GA Planning/StAid.AG003I/3-22-99

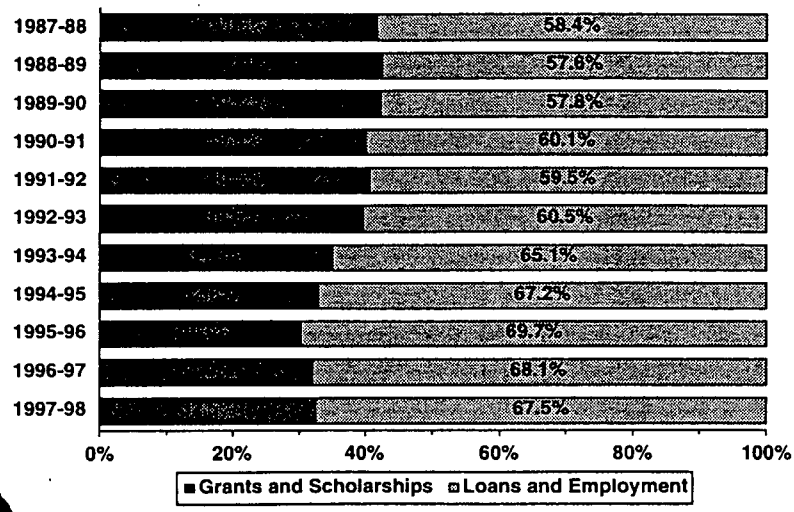
Constant Dollar Student Financial Aid Expenditures in UNC by Type of Award



The University of North Carolina General Administration

UNC-GA Planning/StAid.AG003M/3-23-99

Change in the Mix of UNC Financial Aid Funds



The University of North Carolina General Administration

UNC-GA Planning/StAid.AG003J/3-22-99

Efforts to Improve Access

- Initiatives to increase minority presence
- Set goals, monitor progress under P/PB:
  - High school graduate attendance rate
  - Community college transfer rates
  - Enrollment of non-traditional students (25 or older)
- Transfer counselor network, Policies on Transfer, Comprehensive Articulation Agreement
- Prospective student information on web site

(continued)

The University of North Carolina General Administration

Efforts to Improve Access (continued)

- Expand participation in annual workshops for school counselors
- College Vision (tax-sheltered savings plan)
- Federal student aid initiatives:
  - Raise maximum Pell Grant
  - Hope/Lifelong Learning Credit
  - Deductibility of student loan interest
  - GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Programs)
- PATHWAYS to the Future

The University of North Carolina General Administration

PATHWAYS to the Future

- Statewide program of guidance information for students in grades 7-12 and their parents
- Information on career counseling, academic preparation for postsecondary programs, financing college
- Designed to raise the North Carolina college going rate, not just the UNC attendance rate
- Information consolidated from many sources

(continued)

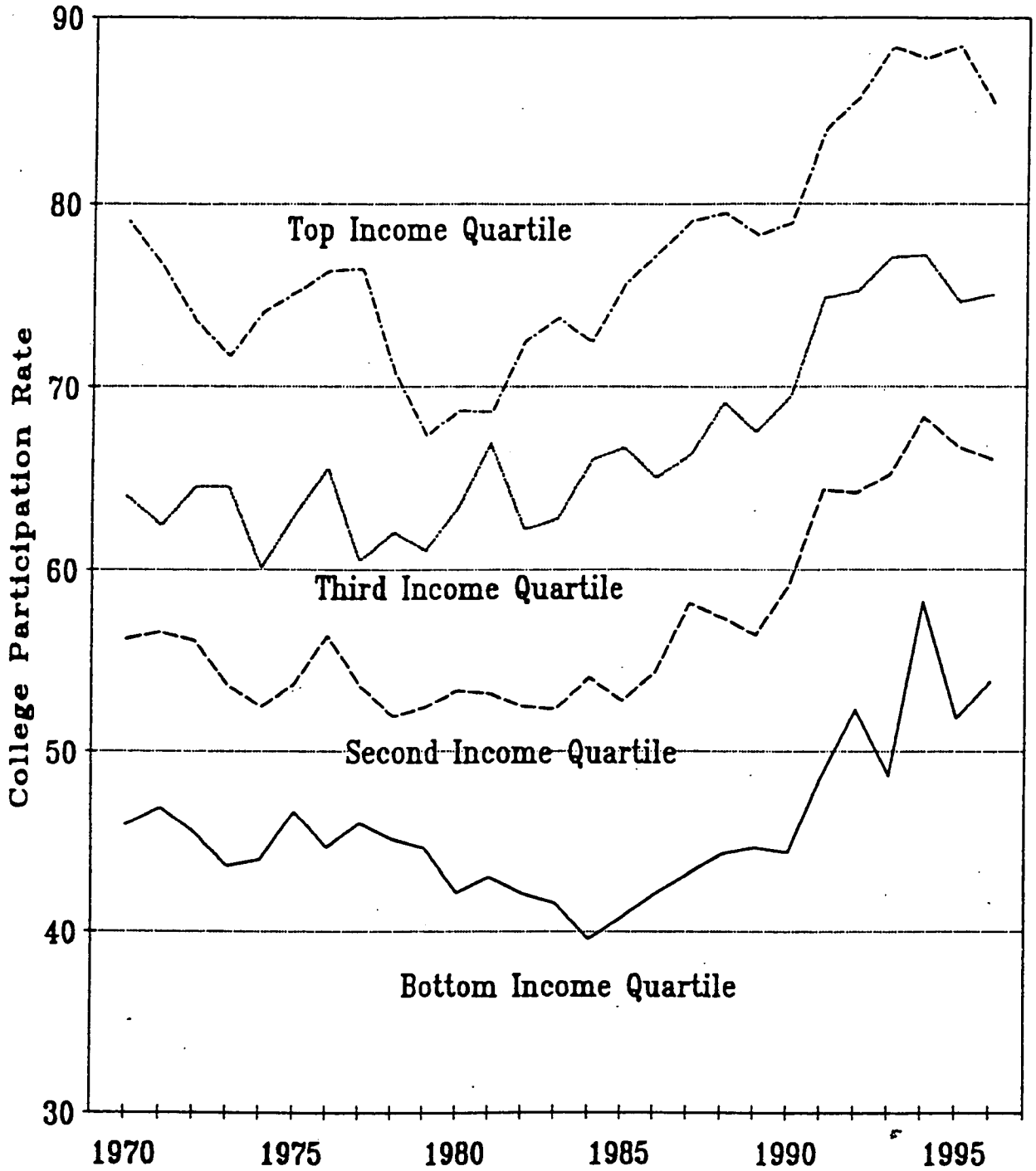
The University of North Carolina General Administration

PATHWAYS to the Future (continued)

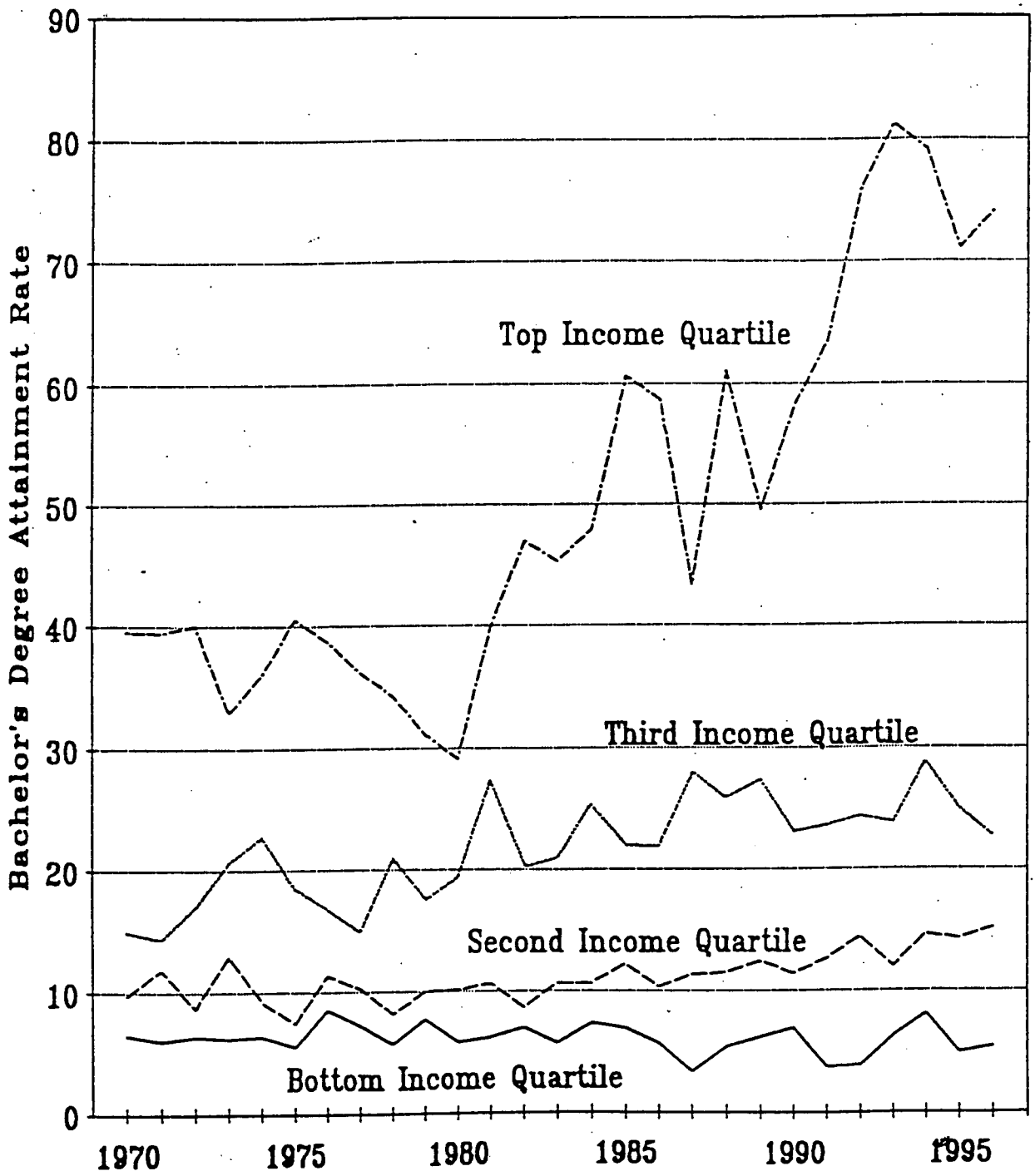
- Participants include SOICC, DPI, NCCCS, NCAICU, State Education Assistance Authority, UNC
- Information organized by grade level
- Patterned after California and Indiana systems
- Web-based with 800-number service in second year and thereafter
- Information available on demand

The University of North Carolina General Administration

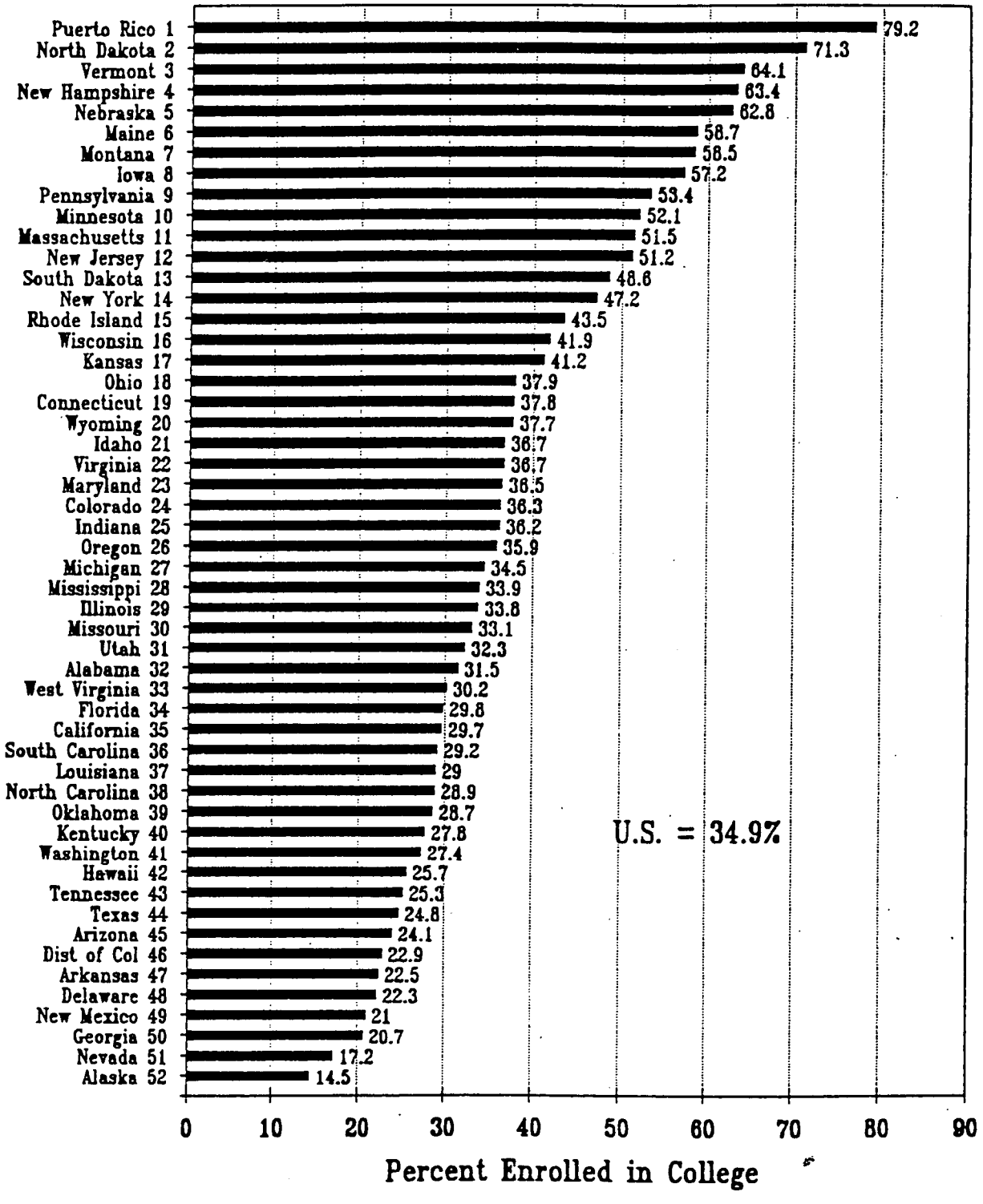
College Participation Rates by Family Income Quartiles
for Unmarried 18 to 24 Year Old High School Graduates
1970 to 1996



Estimated Chances for a Baccalaureate Degree by Age 24 by Family Income Quartile 1970 to 1996



Chance for College by State for Students from Low Income Families, FY1997



September 10, 1998

Projected Expenditures
North Carolina State Funded Financial Aid Programs
for Academic Year 1998-99

Need Based Scholarship/Grant Programs	Undergraduate	Graduate	Total	Responsible Agency
Appropriated Grants	$9,950,950		$9,950,950	1a
Board of Governors Dental Scholarships		416,213	416,213	1a & 3
Board of Governors Medical Scholarships		1,179,879	1,179,879	1a & 3
Community College Scholarships	347,200		347,200	2
ECSU Incentive Scholars Program	1,500,000		1,500,000	1a
Freshman Scholars Program *	1,000,000		1,000,000	1a
Incentive Scholarships (UNC PBI + PSU	1,600,000		1,600,000	1a
Incentive Scholarships and Grant Programs for Native Americans	700,200	45,000	745,200	1a
Minority Presence Scholarships	1,290,000	360,000	1,650,000	1a
NC Student Incentive Grants **	1,599,946		1,599,946	3 & 8
Health, Science, Mathematics Schol/Loans	663,558	2,173,440	2,836,998	3
Nurse Education Scholarship Loans	1,050,000		1,050,000	3
State Contractual Scholarship Fund	24,309,000		24,309,000	3
Total Need Based	**$44,010,854**	**4,174,532**	**$48,185,386**	

* Sum of $1,000,000 made available for use at UNC PBI constituent institutions. Income from investment to be used for commitments to students enrolling in 1994-95 and thereafter.

** Excluding federal matching grant of $554,666

Non-Need Based Scholarship/Grant Programs	Undergraduate	Graduate	Total	Responsible Agency
NC Legislative Tuition Grants	37,106,944		37,106,944	3
NC Teaching Fellows	7,760,000		7,760,000	7
NC Veterans Scholarships	4,301,000		4,301,000	5
Nurse Scholars Program	3,253,800	150,000	3,403,800	3
Principal Fellows Program		3,240,000	3,240,000	3
Prospective Teacher Scholarship/Loan	1,897,535		1,897,535	4
Social Workers' Scholarship/Loan Fund	0	0	0	3
Tuition Remission	878,770	19,308,468	20,187,238	1a
Vocational Rehabilitation Awards	Breakdown unavailable		10,000,000	6
Total Non-Need Based	**$55,198,049**	**$22,698,468**	**$87,896,517**	
Grand Total Grants and Scholarships	**$99,208,903**	**$26,873,000**	**$136,081,903**	

Matching Fund Appropriations				
Federal Work-Study	1,623,400		1,623,400	1a & 3
Total Matching Fund Appropriations	**$1,623,400**		**$1,623,400**	
Grand Total State Funding	**$100,832,303**	**$26,873,000**	**$137,705,303**	

PROJECTED

Projected Expenditures
North Carolina State Funded Financial Aid Programs
for Academic Year 1998-99

North Carolina Federal Family
Education Loan Program

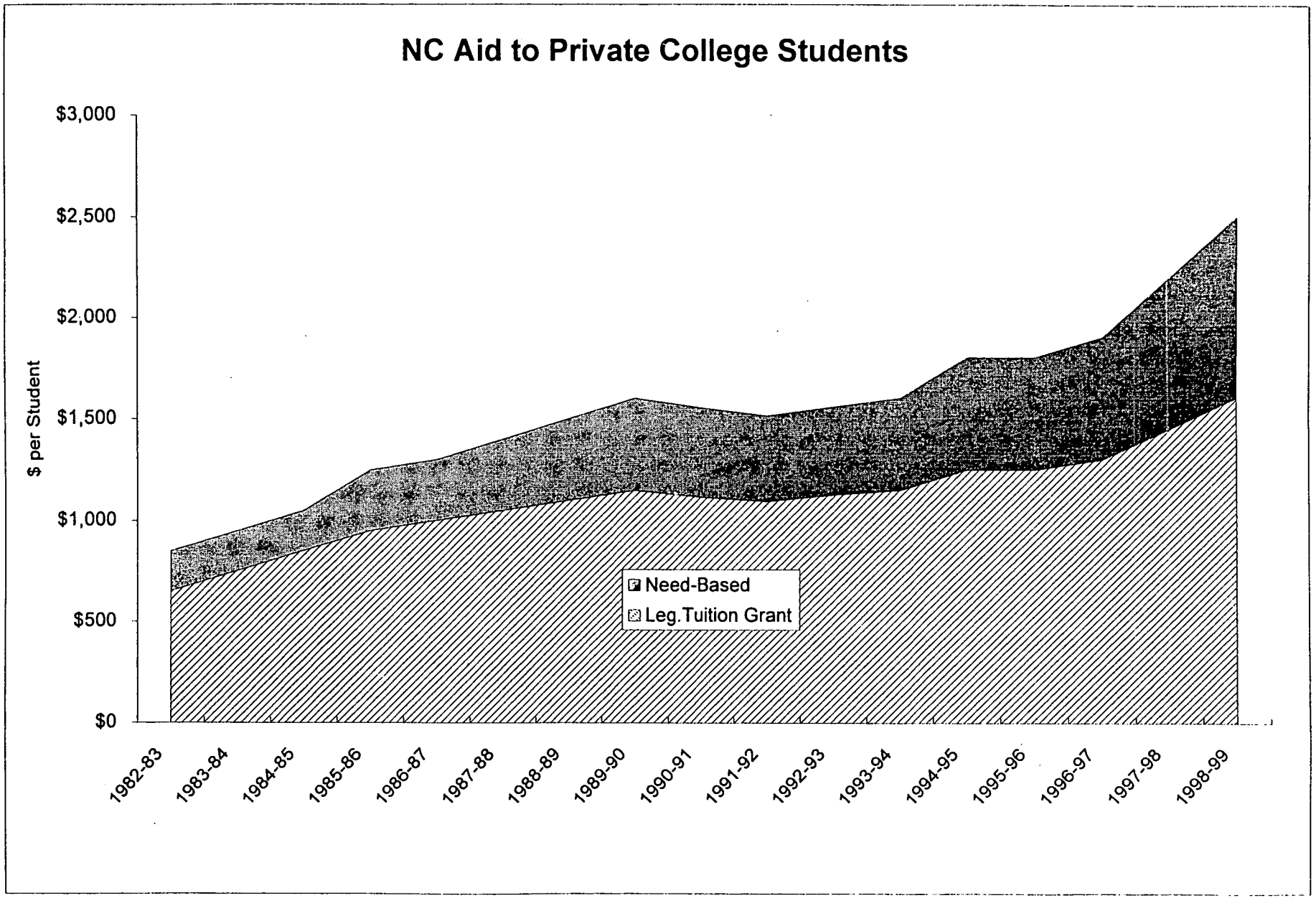
A State Operated Student Loan Program Using State-Generated Private Capital, Insured by the State and Reinsured by the Federal Government

	Undergraduate	Graduate	Total	Responsible Agency
Stafford Loans (subsidized)	70,000,000	32,000,000	102,000,000	3 & 8
Stafford Loans (unsubsidized)	41,000,000	21,000,000	62,000,000	3 & 8
PLUS Loans	12,500,000	0	12,500,000	3 & 8
Total FFELP Loans	**$123,500,000**	**$53,000,000**	**$176,500,000**	
GRAND TOTAL INCLUDING FFELP	**$224,332,303**	**$79,873,000**	**$314,205,303**	

Administering Agencies

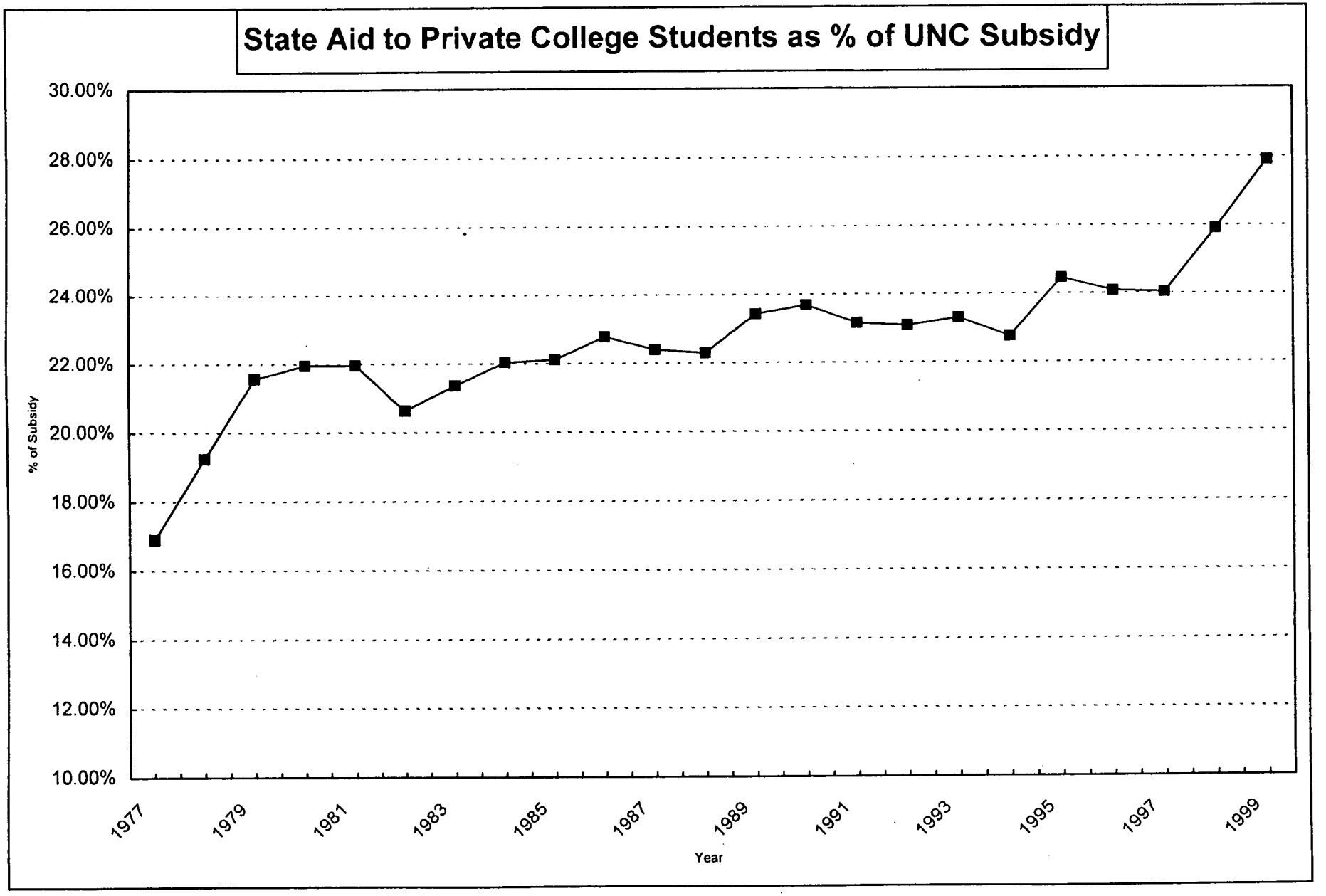
1. Board of Governors, UNC 1a. In collaboration with UNC constituent institutions
2. Department of Community Colleges
3. State Education Assistance Authority (The UNC Board of Governors provides the secretariat for the Authority)
4. Department of Public Instruction
5. Department of Administration (Veterans' Affairs)
6. Department of Human Resources (Vocational Rehabilitation)
7. Public School Forum (not a State agency)
8. College Foundation, Inc. (not a State agency)

DATA COMPILED BY THE NORTH CAROLINA STATE EDUCATION ASSISTANCE AUTHORITY



FRD 3/23/99

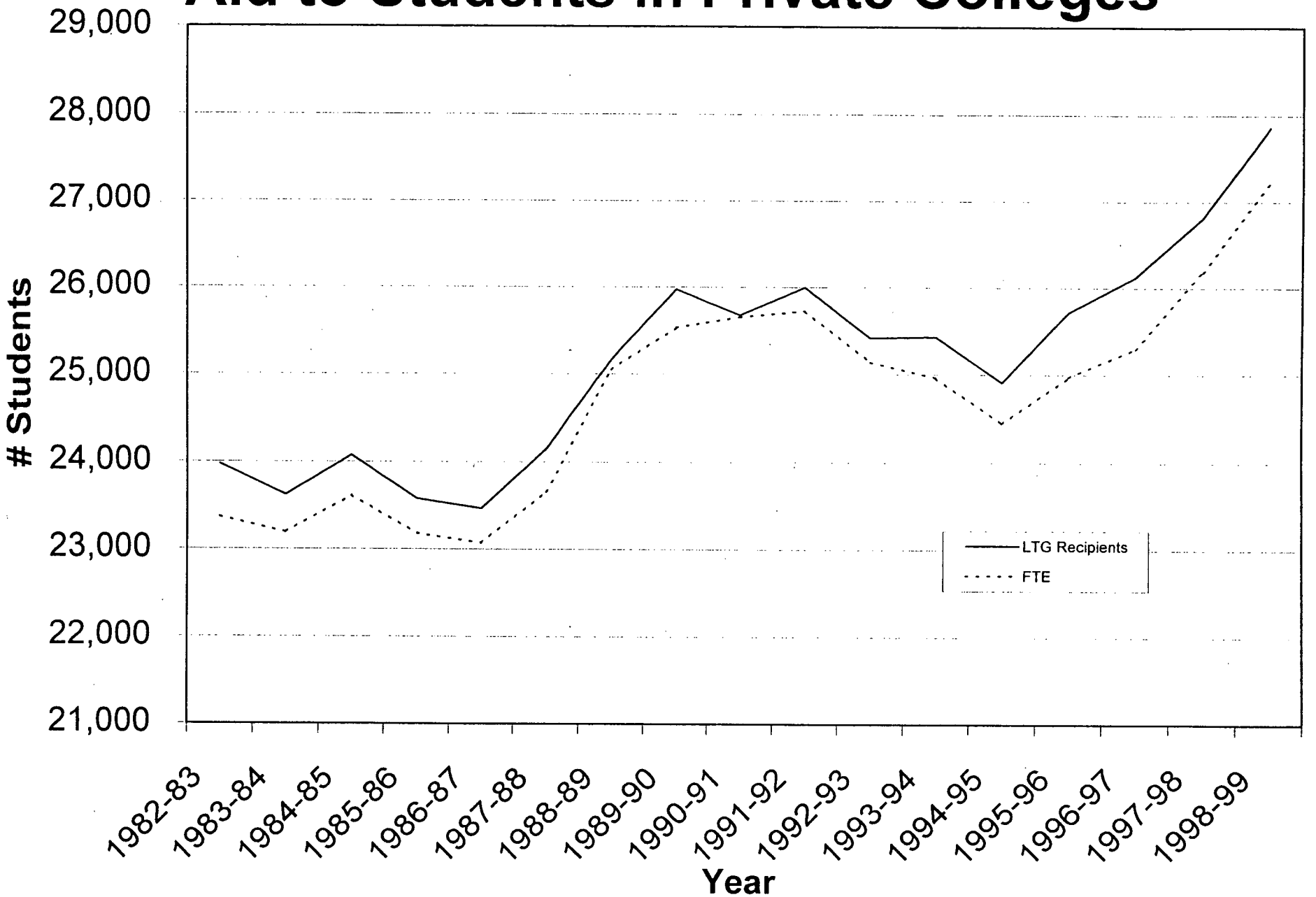
$ per Student chart Chart 1



FRD 3/99

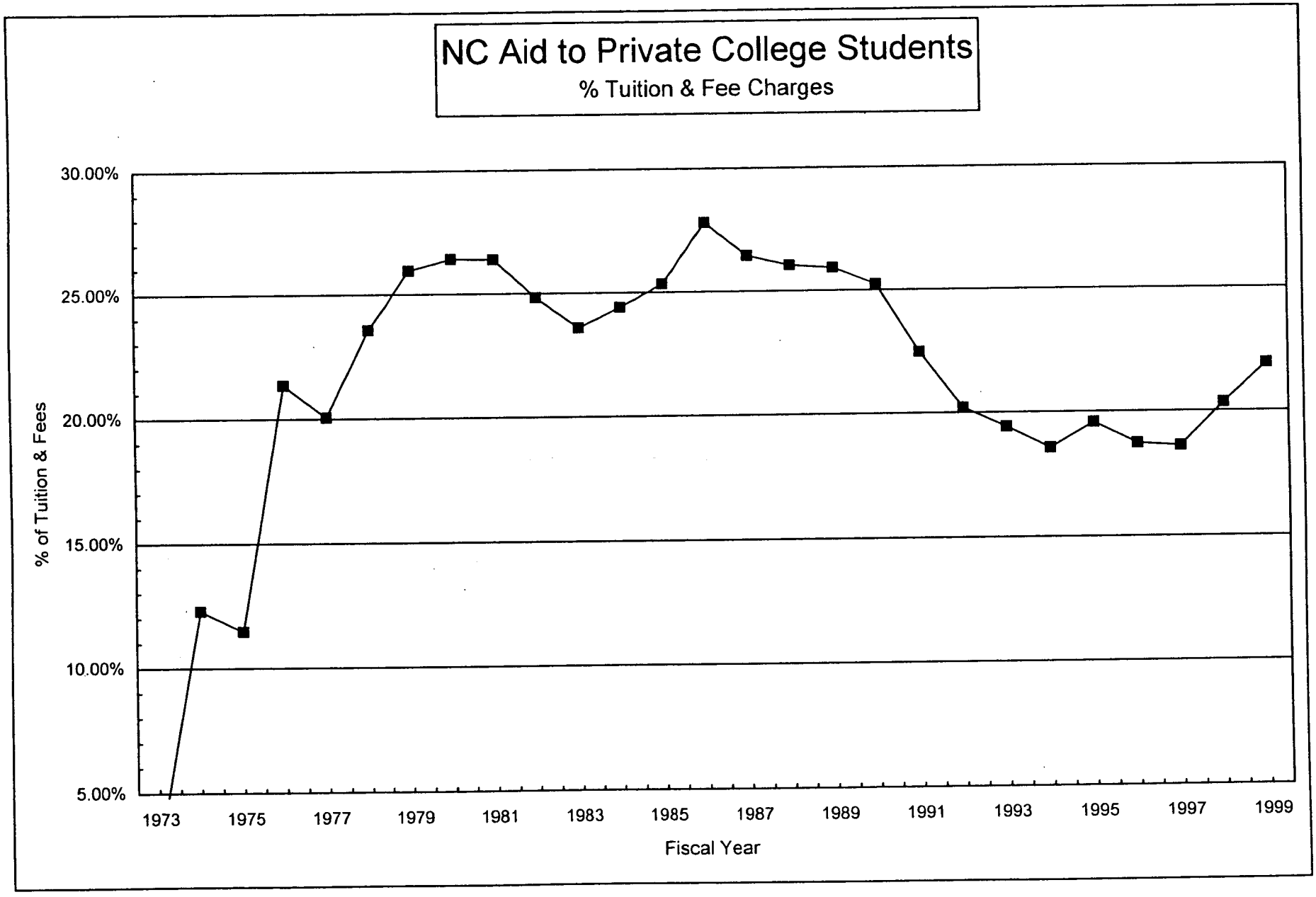
Aidvssubsidy Chart 2

Aid to Students in Private Colleges



Fiscal Research Division 3/23/99

Recipients Chart 1



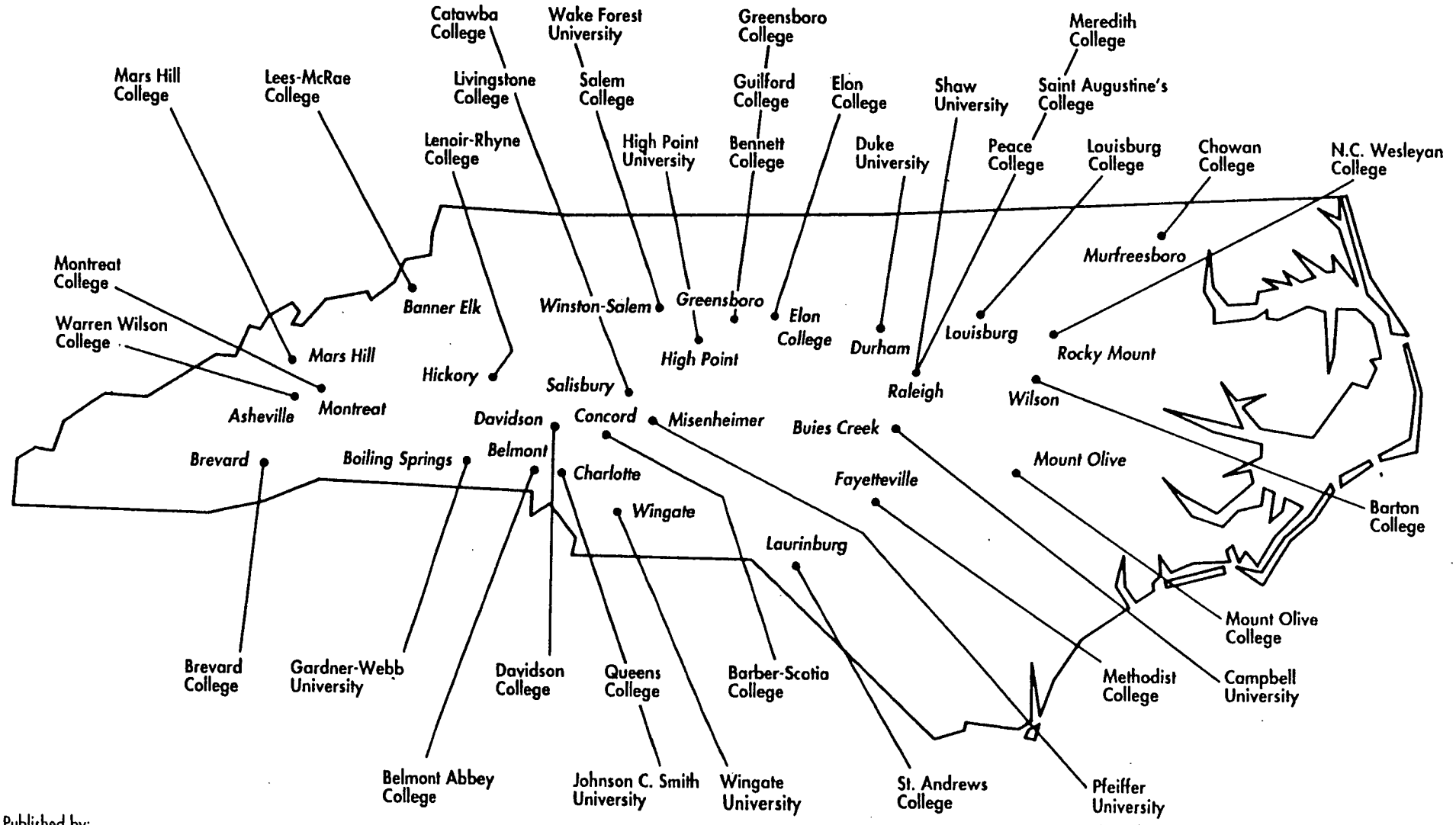
FRD 2/23/99

Aidvstuitiofees Chart 1

Aid to Students Attending Private College

	1999-2000	2000-2001
Current Budget		
Legislative Tuition Grant	$ 36,587,122	$ 36,587,122
Need-Based Funding	$ 23,782,350	$ 23,782,350
Subtotal	$ 60,369,472	$ 60,369,472
Continuation Budget Changes		
Legislative Tuition Grant	$ 2,750,091	$ 2,750,091
Need-Based Funding	$ 1,274,922	$ 1,274,922
Subtotal	$ 4,025,013	$ 4,025,013
Subtotal Continuation Budget	$ 64,394,485	$ 64,394,485
Expansion Budget		
Legislative Tuition Grant	$ 8,022,850	$ 8,022,850
Need-Based Funding		
Total Budget Proposal	**$ 72,417,335**	**$ 72,417,335**
% Increase over 98-99	20%	20%

FRD 3/23/99

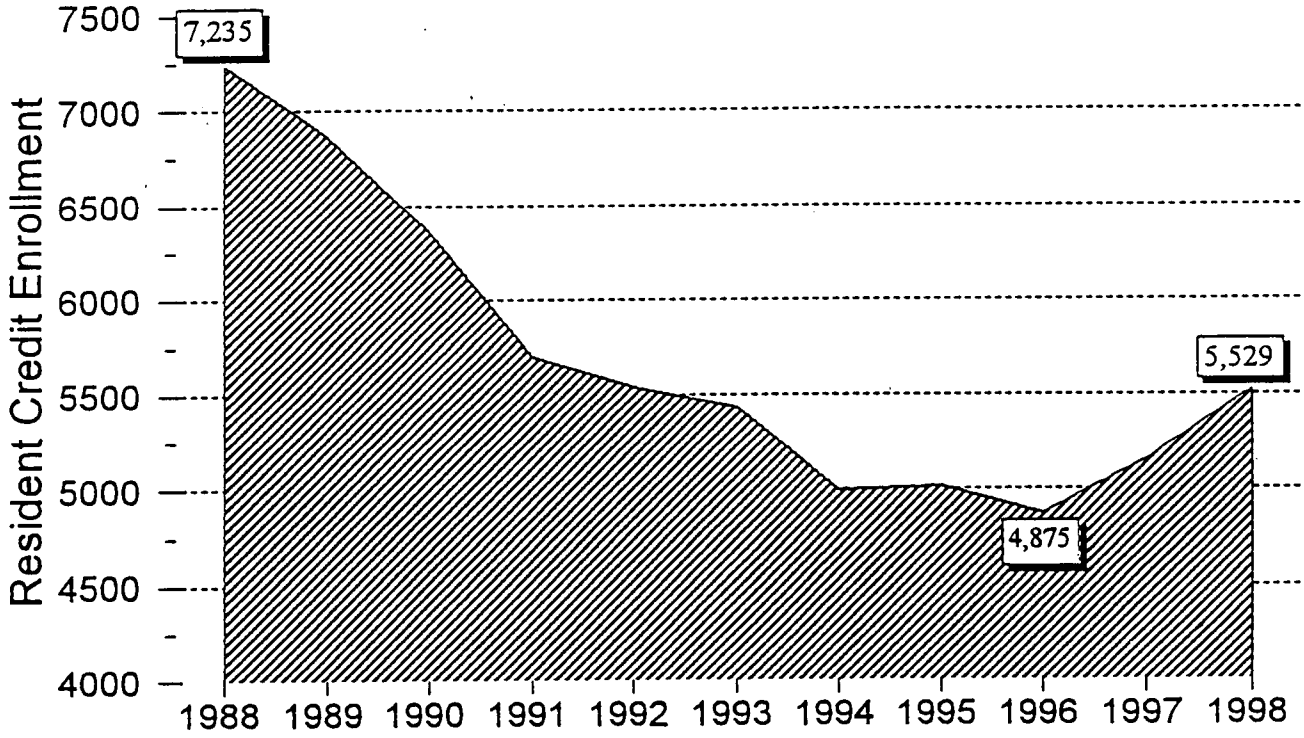


Published by:
North Carolina Center for Independent Higher Education
879-A Washington Street Raleigh NC 27605

Printed on recycled paper

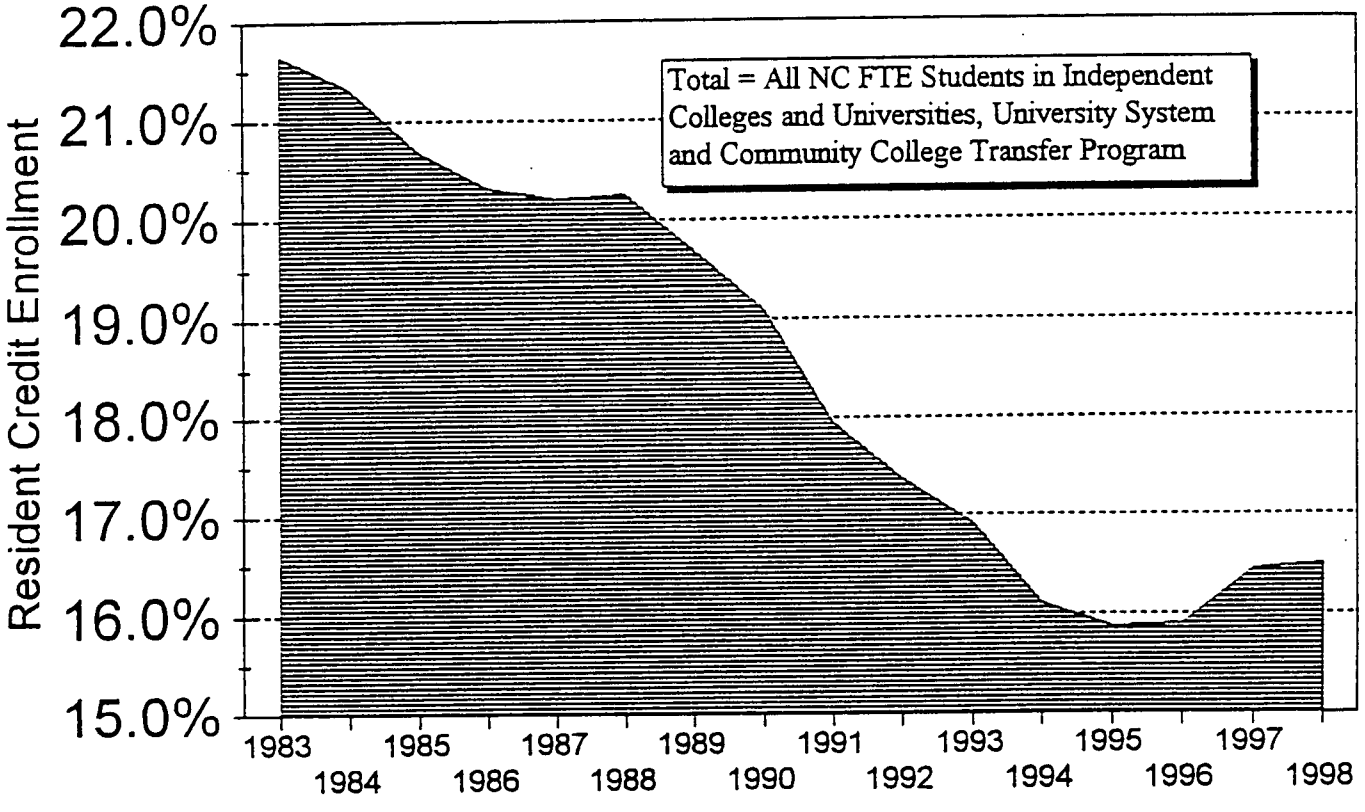
N. C. FTE First-Time Freshmen

NC Independent Colleges & Universities



Source: NCHED A-1.1

% of Total NC FTE Students
in Independent Institutions



Source: Statistical Abstract of Higher Education in North Carolina

8:30 am

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education 3/24/99

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jaclyn Dixon	Rep Easterling's Intern
David Brown	OSBM
Janet Pulliam	OSBM
Gary Omey	State Planning
June Brotherton	UNC-GA / NCSU Ag Pgm
Harriet Dial	NCAE
Clifton B Metcalf	GOVO GA
Maurice Ray	OSBM
Elizabeth Grossenstein	OSBM
Tim McDowell	NCAICU
J. H. WOODWARD	UNC CHARLOTTE
Ken G. Tyner	NC.FB
Barbara Harris	OSBM
Evelyn Davidhome	UNC CH
Bill Wilson	NCAE
[illegible]	Public School Forum
Jeanette Hagans	daughter of senator, Caltech
Hal Miller	NCACCT
Jeanne Schoen	NCNA
Robin Weeks Coovert	NCNA
Terry Bodel	Wake Forest Univ Medical School
Kevin Howell	Gov's office
Gary Barnes	UNC
Mazie Williams	NCBCM

Joint Appropriations Subcommittee
On Education/Higher Education

March 24, 1999
2:30 p.m.
Presiding- **Senator Howard Lee**

Call to Order		Chair
Access to College: Trends and Issues-Short Follow up on Morning Issues		**Jim Newlin,** Fiscal Research
Faculty Salaries		**Dr. Roy Carroll,** Sr. Vice President for Academic Affairs, UNC **Dr. Marye Anne Fox**, Chancellor, NC State University
UNC Libraries		**Jim Newlin,** Fiscal Research **Dr. Roy Carroll, UNC** **Dr. Susan Nutter,** Vice Provost & Director of the Libraries, NCSU

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Wednesday, March 24, 1999
2:30 P.M.
Room 421 LOB

The Joint Appropriations Subcommittee on Education/Higher Education met on Wednesday, March 24, 1999 at 2:30 P.M. in the Legislative Office Building. Senator Lee, Co-Chair presided. He introduced the following Pages: Nadine Engelhorn from McDowell County and sponsored by Representative Gillespie; Kimberly Vance from Wake County, sponsored by Speaker Black; Alexia Whitaker from Wake County, sponsored by Speaker Black and Melissa Phillips from Wake County, sponsored by Senator Purcell.

Senator Lee called the meeting to order and welcomed the members and visitors. He recognized Mr. Jim Newlin, Fiscal Research Staff. Mr. Newlin presented a short follow-up briefing on Student Financial Aid.

Next, Senator Lee introduced Dr. Roy Carroll, Sr. Vice President for Academic Affairs, UNC. Dr. Carroll presented *Comparative Data on Faculty Salary and Compensation within the University of North Carolina. (See Attachment 1).* He stated that faculty salaries and over-all compensation are key factors to the University in attracting and retaining quality faculty. Dr. Carroll reported data from the American Association of Professors that compared the UNC System with other comparable Universities nationwide in terms of faculty salaries and compensation.

Senator Lee introduced and welcomed Dr. Marye Anne Fox, Chancellor of North Carolina State University. Dr. Fox stressed the importance of adequate funding to attract and retain quality faculty at North Carolina's Universities. Dr. Fox stated that strong faculty members are vulnerable to being recruited not only between in-state universities but also nationally. She stated that faculty salaries reflect expertise. Dr. Fox presented several examples of the benefits that a University receives by hiring top-notch faculty. Some of the resources a faculty contributes are: financial support for students, interaction with faculty, reputation for excellence in research, numbers of patents and the income stream that are generated by them. Dr. Fox stressed the importance of maintaining the funding for faculty positions. Dr. Fox stated it was essential to think about creative financing, to maintain a strong partnership between the institutions and the state legislature, institute new ways the institutions can interact with themselves in terms of research, to leverage investments that are made with the private sector and the state, and to provide an intellectually stimulating environment.

Dr. Fox addressed several issues as requested by the Committee. Senator Lee praised Chancellor Fox and thanked her for the presentation to the Committee.

Next, Senator Lee recognized Dr. Carroll and asked him to brief the Committee on the status of the UNC Libraries. Dr. Carroll presented a comprehensive briefing on the library collections, staff and space. *(See Attachment 2).* Dr. Carroll listed the major factors reshaping the University Libraries. They were: Growth in the amount, variety and format of information; effect of information technology on library staff, users, facilities, and delivery systems; increasing emphasis on cooperative access to information; projected boom in enrollment; increasing use of distance education and increasing information demands of North Carolina's Citizens and Businesses. Dr. Carroll reported the mandated 1996 Library Study Recommendations to the Committee.

The Study Recommendations were: Systemwide Inflation Funding; Recurring Support for the NC Virtual Library (NC Live); "Catch-up" Funding for Collections over the next Three Biennia for Eight Institutions (Appalachian State, Elizabeth City, North Carolina A & T, UNC-Pembroke, UNC-Charlotte, Western Carolina, Winston-Salem, and UNC-Greensboro); and Strengthening Professional Staff at Four Institutions (Appalachian State, UNC-Asheville, UNC-Greensboro, and UNC-Wilmington).

Dr. Carroll thanked the Committee for their support and interest in the UNC-Libraries.

Senator Lee introduced Dr. Susan Nutter, Vice Provost & Director of the Libraries, North Carolina State University. Dr. Nutter spoke to the Committee about the impact of the tuition increase on the university libraries and the inflation funding increase. She stated the inflation funding was given equally to all the University Libraries. Next, she talked about the ranking of the libraries. The North Carolina State Library has improved its ranking from a low of 101 to 37th. An improvement of 64 positions. She stated it was an unprecedented improvement in the history of research institutions in North America. With the increased funding, there has been a 60% increase in the library collection budget.

Dr. Nutter explained the NC Live effort. She stated NC Live is a partnership funded by the General Assembly. It is a partnership of the UNC Libraries, the public libraries, the Community College Libraries and the private institution libraries. NC Live is a cooperative effort to share library resources and provide access to the public. It also facilitates the distant learning projects currently being developed. Senator Lee thanked Dr. Nutter for briefing the Committee.

Senator Lee adjourned the meeting at 3:50 P.M.

Senator Howard Lee, Co-Chair

Christina K. Minard, Education Committee Assistant

Comparative Data on Faculty Salary and Compensation within the University of North Carolina

The University of North Carolina General Administration

ATTACHMENT 1

Average AAUP Faculty Salary (All Ranks), 1997-98

Institution	Avg.Sal.	AAUP Category	Avg.Sal.
UNC-CH	69.9		
NCSU	60.6	Category I	59.1
UNC-G	50.3		
UNC-C	51.3		
NCA&T	51.2		
NCCU	50.9		
UNC-W	50.0		
ASU	49.7	Category IIA	49.9
UNC-P	49.1		
WCU	48.5		
ECU	48.0		
FSU	47.9		
WSSU	48.4		
ECSU	47.6	Category IIB	45.2
UNC-A	47.0		

AAUP Faculty Salary Rating
1988-89 Through 1997-98

	88-89	89-90	90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98
NCSU										
Prof	2	3	2	3	3	3	3	3	2	2
Assoc	2	2	2	3	3	3	3	3	2	2
Assist	2	2	3	3	3	3	3	2	1	2
UNC-CH										
Prof	2	2	2	2	2	2	2	2	2	2
Assoc	2	2	2	3	3	2	2	2	1	1
Assist	2	3	3	4	3	3	2	2	2	2
UNC-G										
Prof	3	3	3	4	4	4	4	4	4	4
Assoc	4	4	4	4	4	4	4	5	4	4
Assist	4	4	4	4	4	4	4	5	5	5
ASU										
Prof	3	3	3	4	4	4	4	4	3	3
Assoc	3	3	3	3	4	4	3	3	3	3
Assist	2	2	2	3	3	3	3	3	2	2
ECU										
Prof	2	2	2	1	2	2	2	2	2	2
Assoc	2	2	2	3	3	3	3	3	3	2
Assist	2	1	2	2	2	2	2	2	2	2
FSU										
Prof	1	1	1	1	3	3	3	2	2	2
Assoc	1	1	1	1	3	3	2	2	2	2
Assist	1	1	1	1	3	2	2	2	1	1
NCA&T										
Prof	3	3	3	3	3	3	2	2	2	2
Assoc	2	2	2	2	2	2	2	2	2	2
Assist	1	1	1	1	1	1	1	1	1	1
NCCU										
Prof	2	2	2	3	2	2	2	2	2	2
Assoc	2	2	2	2	3	2	2	2	2	2
Assist	2	2	2	2	3	3	2	2	1	1
UNC-C										
Prof	2	2	2	2	2	2	2	2	2	1
Assoc	2	2	2	2	2	2	2	2	2	2
Assist	2	2	1	2	2	2	2	2	1	1
UNC-P										
Prof	1	1	1	1	3	3	2	2	2	2
Assoc	1	1	1	2	4	4	4	3	3	2
Assist	1	1	1	1	4	4	4	3	2	3

	88-89	89-90	90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98
UNC-W										
Prof	1	1	1	1	3	3	2	2	2	2
Assoc	1	1	1	1	3	3	3	3	3	2
Assist	1	1	1	1	3	3	2	3	2	2
WCU										
Prof	3	3	3	3	3	3	3	3	3	2
Assoc	2	2	2	2	3	3	2	2	2	2
Assist	2	2	3	3	3	3	3	3	2	2
ECSU										
Prof	2	2	2	2	3	2	2	3	2	2
Assoc	2	1	1	2	2	2	1	2	2	2
Assist	2	1	1	2	2	2	2	2	2	1
UNC-A										
Prof	1	1	1	1	1	1	1	1	1	1
Assoc	1	1*	1*	1	1	1	1	1	1	1
Assist	1	1	1	1	2	2	2	2	3	3
WSSU										
Prof	2	2	2	2	2	2	2	2	2	2
Assoc	2	1	1	2	2	2	1	1	1	1
Assist	1	1*	1	1	1	1	1	1	1	1

AAUP Faculty Salary Comparisons for NCSU & UNC-CH, 1994-95 to 1998-99

	RANK	MEASURE	1994-95	1995-96	1996-97	1997-98	1998-99
NCSU	Professor	Salary	$70.0	$71.1	$76.8	$79.9	$82.6
		Quintile Rating	3	3	2	2	-
	Assoc. Prof.	Salary	$50.7	$51.2	$54.8	$57.2	$59.3
		Quintile Rating	3	3	2	2	-
	Asst. Prof.	Salary	$43.6	$45.3	$49.2	$50.6	$52.2
		Quintile Rating	3	2	1	2	-
UNC·CH	Professor	Salary	$74.7	$75.9	$82.2	$86.0	$88.7
		Quintile Rating	2	2	2	2	-
	Assoc. Prof.	Salary	$53.9	$54.1	$59.0	$61.8	$65.2
		Quintile Rating	2	2	1	1	-
	Asst. Prof.	Salary	$44.5	$45.7	$48.4	$49.2	$51.2
		Quintile Rating	2	2	2	2	-

The University of North Carolina General Administration

UNC-GA ProgAssess/Per.AT006/3-15-99

AAUP Faculty S ary Comparisons for NCSU and UNC-CH
994-95 - 1998-99

Institution & Rank	Measure	1994-95	1995-96	1996-97	1997-98	1998-99
NCSU						
Professor	Salary	$70.0	$71.1	$76.8	$79.9	$82.6
	Quintile Rating	3	3	2	2	-
Assoc. Professor	Salary	$50.7	$51.2	$54.8	$57.2	$59.3
	Quintile Rating	3	3	2	2	-
Asst. Professor	Salary	$43.6	$45.3	$49.2	$50.6	$52.2
	Quintile Rating	3	2	1	2	-
UNC-CH						
Professor	Salary	$74.7	$75.9	$82.2	$86.0	$88.7
	Quintile Rating	2	2	2	2	-
Assoc. Professor	Salary	$53.9	$54.1	$59.0	$61.8	$65.2
	Quintile Rating	2	2	1	1	-
Asst. Professor	Salary	$44.5	$45.7	$48.4	$49.2	$51.2
	Quintile Rating	2	2	2	2	-

Note: 1997-98 Quintile Ratings for AAUP Doctoral Level Institutions by Rank

Rating	1*	1	2	3	4
Percentile	95%	80%	60%	40%	20%
Professor	$104,240	$86,270	$78,930	$72,040	$65,910
Assoc. Professor	$66,480	$61,050	$56,230	$53,490	$49,500
Asst. Professor	$57,020	$50,670	$47,360	$44,450	$41,640

UNC-GA ProgAssess/Per.AT0027/3-15-99

Comparison of Average Faculty Salaries at Selected AAU Public Institutions, 1997-98

Institution	*Professor*	*Assoc. Prof.*	*Asst. Prof.*
U.Cal.-Berkeley	$92.7	$61.1	$52.0
UCLA	$92.6	$60.7	$52.0
Michigan	$91.9	$65.9	$53.0
Virginia	$90.9	$61.3	$48.9
Rutgers	$89.6	$64.6	$47.8
U.Cal.-San Diego	$88.3	$59.4	$49.1
UNC-CH	$86.0 (7)	$61.8 (3)	$49.2 (9)
UT-Austin	$82.4	$53.7	$49.7
NCSU	$79.9 (18)	$57.2 (12)	$50.6 (5)

The University of North Carolina General Administration

UNC-GA ProgAssess/Per.AT006/9-1-98

Anticipated Percentage Faculty Salary Increase, SREB States, 1998-99

State	*Anticipated % Increase*
Alabama	Up to 8.8%
Arkansas	4.9%
Georgia	6.0%
Kentucky	3.0 to 5.4%
Maryland	1.25% + $1,275
Mississippi	3.0%
▶ North Carolina	3.0% + one-time 1% bonus
South Carolina	2.5%
Tennessee	2.0% + bonus up to $1,275
Virginia	5.8%
West Virginia	4.8%

AAUP Faculty Total Compensation Comparison by Quintile Ratings
By UNC Institution 1988-89 Through 1997-98

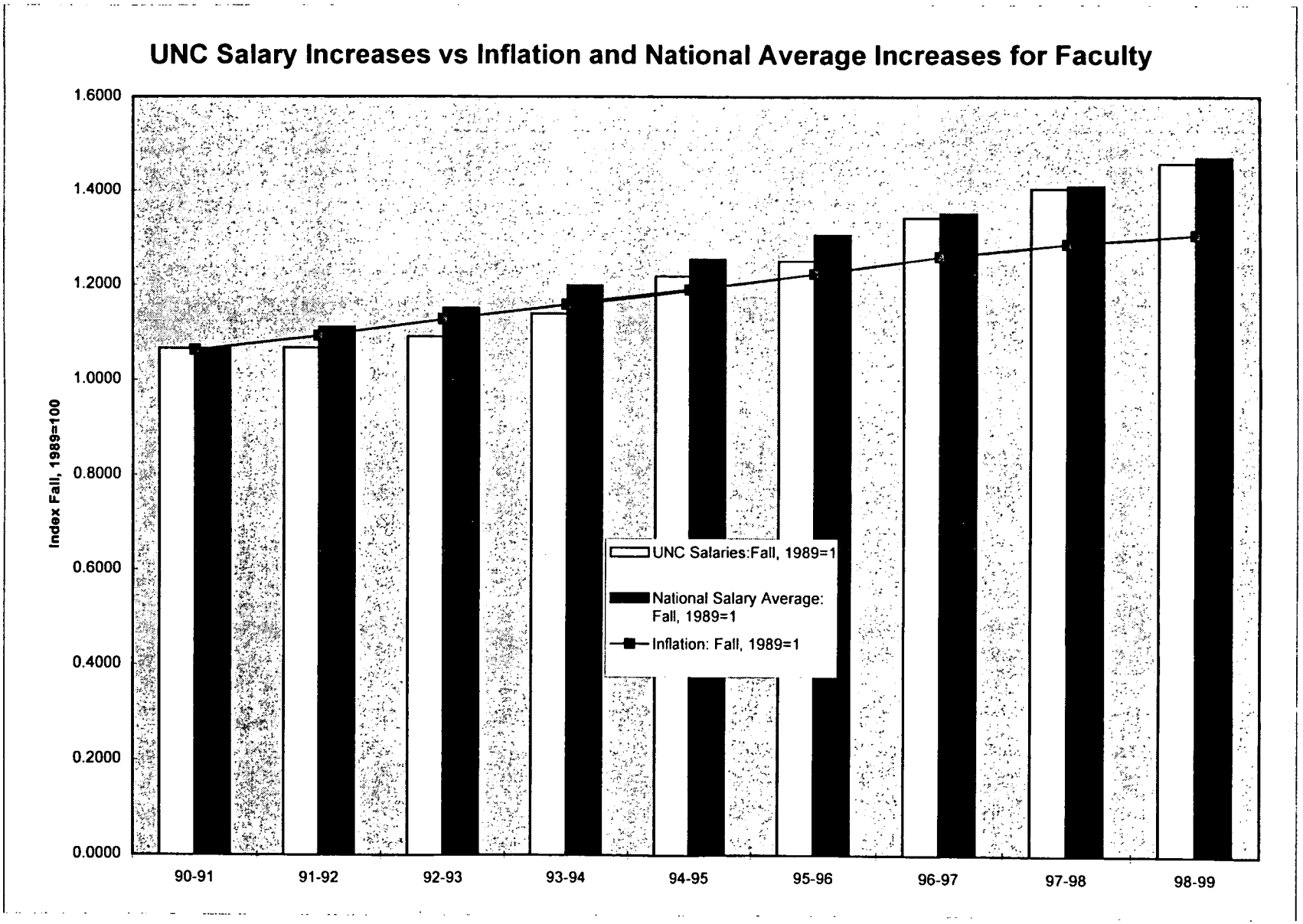
	Rank	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
AAUP Category I											
UNC-CH	Professor	2	3	3	3	3	3	2	3	2	2
	Assoc. Prof.	3	3	3	3	3	3	3	3	2	2
	Asst. Prof.	3	4	4	4	4	3	3	3	2	3
	Instructor	2	3	1	4	3	2	1	2	1	2
NCSU	Professor	3	3	3	3	3	3	3	3	3	3
	Assoc. Prof.	3	3	3	3	4	4	3	4	3	3
	Asst. Prof.	2	3	3	4	4	3	3	3	2	2
	Instructor	2	3	3	3	3	3	3	3	3	2
UNC-G	Professor	3	4	4	4	4	4	4	4	4	4
	Assoc. Prof.	4	4	4	5	5	5	4	5	4	4
	Asst. Prof.	4	4	4	5	5	5	5	5	5	5
	Instructor	3	2	2	2		2	3	4	3	1
AAUP Category IIA											
UNC-C	Professor	3	2	2	3	3	2	2	2	2	2
	Assoc. Prof.	2	2	2	3	3	3	3	3	2	2
	Asst. Prof.	2	2	2	3	3	3	2	2	2	2
	Instructor										
NC A&T	Professor	3	3	3	3	3	3	3	3	2	2
	Assoc. Prof.	2	3	3	3	3	3	2	2	2	2
	Asst. Prof.	2	2	2	2	2	2	2	1	1	1
	Instructor	2	2	2	3	2	2	2	1	1	1
NCCU	Professor	3	3	3	3	3	3	2	2	2	2
	Assoc. Prof.	2	2	2	3	3	3	2	2	2	2
	Asst. Prof.	2	2	2	3	3	3	2	2	2	2
	Instructor	1*	1	1	1	2	1	1	1	-	1
UNC-W	Professor	1	1	1	2	3	3	3	3	3	2
	Assoc. Prof.	1	1	1	2	4	4	3	4	3	3
	Asst. Prof.	1	1	1	1	4	3	3	3	3	3
	Instructor									-	-
ASU	Professor	4	3	4	4	4	4	4	4	3	3

Note: Blanks represent no data reported, dashes represent the masking of data for which five or fewer individuals were reported in a given cell.

Note: Quintile ratings: 1*=95th percentile or above; 1=80th percentile to 94.9 percent; 2=60th percentile to 79.9 percent; 3=40th percentile to 59.9 percent; 4=20th percentile to 39.9 percent; 5=an average salary lower than the 20th percentile.

Source: *Academe*, The Annual Report on the Economic Status of the Profession, 1988-89 through 1997-98.

	Rank	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
ASU (cont'd)	Assoc. Prof.	3	3	3	4	4	4	4	4	3	3
	Asst. Prof.	3	3	3	3	3	3	3	3	3	3
	Instructor	3	3	3	3	4	3	3	3	-	3
UNC-P	Professor	1	1	1	2	3	3	3	3	2	2
	Assoc. Prof.	1	1	1	2	4	4	4	4	3	3
	Asst. Prof.	2	1	1	2	4	4	5	4	3	3
	Instructor									-	-
WCU	Professor	3	3	3	3	3	4	3	3	3	3
	Assoc. Prof.	2	2	3	3	3	3	3	3	3	3
	Asst. Prof.	3	3	3	3	4	3	3	3	3	3
	Instructor									-	
ECU	Professor	2	2	2	2	3	3	3	3	2	2
	Assoc. Prof.	3	2	3	3	4	3	3	4	3	3
	Asst. Prof.	3	2	3	3	3	3	2	2	2	2
	Instructor	2	1	1	2	2	2	2	2	2	2
FSU	Professor	1	1	1	2	3	3	3	3	3	3
	Assoc. Prof.	1	1	1	2	3	3	3	3	3	3
	Asst. Prof.	1	1	1	2	4	3	2	2	2	1
	Instructor									-	-
AAUP Category IIB											
WSSU	Professor	2	2	2	2	3	2	2	2	2	2
	Assoc. Prof.	2	2	2	2	2	2	2	2	1	1
	Asst. Prof.	1	1	1	1	2	2	1	2	1	1
	Instructor	1*	1	2			1		1	-	1
ECSU	Professor	2	2	2	2	3	3	2	3	3	3
	Assoc. Prof.	2	1	2	2	2	2	2	2	2	2
	Asst. Prof.	2	1	1	2	3	2	2	2	2	1
	Instructor									-	-
UNC-A	Professor	1	1	1	1	2	2	1	2	1	1
	Assoc. Prof.	1	1	1	1	1	2	2	2	2	2
	Asst. Prof.	1	1	1	2	2	2	2	3	3	3
	Instructor									-	-


UNC Salary Increases vs Inflation and National Average Increases for Faculty
Index Fall, 1989=100
1.6000
1.4000
1.2000
1.0000
0.8000
0.6000
0.4000
0.2000
0.0000
90-91
91-92
92-93
93-94
94-95
95-96
96-97
97-98
98-99
UNC Salaries:Fall, 1989=1
National Salary Average: Fall, 1989=1
Inflation: Fall, 1989=1

UNC Library Funding Increases

	93-94	94-95	95-96	96-97	97-98	98-99
Library Network						
Recurring	$967,954	$1,384,010	$1,384,010	$1,384,010	$1,384,010	$1,384,010
Non-recurring	$4,478,323	$1,199,068				
Subtotal	$5,446,277	$2,583,078	$1,384,010	$1,384,010	$1,384,010	$1,384,010
Library Acquisitions & Operations						
Recurring	$774,942	$4,354,396	$6,354,396	$7,354,396	$7,354,396	$7,354,396
Non-recurring	$5,437,723	$2,504,119				$ 9,500,000
Subtotal	$6,212,665	$6,858,515	$6,354,396	$7,354,396	$7,354,396	$16,854,396
Library Study						
Non-recurring			$185,000			
Library Non-Specified						
Recurring					$ 2,000,000	$ 2,000,000
Non-recurring						
Subtotal	$0	$0	$0	$0	$2,000,000	$2,000,000
TOTAL INCREASES: Cumulative for Year	**$11,658,942**	**$9,441,593**	**$7,923,406**	**$8,738,406**	**$10,738,406**	**$20,238,406**

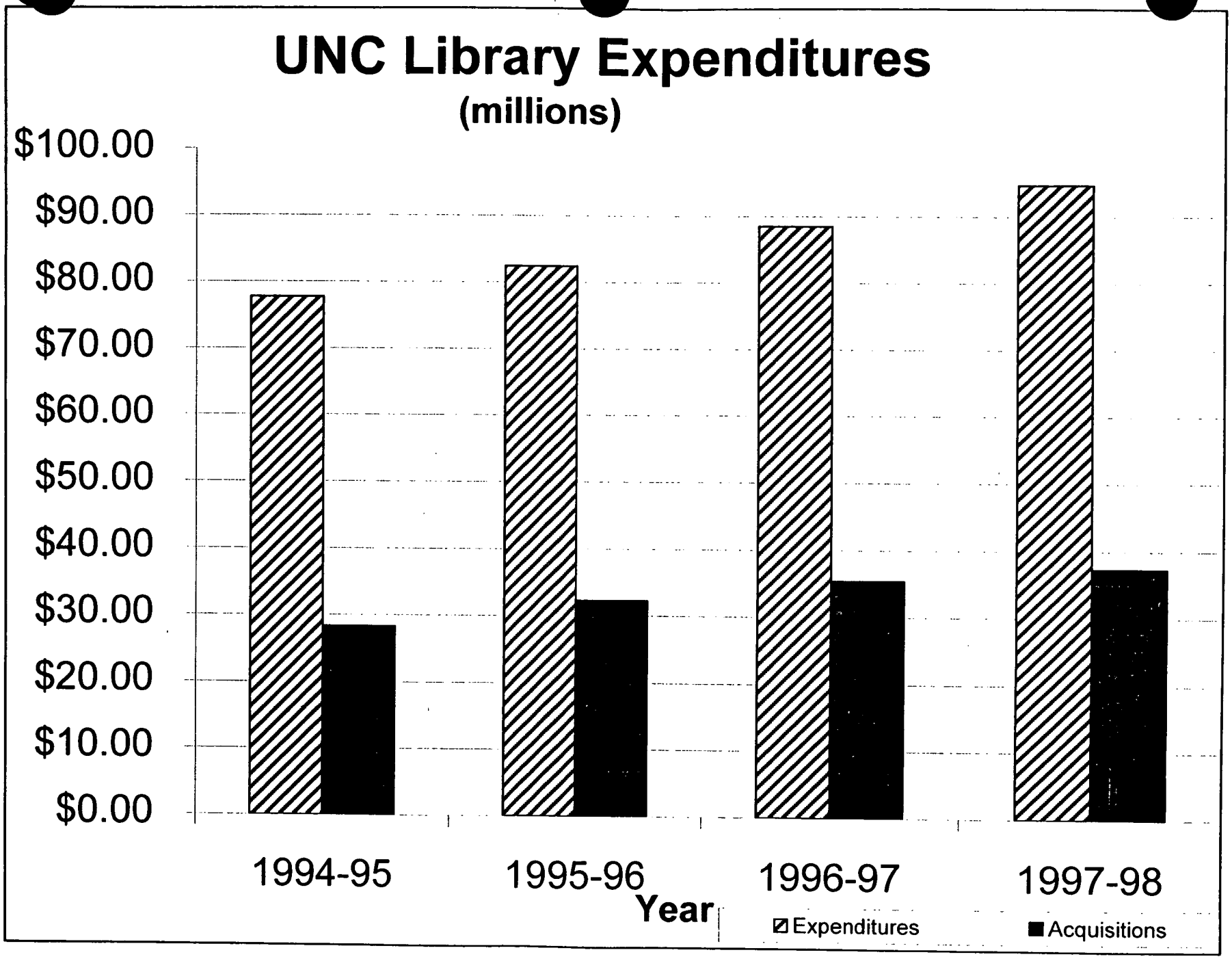
UNC Library Funding Increases

	93-94	94-95	95-96	96-97	97-98	98-99
Library Network						
Recurring	$967,954	$1,384,010	$1,384,010	$1,384,010	$1,384,010	$1,384,010
Non-recurring	$4,478,323	$1,199,068				
Subtotal	$5,446,277	$2,583,078	$1,384,010	$1,384,010	$1,384,010	$1,384,010
Library Acquisitions & Operations						
Recurring	$774,942	$4,354,396	$6,354,396	$7,354,396	$7,354,396	$7,354,396
Non-recurring	$5,437,723	$2,504,119				$ 9,500,000
Subtotal	$6,212,665	$6,858,515	$6,354,396	$7,354,396	$7,354,396	$16,854,396
Library Study						
Non-recurring			$185,000			
Library Non-Specified						
Recurring					$ 2,000,000	$ 2,000,000
Non-recurring						
Subtotal	$0	$0	$0	$0	$2,000,000	$2,000,000
TOTAL INCREASES: Cumulative for Year	**$11,658,942**	**$9,441,593**	**$7,923,406**	**$8,738,406**	**$10,738,406**	**$20,238,406**

Fiscal Research 3/15/99

Inc93_97.wk4

ATTACHMENT 2


UNC Library Expenditures
(millions)
$100.00
$90.00
$80.00
$70.00
$60.00
$50.00
$40.00
$30.00
$20.00
$10.00
$0.00
1994-95
1995-96
1996-97
1997-98
Year
Expenditures
Acquisitions

FRD 3/15/99

Major Factors Reshaping University Libraries

- Growth in the Amount, Variety and Format of Information
- Effect of Information Technology on Library Staff, Users, Facilities, and Delivery Systems
- Increasing Emphasis on Cooperative Access to Information
- Projected Boom in Enrollment
- Increasing Use of Distance Education
- Increasing Information Demands of North Carolina's Citizens and Businesses

1996 Library Study Recommendations

- Systemwide Inflation Funding
- Recurring Support for the NC Virtual Library (NC LIVE)
- "Catch-up" Funding for Collections over the next Three Biennia for Eight Institutions
  - Appalachian State University
  - Elizabeth City State University
  - North Carolina A&T State University
  - UNC-Pembroke
  - UNC-Charlotte
  - Western Carolina University
  - Winston-Salem State University
  - UNC-Greensboro
- Strengthening Professional Staff at Four Institutions
  - Appalachian State University
  - UNC-Asheville
  - UNC-Greensboro
  - UNC-Wilmington

Subsequent Requests & Actions to Address Library Needs at UNC Institutions

Biennial Budget Requests

1997-99 **$11.78 million**

1998-99 supplement $9.78 million

1999-2001 **$9.0 million (1st yr)**

$11.9 million (2nd yr)

(including $2.7/$5.6 inflation

$0.54 shared database

$0.36 targeted professional staff)

Legislative Responses

$2 million

($1.2 NC LIVE + $0.8 targeted collections)

$9.5 million non-recurring

($0.48 NC LIVE + $2.8 targeted collections)

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
Office of the Associate Provost for University Libraries

CB# 3900, 201 Davis Library
Chapel Hill, NC USA 27514-8890
(919) 962-1301 FAX: (919) 962-0484

June 4, 1998

Dr. Roy Carroll
Vice President for Academic Affairs
UNC General Administration
910 Raleigh Road
CB# 9000

Dear Dr. Carroll:

I write in my capacity as Chair of the University Librarians Advisory Council (ULAC) to express on behalf of ULAC our deep concern that an inflationary increase in the Library Materials Budget will no longer be provided through the continuation budget. The erosion of the purchasing power of the Library Materials Budget at all the universities continues to be a serious problem. The Consumer Price Index increased approximately 44% in the ten year period between 1986 and 1996. At the same time, the cost of monographs purchased by University Libraries increased by 62%, while the cost of scholarly journals increased by an extraordinary 148%. This inflation continues unabated. For example, in the Academic Affairs Library at the University of North Carolina at Chapel Hill, our major United States scholarly journal vendor just sent us an estimate indicating that our subscription list with them will increase on an average of 10.5% per title for the 1998-1999 subscription year. In the past, the major publishers of scientific, technical, and medical journals in Europe have increased their prices even more than the United States publishers.

As this extraordinary increase in the cost of scholarly journals and monographs continues, the Libraries must also fund a new electronic information cost center. We are increasingly subscribing to information in electronic form as an add-on to the print collections. Even when the same titles are published in electronic form, the electronic access is usually offered as a surcharge to the continued print subscriptions. For example, The American Chemical Society recently announced that an electronic version of twenty-six of its thirty titles will be available via the Web. ACS is pricing the electronic subscription as a 25% surcharge over the total cost of the print subscriptions received by a university. That assumes that a library does not cancel any duplicate print subscriptions. If a library decides to cancel duplicate subscriptions, ACS will charge a 90% surcharge for electronic access and will require the library to maintain at least one print copy. Since there is no guarantee of access to back files of the

journals on electronic form, the library must continue to receive and maintain the print copy in any case to guarantee archival access. Finally, we are frequently subscribing to new information in electronic format that does not replace existing print information. Often these are subscriptions to powerful databases that index print collections. These databases provide a gateway to the print collections but do not in any way substitute for them.

This is but a brief description of the extraordinary problem facing the University Libraries as we seek to provide faculty and students with access to information in electronic form while maintaining the breadth and quality of our print collections and coping with the extraordinary inflation in the cost of scholarly resources. The Libraries and their collections have still not recovered from the devastating effects of inflation coupled with the recession in the late 80's and early 90's. The loss of the annual inflation funds through the continuation budget will exacerbate the problem and seriously erode our ability to provide electronic information integrated with print resources to support teaching and research . We hope that it will be possible to restore the modest inflation factor for library materials through the continuation budget. I will be happy to provide any additional information that would be helpful.

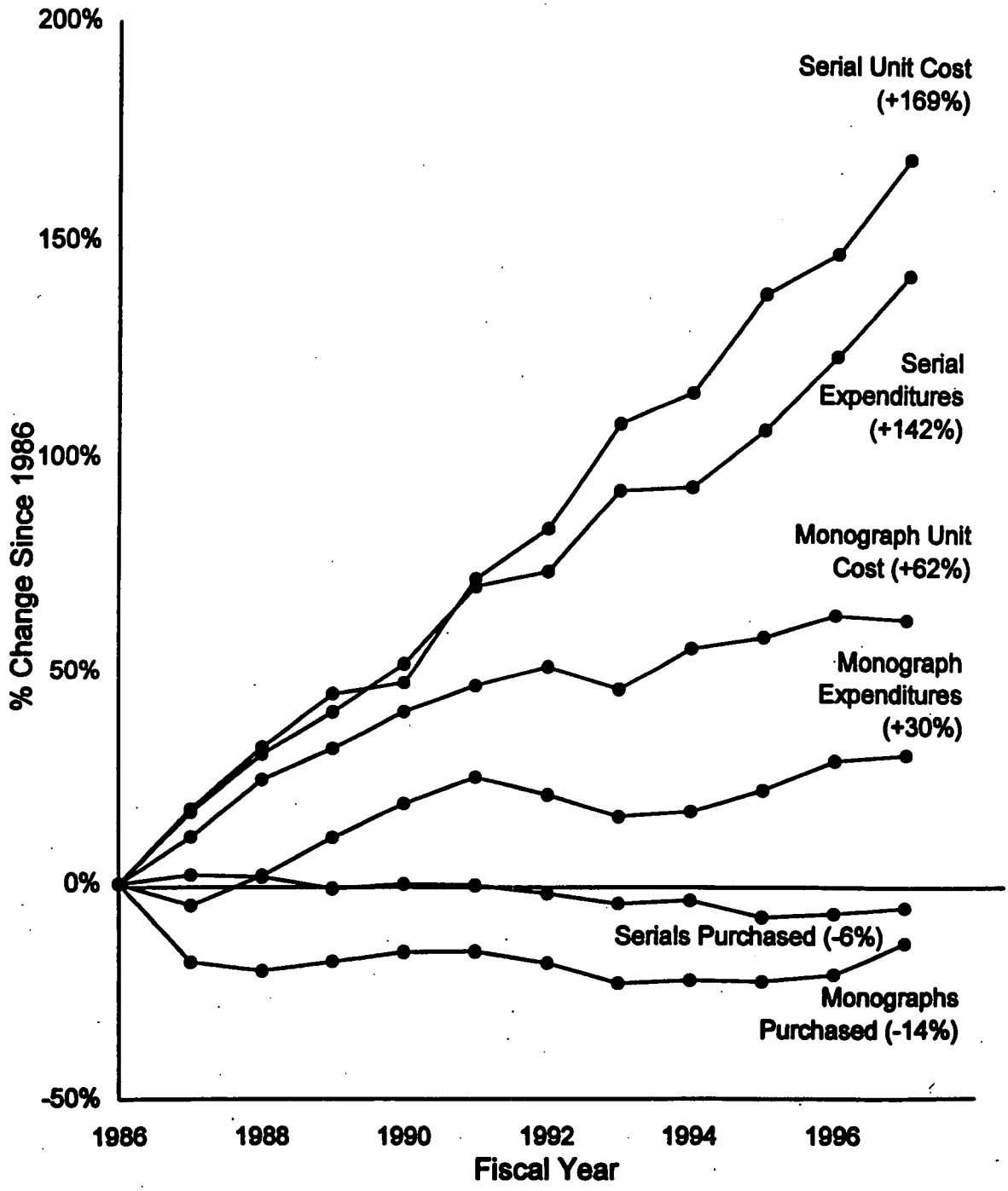
Sincerely yours,

Joe A. Hewitt

Joe A. Hewitt
Associate Provost for University Libraries
Chair, University Librarians Advisory Council (ULAC)

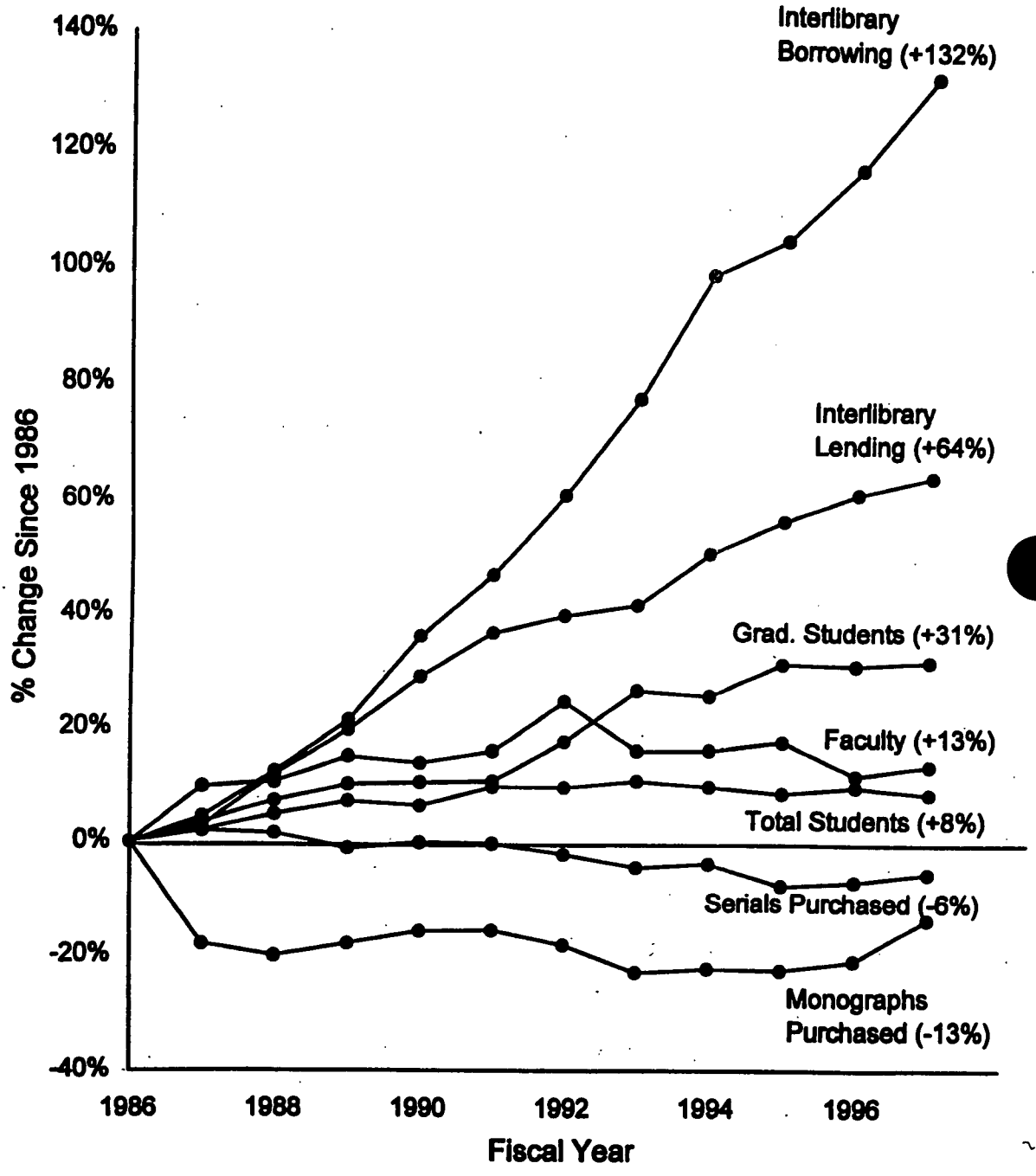
cc: Directors, UNC Libraries
Myra Cain
Henry Schaffer

Monograph and Serial Costs in ARL Libraries, 1986-1997

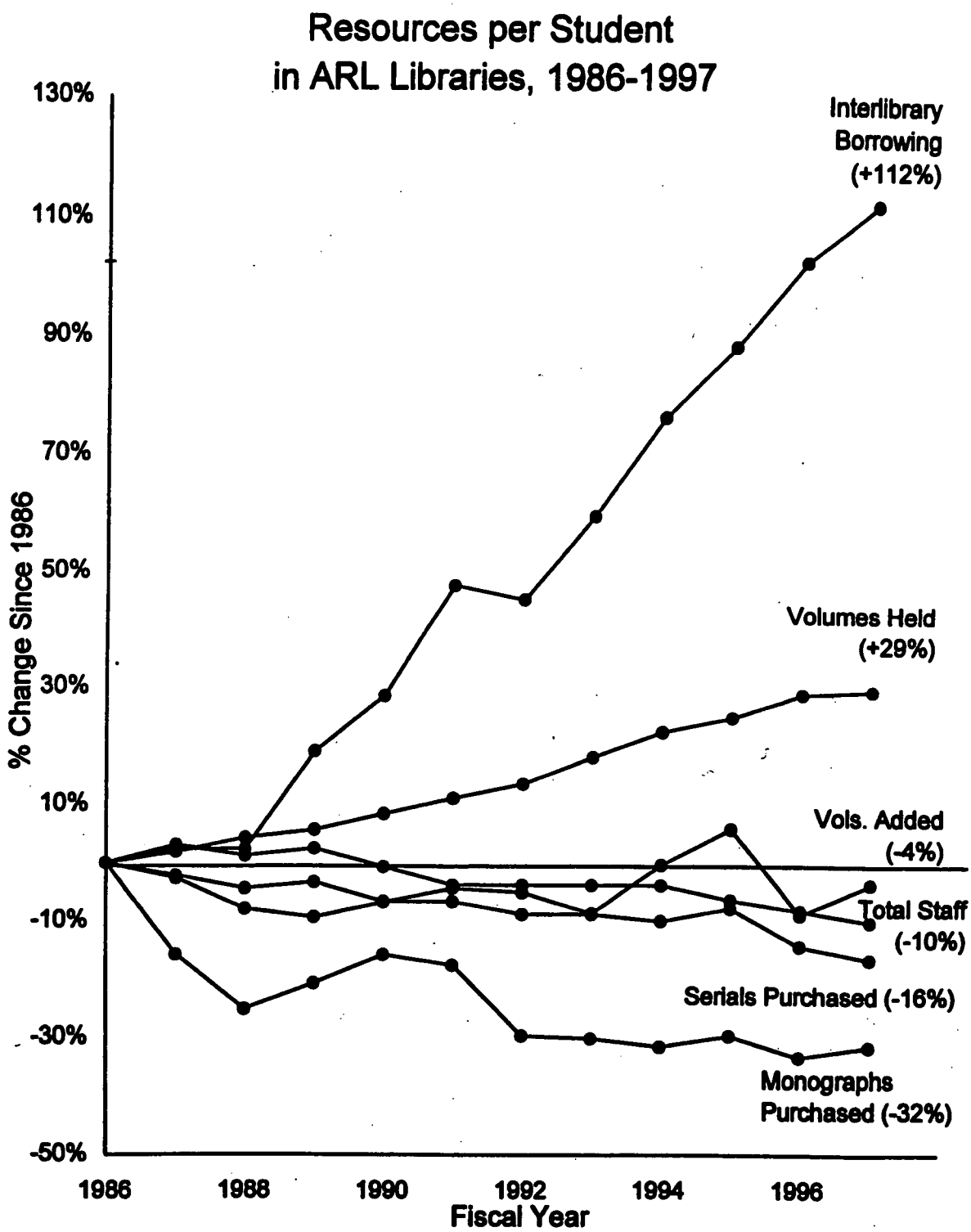


Source: *ARL Statistics 1996-97*, Association of Research Libraries, Washington DC.

Supply and Demand in ARL Libraries, 1986-1997



Source: *ARL Statistics 1996-97*, Association of Research Libraries, Washington DC



Source: *ARL Statistics 1996-97*, Association of Research Libraries, Washington DC

UNC System-wide Electronic Information Resources Proposal

- Uses the NC LIVE model for the libraries of the UNC system only
- Concentrates on selection of resources that are specifically designated for the University community
    - Success of NC LIVE has demonstrated positive impact of consortial pricing and licensing of Web-based electronic information
    - NC LIVE does not address advanced research needs of faculty and students of UNC system beyond level of general interest materials
    - Publishers of advanced research products are not interested in selling to public libraries (e.g., NC LIVE) and limit market to university and research institutions
- Leverages the purchasing power of the entire UNC system
- Reduces pricing by 35 to 40%
- Increases amount of information available to students at *all* UNC institutions
- Makes more information available at all 16 institutions than if each institution licenses these resources on its own
- Utilizes NC LIVE technical infrastructure already built by UNC system
    - Server sites housed at NC State and UNC-CH can provide technical infrastructure and staffing necessary
    - Internet connections are already in place at all 16 institutions and their libraries
- Builds on successful pilot test begun by UNC libraries in FY '97
    - UNC libraries pooled resources to acquire two major electronic databases on group licenses
    - *Encyclopedia Britannica* represented first access that faculty and students at all 16 campuses had ever had to an online encyclopedia
    - Achieved discounts in pricing of 35 to 40%
    - Faculty and student satisfaction extraordinarily high

NC LIVE : North Carolina LIbraries and Virtual Education

NC LIVE

- Is a collaborative, Statewide electronic library project reaching out to all library users of UNC system, community colleges, public libraries, and private academic institutions

- Provides enhanced access to a wide range of electronic library and information resources—resources that more than 90% of participating libraries could never afford on an individual basis

- Gives every North Carolinian equal access to electronic information that is critical to success in "Information Age"—regardless of location or time

- Levels the playing field so that rural isolation, institutional or community financial constraints, and limited local library resources are not barriers to accessing information

- Uses economies of scale to leverage the State's resources

- Is responsive to legislatively mandated articulation agreements between UNC and NC community college system

- Is responsive to increased demand for off-campus delivery of instructional programs (distance education)

NC LIVE Resources

- Complete articles from over 4,000 newspapers, journals, and magazines
- Several encyclopedias
- Dictionaries and other reference materials
- Statistical information
- Business information
- Indexing for over 10,000 periodical titles

NC LIVE Partners

- Libraries of 16 UNC institutions
- Libraries of 58 community colleges
- Libraries of 75 public library systems (including over almost 1,700 branch libraries)

Budget

- $3,191,422 in 1998/99
  90%: electronic resources
  10%: server sites and their staff, equipment, training, etc.

- Contributed by:

UNC system:	$1,200,000
Community College system:	500,000
State Library (public libraries):	1,000,000
Private colleges & universities:	491,422

Financial Benefits

- Reduced purchasing costs: During 1998/99 NC LIVE paid over $2,000,000 for electronic resources that would have cost over approximately $12,000,000 if purchased by each institution individually

- Cost Benefits: In almost every cases, these are electronic resources that these libraries would not have been able to purchase without the State's suport of the NC LIVE project and group licenses

- Value added: Individual institutions, especially the UNC institutions have supported the NC LIVE project in a variety of ways, most notably through the significant amount of time donated by library staff. All management and staffing, with the exception of server site staff, is on a volunteer basis

Important Developments in First Biennium, 1997/99

- NC LIVE was conceived of, planned for, and implemented in less than one year

- Achieved locked-in, three-year pricing guarantees sufficient to carry NC LIVE through annual renewals through 2000/2001—arguably the best pricing negotiated by any state library project

- 100% stability and access, twenty-four hours a day, since start-up in April 1998

- NC LIVE is implementing a comprehensive, remote access solution (i.e., access from home, work, "on-the-road," etc.) during spring and summer 1999, making it the first such state-wide initiative to address remote access for a multitype, diverse coalition environment

- NC LIVE is identifying all State information in electronic form so that it may provide easy access to them

Strategy for 1999/2001 Biennium

- Evaluate and assess effectiveness of current electronic resources offered and need for additional resources before seeking increased resources and funding

- Work with K-12 community to determine effective mechanisms for involving them as an NC LIVE partner

- Seek to involve other state-level organizations and libraries they represent

- Develop plan for digitizing State documents and delivering them electronically through NC LIVE

Two Parallel Server Sites Provide Access and Value Added

- Primary server site located at North Carolina State University Libraries

- Secondary server site at UNC-CH Academic Affairs Library completely "mirrors" the NC State site

- Two server sites ensure both 100% stability and fast access (through 50%/50% load balancing)

- NC LIVE available over the Internet and World Wide Web

- Research universities' involvement in Internet and R&D will enable NC LIVE to use extraordinarily fast dark fiber

NC STATE UNIVERSITY

NC State University College of Agriculture and Life Sciences

A Unique Combination of Disciplines with Statewide Impact

- ***Academic Programs Budget Line***
- ***Agricultural Programs Budget Line – separate line within the UNC System Budget***

NC STATE UNIVERSITY

Agriculture's Impact on North Carolina's Economy

Agricultural Economy Impacts Urban Economy

- 23% Gross State Product
- 21% of total employment
- 3rd most diverse behind California and Texas
- 3rd highest net farm income behind California and Iowa

NC STATE UNIVERSITY

Agriculture and the Environment Under Great Stress

- Uncertain future for tobacco, hogs and peanuts
- Generally low commodity prices for corn, cotton, wheat, soybeans and dairy
- Asian Economic Crisis
- US Freedom to Farm Act of 1996
- Regulatory Issues
- Environmental Issues

NC STATE UNIVERSITY

Agricultural Programs

- ***North Carolina Agricultural Research Service*** Laboratories and greenhouses on NC State campus, 2 regional research & extension centers, 9 field laboratories, and 15 research stations
- ***North Carolina Cooperative Extension Service*** 100 County Offices and Cherokee Reservation with Federal and County Partnerships
- ***Faculty and Staff (County and Campus) Paid Under Agricultural Programs Budget Line***
- ***Partnership with NC A&T State University***
- ***Systemic Approach to Research and Extension – continuum of Life Sciences and Agriculture***

NC STATE UNIVERSITY

Partnerships

- College of Forest Resources
- College of Veterinary Medicine
- NC A&T State University
- UNC Greensboro
- East Carolina University
- NC Department of Agriculture & Consumer Services
- US Department of Agriculture
  - Animal Plant Health Inspection Service
  - Agricultural Research Service
  - Cooperative States Research, Education & Extension Service

NC STATE UNIVERSITY

Research Centers

- Animal & Poultry Waste Management Center (APWMC)
- Center for Applied Aquatic Ecology (planned)
- Center for Aseptic Processing & Packaging (CAPPS)
- Center for Environmental Farming Systems (CEFS)
- Center for Integrated Pest Management
- Center for Marine Science & Technology (CMAST)
- Center for Quantitative Genetics
- Small Fruit Center
- Southeast Dairy Foods Research Center

NC STATE UNIVERSITY

Key Issues

- An agricultural production system that is highly competitive in the global economy
- A safe and secure food and fiber system
- A healthier, more well-nourished population
- Greater harmony between agriculture and the environment
- Enhanced economic opportunities and quality of life for North Carolinians
- Unique strengths/advantages of linkage of Life Sciences with Agricultural Sciences

NC STATE UNIVERSITY

Genomic Science

- The master "blueprint" of the genetic code for all cellular structures and characteristics – for any plant or animal
- Multidisciplinary, multi-college effort by scientists who specialize in Bioinformatics (Statistics) and Functional Genomics (molecular biology)
- Key to:
  - **Development of value-added characteristics or components in plants and animals**
  - **Understanding and treatment of diseases**
  - **Environment Stress Tolerance/Resistance**
  - **Transgenic plants and animals (transplant organs/vaccines)**

NC STATE UNIVERSITY

Environmental Sustainability

- Animal & Poultry Waste Management Center
- Center for Environmental Farming Systems
- Natural Resources Leadership Institute
- Youth Environmental Education
- Neuse River Education Team
- Center for Marine Science & Technology
- Environmental & Natural Resources Economic Policy

NC STATE UNIVERSITY

Alternative Enterprises

- Aquaculture
- Niche Market Crops - Specialty fruits & vegetables, organics, herbs, meat goats, emus
- Ecotourism
- Ornamentals and landscaping
- Turfgrass

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUB-COMMITTEE ON EDUCATION/HIGHER EDUCATION

2:30 pm

DATE: 3-24-99

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Hope Williams	NCACC
Lee Adams	OSBM
Maurice Ray	"
Elizabeth Groenteu	"
Ashley Westbrook	Governor's Office
Jaclyn Dixon	Intern - Rep Easterling
Barbara Harris	OSBM
David Bason	OSBM
Emma Blose	Orange county
Erica Wilson	LWV (orange county)

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUB-COMMITTEE ON EDUCATION/HIGHER EDUCATION

DATE: 3-24-99

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Katherine Hodge	League of Women Voters of Moore Co. 1066 Seven Lakes N. West End, NC 27376
Kevin Howell	Gov's Office
Kay Omey	State Planning
Jim Bridgers	UNC-GA / NCSU
Marye Anne Fox	NC State Univ.
Susan Nutter	NC State University
Clifton F. Neuteufl	UNC GA
Ray Carroll	UNC-GA
[illegible]	NCAICU

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUB-COMMITTEE ON EDUCATION/HIGHER EDUCATION

DATE: 3-24-99

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Bryan Ryan	Wake Tech & NC Community College Faculty Association
Tom McNeel	Caldwell Co Bd of Ed
Ken Geiger	UNC
Kathy Carroll	Caldwell Co. Schools
Barbara Walls	Guilford T.C.C. NC. Community College Faculty Association
Don Wildman	NC. Community College Faculty Association

Joint Appropriations Subcommittee
On Education/Higher Education

March 25, 1999
8:30 a.m.
Presiding- **Representative Boyd-McIntyre**

Call to Order		Chair
Agricultural Programs		**Dr. James L. Oblinger**, Dean of the College of Agriculture and Life Sciences, NCSU **Dr. Daniel Godfrey**, Dean of the School of Agriculture, NC A&T State
Health Care		**Dr. Doyle M. Cummings**, Pharm. D., Professor, Department of Family Medicine, ECU School of Medicine **Dr. Jeffrey L. Houpt**, Chief Exec. Officer–UNC Health Care System, Vice Chancellor for Medical Affairs, and Dean of UNC-CH School of Medicine
UNC Center for Public Television		**Mr. Tom Howe**, Director and General Manager, UNC TV

JOINT APPROPRIATIONS SUB-COMMITTEE ON EDUCATION/HIGHER EDUCATION

Thursday, March 25, 1999
2:30 P.M.
Room 421 LOB

The Joint Appropriations Sub-Committee on Education met at 2:30 P.M. on Thursday, March 25, 1999 in Room 421 of the Legislative Office Building. There were seven Senators present. The following Representatives were present: Gene Rogers, Co-Chair; Flossie Boyd-McIntyre, Co-Chair; Warren Pete Oldham, Co-Chair; Donald Bonner; Charlotte Gardner; Mitch Gillespie; George Holmes; Verla Insko; Richard Moore; Jean Preston; Ronald Smith; W.B. Teague, Jr.; and Douglas Yongue.

Representative Boyd-McIntyre called the meeting to order and welcomed the members and guests. Representative Boyd-McIntyre recognized the pages.

Next, Rep. Boyd-McIntyre introduced Dr. James L. Oblinger, Dean of the College of Agriculture and Life Sciences, North Carolina State University. Dr. Oblinger presented a detailed synopsis of the College of Agriculture and Life Sciences. He presented a slide show outlining the contributions the College of Agriculture and Life Sciences make to the State of North Carolina. *(See Attachment 1).*

Dr. Daniel Godfrey, Dean of the School of Agriculture at North Carolina A&T State spoke regarding the programs at A&T State. He emphasized the involvement of the School in the Neuse River Studies.

Both Dr. Oblinger and Dr. Godfrey outlined their budget requests for the Committee.

Representative Body-McIntyre introduced Dr. Doyle M. Cummings, Professor, Department of Family Medicine at Eastern Carolina University School of Medicine. Dr. Cummings presented a slide show illustrating the Interdisciplinary Rural Health Team Physicians program at ECU. *(See Attachment 2).*

Dr. Jeffery L. Houpt, Chief Executive Officer, UNC Health Care System; Vice Chancellor for Medical Affairs and Dean of the UNC-Chapel Hill School of Medicine was introduced by Representative Boyd-McIntyre. Dr. Houpt outlined the budget requests for the School of Medicine at UNC-Chapel Hill. Dr. Houpt noted that UNC-Chapel Hill School of Medicine ranked 8th in the nation among medical schools and in terms of research, they rank 125th. He noted that the UNC-Chapel Hill School of Medicine provides continuing education in all 199 counties in North Carolina and that they also provide medical treatment for the indigent in all 100 counties in the state. Dr. Houpt presented a slide show that described the various components of the UNC-Chapel Hill School of Medicine. *(See Attachment 3).*

The final presentation was by Mr. Tom Howe, Director and General Manager of UNC-TV. Representative Boyd-McIntyre welcomed Mr. Howe. Mr. Howe described the mission of UNC-TV as "Learning for A Lifetime". He explained the facilities throughout the state. He stated that the most rapidly growing segment of UNC-TV is the Telecourses.
Mr. Howe described the budget components and the sources of their funding. Included in the budget requests for UNC-TV were funding for Late Night Learning; the Learning Link; Cultural Broadcasts; and the Federally Mandated conversion from Analog to Digital Television. Mr. Howe noted that one million dollars has already been spent for planning for the conversion. *(See Attachment 4).*

Representative Boyd-McIntyre adjourned the meeting at 9:55 A.M.

Representative Boyd-McIntyre

Christina K. Minard

Christina K. Minard, Education Committee Assistant
(from Tapes)

NC STATE UNIVERSITY

NC State University
College of Agriculture and Life Sciences

A Unique Combination of Disciplines with Statewide Impact

- ***Academic Programs Budget Line***
- ***Agricultural Programs Budget Line – separate line within the UNC System Budget***

NC STATE UNIVERSITY

Agriculture's Impact on North Carolina's Economy

Agricultural Economy Impacts Urban Economy

- 23% Gross State Product *
- 21% of total employment *
- 3rd most diverse behind California and Texas *
- 3rd highest net farm income behind California and Iowa *

NC STATE UNIVERSITY

Agriculture and the Environment Under Great Stress

- Uncertain future for tobacco, hogs and peanuts
- Generally low commodity prices for corn, cotton, wheat, soybeans and dairy
- Asian Economic Crisis
- US Freedom to Farm Act of 1996
- Regulatory Issues
- Environmental Issues

NC STATE UNIVERSITY

Agricultural Programs

- ***North Carolina Agricultural Research Service***
  Laboratories and greenhouses on NC State campus, 2 regional research & extension centers, 9 field laboratories, and 15 research stations
- ***North Carolina Cooperative Extension Service***
  100 County Offices and Cherokee Reservation with Federal and County Partnerships
- ***Faculty and Staff (County and Campus) Paid Under Agricultural Programs Budget Line***
- ***Partnership with NC A&T State University***
- ***Systemic Approach to Research and Extension – continuum of Life Sciences and Agriculture***

NC STATE UNIVERSITY

** *Partnerships*

Extension offices

- College of Forest Resources
- College of Veterinary Medicine
- NC A&T State University
- UNC Greensboro
- East Carolina University
- NC Department of Agriculture & Consumer Services
- US Department of Agriculture
  - Animal Plant Health Inspection Service
  - Agricultural Research Service
  - Cooperative States Research, Education & Extension Service

NC STATE UNIVERSITY

Faculty Teams

Research Centers

- Animal & Poultry Waste Management Center (APWMC)
- Center for Applied Aquatic Ecology (planned)
- Center for Aseptic Processing & Packaging (CAPPS)
- Center for Environmental Farming Systems (CEFS)
- Center for Integrated Pest Management
- Center for Marine Science & Technology (CMAST)
- Center for Quantitative Genetics
- Small Fruit Center
- Southeast Dairy Foods Research Center

NC STATE UNIVERSITY

Key Issues

- An agricultural production system that is highly competitive in the global economy
- A safe and secure food and fiber system
- A healthier, more well-nourished population
- Greater harmony between agriculture and the environment
- Enhanced economic opportunities and quality of life for North Carolinians
- Unique strengths/advantages of linkage of Life Sciences with Agricultural Sciences

NC STATE UNIVERSITY

Genomic Science

- The master "blueprint" of the genetic code for all cellular structures and characteristics -- for any plant or animal
- Multidisciplinary, multi-college effort by scientists who specialize in Bioinformatics (Statistics) and Functional Genomics (molecular biology)
- Key to:
  - **Development of value-added characteristics or components in plants and animals**
  - **Understanding and treatment of diseases**
  - **Environment Stress Tolerance/Resistance**
  - **Transgenic plants and animals (transplant organs/vaccines)**

NC STATE UNIVERSITY

Environmental Sustainability

- Animal & Poultry Waste Management Center
- Center for Environmental Farming Systems
- Natural Resources Leadership Institute
- Youth Environmental Education
- Neuse River Education Team
- Center for Marine Science & Technology
- Environmental & Natural Resources Economic Policy

NC STATE UNIVERSITY

Alternative Enterprises

- Aquaculture
- Niche Market Crops - Specialty fruits & vegetables, organics, herbs, meat goats, emus
- Ecotourism
- Ornamentals and landscaping
- Turfgrass

Presentation to Joint Appropriations Subcommittee on Education
March 25, 1999

Jeffrey L. Houpt, M.D.
Dean, School of Medicine
Vice Chancellor for Medical Affairs
University of North Carolina at Chapel Hill
CEO, UNC Health Care System

UNC HEALTH CARE

Bimodal Medical Schools

Ranked in top 20% by AAMC in production of primary care physicians and in receiving research grants from NIH.

- **UNC-Chapel Hill**
- **UC-San Diego**
- **UC-San Francisco**
- **U. of Washington**

UNC HEALTH CARE

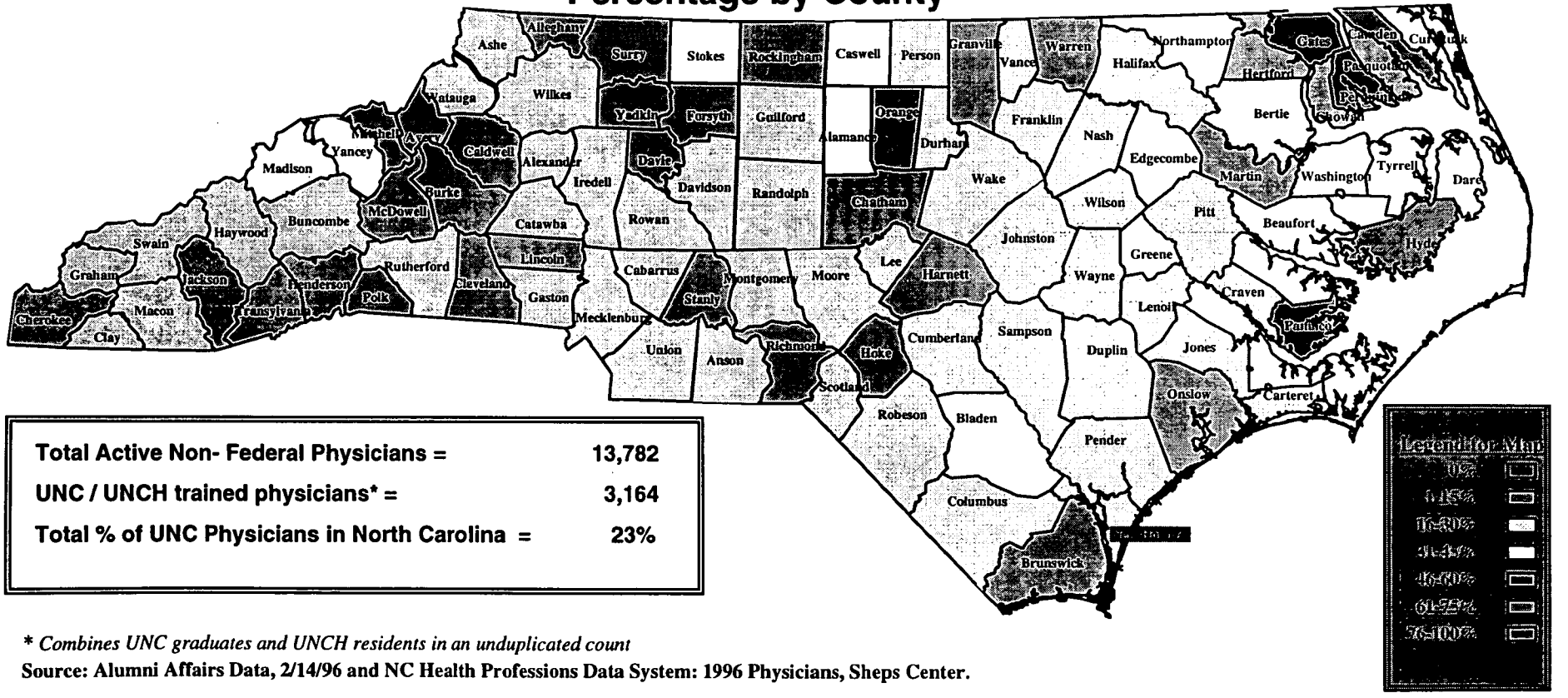
Primary Care

1999 U.S. News and World Report
Graduate Schools Issue ranks
UNC-Chapel Hill School of Medicine
8th among U.S. primary care schools.

UNC HEALTH CARE

Clinical Support for Educational Programs - UNCH & UNC have trained 23% of active North Carolina physicians - distributed throughout the state

North Carolina
Active Physicians Trained by UNC/UNCH
Percentage by County



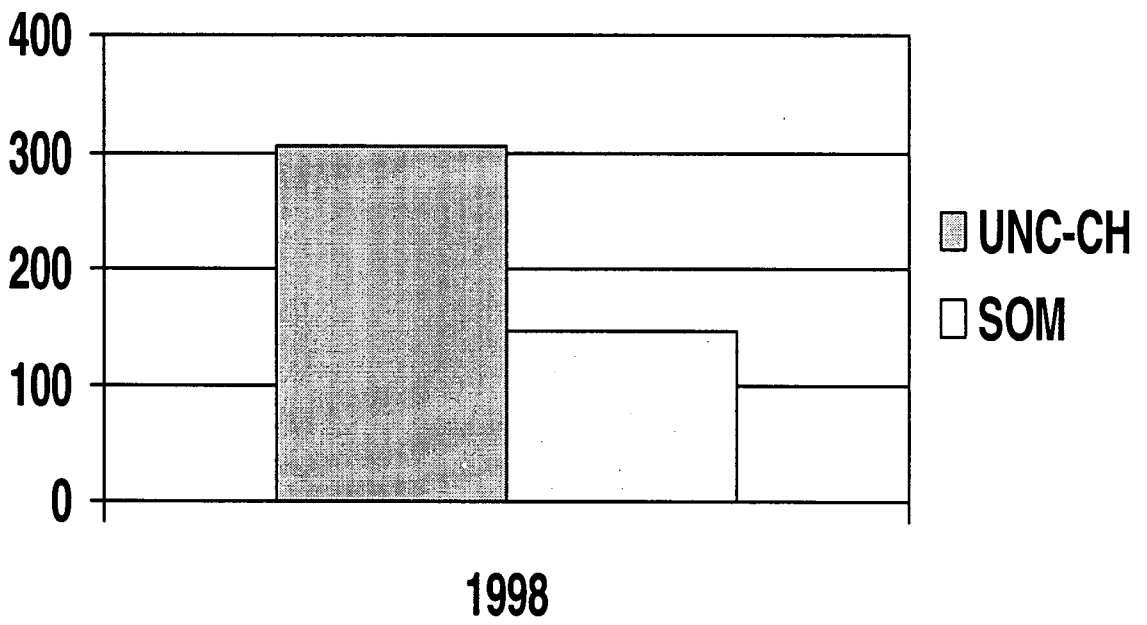
Total Active Non- Federal Physicians =	13,782
UNC / UNCH trained physicians* =	3,164
Total % of UNC Physicians in North Carolina =	23%

** Combines UNC graduates and UNCH residents in an unduplicated count*

Source: Alumni Affairs Data, 2/14/96 and NC Health Professions Data System: 1996 Physicians, Sheps Center.

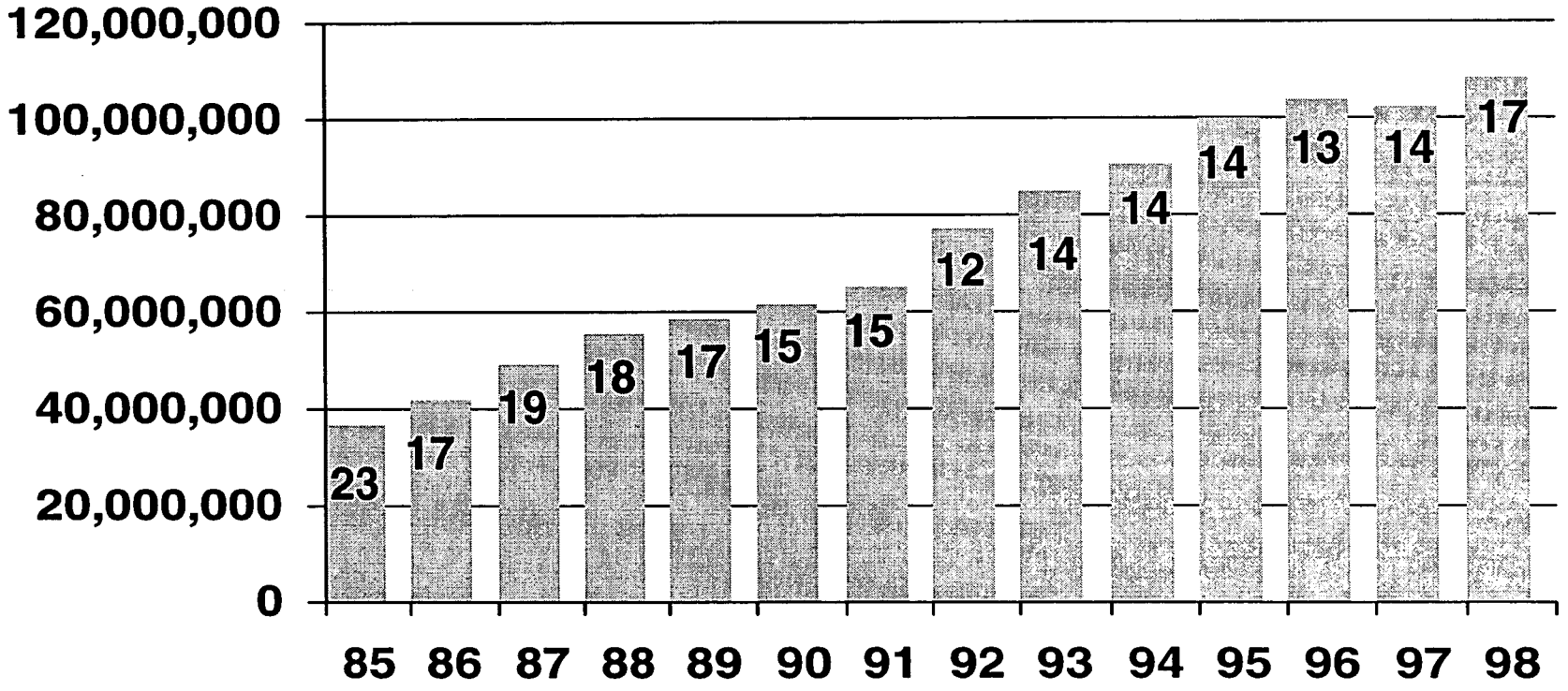
UNC/UNCH trained 50% of the MDs in the 10 counties with the fewest MDs

Sponsored Program Awards ($ in Millions)



UNC HEALTH CARE

NIH Extramural Awards
($ in Millions)



(Figure in Bar = Rank Among All 125 U.S. Medical Schools)

UNC HEALTH CARE

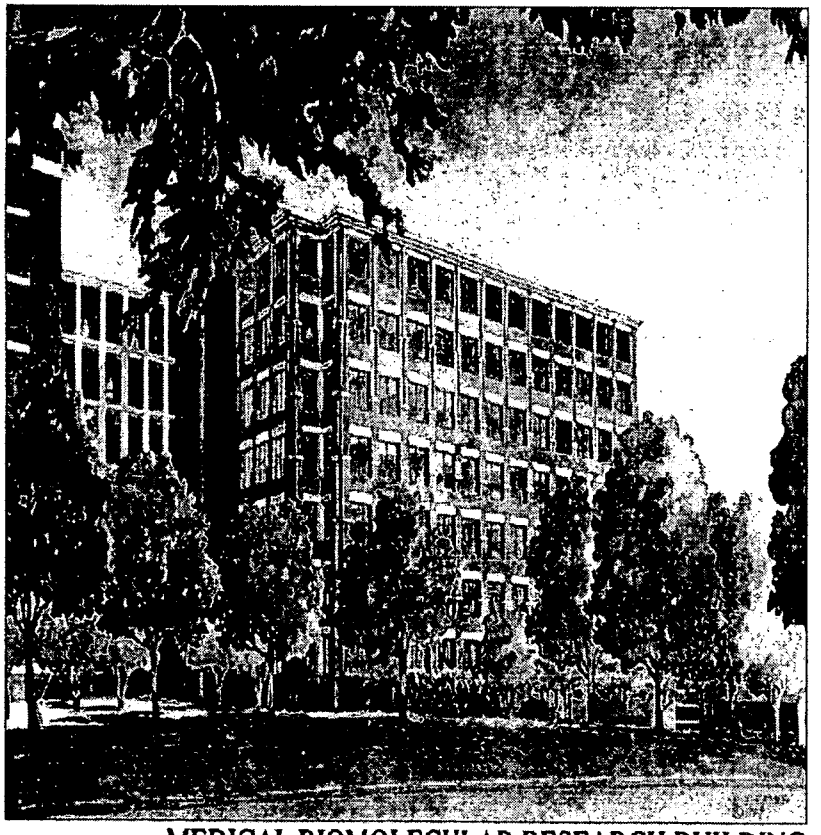
Recent Start-up Companies

- Inspire Pharmaceuticals, Inc., RTP
  - Drugs for cystic fibrosis; 25 employees

- AlphaVax, Inc., RTP
  - Vaccines and gene therapy; 5 employees

UNC HEALTH CARE

BIOMOLECULAR MEDICAL RESEARCH BUILDING
School of Medicine
University of North Carolina at Chapel Hill



MEDICAL BIOMOLECULAR RESEARCH BUILDING
West View – View from South Columbia Street

Projected Cost: $ 60M

Sources of Funds:

State Appropriations	$ 30M
UNC-CH revenue bonds	$30M

1998 State Appropriation: $6M

1999 State Appropriation needed to keep on construction schedule: $13M

UNC HEALTH CARE

Major AHEC Program Activities

- Community-Based Student Experiences
- Primary Care Residency Training
- Support for Practicing Health Professionals
- Health Careers and Minority Workforce Development

UNC HEALTH CARE

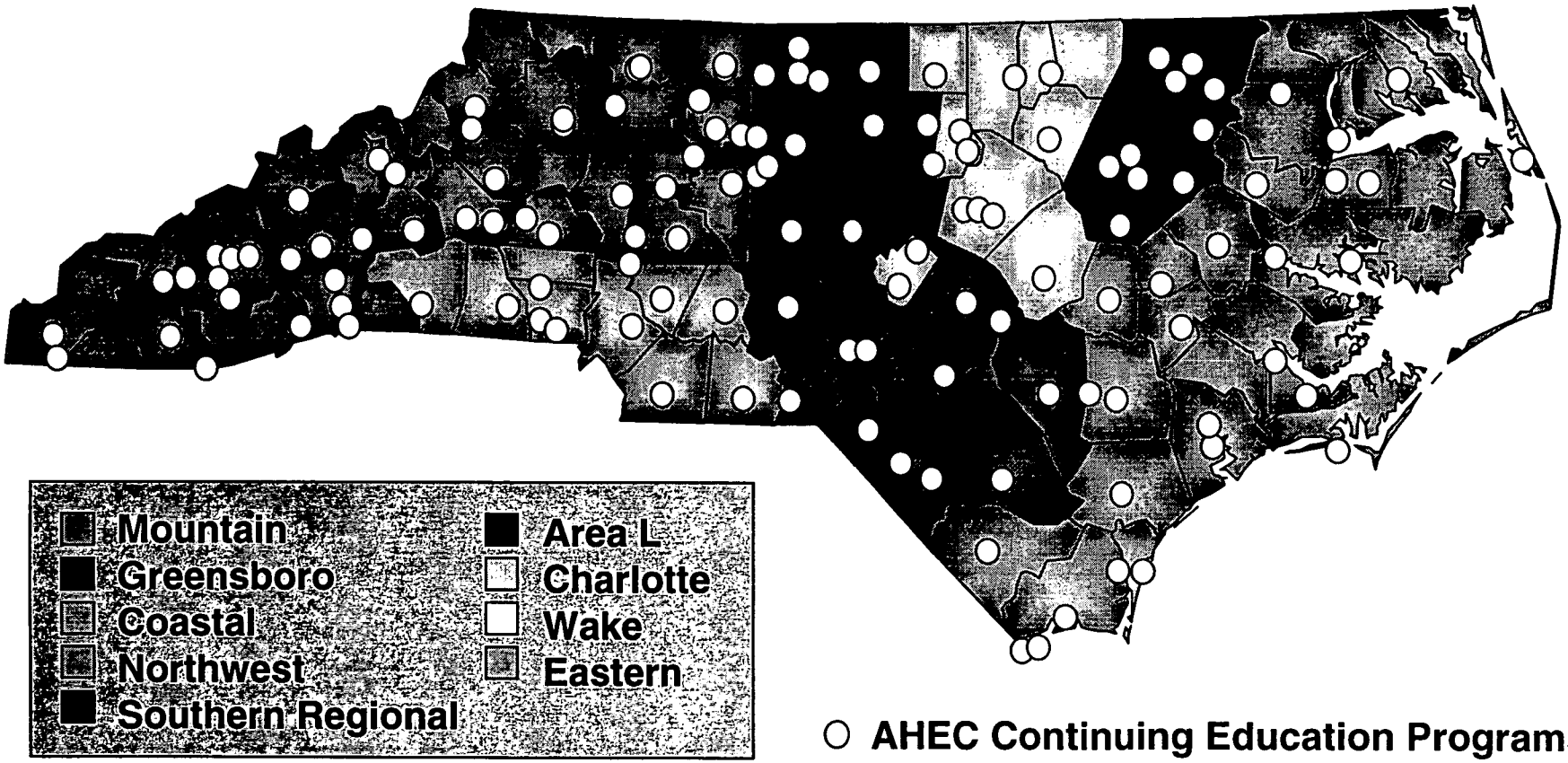
AHEC Primary Care Training Sites for Medical Students, Physician Assistants, and Nurse Practitioners: 1997-98

Source: NC AHEC Program

UNC HEALTH CARE

North Carolina Area Health Education Centers (AHEC) Program

Locations of Continuing Education Programs: 1997-98



○ AHEC Continuing Education Programs

Source: NC AHEC Program

UNC Health Care System

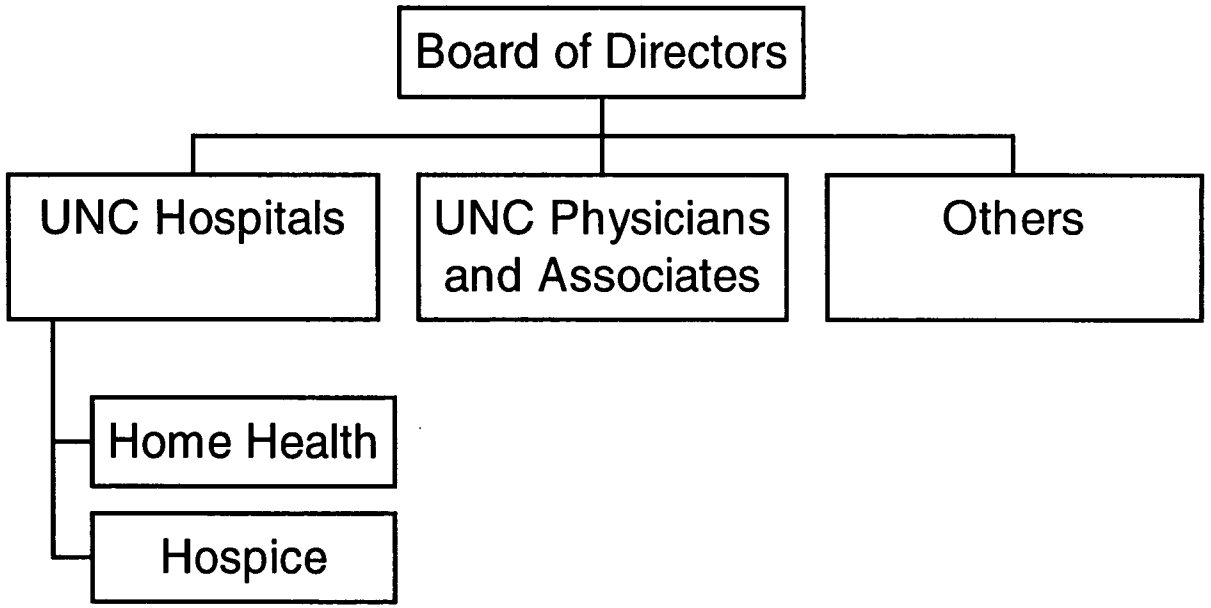
Reaffirms restoration of State appropriation to UNC Hospitals.

Provides management flexibility.

Brings UNC Hospitals and practice plan into a single organization.

UNC HEALTH CARE

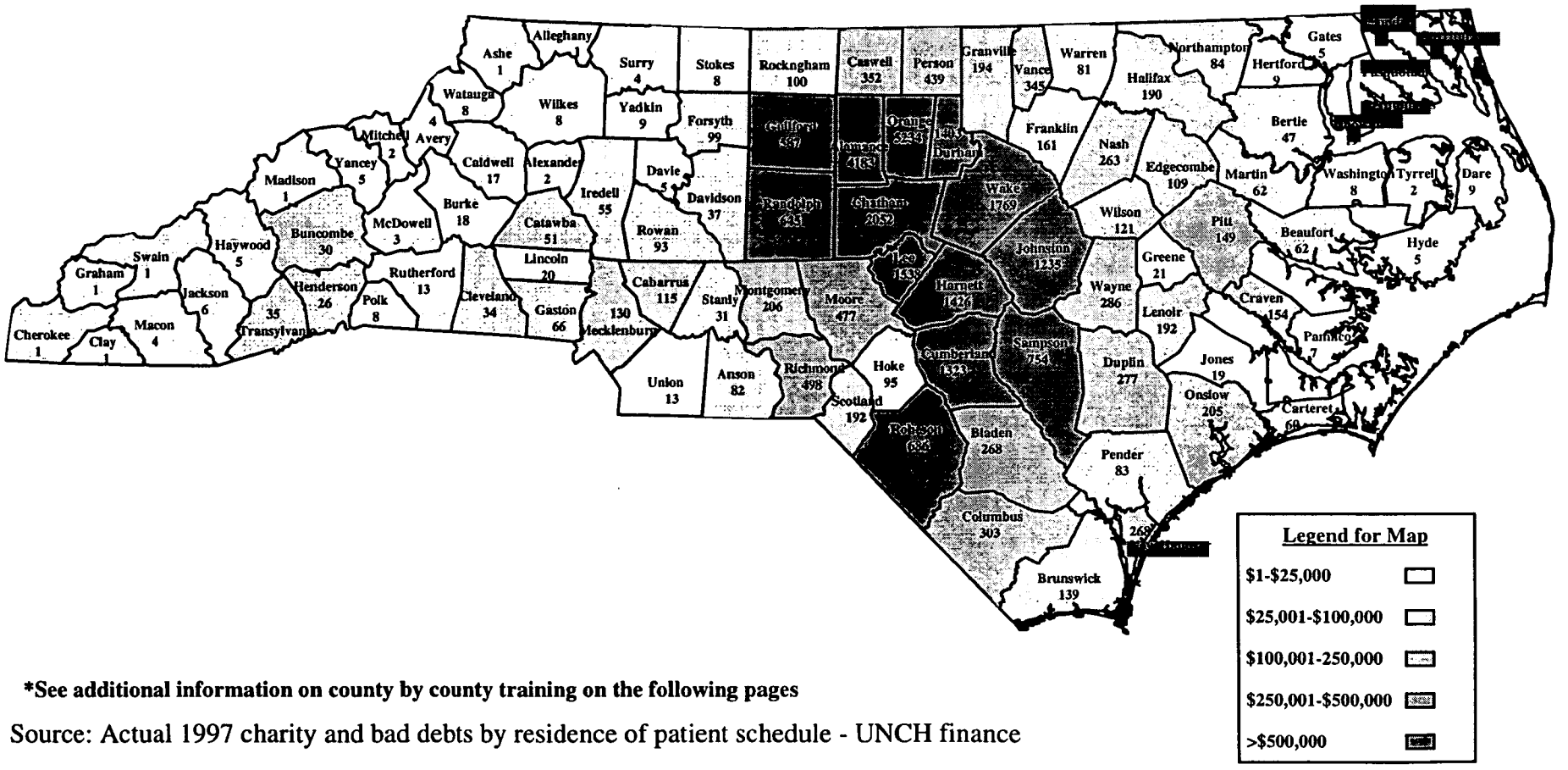
UNC Health Care System



UNC HEALTH CARE

University of North Carolina Hospitals - Distribution of Un-reimbursed Care (by county of residence)

North Carolina



***See additional information on county by county training on the following pages**

Source: Actual 1997 charity and bad debts by residence of patient schedule - UNCH finance

The benefit of the investment in University of North Carolina Hospitals by county ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Grand Total	**484,465**	**31,840**	**9%**	**100%**	**23%**	**10%**
Orange	80,913	5,234	9%	16%	64%	23%
Chatham	31,556	2,052	9%	6%	69%	19%
Wake	40,518	1,769	6%	6%	30%	15%
Franklin	2,350	161	9%	1%	25%	10%
Durham	26,186	1,403	7%	4%	16%	14%
Johnston	14,246	1,235	12%	4%	19%	13%
Subtotal MSA - Research Triangle	**195,770**	**11,854**	**8%**	**37%**	**34%**	**16%**
Lee	19,248	1,538	11%	5%	25%	13%
Alamance	41,630	4,183	14%	13%	36%	18%
Guilford	9,222	587	9%	2%	26%	11%
Harnett	15,764	1,426	12%	4%	13%	12%
Randolph	9,145	645	10%	2%	19%	13%
Sampson	10,023	754	10%	2%	24%	8%
Subtotal (12 county primary service area)	**300,801**	**20,987**	**9%**	**66%**	**32%**	**14%**
Alexander	44	2	8%	0%	25%	12%
Alleghany	58	1	3%	0%	9%	10%
Anson	1,298	82	9%	0%	16%	8%
Ashe	175	1	1%	0%	19%	10%
Avery	156	4	3%	0%	7%	11%
Beaufort	797	62	11%	0%	35%	9%
Bertie	127	47	50%	0%	40%	11%
Bladen	3,593	268	10%	1%	35%	6%
Brunswick	2,361	139	8%	0%	7%	14%
Buncombe	1,468	30	3%	0%	17%	5%
Burke	365	18	7%	0%	14%	8%
Cabarrus	644	115	24%	0%	18%	9%
Caldwell	476	17	5%	0%	11%	13%

The benefit of the investment in University of North Carolina Hospitals by county (cont.) ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Camden	36	1	5%	0%	50%	8%
Carteret	1,673	60	5%	0%	29%	11%
Caswell	5,103	352	9%	1%	40%	12%
Catawba	789	51	9%	0%	20%	11%
Cherokee	26	0	0%	0%	10%	5%
Chowan	281	19	9%	0%	12%	12%
Clay	6	1	14%	0%	17%	5%
Cleveland	995	34	5%	0%	14%	9%
Columbus	3,939	303	10%	1%	19%	9%
Craven	2,150	154	10%	0%	24%	8%
Cumberland	21,574	1,323	8%	4%	16%	8%
Currituck	30	4	19%	0%	33%	7%
Dare	446	9	3%	0%	0%	10%
Davidson	1,269	37	4%	0%	23%	9%
Davie	220	5	3%	0%	10%	10%
Duplin	3,575	277	10%	1%	23%	12%
Edgecombe	2,615	109	6%	0%	31%	10%
Forsyth	2,851	99	5%	0%	14%	9%
Gaston	1,708	66	5%	0%	18%	10%
Gates	172	5	4%	0%	100%	4%
Graham	40	0	0%	0%	17%	5%
Granville	4,320	194	6%	1%	14%	11%
Greene	86	21	32%	0%	0%	14%
Halifax	4,430	190	6%	1%	20%	10%
Haywood	81	5	8%	0%	16%	9%
Henderson	682	26	5%	0%	14%	6%
Hertford	706	9	2%	0%	14%	13%
Hoke	1,771	95	7%	0%	10%	12%

The benefit of the investment in University of North Carolina Hospitals by county (cont.) ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Hyde	84	5	8%	0%	100%	5%
Iredell	321	55	23%	0%	22%	8%
Jackson	132	6	6%	0%	13%	5%
Jones	277	19	9%	0%	21%	11%
Lenoir	2,594	192	10%	1%	29%	12%
Lincoln	306	20	9%	0%	13%	14%
Macon	116	4	5%	0%	10%	8%
Madison	708	1	0%	0%	17%	3%
Martin	647	62	13%	0%	44%	13%
Mcdowell	278	3	2%	0%	10%	12%
Mecklenburg	3,135	130	6%	0%	18%	8%
Mitchell	15	2	18%	0%	14%	9%
Montgomery	2,771	206	10%	1%	20%	12%
Moore	8,483	477	8%	1%	21%	8%
Nash	4,832	263	7%	1%	21%	11%
New Hanover	7,673	268	5%	1%	26%	10%
Northampton	1,890	84	6%	0%	0%	10%
Onslow	4,015	205	7%	1%	13%	7%
Pamlico	141	7	7%	0%	100%	15%
Pasquotank	254	5	3%	0%	14%	6%
Pender	2,331	83	5%	0%	25%	10%
Perquimans	31	1	6%	0%	100%	20%
Person	5,376	439	11%	1%	25%	18%
Pitt	1,801	149	11%	0%	17%	7%
Polk	200	8	5%	0%	5%	5%
Richmond	8,173	498	8%	2%	12%	7%
Robeson	10,735	686	9%	2%	23%	11%
Rockingham	2,007	100	7%	0%	13%	12%

The benefit of the investment in University of North Carolina Hospitals by county (cont.) ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Rowan	831	93	15%	0%	21%	8%
Rutherford	804	13	2%	0%	22%	10%
Scotland	3,292	192	8%	1%	30%	10%
Stanly	433	31	10%	0%	10%	11%
Stokes	165	8	7%	0%	0%	11%
Surry	412	4	1%	0%	14%	11%
Swain	405	1	0%	0%	18%	7%
Transylvania	389	35	12%	0%	14%	7%
Tyrrell	46	2	5%	0%	0%	8%
Union	430	13	4%	0%	25%	9%
Vance	5,426	345	9%	1%	27%	15%
Warren	1,823	81	6%	0%	11%	16%
Washington	122	8	9%	0%	0%	11%
Watauga	330	8	3%	0%	21%	8%
Wayne	4,683	286	8%	1%	24%	9%
Wilkes	682	8	2%	0%	16%	8%
Wilson	3,341	121	5%	0%	29%	12%
Yadkin	253	9	5%	0%	5%	12%
Yancey	47	5	14%	0%	36%	11%
Rest of State (outside primary service area)	**166,380**	**9,478**	**8%**	**30%**	**18%**	**9%**
Out of State Total	17,284	1,375	11%	4%		
Grand total	**484,465**	**31,840**	**9%**	**100%**	**23%**	**10%**

Clinical Support for Other Health Professionals' Education is Also Provided by UNCH

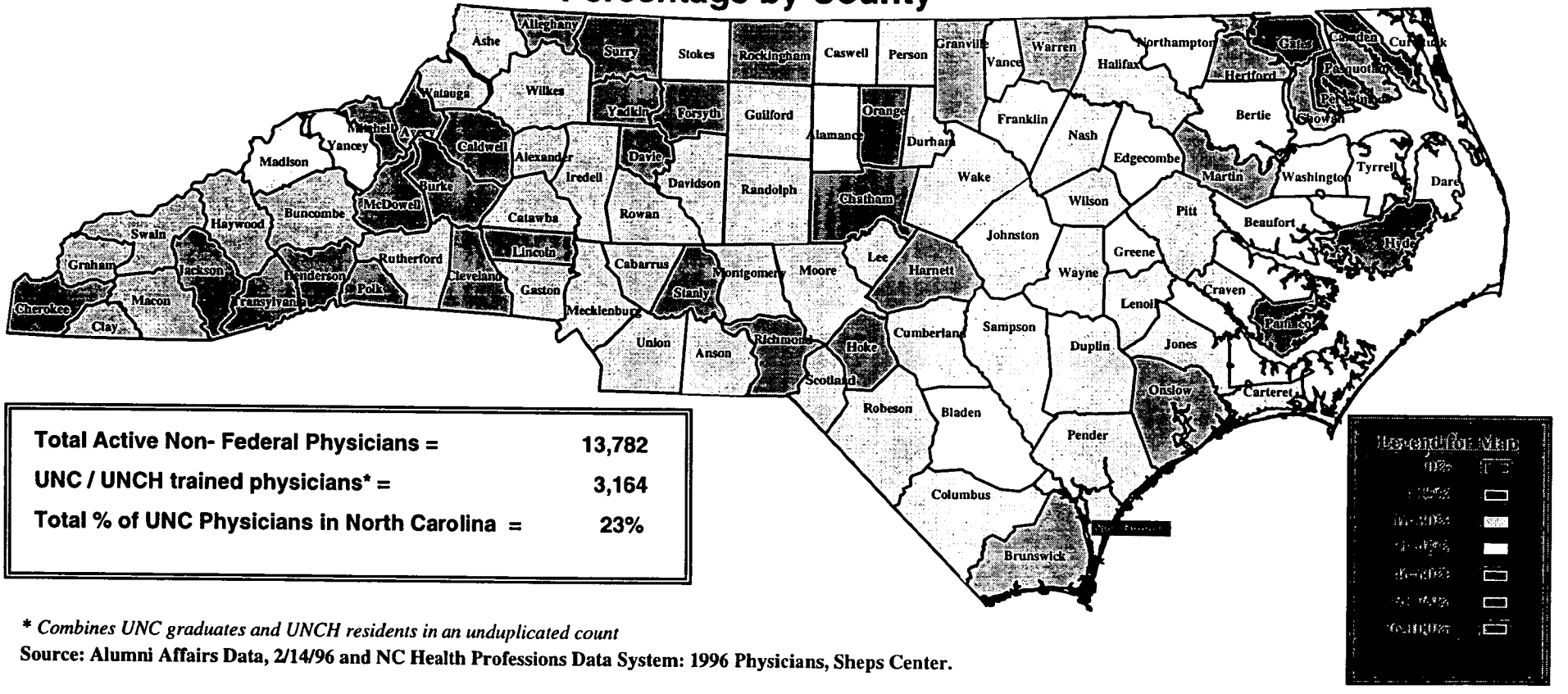
Professional Title	UNC Trained Graduate Professionals	Total State Wide Professionals	Percent UNC Trained
Dentists *	1,738	2,900	60%
Pharmacists	3,801	6,172	62%
Registered Nurses	1,858	63,240	3%
Dental Hygienists	486	3,079	16%

* Note that UNC provides the <u>only</u> training program in the state for this profession

UNC HEALTH CARE

Clinical Support for Educational Programs - UNCH & UNC have trained 23% of active North Carolina physicians - distributed throughout the state

North Carolina
Active Physicians Trained by UNC/UNCH
Percentage by County



Total Active Non- Federal Physicians =	13,782
UNC / UNCH trained physicians* =	3,164
Total % of UNC Physicians in North Carolina =	23%

** Combines UNC graduates and UNCH residents in an unduplicated count*

Source: Alumni Affairs Data, 2/14/96 and NC Health Professions Data System: 1996 Physicians, Sheps Center.

UNC/UNCH trained 50% of the MDs in the 10 counties with the fewest MDs

Legislative, Budget Support and Other Initiatives

Dr. Daniel D. Godfrey, Dean
NC A&T State University

Cooperative Extension and Research: 1999-2003 Initiatives

- Community Economic Development
- Children, Youth, and Families
- Food Safety, Nutrition, and Health
- Small-Scale Agricultural Systems
- Information Technology and Telecommunications

Action Plans

- Develop workforce preparation programs for communities.
- Increase citizen participation in building strong families and safe communities.
- Develop collaborative research to increase small farm profitability.
- Intensify research into improved detection methods for foodborne pathogens.

Community Economic Development

- Infrastructure development
- Charlotte Hawkins Brown leadership training
- Workforce preparation/welfare reform
- Land loss by African-American farmers
- International trade

Children, Youth, and Families

- Youth and Family Violence Prevention
- Prevention of Teen Pregnancy
- Parenting Skills
- Youth Entrepreneurship
- Child Care

Food Safety, Nutrition and Health

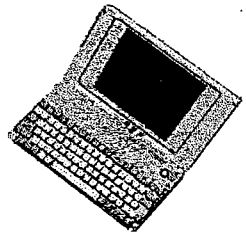
- Research on foodborne pathogens
- Training for food handlers at small restaurants, nursing homes, day care facilities

Small-Scale Agricultural Systems

- Soil and water management
- Sustainable agriculture
- Alternative agricultural enterprises
- Farm safety

Information Technology and Telecommunications

- High-speed digital networking
- Faculty training on distance learning
- Computer and network support



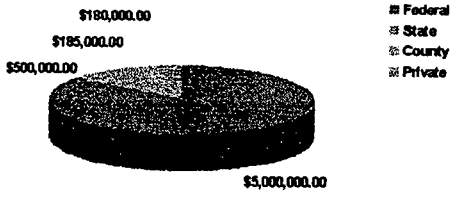
Key Points to Emphasize with State Legislators

- The State provides only a 12% share of the total budget for extension and research at A&T.
- A&T requests a gradual approach to state matching funds.
- A&T requests continuous funding at the 100% matching level each year after 2004.

Key Points (continued)

- A&T has a history of working with diverse audiences, and disadvantaged families.
- With minimal funding, A&T continues to work collaboratively with NCSU to support a responsive extension and research network.
- A&T has professional and paraprofessional staff in nearly 1/3 of NC's counties.

Research and Extension, FY 1999



National Agriculture Research, Extension and Teaching Policy Act

- Section 212 amends the 1977 act
- By fiscal yr. 2000, 30% non-federal match required.
- By fiscal yr. 2002, 50% non-federal match required.
- Must meet requirements or lose a percentage of federal appropriations.

Priority Initiatives for Fiscal Years 1999-2003

2000	2001	2002	2003	2004
30%	45%	50%	75%	100%
1.5m	2.25m	2.5m	3.75m	5m

Cooperative Extension and Research

1999-2000 Budget Request

State Matching Funds for Agricultural Research and Cooperative Extension Programs

Personnel	478,793K
Subagreements (Counties)	60,000K
Operating Cost	211,207K
TOTAL	750,000K

Legislative Opportunities

- Legislation to establish a Small Farm Center at NC A&T State University
  - regional data base on small farms research
  - information on alternative and sustainable ag
  - specialty marketing
  - networking among small-scale farms
  - ag policy issues

Proposed Small Farm Center: Resources Needed

Resources	
Personnel	360K
Capital Improvements	1.4M
Operating Cost	450K
Program Development	60K
Communications	30K
Total	2.3M

Proposed Small Farm Center: Potential Impacts

- Small-scale farms will show increased income diversification.
- Production will become environmentally safe and socially acceptable.
- Increased local marketing.
- Small-scale farms will remain a viable part of NC's rural landscape.

Requested Funding Summary

■ 30% State Match	1.5M
■ Legislation, Small Farm Leader (A&T)	—
■ Small Farm Center	2.5M
TOTAL	4.0M

INTERDISCIPLINARY AND OUTREACH PROGRAMS

EAST CAROLINA UNIVERSITY
DIVISION OF HEALTH SCIENCES

Changing Forces in Health Care and a Vision for ECU SOM

- Health care delivery system is changing
- Population is aging
- New technologies
- New consumerism
- VISION for ECU

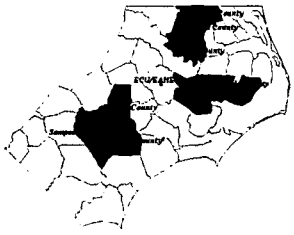
ECU Mission/Vision

- ECU SOM continues its 3-part mission from 1975
  - -Train primary care physicians
  - -Provide access for minority students
  - -Improve health care services in ENC
- Vision Statement Adopted 3/99:
  ECU SOM, through leadership in education, research, and health care services, will CONTINUOUSLY IMPROVE THE HEALTH OF THE PEOPLE OF EASTERN NORTH CAROLINA

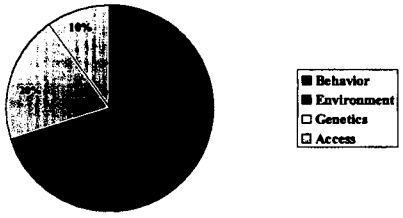
Interdisciplinary Programs

- Collaboration/Work in Teams
- Campus based coursework
- Community Programs
  - IDRHTP
  - Tillery Program
  - Partnership with Duke
- Positive impact on community/learner

Interdisciplinary Program Sites



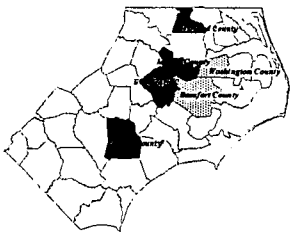
Determinants of Health



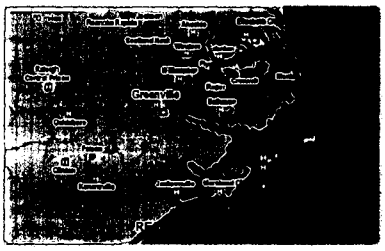
Partnerships for Health Program

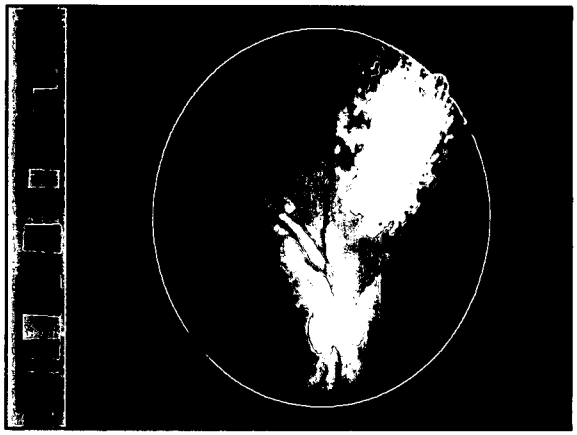
- Cooperation with the Office of Healthy Carolinians
- Facilitate Partnerships
- Completed comprehensive needs assessment
- Developing and implementing action plans
- Continue clinical/physician support

Partnership Sites



ECU Telemedicine Program





East Carolina University

Dedicated to being a CENTER OF EXCELLENCE in Health Professions Education, Cutting-edge Research, and Service to the region.

We want to make a difference in the lives of the citizens of eastern North Carolina.

Presentation to Joint Appropriations Subcommittee on Education March 25, 1999

Jeffrey L. Houpt, M.D.
Dean, School of Medicine
Vice Chancellor for Medical Affairs
University of North Carolina at Chapel Hill
CEO, UNC Health Care System

UNC HEALTH CARE

ATTACHMENT 3

Bimodal Medical Schools

Ranked in top 20% by AAMC in production of primary care physicians and in receiving research grants from NIH.

- **UNC-Chapel Hill**
- **UC-San Diego**
- **UC-San Francisco**
- **U. of Washington**

UNC HEALTH CARE

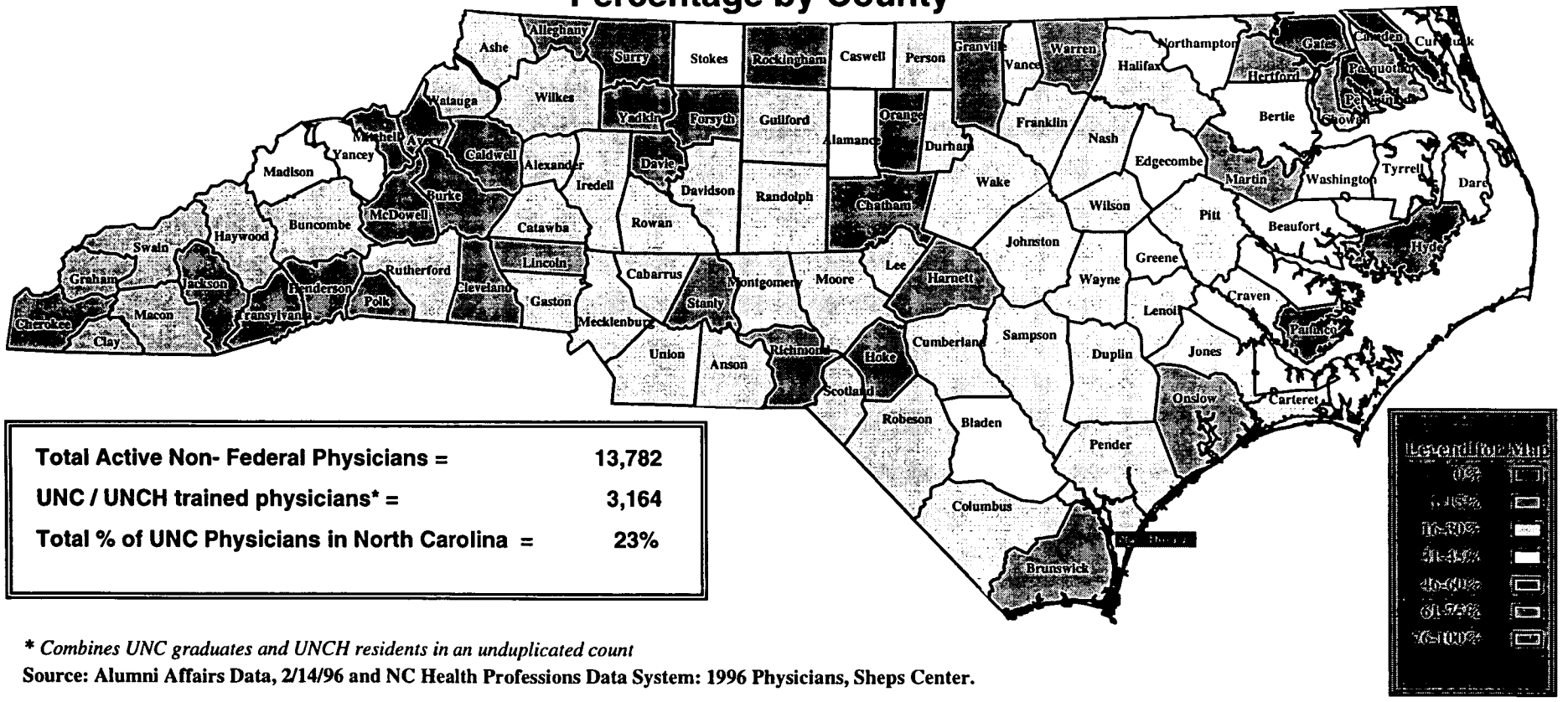
Primary Care

1999 U.S. News and World Report
Graduate Schools Issue ranks
UNC-Chapel Hill School of Medicine
8th among U.S. primary care schools.

UNC HEALTH CARE

Clinical Support for Educational Programs - UNCH & UNC have trained 23% of active North Carolina physicians - distributed throughout the state

North Carolina
Active Physicians Trained by UNC/UNCH
Percentage by County



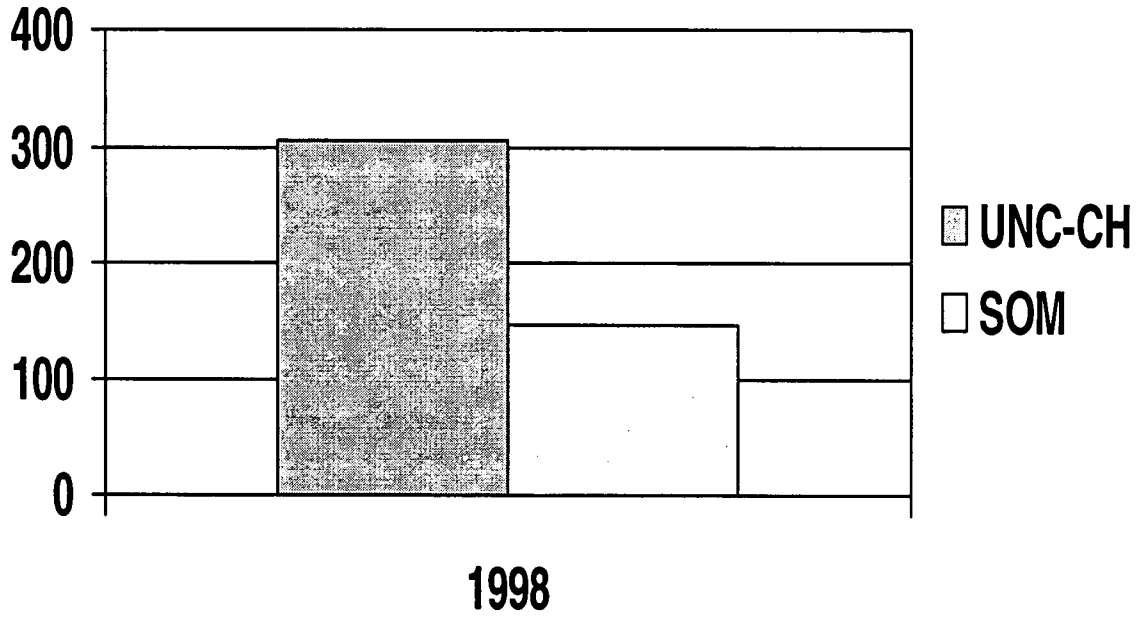
Total Active Non- Federal Physicians =	13,782
UNC / UNCH trained physicians* =	3,164
Total % of UNC Physicians in North Carolina =	23%

** Combines UNC graduates and UNCH residents in an unduplicated count*

Source: Alumni Affairs Data, 2/14/96 and NC Health Professions Data System: 1996 Physicians, Sheps Center.

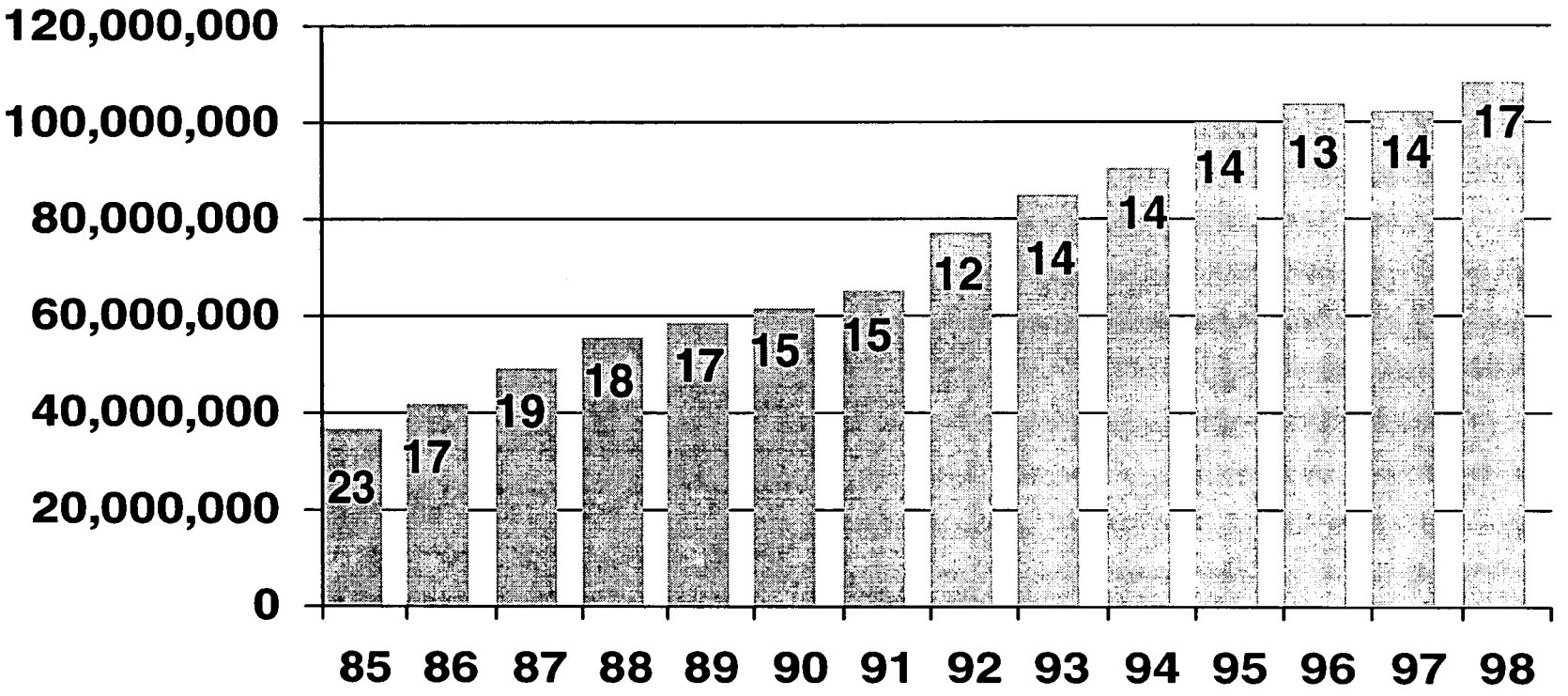
UNC/UNCH trained 50% of the MDs in the 10 counties with the fewest MDs

Sponsored Program Awards ($ in Millions)



UNC HEALTH CARE

NIH Extramural Awards
($ in Millions)



(Figure in Bar = Rank Among All 125 U.S. Medical Schools)

UNC HEALTH CARE

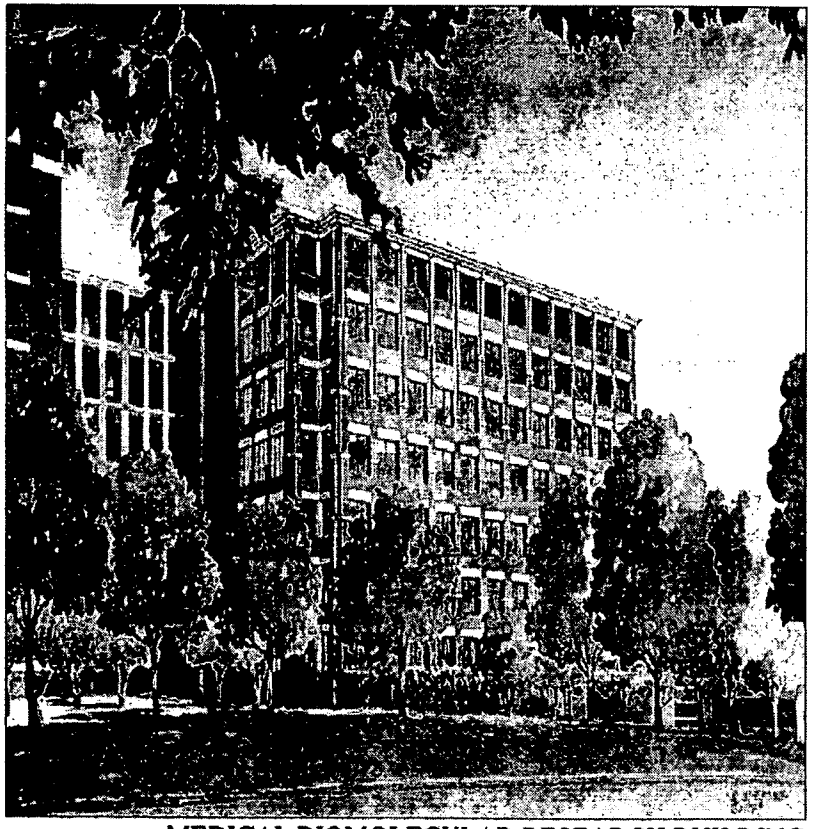
Recent Start-up Companies

- Inspire Pharmaceuticals, Inc., RTP
  - Drugs for cystic fibrosis; 25 employees

- AlphaVax, Inc., RTP
  - Vaccines and gene therapy; 5 employees

UNC HEALTH CARE

BIOMOLECULAR MEDICAL RESEARCH BUILDING
School of Medicine
University of North Carolina at Chapel Hill



MEDICAL BIOMOLECULAR RESEARCH BUILDING
West View – View from South Columbia Street

Projected Cost: $ 60M

Sources of Funds:

State Appropriations	$ 30M
UNC-CH revenue bonds	$30M

1998 State Appropriation: $6M

1999 State Appropriation needed to keep on construction schedule: $13M

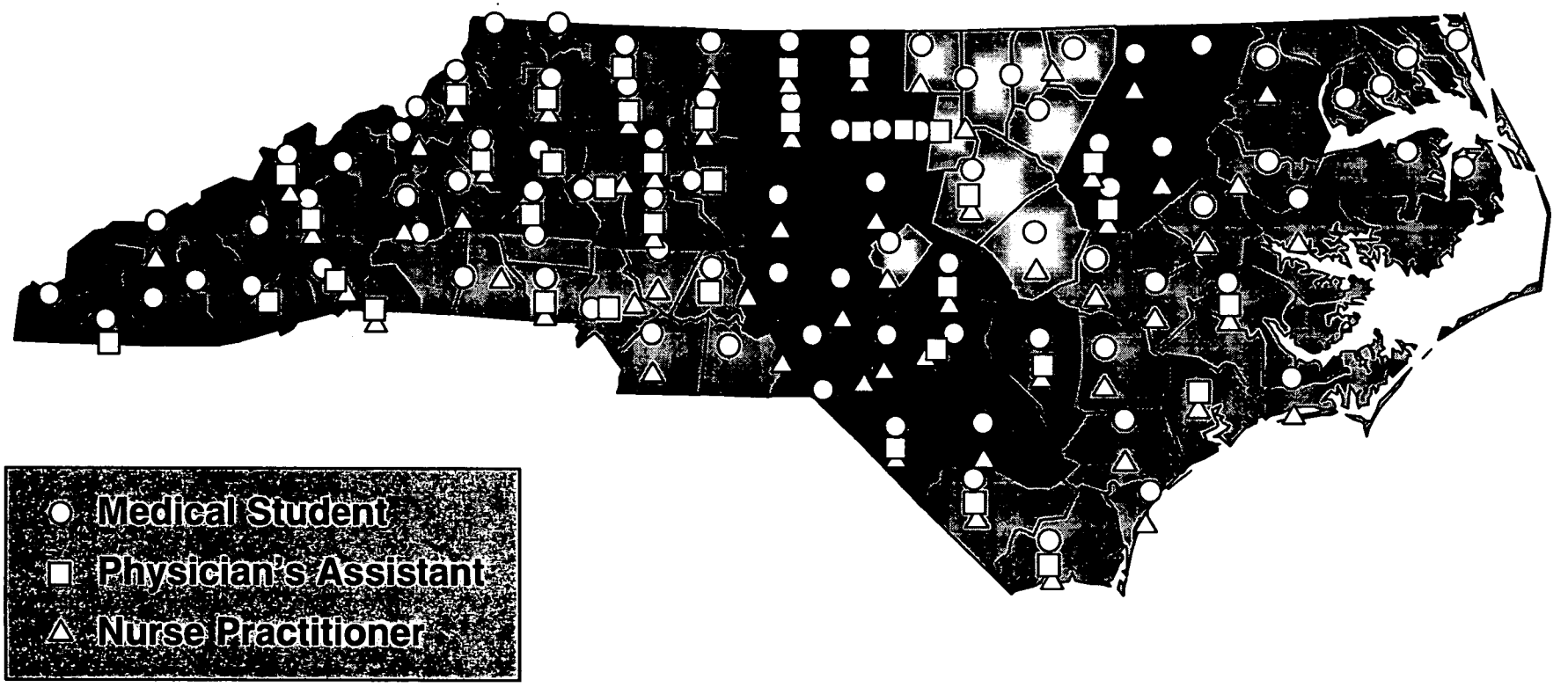
UNC HEALTH CARE

Major AHEC Program Activities

- Community-Based Student Experiences
- Primary Care Residency Training
- Support for Practicing Health Professionals
- Health Careers and Minority Workforce Development

UNC HEALTH CARE

AHEC Primary Care Training Sites for Medical Students, Physician Assistants, and Nurse Practitioners: 1997-98

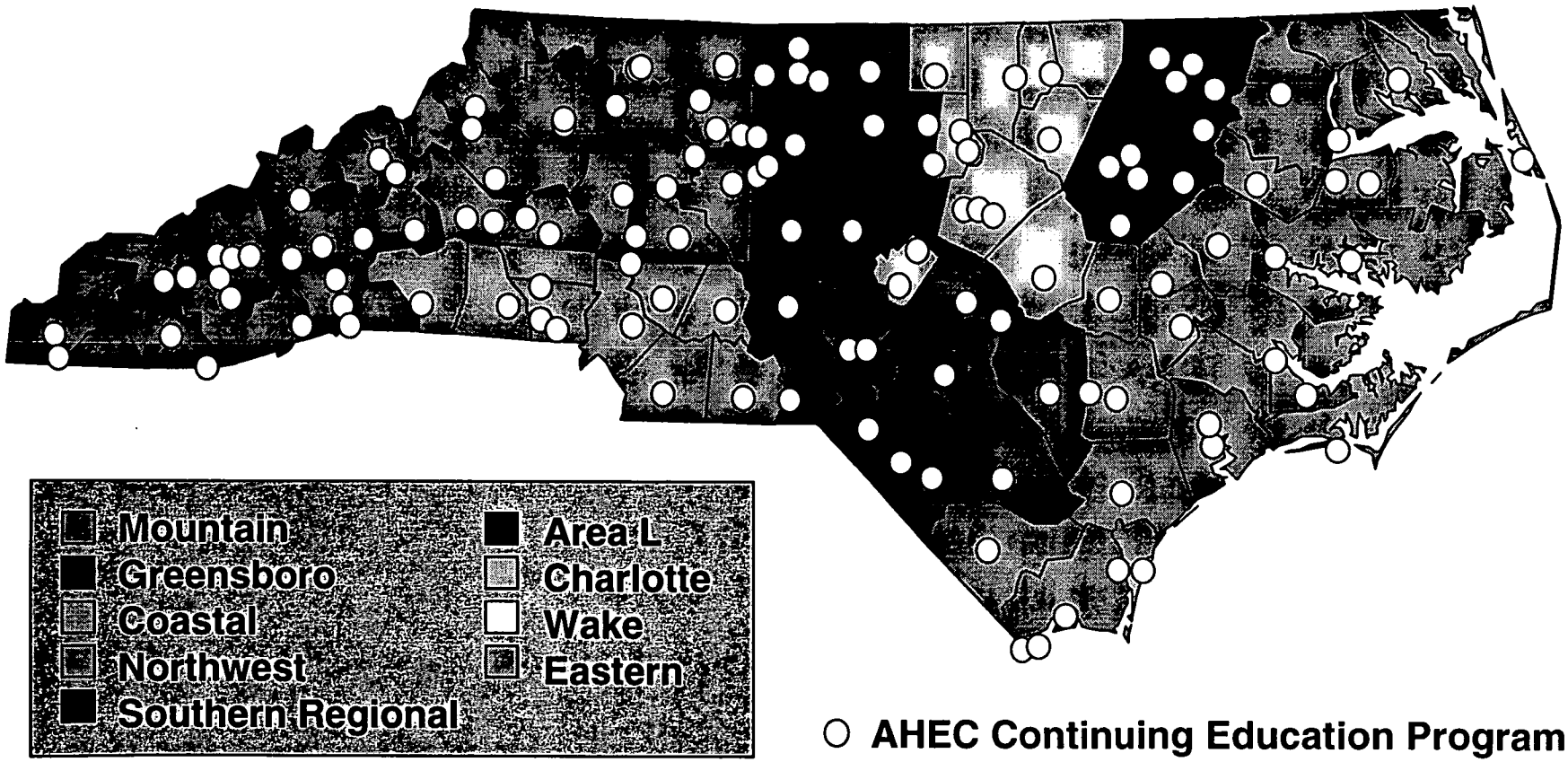


Source: NC AHEC Program

UNC HEALTH CARE

North Carolina Area Health Education Centers (AHEC) Program

Locations of Continuing Education Programs: 1997-98



○ AHEC Continuing Education Programs

Source: NC AHEC Program

UNC Health Care System

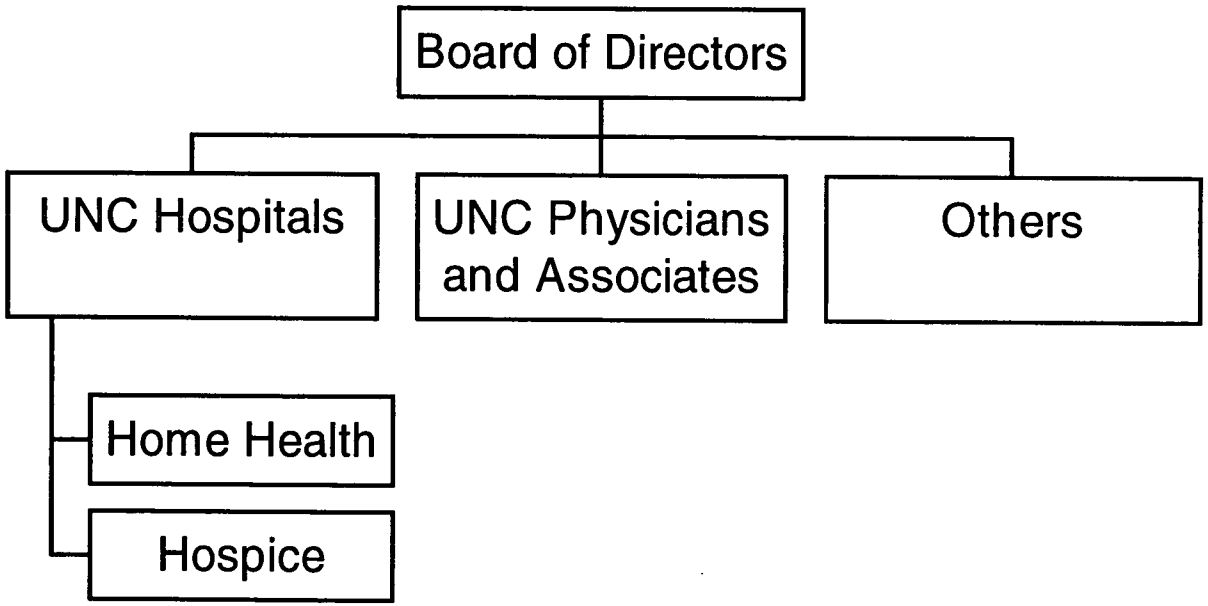
Reaffirms restoration of State appropriation to UNC Hospitals.

Provides management flexibility.

Brings UNC Hospitals and practice plan into a single organization.

UNC HEALTH CARE

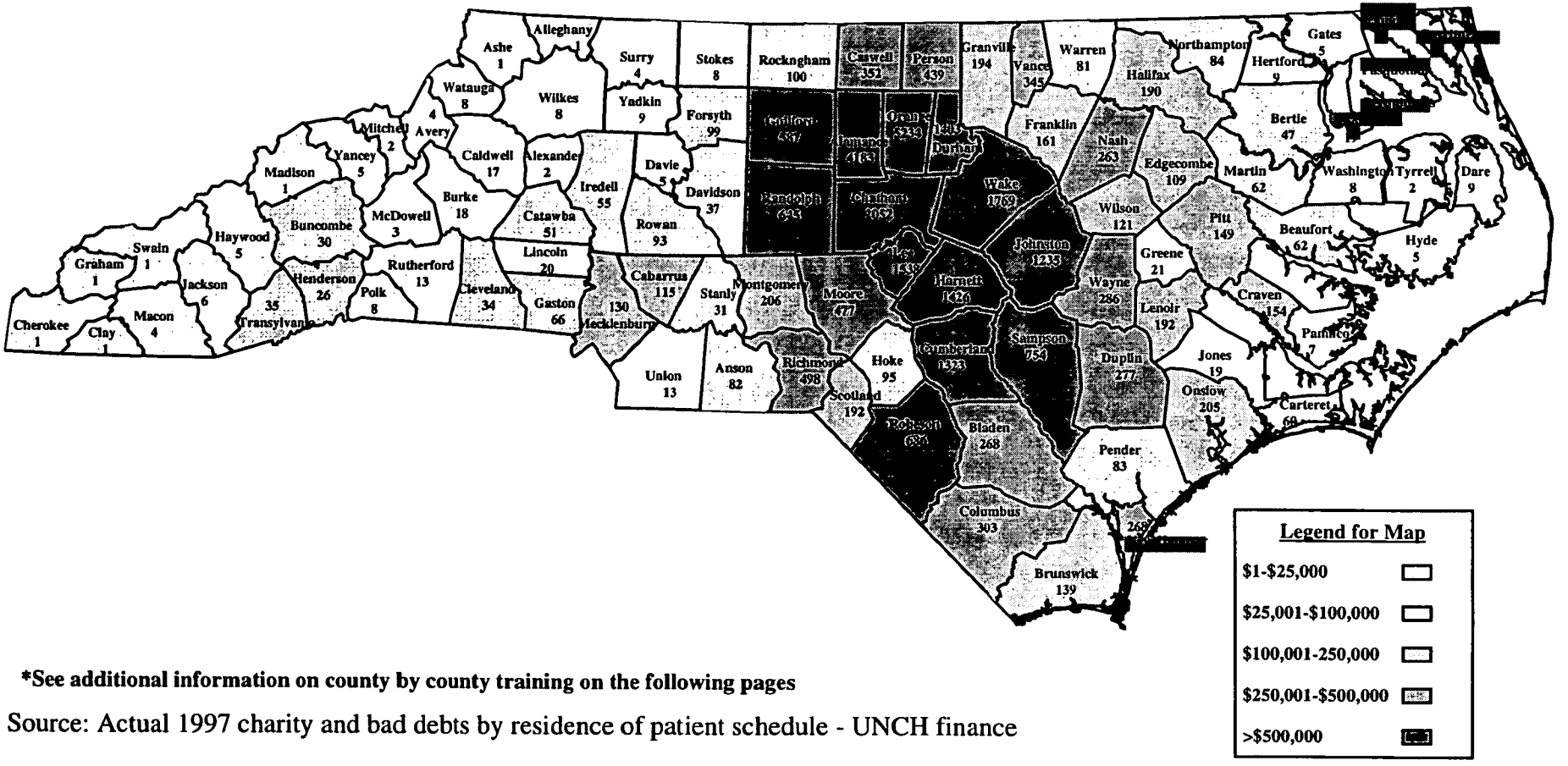
UNC Health Care System



UNC HEALTH CARE

University of North Carolina Hospitals - Distribution of Un-reimbursed Care (by county of residence)

North Carolina



***See additional information on county by county training on the following pages**

Source: Actual 1997 charity and bad debts by residence of patient schedule - UNCH finance

The benefit of the investment in University of North Carolina Hospitals by county ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Grand Total	**484,465**	**31,840**	**9%**	**100%**	**23%**	**10%**
Orange	80,913	5,234	9%	16%	64%	23%
Chatham	31,556	2,052	9%	6%	69%	19%
Wake	40,518	1,769	6%	6%	30%	15%
Franklin	2,350	161	9%	1%	25%	10%
Durham	26,186	1,403	7%	4%	16%	14%
Johnston	14,246	1,235	12%	4%	19%	13%
Subtotal MSA - Research Triangle	**195,770**	**11,854**	**8%**	**37%**	**34%**	**16%**
Lee	19,248	1,538	11%	5%	25%	13%
Alamance	41,630	4,183	14%	13%	36%	18%
Guilford	9,222	587	9%	2%	26%	11%
Harnett	15,764	1,426	12%	4%	13%	12%
Randolph	9,145	645	10%	2%	19%	13%
Sampson	10,023	754	10%	2%	24%	8%
Subtotal (12 county primary service area)	**300,801**	**20,987**	**9%**	**66%**	**32%**	**14%**
Alexander	44	2	8%	0%	25%	12%
Alleghany	58	1	3%	0%	9%	10%
Anson	1,298	82	9%	0%	16%	8%
Ashe	175	1	1%	0%	19%	10%
Avery	156	4	3%	0%	7%	11%
Beaufort	797	62	11%	0%	35%	9%
Bertie	127	47	50%	0%	40%	11%
Bladen	3,593	268	10%	1%	35%	6%
Brunswick	2,361	139	8%	0%	7%	14%
Buncombe	1,468	30	3%	0%	17%	5%
Burke	365	18	7%	0%	14%	8%
Cabarrus	644	115	24%	0%	18%	9%
Caldwell	476	17	5%	0%	11%	13%

The benefit of the investment in University of North Carolina Hospitals by county (cont.) ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Camden	36	1	5%	0%	50%	8%
Carteret	1,673	60	5%	0%	29%	11%
Caswell	5,103	352	9%	1%	40%	12%
Catawba	789	51	9%	0%	20%	11%
Cherokee	26	0	0%	0%	10%	5%
Chowan	281	19	9%	0%	12%	12%
Clay	6	1	14%	0%	17%	5%
Cleveland	995	34	5%	0%	14%	9%
Columbus	3,939	303	10%	1%	19%	9%
Craven	2,150	154	10%	0%	24%	8%
Cumberland	21,574	1,323	8%	4%	16%	8%
Currituck	30	4	19%	0%	33%	7%
Dare	446	9	3%	0%	0%	10%
Davidson	1,269	37	4%	0%	23%	9%
Davie	220	5	3%	0%	10%	10%
Duplin	3,575	277	10%	1%	23%	12%
Edgecombe	2,615	109	6%	0%	31%	10%
Forsyth	2,851	99	5%	0%	14%	9%
Gaston	1,708	66	5%	0%	18%	10%
Gates	172	5	4%	0%	100%	4%
Graham	40	0	0%	0%	17%	5%
Granville	4,320	194	6%	1%	14%	11%
Greene	86	21	32%	0%	0%	14%
Halifax	4,430	190	6%	1%	20%	10%
Haywood	81	5	8%	0%	16%	9%
Henderson	682	26	5%	0%	14%	6%
Hertford	706	9	2%	0%	14%	13%
Hoke	1,771	95	7%	0%	10%	12%

1

The benefit of the investment in University of North Carolina Hospitals by county (cont.) ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Hyde	84	5	8%	0%	100%	5%
Iredell	321	55	23%	0%	22%	8%
Jackson	132	6	6%	0%	13%	5%
Jones	277	19	9%	0%	21%	11%
Lenoir	2,594	192	10%	1%	29%	12%
Lincoln	306	20	9%	0%	13%	14%
Macon	116	4	5%	0%	10%	8%
Madison	708	1	0%	0%	17%	3%
Martin	647	62	13%	0%	44%	13%
Mcdowell	278	3	2%	0%	10%	12%
Mecklenburg	3,135	130	6%	0%	18%	8%
Mitchell	15	2	18%	0%	14%	9%
Montgomery	2,771	206	10%	1%	20%	12%
Moore	8,483	477	8%	1%	21%	8%
Nash	4,832	263	7%	1%	21%	11%
New Hanover	7,673	268	5%	1%	26%	10%
Northampton	1,890	84	6%	0%	0%	10%
Onslow	4,015	205	7%	1%	13%	7%
Pamlico	141	7	7%	0%	100%	15%
Pasquotank	254	5	3%	0%	14%	6%
Pender	2,331	83	5%	0%	25%	10%
Perquimans	31	1	6%	0%	100%	20%
Person	5,376	439	11%	1%	25%	18%
Pitt	1,801	149	11%	0%	17%	7%
Polk	200	8	5%	0%	5%	5%
Richmond	8,173	498	8%	2%	12%	7%
Robeson	10,735	686	9%	2%	23%	11%
Rockingham	2,007	100	7%	0%	13%	12%

The benefit of the investment in University of North Carolina Hospitals by county (cont.) ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Rowan	831	93	15%	0%	21%	8%
Rutherford	804	13	2%	0%	22%	10%
Scotland	3,292	192	8%	1%	30%	10%
Stanly	433	31	10%	0%	10%	11%
Stokes	165	8	7%	0%	0%	11%
Surry	412	4	1%	0%	14%	11%
Swain	405	1	0%	0%	18%	7%
Transylvania	389	35	12%	0%	14%	7%
Tyrrell	46	2	5%	0%	0%	8%
Union	430	13	4%	0%	25%	9%
Vance	5,426	345	9%	1%	27%	15%
Warren	1,823	81	6%	0%	11%	16%
Washington	122	8	9%	0%	0%	11%
Watauga	330	8	3%	0%	21%	8%
Wayne	4,683	286	8%	1%	24%	9%
Wilkes	682	8	2%	0%	16%	8%
Wilson	3,341	121	5%	0%	29%	12%
Yadkin	253	9	5%	0%	5%	12%
Yancey	47	5	14%	0%	36%	11%
Rest of State (outside primary service area)	**166,380**	**9,478**	**8%**	**30%**	**18%**	**9%**
Out of State Total	17,284	1,375	11%	4%		
Grand total	**484,465**	**31,840**	**9%**	**100%**	**23%**	**10%**

Clinical Support for Other Health Professionals' Education is Also Provided by UNCH

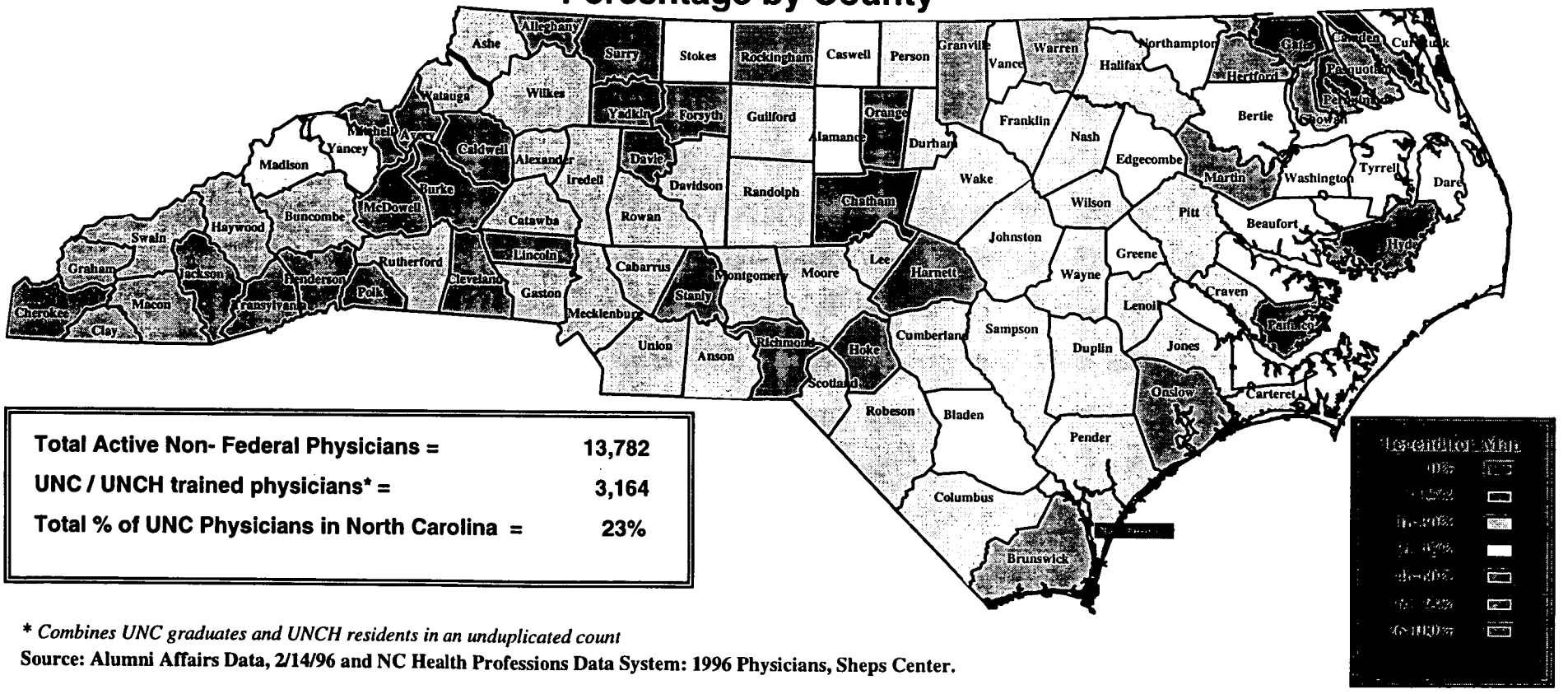
Professional Title	UNC Trained Graduate Professionals	Total State Wide Professionals	Percent UNC Trained
Dentists *	1,738	2,900	60%
Pharmacists	3,801	6,172	62%
Registered Nurses	1,858	63,240	3%
Dental Hygienists	486	3,079	16%

* Note that UNC provides the <u>only</u> training program in the state for this profession

UNC HEALTH CARE

Clinical Support for Educational Programs - UNCH & UNC have trained 23% of active North Carolina physicians - distributed throughout the state

North Carolina
Active Physicians Trained by UNC/UNCH
Percentage by County



Total Active Non- Federal Physicians =	13,782
UNC / UNCH trained physicians* =	3,164
Total % of UNC Physicians in North Carolina =	23%

** Combines UNC graduates and UNCH residents in an unduplicated count*

Source: Alumni Affairs Data, 2/14/96 and NC Health Professions Data System: 1996 Physicians, Sheps Center.

UNC/UNCH trained 50% of the MDs in the 10 counties with the fewest MDs

INDEX

BUDGET PROPOSAL & OVERVIEW	TAB 1
CAPITAL REQUESTS	TAB 2
EXPANSION REQUESTS	TAB 3
CLOSED CAPTIONING	TAB 4
STATEWIDE EVENT PRODUCTION	TAB 5
LATE-NIGHT LEARNING	TAB 6
LEARNING-LINK	TAB 7

Did you know that...

- ...the average American household watches seven hours of television each day? UNC-TV ensures the availability of programs that enrich the lives of North Carolinians.

- ...UNC-TV's viewership has increased 27% during the past five years? Each week, 2.5 million North Carolinians receive UNC-TV's signal from our 11 transmitters and 23 translators, which feed into 260 North Carolina cable systems.

- ...the average child spends more than 20 hours per week in front of the television set? UNC-TV ensures that worthwhile programming is available to children by being the state's most important source of educational television programs.

- ...the 350 hours of local programming produced by UNC-TV is North Carolina's most comprehensive source of information about issues and activities in the state? Programs such as **North Carolina Now** and **North Carolina People** have become staples in many households, and UNC-TV's local production time has increased by 85% during the last five years.

- ...this year, 13,000 citizens will receive college credit through participation in telecourses broadcast on UNC-TV?

- ...during the school year, UNC-TV will broadcast 425 hours of instructional programs for use in North Carolina's elementary and secondary schools?

- ...public television provides an excellent return on taxpayers' investment? In North Carolina, taxpayers invest only $1.34 per person per year in UNC-TV. Nationally, U.S. citizens contribute only $1.00 per person per year.

- ...surveys show that U.S. citizens rank public television as the third most important use of their tax dollars, behind only national defense and education?

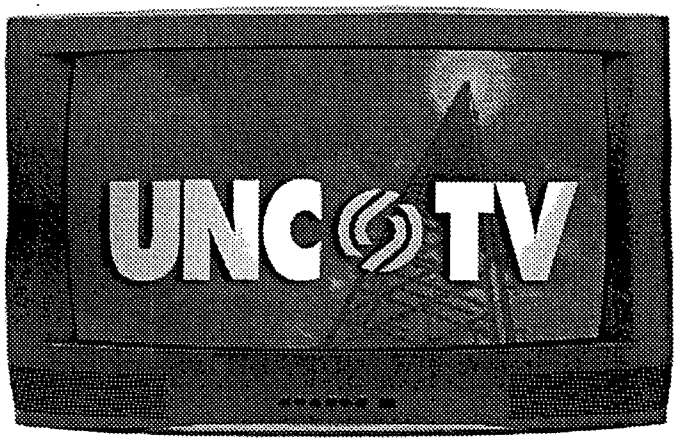
- ...more than 90,000 North Carolina households voluntarily support UNC-TV–the largest number of contributors to any North Carolina nonprofit organization?

- ...more than three hundred businesses and foundations support UNC-TV through underwriting, matching gift programs, and grants?

1999-2001 Budget Request for Capital Improvements and Expansion

UNC TV

UNLEASHING NEW POTENTIAL TO SERVE NORTH CAROLINA



Unleashing New Potential to Serve

"the powerful potential of television to do great things for our people can be harnessed as never before."

With your help, North Carolina will soon be entering a future in which the powerful potential of television to do great things for our state's citizens can be harnessed as never before. The coming national conversion to digital television technology will unleash new possibilities for education, information and cultural enrichment. With your support, UNC-TV can bring these services to all the people of North Carolina through its existing statewide broadcast network, making sure that our state is on the cutting edge of this revolution in the world's most influential communications medium.

North Carolina has a proud history of commitment to public television, with a significant investment in an infrastructure of 11 transmitters and 23 translators that brings UNC-TV to virtually every home in the state. This service comes with no cable subscription fees and no commercials. UNC-TV provides all citizens with equal access to high-quality television programming every day of the year.

About UNC-TV

An Expanding Audience

- More than two million people watch and depend on UNC-TV each week, with more new viewers moving to North Carolina every year.

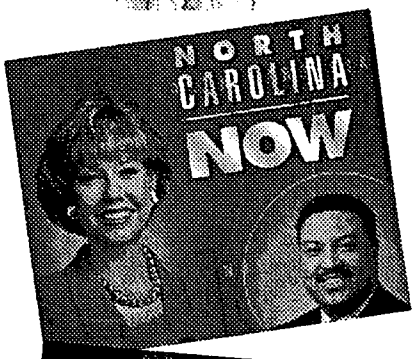
Learning for a Lifetime

- UNC-TV dedicates 40% of its on-air schedule to entertaining and educational programming designed to help our state's young children enter school "ready to learn."
- Each week during the school year UNC-TV broadcasts *13 hours* of instructional television in cooperation with the North Carolina Department of Public Instruction.
- Adult learners are part of our mission, too. UNC-TV's "GED on TV" program enables adults to earn their high school equivalency degrees.
- Nearly 13,000 adults enroll in UNC-TV's telecourses, creating a virtual campus for these distance learners.
- From **NOVA** to **Great Performances** to **The Woodwright's Shop** to **North Carolina People**, UNC-TV broadcasts a multitude of culturally enriching programs.

About UNC-TV

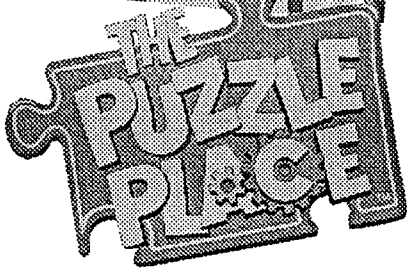
Quality Support for Teachers and Childcare Providers

- **Sesame Street** Preschool Education Program, **Mister Rogers' Neighborhood** Childcare Partnership and **The Puzzle Place** Project educate thousands of childcare providers.
- North Carolina Learning Link connects public school teachers to a lively and popular interactive computer online system.



Bringing the World to North Carolina...

- Each year UNC-TV purchases and broadcasts more than *4,500 hours* of PBS programs, from some of the world's greatest stage performances, to probing journalism to the best children's programs on television.



... and Bringing North Carolina's World into Focus.

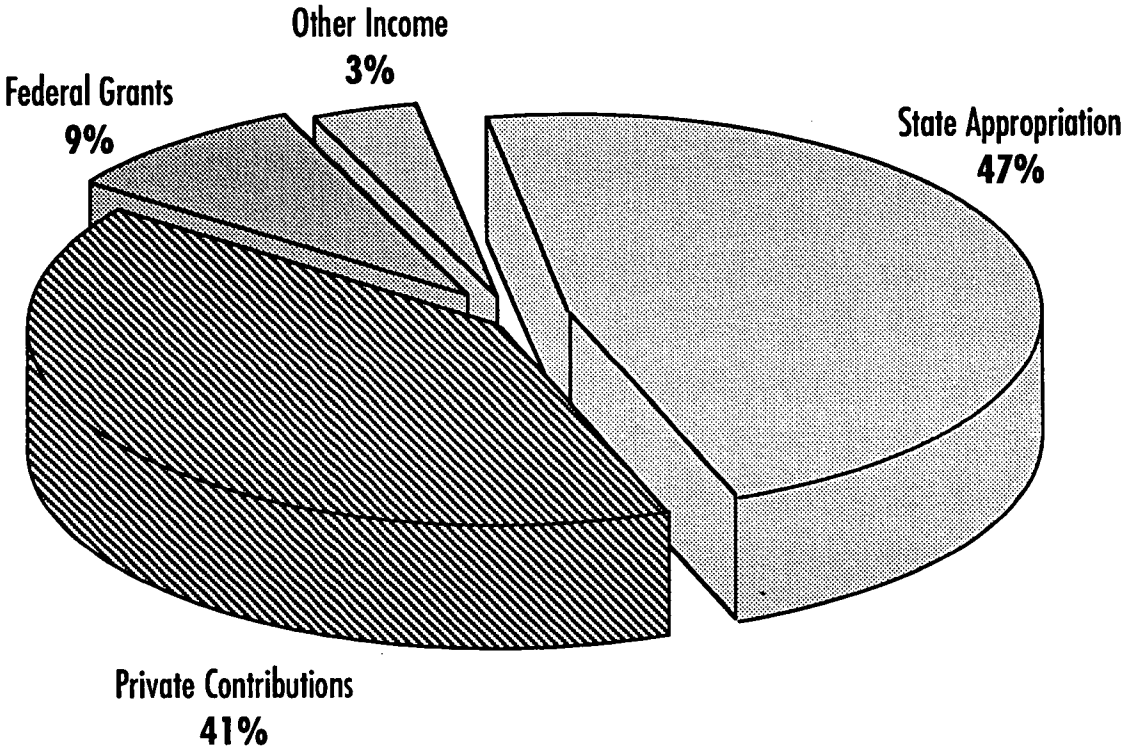
- UNC-TV's original and powerful local productions highlight the beauty, arts and history of the Tar Heel State.

- Through in-depth public affairs programming such as **Legislative Week in Review**, as well as up-to-the-minute election coverage, in-depth analyses and commentaries, UNC-TV brings North Carolinians their most complete, comprehensive and compelling state and local political coverage.
- **North Carolina Now** is the state's only weeknightly television newsmagazine.
- William Friday chats with the state's most interesting people each week on **North Carolina People**.

A True Public/Private Partnership.

- UNC-TV receives annual support from more than 90,000 viewer contributors from all 100 counties – the largest contributor base of any nonprofit organization in the state.
- The University of North Carolina Board of Governors holds the licenses, and UNC-TV's Board of Trustees and the North Carolina Public Television Foundation Board of Directors provide critical links to the public.

UNC-TV FUND SOURCES

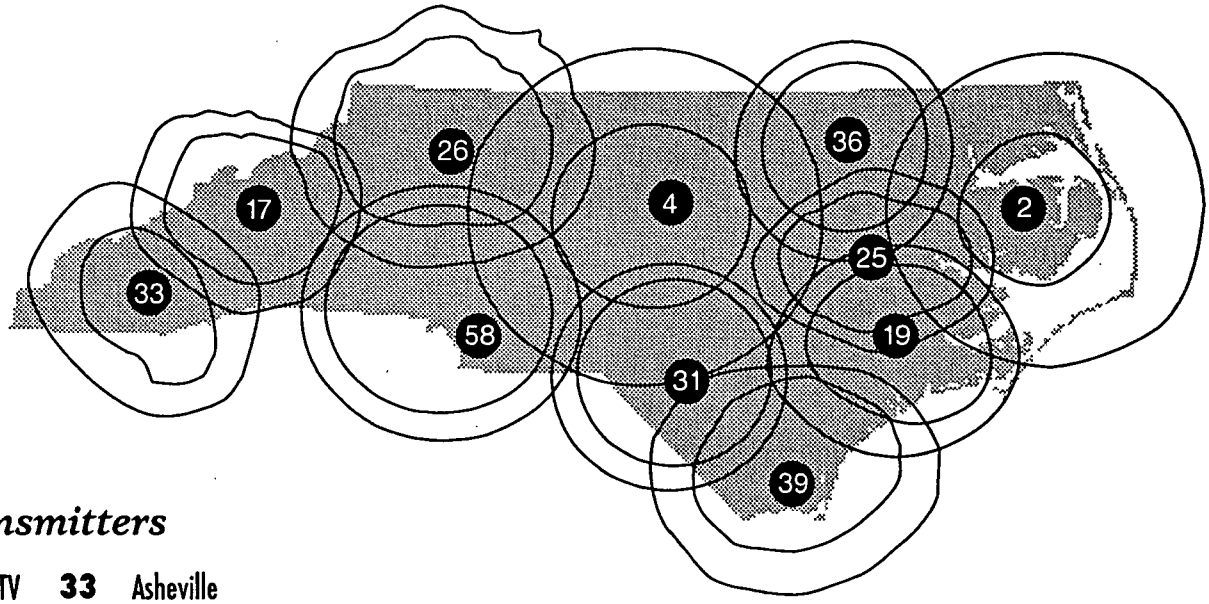


Sources of Funds

1998-1999 Operating Budget

TOTAL: $20.1 MILLION

UNC-TV Transmission Network



Transmitters

WUNF-TV	**33**	Asheville
WUNC-TV	**4**	Chapel Hill/Raleigh/Durham
WUND-TV	**2**	Columbia
WUNG-TV	**58**	Concord/Charlotte
WUNK-TV	**25**	Greenville
WUNM-TV	**19**	Jacksonville/New Bern
WUNE-TV	**17**	Linville
WUNU-TV	**31**	Lumberton/Fayetteville
WUNP-TV	**36**	Roanoke Rapids
WUNJ-TV	**39**	Wilmington
WUNL-TV	**26**	Winston-Salem/Greensboro/High Point

Translators

Andrews	**59**
Bakersville	**42**
Black Mountain	**52**
Boone	**27**
Brevard	**59**
Bryson City	**67**
Burnsville	**27**
Canton	**27**
Cashiers	**24**
Chimney Rock	**05**
Cullowhee	**23**
Franklin	**28** and **56**
Hayesville	**42**
Highlands	**62**
Jefferson	**25**
Lake Lure	**27**
Marion	**43**
Murphy	**31**
Sparta	**35**
Spruce Pine	**28**
Tryon	**24**
Zionville	**59**

1999-2001 Budget Request for Capital Improvements

	Totals	1999-2000	2000-2001
Digital Television Implementation Phase I	$ 32,713,900	$ 18,091,750	$ 14,622,150
Mobile Satellite Uplink	$ 852,900	$ 852,900	$ 0
Totals	$ 33,566,800	$ 18,944,650	$ 14,622,150

The World is Going Digital

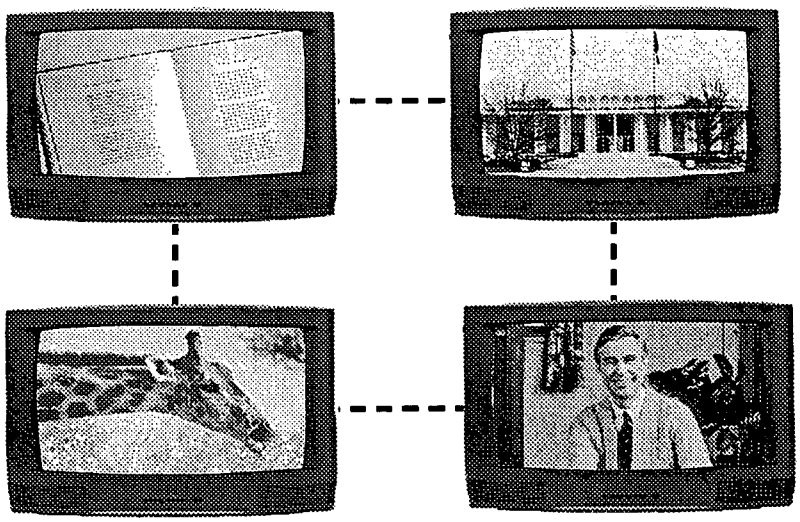
It has been said that the difference between digital television and conventional TV is like the difference between a personal computer and a typewriter. Some believe that the transition to digital television technology will be the most significant change in the history of broadcasting - bigger than the transition from radio to television, and even bigger than the transition from black-and-white to color TV.

It was not so long ago that computers were gigantic and expensive devices that filled entire rooms. Having an even more powerful computer in your office or in your home that fits on a desk top - or even in a briefcase - was unimaginable. Yet today, our children do research for their homework assignments accessing information from the finest libraries around the world over the Internet, then write their papers incorporating charts, graphs and color photographs, all while seated at their PC. What's more, they can do it while listening to their favorite CD, right there at the computer.

Digital television opens a similar array of new possibilities. For example:

- ***Multi-casting***

Digital technology will allow public television stations to simultaneously broadcast four or more channels of standard definition programming. This will make it possible for the same public TV station to broadcast four different programs at once. That would make it possible to simultaneously broadcast an all-children's programming channel, a distance learning channel, a traditional public television channel and a North Carolina channel featuring state government coverage, for example. The possibilities are unlimited.



DTV – It's Not Just a Good Idea ...

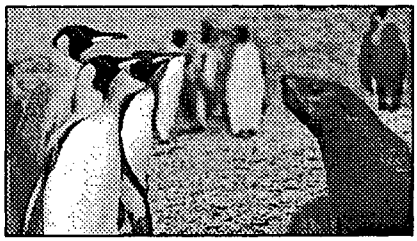
The Federal Communications Commission has mandated that all television broadcast station operators must convert from existing analog technology to digital technology.

By 2003, all stations must be broadcasting both analog and digital signals. By 2006 they must only broadcast in digital. UNC-TV, like all other broadcasters, has been given valuable new television broadcast licenses and channel assignments. But, if UNC-TV fails to convert to digital television according to the FCC's timetable, it will lose its license to broadcast in any manner. Obviously, this would be a devastating loss for the viewers, teachers and students who depend on UNC-TV. Furthermore, it would render useless North Carolina's considerable existing investment in television broadcast infrastructure and resources. What a terrible waste that would be.

- *Data-Casting/Enhanced TV*

Imagine integrating television pictures with computer images and data to connect programming with more in-depth information about a subject. Imagine being able to download this information to your personal computer for later reference, or beginning to explore this additional data right on your television screen while the original broadcast is still in progress. All this and more is possible with data-casting, also known as enhanced television. It's like watching TV and using the Internet all at the same time, and it dramatically increases the educational potential of television.

Today's televisions are basically square boxes (4 x 3)



HDTV will provide visually stunning pictures displayed in a wide-screen format (16 by 9)

- *High-Definition TV*

Now imagine watching prime-time major public television programs like **Nature** or **Great Performances** with pictures of startling clarity and CD-quality sound, all on the larger HDTV screen format. The average American watches seven hours of television a day. People who live in remote places or are homebound by infirmity or disability often rely on television as their most important link to the world. Imagine what the impact on the variety and quality of television experiences will be with digital television. It will quite literally open a new world of opportunities.

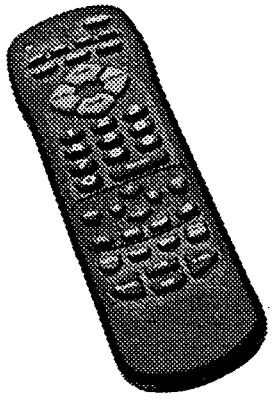
North Carolina's Tradition of Leadership

The visionary leadership of North Carolina's General Assembly has been instrumental in the creation and maintenance of the irreplaceable resource we know today as UNC-TV. Since its inception as WUNC-TV in Chapel Hill in 1955, through its development into a statewide network providing enriching and educational programming to virtually all the citizens of the state, the Legislature has generously supported public television in North Carolina. Our 11-transmitter system and rich blend of educational, local and national programming makes UNC-TV a recognized leader among local public television broadcasters. **None of this would have been possible without the General Assembly's commitment, leadership and financial support.**

But as the FCC's deadline approaches, all of what has been built so painstakingly over the years stands at risk.

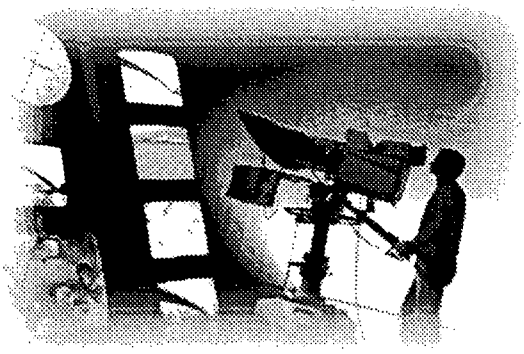
Fortunately, the General Assembly took the first step toward the digital future last year when it approved a $1.1 million appropriation for UNC-TV to conduct the planning phase of its technological conversion. This step was critical and much appreciated.

However, current estimates place the total budget for converting to digital television at $61.6 million. The time has come for making a commitment to North Carolina's technological and educational future.



"None of this would have been possible without the General Assembly's commitment, leadership and financial support.

But as the FCC's deadline approaches, all of what has been built so painstakingly over the years stands at risk."



Funding Phase I

The first phase of implementing UNC-TV's conversion to DTV involves purchasing and installing all the equipment necessary to convert six of the network's 11 transmitters to digital capability. The transmitters involved in Phase I. are: WUNC-TV, Chapel Hill/Raleigh/Durham; WUNE-TV, Linville; WUNG-TV, Concord/Charlotte; WUNJ-TV, Wilmington; WUNK-TV, Greenville; and WUNL-TV, Winston-Salem/Greensboro/High Point. Together, these transmitters serve more than 75% of the state's population. We are seeking $32,713,900 in this biennium to complete Phase I on schedule. The current plan is to seek funding for Phase II in the next biennium to complete the conversion of the five remaining transmitters in the network, thereby providing digital television statewide.

Crossroads to Tomorrow

North Carolina faces a critical decision. Nationally, the die is cast. The future of television will be digital. Our state can continue in the tradition of leadership that has placed North Carolina at the forefront in business, technological development and quality of life. We can take the next step into the inevitable merging of advanced communications technologies that will be an integral part of our world in the impending new millenium. Or, we can falter while others rush past us, and the existing investment in building a model statewide public television network will be lost.

Yes, it is expensive to invest in digital television. But it is an investment that will enrich our lives, unlock the potential of our people and reinforce North Carolina's position of leadership in our rapidly changing world.

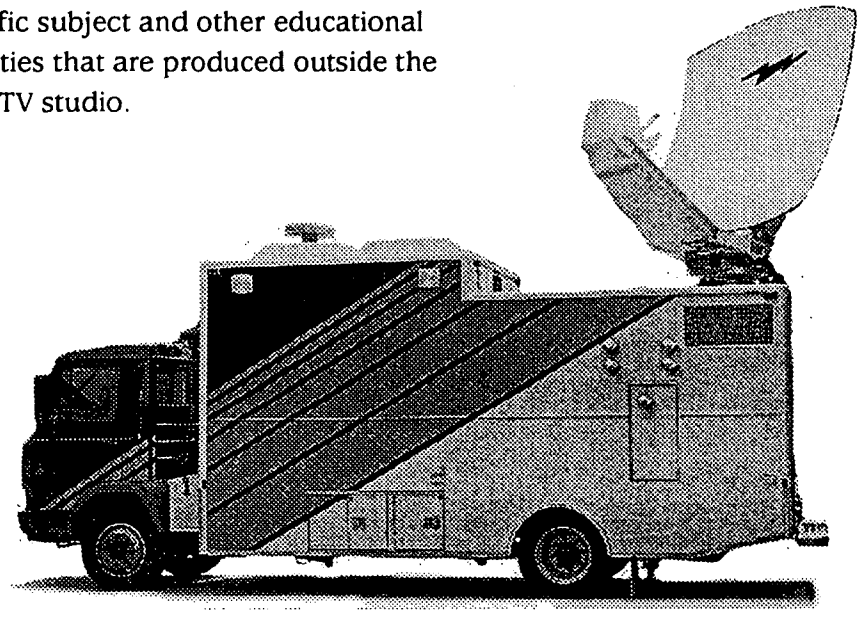
Mobile Satellite Uplink

UNC-TV's service to the citizens of North Carolina requires vision, creativity and hard work. We're proud of the 350 hours of high quality local programming we produce each year – far more than the average for local public television broadcasters. But as with any job, doing good work also requires having the right tools for the task.

One of the most important and basic tools of the television production trade is a mobile satellite transmission antenna, or "uplink." This is the single most important piece of equipment necessary for transmitting live, on-location coverage, whether it's a cultural event, a political development or an educational activity.

A Commitment to Service

As a statewide public television network, UNC-TV is committed to bringing a high level of service to citizens all over North Carolina, and not simply those who live in communities near the network's Research Triangle Park headquarters. Our emphasis on local programming makes it even more important that we have the means to provide live, on-location coverage of significant public affairs events and educational activities wherever they take place in North Carolina. UNC-TV already offers thousands of North Carolinians access to "distance learning" opportunities. A mobile satellite uplink would significantly enhance those opportunities by providing greater access to teacher training, professional education, authoritative information from experts on a specific subject and other educational activities that are produced outside the UNC-TV studio.



In addition to special events and distance learning opportunities, much of UNC-TV's regular programming would benefit greatly from a mobile satellite uplink. **Legislative Week in Review** and **North Carolina Now** would have much greater access to live interviews with experts and news sources from across the state.

A Wise Investment

Investing today in mobile satellite uplink capability will save money in the long run. Each time UNC-TV covers a live event it must rent this equipment. Leased equipment is expensive and is not always available. Given the increasing frequency of and need for live broadcasts to inform and enrich the citizens of North Carolina, funding a mobile satellite uplink will be money well spent. Furthermore, this need will continue to exist for as long as the network does not own its own equipment, and the purchase price increases with every passing year. Approving this expenditure today is an investment in efficiency.

Therefore, UNC-TV is requesting $852,900 to purchase its own mobile satellite uplink. This investment will pay continuing dividends to the viewers, teachers and students throughout North Carolina who depend on UNC-TV.

1999-2001 Budget Request for Expansion

	Totals	1999-2000	2000-2001
Extending Educational and Public TV to Deaf and Hard-of-Hearing Citizens	$ 915,806	$ 351,579	$ 564,277
Statewide Event Production	$ 422,696	$ 211,348	$ 211,348
Late Night Learning: Expansion of Broadcast Hours	$ 718,374	$ 358,027	$ 360,347
Learning Link: University Outreach to Public Schools	$ 842,754	$ 385,852	$ 456,902
Totals	$ 2,899,630	$ 1,306,806	$ 1,592,824

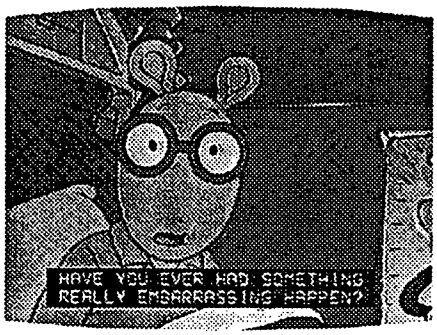
Extending Service to Deaf and Hard-of-Hearing Citizens

Service for All

It is well known that UNC-TV's mission calls for providing cultural, informational and educational television programming and services in a non-commercial environment that emphasizes excellence and quality. But it is also important to remember that another critical part of UNC-TV's mission is to make sure that those who are sometimes underserved by traditional means, whether due to living in a remote location, economic circumstances or physical disability, also have access to its benefits.

One such underserved constituency is the more than 600,000 deaf and hard-of-hearing citizens in North Carolina.

It stands to reason that hearing-impaired citizens would depend heavily on visual communications media, and television is the ultimate visual medium. In fact, it is one of the most important ways that all Americans experience and become part of our culture. But to serve the deaf and hard-of-hearing, ways must be provided to give these citizens access to the spoken words that bring meaning to the pictures on the screen. Closed captions provide that access.

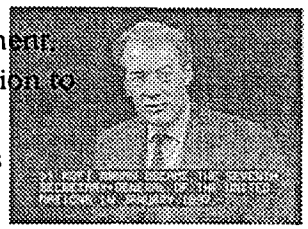


It should be noted that public television is a particularly important resource to aging citizens, and that North Carolina is increasingly attracting new retirement-age residents. Hearing loss is a problem that sometimes develops with advancing age. This constituency will also benefit from the availability of closed captions.

Our state has a growing number of immigrants and a disturbing number of illiterate adults who could benefit from closed captions. Closed captions can be useful in helping immigrants who speak little or no English, and citizens who are illiterate learn to read and understand English.

Finally, UNC-TV is required by the FCC to provide closed-captioning on all its programming by January 2006. The funding in this request is essential in order for UNC-TV to comply with these FCC requirements.

Providing closed captioning is more than an FCC requirement, however. It is consistent with UNC-TV's mission and dedication to service, and it is simply the right thing to do for the hearing-impaired citizens of our state. Accordingly, UNC-TV requests $351,579 for closed-captioning services.



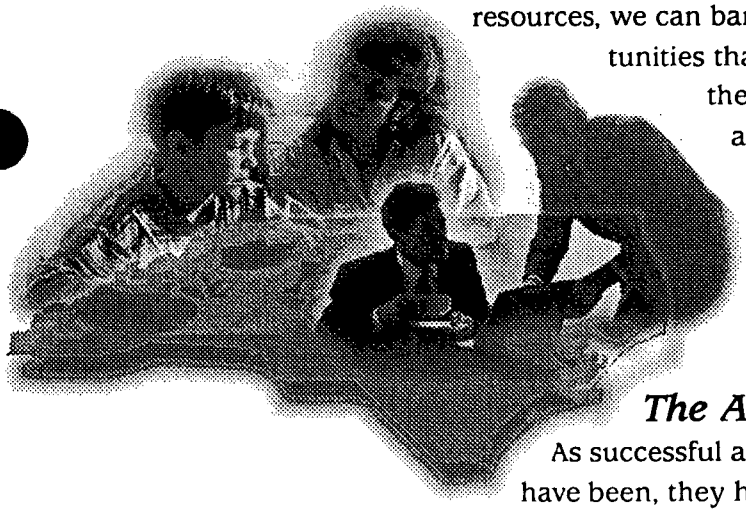
Statewide Event Production

A Truly Statewide Network

UNC-TV takes its responsibilities as a statewide public television network very seriously. Our mission is to provide service to all the citizens of North Carolina, regardless of where they live. A key part of that service is providing broadcast coverage of newsworthy events, cultural activities and educational opportunities that occur in every part of the state. By widening its focus beyond the immediate vicinity of its Research Triangle Park headquarters, UNC-TV can – and should – help to meld North Carolina's great cultural and geographic diversity into a community of citizens with shared experiences.

Building a Sense of Community

With this purpose in mind, UNC-TV has made statewide event coverage a cornerstone of its service. However, such coverage is expensive, time-consuming and difficult to produce. Without adequate resources, we can barely scratch the surface of the many opportunities that abound across our state to do justice to the ideal of creating a sense of community and shared experience in North Carolina.



Too often, we are unable to give our viewers the sense that the public television system they help fund is interested in them, and works to present their stories to the rest of the state.

The Ability to Reach Out

As successful as UNC-TV's statewide event productions have been, they have been relatively few and far between. Many worthwhile events go uncovered due to prohibitive costs and inadequate resources.

The funds being requested for statewide event coverage would enable UNC-TV to obtain the equipment and resources necessary to produce more of these programs and keep viewers more involved and informed. More importantly, perhaps, it would increase our ability to present a comprehensive picture of our richly complex state, from the outer banks to the sandhills to the mountains, making it easier for all of our citizens to appreciate one another more fully, and feel as though they are sharing in the experience of what it means to be a North Carolinian. To bring these benefits to the state, UNC-TV is requesting $211,348 from the General Assembly in this biennium.

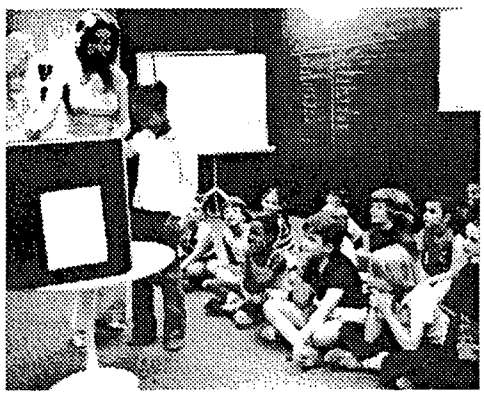
Late-Night Learning

What a difference a day makes.

A full day of television broadcasting, that is. UNC-TV, North Carolina's one and only statewide public television network, currently broadcasts 19 hours of educational and entertaining programs each day. Then it goes off the air for a full five hours before the cycle begins again. What if those five hours, from 1 am to 6 am, could be used for the broadcast of Late-Night Learning, making UNC-TV the state's first overnight instructional television service? During one recent school year, UNC-TV conducted an experiment by expanding its broadcast day Sunday through Thursday and reducing off-the-air time to 3.5 hours. The response from teachers was overwhelmingly positive — so positive, in fact, that we want to expand further to a 24-hour broadcast day. And to do that we need additional funding.

What would it mean?

It's simple. Late-Night Learning means more education. UNC-TV plans to devote each additional hour to educational programs and services for North Carolinians of all ages. Currently, UNC-TV devotes one-fourth of its schedule to instructional broadcasts, many of which are taped for later use rather than watched on-the-air. Expanded hours would also enable UNC-TV to offer more adult learning telecourses provided by PBS through its Adult Learning Service (ALS), which is the nation's leading telecommunications-based educational service for higher education. ALS will deliver 77 telecourses and broadcast 1,000 hours of live satellite events, resource and professional development programs in fiscal year 1999.

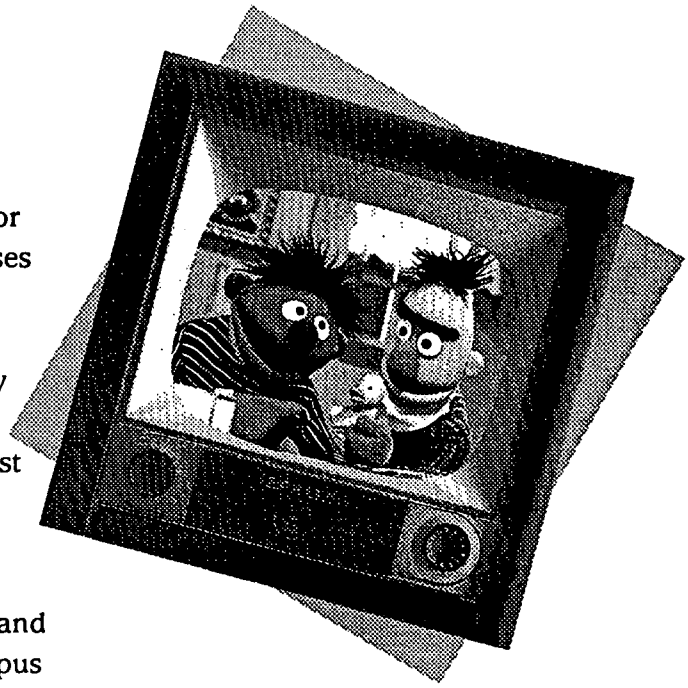


Who would benefit?

North Carolinians, young and old. Students and teachers in our public schools. Expanding UNC-TV's broadcast time will give the network more time to air such educational initiatives as:

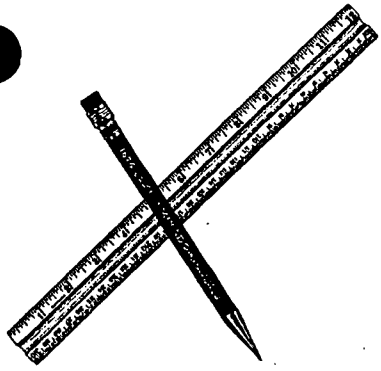
- "Ready to Learn" programs for preschoolers
- Telecourses for adults interested in taking college courses
- Basic literacy instruction
- High school equivalency preparation
- Professional and trade training
- Lessons in cooking, sewing and other life skills.

Late-Night Learning



Demands are rising.

North Carolina's changing economy and fast-growing population have increased the need for educational services on every level. Telecourses for college credit provide a dramatic example. Eight years ago, fewer than 1,000 students enrolled in this program. This past year, nearly 13,000 adults signed up. Colleges and community colleges are pushing for more broadcast time to offer more courses. The additional hours available under the Late-Night Learning proposal provide the perfect opportunity to extend this service to adults who work nights and weekends. UNC-TV truly is like one more campus in the university system.

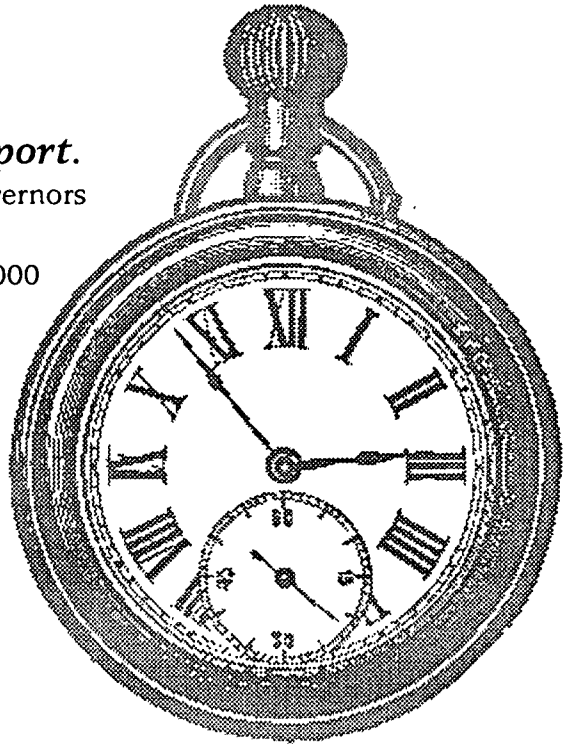


It makes sense.

Late-Night Learning will help the state get the best value for its investment in UNC-TV's network. It will extend the broadcast hours from 6,935 to 8,760 each year—**an increase of 21 percent in the program service—in return for a budget increase of less than 8 percent.**

And we can do it, with your support.

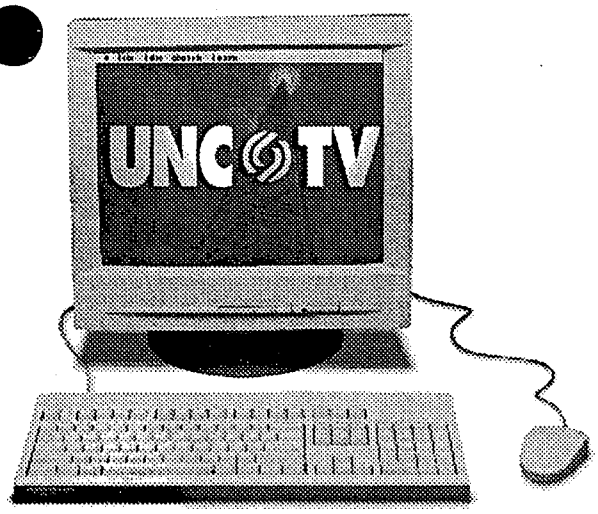
The University of North Carolina Board of Governors has approved UNC-TV's request to the General Assembly for **$358,027** for fiscal year 1999-2000 to expand its broadcast hours from 19 to 24 hours. The proposal includes funds for transmitter power, technical and engineering staff, and equipment repair and maintenance.



Learning Link

The New Learning Link

Learning Link is a statewide partnership of the University of North Carolina, the Community College System, and the Department of Public Instruction and is responsible for serving North Carolina's teachers, faculty, students and parents by providing educational delivery systems and associated services which use technology to complement the educational experience. The Learning Link service for 1998-1999 is one that migrates from a dial-up service to a highly developed Internet web site to serve the education needs of North Carolina. Learning Link's long-range mission is to provide the educators of our state access to the highest quality, most effective instructional experiences, administrative support services, library services, student services and teacher resources regardless of location or time. These services will be delivered through seamless, technology rich communications networks linking schools, world information networks, business, industry and homes.



link.unctv.org

Services

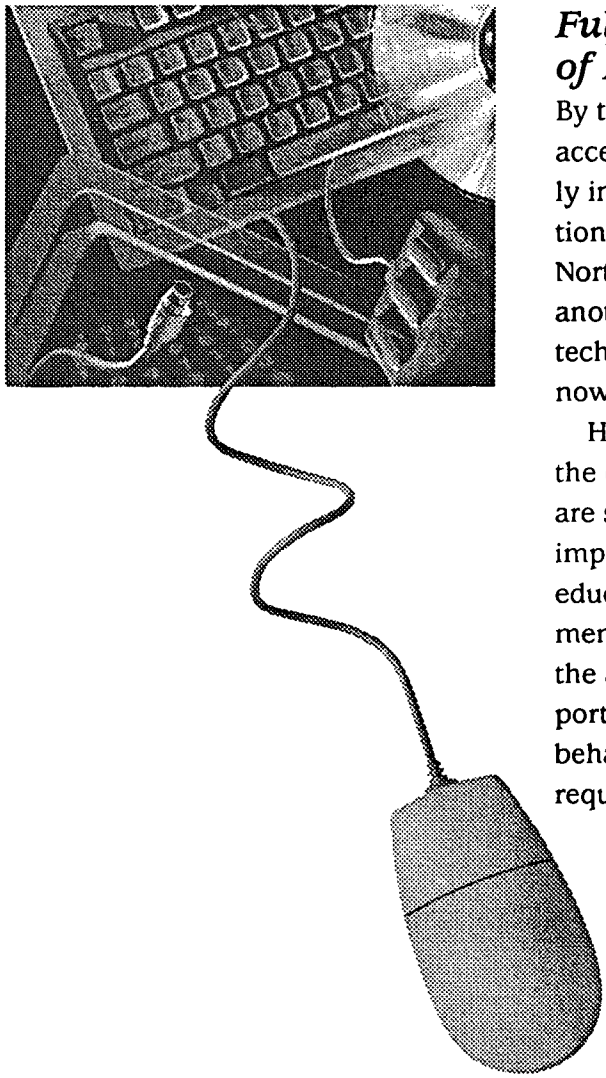
The specific information resources available through Learning Link relate to all segments of the educational spectrum, including preschool, K-12, higher education, adult learning and professional development for educators. Some of the specific services include:

- Preparing children for school.
- Developing educational skills.
- Services and resources for parent and child-care providers focused on preschool subjects and concerns.
- Area list information resources for parents, teachers, administrators and students ranging from study guides and reference materials to state and federal educational agencies.
- Information about educational opportunities, meeting the needs of adults who need additional training to keep pace with the increasing demands of today's workplace.

Services

- Educational services specifically provided by UNC-TV are also included on the Learning Link web site.
- Professional development resources for teachers and administrators from the 16 UNC constituent institutions.
- Exclusive online content from the following: Mathematics & Science Education Network, NC Center for the Advancement of Teaching, NC Center for the Prevention of School Violence, NC Teacher Academy, Principal's Executive Program, Principal's Fellows Program, The National Center for Universities and Schools in Partnership for Educational Reform.

Much of the content found in Learning Link is provided by PBS, and ties into much of the quality programming provided to UNC-TV by PBS.



Fulfilling the Promise of Digital Technology

By transitioning from a dial-up service to a widely accessible web site, Learning Link has dramatically increased its potential to provide free information services to the widest possible spectrum of North Carolinians. As such, it represents yet another example of UNC-TV's adoption of digital technology that will meet the needs of our state now and in the future.

However, this service will only be as good as the content of our web site. The appropriation we are seeking with this request will allow us to improve and centralize this resource, enabling educators to access superior professional development content from a single source. This includes the additional staff and resources needed to support this initiative. To accomplish these things on behalf of the people of North Carolina, UNC-TV requests **$385,852** for fiscal year 1999-2000.

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education — Name of Committee

Thursday – March 25, 1999 8:30 am — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Doyle M Cummings	ECU
Rose Daniels	UNC-SOM
Kip Campbell	UNC-TV
Carl Ricks	UNC-TV
Dorothy B. Johnson	Johnston Co. Board of Education
Susan Williams	NCCCS
Jay Hooper	UNC-CH SOM
David Brown	OSBM
Lori Rogers	State Planning
Larry C. Shackleford	Johnston Co. Board of Education
Ann Bulam	SBE
[illegible]	UNC-GA / NCSU Ag Pgm
[illegible]	UNC
Donna Dawson	FUMS PTA
[illegible]	DOC GA
[illegible]	NC. State Univ.
Daniel D. [illegible]	N.C. A&T St. Univ
Tom Howe	UNC-TV
Gail Zimmermann	UNC-TV
Maurice Ney	OSBM
Mel Lu	UNC-TV
Austin Bunch	ECU
Lee Adams	OSBM
[illegible]	OSBM
Elizabeth Grossenstein	OSBM
[illegible]	UNC Health Care System
Barbara Harris	OSBM

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education Thursday - March 25 1999
Name of Committee Date 8:30 am

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Evelyn Hawthorne	UNC-CH
Thomas B Lawrence	Moore Co Schools
Ayr Black	" " "
Hal Miller	NC ACCT
[illegible]	NC ACLU
Ashley Westbrook	Governors Office
[illegible]	Public Sch. Forum of NC
[illegible]	NC State Univ.
[illegible]	McDowell Co
A.A. "Butch" Justice Jr	McDowell
Charlie Hallard	McDowell
Danny Willis	"
Wayne Miller	"
Benny Gaskins	Pitt County Schools
James Andrews	NC AFL-CIO
Kenneth Edge	Comb. Co Bd. of Ed.
Jon B. Temlitony	Onslow Co. Schools
Ron Reiss	Onslow Co Schools
Charles E. Tyson	Asheboro City School Board

Joint Appropriations Subcommittee
On Education/Higher Education

March 30, 1999
8:30 A.M.
Presiding- Representative Gene Rogers

Call to Order	Chair
Review of the Committee schedule for The public schools budget review	Jim Johnson, Fiscal Research
Public school overview A. Public Schools as a part of the state budget B. N.C. public school spending in comparison to other states.	Jim Johnson, Fiscal Research Division
Allocating funds to local school systems A. Computing the public school budget B. How funds flow to local school systems C. The role of salaries in computing the budget D. Average Daily Membership	

MINUTES
JOINT HOUSE/SENATE COMMITTEE
APPROPRIATIONS/Subcommittee on Education

March 30, 1999
8:30 a.m.

The House and Senate Joint Appropriations/Subcommittee on Education met Tuesday, March 30, 1999 at 8:30 a.m. in Room 421 of the Legislative Office Building. The following House members were present: Chairs Rogers, Oldham, Boyd-McIntyre, Vice Chair Warner, Representatives Bonner, Gardner, Gillespie, Holmes, Insko, Michaux, Moore, Preston, Teague, and Yongue. Seven Senate Members and Fiscal Staff Jim Johnson, Jim Newlin and Charlotte Todd were present. Thirty-three visitors attended the meeting.

Rep. Oldham called the meeting to order. He introduced the pages for the day, Debra Bricker from Johnston County, sponsored by Rep. Daughtry, Latasha Carter from Edenton, sponsored by Rep. Culpepper and Jeremy Goldsmith from Wendell, sponsored by Sen. Reeves. Rep. Rogers arrived from attending another meeting and resumed the Chairs position. He introduced Jim Johnson, Fiscal Staff Member and turned the meeting over to him. Mr. Johnson began an overview of the Public Schools, how money gets to local school districts, the issue of flexibility and supplemental and low wealth funding. (See Attachment 1). He stated that topics for future meetings would be the Governor's continuing budget, at risk students, special education, instructional technology, central office personnel, capital expenditures and social promotions. He said that K through the university system represents over 59% of the state budget or a little over 7 billion dollars out of the 12 billion dollar general fund budget. Questions from members addressed by Mr. Johnson were regarding bringing teachers salaries up to the national average, supplements and low wealth funding, which is designed to help supplement teachers in low wealth areas. He also discussed certified and non certified personnel. In discussing LEA figures, (page 31), he specified that Charter Schools are not included in the LEA figures. After much discussion, Mr. Johnson concluded by asking members to be present for Thursday's meeting to discuss pending litigation from the Attorney General's office.

There being no further business, the meeting adjourned at 9:45 a.m.

Gene Rogers

Rep. Gene Rogers, Chair

Sally Gillis

Sally Gillis, Committee Assistant

Public Schools
3-30-99 8:30 am

	Outline K-12 Committee Schedule
Date	**Item**
March 30, 1999	8:30 Public schools budget overview Expenditure comparisons to other states The role of salaries and average membership in calculating the budget 2:30 State funds for local school systems
March 31, 1999	8:30 State funding flexibility for local school systems 2:30 Supplemental funding for Low Wealth and Small County School Systems
April 1, 1999	8:30 Review of pending litigation
April 6, 1999	8:30 Governor's Continuation Budget 2:30 At Risk Students
April 7, 1999	8:30 Special Education 2:30 Instructional technology and Explornet
April 8, 1999	8:30 Central office personnel 2:30 Capital expenditures for public schools
April 13, 1999	8:30 Cost of ending social promotions.

Attachment 1

Public Schools
K-12

Fiscal Research Division

March 1999

PS 2

Public Education Budget

- K-12, Community Colleges, and UNC Budget represent 59.3% or 7.3 b. of total 12.3 b. FY1998-99 General Fund budget.
- K-12 represents 41.3% or $5.1b of the total FY1998-99 General Fund budget.
- $5.1b. includes both funds for local school systems and the Department of Public Instruction.

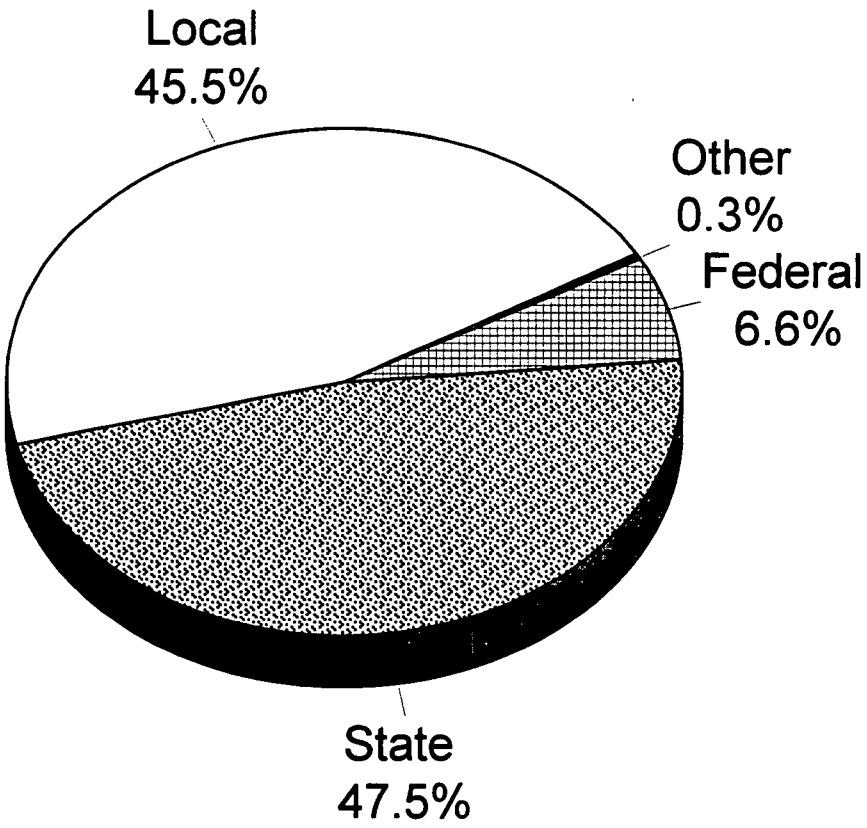
North Carolina and the United States

PS 4

1995-96: U.S. Public School Revenues, By Source

Local, State, Federal, and Other

[Total revenues: $288 billion]



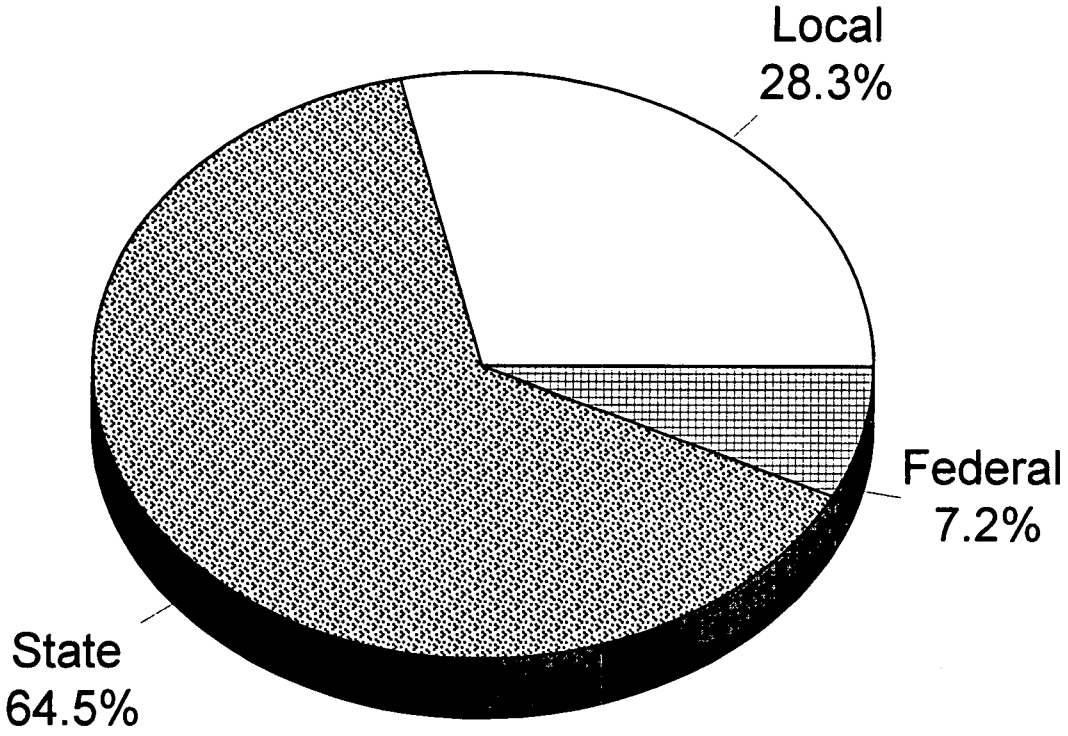
Fiscal Research Division March 17, 1999, National Center for Education Statistics

Ps 5

1995-96: N.C. Public School Revenues, By Source

Local, State, Federal, and Other

[Total Revenues: $6.15 billion]



Fiscal Research Division March 17, 1999, National Center for Education Statistics

P56

1994-95: Current Expenditures Per Pupil, All Fund Sources

Differences Among States

- $5,988 United States: Expenditures from all sources
- $5,077 North Carolina: Expenditures from all sources

Fiscal Research Division, March 17, 1999 National Center for Education Statistics

Allocating State Funds to Local School Systems

P58

Education Budget Myths

- The public school budget is to big and to complex for legislators to understand.

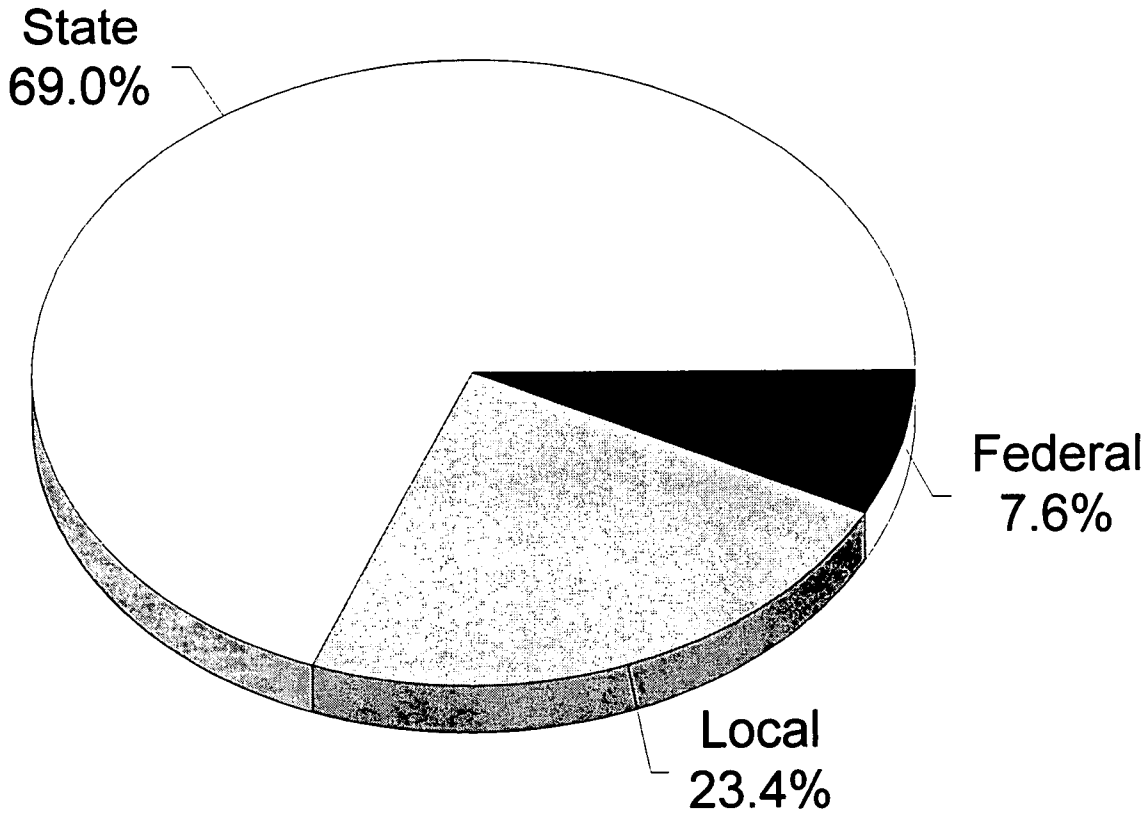
- The state makes all the financial decisions for local school systems.

Source of Expenditures

Public Education Funding - 1996-97

Child Nutrition Included

Child Nutrition Excluded	
State:	73.6%
Federal:	4.8%
Local:	21.6%



Computing the Public School Budget

- Average Daily Membership - Projected number of students
- Guaranteed Salaries
  - Teachers
  - School administrators
- Dollar Allocations
  - Salaries of other certified and noncertified personnel.
  - Other costs - Special education, transportation, textbooks, supplies, technology.

How Funds Flow to Local School Systems

- Funds allocated to local school systems through a series of formulas.
- Allocation formulas may be:
  - Established by the General Assembly,
  - Delegated to the State Board of Education.
  - Combination of General Assembly and State Board of Education.
- 1995 the General Assembly drastically reduced the number of allocation categories and increased local funding flexibility.

Salaries of Certified Personnel

- Teachers and Instruction Support Personnel (Counselors, school social workers, media coordinators, school psychologists, audiologists, and nationally certified school nurses) are paid on the teacher salary schedule based on degrees and years of experience.

Salaries of Certified Personnel

[Continued]

- School Building Administrators (Principals and Assistant Principals) are paid based on degrees and years of experience, established in relationship to the Masters level teacher.

Salaries of Certified Personnel

[Continued]

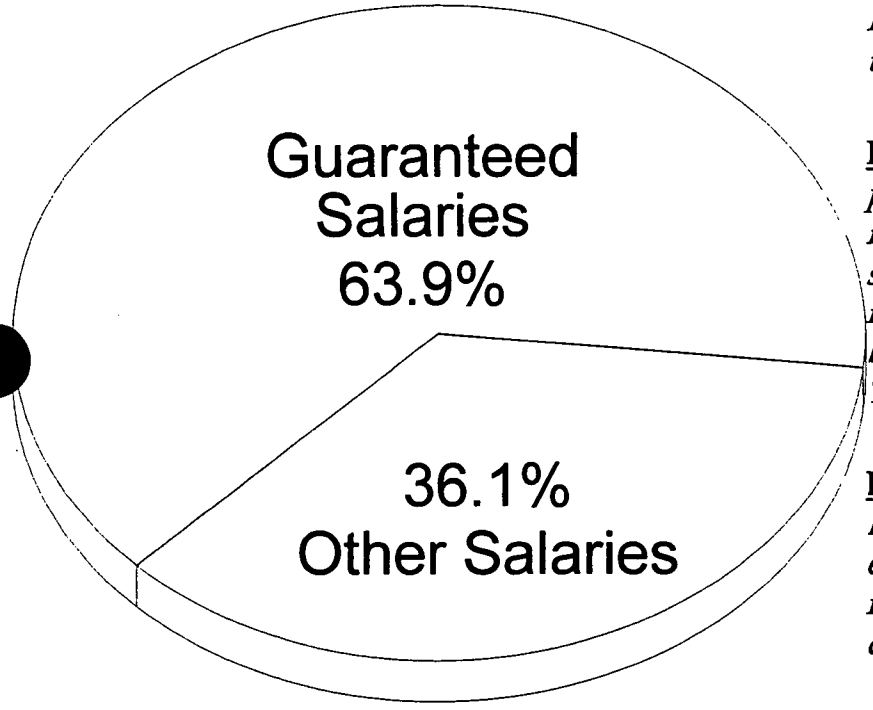
- Local superintendents and central office personnel paid within broad ranges established by the General Assembly.
- Local school systems place superintendents within the range based on the size of the school system.
- Central office administrators are placed within ranges totally at the discretion of local school systems.

Salaries of Noncertified Personnel

- Noncertified personnel (Office support personnel, bus drivers, teacher assistants, etc.) are paid on salary ranges established by the State Board of Education.
- Local school systems have the authority to place personnel within these salary ranges.

Type of Allotted **Salaries**

Fiscal Year 1998-99



North Carolina funds salaries with two types of allotments.

Position allotments: *The State allots positions to a local school system for a specific purpose. The local school system pays whatever is required to hire certified personnel based on the State Salary Schedule. These are guaranteed salaries.*

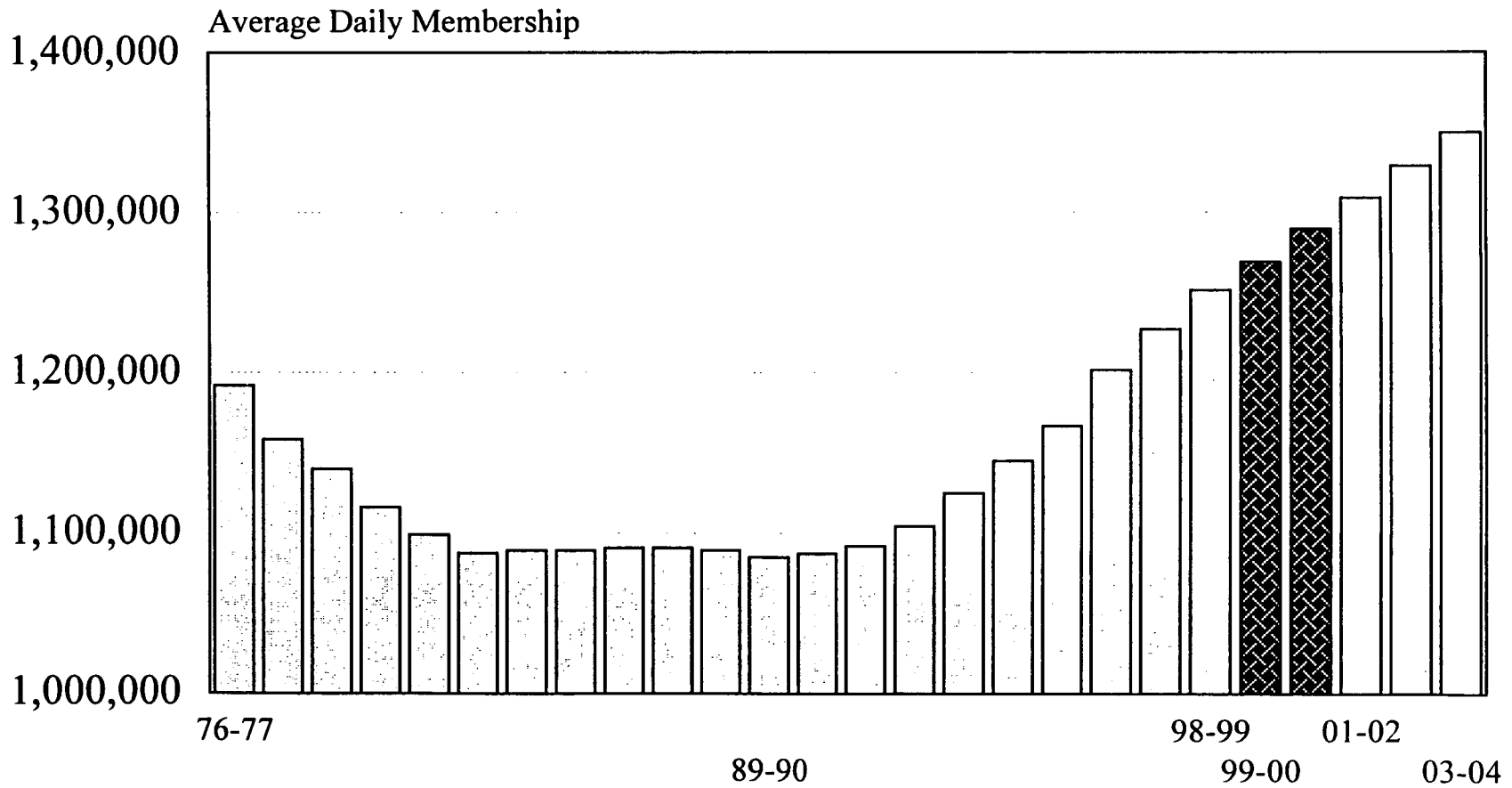
Dollar and Categorical Allotments: *Local school systems can hire employees out of these funds, but must operate within the allotted dollar amount.*

Average Daily Membership

Changes in ADM 1989-2000

Ps 18

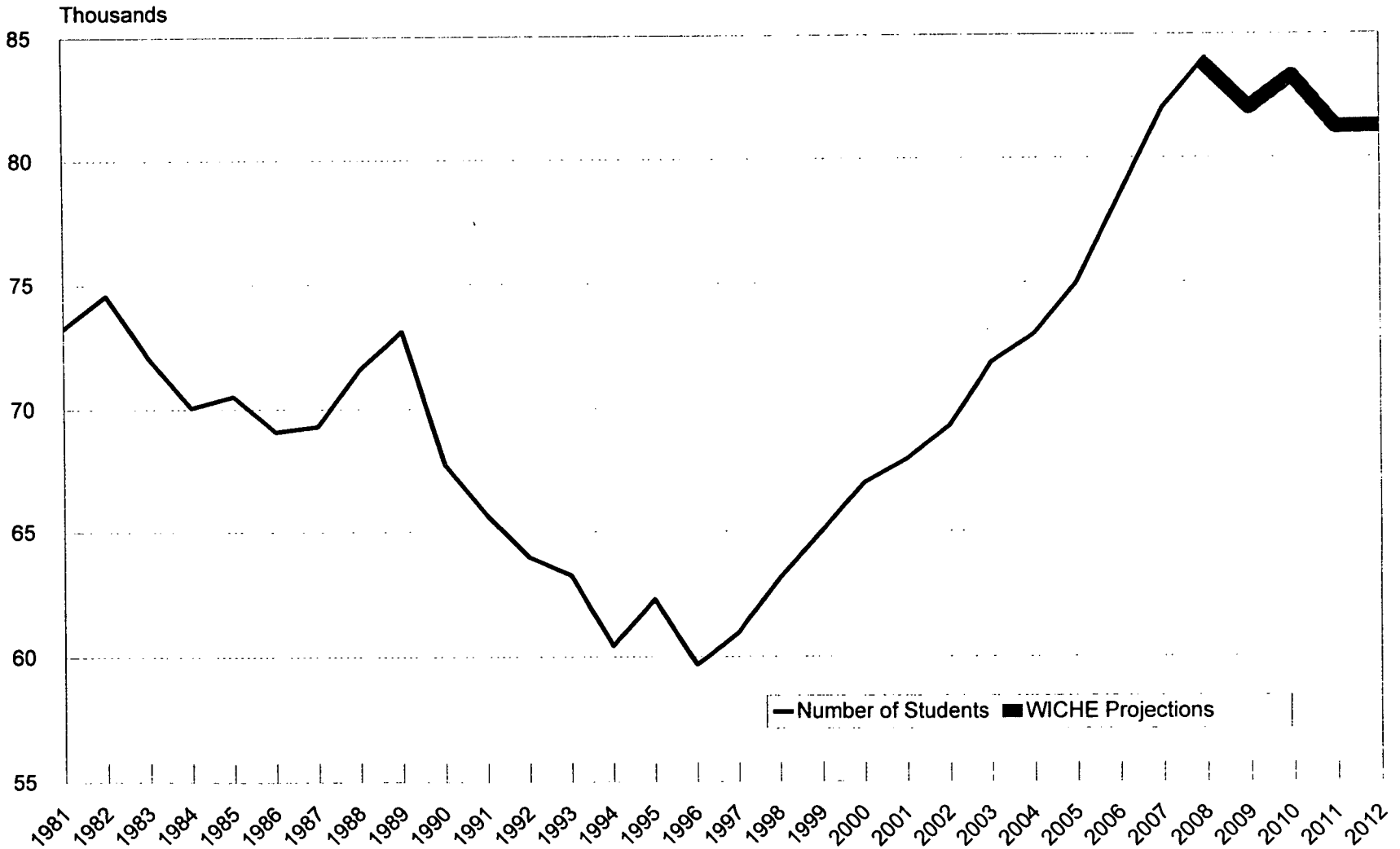
North Carolina Public Schools
Average Daily Membership
1976 - 2004



PS 19

NC HIGH SCHOOL GRADUATES

1981-1998 AND PROJECTED TO 2012



Source: UNC-General Administration, Knocking at the College Door: Projections of High School Graduates by State and Race/Ethnicity: 1996-2012 by WICHE, February, 1998.
Fiscal Research Division 1/25/99

PS 20

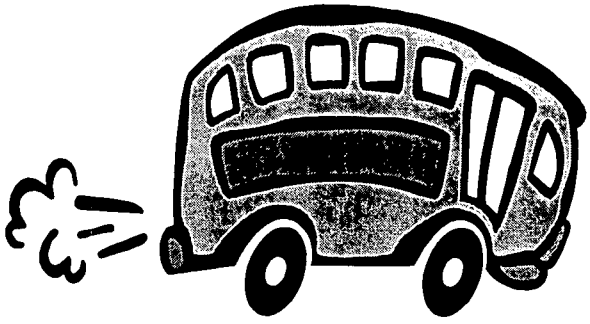
NORTH CAROLINA PUBLIC SCHOOLS: GROWTH, CONSOLIDATION, AND DIVERSITY

- 117 School systems in 100 counties.
- From 1989-90 through 1999-00 ADM, including charter schools, grew by 183,792 students for a 16.94 % increase.
- ADM growth is not evenly distributed throughout North Carolina.
- Over the period 1989-90 through 1999-00 34 school systems had a net loss in ADM.
- Over the past five years, the LEA's experiencing a net loss in ADM dropped to 23 systems.
- The racial and ethnic diversity of the North Carolina schools have changed rapidly in the past decade.

Fiscal Research Division March 22. 1199

Ways to Imagine a 183,000 Increase in ADM

- 183,000 students = 2,772 sixty-six passenger school buses filled with students.



- 183,000 students = 305 six hundred student elementary schools.

Changes in School Population Diversity						
1989-90 through 1997-98						
	Indian	Asian	Hispanic	Black	White	Total
1989-90	17,240	8,938	7,100	327,420	717,463	1,078,161
1997-98	18,375	19,550	32,902	376,740	774,602	1,222,169
Total Increase	1,135	10,612	25,802	49,320	57,139	144,008
% Increase	6.58%	118.73%	363.41%	15.06%	7.96%	13.36%

Public School, Average Daily Membership

- FY1998-99 Average Daily Membership: 1,251,287
- FY1999-00 Average Daily Membership: 1,268,870. An increase of 17,583 students.
- FY2000-00 Average Daily Membership: 1,289,528. An increase of 20,658 students.

ENROLLMENT GROWTH

THE WAY WE ARE: 1989-90 Through 1999-00

- Five clusters of counties accounted for over 88% of the growth during this time period.
- Research Triangle Counties
- Charlotte Region
- Military Base Counties and Adjacent Counties
- Triad Region
- Mountains and Beaches

ADM Growth in Selected Counties

Total Statewide Growth	173,529	
Five Clusters	152,805	
Percentage of Total	88.06%	
Research Triangle Counties		
Wake County	32,783	52.47%
Johnston County	5,503	37.73%
Harnett County	3,985	33.31%
Durham County	2,504	9.46%
Chapel-Hill Carrboro	3,021	52.42%
Granville County	1,311	19.79%
Chatham County	1,259	22.00%
Orange County	1,198	23.57%
Total	51,564	
Percentage of Total Growth		29.71%
Charlotte Region		
Mecklenburg County	25,713	34.20%
Cabarrus County	6,237	50.73%
Union County	5,945	37.94%
Rowan County	3,821	23.40%
Iredell County	3,121	22.98%
Lincoln County	1,761	20.23%
Mooresville City	1,581	66.91%
Total	48,179	
Percentage of Total Growth		27.76%
Military Base Counties and Adjacent Counties		
Cumberland County	7,246	16.41%
Onslow County	3,312	18.47%
Wayne County	1,149	6.32%
Hoke County	1,367	27.32%
Moore County	1,976	21.76%
Total	15,050	
Percentage of Total Growth		8.67%
Triad Region		
Guilford County	10,129	19.44%
Forsyth County	5,004	13.09%
Randolph County	3,135	23.12%
Asheboro City	1,581	66.91%
Alamance County	3,283	19.68%
Davidson County	2,518	15.55%
Total	25,650	
Percentage of Total Growth		14.78%
Mountains and Beaches		
Buncombe County	3,212	14.74%

ADM Growth in Selected Counties		
New Hanover County	2,598	13.74%
Brunswick County	1,582	18.70%
Pender County	1,675	34.18%
Dare County	1,262	38.55%
Henderson County	1,373	13.58%
Carteret County	660	8.48%
Total	12,362	
Percentage of Total Growth		8.09%

PS 27

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Alamance County	16,678	19,240	19,750	19,961	3,283	19.68%
Alexander County	4,943	5,160	5,448	5,378	435	8.80%
Alleghany County	1,613	1,471	1,483	1,480	(133)	-8.25%
Anson County	4,848	4,511	4,593	4,526	(322)	-6.64%
Ashe County	3,696	3,404	3,321	3,269	(427)	-11.55%
Avery County	2,621	2,433	2,528	2,507	(114)	-4.35%
Beaufort County	8,054	7,523	7,454	7,455	(599)	-7.44%
Bertie County	4,255	3,853	3,827	3,902	(353)	-8.30%
Bladen County	5,895	5,767	5,774	5,820	(75)	-1.27%
Brunswick County	8,459	9,750	9,965	10,041	1,582	18.70%
Buncombe County	21,791	24,704	25,136	25,003	3,212	14.74%
Asheville City	4,775	4,442	4,306	4,288	(487)	-10.20%
Burke County	12,168	13,839	14,293	14,610	2,442	20.07%
Cabarrus County	12,295	17,044	17,889	18,532	6,237	50.73%
Kannapolis City	4,270	4,034	3,986	3,955	(315)	-7.38%
Caldwell County	11,911	11,996	12,201	12,385	474	3.98%
Camden County	1,094	1,188	1,233	1,325	231	21.12%
Carteret County	7,779	8,542	8,635	8,439	660	8.48%
Caswell County	3,640	3,633	3,591	3,512	(128)	-3.52%
Catawba County	12,771	15,052	15,183	15,944	3,173	24.85%
Hickory City	4,318	4,246	4,526	4,337	19	0.44%
Newton City	2,927	2,682	2,787	2,788	(139)	-4.75%
Chatham County	5,723	6,744	6,804	6,982	1,259	22.00%
Cherokee County	3,675	3,551	3,494	3,480	(195)	-5.31%
Chowan County	2,563	2,534	2,588	2,582	19	0.74%
Clay County	1,207	1,273	1,268	1,287	80	6.63%
Cleveland County	8,208	8,988	9,182	9,487	1,279	15.58%
Kings Mountain City	3,885	4,244	4,388	4,504	619	15.93%
Shelby City	3,381	3,441	3,386	3,354	(27)	-0.80%
Columbus County	8,066	7,576	7,489	7,413	(653)	-8.10%
Whiteville City	2,777	2,838	2,811	2,825	48	1.73%
Craven County	14,049	15,090	15,029	14,779	730	5.20%

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Cumberland County	44,167	51,716	51,132	51,413	7,246	16.41%
Currituck County	2,483	3,093	3,036	3,213	730	29.40%
Dare County	3,274	4,500	4,677	4,536	1,262	38.55%
Davidson County	16,195	18,429	18,731	18,713	2,518	15.55%
Lexington City	3,122	3,203	3,117	3,251	129	4.13%
Thomasville City	2,185	2,362	2,323	2,388	203	9.29%
Davie County	4,688	5,175	5,404	5,517	829	17.68%
Duplin County	7,912	8,468	8,502	8,568	656	8.29%
Durham Public	26,460	29,221	29,644	28,964	2,504	9.46%
Edgecombe County	8,215	7,927	7,903	7,831	(384)	-4.67%
Forsyth County	38,237	41,890	42,817	43,241	5,004	13.09%
Franklin County	6,202	7,161	7,180	7,455	1,253	20.20%
Gaston County	30,496	29,745	30,133	30,345	(151)	-0.50%
Gates County	1,620	2,004	2,017	2,116	496	30.62%
Graham County	1,317	1,236	1,184	1,252	(65)	-4.94%
Granville County	6,623	7,689	7,880	7,934	1,311	19.79%
Greene County	2,796	2,928	2,963	2,895	99	3.54%
Guilford County	52,115	59,765	61,002	62,244	10,129	19.44%
Halifax County	6,566	6,369	6,398	6,190	(376)	-5.73%
Roanoke Rapids City	2,898	3,157	3,227	3,166	268	9.25%
Weldon City	1,275	1,200	1,135	1,159	(116)	-9.10%
Harnett County	11,964	15,174	15,949	15,949	3,985	33.31%
Haywood County	7,375	7,643	7,742	7,654	279	3.78%
Henderson County	10,111	11,559	11,668	11,484	1,373	13.58%
Hertford County	4,226	4,327	4,222	4,147	(79)	-1.87%
Hoke County	5,003	5,922	6,012	6,370	1,367	27.32%
Hyde County	931	802	783	781	(150)	-16.11%
Iredell County	13,579	15,186	15,962	16,700	3,121	22.98%
Mooresville City	2,363	3,491	3,688	3,944	1,581	66.91%
Jackson County	3,681	3,565	3,602	3,555	(126)	-3.42%
Johnston County	14,584	18,287	19,203	20,087	5,503	37.73%
Jones County	1,614	1,535	1,530	1,569	(45)	-2.79%

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Lee County	7,619	8,765	8,673	8,867	1,248	16.38%
Lenoir County	11,085	10,300	10,357	10,434	(651)	-5.87%
Lincoln County	8,707	9,894	10,298	10,468	1,761	20.23%
Macon County	3,340	4,074	4,125	4,004	664	19.88%
Madison County	2,726	2,567	2,564	2,651	(75)	-2.75%
Martin County	5,122	5,029	5,016	4,991	(131)	-2.56%
McDowell County	6,459	6,204	6,395	6,500	41	0.63%
Mecklenburg County	75,179	96,120	98,820	100,892	25,713	34.20%
Mitchell County	2,360	2,376	2,388	2,416	56	2.37%
Montgomery County	4,315	4,332	4,418	4,362	47	1.09%
Moore County	9,079	10,446	10,981	11,055	1,976	21.76%
Nash County	16,738	17,377	17,894	18,062	1,324	7.91%
New Hanover County	18,905	21,692	21,783	21,503	2,598	13.74%
Northampton County	4,059	3,891	3,819	3,825	(234)	-5.76%
Onslow County	17,931	21,127	21,481	21,243	3,312	18.47%
Orange County	5,083	6,026	6,238	6,281	1,198	23.57%
Chapel Hill-Carrboro	5,763	8,196	8,468	8,784	3,021	52.42%
Pamlico County	2,055	1,856	1,848	1,835	(220)	-10.71%
Pasquotank County	5,422	6,225	6,252	6,258	836	15.42%
Pender County	4,901	6,148	6,274	6,576	1,675	34.18%
Perquimans County	1,892	1,936	1,994	1,895	3	0.16%
Person County	5,319	5,686	5,844	5,888	569	10.70%
Pitt County	17,260	19,548	19,835	19,985	2,725	15.79%
Polk County	1,966	2,188	2,263	2,301	335	17.04%
Randolph County	13,561	16,166	16,483	16,696	3,135	23.12%
Asheboro City	3,473	4,216	4,321	4,349	876	25.22%
Richmond County	8,540	8,339	8,419	8,358	(182)	-2.13%
Robeson County	23,814	23,405	23,865	24,000	186	0.78%
Rockingham County	14,631	14,478	14,637	14,731	100	0.68%
Rowan County	16,329	19,737	20,159	20,150	3,821	23.40%
Rutherford County	9,905	10,153	10,178	10,135	230	2.32%
Sampson County	6,632	7,576	7,733	7,741	1,109	16.72%

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Clinton City	2,747	2,570	2,509	2,571	(176)	-6.41%
Scotland County	7,434	7,200	7,124	6,975	(459)	-6.17%
Stanly County	8,762	9,772	10,017	10,362	1,600	18.26%
Stokes County	6,495	7,087	7,151	7,238	743	11.44%
Surry County	7,648	8,051	8,192	8,318	670	8.76%
Elkin City	985	1,078	1,057	1,081	96	9.75%
Mount Airy City	1,976	1,991	2,007	2,142	166	8.40%
Swain County	1,592	1,686	1,707	1,708	116	7.29%
Transylvania County	4,007	3,983	4,047	3,959	(48)	-1.20%
Tyrrell County	773	836	788	792	19	2.46%
Union County	15,671	19,711	20,653	21,616	5,945	37.94%
Vance County	7,394	7,493	7,888	8,047	653	8.83%
Wake County	62,481	88,794	93,433	95,264	32,783	52.47%
Warren County	3,009	3,231	3,234	3,334	325	10.80%
Washington County	2,868	2,613	2,595	2,504	(364)	-12.69%
Watauga County	4,534	4,864	4,896	4,826	292	6.44%
Wayne County	18,191	19,443	19,370	19,340	1,149	6.32%
Wilkes County	10,350	9,991	9,954	9,921	(429)	-4.14%
Wilson County	12,126	11,884	11,831	12,201	75	0.62%
Yadkin County	4,718	5,573	5,793	5,838	1,120	23.74%
Yancey County	2,535	2,508	2,532	2,553	18	0.71%
Total LEA's	**1,085,078**	**1,221,954**	**1,245,715**	**1,258,607**	**173,529**	**15.99%**
Charter Schools	**0**	**5,061**	**5,572**	**10,263**	**10,263**	**102.79%**
Total Public School ADM	**1,085,078**	**1,227,015**	**1,251,287**	**1,268,870**	**183,792**	**16.94%**

PS 31

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

Sort High to Low

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Wake County	62,481	88,794	93,433	95,264	32,783	52.47%
Mecklenburg County	75,179	96,120	98,820	100,892	25,713	34.20%
Guilford County	52,115	59,765	61,002	62,244	10,129	19.44%
Cumberland County	44,167	51,716	51,132	51,413	7,246	16.41%
Cabarrus County	12,295	17,044	17,889	18,532	6,237	50.73%
Union County	15,671	19,711	20,653	21,616	5,945	37.94%
Johnston County	14,584	18,287	19,203	20,087	5,503	37.73%
Forsyth County	38,237	41,890	42,817	43,241	5,004	13.09%
Harnett County	11,964	15,174	15,949	15,949	3,985	33.31%
Rowan County	16,329	19,737	20,159	20,150	3,821	23.40%
Onslow County	17,931	21,127	21,481	21,243	3,312	18.47%
Alamance County	16,678	19,240	19,750	19,961	3,283	19.68%
Buncombe County	21,791	24,704	25,136	25,003	3,212	14.74%
Catawba County	12,771	15,052	15,183	15,944	3,173	24.85%
Randolph County	13,561	16,166	16,483	16,696	3,135	23.12%
Iredell County	13,579	15,186	15,962	16,700	3,121	22.98%
Chapel Hill-Carrboro	5,763	8,196	8,468	8,784	3,021	52.42%
Pitt County	17,260	19,548	19,835	19,985	2,725	15.79%
New Hanover County	18,905	21,692	21,783	21,503	2,598	13.74%
Davidson County	16,195	18,429	18,731	18,713	2,518	15.55%
Durham Public	26,460	29,221	29,644	28,964	2,504	9.46%
Burke County	12,168	13,839	14,293	14,610	2,442	20.07%
Moore County	9,079	10,446	10,981	11,055	1,976	21.76%
Lincoln County	8,707	9,894	10,298	10,468	1,761	20.23%
Pender County	4,901	6,148	6,274	6,576	1,675	34.18%
Stanly County	8,762	9,772	10,017	10,362	1,600	18.26%
Brunswick County	8,459	9,750	9,965	10,041	1,582	18.70%
Mooresville City	2,363	3,491	3,688	3,944	1,581	66.91%
Henderson County	10,111	11,559	11,668	11,484	1,373	13.58%
Hoke County	5,003	5,922	6,012	6,370	1,367	27.32%
Nash County	16,738	17,377	17,894	18,062	1,324	7.91%

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

Sort High to Low

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Granville County	6,623	7,689	7,880	7,934	1,311	19.79%
Cleveland County	8,208	8,988	9,182	9,487	1,279	15.58%
Dare County	3,274	4,500	4,677	4,536	1,262	38.55%
Chatham County	5,723	6,744	6,804	6,982	1,259	22.00%
Franklin County	6,202	7,161	7,180	7,455	1,253	20.20%
Lee County	7,619	8,765	8,673	8,867	1,248	16.38%
Orange County	5,083	6,026	6,238	6,281	1,198	23.57%
Wayne County	18,191	19,443	19,370	19,340	1,149	6.32%
Yadkin County	4,718	5,573	5,793	5,838	1,120	23.74%
Sampson County	6,632	7,576	7,733	7,741	1,109	16.72%
Asheboro City	3,473	4,216	4,321	4,349	876	25.22%
Pasquotank County	5,422	6,225	6,252	6,258	836	15.42%
Davie County	4,688	5,175	5,404	5,517	829	17.68%
Stokes County	6,495	7,087	7,151	7,238	743	11.44%
Craven County	14,049	15,090	15,029	14,779	730	5.20%
Currituck County	2,483	3,093	3,036	3,213	730	29.40%
Surry County	7,648	8,051	8,192	8,318	670	8.76%
Macon County	3,340	4,074	4,125	4,004	664	19.88%
Carteret County	7,779	8,542	8,635	8,439	660	8.48%
Duplin County	7,912	8,468	8,502	8,568	656	8.29%
Vance County	7,394	7,493	7,888	8,047	653	8.83%
Kings Mountain City	3,885	4,244	4,388	4,504	619	15.93%
Person County	5,319	5,686	5,844	5,888	569	10.70%
Gates County	1,620	2,004	2,017	2,116	496	30.62%
Caldwell County	11,911	11,996	12,201	12,385	474	3.98%
Alexander County	4,943	5,160	5,448	5,378	435	8.80%
Polk County	1,966	2,188	2,263	2,301	335	17.04%
Warren County	3,009	3,231	3,234	3,334	325	10.80%
Watauga County	4,534	4,864	4,896	4,826	292	6.44%
Haywood County	7,375	7,643	7,742	7,654	279	3.78%
Roanoke Rapids City	2,898	3,157	3,227	3,166	268	9.25%

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

Sort High to Low

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Camden County	1,094	1,188	1,233	1,325	231	21.12%
Rutherford County	9,905	10,153	10,178	10,135	230	2.32%
Thomasville City	2,185	2,362	2,323	2,388	203	9.29%
Robeson County	23,814	23,405	23,865	24,000	186	0.78%
Mount Airy City	1,976	1,991	2,007	2,142	166	8.40%
Lexington City	3,122	3,203	3,117	3,251	129	4.13%
Swain County	1,592	1,686	1,707	1,708	116	7.29%
Rockingham County	14,631	14,478	14,637	14,731	100	0.68%
Greene County	2,796	2,928	2,963	2,895	99	3.54%
Elkin City	985	1,078	1,057	1,081	96	9.75%
Clay County	1,207	1,273	1,268	1,287	80	6.63%
Wilson County	12,126	11,884	11,831	12,201	75	0.62%
Mitchell County	2,360	2,376	2,388	2,416	56	2.37%
Whiteville City	2,777	2,838	2,811	2,825	48	1.73%
Montgomery County	4,315	4,332	4,418	4,362	47	1.09%
McDowell County	6,459	6,204	6,395	6,500	41	0.63%
Hickory City	4,318	4,246	4,526	4,337	19	0.44%
Chowan County	2,563	2,534	2,588	2,582	19	0.74%
Tyrrell County	773	836	788	792	19	2.46%
Yancey County	2,535	2,508	2,532	2,553	18	0.71%
Perquimans County	1,892	1,936	1,994	1,895	3	0.16%
Shelby City	3,381	3,441	3,386	3,354	(27)	-0.80%
Jones County	1,614	1,535	1,530	1,569	(45)	-2.79%
Transylvania County	4,007	3,983	4,047	3,959	(48)	-1.20%
Graham County	1,317	1,236	1,184	1,252	(65)	-4.94%
Bladen County	5,895	5,767	5,774	5,820	(75)	-1.27%
Madison County	2,726	2,567	2,564	2,651	(75)	-2.75%
Hertford County	4,226	4,327	4,222	4,147	(79)	-1.87%
Avery County	2,621	2,433	2,528	2,507	(114)	-4.35%
Weldon City	1,275	1,200	1,135	1,159	(116)	-9.10%
Jackson County	3,681	3,565	3,602	3,555	(126)	-3.42%

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

Sort High to Low

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Caswell County	3,640	3,633	3,591	3,512	(128)	-3.52%
Martin County	5,122	5,029	5,016	4,991	(131)	-2.56%
Alleghany County	1,613	1,471	1,483	1,480	(133)	-8.25%
Newton City	2,927	2,682	2,787	2,788	(139)	-4.75%
Hyde County	931	802	783	781	(150)	-16.11%
Gaston County	30,496	29,745	30,133	30,345	(151)	-0.50%
Clinton City	2,747	2,570	2,509	2,571	(176)	-6.41%
Richmond County	8,540	8,339	8,419	8,358	(182)	-2.13%
Cherokee County	3,675	3,551	3,494	3,480	(195)	-5.31%
Pamlico County	2,055	1,856	1,848	1,835	(220)	-10.71%
Northampton County	4,059	3,891	3,819	3,825	(234)	-5.76%
Kannapolis City	4,270	4,034	3,986	3,955	(315)	-7.38%
Anson County	4,848	4,511	4,593	4,526	(322)	-6.64%
Bertie County	4,255	3,853	3,827	3,902	(353)	-8.30%
Washington County	2,868	2,613	2,595	2,504	(364)	-12.69%
Halifax County	6,566	6,369	6,398	6,190	(376)	-5.73%
Edgecombe County	8,215	7,927	7,903	7,831	(384)	-4.67%
Ashe County	3,696	3,404	3,321	3,269	(427)	-11.55%
Wilkes County	10,350	9,991	9,954	9,921	(429)	-4.14%
Scotland County	7,434	7,200	7,124	6,975	(459)	-6.17%
Asheville City	4,775	4,442	4,306	4,288	(487)	-10.20%
Beaufort County	8,054	7,523	7,454	7,455	(599)	-7.44%
Lenoir County	11,085	10,300	10,357	10,434	(651)	-5.87%
Columbus County	8,066	7,576	7,489	7,413	(653)	-8.10%
Total LEA's	**1,085,078**	**1,221,954**	**1,245,715**	**1,258,607**	**173,529**	**15.99%**
Charter Schools	**0**	**5,061**	**5,572**	**10,263**	**10,263**	**102.79%**
Total Public School ADM	**1,085,078**	**1,227,015**	**1,251,287**	**1,268,870**	**183,792**	**16.94%**

PS 35

Only LEAs With ADM Loss
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	SORT/High to Low ADM Increase 1989-2000	% Change 1989-2000
Columbus County	8,066	7,576	7,489	7,413	(653)	-8.10%
Lenoir County	11,085	10,300	10,357	10,434	(651)	-5.87%
Beaufort County	8,054	7,523	7,454	7,455	(599)	-7.44%
Asheville City	4,775	4,442	4,306	4,288	(487)	-10.20%
Scotland County	7,434	7,200	7,124	6,975	(459)	-6.17%
Wilkes County	10,350	9,991	9,954	9,921	(429)	-4.14%
Ashe County	3,696	3,404	3,321	3,269	(427)	-11.55%
Edgecombe County	8,215	7,927	7,903	7,831	(384)	-4.67%
Halifax County	6,566	6,369	6,398	6,190	(376)	-5.73%
Washington County	2,868	2,613	2,595	2,504	(364)	-12.69%
Bertie County	4,255	3,853	3,827	3,902	(353)	-8.30%
Anson County	4,848	4,511	4,593	4,526	(322)	-6.64%
Kannapolis City	4,270	4,034	3,986	3,955	(315)	-7.38%
Northampton County	4,059	3,891	3,819	3,825	(234)	-5.76%
Pamlico County	2,055	1,856	1,848	1,835	(220)	-10.71%
Cherokee County	3,675	3,551	3,494	3,480	(195)	-5.31%
Richmond County	8,540	8,339	8,419	8,358	(182)	-2.13%
Clinton City	2,747	2,570	2,509	2,571	(176)	-6.41%
Gaston County	30,496	29,745	30,133	30,345	(151)	-0.50%
Hyde County	931	802	783	781	(150)	-16.11%
Newton City	2,927	2,682	2,787	2,788	(139)	-4.75%
Alleghany County	1,613	1,471	1,483	1,480	(133)	-8.25%
Martin County	5,122	5,029	5,016	4,991	(131)	-2.56%
Caswell County	3,640	3,633	3,591	3,512	(128)	-3.52%
Jackson County	3,681	3,565	3,602	3,555	(126)	-3.42%
Weldon City	1,275	1,200	1,135	1,159	(116)	-9.10%
Avery County	2,621	2,433	2,528	2,507	(114)	-4.35%
Hertford County	4,226	4,327	4,222	4,147	(79)	-1.87%
Madison County	2,726	2,567	2,564	2,651	(75)	-2.75%
Bladen County	5,895	5,767	5,774	5,820	(75)	-1.27%

Only LEAs With ADM Loss
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	SORT/High to Low ADM Increase 1989-2000	% Change 1989-2000
Graham County	1,317	1,236	1,184	1,252	(65)	-4.94%
Transylvania County	4,007	3,983	4,047	3,959	(48)	-1.20%
Jones County	1,614	1,535	1,530	1,569	(45)	-2.79%
Shelby City	3,381	3,441	3,386	3,354	(27)	-0.80%
Total LEA's	**204,271**	**199,770**	**200,376**	**200,057**	**(4,214)**	**-2.06%**

Fiscal Research Divison
March 3, 1999

Ps 37

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education 3-30-99 8:30AM

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
David Brown	OSBM
[illegible] Morris	Public School Forum
[illegible]	NCAE
Jan Crotts	NCASA
Jo Ann Norris	Forum
S Markham	EGHS
[illegible] Rabenitt	NASW
Gina Patterson	NASW
[illegible] Wilson	NASW
Cecil Bass	Governor's Office
Jim Bauch	DPI
Alan Bailey	DPI
Philip Price	DPI
Marvin Cain	OSBM
Elizabeth Drovenstein	OSBM
[illegible] Adams	"
Janet Pittman	OSBM
Hal Miller	NCACCT
Bill Wilson	NCAE
Eddie Caldwell	Education Everybody's Business Coalition
Ashley Westbrook	Governor's Office
Barbara Harris	OSBM
[illegible] Duncan	WCSR / Thomas Smith B.
[illegible]	NCAICU
Jane Causley	KKC
Robin Hill	Carolina Legal Assistance
PEYTON MAYNARD	GPM INC.

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education 3-30-99 8:30am

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Ed Regan	N.C. Assoc. of Co Comm.
Jan Ramquest	NCATA
[illegible]	Wake Forest Univ
[illegible]	TAP/AP
Jaclyn Dixon	Intern-Rep Easterling
Leanne Winner	NCSBA

Joint Appropriations Subcommittee
On Education/Higher Education

March 31, 1999
8:30 A.M.
Presiding - Senator Walter Dalton

Call to Order	Chair
Allocating funds to local school systems	Jim Johnson, Fiscal Research Division
Local flexibility with state public school funds	Jim Johnson, Fiscal Research Division
Low Wealth and Small School System Supplemental Funds	Philip Price, Department of Public Instruction

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

March 31, 1999
8:30 A.M.
Room 421 LOB

The Joint Appropriations Subcommittee on Education/Higher Education met on Wednesday March 31, 1999 at 2:30 P.M. in the Legislative Office Building. Senator Dalton, Co-Chair presided. He introduced the following Pages: Macon Sykes from Wake County, sponsored by Representative Neely; Christina Scott from Currituck County, sponsored by Representative Bill Culpepper and Jeremy Goldsmith from Wake County, sponsored by Senator Reeves.

Senator Dalton recognized Jim Johnson, Fiscal Research Division, to discuss allocating funds to local school systems. Mr. Johnson stated that most funding formulas date back to the 1988 General Assembly. He stated that the funds are allocated to local school systems by a series of formulas. He stated that the allocation formulas may be established by the General Assembly, be delegated to the State Board of Education, or be a combination of the General Assembly and State Board of Education. The established teacher /student ratio was set at 1::20. He stated that the *number* of students is the basic factor that determines the funding. Mr. Johnson briefed the Committee on the North Carolina Public School Revenues by source, including local, state, federal and private funding. He presented detailed student growth and funding projections for each county. He explained the State Allotment Formulas for each category receiving funds and the State Public School Fund transfer policies per category. *(See Attachment 1).*

Senator Dalton introduced Mr. Philip Price, Director of School Business in the Department of Public Instruction. Mr. Price briefed the Committee on Low Wealth and Small School System Supplemental Funds. Mr. Price discussed the formulas used to calculate low wealth supplemental funding. He stated the formula evaluates the ability of each county to generate funds and the main source of funding for each county is property taxes. He noted that 83 counties in North Carolina are below the average per capita income level. The low wealth supplemental funding is based on per pupil. The purpose is to provide additional funds to special small school systems. Mr. Price presented data for each county's supplemental funding for the past 10 years. He explained several examples of the Supplemental Low Wealth Funding formulas and their applications. *(See Attachment 2).*

Representative Yongue presented a booklet to each Committee member titled *Supplemental Funding for Low-Wealth School Systems in North Carolina* prepared by the Low Wealth Schools Funding and Equalization Consortium. *(See Attachment 3).*

Mr. Johnson and Mr. Price responded to several questions from the Committee.

Senator Dalton adjourned the meeting at 9:50 A.M.

Senator Walter Dalton, Co-Chair

Christina K. Minard, Education Committee Assistant

Public Schools
K-12

Fiscal Research Division

March 1999

Public Schools
K-12
Fiscal Research Division
March 1999

ps2

Public Education Budget

- K-12, Community Colleges, and UNC Budget represent 59.3% or 7.3 b. of total 12.3 b. FY1998-99 General Fund budget.
- K-12 represents 41.3% or $5.1b of the total FY1998-99 General Fund budget.
- $5.1b. includes both funds for local school systems and the Department of Public Instruction.

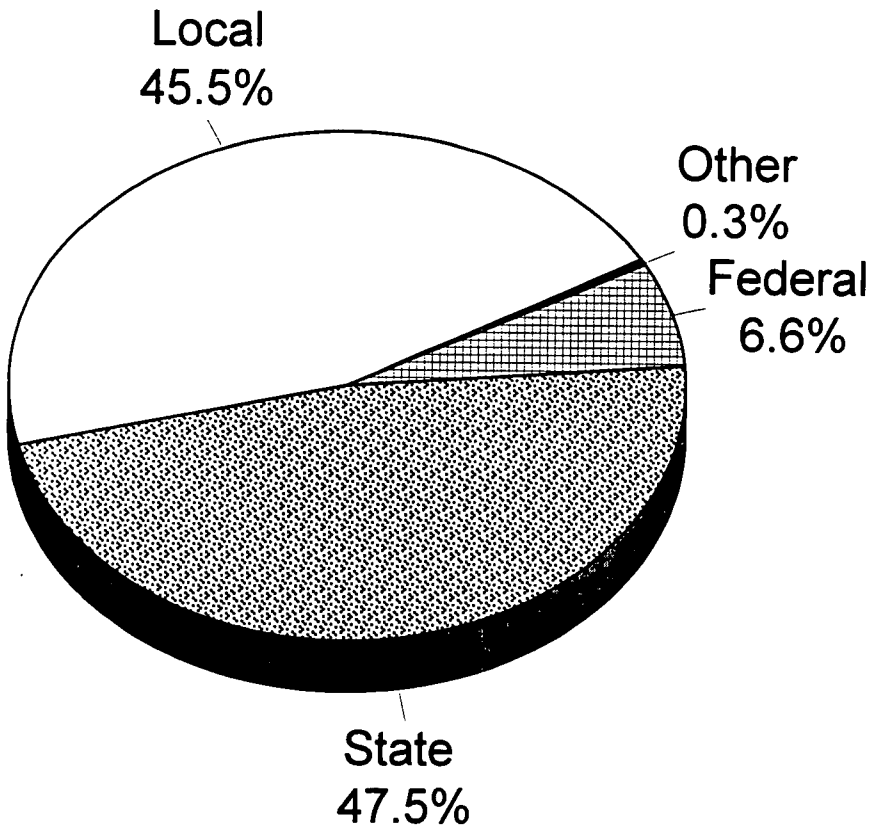
North Carolina and the United States

PS 4

1995-96: U.S. Public School Revenues, By Source

Local, State, Federal, and Other

* **[Total revenues: $288 billion]** U.S.



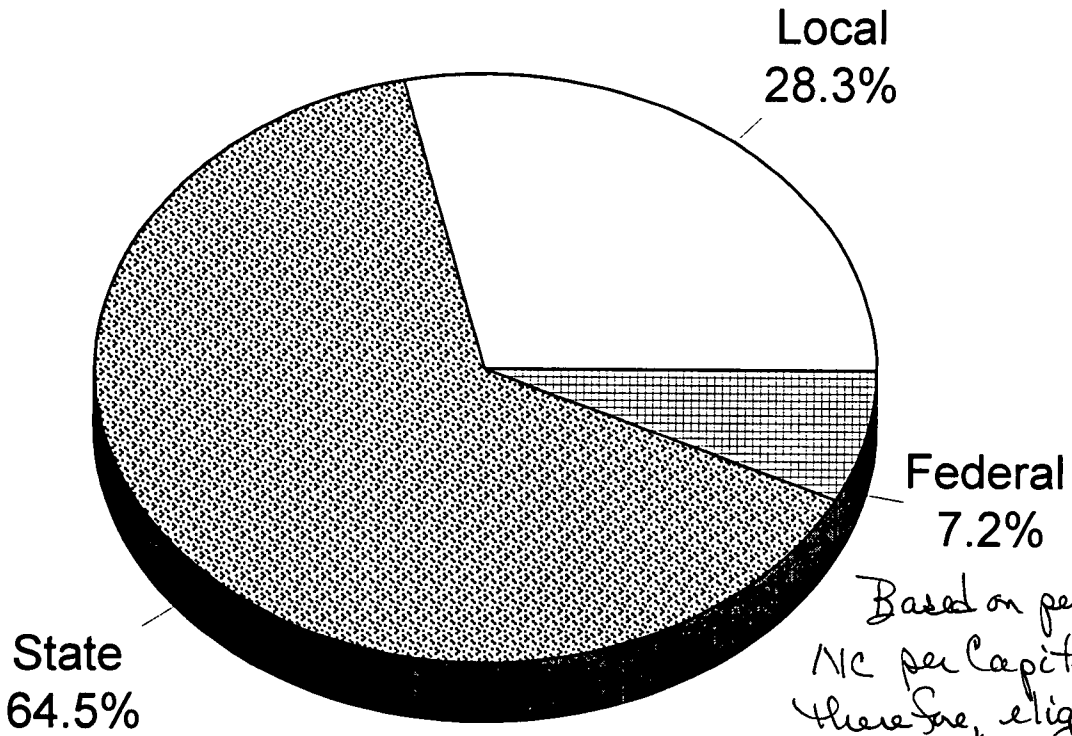
Fiscal Research Division March 17, 1999, National Center for Education Statistics

Ps 5

1995-96: N.C. Public School Revenues, By Source

Local, State, Federal, and Other

[Total Revenues: $6.15 billion]



Based on per Capita Income
NC per Capita is lower
therefore, eligible for
more Fed. Funds.

Fiscal Research Division March 17, 1999, National Center for Education Statistics

1994-95: Current Expenditures Per Pupil, All Fund Sources

Differences Among States

- $5,988 United States: Expenditures from all sources
- $5,077 North Carolina: Expenditures from all sources

Fiscal Research Division, March 17, 1999 National Center for Education Statistics

Allocating State Funds to Local School Systems

P58

Education Budget Myths

- The public school budget is to big and to complex for legislators to understand.

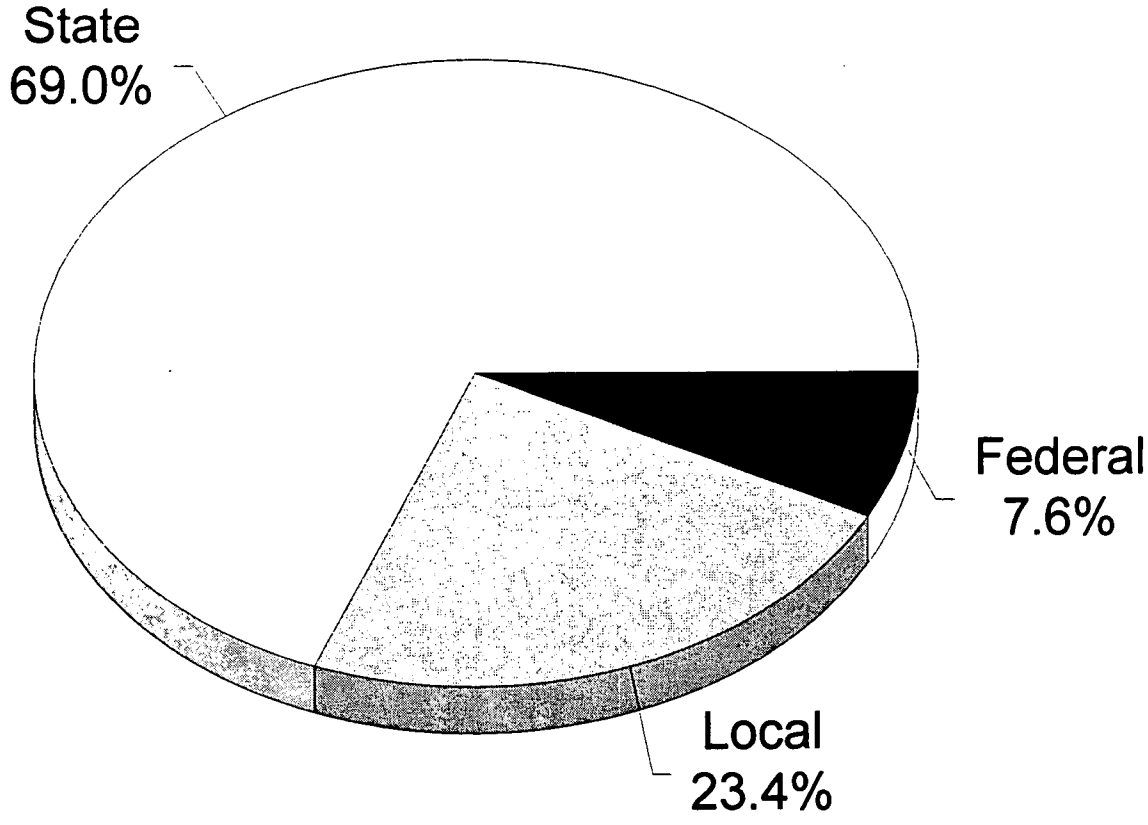
- The state makes all the financial decisions for local school systems.

Source of Expenditures

Public Education Funding - 1996-97

Child Nutrition Included

Child Nutrition Excluded	
State:	73.6%
Federal:	4.8%
Local:	21.6%



Computing the Public School Budget

what drives funding = # of children

- Average Daily Membership - Projected number of students
- Guaranteed Salaries = a Local salary schedule
  - Teachers
  - School administrators — also, local decisions. —

Not Statewide = large portion of State Budget is made up of these guarantees. —

- Dollar Allocations
  - Salaries of other certified and noncertified (not guaranteed salary) personnel.
  - Other costs - Special education, transportation, textbooks, supplies, technology.

How Funds Flow to Local School Systems

- Funds allocated to local school systems through a series of formulas.
- Allocation formulas may be:
  - Established by the General Assembly,
  - Delegated to the State Board of Education.
  - Combination of General Assembly and State Board of Education.
- 1995 the General Assembly drastically reduced the number of allocation categories and increased local funding flexibility.

Salaries of Certified Personnel

- Teachers and Instruction Support Personnel (Counselors, school social workers, media coordinators, school psychologists, audiologists, and nationally certified school nurses) are paid on the teacher salary schedule based on degrees and years of experience.

Salaries of Certified Personnel

[Continued]

- School Building Administrators (Principals and Assistant Principals) are paid based on degrees and years of experience, established in relationship to the Masters level teacher. – Based on Experience, etc. –

Salaries of Certified Personnel

[Continued]

- Local superintendents and central office personnel paid within broad ranges established by the General Assembly.
- Local school systems place superintendents within the range based on the size of the school system.
- Central office administrators are placed within ranges totally at the discretion of local school systems.

Salaries of Noncertified Personnel

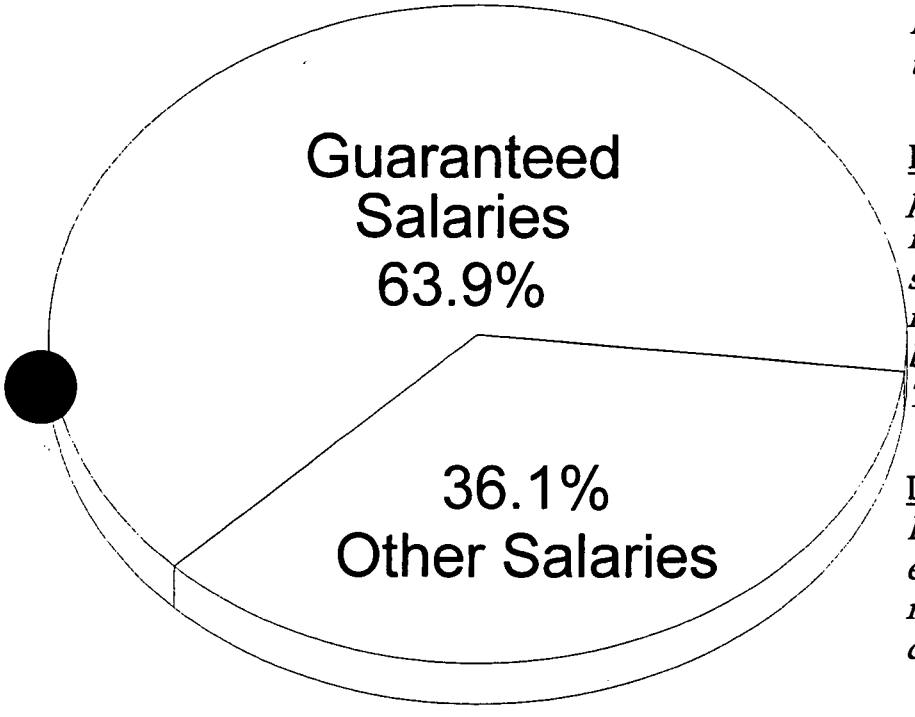
are not on a State guaranteed Salary Board. —

- Noncertified personnel (Office support personnel, bus drivers, teacher assistants, etc.) are paid on salary ranges established by the State Board of Education.
- Local school systems have the authority to place personnel within these salary ranges.

~~Loc~~ Local Board has established a salary schedule for these personnel. — State B has told them they can do this within the state range. Private contracts are O.K. —

Type of Allotted **Salaries**

Fiscal Year 1998-99



North Carolina funds salaries with two types of allotments.

Position allotments: *The State allots positions to a local school system for a specific purpose. The local school system pays whatever is required to hire certified personnel based on the State Salary Schedule. These are guaranteed salaries.*

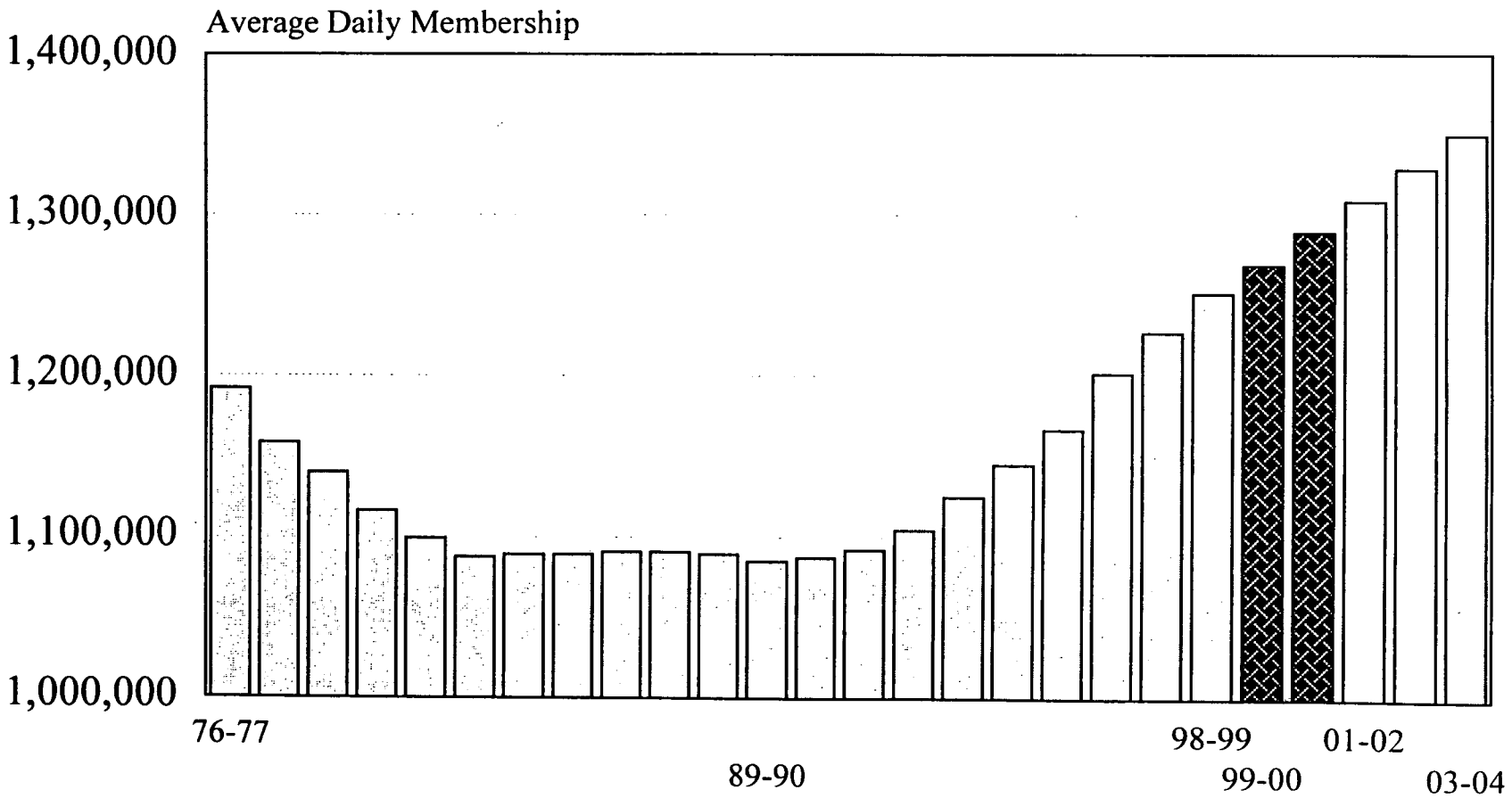
Dollar and Categorical Allotments: *Local school systems can hire employees out of these funds, but must operate within the allotted dollar amount.*

Average Daily Membership

Changes in ADM 1989-2000

Ps 18

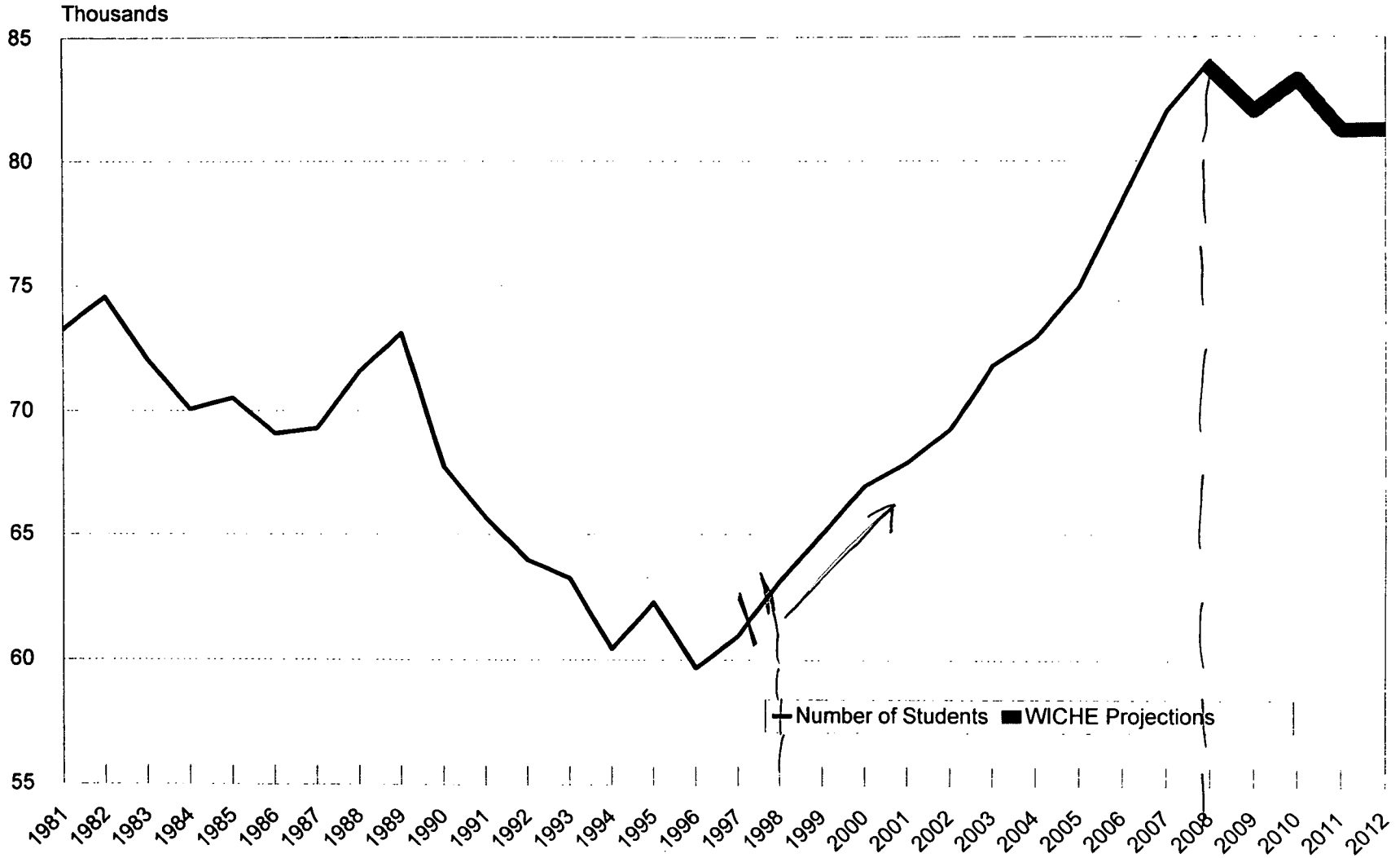
North Carolina Public Schools
Average Daily Membership
1976 - 2004



PS 19

NC HIGH SCHOOL GRADUATES

1981-1998 AND PROJECTED TO 2012



Source: UNC-General Administration, Knocking at the College Door: Projections of High School Graduates by State and Race/Ethnicity: 1996-2012 by WICHE, February, 1998.
Fiscal Research Division 1/25/99

PS 20

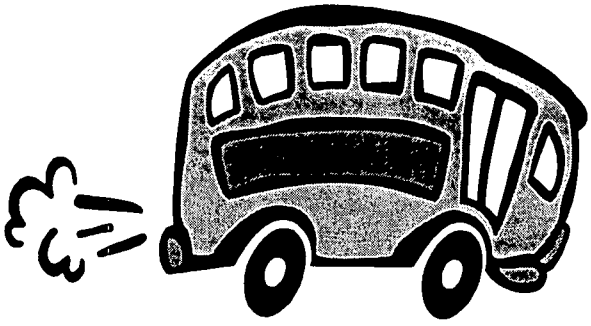
NORTH CAROLINA PUBLIC SCHOOLS: GROWTH, CONSOLIDATION, AND DIVERSITY

- 117 School systems in 100 counties.
- From 1989-90 through 1999-00 ADM, including charter schools, grew by 183,792 students for a 16.94 % increase.
- ADM growth is not evenly distributed throughout North Carolina.
- Over the period 1989-90 through 1999-00 34 school systems had a net loss in ADM. = Due to economic loss in certain areas.
- Over the past five years, the LEA's experiencing a net loss in ADM dropped to 23 systems.
- The racial and ethnic diversity of the North Carolina schools have changed rapidly in the past decade.

Fiscal Research Division March 22. 1199

Ways to Imagine a 183,000 Increase in ADM

- 183,000 students = 2,772 sixty-six passenger school buses filled with students.



- 183,000 students = 305 six hundred student elementary schools.

State Wide

Changes in School Population Diversity						
1989-90 through 1997-98						
	Indian	Asian	Hispanic	Black	White	Total
1989-90	17,240	8,938	7,100	327,420	717,463	1,078,161
1997-98	18,375	19,550	32,902	376,740	774,602	1,222,169
Total Increase	1,135	10,612	25,802	49,320	57,139	144,008
% Increase	6.58%	118.73%	363.41%	15.06%	7.96%	13.36%

Public School, Average Daily Membership

- FY1998-99 Average Daily Membership: 1,251,287
- FY1999-00 Average Daily Membership: 1,268,870. An increase of 17,583 students. Continuation Vs. Expansion Budget.
- FY2000-00 Average Daily Membership: 1,289,528. An increase of 20,658 students.

ENROLLMENT GROWTH

THE WAY WE ARE: 1989-90 Through 1999-00

- Five clusters of counties accounted for over 88% of the growth during this time period.
- Research Triangle Counties
- Charlotte Region
- Military Base Counties and Adjacent Counties
- Triad Region
- Mountains and Beaches

ADM Growth in Selected Counties

Total Statewide Growth	173,529	
Five Clusters	152,805	
Percentage of Total	88.06%	
Research Triangle Counties		
Wake County	32,783	52.47%
Johnston County	5,503	37.73%
Harnett County	3,985	33.31%
Durham County	2,504	9.46%
Chapel-Hill Carrboro	3,021	52.42%
Granville County	1,311	19.79%
Chatham County	1,259	22.00%
Orange County	1,198	23.57%
Total	51,564	
Percentage of Total Growth		29.71%
Charlotte Region		
Mecklenburg County	25,713	34.20%
Cabarrus County	6,237	50.73%
Union County	5,945	37.94%
Rowan County	3,821	23.40%
Iredell County	3,121	22.98%
Lincoln County	1,761	20.23%
Mooresville City	1,581	66.91%
Total	48,179	
Percentage of Total Growth		27.76%
Military Base Counties and Adjacent Counties		
Cumberland County	7,246	16.41%
Onslow County	3,312	18.47%
Wayne County	1,149	6.32%
Hoke County	1,367	27.32%
Moore County	1,976	21.76%
Total	15,050	
Percentage of Total Growth		8.67%
Triad Region		
Guilford County	10,129	19.44%
Forsyth County	5,004	13.09%
Randolph County	3,135	23.12%
Asheboro City	1,581	66.91%
Alamance County	3,283	19.68%
Davidson County	2,518	15.55%
Total	25,650	
Percentage of Total Growth		14.78%
Mountains and Beaches		
Buncombe County	3,212	14.74%

Now picking up

ADM Growth in Selected Counties		
New Hanover County	2,598	13.74%
Brunswick County	1,582	18.70%
Pender County	1,675	34.18%
Dare County	1,262	38.55%
Henderson County	1,373	13.58%
Carteret County	660	8.48%
Total	12,362	
Percentage of Total Growth		8.09%

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Alamance County	16,678	19,240	19,750	19,961	3,283	19.68%
Alexander County	4,943	5,160	5,448	5,378	435	8.80%
Alleghany County	1,613	1,471	1,483	1,480	(133)	-8.25%
Anson County	4,848	4,511	4,593	4,526	(322)	-6.64%
Ashe County	3,696	3,404	3,321	3,269	(427)	-11.55%
Avery County	2,621	2,433	2,528	2,507	(114)	-4.35%
Beaufort County	8,054	7,523	7,454	7,455	(599)	-7.44%
Bertie County	4,255	3,853	3,827	3,902	(353)	-8.30%
Bladen County	5,895	5,767	5,774	5,820	(75)	-1.27%
Brunswick County	8,459	9,750	9,965	10,041	1,582	18.70%
Buncombe County	21,791	24,704	25,136	25,003	3,212	14.74%
Asheville City	4,775	4,442	4,306	4,288	(487)	-10.20%
Burke County	12,168	13,839	14,293	14,610	2,442	20.07%
Cabarrus County	12,295	17,044	17,889	18,532	6,237	50.73%
Kannapolis City	4,270	4,034	3,986	3,955	(315)	-7.38%
Caldwell County	11,911	11,996	12,201	12,385	474	3.98%
Camden County	1,094	1,188	1,233	1,325	231	21.12%
Carteret County	7,779	8,542	8,635	8,439	660	8.48%
Caswell County	3,640	3,633	3,591	3,512	(128)	-3.52%
Catawba County	12,771	15,052	15,183	15,944	3,173	24.85%
Hickory City	4,318	4,246	4,526	4,337	19	0.44%
Newton City	2,927	2,682	2,787	2,788	(139)	-4.75%
Chatham County	5,723	6,744	6,804	6,982	1,259	22.00%
Cherokee County	3,675	3,551	3,494	3,480	(195)	-5.31%
Chowan County	2,563	2,534	2,588	2,582	19	0.74%
Clay County	1,207	1,273	1,268	1,287	80	6.63%
Cleveland County	8,208	8,988	9,182	9,487	1,279	15.58%
Kings Mountain City	3,885	4,244	4,388	4,504	619	15.93%
Shelby City	3,381	3,441	3,386	3,354	(27)	-0.80%
Columbus County	8,066	7,576	7,489	7,413	(653)	-8.10%
Whiteville City	2,777	2,838	2,811	2,825	48	1.73%
Craven County	14,049	15,090	15,029	14,779	730	5.20%

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Cumberland County	44,167	51,716	51,132	51,413	7,246	16.41%
Currituck County	2,483	3,093	3,036	3,213	730	29.40%
Dare County	3,274	4,500	4,677	4,536	1,262	38.55%
Davidson County	16,195	18,429	18,731	18,713	2,518	15.55%
Lexington City	3,122	3,203	3,117	3,251	129	4.13%
Thomasville City	2,185	2,362	2,323	2,388	203	9.29%
Davie County	4,688	5,175	5,404	5,517	829	17.68%
Duplin County	7,912	8,468	8,502	8,568	656	8.29%
Durham Public	26,460	29,221	29,644	28,964	2,504	9.46%
Edgecombe County	8,215	7,927	7,903	7,831	(384)	-4.67%
Forsyth County	38,237	41,890	42,817	43,241	5,004	13.09%
Franklin County	6,202	7,161	7,180	7,455	1,253	20.20%
Gaston County	30,496	29,745	30,133	30,345	(151)	-0.50%
Gates County	1,620	2,004	2,017	2,116	496	30.62%
Graham County	1,317	1,236	1,184	1,252	(65)	-4.94%
Granville County	6,623	7,689	7,880	7,934	1,311	19.79%
Greene County	2,796	2,928	2,963	2,895	99	3.54%
Guilford County	52,115	59,765	61,002	62,244	10,129	19.44%
Halifax County	6,566	6,369	6,398	6,190	(376)	-5.73%
Roanoke Rapids City	2,898	3,157	3,227	3,166	268	9.25%
Weldon City	1,275	1,200	1,135	1,159	(116)	-9.10%
Harnett County	11,964	15,174	15,949	15,949	3,985	33.31%
Haywood County	7,375	7,643	7,742	7,654	279	3.78%
Henderson County	10,111	11,559	11,668	11,484	1,373	13.58%
Hertford County	4,226	4,327	4,222	4,147	(79)	-1.87%
Hoke County	5,003	5,922	6,012	6,370	1,367	27.32%
Hyde County	931	802	783	781	(150)	-16.11%
Iredell County	13,579	15,186	15,962	16,700	3,121	22.98%
Mooresville City	2,363	3,491	3,688	3,944	1,581	66.91%
Jackson County	3,681	3,565	3,602	3,555	(126)	-3.42%
Johnston County	14,584	18,287	19,203	20,087	5,503	37.73%
Jones County	1,614	1,535	1,530	1,569	(45)	-2.79%

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Lee County	7,619	8,765	8,673	8,867	1,248	16.38%
Lenoir County	11,085	10,300	10,357	10,434	(651)	-5.87%
Lincoln County	8,707	9,894	10,298	10,468	1,761	20.23%
Macon County	3,340	4,074	4,125	4,004	664	19.88%
Madison County	2,726	2,567	2,564	2,651	(75)	-2.75%
Martin County	5,122	5,029	5,016	4,991	(131)	-2.56%
McDowell County	6,459	6,204	6,395	6,500	41	0.63%
Mecklenburg County	75,179	96,120	98,820	100,892	25,713	34.20%
Mitchell County	2,360	2,376	2,388	2,416	56	2.37%
Montgomery County	4,315	4,332	4,418	4,362	47	1.09%
Moore County	9,079	10,446	10,981	11,055	1,976	21.76%
Nash County	16,738	17,377	17,894	18,062	1,324	7.91%
New Hanover County	18,905	21,692	21,783	21,503	2,598	13.74%
Northampton County	4,059	3,891	3,819	3,825	(234)	-5.76%
Onslow County	17,931	21,127	21,481	21,243	3,312	18.47%
Orange County	5,083	6,026	6,238	6,281	1,198	23.57%
Chapel Hill-Carrboro	5,763	8,196	8,468	8,784	3,021	52.42%
Pamlico County	2,055	1,856	1,848	1,835	(220)	-10.71%
Pasquotank County	5,422	6,225	6,252	6,258	836	15.42%
Pender County	4,901	6,148	6,274	6,576	1,675	34.18%
Perquimans County	1,892	1,936	1,994	1,895	3	0.16%
Person County	5,319	5,686	5,844	5,888	569	10.70%
Pitt County	17,260	19,548	19,835	19,985	2,725	15.79%
Polk County	1,966	2,188	2,263	2,301	335	17.04%
Randolph County	13,561	16,166	16,483	16,696	3,135	23.12%
Asheboro City	3,473	4,216	4,321	4,349	876	25.22%
Richmond County	8,540	8,339	8,419	8,358	(182)	-2.13%
Robeson County	23,814	23,405	23,865	24,000	186	0.78%
Rockingham County	14,631	14,478	14,637	14,731	100	0.68%
Rowan County	16,329	19,737	20,159	20,150	3,821	23.40%
Rutherford County	9,905	10,153	10,178	10,135	230	2.32%
Sampson County	6,632	7,576	7,733	7,741	1,109	16.72%

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Clinton City	2,747	2,570	2,509	2,571	(176)	-6.41%
Scotland County	7,434	7,200	7,124	6,975	(459)	-6.17%
Stanly County	8,762	9,772	10,017	10,362	1,600	18.26%
Stokes County	6,495	7,087	7,151	7,238	743	11.44%
Surry County	7,648	8,051	8,192	8,318	670	8.76%
Elkin City	985	1,078	1,057	1,081	96	9.75%
Mount Airy City	1,976	1,991	2,007	2,142	166	8.40%
Swain County	1,592	1,686	1,707	1,708	116	7.29%
Transylvania County	4,007	3,983	4,047	3,959	(48)	-1.20%
Tyrrell County	773	836	788	792	19	2.46%
Union County	15,671	19,711	20,653	21,616	5,945	37.94%
Vance County	7,394	7,493	7,888	8,047	653	8.83%
Wake County	62,481	88,794	93,433	95,264	32,783	52.47%
Warren County	3,009	3,231	3,234	3,334	325	10.80%
Washington County	2,868	2,613	2,595	2,504	(364)	-12.69%
Watauga County	4,534	4,864	4,896	4,826	292	6.44%
Wayne County	18,191	19,443	19,370	19,340	1,149	6.32%
Wilkes County	10,350	9,991	9,954	9,921	(429)	-4.14%
Wilson County	12,126	11,884	11,831	12,201	75	0.62%
Yadkin County	4,718	5,573	5,793	5,838	1,120	23.74%
Yancey County	2,535	2,508	2,532	2,553	18	0.71%
Total LEA's	**1,085,078**	**1,221,954**	**1,245,715**	**1,258,607**	**173,529**	**15.99%**
Charter Schools	**0**	**5,061**	**5,572**	**10,263**	**10,263**	**102.79%**
Total Public School ADM	**1,085,078**	**1,227,015**	**1,251,287**	**1,268,870**	**183,792**	**16.94%**

PS 31

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

of Kids

10 yrs.

Sort High to Low

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Wake County	62,481	88,794	93,433	95,264	32,783	52.47%
Mecklenburg County	75,179	96,120	98,820	100,892	25,713	34.20%
Guilford County	52,115	59,765	61,002	62,244	10,129	19.44%
Cumberland County	44,167	51,716	51,132	51,413	7,246	16.41%
Cabarrus County	12,295	17,044	17,889	18,532	6,237	50.73%
Union County	15,671	19,711	20,653	21,616	5,945	37.94%
Johnston County	14,584	18,287	19,203	20,087	5,503	37.73%
Forsyth County	38,237	41,890	42,817	43,241	5,004	13.09%
Harnett County	11,964	15,174	15,949	15,949	3,985	33.31%
Rowan County	16,329	19,737	20,159	20,150	3,821	23.40%
Onslow County	17,931	21,127	21,481	21,243	3,312	18.47%
Alamance County	16,678	19,240	19,750	19,961	3,283	19.68%
Buncombe County	21,791	24,704	25,136	25,003	3,212	14.74%
Catawba County	12,771	15,052	15,183	15,944	3,173	24.85%
Randolph County	13,561	16,166	16,483	16,696	3,135	23.12%
Iredell County	13,579	15,186	15,962	16,700	3,121	22.98%
Chapel Hill-Carrboro	5,763	8,196	8,468	8,784	3,021	52.42%
Pitt County	17,260	19,548	19,835	19,985	2,725	15.79%
New Hanover County	18,905	21,692	21,783	21,503	2,598	13.74%
Davidson County	16,195	18,429	18,731	18,713	2,518	15.55%
Durham Public	26,460	29,221	29,644	28,964	2,504	9.46%
Burke County	12,168	13,839	14,293	14,610	2,442	20.07%
Moore County	9,079	10,446	10,981	11,055	1,976	21.76%
Lincoln County	8,707	9,894	10,298	10,468	1,761	20.23%
Pender County	4,901	6,148	6,274	6,576	1,675	34.18%
Stanly County	8,762	9,772	10,017	10,362	1,600	18.26%
Brunswick County	8,459	9,750	9,965	10,041	1,582	18.70%
Mooresville City	2,363	3,491	3,688	3,944	1,581	66.91%
Henderson County	10,111	11,559	11,668	11,484	1,373	13.58%
Hoke County	5,003	5,922	6,012	6,370	1,367	27.32%
Nash County	16,738	17,377	17,894	18,062	1,324	7.91%

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

Sort High to Low

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Granville County	6,623	7,689	7,880	7,934	1,311	19.79%
Cleveland County	8,208	8,988	9,182	9,487	1,279	15.58%
Dare County	3,274	4,500	4,677	4,536	1,262	38.55%
Chatham County	5,723	6,744	6,804	6,982	1,259	22.00%
Franklin County	6,202	7,161	7,180	7,455	1,253	20.20%
Lee County	7,619	8,765	8,673	8,867	1,248	16.38%
Orange County	5,083	6,026	6,238	6,281	1,198	23.57%
Wayne County	18,191	19,443	19,370	19,340	1,149	6.32%
Yadkin County	4,718	5,573	5,793	5,838	1,120	23.74%
Sampson County	6,632	7,576	7,733	7,741	1,109	16.72%
Asheboro City	3,473	4,216	4,321	4,349	876	25.22%
Pasquotank County	5,422	6,225	6,252	6,258	836	15.42%
Davie County	4,688	5,175	5,404	5,517	829	17.68%
Stokes County	6,495	7,087	7,151	7,238	743	11.44%
Craven County	14,049	15,090	15,029	14,779	730	5.20%
Currituck County	2,483	3,093	3,036	3,213	730	29.40%
Surry County	7,648	8,051	8,192	8,318	670	8.76%
Macon County	3,340	4,074	4,125	4,004	664	19.88%
Carteret County	7,779	8,542	8,635	8,439	660	8.48%
Duplin County	7,912	8,468	8,502	8,568	656	8.29%
Vance County	7,394	7,493	7,888	8,047	653	8.83%
Kings Mountain City	3,885	4,244	4,388	4,504	619	15.93%
Person County	5,319	5,686	5,844	5,888	569	10.70%
Gates County	1,620	2,004	2,017	2,116	496	30.62%
Caldwell County	11,911	11,996	12,201	12,385	474	3.98%
Alexander County	4,943	5,160	5,448	5,378	435	8.80%
Polk County	1,966	2,188	2,263	2,301	335	17.04%
Warren County	3,009	3,231	3,234	3,334	325	10.80%
Watauga County	4,534	4,864	4,896	4,826	292	6.44%
Haywood County	7,375	7,643	7,742	7,654	279	3.78%
Roanoke Rapids City	2,898	3,157	3,227	3,166	268	9.25%

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

Sort High to Low

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Camden County	1,094	1,188	1,233	1,325	231	21.12%
Rutherford County	9,905	10,153	10,178	10,135	230	2.32%
Thomasville City	2,185	2,362	2,323	2,388	203	9.29%
Robeson County	23,814	23,405	23,865	24,000	186	0.78%
Mount Airy City	1,976	1,991	2,007	2,142	166	8.40%
Lexington City	3,122	3,203	3,117	3,251	129	4.13%
Swain County	1,592	1,686	1,707	1,708	116	7.29%
Rockingham County	14,631	14,478	14,637	14,731	100	0.68%
Greene County	2,796	2,928	2,963	2,895	99	3.54%
Elkin City	985	1,078	1,057	1,081	96	9.75%
Clay County	1,207	1,273	1,268	1,287	80	6.63%
Wilson County	12,126	11,884	11,831	12,201	75	0.62%
Mitchell County	2,360	2,376	2,388	2,416	56	2.37%
Whiteville City	2,777	2,838	2,811	2,825	48	1.73%
Montgomery County	4,315	4,332	4,418	4,362	47	1.09%
McDowell County	6,459	6,204	6,395	6,500	41	0.63%
Hickory City	4,318	4,246	4,526	4,337	19	0.44%
Chowan County	2,563	2,534	2,588	2,582	19	0.74%
Tyrrell County	773	836	788	792	19	2.46%
Yancey County	2,535	2,508	2,532	2,553	18	0.71%
Perquimans County	1,892	1,936	1,994	1,895	3	0.16%
Shelby City	3,381	3,441	3,386	3,354	(27)	-0.80%
Jones County	1,614	1,535	1,530	1,569	(45)	-2.79%
Transylvania County	4,007	3,983	4,047	3,959	(48)	-1.20%
Graham County	1,317	1,236	1,184	1,252	(65)	-4.94%
Bladen County	5,895	5,767	5,774	5,820	(75)	-1.27%
Madison County	2,726	2,567	2,564	2,651	(75)	-2.75%
Hertford County	4,226	4,327	4,222	4,147	(79)	-1.87%
Avery County	2,621	2,433	2,528	2,507	(114)	-4.35%
Weldon City	1,275	1,200	1,135	1,159	(116)	-9.10%
Jackson County	3,681	3,565	3,602	3,555	(126)	-3.42%

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

Sort High to Low

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Caswell County	3,640	3,633	3,591	3,512	(128)	-3.52%
Martin County	5,122	5,029	5,016	4,991	(131)	-2.56%
Alleghany County	1,613	1,471	1,483	1,480	(133)	-8.25%
Newton City	2,927	2,682	2,787	2,788	(139)	-4.75%
Hyde County	931	802	783	781	(150)	-16.11%
Gaston County	30,496	29,745	30,133	30,345	(151)	-0.50%
Clinton City	2,747	2,570	2,509	2,571	(176)	-6.41%
Richmond County	8,540	8,339	8,419	8,358	(182)	-2.13%
Cherokee County	3,675	3,551	3,494	3,480	(195)	-5.31%
Pamlico County	2,055	1,856	1,848	1,835	(220)	-10.71%
Northampton County	4,059	3,891	3,819	3,825	(234)	-5.76%
Kannapolis City	4,270	4,034	3,986	3,955	(315)	-7.38%
Anson County	4,848	4,511	4,593	4,526	(322)	-6.64%
Bertie County	4,255	3,853	3,827	3,902	(353)	-8.30%
Washington County	2,868	2,613	2,595	2,504	(364)	-12.69%
Halifax County	6,566	6,369	6,398	6,190	(376)	-5.73%
Edgecombe County	8,215	7,927	7,903	7,831	(384)	-4.67%
Ashe County	3,696	3,404	3,321	3,269	(427)	-11.55%
Wilkes County	10,350	9,991	9,954	9,921	(429)	-4.14%
Scotland County	7,434	7,200	7,124	6,975	(459)	-6.17%
Asheville City	4,775	4,442	4,306	4,288	(487)	-10.20%
Beaufort County	8,054	7,523	7,454	7,455	(599)	-7.44%
Lenoir County	11,085	10,300	10,357	10,434	(651)	-5.87%
Columbus County	8,066	7,576	7,489	7,413	(653)	-8.10%
Total LEA's	**1,085,078**	**1,221,954**	**1,245,715**	**1,258,607**	**173,529**	**15.99%**
Charter Schools	**0**	**5,061**	**5,572**	**10,263**	**10,263**	**102.79%**
Total Public School ADM	**1,085,078**	**1,227,015**	**1,251,287**	**1,268,870**	**183,792**	**16.94%**

PS 35

104.

Only LEAs With ADM Loss
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	SORT/High to Low ADM Increase 1989-2000	% Change 1989-2000
Columbus County	8,066	7,576	7,489	7,413	(653)	-8.10%
Lenoir County	11,085	10,300	10,357	10,434	(651)	-5.87%
Beaufort County	8,054	7,523	7,454	7,455	(599)	-7.44%
Asheville City	4,775	4,442	4,306	4,288	(487)	-10.20%
Scotland County	7,434	7,200	7,124	6,975	(459)	-6.17%
Wilkes County	10,350	9,991	9,954	9,921	(429)	-4.14%
Ashe County	3,696	3,404	3,321	3,269	(427)	-11.55%
Edgecombe County	8,215	7,927	7,903	7,831	(384)	-4.67%
Halifax County	6,566	6,369	6,398	6,190	(376)	-5.73%
Washington County	2,868	2,613	2,595	2,504	(364)	-12.69%
Bertie County	4,255	3,853	3,827	3,902	(353)	-8.30%
Anson County	4,848	4,511	4,593	4,526	(322)	-6.64%
Kannapolis City	4,270	4,034	3,986	3,955	(315)	-7.38%
Northampton County	4,059	3,891	3,819	3,825	(234)	-5.76%
Pamlico County	2,055	1,856	1,848	1,835	(220)	-10.71%
Cherokee County	3,675	3,551	3,494	3,480	(195)	-5.31%
Richmond County	8,540	8,339	8,419	8,358	(182)	-2.13%
Clinton City	2,747	2,570	2,509	2,571	(176)	-6.41%
Gaston County	30,496	29,745	30,133	30,345	(151)	-0.50%
Hyde County	931	802	783	781	(150)	-16.11%
Newton City	2,927	2,682	2,787	2,788	(139)	-4.75%
Alleghany County	1,613	1,471	1,483	1,480	(133)	-8.25%
Martin County	5,122	5,029	5,016	4,991	(131)	-2.56%
Caswell County	3,640	3,633	3,591	3,512	(128)	-3.52%
Jackson County	3,681	3,565	3,602	3,555	(126)	-3.42%
Weldon City	1,275	1,200	1,135	1,159	(116)	-9.10%
Avery County	2,621	2,433	2,528	2,507	(114)	-4.35%
Hertford County	4,226	4,327	4,222	4,147	(79)	-1.87%
Madison County	2,726	2,567	2,564	2,651	(75)	-2.75%
Bladen County	5,895	5,767	5,774	5,820	(75)	-1.27%

Only LEAs With ADM Loss

FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	SORT/High to Low ADM Increase 1989-2000	% Change 1989-2000
Graham County	1,317	1,236	1,184	1,252	(65)	-4.94%
Transylvania County	4,007	3,983	4,047	3,959	(48)	-1.20%
Jones County	1,614	1,535	1,530	1,569	(45)	-2.79%
Shelby City	3,381	3,441	3,386	3,354	(27)	-0.80%
Total LEA's	**204,271**	**199,770**	**200,376**	**200,057**	**(4,214)**	**-2.06%**

How State Money Flows to Local School Systems

Ps 38

State Allotment Formulas
FY 1998-99

Administration

Category	Basis of Allotment
Central Office Administration	Each LEA receives a base allotment which is graduated based on ADM. Additional funds are distributed based on ADM to LEAs with ADM higher than 1,500 ($14.62 per ADM). No LEA will receive less Central Office Administration funding than in FY 1997-98, increased for legislated salary increases, unless they are an LEA which is losing its hold harmless provision due to merger. The formula will be phased in as merged LEAs lose their special two-year hold harmless provision and as additional funds are appropriated.

Instructional Personnel and Support Services Teachers weight

Category	Basis of Allotment	Allotted Salary
Classroom Teachers		
Grades Kindergarten - 2	1 per 20 in ADM. (LEA Max Class Size Avg is 26)	
Grade 3	1 per 22.23 in ADM. (LEA Max Class Size Avg is 26)	
Grades 4 - 6	1 per 22 in ADM. (LEA Max Class Size Avg is 26)	
Grades 7 - 8	1 per 21 in ADM. (LEA Max Class Size Avg is 26)	
Grade 9	1 per 24.5 in ADM. (LEA Max Class Size Avg is 26)	
Grades 10 - 12	1 per 26.64 in ADM. (LEA Max Class Size Avg is 29)	$33,428
Math/Science/Computer Teachers	1 per county or based on subagreements.	
Teacher Assistants	$749.64 (rounded) per K-3 ADM.	$14,646
Instructional Support	1 per 200.10 in ADM.	$36,607
School Building Administration		
Principals	1 per school with at least 100 ADM or at least 7 state allotted teachers.	$58,116
Assistant Principals	1 month per 72.64 in ADM.	$41,970
Classroom Materials/Instructional Supplies/Equipment	$40.29 per ADM plus $2.69 per ADM in grades 8 and 9 for PSAT Testing.	
Textbooks	$46.77 per ADM in grades K-12.	

Employee Benefits

Category	Basis of Allotment
Hospitalization	$1,736 per position per year.
Retirement	10.10% of total salaries.
Social Security	7.65% of total salaries.

State

Support

Category	Basis of Allotment
Noninstructional Support Personnel	$198.78 per ADM. $6,000 per Textbook Commission member for Clerical Assistants.

Categorical Programs

Category	Basis of Allotment
ABC Incentive Award	***Schools with exemplary growth received $1,500 plus benefits for state & local certified personnel and $500 plus benefits for state and local teacher assistants. Schools with expected growth received $750 plus benefits for state and local certified personnel and***

State Allotment Formulas
FY 1998-99

	$375 plus benefits for state and local teacher assistants.
Academically or Intellectually Gifted Students	$782.28 per child for 4% of ADM.

Categorical Programs (Continued)

Category	Basis of Allotment
At-Risk Student Services	Each LEA receives the dollar equivalent of one resource officer ($37,838) per high school. Of the remaining funds, 50% is distributed based on ADM ($45.53 per ADM) and 50% is distributed based on number of poor children, per the federal Title 1 Low Income poverty data ($261.35 per poor child). Each LEA receives a minimum of the dollar equivalent of two teachers and two instructional support personnel ($171,876). No LEA will receive less than 90% of the total funding they received in FY 1997-98, not including carryover or Res. Off.
Children with Disabilities	
School Aged	*$2,346.29 per headcount. Headcount is comprised of the lesser of the April 1 handicapped headcount or an overall 12.5% cap of the prior year ADM.*
Preschool	*$41,098 per LEA; remainder distributed based on April 1 headcount of ages 3, 4, and pre-K 5.*
Group Homes	*Approved applications.*
Developmental Day Care (3-20)	*Approved applications - $7,500 per child.*
Community Residential Centers	*Not allotted. The Department of Public Instruction contracts directly with the Centers.*
Driver Education	*$233.87 (rounded) per 9th grade ADM. Includes private, charter, and federal schools.*
Intervention/Assist Teams	*Based on personnel assigned to assistance teams & support cost of team in the LEA.*
Limited English Proficiency	*Base of half a teacher asst ($9,490); remainder based 50% on number of LEP students and 50% on an LEA's concentration of LEP students.*
Low Wealth Supplemental Funding	*Funding to counties whose county wealth is less than 100% of the state average wealth.*
NCHELPS - Sat. Classes etc. Low-performing schools	*Funds allotted to increase teacher salaries ($186.82 per teacher per day) and for support (minimum of $10,000 per school with remainder at $12.73 per ADM).*
Regional Education & Technical Assistance Funding	80% of each region's budget is divided equally among all school systems in the region. 20% is allotted based on ADM.
Safety Assistance Teams	*Based on personnel assigned to assistance teams & support cost of team in the LEA.*
School Technology	*$15.60 per ADM.*
Small County Supplemental Funding	*Funding to counties with < 3,000 in ADM or between 3,000 & 4,000 ADM whose adjusted property tax base is below the state avg adjusted property tax base. 6 calculations (ranging from 5.5 teachers to $355,000 in Classroom Materials/Supplies/Equipment).*
Staff Development	$750 per LEA, then 25% of total is allotted equally (base) and 75% allotted based on ADM.
Staff Development-Reading/Math	25% of total is allotted equally (base) and 75% allotted based on ADM.
Transportation	Based on an efficiency rated formula and local operating plans.
Vocational Education - MOE LIMITED FLEXIBILITY-7.5% Salary Increase	Base of 50 Months of Employment per LEA with remainder distributed based on ADM in grades 7-12.
Voc Ed-Program Support	$10,000 per LEA with remainder distributed based on ADM in grades 7-12 ($25.61).
Voc Ed-Tech Prep	Approved applications for LEAs who have applied for, but not received, prior supplemental funding.
Willie M. * No longer a class.	*Based on approved applications.*

Categories which cannot be adjusted in FY 1998-99 through an ABC transfer.

Category	*Reason for Restriction*
ABC Incentive Award	*Legislation*
Children with Disabilities	*Legislation; Funds may be transferred into Children with Disabilities*
Driver Education	*Highway Funds*

Cannot move funds from 1 category to Another.

PS 40

State Allotment Formulas
FY 1998-99

Intervention/Assistance Teams	*Legislation*
Limited English Proficiency	*Legislation*
Low Wealth Supplemental Funding	*Legislation*
NCHELPS	*Legislation*
Safety Assistance Teams	*Legislation*
School Technology	*Special Interest-Bearing Account*
Small County Supplemental Funding	*Legislation*
Willie M.	*Legislation*

N.C. Elementary and Secondary Education
FY 1998-99 Appropriated Funds (Note 1)

	Budgeted Positions	Budgeted Funds	Percentage
I. State Aid - Local Education Agencies			
General Administration			
Central Office Administration		$93,745,514	1.83%
Instructional Personnel and Related Services			
Classroom Teachers	56,699.50	1,895,803,043	37.05%
Teacher Assistants		318,919,640	6.23%
Instructional Support	6,356.00	231,067,868	4.52%
School Building Administration	3,786.10	193,793,673	3.79%
Classroom Materials/Instructional Supplies/Equipment		50,959,230	1.00%
Textbooks		59,246,725	1.16%
Annual Leave		12,531,616	0.24%
Compensation Bonus		8,184,188	0.16%
Mentor Pay		14,235,124	0.28%
Forfeited Vacation Days		12,750,000	0.25%
Estimated Matching Benefits (Note 2)		532,637,182	10.41%
Subtotal		3,330,128,289	65.08%
Support			
Noninstructional Support Personnel		250,314,192	4.89%
Categorical Programs			
ABC Incentive Award		115,118,003	2.25%
Academically & Intellectually Gifted		39,353,136	0.77%
At Risk Student Services/Alternative Schools		131,164,011	2.56%
Children with Disabilities		393,384,854	7.69%
Driver Education		23,895,355	0.47%
Intervention/Assistance Teams		6,299,989	0.12%
Limited English Proficiency		5,000,000	0.10%
Low Wealth Supplemental Funding		65,371,018	1.28%
NCHELPS		9,566,015	0.19%
Regional Ed. & Technical Assistance Funding		6,682,252	0.13%
Safety Assistance Teams		500,000	0.01%
School Technology		19,500,000	0.38%
Small County Supplemental Funding		21,610,192	0.42%
Staff Development		9,170,405	0.18%
Transportation		191,043,988	3.73%
Vocational Education	5,544.80	259,374,790	5.07%
Willie M.		6,297,035	0.12%
Subtotal		1,303,331,043	25.47%
Subtotal State Aid - Local Education Agencies		**$4,977,519,038**	97.27%
II. Miscellaneous			
ADM Contingency Reserve		5,500,000	0.11%
ADM Contingency Reserve-Charter Schools		2,472,531	0.05%
AVID Pilot Project		150,000	0.00%
Contracts-Finance Officer Staff Development		64,560	0.00%
Model Teacher Consortium		2,285,000	0.04%
NBPTS		3,274,500	0.06%
Other Insurance		48,944	0.00%
Personnel Services		69,704,039	1.36%
(Longevity, Short Term Disability, Worker's Comp., & Unemployment Comp.)			0.00%
School Bus Replacement		46,299,403	0.90%
School Leadership		150,000	0.00%
Testing		758,248	0.01%
Textbooks - Freight		111,000	0.00%
Tort Claims (Department of Justice)		3,774,000	0.07%
UERS		5,018,927	0.10%
Subtotal		139,611,152	2.73%
Grand Total		**$5,117,130,190**	100.00%

Note 1: Based on the State Public School Funds budget as of November 24, 1998.

Note 2: Includes funds for Social Security, Retirement, and Hospitalization. Benefits are included in the dollar allotments, such as Central Office Administration. Benefits for position/month of employment allotments (Teachers, Instructional Support, and School Building Administration) are shown here.

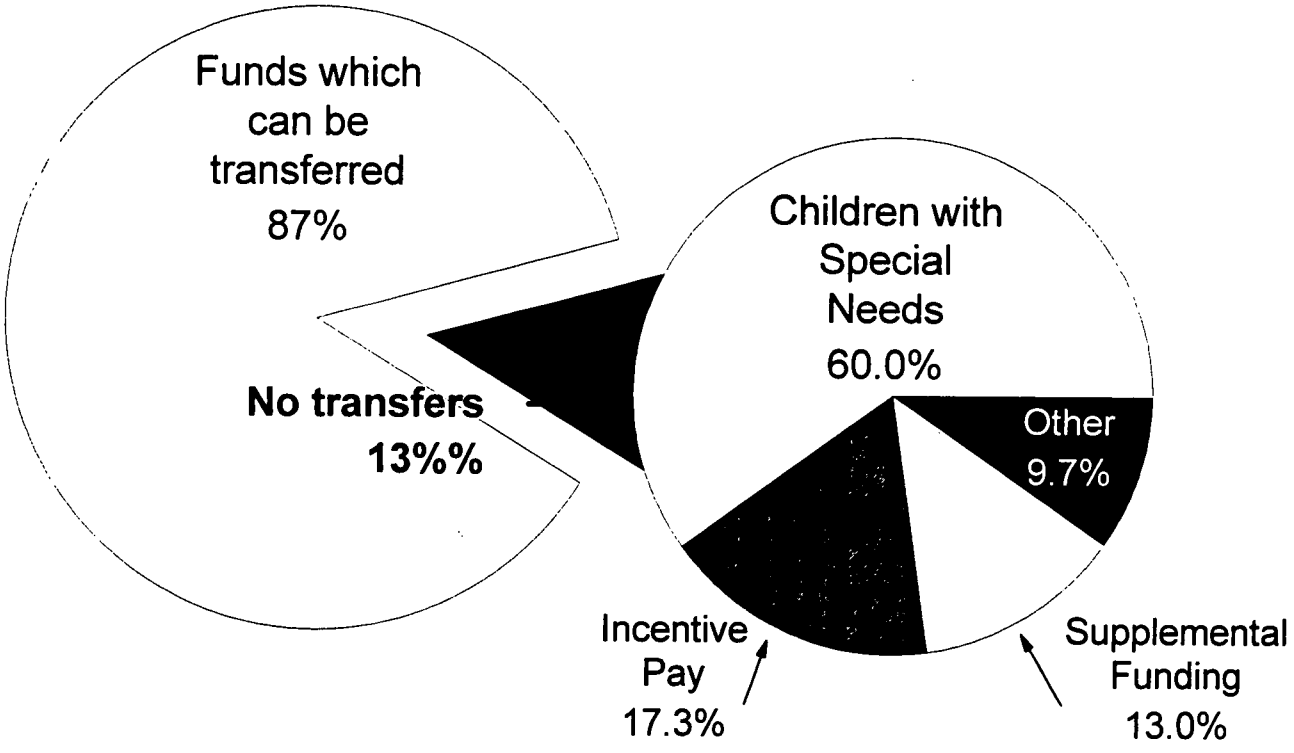
Local Flexibility with State Funds

PS 43

ABCs Flexibility

FY 1998-99

Of the $5.1 billion budget, only $666 million (13%) cannot be transferred to any other funding. The breakdown of categories which cannot be transferred is shown below. This funding cannot be transferred due to specific legislation.



Other includes:
- Driver Education
- Assistance Teams
- Lim. English Prof.
- NCHELPS
- Safety Teams
- School Technology

State Public School Fund

FY 1998-99 Transfer Policies

General Policies:

State Board waivers are no longer required for financial transfers. The only transfers required to be in a school improvement plan are for Academically Gifted Students (some transfers), Classroom Materials/Instructional Supplies/Materials, Noninstructional Support Personnel, Teacher Assistants, and Textbooks. Details of transfer policies are outlined below.

Allotment Category	ABC Transfer Policy
ABC Incentive Award	*No Transfers Allowed*
Academically or Intellectually Gifted Students	*Funds can be transferred to other categories IF IN A SCHOOL'S IMPROVEMENT PLAN and if all academically or intellectually gifted students are appropriately served. Funds may be transferred into this category.*
At Risk Student Services/ Alternative Schools *Funds are available from July 1 - August 31 of the next fiscal year.*	*Funds can be transferred for any purpose.*
Central Office Administration	*Funds cannot be transferred into this category. Funds can be transferred out for any other purpose.*
Children with Disabilities *Includes Willie M.*	*Funds may not be transferred out of this category. Funds may be transferred in from any category.*
Classroom Materials/Instructional Supplies/Equipment	*Transfers to textbooks allowed IF INCLUDED IN A SCHOOL'S IMPROVEMENT PLAN. No other transfers allowed.*
Classroom Teachers *The State does not allot dollars to hire teachers. The State will pay the salary cost of the State paid teachers a local system employs.*	*Funds can only be transferred for Classroom Materials/Instructional Supplies/Equipment, exceptional children teachers, at-risk teachers, or textbooks.*
Driver's Education	*No transfers allowed.*
Instructional Support Personnel *The State does not allot dollars for this category. The State will pay the salary cost of the State paid positions a local system employs.*	*Funds can be transferred for any purpose. Can be used for teachers in any grade without a transfer.*
Intervention/Asst. Team Funding	*No transfers allowed.*

State Public School Fund

FY 1998-99 Transfer Policies

Limited English Proficiency	*No transfers allowed.*
Allotment Category	ABC Transfer Policy
NCHELPS	*No transfers allowed.*
Noninstructional Support Personnel *Includes clerical, custodians, and substitutes.*	*Transfers allowed only for teachers (any grade) IF IN A SCHOOL'S IMPROVEMENT PLAN.* *No other transfers allowed.*
Regional Ed./Tech. Asst Funding	*Funds can be used for any purpose (No transfer required).*
Safety Assistance Teams	*No transfers allowed.*
School Building Administration *The State does not allot dollars for this category.* *The State will pay the salary cost of the State paid positions a local system employs.*	*Funds can be transferred for any purpose.* *Waivers for placement of Principals on the salary schedule for low-performing schools must be approved by the State Board.*
School Technology	*No transfers allowed.*
Staff Development	*Funds can be transferred for any purpose.* *LEAs must allot 75% of funds to schools.*
Staff Development-Math/Reading	*Funds can be transferred for any purpose, if all math/reading needs have been met. LEAs must allot 75% of funds to schools.*
Supplemental Funding *Low Wealth and Small County*	*Funds cannot be transferred.*
Teacher Assistants	*Transfers allowed only for teachers in grades K-3 IF IN A SCHOOL'S IMPROVEMENT PLAN. Positions must be vacant to transfer. Grade placement may be waived IF IN A SCHOOL'S IMPROVEMENT PLAN to serve students primarily in grades K-3 when the personnel are assigned to an elementary school to serve the whole school.*
Textbooks	*Transfers to Classroom Materials/Instructional Supplies/Equipment allowed IF INCLUDED IN A SCHOOL'S IMPROVEMENT PLAN. No other transfers allowed. LEAs will not have to obtain a waiver to purchase off the State-adopted list.*
Transportation	*Can be transferred. Transfers will impact efficiency ratings.*

State Public School Fund

FY 1998-99 Transfer Policies

Vocational Education	*Funds can be transferred between Voc. Ed. categories. Limited transfers for other purposes based on promulgated rules established by the State Board of Education to comply with federal regulations.*

Low Wealth Supplemental Funding

Low Wealth Supplemental Funding

PS 48

Low Wealth Supplemental Funding

Low Wealth Supplemental Funding

- The formula was created by the General Assembly in 1991
- The formula was extensively modified by the General Assembly in 1993.
- Purpose of the formula is to distribute funds to school systems not to determine adequacy of educational programs or funding for public schools .
- The formula is not intended to reflect any commitments by the General Assembly to appropriate additional supplemental funds.

Price

Calculating Low Wealth Supplemental Funding
Example - FY 1998-99

Weighted 40% Revenue, 10% Density, and 50% Income

STEP 1 - Comparability:

County Revenue:

Calculate County Adjusted Property Tax Base:

Real Property (revalued in 1995)	$1,545,456,134		
Less: Agricultural Use Value	326,198,555		
Property Value to be Adjusted		$1,219,257,579	
Weighted Sales Assessment Ratio		0.9129	(Valued @ 91% of Market)
Adjusted Real Property Value		1,335,587,226	
Public Service Company Value		70,950,997	
Personal Property Value		505,377,578	
Agricultural Use Value		326,198,555	
County Adjusted Property Tax Base		$2,238,114,356	

1

Convert County Adjusted Property Tax Base to Anticipated Revenue:

County Adjusted Property Tax Base	$2,238,114,356	
State Average "Effective" Tax Rate	0.604	(per $100 in Property Value)
(State Average Tax Rate for all Counties after adjusting each County's Actual Tax Rate by the County's Weighted Sales Assessment Ratio)		
Anticipated County Property Tax Revenue Availability	$13,518,211	

Include Additional Revenue:

Additional Local Revenue *	$7,446,266
Anticipated Total County Revenue Availability	$20,964,477

* (Local Sales and Use Taxes, Food Stamp Exemption Reimbursement, Homestead Exemption Reimbursement, Inventory Tax, Intangibles Tax, and Fines and Forfeitures).

Calculate Anticipated Total County Revenue Availability per Student:

Total County's Average Daily Membership (ADM)	**10,242**	
Anticipated Total County Revenue Availability per Student	**$2,047**	
Anticipated State Average Revenue Availability per Student	**$3,085**	
County Percentage of State Average County Revenue per Student		**66.35%**

Density Adjustment:

County Adjusted Property Tax Base	**$2,238,114,356**	
Square Miles in County	**945.52**	
County Adjusted Property Tax Base per Square Mile	**$2,367,072**	
State Average Adjusted Property Tax Base per Square Mile	**$8,963,583**	
County Percentage of State Average Property Tax Base per Square Mile		**26.41%**

2

Per Capita Income:

County 3 Year Average Per Capita Income (1994, 1995, 1996)	**$19,638**	
State 3 Year Average Per Capita Income (1994, 1995, 1996)	**$21,168**	
County Percentage of State 3 Year Average Per Capita Income		**92.77%**

3

STEP 2 - Eligibility

Calculating Low Wealth Supplemental Funding
Example - FY 1998-99

Weighted 40% Revenue, 10% Density, and 50% Income

Eligible for Funding:

40% of the County Percentage of Revenue Base per Student	**26.54%**	(66.35% * .4)
10% of the County Percentage of Property Base per Mile	**2.64%**	(26.41% * .1)
50% of the County Percentage of Per Capita Income	**46.39%**	(92.77% * .5)
County Wealth as a Percentage of State Average Wealth	**75.57%**	

If the Overall Wealth Percentage is less than 100%, then a County is eligible.

THIS COUNTY IS CLASSIFIED AS ELIGIBLE FOR LOW WEALTH FUNDING!!!

STEP 3 - Effort:

1st way to meet effort requirement:

County's 1997 Tax Rate	$0.670	(Per $100 in Property Valuation)	
Weighted Sales Assessment Ratio:	0.9129		
Effective County Tax Rate		**0.612**	
Effective State Average Tax Rate		**0.604**	(.6757 unadjusted)

If the Effective County Tax Rate is greater than the Effective State Average Tax Rate, then a County is Fundable.

THIS COUNTY WOULD RECEIVE 100% LOW WEALTH FUNDING!!!

THIS COUNTY W N

2nd way to meet effort requirement:

State Average Local Appropriation per Student	$933.81
County Wealth as a Percentage of State Average	75.57%
Calculated County Appropriation per Student	$705.68
Actual 1997 County Appropriation per Student	$658.35
County Appropriation as a Percentage of Calculated County Appropriation ($658.35 divided by $705.68)	93.3%

If the Actual County Appropriations exceed the Calculated County Appropriation (greater than 100%), then a County is Fundable at 100%.

Otherwise:

All other Eligible Counties will receive a portion of the calculated funding outlined in Step 4. If the Actual County Appropriations are less than the Calculated County Appropriation (less than 100%), then a County's funding will be reduced by the percent a County is below 100%. For example, this County was contributing only 93.3% of the formula's anticipated contributions. Therefore, this County would receive only 93.3% of the total funding the County would have received under the formula if the tax rate did not guarantee them 100% - Step 4 (Calculation of Effort Proration).

STEP 4 - Funding:

Calculating Low Wealth Supplemental Funding
Example - FY 1998-99

Weighted 40% Revenue, 10% Density, and 50% Income

Calculation of Total Funding:

State Average Local Appropriation per Student	$933.81	
County Wealth as a Percentage of State Average	75.57%	
Calculated County Appropriation per Student	$705.68	
State Average Local Appropriation per Student	933.81	
Difference From State Average	$228.13	0 if more than state avg.)
Total County's Average Daily Membership (ADM)	10,242	
Total Allotment per Formula	$2,336,507	

Calculation of Effort Proration:

Calculation of Proportional Funding if a County's Actual per Student Appropriations to public schools is less than the amount the formula anticipates that they could generate (See Step 3 Effort):

Total Allotment per Formula	$2,336,507	
County Appropriation as a Percentage of Calculated County Appropriation ($658.35 divided by $705.68)	100.0%	(Tax Rate > State Average Adjustment is not required)
Total Allotment after Effort Proration	$2,336,507	

Note: Revised legislation effective 7/1/97:

If a county's calculated effort falls below 100% because the effective tax rate drops below the state average tax rate, the county cannot lose more than 10% of what the funding would have been at 100%. This is a one time adjustment and will not be implemented if the county had reduced its tax rate.
In FY 1997-98, five LEAs were eligible for this adjustment. This adjustment saved these systems more than $1.5 million.

Another provision allows counties to increase local appropriations to the public schools and have this increase included in the local appropriation calculations, for effort, in the formula.

Calculation Pro Rata Actual Funding:

Maximum State Allotment for Fundable Counties	$109,286,960	(Includes all 73 eligible Co. after effort)
Total Appropriated Funds	$65,127,971	
County's Portion of Appropriated Funds	**$1,392,407**	(59.59% of $2,336,507)

North Carolina Department of Public Instruction
Division of School Business
School Finance Section
ary 18, 1999 (C:Other\1998-99\lowwealt\Example.wk4)

Low Wealth Supplemental Funding

FY 1991-92 through FY 1998-99

LEA #	LEA Name	Low Wealth Supplemental Funding							
		FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	1998-99
010	Alamance County	$0	$0	$0	$0	$0	$0	$0	$0
011	Burlington City	0	0	0	0	0	0	0	0
020	Alexander County	0	0	71,371	158,951	229,943	235,523	290,642	334,004
030	Alleghany County	2,567	2,567	12,963	2,054	11,491	0	0	0
040	Anson County	92,254	101,750	228,569	404,995	513,999	590,959	653,284	775,484
050	Ashe County	0	0	75,913	119,387	118,323	123,682	129,034	121,620
060	Avery County	0	0	0	0	0	0	0	0
070	Beaufort County	0	0	180,557	360,345	520,545	543,313	568,798	662,451
080	Bertie County	84,862	104,173	262,432	500,363	604,552	658,449	693,960	841,444
090	Bladen County	91,319	113,863	268,851	452,020	558,038	644,152	684,445	686,534
100	Brunswick County	0	0	0	0	0	0	0	0
110	Buncombe County	0	0	0	0	0	0	0	0
111	Asheville City	0	0	0	0	0	0	0	0
120	Burke County	0	0	216,119	575,084	755,476	855,220	858,797	973,302
130	Cabarrus County	36,736	48,225	0	0	0	0	0	0
132	Kannapolis City	8,796	11,533	9,227	23,384	29,764	36,954	42,096	48,956
140	Caldwell County	143,048	168,776	301,865	587,365	671,909	753,905	889,292	1,096,947
150	Camden County	9,596	12,114	40,776	106,527	159,077	166,685	165,985	198,915
160	Carteret County	0	0	0	0	0	0	0	0
170	Caswell County	69,354	96,097	195,834	267,058	421,508	474,099	535,747	647,073
180	Catawba County	0	0	0	0	0	0	0	0
181	Hickory City	0	0	0	0	0	0	0	0
182	Newton City	0	0	0	0	0	0	0	0
190	Chatham County	0	0	0	0	0	0	0	29,745
200	Cherokee County	0	0	81,093	195,094	248,833	247,326	294,239	310,380
210	Chowan County	37,988	45,222	96,029	181,276	231,719	260,662	258,274	312,805
220	Clay County	0	0	20,671	38,343	34,344	38,489	42,889	42,715
230	Cleveland County	88,321	88,838	69,158	286,269	270,195	358,839	404,287	696,463
231	Kings Mountain City	42,306	41,829	30,156	129,206	119,316	162,246	183,072	319,467
232	Shelby City	34,738	34,684	26,336	109,115	102,110	138,182	154,724	256,846

PS 53

Low Wealth Supplemental Funding

FY 1991-92 through FY 1998-99

LEA #	LEA Name	Low Wealth Supplemental Funding							
		FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	1998-99
240	Columbus County	166,657	203,936	436,884	629,938	740,088	759,797	841,884	1,206,537
241	Whiteville City	58,341	74,665	155,984	232,282	271,100	276,619	315,345	452,846
250	Craven County	0	0	383,373	714,228	777,740	812,951	891,384	942,172
260	Cumberland County	714,898	1,154,781	1,251,203	2,041,430	1,582,296	2,274,806	2,031,716	2,646,134
270	Currituck County	0	0	0	0	0	0	0	0
280	Dare County	0	0	0	0	0	0	0	0
290	Davidson County	0	0	141,126	228,487	360,593	507,297	575,897	793,329
291	Lexington City	0	0	24,598	38,946	62,169	87,440	100,094	132,068
292	Thomasville City	0	0	17,843	28,957	44,327	62,213	73,777	98,385
300	Davie County	0	0	0	0	0	0	0	0
310	Duplin County	154,632	190,579	436,892	488,569	844,879	875,891	915,245	939,153
320	Durham Public	0	0	0	0	0	0	0	0
330	Edgecombe County	162,831	199,546	200,845	548,565	687,730	754,875	833,397	1,067,825
340	Forsyth County	0	0	0	0	0	0	0	0
350	Franklin County	103,521	133,244	318,951	619,083	745,192	840,900	966,097	1,044,459
360	Gaston County	247,520	247,534	0	0	0	0	0	0
370	Gates County	25,139	29,072	81,590	192,376	272,712	310,963	336,918	433,935
380	Graham County	0	0	36,723	69,684	100,877	81,397	96,625	83,904
390	Granville County	0	0	266,478	582,650	711,781	847,767	955,076	1,051,523
400	Greene County	57,472	70,256	135,753	232,254	303,867	372,718	401,734	522,028
410	Guilford County	0	0	0	0	0	0	0	0
420	Halifax County	122,996	147,053	333,346	620,880	545,412	840,326	929,450	1,120,449
421	Roanoke Rapids City	54,831	67,349	161,067	318,270	274,560	428,064	460,031	565,123
422	Weldon City	22,615	27,860	66,209	118,928	107,284	168,065	175,250	198,801
430	Harnett County	241,979	334,321	746,082	1,462,094	1,822,861	1,345,106	2,362,767	3,086,895
440	Haywood County	24,442	24,442	74,851	50,130	112,117	175,524	225,551	280,468
450	Henderson County	0	0	0	0	0	0	0	0
460	Hertford County	85,904	115,478	260,411	528,087	625,996	698,534	748,086	833,841
470	Hoke County	127,109	172,813	424,741	874,766	1,085,834	1,256,019	1,340,474	1,627,327
480	Hyde County	0	0	0	0	0	0	0	5,665

Low Wealth Supplemental Funding

FY 1991-92 through FY 1998-99

LEA #	LEA Name	Low Wealth Supplemental Funding							
		FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	1998-99
490	Iredell County	0	127,489	0	0	0	0	0	0
491	Mooresville City	0	28,366	0	0	0	0	0	0
500	Jackson County	0	0	0	0	0	0	0	0
510	Johnston County	235,389	298,790	520,849	1,045,218	1,305,597	1,322,063	1,307,740	1,695,964
520	Jones County	28,605	33,917	80,644	106,250	114,034	136,596	135,981	179,229
530	Lee County	50,959	50,959	29,680	106,113	68,548	41,550	95,370	125,492
540	Lenoir County	164,712	183,311	258,758	499,929	530,259	572,354	626,009	894,541
550	Lincoln County	0	174,429	81,566	159,994	166,938	183,835	254,933	425,419
560	Macon County	0	0	0	0	0	0	0	0
570	Madison County	0	0	59,661	140,410	155,979	173,806	198,196	269,795
580	Martin County	63,868	68,641	161,532	362,107	407,312	466,439	517,421	724,346
590	McDowell County	0	0	187,856	391,996	483,108	493,138	548,065	634,363
600	Mecklenburg County	0	0	0	0	0	0	0	0
610	Mitchell County	0	0	66,814	115,116	127,587	140,695	154,717	168,276
620	Montgomery County	0	0	108,418	246,419	304,436	338,225	479,067	481,271
630	Moore County	0	0	0	0	0	0	0	0
640	Nash County	69,901	84,708	366,215	707,325	1,034,225	1,334,996	1,455,137	1,702,630
650	New Hanover County	0	0	0	0	0	0	0	0
660	Northampton County	70,935	79,139	193,104	416,370	526,773	580,823	618,949	711,735
670	Onslow County	0	590,311	925,312	1,755,236	2,236,174	2,325,838	2,663,886	3,076,586
680	Orange County	0	0	0	0	0	0	0	0
681	Chapel Hill City	0	0	0	0	0	0	0	0
690	Pamlico County	0	0	50,966	135,816	132,923	142,452	196,236	241,441
700	Pasquotank County	92,249	130,821	255,410	495,603	598,210	604,345	726,785	837,781
710	Pender County	0	0	157,727	350,052	418,962	510,752	497,605	541,990
720	Perquimans County	0	46,837	103,584	195,205	219,716	238,206	259,961	346,982
730	Person County	0	0	17,258	0	60,444	67,374	80,324	94,877
740	Pitt County	183,143	222,073	330,358	690,101	808,773	706,580	1,017,560	1,239,735
750	Polk County	0	0	0	0	0	0	0	0
760	Randolph County	0	0	169,582	335,311	406,175	560,425	663,310	853,968

Low Wealth Supplemental Funding

FY 1991-92 through FY 1998-99

LEA #	LEA Name	Low Wealth Supplemental Funding							
		FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	1998-99
761	Asheboro City	0	0	43,702	89,510	104,288	147,987	172,936	223,866
770	Richmond County	163,625	209,960	452,763	844,425	1,061,637	1,220,835	1,287,128	1,622,456
780	Robeson County	570,809	731,631	1,614,695	3,066,840	3,532,329	3,906,997	4,331,898	5,391,408
790	Rockingham County	144,320	144,320	222,697	593,952	535,235	720,201	755,457	1,218,562
800	Rowan County	0	0	159,460	437,830	556,142	810,623	919,010	1,086,908
810	Rutherford County	0	0	203,987	492,221	554,612	665,055	690,309	778,554
820	Sampson County	126,917	127,258	213,916	409,621	430,528	703,252	760,500	1,051,267
821	Clinton City	53,080	52,739	85,560	150,660	156,743	246,704	257,981	341,140
830	Scotland County	152,303	192,194	337,040	677,107	812,952	896,172	969,227	1,049,007
840	Stanly County	0	0	123,794	295,039	391,209	505,246	812,869	979,359
841	Albemarle City	0	0	38,007	88,926	114,883	150,662	0	0
850	Stokes County	0	0	121,951	186,061	287,216	360,885	469,981	593,717
860	Surry County	78,113	78,466	87,483	172,244	224,751	251,456	337,605	482,741
861	Elkin City	10,618	10,396	11,613	23,988	29,926	33,654	46,786	68,790
862	Mount Airy City	20,705	20,574	22,764	42,930	55,753	64,718	83,466	118,291
870	Swain County	0	0	61,957	110,715	139,412	141,675	145,933	148,443
880	Transylvania County	0	0	0	0	0	0	0	0
890	Tyrrell County	7,238	9,691	30,996	49,914	80,347	92,289	105,572	150,717
900	Union County	0	199,462	2,822	370,286	455,905	544,249	735,478	841,793
910	Vance County	0	201,077	268,754	497,751	615,559	732,192	792,196	1,013,103
920	Wake County	0	0	0	0	0	0	0	0
930	Warren County	39,762	46,030	145,159	335,555	408,660	483,708	541,182	607,933
940	Washington County	55,940	71,871	168,635	271,135	302,228	343,002	376,523	497,633
950	Watauga County	0	0	0	0	0	0	0	0
960	Wayne County	331,409	443,339	820,780	1,547,345	1,456,794	2,115,301	2,257,599	2,346,392
970	Wilkes County	0	0	229,156	464,442	614,985	582,813	629,390	683,547
980	Wilson County	136,074	213,998	165,998	303,983	355,822	333,217	371,152	526,893
990	Yadkin County	36,554	64,603	104,031	278,771	285,119	333,645	429,929	398,354
995	Yancey County	0	0	57,693	110,547	134,044	135,826	144,355	172,658
	Total	$6,000,000	$9,000,000	$18,063,577	$35,283,809	$41,483,809	$47,528,813	$53,348,077	$65,127,971

Low Wealth Supplemental Funding

LEA No.	LEA Name	Fiscal Year 1997-98 Allotment	YTD Expenditures	Unexpended Amount	Unexpended Percent
020	Alexander County	290,282.00	290,282.00	0.00	0.00%
040	Anson County	653,284.00	653,269.15	14.85	0.00%
050	Ashe County	129,034.00	129,034.00	0.00	0.00%
070	Beaufort County	568,647.00	568,647.00	0.00	0.00%
080	Bertie County	693,960.00	680,921.96	13,038.04	1.88%
090	Bladen County	684,445.00	684,444.90	0.10	0.00%
120	Burke County	858,239.00	858,239.00	0.00	0.00%
132	Kannnapolis City	42,096.00	42,066.27	29.73	0.07%
140	Caldwell County	884,280.00	883,846.75	433.25	0.05%
150	Camden County	165,985.00	165,985.00	0.00	0.00%
170	Caswell County	535,747.00	535,658.96	88.04	0.02%
200	Cherokee County	289,111.00	289,111.00	0.00	0.00%
210	Chowan	258,274.00	258,274.00	0.00	0.00%
220	Clay County	42,688.00	42,687.95	0.05	0.00%
230	Cleveland County	404,242.00	404,241.99	0.01	0.00%
231	Kings Mountain City	183,072.00	183,061.74	10.26	0.01%
232	Shelby City	154,679.00	154,679.00	0.00	0.00%
240	Columbus County	841,884.00	841,422.30	461.70	0.05%
[illegible]	Whiteville City	315,345.00	311,169.30	4,175.70	1.32%
250	Craven County	891,325.00	891,261.33	63.67	0.01%
260	Cumberland County	2,031,598.00	2,031,461.77	136.23	0.01%
290	Davidson County	575,866.00	575,866.00	0.00	0.00%
291	Lexington City	100,094.00	100,031.92	62.08	0.06%
292	Thomasville City	73,777.00	71,778.37	1,998.63	2.71%
310	Duplin County	915,245.00	915,245.00	0.00	0.00%
330	Edgecombe County	829,840.00	829,840.00	0.00	0.00%
350	Franklin County	965,692.00	965,076.73	615.27	0.06%
370	Gates County	336,918.00	336,882.63	35.37	0.01%
380	Graham County	96,625.00	96,625.00	0.00	0.00%
390	Granville County	955,076.00	955,076.00	0.00	0.00%
400	Greene County	400,776.00	400,776.00	0.00	0.00%
420	Halifax County	929,012.00	887,980.22	41,031.78	4.42%
421	Roanoke Rapids City	459,885.00	459,885.00	0.00	0.00%
422	Weldon City	175,250.00	175,250.00	0.00	0.00%
430	Harnett County	2,362,767.00	2,362,624.01	142.99	0.01%
440	Haywood County	225,551.00	225,551.00	0.00	0.00%
460	Hertford County	748,086.00	746,584.82	1,501.18	0.20%
470	Hoke County	1,340,021.00	1,340,021.00	0.00	0.00%
510	Johnston County	1,307,240.00	1,307,240.00	0.00	0.00%
520	Jones County	135,981.00	135,971.53	9.47	0.01%
[illegible]	Lee County	95,370.00	95,370.00	0.00	0.00%
[illegible]	Lenoir County	619,639.00	619,638.66	0.34	0.00%

PS57

Low Wealth Supplemental Funding

LEA No.	LEA Name	Fiscal Year 1997-98 Allotment	YTD Expenditures	Unexpended Amount	Unexpended Percent
550	Lincoln County	254,856.00	254,856.00	0.00	0.00%
570	Madison County	198,119.00	198,032.38	86.62	0.04%
580	Martin County	517,421.00	517,421.00	0.00	0.00%
590	McDowell County	548,065.00	547,761.78	303.22	0.06%
610	Mitchell County	154,717.00	154,717.00	0.00	0.00%
620	Montgomery County	479,067.00	478,721.78	345.22	0.07%
640	Nash-Rocky Mount	1,420,350.00	1,420,350.00	0.00	0.00%
660	Northampton County	618,949.00	605,612.98	13,336.02	2.15%
670	Onslow County	2,663,886.00	2,660,186.79	3,699.21	0.14%
690	Pamlico County	188,852.00	188,836.51	15.49	0.01%
700	Pasquotank County	726,785.00	721,112.46	5,672.54	0.78%
710	Pender County	497,362.00	497,076.94	285.06	0.06%
720	Perquimans County	259,961.00	259,894.93	66.07	0.03%
730	Person County	80,268.00	78,574.74	1,693.26	2.11%
740	Pitt County	1,010,993.00	1,010,790.35	202.65	0.02%
760	Randolph County	662,695.00	662,695.00	0.00	0.00%
761	Asheboro City	172,936.00	172,898.87	37.13	0.02%
770	Richmond County	1,287,128.00	1,281,118.79	6,009.21	0.47%
[illegible]	Robeson County	4,314,390.00	4,314,390.00	0.00	0.00%
790	Rockingham County	755,457.00	755,453.66	3.34	0.00%
800	Rowan County	918,824.00	918,824.00	0.00	0.00%
810	Rutherford County	690,309.00	689,087.74	1,221.26	0.18%
820	Sampson County	760,500.00	758,725.69	1,774.31	0.23%
821	Clinton City	257,981.00	257,981.00	0.00	0.00%
830	Scotland County	969,227.00	969,227.00	0.00	0.00%
840	Stanly County	812,869.00	812,869.00	0.00	0.00%
850	Stokes County	469,848.00	469,843.38	4.62	0.00%
860	Surry County	337,211.00	337,211.00	0.00	0.00%
861	Elkin City	45,103.00	45,103.00	0.00	0.00%
862	Mount Airy City	83,424.00	83,256.97	167.03	0.20%
870	Swain County	145,933.00	145,893.12	39.88	0.03%
890	Tyrrell County	105,572.00	105,572.00	0.00	0.00%
900	Union County	735,478.00	695,577.28	39,900.72	5.43%
910	Vance County	792,196.00	789,743.14	2,452.86	0.31%
930	Warren County	541,182.00	541,182.00	0.00	0.00%
940	Washington County	376,523.00	376,458.01	64.99	0.02%
960	Wayne County	2,246,507.00	2,241,784.28	4,722.72	0.21%
970	Wilkes County	624,274.00	624,274.00	0.00	0.00%
980	Wilson County	362,232.00	348,480.91	13,751.09	3.80%
990	Yadkin County	427,903.00	427,903.00	0.00	0.00%
[illegible]	Yancey County	144,355.00	144,355.00	0.00	0.00%
	Total	**$53,226,636.00**	**$53,066,932.74**	**$159,703.26**	**27.24%**

Low Wealth Supplemental Funding
Report on Expenditures

June 30,1998

State Summary

Total Allotment:	**$53,226,636**	**$210,586,644**

Expenditure Description	FY 1997-98 As of 06/30/98	FY 1997-98 % of Total	FY 91/92 Thru FY 97/98 Cumulative	FY 91/92 Thru FY 97/98 % of Total
Teachers	$16,291,982.20	30.68%	$56,765,275.80	27.06%
Teacher Assistants	5,545,876.51	10.45%	17,527,685.78	8.36%
Instructional Support (Note)	477,175.62	0.90%	2,393,698.11	1.14%
Clerical Personnel	5,447,384.73	10.27%	16,719,572.61	7.98%
Other - Salary Related:				
Substitute Pay	385,008.51	0.73%	2,026,658.26	0.97%
Supplemental Pay	578,907.40	1.09%	1,305,009.37	0.62%
Overtime Pay	78,356.89	0.15%	163,281.86	0.08%
Technical ,Other Assignments, etc.	827,954.91	1.56%	2,876,613.37	1.37%
Matching Benefits	7,273,550.98	13.71%	24,624,244.65	11.75%
Total Other	9,143,778.69	17.24%	30,995,807.51	14.79%
Instructional Supplies	5,617,558.53	10.59%	27,428,484.54	13.09%
Computer Software and Supplies	1,546,222.25	2.91%	6,436,808.16	3.07%
Textbooks (Supplemental)	41,312.72	0.08%	958,204.02	0.46%
Library Books and Periodicals	843,924.50	1.59%	3,597,641.03	1.72%
Audiovisual Supplies	333,939.85	0.63%	1,185,633.49	0.57%
Instructional Equipment	2,998,057.97	5.65%	16,067,323.77	7.67%
Computer Equipment	3,803,233.85	7.17%	24,459,654.34	11.67%
Workshops	976,485.32	1.84%	5,063,089.54	2.42%
Total	$53,066,932.74	100.00%	$209,598,878.70	100.00%

Unexpended Balance:	**$159,703.26**	**0.30%**	**$987,765.30**	**0.47%**

Note: Instructional Support includes Guidance Counselors, Library/Media Specialist, Social Workers, and Health Services.

PS 59

Small School Supplemental Funding

PS 60

Small School Supplemental Funding

- The formula was created by the General Assembly in 1991
- The formula has been modified by the General Assembly a number of time since its inception.
- Purpose of the formula is to distribute funds to school systems not to determine adequacy of educational programs or funding for public schools .
- The formula is not intended to reflect any commitment by the General Assembly to appropriate additional supplemental funds.

ALLOTMENT POLICY IDENTIFICATION:

POLICY ID NUMBER: 02Z
CATEGORY: SPSF ALLOTMENT FORMULAS
POLICY TITLE: Small County Supplemental Funding

EFFECTIVE POLICY DATE: 07/01/98
REVISED POLICY DATE:

SMALL COUNTY SUPPLEMENTAL FUNDING

PROGRAM REPORT CODE: 19
UNIFORM CHART OF ACCOUNTS CODE: XXX0-19-XXX

TYPE: Dollars
TERM: July 1 - June 30

PURPOSE: To provide additional funds to special small school systems.

ELIGIBILITY: County LEAs with less than 3,213 ADM are entitled to funding. Also entitled are county LEAs with ADM between 3,213 and 4,080 whose adjusted property tax base per student is below the state average adjusted property tax base per student.

See Special Provision #1 for the hold harmless policy regarding ineligibility because of an increase in ADM or an increase in the county adjusted property tax base.

FORMULA: The sum of:

1. The dollar equivalent of rounding all fractions of position allotments to the next whole position (Example: 1.1 = 2).

2. The dollar equivalent of five and one-half additional regular classroom teachers for LEAs in which the ADM per square mile is greater than four. For LEAs in which the ADM per square mile is equal to or less than four, the dollar equivalent of seven additional regular classroom teachers is allotted.

PS62

3. The dollar equivalent of additional program enhancement teachers adequate to offer the standard course of study.

ADM Range	Additional Program Enhancement Teachers
0-1,100	5
1,101-1,500	4
1,501-1,900	3
1,901-2,300	2
2,301-2,999	1

Effective July 1, 1999, if an LEA is eligible for Small County Supplemental Funding, they will receive at least the dollar equivalent of one Program Enhancement Teacher.

4. The dollar equivalent of one teacher assistant per 400 ADM less the initial duty-free period allocation ($2 per ADM).

5. The dollar difference between the allotment for Classroom Materials/ Instructional Supplies/Equipment and $355,000.

6. The dollar equivalent of Vocational Education months of employment and program support generated based on sixth grade ADM.

SPECIAL PROVISIONS:

1. If an LEA becomes ineligible for funding solely because of an increase in ADM or an increase in the county adjusted property tax base per student of the county in which the LEA is located, funding for that LEA shall be phased-out over a two year period. For the first year of ineligibility, the unit shall receive the same amount it received for the prior fiscal year. For the second year of ineligibility, the LEA will receive half of that amount.

2. Funds allotted for small school systems may be used for any type expenditure eligible from State fund allotments;

however, based on N.C. G.S. 115C-408(b), these funds are not available for capital construction projects. Each LEA will need to develop its own chart of accounts using PRC 19 with any valid purpose and object code in the Chart of Accounts.

3. These funds are to supplement, not supplant, local funds. Funds will not be allocated to any LEA found to have used these funds to supplant local per student current expense funds.

   A county is considered to have used these funds to supplant if the current expense appropriation per student of the county for the current year is less than 95% of the average of the local current expense appropriations per student for the three prior fiscal years.

4. The State Board of Education will consider requests from LEAs to waive the nonsupplant requirement as outlined in the legislated low wealth and small county supplemental funding formula only under the following conditions:

   The county can show:
   - that it has remedied the deficiency in funding, or
   - that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.

   Examples include:
   - Closing/merging schools within an LEA.
   - Loss of federal Impact Aid funds.
   - Significant change in the demand for county resources due to state/federal unfunded mandates, natural disaster, or other emergency.

ADDRESS QUESTIONS RELATED TO THIS CATEGORY TO THE FOLLOWING:

Allotments: Division of School Business
School Finance Section
(919) 715-1422

PS 64

NORTH CAROLINA PUBLIC SCHOOLS
ALLOTMENT POLICY MANUAL

Expenditures: Division of School Business
Reporting and Auditing Manager
(919) 715-1400

PS 65

January 12, 1999

Small County Supplem[illegible] Funding

FY 1991-92 through F[illegible]98-99

LEA #	LEA Name	FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98*	FY 1998-99*
030	Alleghany County	$146,796	$236,698	$509,433	$617,021	$628,852	$643,669	$768,002	$874,983
050	Ashe County	176,832	301,784	301,784 A	0	0	0	0	0
060	Avery County	171,880	286,160	401,983	518,348	588,514	651,425	749,028	771,948
080	Bertie County	0	0	0	631,805	572,720	621,783	695,921	842,298
150	Camden County	136,048	232,239	520,142	561,460	656,102	667,060	678,278	876,976
170	Caswell County	172,392	275,723	452,191	521,874	611,964	566,439	724,873	789,169
200	Cherokee County	184,288	331,877	393,132	571,594	621,718	621,718 C	588,607	834,081
210	Chowan County	158,672	291,900	385,277	592,045	606,947	543,496	662,706	819,738
220	Clay County	151,604	227,199	506,938	604,698	613,943	634,671	689,341	839,949
270	Currituck County	162,516	314,139	481,108	538,392	538,392 B	568,227	659,485	847,106
370	Gates County	140,832	241,031	484,818	601,472	579,114	574,420	773,697	867,544
380	Graham County	148,160	255,633	512,527	594,428	653,410	644,293	699,968	834,801
400	Greene County	164,864	265,839	433,385	529,303	611,664	604,840	686,794	786,225
480	Hyde County	146,680	237,132	523,077	635,187	700,587	725,238	780,187	937,189
500	Jackson County	0	298,781	298,781 A	0	0	0	0	0
520	Jones County	151,504	253,386	574,407	619,517	673,396	722,673	769,424	914,116
570	Madison County	165,592	271,698	390,303	552,706	525,270	616,101	629,121	750,743
610	Mitchell County	163,072	264,887	396,817	525,848	586,554	563,343	656,316	835,311
660	Northampton County	189,052	294,455	419,909	521,520	643,046	640,247	705,097	892,592
690	Pamlico County	159,044	279,650	440,533	541,287	507,368	588,133	707,765	911,787
720	Perquimans County	148,288	266,749	425,062	544,822	570,013	609,724	725,334	890,777
750	Polk County	160,624	251,545	423,531	544,135	635,816	593,123	713,403	804,314
870	Swain County	152,464	253,442	532,758	667,872	639,896	606,973	748,197	874,604
890	Tyrrell County	130,204	242,753	602,883	686,571	673,112	723,831	774,118	962,143
930	Warren County	169,384	296,016	394,055	558,497	558,850	546,741	700,786	827,409
940	Washington County	172,592	269,717	470,161	555,314	565,277	630,893	725,320	719,172
995	Yancey County	176,616	259,567	456,912	554,009	554,770	525,516	635,781	792,846
	Total	$4,000,000	$7,000,000	$11,731,907	$14,389,725	$15,117,295	$15,434,577	$17,647,549	$21,097,821

*** Before reduction for Charter Schools**

A. Ashe County and Jackson County were held harmless in FY 1993-94.

B. Currituck County was held harmless in FY 1995-96. They were eligible for funding in FY 1996-97.

C. Cherokee County was held harmless in FY 1996-97. They were eligible for funding in FY 1997-98.

The original formula was first fully funded in FY 1994-95.

PS 66

Small County Supplemental Funding

LEA No.	LEA Name	Fiscal Year 1997-98			
		Allotment	Total Expenditures	Unexpended	
				Amount	Percent
030	Alleghany County	768,002	768,002.00	0.00	0.00%
060	Avery county	749,028	749,028.00	0.00	0.00%
080	Bertie County	695,921	695,911.00	10.00	0.00%
150	Camden County	678,278	678,250.67	27.33	0.00%
170	Caswell County	724,873	724,873.00	0.00	0.00%
200	Cherokee County	578,350	578,350.00	0.00	0.00%
210	Chowan County	662,706	662,706.00	0.00	0.00%
220	Clay County	686,107	686,107.00	0.00	0.00%
270	Currituck County	659,485	659,475.36	9.64	0.00%
370	Gates County	773,697	771,071.59	2,625.41	0.34%
380	Graham County	699,968	698,998.25	969.75	0.14%
400	Greene County	685,156	685,155.99	0.01	0.00%
480	Hyde County	780,187	688,851.69	91,335.31	11.71%
520	Jones County	769,424	769,338.75	85.25	0.01%
570	Madison County	628,876	628,820.60	55.40	0.01%
610	Mitchell County	656,316	652,102.95	4,213.05	0.64%
660	Northampton County	705,097	699,276.10	5,820.90	0.83%
690	Pamlico County	681,130	678,605.48	2,524.52	0.37%
720	Perquimans County	725,334	725,111.35	222.65	0.03%
750	Polk County	713,403	713,367.12	35.88	0.01%
870	Swain County	748,197	748,161.60	35.40	0.00%
890	Tyrrell County	774,118	774,118.00	0.00	0.00%
930	Warren County	700,786	696,577.69	4,208.31	0.60%
940	Washington County	725,320	711,558.71	13,761.29	1.90%
995	Yancey County	635,781	635,781.00	0.00	0.00%
	Total	**17,605,540**	**17,479,599.90**	**125,940.10**	**0.72%**

Small County Supplemental Funding
Report on Expenditures

State Summary		June 30,1998
Total Allotment:	$17,605,540	$85,279,044

Expenditure Description	FY 1997-98 As of 06/30/98	% of Total	FY 1991-92 Thru FY 97-98 Cumulative	% of Total
Teachers	$4,715,509.42	26.98%	$23,496,726.33	27.69%
Teacher Assistants	1,426,165.38	8.16%	5,868,121.21	6.92%
Instructional Support (Note)	146,105.26	0.84%	2,110,197.34	2.49%
Clerical Personnel	975,014.75	5.58%	3,460,455.51	4.08%
Other - Salary Related:				
Substitute Pay	237,518.45	1.37%	1,204,395.45	1.42%
Supplementary Pay	67,178.30	0.38%	92,901.67	0.11%
Overtime Pay	4,092.65	0.02%	30,683.86	0.04%
Custodians	969,024.48	5.54%	2,493,524.48	2.94%
Data Processing-Director/Other	0.00	0.00%	57,367.12	0.07%
Assistant Principals/Principals	238,565.96	1.36%	1,626,863.19	1.92%
Administration Salaries (Dir., Fin. Officer)	0.00	0.00%	439,581.11	0.52%
Technical	206,928.89	1.18%	1,136,426.65	1.34%
Salaries Other	842,154.48	4.82%	2,637,446.92	3.11%
Matching Benefits	2,432,675.71	13.92%	11,243,454.58	13.24%
Total Other	4,998,138.92	28.59%	20,962,645.03	24.71%
Administration Equipment & Supplies	131,602.64	0.75%	1,100,782.03	1.30%
Instructional Supplies and Materials	1,223,636.07	7.00%	6,464,889.37	7.62%
Computer Software and Supplies	338,498.34	1.94%	1,312,930.90	1.55%
Electricity/Fuel	297,419.79	1.70%	2,617,311.87	3.08%
Other category broken out:				
Contracted Services	416,679.08			
Workshop Expenses	291,649.53			
Repairs & Maintenance/Fuel	373,574.69			
Rentals	95,569.31			
Travel	15,862.22			
Telecommunications	146,035.33			
Other (Postg., Misc.,Printing, etc.)	132,432.60			
Subtotal/ OTHER	1,471,802.76	8.42%	5,143,829.55	6.05%
Architect Fees	0.00	0.00%	23,652.86	0.03%
Textbooks (Basic & Supplemental)	14,784.26	0.08%	360,063.63	0.42%
Library Books/Periodcls/Audiovisual	179,981.44	1.03%	1,127,262.38	1.33%
Instructional Equipment	384,741.41	2.20%	4,659,371.02	5.49%
Computer Equipment	1,176,199.46	6.73%	6,142,057.62	7.24%
Total	$17,479,599.90	100.00%	$84,850,296.65	100.00%
Unexpended Balance:	$125,940.10	0.72%	$428,747.35	0.50%

Note: Instructional Support includes Guidance Counselors, Library/Media Specialist, Social Workers, and Health Services.

Governor Hunt's Recommended Continuation Budget

PS 69

Summary of the Governor's Continuation Budget Increases

- FY1999-00 $155.6 million increase
- Adjustment for changes in average salary
- FY2000-01 $262.8 million, including increases for FY1999-00

Public School Fund
Continuation Budget

	FY1999-2000
FY1998-99 Nonreurring Items Funded with Recurring Dollars in FY1999-00	
English as a Second Language Funds. Funded in 1998-99 with nonrecurring funds. Funded as a part of the FY1999-00 Continuation Budget with recurring funds	5,000,000
End-of Course and End-of-Grade test and special education modifications	758,248
Funds to begin the replacement of the Student Information System (SIMS)	2,000,000
N.C. Helps. Additional pay for teachers in low performing and at-risk schools.	4,905,405
National Board for Professional Teaching Standards	2,261,588
Longevity pay earmarked from FY1997-98 excess reversions	9,010,274
Total Included in the Beginning Continuation Budget	$23,935,515

Fiscal Research Division March 23, 1999

Total Adjustments to 1999-00 Continuation Budget

Category Description	Beginning Continuation Budget	Average Daily Membership Revisions: Positions	Average Daily Membership Revisions: Months of Employment	Average Daily Membership Revisions: Dollars	Changes in Average Salary	Revised 1999-2000 Continuation Budget: Positions	Revised 1999-2000 Continuation Budget: Months of Employ.	Revised 1999-2000 Continuation Budget: Dollars INCLUDING LI
National Board for Professional Teaching Standards	**3,274,500**			0	0	0.0	0.0	3,274,500
Uniform Education Reporting System	**5,018,927**			0	0	0.0	0.0	5,018,927
Testing (moved from 1600)	250,000			0	0	0.0	0.0	250,000
Testing (moved from 1600)	**4,616,043**			58,609	0	0.0	0.0	4,674,652
School Buses	22,100,000			18,323,799	0	0.0	0.0	40,423,799
Unemployment Comp	2,869,541			0	0	0.0	0.0	2,869,541
Work Comp (Tr Out-Exp Tr)	10,775,150			8,250,993	0	0.0	0.0	19,026,143
Tort Claims (Department. of Justice)	3,774,000			0	0	0.0	0.0	3,774,000
ADM Contingency Reserve	5,500,000			0	0	0.0	0.0	5,500,000
Central Office Administration	93,745,514			420,000	0	0.0	0.0	94,165,514
Noninstructional Support Personnel	250,314,192			6,528,557	0	0.0	0.0	256,842,749
School Building Administration								
Principals	$121,242,874	35.0		$2,034,060	($3,604,249)	2,095.0	0.0	$119,672,685
Assistant Principals	72,550,799		242.0	1,023,951	(1,742,438)	0.0	17,503.0	71,832,312
Total School Building Administration	$193,793,673	35.0	242.0	$3,058,011	($5,346,687)	2,095.0	17,503.0	$191,504,997
Classroom Teachers	1,895,880,943	783.0	0.0	26,170,538	(5,240,036)	57,482.5	0.0	1,916,811,445
Teacher Assistants	318,919,640			3,134,870	0	0.0	0.0	322,054,510
Instructional Support	232,682,108	89.5		3,268,473	(805,850)	6,445.5	0.0	235,144,731
At Risk Student Services	131,164,011			13,185,881	0	0.0	0.0	144,349,892
NCHELPS	**7,566,015**			0	0	0.0	0.0	7,566,015
Limited English Proficiency	**5,000,000**			0	0	0.0	0.0	5,000,000
Low Wealth Supplement Funding	65,371,018			0	0	0.0	0.0	65,371,018
Small County Supplement Funding	18,610,192			0	0	0.0	0.0	18,610,192
AVID Pilot Project	150,000			0	0	0.0	0.0	150,000
Supplies/Materials/Equipment	50,959,230			2,977,087	0	0.0	0.0	53,936,317
Textbooks								
Regular	$58,522,693			$3,791,513	$0	0.0	0.0	$62,314,206
Exceptional Children	724,032			34,392	0	0.0	0.0	758,424
Total Textbooks	$59,246,725			$3,825,905	$0	0.0	0.0	$63,072,630
Staff Development (K-12)	11,256,154			78,420	0	0.0	0.0	11,334,574
Payment-Teacher Vac. Days	12,750,000			0	0	0.0	0.0	12,750,000
Mentor Teachers	0			0	0	0.0	0.0	0
Vocational Ed-Substitute Pay	1,779,775			0	0	0.0	0.0	1,779,775
Vocational Education Months of Employment	195,345,855		720.0	2,532,320	(616,159)	0.0	56,168.0	197,262,016
Vocational Education Program Support	14,674,371			175,830	0	0.0	0.0	14,850,201
Vocational Education Tech Prep	100,000			0	0	0.0	0.0	100,000

PS 42

Total Adjustments to 1999-00 Continuation Budget

Category Description	Beginning Continuation Budget	Average Daily Membership Revisions: Positions	Average Daily Membership Revisions: Months of Employment	Average Daily Membership Revisions: Dollars	Changes in Average Salary	Revised 1999-2000 Continuation Budget: Positions	Revised 1999-2000 Continuation Budget: Months of Employ.	Revised 1999-2000 Continuation Budget: Dollars INCLUDING LI
Children with Special Needs								
Preschool Handicap.	$27,778,552			$878,992	$0	0.0	0.0	$28,657,544
Exceptional Children	351,151,269			13,040,013	0	0.0	0.0	364,191,282
Group Homes	356,941			218,370	0	0.0	0.0	575,311
Developmental Day	9,031,531			734,203	0	0.0	0.0	9,765,734
Community Residential Centers	5,066,561			208,206	0	0.0	0.0	5,274,767
Total Children with Special Needs	$393,384,854			$15,079,784	$0	0.0	0.0	$408,464,638
Willie M.	6,297,035			425,763	0	0.0	0.0	6,722,798
Academically Gift. Students	39,353,136			732,148	0	0.0	0.0	40,085,284
Transportation	191,043,988	7.0		6,246,219	0	14,121.0	0.0	197,290,207
PRC 01-Social Security	177,146,925			2,999,386	(871,531)	0.0	0.0	179,274,780
PRC 01-Retirement	241,082,586			13,948,076	(1,233,817)	0.0	0.0	253,796,845
PRC 01-Hospitalization	114,407,671			3,974,162	0	0.0	0.0	118,381,833
Short Term Disability	7,163,994			268,063	0	0.0	0.0	7,432,057
Longevity	38,734,002			11,478,418	0	0.0	0.0	50,212,420
Annual Leave	12,531,616			4,029,856	0	0.0	0.0	16,561,472
Compensation Bonus	0			0	0	0.0	0.0	0
Vocational Education-Social Security	15,232,872		(See Note 2)	(95,192)	(47,136)	0.0	0.0	15,090,544
Vocational Education-Retirement	20,539,555		(See Note 2)	890,651	(66,730)	0.0	0.0	21,363,476
Vocational Education-Hospitalization	9,444,005		(See Note 2)	306,760	0	0.0	0.0	9,750,765
Vocational Education-Longevity	2,406,926			0	0	0.0	0.0	2,406,926
Assistance Teams	2,600,000			0	0	0.0	0.0	2,600,000
Charter Schools	2,472,531			0	0	0.0	0.0	2,472,531
Safety Assistance Teams	500,000			0	0	0.0	0.0	500,000
Total General Fund	$4,909,738,538	914.5	962.0	$152,273,387	($14,227,946)	80,144.0	73,671.0	$5,047,783,979
Service Charge-Sale Surplus	7,000			0	0	0.0	0.0	7,000
Driver Education	23,895,355			3,406,220	0	0.0	0.0	27,301,575
Total General & Highway Funds	$4,933,640,893	914.5	962.0	$155,679,607	($14,227,946)	80,144.0	73,671.0	$5,075,092,554

Total Adjustments to 2000-01 Continuation Budget

Category Description	Beginning Continuation Budget	Average Daily Membership Revisions			Revised 2000-01 Continuation Budget		
		Positions	Months of Employment	Dollars	Positions	Months of Employment	Dollars Including Salary Increase
National Board for Professional Teaching Standards	3,274,500			0	0.0	0.0	3,274,500
Uniform Education Reporting System	5,018,927			0	0.0	0.0	5,018,927
Testing (moved from 1600)	250,000			0	0.0	0.0	250,000
Testing (moved from 1600)	4,616,043			130,314	0.0	0.0	4,746,357
School Buses	22,100,000			19,056,638	0.0	0.0	41,156,638
Unemployment Comp	2,869,541			0	0.0	0.0	2,869,541
Work Comp (Tr Out-Exp Tr)	10,775,150			8,250,993	0.0	0.0	19,026,143
Tort Claims (Dept of Justice)	3,774,000			0	0.0	0.0	3,774,000
ADM Contingency Reserve	5,500,000			0	0.0	0.0	5,500,000
Central Office Administration	93,745,514			810,000	0.0	0.0	94,555,514
Noninstructional Support Personnel	250,314,192			13,974,204	0.0	0.0	264,288,396
School Building Administration							
Principals	$121,242,874	75.0		$4,358,700	2,135.0	0.0	$121,957,605
Assistant Principals	72,550,799		527.0	2,215,260	0.0	17,788.0	73,001,952
Total School Buildlding Administration	$193,793,673	75.0	527.0	$6,573,960	2,135.0	17,788.0	$194,959,557
Classroom Teachers	1,895,880,943	1,721.0	0.0	57,525,794	58,420.5	0.0	1,948,089,993
Teacher Assistants	318,919,640			5,938,897	0.0	0.0	324,858,537
Instructional Support	232,682,108	194.5		7,112,111	6,550.5	0.0	238,975,341
At Risk Student Services	131,164,011			26,513,355	0.0	0.0	157,677,366
NCHELPS	7,566,015			0	0.0	0.0	7,566,015
Limited English Proficiency	5,000,000			0	0.0	0.0	5,000,000
Low Wealth Supplemental Funding	65,371,018			0	0.0	0.0	65,371,018
Small County Supplemental Funding	18,610,192			0	0.0	0.0	18,610,192
AVID Pilot Project	150,000			0	0.0	0.0	150,000
Supplies/Materials/Equipment	50,959,230			6,134,102	0.0	0.0	57,093,332
Textbooks							
Regular	$58,522,693			$7,823,523	0.0	0.0	$66,346,216
Exceptional Children	724,032			68,783	0.0	0.0	792,815
Total Textbooks	$59,246,725			$7,892,306	0.0	0.0	$67,139,031
Staff Development (K-12)	11,256,154			170,555	0.0	0.0	11,426,709
Payment-Teacher Vacation Days	12,750,000			0	0.0	0.0	12,750,000
Mentor Teachers	0			0	0.0	0.0	0
Vocationa Ed-Sub Pay	1,779,775			0	0.0	0.0	1,779,775
Vocational Ed-MOE	195,345,855		1,686.0	5,934,182	0.0	57,134.0	200,654,608
Vocational Ed-Program Support	14,674,371			411,823	0.0	0.0	15,086,194
Vocational Ed-Tech Prep	100,000			0	0.0	0.0	100,000
Children with Special Needs							
Preschool Handicap.	$27,778,552			$1,797,546	0.0	0.0	$29,576,098
Exceptional Children	351,151,269			26,858,816	0.0	0.0	378,010,085
Group Homes	356,941			538,205	0.0	0.0	895,146

PS 74

Total Adjustments to 2000-01 Continuation Budget

Category Description	Beginning Continuation Budget	Average Daily Membership Revisions: Positions	Average Daily Membership Revisions: Months of Employment	Average Daily Membership Revisions: Dollars	Revised 2000-01 Continuation Budget: Positions	Revised 2000-01 Continuation Budget: Months of Employment	Revised 2000-01 Continuation Budget: Dollars Including Salary Increase
Developmental Day	9,031,531			1,506,251	0.0	0.0	10,537,782
Community Res. Ctrs	5,066,561			416,412	0.0	0.0	5,482,973
Total Children with Special Needs	$393,384,854			$31,117,230	0.0	0.0	$424,502,084
Willie M.	6,297,035			879,642	0.0	0.0	7,176,677
Academically Gift. Students	39,353,136			1,384,506	0.0	0.0	40,737,642
Transportation	191,043,988	29.0		11,807,864	14,143.0	0.0	202,851,852
PRC 01-Social Security	177,146,925			5,961,070	0.0	0.0	182,224,903
PRC 01-Retirement	241,082,586			18,140,892	0.0	0.0	257,973,296
PRC 01-Hospitalization	114,407,671			5,917,614	0.0	0.0	120,325,285
Short Term Disability	7,163,994			268,063	0.0	0.0	7,432,057
Longevity	38,734,002			11,478,418	0.0	0.0	50,212,420
Annual Leave	12,531,616			4,029,856	0.0	0.0	16,561,472
Vocational Ed-Social Security	15,232,872			165,051	0.0	0.0	15,350,077
Vocational Ed-Retirement	20,539,555			1,259,073	0.0	0.0	21,730,894
Vocational Ed-Hospitalization	9,444,005			474,457	0.0	0.0	9,918,462
Vocational Ed-Longevity	2,406,926			0	0.0	0.0	2,406,926
Assistance Teams	2,600,000			0	0.0	0.0	2,600,000
Charter Schools	2,472,531			0	0.0	0.0	2,472,531
Safety Assistance Teams	500,000			0	0.0	0.0	500,000
Total General Fund	$4,909,738,538	2,019.5	2,213.0	$259,312,970	81,249.0	74,922.0	$5,154,633,527
Driver Education	23,895,355			3,519,063	0.0	0.0	27,414,418
Total Highway Fund	$4,933,640,893	2,019.5	2,213.0	$262,832,033	81,249.0	74,922.0	$5,182,054,945

PS 25

ATTACHMENT 3

SUPPLEMENTAL FUNDING

FOR

LOW-WEALTH SCHOOL SYSTEMS

IN NORTH CAROLINA

A SUMMARY

Low Wealth Schools Funding and Equalization Consortium
P. O. Box 911
Raleigh, NC 27602
Telephone: 919-755-0025

VISITOR REGISTRATION SHEET

Wednesday - 8:30 AM

APPROPRIATIONS/Subcommittee on Education — March 31, 1999

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Karen Gaul	Governor's Office
[illegible]	NCASA
[illegible]	BMTS
Bill [illegible]	NCHE
Thad Daise	"
Harriet Diehl	"
[illegible]	Public School Forum of NC
[illegible]	NCASA
[illegible]	DPI
[illegible]	SBE
Jim Bowen	DPI
[illegible]	NCATA
Maurice Kirby	OSBM
[illegible]	"
Elizabeth [illegible]	"
[illegible]	"
[illegible] Fitz-Wynn	NCHE
Maxine Ellis	Meredith College - observation.
[illegible]	NASW
Hal Miller	NCACCT
[illegible]	Miller Co
Rison Allen	Carolina Legal Assistance
Ashley Westbrook	Governors Office
[illegible]	The Pilot
[illegible]	NCGA
[illegible]	OSBM
Jeanne Winner	NCSBA

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Eddie Caldwell	EEBC
[illegible]	NCAICU
Gene Causby	NCSFSA
Tim McDowell	Ind. Uni.

Box 2

1. (cont'd) 1999 Jt. Approps – Ed/Higher Ed, ***April 1-***
2. 2000 Joint Appropriations – Education/Higher Ed
3. 1999 Joint Appropriations – General Government

Joint Appropriations Subcommittee
On Education/Higher Education

April 1, 1999
8:30 A.M.
Presiding - Representative Oldham

Call to Order	Chair
Pending Litigation	Edwin Speas, Chief Deputy Attorney General
A. Learndro	
B. Civil fines and forfeitures	
C .Other cases	

MINUTES
JOINT APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

April 1, 1999
8:30 AM

The Joint Appropriations Subcommittee on Education/Higher Education met on Thursday, April 1, 1999, at 8:30 am in Room 421 of the Legislative Office Building.

The following members were present: Chairpersons Gene Rogers, Flossie Boyd-McIntyre, Warren Oldham; Representatives Bonner, Gardner, Gillespie, Holmes, Insko, Michaux, Moore, Preston, Smith, Teague, Warner, Yongue; Seven Senators; Fiscal Staff, Jim Johnson and Jim Newlin.

Chairman Oldham called the meeting to order and recognized the Pages and Sgt. At Arms staff.

Chairman Oldham introduced Mr. Edwin Speas, Chief Deputy Attorney General. Attorney Speas gave a summary on the pending litigations in the case involving Leandro v State. Mr. Leandro was a student at Hoke County High School. After graduation from Hoke County High School, he was dropped from the suit. The suit is now entitled the Hoke County Board of Education v the State.

Attorney Speas' summary included the following information. The parties to the suit are the plaintiffs, the intervening plaintiffs, and the defendants. The plaintiffs are the local school boards for Hoke, Halifax, Robeson, Vance and Cumberland counties, and two sets of parents and their children from each of these counties. The intervening plaintiffs are the local school boards in Wake, Mecklenburg, Forsyth, Durham, and Buncombe counties and Asheville City, and two sets of parents and their children from each of these relatively large and wealthy school systems. The defendants are the State and the State Board of Education. Both the plaintiffs and the intervening plaintiffs have filed claims of equality and adequacy against the State.

The plaintiffs' equality claim states that "the General Assembly's decision to assign some responsibility to counties to provide financial support for the public schools is unconstitutional in light of the inability of poor counties (such as the plaintiffs) to carry out the responsibility. The plaintiffs' adequacy claim states that the General Assembly and the State Board have failed to fund and provide for the public school at a level sufficient to provide children with a constitutionally adequate education."

The intervening plaintiffs' equality claim states that "the Constitution requires the General Assembly to fund the public school system in a manner that assures that each child, regardless of his limitations or circumstances, has an equal opportunity to obtain an education." The intervening plaintiffs' adequacy claim is the same as the plaintiffs.

After the suit was filed in May 1994, the State moved to dismiss both the equality claims and the adequacy claims on the grounds that the allegations in the complaints did not constitute a

violation of the Constitution. The State also moved to dismiss the adequacy claims on the grounds that the level of adequacy of the public school system is a political question left by the people entirely to their elected representatives in the General Assembly. However, the trial court denied the State's motions of dismissal.

On appeal by the State, the Court of Appeals reversed the trial court decision and dismissed the suit holding that neither the equality claims nor the adequacy claims stated a violation of the Constitution. The Court of Appeals did not reach the political question issue.

The plaintiffs and the intervening plaintiffs appealed to the Supreme Court. On July 24, 1997, the Supreme Court held (1) that the plaintiffs' and intervening plaintiffs' equality claims did not state a violation of the Constitution and should be dismissed; (2) that the Constitution guarantees every child "the opportunity to obtain a sound basic education;" and (3) that the adequacy of the education offered children in the public schools is not a political question vested exclusively in the General Assembly.

This suit is pending in the Wake County Superior Count before Judge Howard E. Manning, Jr. to determine whether plaintiffs or intervening plaintiffs can prove that students are being denied the right to the opportunity for a sound basic education. Judge Manning asked the parties to present to him and argue the question whether the Supreme Court's definition of an opportunity for a sound basic education theoretically includes the right for at least some disadvantaged children to receive pre-kindergarten education. Judge Manning concluded that such a right is at least theoretically within the range of rights guaranteed by the opportunity to obtain a sound basic education. This issue will be addressed further at the Hoke County trial. See **Attachment 1, "Report Regarding the History and Status of Leandro v. State"** for further details on this case.

The floor was opened for questions to Attorney Speas.

Rep. Holmes: It seems that we need to address the concerns of the low wealth counties having equal opportunities to hire teachers no matter what their qualifications might be. What is your opinion concerning local salary supplements?

Attn. Speas: It may be an issue of local control as noted on Page 2, Article IX, Section 2, (2) in your handout material. The issue of equal access to teachers is currently being addressed in Hoke County.

Sen. Wellons: Has there been an effort to settle the Hoke County case?

Attn. Speas: No. There have not been any discussions of settlement at this time.

Sen. Dalton: Is this case laying a foundation for other students who have gone through the system to file a similar suit claiming that they were denied a sound education?

Attn. Speas: There are some people who read this decision as an educational malpractice case. If this is correct, it is very hard to say where that sort of interpretation ends.

Rep. Gardner: Regarding Judge Manning's ruling on the right to a pre-kindergarten education, has anyone attempted to define the "at-risk" or the "disadvantaged?"

Attn. Speas: No, that issue is very vague at this time.

Sen. Lee: Will this case address the question of division of responsibility between the state and the county?

Attn. Speas: We raised that question when we argued that school boards did not have standing to sue the state. We did not succeed with that argument. There are no specific children to look at to compare given opportunities.

Rep. Michaux: In Article IX, Section 2, (2), the Constitution gives the General Assembly the authority to literally lower the boom on local school systems. I wonder if any institution of the General Assembly will take that to heart?

Attn. Speas: Yes, it does give the General Assembly this authority. The present system of funding has been in place since 1933 with the state picking up the operating costs and the locals picking up the capital costs.

Sen. Hagan: Will other low wealth counties be compared to the Hoke County case?

Attn. Speas: The comparison is between the opportunity for a sound basic education and what is happening in Hoke County. The comparison is between what is offered a particular child and the opportunity for a sound basic education.

Sen. Hagan: Why did other counties get involved in this case?

Attn. Speas: I don't know.

Sen. Hagan: Who is paying the legal fees for the county?

Attn. Speas: I don't know. I assume Hoke County.

Chairman Oldham then introduced Mr. Dale Talbert, Special Deputy Attorney General. Attorney Talbert addressed the issues of "Civil Fines and Forfeitures." See **Attachment 2, "Summary Report on North Carolina School Boards Association et al. V. Boyles et al."** This summary is a declaratory judgment action brought in Wake County Superior Court primarily to obtain a judicial determination of whether certain monetary payments collected by State agencies properly are considered "civil penalties" pursuant to Article IX, Section 7 of the North Carolina Constitution and directly payable to local boards of education rather than the statutorily designated recipients.

Plaintiffs are the North Carolina School Boards Association and the Wake, Durham, Johnston, Buncombe, Edgecombe, and Lenior counties boards of education. Defendants are the chief executive officers of 20 State departments, agencies, or boards, which either collect "civil penalties" or administer the distribution of their clear proceeds. The defendants include the State Attorney General, Budget Director, Controller, and Treasurer; the Secretaries of DENR, Commerce, HHS, Revenue, and Transportation; the Chairman of the State Board of Education; the Superintendent of Public Instruction; the Presidents of UNC-CH and NCSU; the Chancellor of UNC; and the Directors of several state licensing boards.

Plaintiffs allege: (1) that specifically identified "late fees, additional taxes, and library, traffic and parking fees," and all similar collections, are civil penalties under Article IX, Section 7; (2) the State Civil Penalty and Forfeiture Fund, NCGS 115C-457.1 et seq. and the State School Technology Fund, NCGS 115C-102.6D, violate Article IX, Section 7; (3) the Public Settlement Reserve Fund, NCGS 143-16.5, violates Article IX, Section 7; (4) the value of Supplemental Environmental Projects (an option given a violator to pay for the performance of an environmental project of general public benefit in lieu of paying all of a monetary civil penalty) is a civil penalty which must be distributed in accordance with the constitutional provision; (5) civil penalties paid by local school boards must be returned to the offending board;

and (6) "investigative costs" assessed against violators by DENR and other State agencies are "costs of collection" which, pursuant to NCGS 115C-457.2, cannot exceed ten percent of the civil penalty collected.

According to Attorney Talbert, state agencies reported collecting a total of approximately $45,000,000 in late fees, additional taxes, and library, traffic and parking fines in FY 95-96 (the last year for which data had been compiled).

Chairman Oldham opened the floor for questions to Attorney Talbert.

Rep. Michaux: You have no rulings at all in this matter?
Attn. Talbert: Not in this matter.
Rep. Michaux: Are they also asking for the interest paid?
Attn. Talbert: Interest is now being paid on monies put into the civil penalty and forfeitures fund. The complaint does not have an allegation for interest.

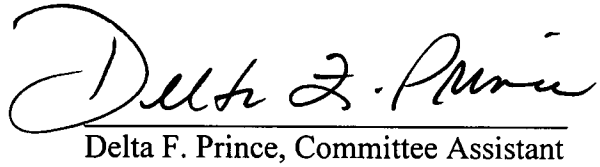
Sen. Wellons: Would this be retroactive?
Attn. Talbert: The complaint does not make an allegation on the issue of whether the payments they seek are retroactive, but we have planned a defense based on the three-year statute of limitation.

Sen. Hagan: When did NCGS 115C-457.1 go into effect? Does the money go specifically to that county?
Attn. Talbert: September 1, 1996 is the effective date of the statute. Prior to that date, the monies went back to the counties in which the violation leading to the assessment of the penalty occurred.
Sen. Hagan: Did it go back to the county and then to the State?
Attn. Talbert: A little of both.

Rep. Michaux: How do you get civil penalties under penal law?
Attn. Talbert: I don't. The Supreme Court did. The Supreme Court broadly defined "penal" to include not only violations of the criminal statutes, but "any monetary penalty imposed for the purpose of punishing the violator rather than making whole an injured party is penal in nature."

Having no more questions to the guest speakers, Chairman Oldham adjourned this meeting at 9:35 am. The Visitor Registration Sheets are attached and also made a part of these minutes.

Respectfully submitted,



Warren C. Oldham, Chair

Delta F. Prince, Committee Assistant

Report Regarding the History and Status of Leandro v. State[1]

April 1, 1999

1. Parties to the suit.

Plaintiffs are the local school boards for Hoke, Halifax, Robeson, Vance and Cumberland Counties and two sets of parents and their children from each of those counties.

Intervening plaintiffs are the local school boards in Wake, Mecklenburg, Forsyth, Durham and Buncombe Counties and two sets of parents and their children from each of those school systems.

Defendants are the State and the State Board of Education.

2. The plaintiffs' claims.

Equality claim: The General Assembly's decision to assign some responsibility to counties to provide financial support for the public schools is unconstitutional in light of the inability of poor counties to carry out the responsibility.

Adequacy claim: The General Assembly and the State Board have failed to fund and provide for the public school at a level sufficient to provide children with a constitutionally adequate education.

3. The intervening plaintiffs' claims

Equality claim: The Constitution requires the General Assembly to fund the public school system in a manner that assures that each child, regardless of his limitations or circumstances, has an equal opportunity to obtain an education.

Adequacy claim: Same as plaintiffs.

---

[1]Mr Leandro was a student at Hoke County High School. Following his graduation from Hoke County High School, he was dropped from the suit. The proper title of the suit is now Hoke County Board of Education v. the State.

4. State constitutional provisions involved

Article I, Section 15

The people have a right to the privilege of education, and it is the duty of the State to guard and maintain that right.

Article IX, Section 1

Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools, libraries, and the means of education shall forever be encouraged.

Article IX, Section 2

(1) *General and uniform system: term.* The General Assembly shall provide by taxation and otherwise for a general and uniform system of free public schools, which shall be maintained at least nine months in every year, and wherein equal opportunities shall be provided for all students.
(2) *Local responsibility.* The General Assembly may assign to units of local government such responsibility for the financial support of the free public schools as it may deem appropriate. The governing boards of units of local government with financial, responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program.

5. Procedural history

The suit was filed in May, 1994. The State moved to dismiss the equality claims and adequacy claims of both the plaintiffs and intervening plaintiffs on the grounds that the allegations in the complaints, even if true, did not constitute a violation of the Constitution. The State also moved to dismiss the adequacy claims on the grounds that

the level of adequacy of the public school system is a political question left by the people entirely to their elected representatives in the General Assembly. Those motions were denied by the trial court.

On appeal the Court of Appeals reversed the trial court and dismissed the suit holding that neither the equality claims nor the adequacy claims stated a violation of the Constitution. The Court of Appeals did not reach the political question issue.

Plaintiffs and the intervening plaintiffs appealed to the Supreme Court. On July 24, 1997, the Supreme Court held (1) that the plaintiffs' and intervening plaintiffs' equality claims do not state a violation of the Constitution and should be dismissed; (2) that the Constitution guarantees every child "the opportunity to obtain a sound basic education"; and (3) that the adequacy of the education offered children in the public schools is not a political question vested exclusively in the General Assembly.

6. <u>The Supreme Court's definition of the constitutional right to the opportunity to obtain a sound basic education.</u>

In its decision the Supreme Court began the process of defining the scope of the constitutional right to the opportunity to obtain a sound basic education. It said:

> We conclude that Article I, Section 15 and Article IX, Section 2 of the North Carolina Constitution combine to guarantee every child of this state an opportunity to receive a sound basic education in our public schools. For purposes of our Constitution, a "sound basic education" is one that will provide the student with at least: (1) sufficient ability to read, write, and speak the English language and a sufficient knowledge of fundamental mathematics and physical science to enable the student to function in a complex and rapidly changing society; (2) sufficient fundamental knowledge of geography, history, and basic economic and political systems to enable the student to make informed choices with regard to issues that affect the student personally or affect the student's community, state and nation; (3) sufficient academic and vocational skills to enable the student to successfully engage in post-secondary education or vocational training; and (4) sufficient academic and vocational skills to enable the student to compete on an equal basis with others in further formal education or gainful employment in

contemporary society. *See generally Rose v. Council for Better Educ., Inc.*, 790 SW.2d 186, 212 (Ky. 1989); *Pauley v. Kelley*, 162 W.Va. 672, 705-06, 255 S.E.2d 859, 877 (1979).

The Court also listed three factors which it thought may shed light on whether children are or are not being denied their right to a sound basic education. Those factors are (1) "educational goals and standards adopted by the legislature"; (2) "the level of performance of the children of the state and its various districts on standard achievement tests"; and (3) 'the level of the state's general education expenditures and per-pupil expenditures." The Court, however, pointed out that none of these three factors is "determinative" of the issue and that other factors may also be relevant.

7. Present status

The suit is pending in Wake County Superior Court before Judge Howard E. Manning, Jr. to determine whether plaintiffs or intervening plaintiffs can prove that students are being denied the right to the opportunity for a sound basic education.

To assure an opportunity for full consideration of the issues without diverting educators' time from their duties, Judge Manning ordered the case to proceed in two focused stages; the first stage focusing on one school system in one of the five plaintiff counties, and the second focusing on one school system in one of the intervening plaintiff counties. The Hoke County Public School System was subsequently selected as the representative system for the plaintiffs for trial purposes.

At present the parties are engaged in the discovery process for the Hoke County stage of the litigation. The process is scheduled to continue into the summer with a trial sometime in the fall. Presumably there will be an appeal from Judge Manning's decision regarding Hoke followed by a trial focusing on a school system in one of the intervening plaintiff counties.

Recently, Judge Manning asked the parties to present to him and argue the question whether the Supreme Court's definition of an opportunity for a sound basic education theoretically includes the right for at least some disadvantaged children to receive pre-kindergarten education. He concluded that such a right is at least theoretically within the range of rights guaranteed by the opportunity to obtain a sound basic education. That issue will be addressed more concretely at the Hoke County trial.

8. Resolved and unresolved issues

The Supreme Court's decision finally resolved three questions: (1) whether the structure of the system for funding the public schools is constitutional -- it is; (2) whether the Constitution guarantees the same educational opportunities in each school system -- it does not; and (3) whether there is a minimum floor of educational opportunity which must be afforded to every child in every county in the State -- there is.

A host of questions, however, remain unresolved; some of which may be resolved in Leandro and some of which will have to be resolved in other cases in the future. Among the many unresolved questions are the following:

- Where is the constitutional floor?
- Is the curriculum prescribed by the State Board of Education a part of that floor and, if so, is it somehow deficient?
- Is the system for licensing teachers a part of the floor and, if so, is it deficient?
- Is the ABC's plan a part of the floor?
- Are school facilities a part of that floor?
- Are grades K-12 enough to provide the opportunity for a sound basic education or must pre-kindergarten programs be added?
- If pre-kindergarten programs are required, are they required for all children?
- If they are only required for some children, who are those children and how do you identify them?
- Is there a single right to the opportunity for a sound basic education or are there multiple? In other words is there a single right to a sound basic education measured at the end of 13 years of education (K-12) or are there 13 separate rights measured at the end of each grade?
- What responsibilities do parents and students have?
- Has a student who does not learn because he does not pay attention in class been denied the opportunity to obtain a sound basic education?
- What duties do local school boards, superintendents, principals and teachers have to assure that their students receive a sound basic education?
- What about boards of county commissioners?
- If a local school board fails to remove an unqualified teacher from the

classroom, has it violated the rights of students in the class?

- If a local board elects to spend discretionary funds on a new ball field rather than a new biology classroom, has it violated the Constitution?

Summary Report on N.C. School Boards Association et al. v. Boyles et al.

Summary of Action. This is a declaratory judgment action brought in Wake County Superior Court primarily to obtain a judicial determination of whether certain monetary payments collected by State agencies properly are considered "civil penalties" pursuant to Article IX, Section 7 of the N.C. Constitution and directly payable to local boards of education rather than the statutorily designated recipients. The constitutional provision states in pertinent part "*the clear proceeds of all penalties and forfeitures and of all fines collected in the several counties for any breach of the penal laws of the State, shall belong to and remain in the several counties, and shall be faithfully appropriated and used exclusively for maintaining free public schools.*" Also see Craven County Board of Education v. Boyles et al., 343 N.C. 87 (1996) (holding that Article IX, Section 7 controls the disposition of environmental civil penalties and that their "clear proceeds" must be paid to the board of education in the county wherein the violation leading to the collection of the penalty occurs.) The suit also seeks a judicial determination of whether recently enacted statutes violate the constitutional provision and the Craven County decision by establishing a central State fund into which the clear proceeds of all civil penalties are paid and subsequently distributed to all the State's boards of education on a pro rata basis to be used only for school technology purposes.

Plaintiffs are the N.C. School Boards Association and the Wake, Durham, Johnston, Buncombe, Edgecombe, and Lenior counties boards of education. Defendants are the chief executive officers of 20 State departments, agencies, or boards which either collect "civil penalties" or administer the distribution of their clear proceeds. Defendants include the State Attorney General, Budget Director, Controller, and Treasurer, the Secretaries of DENR, Commerce, HHS, Revenue, and Transportation, the Chairman of the State Board of Education, the Superintendent of Public Instruction, the Presidents of UNC-CH and NCSU, the Chancellor of UNC, and the Directors of several state licencing boards.

Summary of Allegations and Remedies Sought.

(1) Plaintiffs allege that specifically identified "late fees," "additional taxes," and "library, traffic, and parking fines," and all similar collections, are civil penalties under Article IX, Section 7 and must be paid to local boards of education rather than the statutorily designated recipients. They seek an order directing defendants to pay the amounts wholly to the boards of education in the counties wherein the violations leading to the collections occurred. It is not clear from the pleadings whether plaintiffs seek retroactive, or only prospective, application of a favorable decision. Nevertheless a three year statute of limitation has been pled as an affirmative defense.

(2) Plaintiffs allege the State Civil Penalty and Forfeiture Fund, N.C.G.S. 115C-457.1 et seq., and the State School Technology Fund, N.C.G.S. 115C-102.6D, violate Article IX, Section 7 in that: (a) the requirements that the proceeds from civil penalties be placed in a central fund and distributed to all local boards of education collectively on the basis of their "average daily membership" diverts the greater portion of a civil penalty from the board of education in the county wherein the violation leading to the collection occurs, and (b) the requirement that the proceeds from civil penalties be used only for school technology purposes restricts the uses to which local boards of education may put these funds. Plaintiffs seek a declaration that the contested portions of the Civil Penalty and Forfeiture Fund and the Public Settlement Reserve Fund are unconstitutional, an injunction

prohibiting their enforcement, and an order directing that all civil penalties collected and paid into the funds since September 1, 1997, the effective date of the Civil Penalty and Forfeiture Fund Act, be paid wholly to the boards of education in the counties wherein the violations leading to the collections occurred.

(3) Plaintiffs allege the Public Settlement Reserve Fund, N.C.G.S. 143-16.5, violates Article IX, Section 7 in that: (a) its requirement that all sums in excess of $75,000 received by State agencies through settlements, court orders or judgments be deposited in the Fund diverts from local boards of education the portion of any civil penalty in excess of $75,000 and (2) its authorization to the General Assembly to appropriate these collections deprives local boards of control over them. Plaintiffs seek an injunction prohibiting enforcement of the statute and payment to the appropriate boards of education all civil penalties paid into the Fund.

(4) Plaintiffs allege the value of a Supplemental Environmental Projects, an option given a violator to pay for the performance of an environmental project of general public benefit in lieu of paying all of a monetary civil penalty, is a civil penalty which must be distributed in accordance with the constitutional provision. Plaintiffs seek a declaration that the money violators pay to have a SEP performed is a civil penalty and an order directing payment of these amounts to the appropriate boards of education.

(5) Plaintiffs allege civil penalties paid by local school boards must be returned to the offending board and seek an order directing the same.

(6) Plaintiffs allege "investigative costs" assessed against violators by DENR and other State agencies are "costs of collection" which, pursuant to N.C.G.S. 115C-457.2, cannot exceed ten percent of the civil penalty collected. Plaintiffs seek a declaration that "costs of investigation" are "costs of collection" and an order directing all amounts collected in excess of ten percent of the penalty be paid to the appropriate boards of education.

Amount in Dispute. State agencies reported collecting a total of approximately $45,000,000 in late fees, additional taxes, and library, traffic, and parking fines in FY 95-96, the last year for which data has been compiled. The largest amounts in dispute are the additional taxes collected by the Department of Revenue (approximately $30,000,000 on income taxes and $1,000,000 on drug excise taxes) and the Department of Transportation ($7,000,000). The largest collection of late fees was made by the Employment Security Commission ($1,600,000). The amount of late fees collected by other State agencies, ranged from $10,000 by the Department of Commerce to $81,000 by the Cosmetology Board. State agencies, primarily the University collected over $3,800,000 as traffic and parking fines and nearly $850,000 in library fines. It reasonably can be assumed that similar collections have been made in subsequent years.

Procedural Status of the Case. In discovery. No trial date has been scheduled.

GENERAL STATUTES OF NORTH CAROLINA

CHAPTER 115C

ELEMENTARY AND SECONDARY EDUCATION

SUBCHAPTER VII FISCAL AFFAIRS
ARTICLE 31A CIVIL PENALTY AND FORFEITURE FUND

§ 115C-457.1 Creation of Fund; administration.

(a) There is created the Civil Penalty and Forfeiture Fund. The Fund shall consist of the clear proceeds of all civil penalties and civil forfeitures that are collected by a State agency and are payable to the County School Fund pursuant to Article IX, Section 7 of the Constitution.

(b) The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools.

(1997-443, s. 8.20.)

§ 115C-457.2 Remittance of moneys to the Fund.

The clear proceeds of all civil penalties and civil forfeitures that are collected by a State agency and are payable to the County School Fund pursuant to Article IX, Section 7 of the Constitution shall be remitted to the Office of State Budget and Management by the officer having custody of the funds within 10 days after the close of the calendar month in which the revenues were received or collected. Notwithstanding any other law, all funds which are civil penalties or civil forfeitures within the meaning of Article IX, Section 7 of the Constitution shall be deposited in the Civil Penalty and Forfeiture Fund. The clear proceeds of such funds include the full amount of all such penalties and forfeitures collected under authority conferred by the State, diminished only by the actual costs of collection, not to exceed ten percent (10%) of the amount collected.

(1997-443, s. 8.20.)

§ 115C-457.3 Transfer of funds to the State School Technology Fund.

The Office of State Budget and Management shall transfer funds accruing to the Civil Penalty and Forfeiture Fund to the State School Technology Fund. These funds shall be allocated to local school administrative units on the basis of average daily membership.

(1997-443, s. 8.20.)

GENERAL STATUTES OF NORTH CAROLINA

CHAPTER 143

STATE DEPARTMENTS, INSTITUTIONS, AND COMMISSIONS

ARTICLE 1 EXECUTIVE BUDGET ACT

§ 143-16.5 Public Settlement Reserve Fund.

The "Public Settlement Reserve Fund" is established as a restricted reserve in the General Fund. Except if prohibited by order of the court and except as provided in G.S. 143-16.4, funds in excess of seventy-five thousand dollars ($75,000) paid to the State or a State agency pursuant to a settlement agreement or final order or judgment of the court shall be deposited to the Public Settlement Reserve Fund. Funds shall be expended from the Public Settlement Reserve Fund only by appropriation by the General Assembly.

(1998-212, s. 18.7(a).)

HISTORICAL NOTES

Editor's Note. -- Session Laws 1998-212, s. 30.6 made this section effective July 1, 1998, and s. 18.7(c) made it applicable to settlement agreements or final orders or judgements of the court entered into on or after November 15, 1998. Session Laws 1998-212, s. 1.1 provides: "This act shall be known as the 'Current Operations Appropriations and Capital Improvement Appropriations Act of 1998'."

Session Laws 1998-212, s. 30.2 provides: "Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 1998-99 fiscal year, the textual provisions of this act apply only to funds appropriated for, and activities occurring during, the 1998-99 fiscal year."

Session Laws 1998-212, s. 30.5 contains a severability clause.

GENERAL STATUTES OF NORTH CAROLINA

CHAPTER 115C

ELEMENTARY AND SECONDARY EDUCATION

SUBCHAPTER IV EDUCATION PROGRAM
ARTICLE 8 GENERAL EDUCATION
PART 3A SCHOOL TECHNOLOGY

§ 115C-102.6D Establishment of the State School Technology Fund; allocation and use of funds.

(a) There is established under the control and direction of the State Board of Education the State School Technology Fund. This fund shall be a nonreverting special revenue fund consisting of any monies appropriated to it by the General Assembly and any monies credited to it under G.S. 20-81.12 from the sale of School Technology special license plates.

(b) Funds in the State School Technology Fund shall be allocated to local school administrative units as directed by the General Assembly. Funds allocated to each local school administrative unit shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147- 69.3.

(c) Each local school administrative unit with a local school system technology plan approved by the State Board of Education may use funds allocated to it to implement its local plan or as otherwise specified by the General Assembly.

(1993 (Reg. Sess., 1994), c. 769, s. 19.26(b); 1997-484, s. 7.)

HISTORICAL NOTES

Effect of Amendments. -- The 1997 amendment, effective September 10, 1997, added "and any monies credited to it under G.S. 20-81-12 from the sale of School Technology special license plates" at the end of subsection (a).

VISITOR REGISTRATION SHEET

Thursday - 8:30 AM

APPROPRIATIONS/Subcommittee on Education — April 1, 1999

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Harriet Diel	NCAE
Bill Wilson	NCAE
Michelle McNiff	Public School Forum
Janice Ramquist	NCATA
[illegible]	Public School Forum of NC
[illegible]	NC DPI
[illegible]	A.G. Office
Dale Tolbert	AG Office
Gene Causby	NC SFSA
Maurie [illegible]	OSBM
Philip Price	DPI
Sue Adams	OSBM
Janet Pulliam	"
[illegible]	DPI
Joanne Winner	NCSBA
Robin Allen	Carolina Legal Assistants
Barbara [illegible]	OSBM
Hal Miller	NCACCT
[illegible]	Wake Forest McKimmon Center
Ann Bulan	SBE
Gene Arnold	NC House
Eddie Caldwell	EEBC
Ruth Stout	PDAN
Evelyn Dawsmore	UNC-CH

VISITOR REGISTRATION SHEET

Thursday 8:30 A.M.
April 1, 1999

APPROPRIATIONS/Subcommittee on Education
Name of Committee

Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Linda Dunn	NCASA
David Brown	OSBM
Gerry Blanchard	EGHS
Jim Crutchfield	NCASA
Ashley Westbrook	Governors Office
Lori Hall	Governors Office
Christine DiNovo	Carolina Legal Assistance
Karen Gaylord	Governor's Office
[illegible]	[illegible]
Ron Aycock	County Comm Assoc.
[illegible]	NCDPI

Joint Appropriations Subcommittee
On Education/Higher Education

April 6, 1999
8:30 A.M.
Presiding - Senator Lee

Call to Order	Chair
Questions from previous sessions	Jim Johnson, Fiscal Research Division
Small School System Supplemental Funding	Jim Johnson Philip Price, Department of Public Instruction
Local board flexibility with State funds	Jim Johnson
Governor's recommended Continuation Budget	Jim Johnson

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Tuesday, April 6, 1999
Room 421 LOB

The Joint Appropriations Subcommittee on Education/Higher Education met on Wednesday, April 6, 1999. Senator Lee, Co-Chair presided. He introduced the following Pages: Montrell Brown from Wake County, sponsored by Speaker Black; Stephanie Asbury from Wake County, sponsored by Speaker Black; William Adams from New Hanover County sponsored by Representative Thomas Wright; Julia Bowling from Franklin county, sponsored by Senator Carpenter and Abhay Aneja from Greenville sponsored by Senator Warren.

Senator Lee introduced Dr. Linda Dykstra, Dean of the Graduate School at UNC-Chapel Hill; Dr. Ron Gallant, Professor, Department of Economics, UNC-Chapel Hill; Dr. Larry Band, Professor, Department of Geography, UNC-Chapel Hill; Ms. Del Johnson, from the Arts and Sciences Foundation; and Ms. Evelyn Hawthorne, Associate Vice Chancellor for Gov't Relations, UNC-Chapel Hill. Senator Lee commended Dean Dykstra for her contributions to the State of North Carolina. He thanked the Distinguished Professors for visiting the Committee.

Senator Lee recognized Jim Johnson, Fiscal Research Division, to address questions from the Committee regarding past presentations of Public Schools. Following a Committee Discussion, Mr. Johnson discussed the North Carolina components of the average teacher salary. *(See Attachment 1).*

Senator Lee introduced Mr. Phillip Price from the Department of Public Instruction. Mr. Price explained the formula created by the General Assembly in 1991, for the Small School Supplemental Funding. He presented comprehensive statewide data on Small County Supplemental Funding. *(See Attachment 2, Pp. 61-68).* Mr. Johnson and Mr. Price addressed questions from the Committee. Mr. Johnson explained the Transfer policies of the State Public School Fund by Allotment Category and the ABC Transfer Policy. There was an extensive discussion of the Transfer Policies by the Committee.

Senator Lee recognized Mr. Jim Johnson and requested him to present a Summary of the Governor's Continuation Budget for the Committee. Mr. Johnson presented a detailed explanation of the Continuation Budget. He pointed out several items that needed special attention to the Committee. *(See Attachment, pp.'s 69-75).*

Senator Lee adjourned the meeting at 9:55 A.M.

Senator Howard Lee, Co-Chair

Christina K. Minard, Education Committee Assistant

	Outline K-12 Committee Schedule
Date	**Item**
March 30, 1999	8:30 Public schools budget overview Expenditure comparisons to other states The role of salaries and average membership in calculating the budget 2:30 State funds for local school systems
March 31, 1999	8:30 State funding flexibility for local school systems 2:30 Supplemental funding for Low Wealth and Small County School Systems
April 1, 1999	8:30 Review of pending litigation
April 6, 1999	8:30 Governor's Continuation Budget 2:30 At Risk Students
April 7, 1999	8:30 Special Education 2:30 Instructional technology and Explornet
April 8, 1999	8:30 Central office personnel 2:30 Capital expenditures for public schools
April 13, 1999	8:30 Cost of ending social promotions.

PS 1

Public Schools
K-12

Fiscal Research Division

March 1999

PS 2

Public Education Budget

- K-12, Community Colleges, and UNC Budget represent 59.3% or 7.3 b. of total 12.3 b. FY1998-99 General Fund budget.
- K-12 represents 41.3% or $5.1b of the total FY1998-99 General Fund budget.
- $5.1b. includes both funds for local school systems and the Department of Public Instruction.

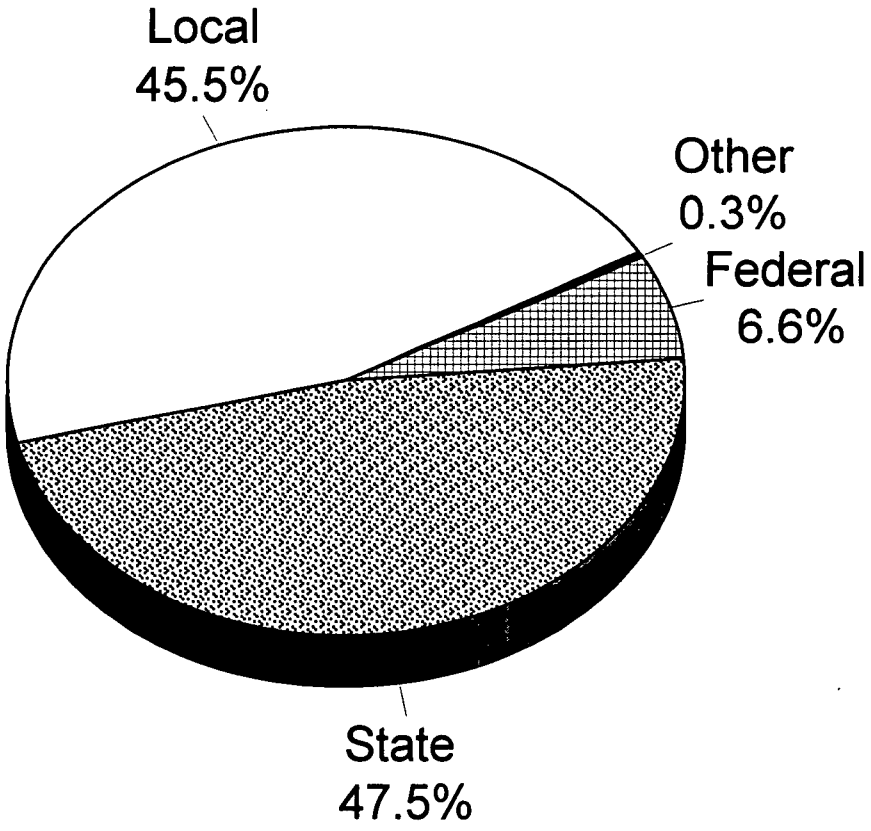
North Carolina and the United States

PS 4

1995-96: U.S. Public School Revenues, By Source

Local, State, Federal, and Other

[Total revenues: $288 billion]



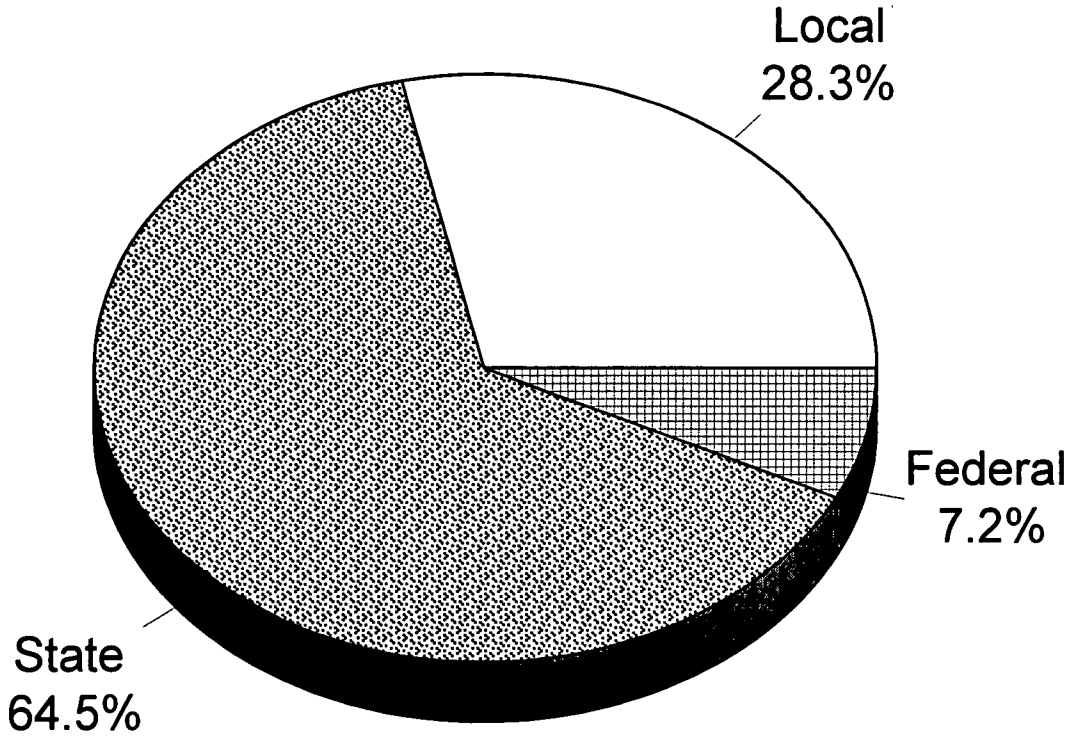
Fiscal Research Division March 17, 1999, National Center for Education Statistics

Ps 5

1995-96: N.C. Public School Revenues, By Source

Local, State, Federal, and Other

[Total Revenues: $6.15 billion]



Fiscal Research Division March 17, 1999, National Center for Education Statistics

P56

1994-95: Current Expenditures Per Pupil, All Fund Sources

Differences Among States

- $5,988 United States: Expenditures from all sources
- $5,077 North Carolina: Expenditures from all sources

Fiscal Research Division, March 17, 1999 National Center for Education Statistics

Allocating State Funds to Local School Systems

P58

Education Budget Myths

- The public school budget is to big and to complex for legislators to understand.

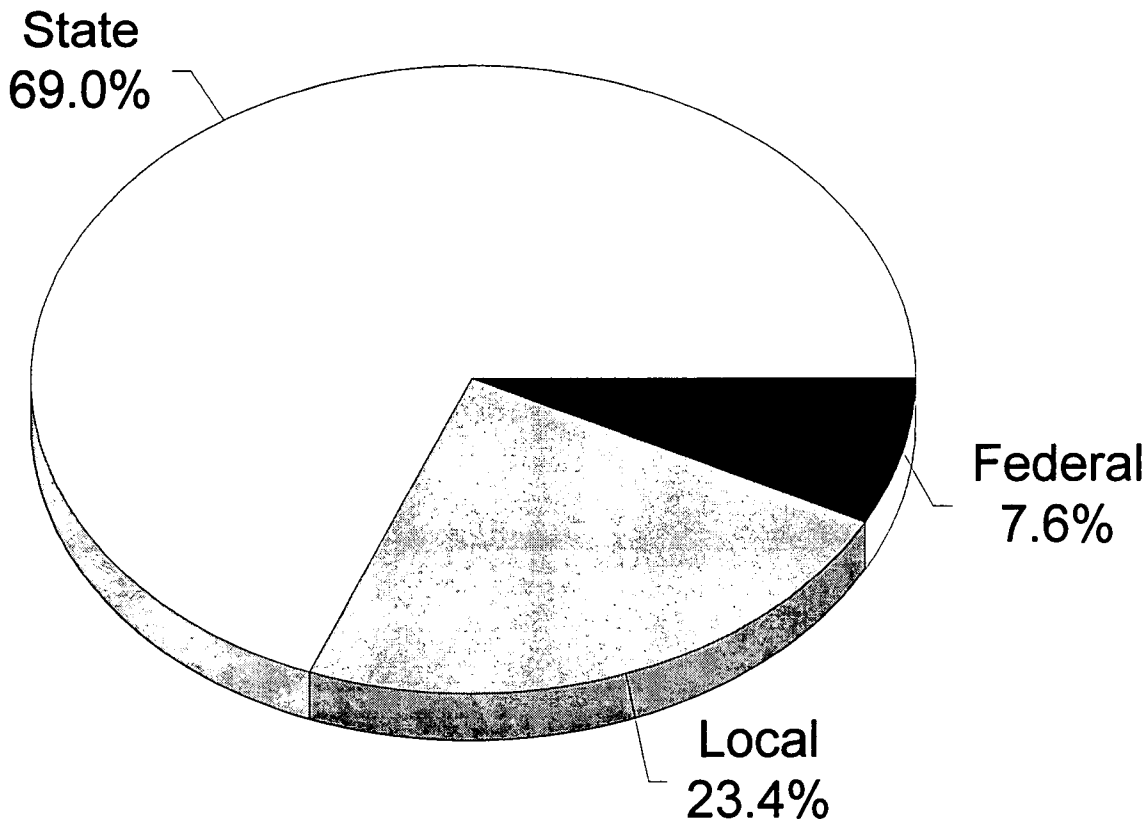
- The state makes all the financial decisions for local school systems.

Source of Expenditures

Public Education Funding - 1996-97

Child Nutrition Included

Child Nutrition Excluded	
State:	73.6%
Federal:	4.8%
Local:	21.6%



Computing the Public School Budget

- Average Daily Membership - Projected number of students
- Guaranteed Salaries
  - Teachers
  - School administrators
- Dollar Allocations
  - Salaries of other certified and noncertified personnel.
  - Other costs - Special education, transportation, textbooks, supplies, technology.

How Funds Flow to Local School Systems

- Funds allocated to local school systems through a series of formulas.
- Allocation formulas may be:
  - Established by the General Assembly,
  - Delegated to the State Board of Education.
  - Combination of General Assembly and State Board of Education.
- 1995 the General Assembly drastically reduced the number of allocation categories and increased local funding flexibility.

Salaries of Certified Personnel

- Teachers and Instruction Support Personnel (Counselors, school social workers, media coordinators, school psychologists, audiologists, and nationally certified school nurses) are paid on the teacher salary schedule based on degrees and years of experience.

Salaries of Certified Personnel

[Continued]

- School Building Administrators (Principals and Assistant Principals) are paid based on degrees and years of experience, established in relationship to the Masters level teacher.

Salaries of Certified Personnel

[Continued]

- Local superintendents and central office personnel paid within broad ranges established by the General Assembly.
- Local school systems place superintendents within the range based on the size of the school system.
- Central office administrators are placed within ranges totally at the discretion of local school systems.

A1

N.C. Components of the Average Teacher Salary: FY1997-98

• Base Salary	• $30,630
• ABC Bonus	235
• Other	576
• Local Supplements	1,688
	$33,129
• 1997-98 National Average	• $39,385

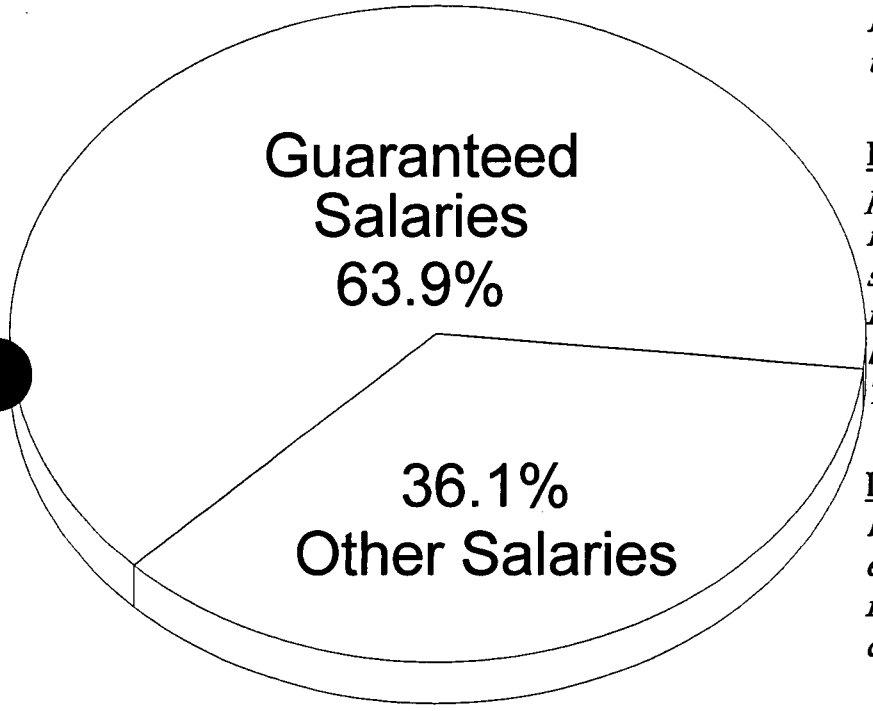
PS16A

Salaries of Noncertified Personnel

- Noncertified personnel (Office support personnel, bus drivers, teacher assistants, etc.) are paid on salary ranges established by the State Board of Education.
- Local school systems have the authority to place personnel within these salary ranges.

Type of Allotted **Salaries**

Fiscal Year 1998-99



North Carolina funds salaries with two types of allotments.

Position allotments: *The State allots positions to a local school system for a specific purpose. The local school system pays whatever is required to hire certified personnel based on the State Salary Schedule. These are guaranteed salaries.*

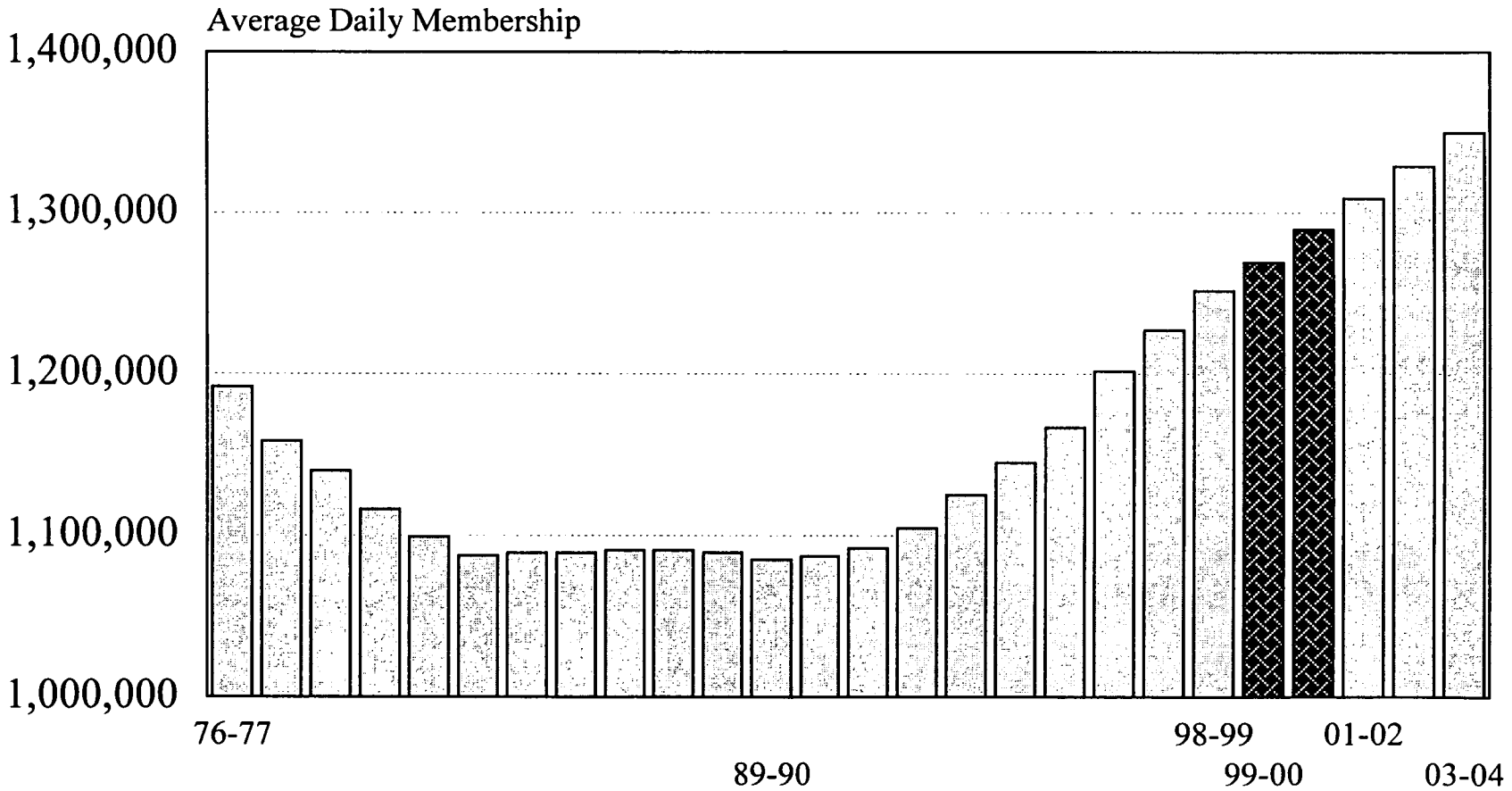
Dollar and Categorical Allotments: *Local school systems can hire employees out of these funds, but must operate within the allotted dollar amount.*

Average Daily Membership

Changes in ADM 1989-2000

Ps 18

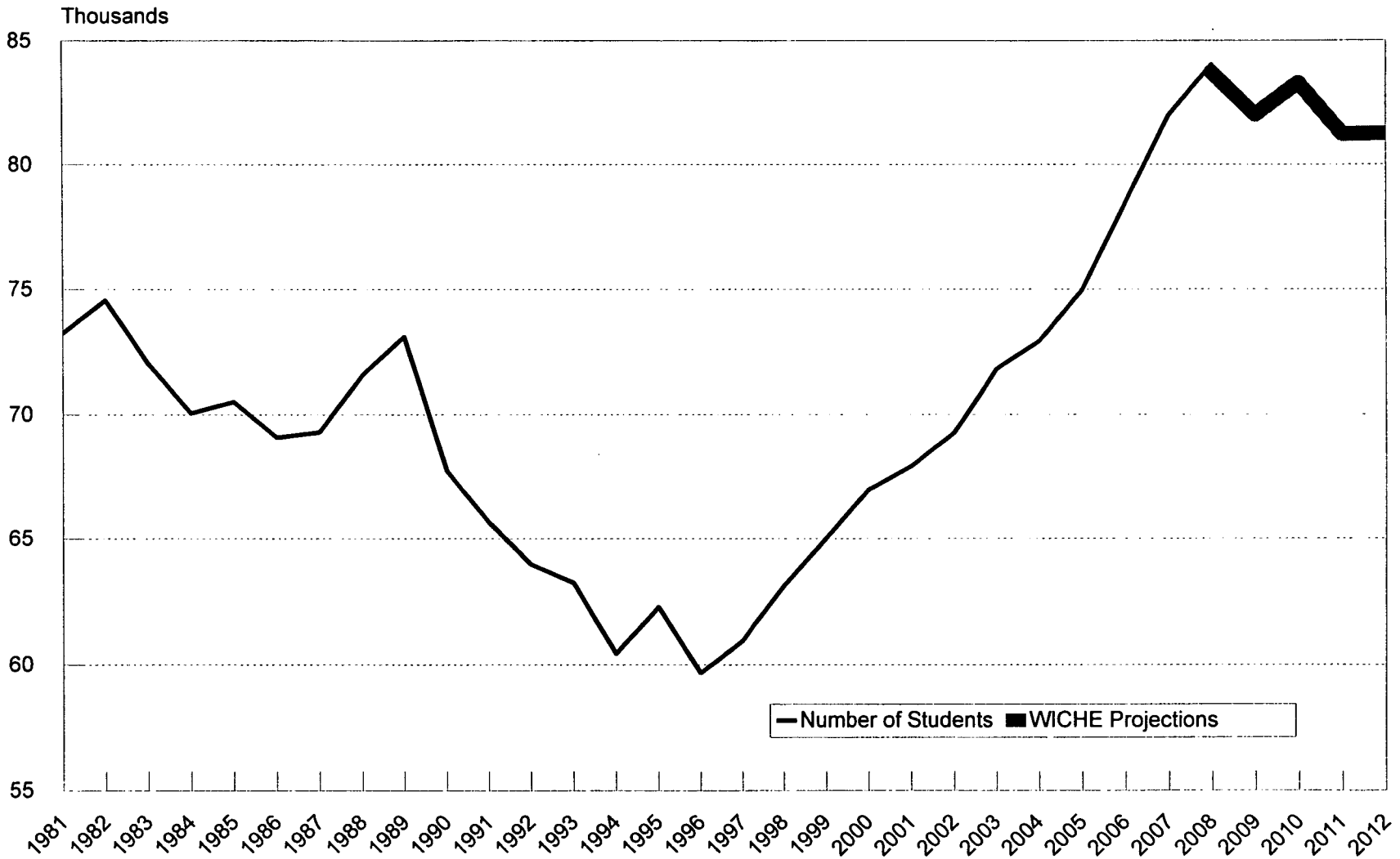
North Carolina Public Schools
Average Daily Membership
1976 - 2004



PS 19

NC HIGH SCHOOL GRADUATES

1981-1998 AND PROJECTED TO 2012



Source: UNC-General Administration, Knocking at the College Door: Projections of High School Graduates by State and Race/Ethnicity: 1996-2012 by WICHE, February, 1998.

Fiscal Research Division 1/25/99

PS 20

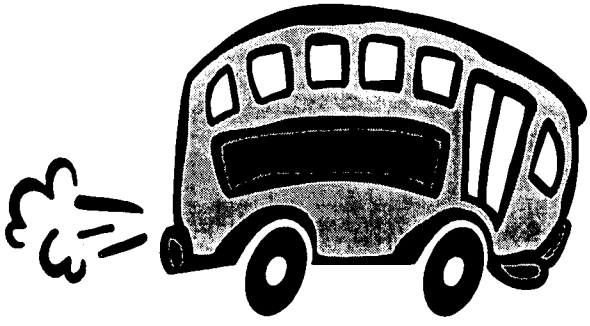
NORTH CAROLINA PUBLIC SCHOOLS: GROWTH, CONSOLIDATION, AND DIVERSITY

- 117 School systems in 100 counties.
- From 1989-90 through 1999-00 ADM, including charter schools, grew by 183,792 students for a 16.94 % increase.
- ADM growth is not evenly distributed throughout North Carolina.
- Over the period 1989-90 through 1999-00 34 school systems had a net loss in ADM.
- Over the past five years, the LEA's experiencing a net loss in ADM dropped to 23 systems.
- The racial and ethnic diversity of the North Carolina schools have changed rapidly in the past decade.

Fiscal Research Division March 22. 1199

Ways to Imagine a 183,000 Increase in ADM

- 183,000 students = 2,772 sixty-six passenger school buses filled with students.



- 183,000 students = 305 six hundred student elementary schools.

PS 22

Changes in School Population Diversity						
1989-90 through 1997-98						
	Indian	Asian	Hispanic	Black	White	Total
1989-90	17,240	8,938	7,100	327,420	717,463	1,078,161
1997-98	18,375	19,550	32,902	376,740	774,602	1,222,169
Total Increase	1,135	10,612	25,802	49,320	57,139	144,008
% Increase	6.58%	118.73%	363.41%	15.06%	7.96%	13.36%

Public School, Average Daily Membership

- FY1998-99 Average Daily Membership: 1,251,287
- FY1999-00 Average Daily Membership: 1,268,870. An increase of 17,583 students.
- FY2000-00 Average Daily Membership: 1,289,528. An increase of 20,658 students.

ENROLLMENT GROWTH

THE WAY WE ARE: 1989-90 Through 1999-00

- Five clusters of counties accounted for over 88% of the growth during this time period.
- Research Triangle Counties
- Charlotte Region
- Military Base Counties and Adjacent Counties
- Triad Region
- Mountains and Beaches

ADM Growth in Selected Counties

Total Statewide Growth	173,529	
Five Clusters	152,805	
Percentage of Total	88.06%	
Research Triangle Counties		
Wake County	32,783	52.47%
Johnston County	5,503	37.73%
Harnett County	3,985	33.31%
Durham County	2,504	9.46%
Chapel-Hill Carrboro	3,021	52.42%
Granville County	1,311	19.79%
Chatham County	1,259	22.00%
Orange County	1,198	23.57%
Total	51,564	
Percentage of Total Growth		29.71%
Charlotte Region		
Mecklenburg County	25,713	34.20%
Cabarrus County	6,237	50.73%
Union County	5,945	37.94%
Rowan County	3,821	23.40%
Iredell County	3,121	22.98%
Lincoln County	1,761	20.23%
Mooresville City	1,581	66.91%
Total	48,179	
Percentage of Total Growth		27.76%
Military Base Counties and Adjacent Counties		
Cumberland County	7,246	16.41%
Onslow County	3,312	18.47%
Wayne County	1,149	6.32%
Hoke County	1,367	27.32%
Moore County	1,976	21.76%
Total	15,050	
Percentage of Total Growth		8.67%
Triad Region		
Guilford County	10,129	19.44%
Forsyth County	5,004	13.09%
Randolph County	3,135	23.12%
Asheboro City	1,581	66.91%
Alamance County	3,283	19.68%
Davidson County	2,518	15.55%
Total	25,650	
Percentage of Total Growth		14.78%
Mountains and Beaches		
Buncombe County	3,212	14.74%

ADM Growth in Selected Counties		
New Hanover County	2,598	13.74%
Brunswick County	1,582	18.70%
Pender County	1,675	34.18%
Dare County	1,262	38.55%
Henderson County	1,373	13.58%
Carteret County	660	8.48%
Total	12,362	
Percentage of Total Growth		8.09%

PS 27

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Alamance County	16,678	19,240	19,750	19,961	3,283	19.68%
Alexander County	4,943	5,160	5,448	5,378	435	8.80%
Alleghany County	1,613	1,471	1,483	1,480	(133)	-8.25%
Anson County	4,848	4,511	4,593	4,526	(322)	-6.64%
Ashe County	3,696	3,404	3,321	3,269	(427)	-11.55%
Avery County	2,621	2,433	2,528	2,507	(114)	-4.35%
Beaufort County	8,054	7,523	7,454	7,455	(599)	-7.44%
Bertie County	4,255	3,853	3,827	3,902	(353)	-8.30%
Bladen County	5,895	5,767	5,774	5,820	(75)	-1.27%
Brunswick County	8,459	9,750	9,965	10,041	1,582	18.70%
Buncombe County	21,791	24,704	25,136	25,003	3,212	14.74%
Asheville City	4,775	4,442	4,306	4,288	(487)	-10.20%
Burke County	12,168	13,839	14,293	14,610	2,442	20.07%
Cabarrus County	12,295	17,044	17,889	18,532	6,237	50.73%
Kannapolis City	4,270	4,034	3,986	3,955	(315)	-7.38%
Caldwell County	11,911	11,996	12,201	12,385	474	3.98%
Camden County	1,094	1,188	1,233	1,325	231	21.12%
Carteret County	7,779	8,542	8,635	8,439	660	8.48%
Caswell County	3,640	3,633	3,591	3,512	(128)	-3.52%
Catawba County	12,771	15,052	15,183	15,944	3,173	24.85%
Hickory City	4,318	4,246	4,526	4,337	19	0.44%
Newton City	2,927	2,682	2,787	2,788	(139)	-4.75%
Chatham County	5,723	6,744	6,804	6,982	1,259	22.00%
Cherokee County	3,675	3,551	3,494	3,480	(195)	-5.31%
Chowan County	2,563	2,534	2,588	2,582	19	0.74%
Clay County	1,207	1,273	1,268	1,287	80	6.63%
Cleveland County	8,208	8,988	9,182	9,487	1,279	15.58%
Kings Mountain City	3,885	4,244	4,388	4,504	619	15.93%
Shelby City	3,381	3,441	3,386	3,354	(27)	-0.80%
Columbus County	8,066	7,576	7,489	7,413	(653)	-8.10%
Whiteville City	2,777	2,838	2,811	2,825	48	1.73%
Craven County	14,049	15,090	15,029	14,779	730	5.20%

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Cumberland County	44,167	51,716	51,132	51,413	7,246	16.41%
Currituck County	2,483	3,093	3,036	3,213	730	29.40%
Dare County	3,274	4,500	4,677	4,536	1,262	38.55%
Davidson County	16,195	18,429	18,731	18,713	2,518	15.55%
Lexington City	3,122	3,203	3,117	3,251	129	4.13%
Thomasville City	2,185	2,362	2,323	2,388	203	9.29%
Davie County	4,688	5,175	5,404	5,517	829	17.68%
Duplin County	7,912	8,468	8,502	8,568	656	8.29%
Durham Public	26,460	29,221	29,644	28,964	2,504	9.46%
Edgecombe County	8,215	7,927	7,903	7,831	(384)	-4.67%
Forsyth County	38,237	41,890	42,817	43,241	5,004	13.09%
Franklin County	6,202	7,161	7,180	7,455	1,253	20.20%
Gaston County	30,496	29,745	30,133	30,345	(151)	-0.50%
Gates County	1,620	2,004	2,017	2,116	496	30.62%
Graham County	1,317	1,236	1,184	1,252	(65)	-4.94%
Granville County	6,623	7,689	7,880	7,934	1,311	19.79%
Greene County	2,796	2,928	2,963	2,895	99	3.54%
Guilford County	52,115	59,765	61,002	62,244	10,129	19.44%
Halifax County	6,566	6,369	6,398	6,190	(376)	-5.73%
Roanoke Rapids City	2,898	3,157	3,227	3,166	268	9.25%
Weldon City	1,275	1,200	1,135	1,159	(116)	-9.10%
Harnett County	11,964	15,174	15,949	15,949	3,985	33.31%
Haywood County	7,375	7,643	7,742	7,654	279	3.78%
Henderson County	10,111	11,559	11,668	11,484	1,373	13.58%
Hertford County	4,226	4,327	4,222	4,147	(79)	-1.87%
Hoke County	5,003	5,922	6,012	6,370	1,367	27.32%
Hyde County	931	802	783	781	(150)	-16.11%
Iredell County	13,579	15,186	15,962	16,700	3,121	22.98%
Mooresville City	2,363	3,491	3,688	3,944	1,581	66.91%
Jackson County	3,681	3,565	3,602	3,555	(126)	-3.42%
Johnston County	14,584	18,287	19,203	20,087	5,503	37.73%
Jones County	1,614	1,535	1,530	1,569	(45)	-2.79%

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Lee County	7,619	8,765	8,673	8,867	1,248	16.38%
Lenoir County	11,085	10,300	10,357	10,434	(651)	-5.87%
Lincoln County	8,707	9,894	10,298	10,468	1,761	20.23%
Macon County	3,340	4,074	4,125	4,004	664	19.88%
Madison County	2,726	2,567	2,564	2,651	(75)	-2.75%
Martin County	5,122	5,029	5,016	4,991	(131)	-2.56%
McDowell County	6,459	6,204	6,395	6,500	41	0.63%
Mecklenburg County	75,179	96,120	98,820	100,892	25,713	34.20%
Mitchell County	2,360	2,376	2,388	2,416	56	2.37%
Montgomery County	4,315	4,332	4,418	4,362	47	1.09%
Moore County	9,079	10,446	10,981	11,055	1,976	21.76%
Nash County	16,738	17,377	17,894	18,062	1,324	7.91%
New Hanover County	18,905	21,692	21,783	21,503	2,598	13.74%
Northampton County	4,059	3,891	3,819	3,825	(234)	-5.76%
Onslow County	17,931	21,127	21,481	21,243	3,312	18.47%
Orange County	5,083	6,026	6,238	6,281	1,198	23.57%
Chapel Hill-Carrboro	5,763	8,196	8,468	8,784	3,021	52.42%
Pamlico County	2,055	1,856	1,848	1,835	(220)	-10.71%
Pasquotank County	5,422	6,225	6,252	6,258	836	15.42%
Pender County	4,901	6,148	6,274	6,576	1,675	34.18%
Perquimans County	1,892	1,936	1,994	1,895	3	0.16%
Person County	5,319	5,686	5,844	5,888	569	10.70%
Pitt County	17,260	19,548	19,835	19,985	2,725	15.79%
Polk County	1,966	2,188	2,263	2,301	335	17.04%
Randolph County	13,561	16,166	16,483	16,696	3,135	23.12%
Asheboro City	3,473	4,216	4,321	4,349	876	25.22%
Richmond County	8,540	8,339	8,419	8,358	(182)	-2.13%
Robeson County	23,814	23,405	23,865	24,000	186	0.78%
Rockingham County	14,631	14,478	14,637	14,731	100	0.68%
Rowan County	16,329	19,737	20,159	20,150	3,821	23.40%
Rutherford County	9,905	10,153	10,178	10,135	230	2.32%
Sampson County	6,632	7,576	7,733	7,741	1,109	16.72%

ADM COMPARISONS
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Clinton City	2,747	2,570	2,509	2,571	(176)	-6.41%
Scotland County	7,434	7,200	7,124	6,975	(459)	-6.17%
Stanly County	8,762	9,772	10,017	10,362	1,600	18.26%
Stokes County	6,495	7,087	7,151	7,238	743	11.44%
Surry County	7,648	8,051	8,192	8,318	670	8.76%
Elkin City	985	1,078	1,057	1,081	96	9.75%
Mount Airy City	1,976	1,991	2,007	2,142	166	8.40%
Swain County	1,592	1,686	1,707	1,708	116	7.29%
Transylvania County	4,007	3,983	4,047	3,959	(48)	-1.20%
Tyrrell County	773	836	788	792	19	2.46%
Union County	15,671	19,711	20,653	21,616	5,945	37.94%
Vance County	7,394	7,493	7,888	8,047	653	8.83%
Wake County	62,481	88,794	93,433	95,264	32,783	52.47%
Warren County	3,009	3,231	3,234	3,334	325	10.80%
Washington County	2,868	2,613	2,595	2,504	(364)	-12.69%
Watauga County	4,534	4,864	4,896	4,826	292	6.44%
Wayne County	18,191	19,443	19,370	19,340	1,149	6.32%
Wilkes County	10,350	9,991	9,954	9,921	(429)	-4.14%
Wilson County	12,126	11,884	11,831	12,201	75	0.62%
Yadkin County	4,718	5,573	5,793	5,838	1,120	23.74%
Yancey County	2,535	2,508	2,532	2,553	18	0.71%
Total LEA's	**1,085,078**	**1,221,954**	**1,245,715**	**1,258,607**	**173,529**	**15.99%**
Charter Schools	**0**	**5,061**	**5,572**	**10,263**	**10,263**	**102.79%**
Total Public School ADM	**1,085,078**	**1,227,015**	**1,251,287**	**1,268,870**	**183,792**	**16.94%**

PS 31

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

					Sort High to Low	
LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Wake County	62,481	88,794	93,433	95,264	32,783	52.47%
Mecklenburg County	75,179	96,120	98,820	100,892	25,713	34.20%
Guilford County	52,115	59,765	61,002	62,244	10,129	19.44%
Cumberland County	44,167	51,716	51,132	51,413	7,246	16.41%
Cabarrus County	12,295	17,044	17,889	18,532	6,237	50.73%
Union County	15,671	19,711	20,653	21,616	5,945	37.94%
Johnston County	14,584	18,287	19,203	20,087	5,503	37.73%
Forsyth County	38,237	41,890	42,817	43,241	5,004	13.09%
Harnett County	11,964	15,174	15,949	15,949	3,985	33.31%
Rowan County	16,329	19,737	20,159	20,150	3,821	23.40%
Onslow County	17,931	21,127	21,481	21,243	3,312	18.47%
Alamance County	16,678	19,240	19,750	19,961	3,283	19.68%
Buncombe County	21,791	24,704	25,136	25,003	3,212	14.74%
Catawba County	12,771	15,052	15,183	15,944	3,173	24.85%
Randolph County	13,561	16,166	16,483	16,696	3,135	23.12%
Iredell County	13,579	15,186	15,962	16,700	3,121	22.98%
Chapel Hill-Carrboro	5,763	8,196	8,468	8,784	3,021	52.42%
Pitt County	17,260	19,548	19,835	19,985	2,725	15.79%
New Hanover County	18,905	21,692	21,783	21,503	2,598	13.74%
Davidson County	16,195	18,429	18,731	18,713	2,518	15.55%
Durham Public	26,460	29,221	29,644	28,964	2,504	9.46%
Burke County	12,168	13,839	14,293	14,610	2,442	20.07%
Moore County	9,079	10,446	10,981	11,055	1,976	21.76%
Lincoln County	8,707	9,894	10,298	10,468	1,761	20.23%
Pender County	4,901	6,148	6,274	6,576	1,675	34.18%
Stanly County	8,762	9,772	10,017	10,362	1,600	18.26%
Brunswick County	8,459	9,750	9,965	10,041	1,582	18.70%
Mooresville City	2,363	3,491	3,688	3,944	1,581	66.91%
Henderson County	10,111	11,559	11,668	11,484	1,373	13.58%
Hoke County	5,003	5,922	6,012	6,370	1,367	27.32%
Nash County	16,738	17,377	17,894	18,062	1,324	7.91%

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

					Sort High to Low	
LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Granville County	6,623	7,689	7,880	7,934	1,311	19.79%
Cleveland County	8,208	8,988	9,182	9,487	1,279	15.58%
Dare County	3,274	4,500	4,677	4,536	1,262	38.55%
Chatham County	5,723	6,744	6,804	6,982	1,259	22.00%
Franklin County	6,202	7,161	7,180	7,455	1,253	20.20%
Lee County	7,619	8,765	8,673	8,867	1,248	16.38%
Orange County	5,083	6,026	6,238	6,281	1,198	23.57%
Wayne County	18,191	19,443	19,370	19,340	1,149	6.32%
Yadkin County	4,718	5,573	5,793	5,838	1,120	23.74%
Sampson County	6,632	7,576	7,733	7,741	1,109	16.72%
Asheboro City	3,473	4,216	4,321	4,349	876	25.22%
Pasquotank County	5,422	6,225	6,252	6,258	836	15.42%
Davie County	4,688	5,175	5,404	5,517	829	17.68%
Stokes County	6,495	7,087	7,151	7,238	743	11.44%
Craven County	14,049	15,090	15,029	14,779	730	5.20%
Currituck County	2,483	3,093	3,036	3,213	730	29.40%
Surry County	7,648	8,051	8,192	8,318	670	8.76%
Macon County	3,340	4,074	4,125	4,004	664	19.88%
Carteret County	7,779	8,542	8,635	8,439	660	8.48%
Duplin County	7,912	8,468	8,502	8,568	656	8.29%
Vance County	7,394	7,493	7,888	8,047	653	8.83%
Kings Mountain City	3,885	4,244	4,388	4,504	619	15.93%
Person County	5,319	5,686	5,844	5,888	569	10.70%
Gates County	1,620	2,004	2,017	2,116	496	30.62%
Caldwell County	11,911	11,996	12,201	12,385	474	3.98%
Alexander County	4,943	5,160	5,448	5,378	435	8.80%
Polk County	1,966	2,188	2,263	2,301	335	17.04%
Warren County	3,009	3,231	3,234	3,334	325	10.80%
Watauga County	4,534	4,864	4,896	4,826	292	6.44%
Haywood County	7,375	7,643	7,742	7,654	279	3.78%
Roanoke Rapids City	2,898	3,157	3,227	3,166	268	9.25%

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

					Sort High to Low	
LEA and Name	1989-90	1997-98	1998-99	1999-00	ADM Increase 1989-2000	% Change 1989-2000
Camden County	1,094	1,188	1,233	1,325	231	21.12%
Rutherford County	9,905	10,153	10,178	10,135	230	2.32%
Thomasville City	2,185	2,362	2,323	2,388	203	9.29%
Robeson County	23,814	23,405	23,865	24,000	186	0.78%
Mount Airy City	1,976	1,991	2,007	2,142	166	8.40%
Lexington City	3,122	3,203	3,117	3,251	129	4.13%
Swain County	1,592	1,686	1,707	1,708	116	7.29%
Rockingham County	14,631	14,478	14,637	14,731	100	0.68%
Greene County	2,796	2,928	2,963	2,895	99	3.54%
Elkin City	985	1,078	1,057	1,081	96	9.75%
Clay County	1,207	1,273	1,268	1,287	80	6.63%
Wilson County	12,126	11,884	11,831	12,201	75	0.62%
Mitchell County	2,360	2,376	2,388	2,416	56	2.37%
Whiteville City	2,777	2,838	2,811	2,825	48	1.73%
Montgomery County	4,315	4,332	4,418	4,362	47	1.09%
McDowell County	6,459	6,204	6,395	6,500	41	0.63%
Hickory City	4,318	4,246	4,526	4,337	19	0.44%
Chowan County	2,563	2,534	2,588	2,582	19	0.74%
Tyrrell County	773	836	788	792	19	2.46%
Yancey County	2,535	2,508	2,532	2,553	18	0.71%
Perquimans County	1,892	1,936	1,994	1,895	3	0.16%
Shelby City	3,381	3,441	3,386	3,354	(27)	-0.80%
Jones County	1,614	1,535	1,530	1,569	(45)	-2.79%
Transylvania County	4,007	3,983	4,047	3,959	(48)	-1.20%
Graham County	1,317	1,236	1,184	1,252	(65)	-4.94%
Bladen County	5,895	5,767	5,774	5,820	(75)	-1.27%
Madison County	2,726	2,567	2,564	2,651	(75)	-2.75%
Hertford County	4,226	4,327	4,222	4,147	(79)	-1.87%
Avery County	2,621	2,433	2,528	2,507	(114)	-4.35%
Weldon City	1,275	1,200	1,135	1,159	(116)	-9.10%
Jackson County	3,681	3,565	3,602	3,555	(126)	-3.42%

All LEAs Sorted by ADM Increase
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	Sort High to Low ADM Increase 1989-2000	% Change 1989-2000
Caswell County	3,640	3,633	3,591	3,512	(128)	-3.52%
Martin County	5,122	5,029	5,016	4,991	(131)	-2.56%
Alleghany County	1,613	1,471	1,483	1,480	(133)	-8.25%
Newton City	2,927	2,682	2,787	2,788	(139)	-4.75%
Hyde County	931	802	783	781	(150)	-16.11%
Gaston County	30,496	29,745	30,133	30,345	(151)	-0.50%
Clinton City	2,747	2,570	2,509	2,571	(176)	-6.41%
Richmond County	8,540	8,339	8,419	8,358	(182)	-2.13%
Cherokee County	3,675	3,551	3,494	3,480	(195)	-5.31%
Pamlico County	2,055	1,856	1,848	1,835	(220)	-10.71%
Northampton County	4,059	3,891	3,819	3,825	(234)	-5.76%
Kannapolis City	4,270	4,034	3,986	3,955	(315)	-7.38%
Anson County	4,848	4,511	4,593	4,526	(322)	-6.64%
Bertie County	4,255	3,853	3,827	3,902	(353)	-8.30%
Washington County	2,868	2,613	2,595	2,504	(364)	-12.69%
Halifax County	6,566	6,369	6,398	6,190	(376)	-5.73%
Edgecombe County	8,215	7,927	7,903	7,831	(384)	-4.67%
Ashe County	3,696	3,404	3,321	3,269	(427)	-11.55%
Wilkes County	10,350	9,991	9,954	9,921	(429)	-4.14%
Scotland County	7,434	7,200	7,124	6,975	(459)	-6.17%
Asheville City	4,775	4,442	4,306	4,288	(487)	-10.20%
Beaufort County	8,054	7,523	7,454	7,455	(599)	-7.44%
Lenoir County	11,085	10,300	10,357	10,434	(651)	-5.87%
Columbus County	8,066	7,576	7,489	7,413	(653)	-8.10%
Total LEA's	**1,085,078**	**1,221,954**	**1,245,715**	**1,258,607**	**173,529**	**15.99%**
Charter Schools	**0**	**5,061**	**5,572**	**10,263**	**10,263**	**102.79%**
Total Public School ADM	**1,085,078**	**1,227,015**	**1,251,287**	**1,268,870**	**183,792**	**16.94%**

PS 35

Only LEAs With ADM Loss
FY1989-90 THROUGH FY1999-2000

LEA and Name	1989-90	1997-98	1998-99	1999-00	SORT/High to Low ADM Increase 1989-2000	% Change 1989-2000
Columbus County	8,066	7,576	7,489	7,413	(653)	-8.10%
Lenoir County	11,085	10,300	10,357	10,434	(651)	-5.87%
Beaufort County	8,054	7,523	7,454	7,455	(599)	-7.44%
Asheville City	4,775	4,442	4,306	4,288	(487)	-10.20%
Scotland County	7,434	7,200	7,124	6,975	(459)	-6.17%
Wilkes County	10,350	9,991	9,954	9,921	(429)	-4.14%
Ashe County	3,696	3,404	3,321	3,269	(427)	-11.55%
Edgecombe County	8,215	7,927	7,903	7,831	(384)	-4.67%
Halifax County	6,566	6,369	6,398	6,190	(376)	-5.73%
Washington County	2,868	2,613	2,595	2,504	(364)	-12.69%
Bertie County	4,255	3,853	3,827	3,902	(353)	-8.30%
Anson County	4,848	4,511	4,593	4,526	(322)	-6.64%
Kannapolis City	4,270	4,034	3,986	3,955	(315)	-7.38%
Northampton County	4,059	3,891	3,819	3,825	(234)	-5.76%
Pamlico County	2,055	1,856	1,848	1,835	(220)	-10.71%
Cherokee County	3,675	3,551	3,494	3,480	(195)	-5.31%
Richmond County	8,540	8,339	8,419	8,358	(182)	-2.13%
Clinton City	2,747	2,570	2,509	2,571	(176)	-6.41%
Gaston County	30,496	29,745	30,133	30,345	(151)	-0.50%
Hyde County	931	802	783	781	(150)	-16.11%
Newton City	2,927	2,682	2,787	2,788	(139)	-4.75%
Alleghany County	1,613	1,471	1,483	1,480	(133)	-8.25%
Martin County	5,122	5,029	5,016	4,991	(131)	-2.56%
Caswell County	3,640	3,633	3,591	3,512	(128)	-3.52%
Jackson County	3,681	3,565	3,602	3,555	(126)	-3.42%
Weldon City	1,275	1,200	1,135	1,159	(116)	-9.10%
Avery County	2,621	2,433	2,528	2,507	(114)	-4.35%
Hertford County	4,226	4,327	4,222	4,147	(79)	-1.87%
Madison County	2,726	2,567	2,564	2,651	(75)	-2.75%
Bladen County	5,895	5,767	5,774	5,820	(75)	-1.27%

Only LEAs With ADM Loss

FY1989-90 THROUGH FY1999-2000

					SORT/High to Low	
LEA and Name	**1989-90**	**1997-98**	**1998-99**	**1999-00**	**ADM Increase 1989-2000**	**% Change 1989-2000**
Graham County	1,317	1,236	1,184	1,252	(65)	-4.94%
Transylvania County	4,007	3,983	4,047	3,959	(48)	-1.20%
Jones County	1,614	1,535	1,530	1,569	(45)	-2.79%
Shelby City	3,381	3,441	3,386	3,354	(27)	-0.80%
Total LEA's	**204,271**	**199,770**	**200,376**	**200,057**	**(4,214)**	**-2.06%**

How State Money Flows to Local School Systems

Ps 38

State Allotment Formulas
FY 1998-99

Administration

Category	Basis of Allotment
Central Office Administration	Each LEA receives a base allotment which is graduated based on ADM. Additional funds are distributed based on ADM to LEAs with ADM higher than 1,500 ($14.62 per ADM). No LEA will receive less Central Office Administration funding than in FY 1997-98, increased for legislated salary increases, unless they are an LEA which is losing its hold harmless provision due to merger. The formula will be phased in as merged LEAs lose their special two-year hold harmless provision and as additional funds are appropriated.

Instructional Personnel and Support Services

Category	Basis of Allotment	Allotted Salary
Classroom Teachers		
Grades Kindergarten - 2	1 per 20 in ADM. (LEA Max Class Size Avg is 26)	
Grade 3	1 per 22.23 in ADM. (LEA Max Class Size Avg is 26)	
Grades 4 - 6	1 per 22 in ADM. (LEA Max Class Size Avg is 26)	
Grades 7 - 8	1 per 21 in ADM. (LEA Max Class Size Avg is 26)	
Grade 9	1 per 24.5 in ADM. (LEA Max Class Size Avg is 26)	
Grades 10 - 12	1 per 26.64 in ADM. (LEA Max Class Size Avg is 29)	$33,428
Math/Science/Computer Teachers	1 per county or based on subagreements.	
Teacher Assistants	$749.64 (rounded) per K-3 ADM.	$14,646
Instructional Support	1 per 200.10 in ADM.	$36,607
School Building Administration		
Principals	1 per school with at least 100 ADM or at least 7 state allotted teachers.	$58,116
Assistant Principals	1 month per 72.64 in ADM.	$41,970
Classroom Materials/Instructional Supplies/Equipment	$40.29 per ADM plus $2.69 per ADM in grades 8 and 9 for PSAT Testing.	
Textbooks	$46.77 per ADM in grades K-12.	

Employee Benefits

Category	Basis of Allotment
Hospitalization	$1,736 per position per year.
Retirement	10.10% of total salaries.
Social Security	7.65% of total salaries.

Support

Category	Basis of Allotment
Noninstructional Support Personnel	$198.78 per ADM. $6,000 per Textbook Commission member for Clerical Assistants.

Categorical Programs

Category	Basis of Allotment
ABC Incentive Award	***Schools with exemplary growth received $1,500 plus benefits for state & local certified personnel and $500 plus benefits for state and local teacher assistants. Schools with expected growth received $750 plus benefits for state and local certified personnel and***

State Allotment Formulas
FY 1998-99

	$375 plus benefits for state and local teacher assistants.
Academically or Intellectually Gifted Students	$782.28 per child for 4% of ADM.

Categorical Programs (Continued)

Category	Basis of Allotment
At-Risk Student Services	Each LEA receives the dollar equivalent of one resource officer ($37,838) per high school. Of the remaining funds, 50% is distributed based on ADM ($45.53 per ADM) and 50% is distributed based on number of poor children, per the federal Title 1 Low Income poverty data ($261.35 per poor child). Each LEA receives a minimum of the dollar equivalent of two teachers and two instructional support personnel ($171,876). No LEA will receive less than 90% of the total funding they received in FY 1997-98, not including carryover or Res. Off.
Children with Disabilities	
School Aged	***$2,346.29 per headcount. Headcount is comprised of the lesser of the April 1 handicapped headcount or an overall 12.5% cap of the prior year ADM.***
Preschool	***$41,098 per LEA; remainder distributed based on April 1 headcount of ages 3, 4, and pre-K 5.***
Group Homes	***Approved applications.***
Developmental Day Care (3-20)	***Approved applications - $7,500 per child.***
Community Residential Centers	***Not allotted. The Department of Public Instruction contracts directly with the Centers.***
Driver Education	***$233.87 (rounded) per 9th grade ADM. Includes private, charter, and federal schools.***
Intervention/Assist Teams	***Based on personnel assigned to assistance teams & support cost of team in the LEA.***
Limited English Proficiency	***Base of half a teacher asst ($9,490); remainder based 50% on number of LEP students and 50% on an LEA's concentration of LEP students.***
Low Wealth Supplemental Funding	***Funding to counties whose county wealth is less than 100% of the state average wealth.***
NCHELPS	***Funds allotted to increase teacher salaries ($186.82 per teacher per day) and for support (minimum of $10,000 per school with remainder at $12.73 per ADM).***
Regional Education & Technical Assistance Funding	80% of each region's budget is divided equally among all school systems in the region. 20% is allotted based on ADM.
Safety Assistance Teams	***Based on personnel assigned to assistance teams & support cost of team in the LEA.***
School Technology	***$15.60 per ADM.***
Small County Supplemental Funding	***Funding to counties with < 3,000 in ADM or between 3,000 & 4,000 ADM whose adjusted property tax base is below the state avg adjusted property tax base. 6 calculations (ranging from 5.5 teachers to $355,000 in Classroom Materials/Supplies/Equipment).***
Staff Development	$750 per LEA, then 25% of total is allotted equally (base) and 75% allotted based on ADM.
Staff Development-Reading/Math	25% of total is allotted equally (base) and 75% allotted based on ADM.
Transportation	Based on an efficiency rated formula and local operating plans.
Vocational Education - MOE LIMITED FLEXIBILITY-7.5% Salary Increase	Base of 50 Months of Employment per LEA with remainder distributed based on ADM in grades 7-12.
Voc Ed-Program Support	$10,000 per LEA with remainder distributed based on ADM in grades 7-12 ($25.61).
Voc Ed-Tech Prep	Approved applications for LEAs who have applied for, but not received, prior supplemental funding.
Willie M.	***Based on approved applications.***

Categories which cannot be adjusted in FY 1998-99 through an ABC transfer.

Category	*Reason for Restriction*
ABC Incentive Award	***Legislation***
Children with Disabilities	***Legislation; Funds may be transferred into Children with Disabilities***
Driver Education	***Highway Funds***

State Allotment Formulas
FY 1998-99

Intervention/Assistance Teams	*Legislation*
Limited English Proficiency	*Legislation*
Low Wealth Supplemental Funding	*Legislation*
NCHELPS	*Legislation*
Safety Assistance Teams	*Legislation*
School Technology	*Special Interest-Bearing Account*
Small County Supplemental Funding	*Legislation*
Willie M.	*Legislation*

N.C. Elementary and Secondary Education
FY 1998-99 Appropriated Funds (Note 1)

	Budgeted Positions	Budgeted Funds	Percentage
I. State Aid - Local Education Agencies			
General Administration			
Central Office Administration		$93,745,514	1.83%
Instructional Personnel and Related Services			
Classroom Teachers	56,699.50	1,895,803,043	37.05%
Teacher Assistants		318,919,640	6.23%
Instructional Support	6,356.00	231,067,868	4.52%
School Building Administration	3,786.10	193,793,673	3.79%
Classroom Materials/Instructional Supplies/Equipment		50,959,230	1.00%
Textbooks		59,246,725	1.16%
Annual Leave		12,531,616	0.24%
Compensation Bonus		8,184,188	0.16%
Mentor Pay		14,235,124	0.28%
Forfeited Vacation Days		12,750,000	0.25%
Estimated Matching Benefits (Note 2)		532,637,182	10.41%
Subtotal		3,330,128,289	65.08%
Support			
Noninstructional Support Personnel		250,314,192	4.89%
Categorical Programs			
ABC Incentive Award		115,118,003	2.25%
Academically & Intellectually Gifted		39,353,136	0.77%
At Risk Student Services/Alternative Schools		131,164,011	2.56%
Children with Disabilities		393,384,854	7.69%
Driver Education		23,895,355	0.47%
Intervention/Assistance Teams		6,299,989	0.12%
Limited English Proficiency		5,000,000	0.10%
Low Wealth Supplemental Funding		65,371,018	1.28%
NCHELPS		9,566,015	0.19%
Regional Ed. & Technical Assistance Funding		6,682,252	0.13%
Safety Assistance Teams		500,000	0.01%
School Technology		19,500,000	0.38%
Small County Supplemental Funding		21,610,192	0.42%
Staff Development		9,170,405	0.18%
Transportation		191,043,988	3.73%
Vocational Education	5,544.80	259,374,790	5.07%
Willie M.		6,297,035	0.12%
Subtotal		1,303,331,043	25.47%
Subtotal State Aid - Local Education Agencies		**$4,977,519,038**	97.27%
II. Miscellaneous			
ADM Contingency Reserve		5,500,000	0.11%
ADM Contingency Reserve-Charter Schools		2,472,531	0.05%
AVID Pilot Project		150,000	0.00%
Contracts-Finance Officer Staff Development		64,560	0.00%
Model Teacher Consortium		2,285,000	0.04%
NBPTS		3,274,500	0.06%
Other Insurance		48,944	0.00%
Personnel Services		69,704,039	1.36%
(Longevity, Short Term Disability, Worker's Comp., & Unemployment Comp.)			0.00%
School Bus Replacement		46,299,403	0.90%
School Leadership		150,000	0.00%
Testing		758,248	0.01%
Textbooks - Freight		111,000	0.00%
Tort Claims (Department of Justice)		3,774,000	0.07%
UERS		5,018,927	0.10%
Subtotal		139,611,152	2.73%
Grand Total		**$5,117,130,190**	100.00%

Note 1: Based on the State Public School Funds budget as of November 24, 1998.

Note 2: Includes funds for Social Security, Retirement, and Hospitalization. Benefits are included in the dollar allotments, such as Central Office Administration. Benefits for position/month of employment allotments (Teachers, Instructional Support, and School Building Administration) are shown here.

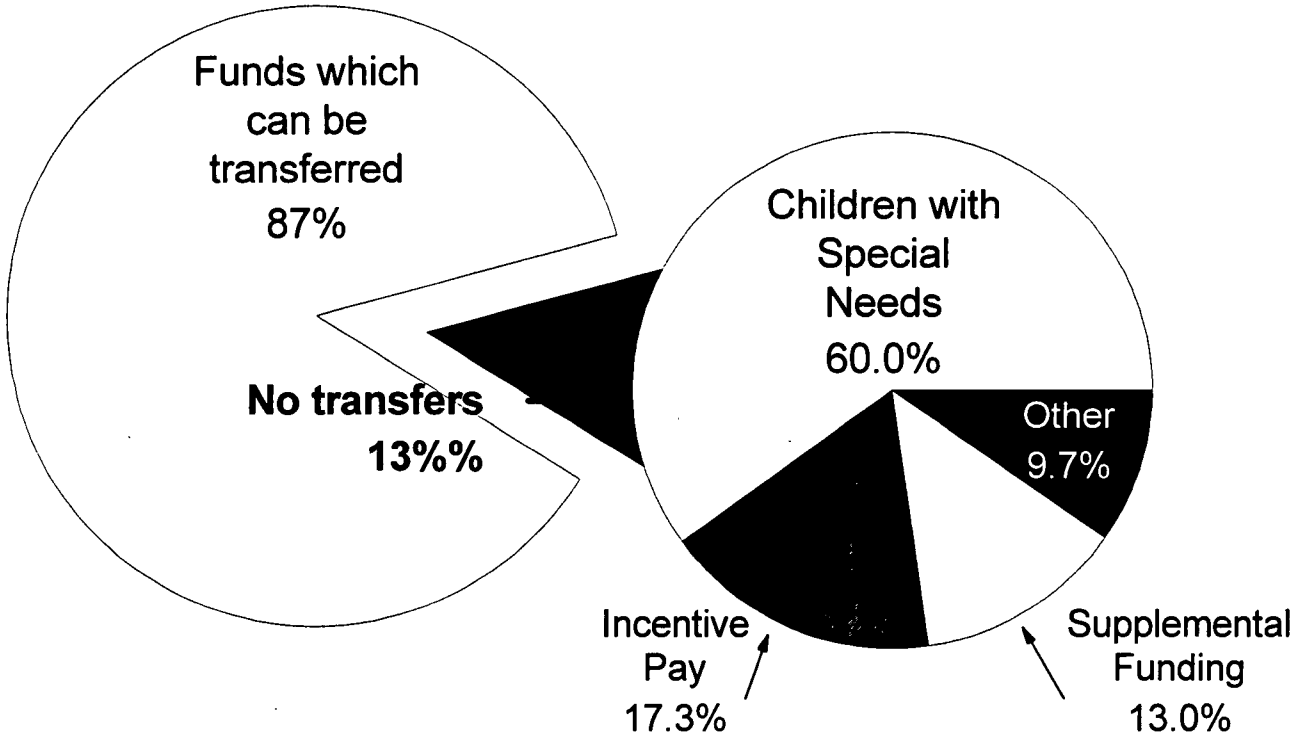
Local Flexibility with State Funds

PS 43

ABCs Flexibility

FY 1998-99

Of the $5.1 billion budget, only $666 million (13%) cannot be transferred to any other funding. The breakdown of categories which cannot be transferred is shown below. This funding cannot be transferred due to specific legislation.



Other includes:
- Driver Education
- Assistance Teams
- Lim. English Prof.
- NCHELPS
- Safety Teams
- School Technology

State Public School Fund

FY 1998-99 Transfer Policies

General Policies:

State Board waivers are no longer required for financial transfers. The only transfers required to be in a school improvement plan are for Academically Gifted Students (some transfers), Classroom Materials/Instructional Supplies/Materials, Noninstructional Support Personnel, Teacher Assistants, and Textbooks. Details of transfer policies are outlined below.

Allotment Category	ABC Transfer Policy
ABC Incentive Award	*No Transfers Allowed*
Academically or Intellectually Gifted Students	*Funds can be transferred to other categories IF IN A SCHOOL'S IMPROVEMENT PLAN and if all academically or intellectually gifted students are appropriately served. Funds may be transferred into this category.*
At Risk Student Services/ Alternative Schools *Funds are available from July 1 - August 31 of the next fiscal year.*	*Funds can be transferred for any purpose.*
Central Office Administration	*Funds cannot be transferred into this category. Funds can be transferred out for any other purpose.*
Children with Disabilities *Includes Willie M.*	*Funds may not be transferred out of this category. Funds may be transferred in from any category.*
Classroom Materials/Instructional Supplies/Equipment	*Transfers to textbooks allowed IF INCLUDED IN A SCHOOL'S IMPROVEMENT PLAN. No other transfers allowed.*
Classroom Teachers *The State does not allot dollars to hire teachers. The State will pay the salary cost of the State paid teachers a local system employs.*	*Funds can only be transferred for Classroom Materials/Instructional Supplies/Equipment, exceptional children teachers, at-risk teachers, or textbooks.*
Driver's Education	*No transfers allowed.*
Instructional Support Personnel *The State does not allot dollars for this category. The State will pay the salary cost of the State paid positions a local system employs.*	*Funds can be transferred for any purpose. Can be used for teachers in any grade without a transfer.*
Intervention/Asst. Team Funding	*No transfers allowed.*

State Public School Fund

FY 1998-99 Transfer Policies

Limited English Proficiency	*No transfers allowed.*
Allotment Category	ABC Transfer Policy
NCHELPS	*No transfers allowed.*
Noninstructional Support Personnel *Includes clerical, custodians, and substitutes.*	*Transfers allowed only for teachers (any grade) IF IN A SCHOOL'S IMPROVEMENT PLAN.* *No other transfers allowed.*
Regional Ed./Tech. Asst Funding	*Funds can be used for any purpose (No transfer required).*
Safety Assistance Teams	*No transfers allowed.*
School Building Administration *The State does not allot dollars for this category.* *The State will pay the salary cost of the State paid positions a local system employs.*	*Funds can be transferred for any purpose.* *Waivers for placement of Principals on the salary schedule for low-performing schools must be approved by the State Board.*
School Technology	*No transfers allowed.*
Staff Development	*Funds can be transferred for any purpose.* *LEAs must allot 75% of funds to schools.*
Staff Development-Math/Reading	*Funds can be transferred for any purpose, if all math/reading needs have been met. LEAs must allot 75% of funds to schools.*
Supplemental Funding *Low Wealth and Small County*	*Funds cannot be transferred.*
Teacher Assistants	*Transfers allowed only for teachers in grades K-3 IF IN A SCHOOL'S IMPROVEMENT PLAN. Positions must be vacant to transfer. Grade placement may be waived IF IN A SCHOOL'S IMPROVEMENT PLAN to serve students primarily in grades K-3 when the personnel are assigned to an elementary school to serve the whole school.*
Textbooks	*Transfers to Classroom Materials/Instructional Supplies/Equipment allowed IF INCLUDED IN A SCHOOL'S IMPROVEMENT PLAN. No other transfers allowed. LEAs will not have to obtain a waiver to purchase off the State-adopted list.*
Transportation	*Can be transferred. Transfers will impact efficiency ratings.*

State Public School Fund

FY 1998-99 Transfer Policies

Vocational Education	*Funds can be transferred between Voc. Ed. categories. Limited transfers for other purposes based on promulgated rules established by the State Board of Education to comply with federal regulations.*

Low Wealth Supplemental Funding

PS 48

Low Wealth Supplemental Funding

- The formula was created by the General Assembly in 1991
- The formula was extensively modified by the General Assembly in 1993.
- Purpose of the formula is to distribute funds to school systems not to determine adequacy of educational programs or funding for public schools .
- The formula is not intended to reflect any commitments by the General Assembly to appropriate additional supplemental funds.

Calculating Low Wealth Supplemental Funding
Example - FY 1998-99

Weighted 40% Revenue, 10% Density, and 50% Income

STEP 1 - Comparability:

County Revenue:

Calculate County Adjusted Property Tax Base:

Real Property (revalued in 1995)	$1,545,456,134		
Less: Agricultural Use Value	326,198,555		
Property Value to be Adjusted		$1,219,257,579	
Weighted Sales Assessment Ratio		0.9129	(Valued @ 91% of Market)
Adjusted Real Property Value		1,335,587,226	
Public Service Company Value		70,950,997	
Personal Property Value		505,377,578	
Agricultural Use Value		326,198,555	
County Adjusted Property Tax Base		$2,238,114,356	

Convert County Adjusted Property Tax Base to Anticipated Revenue:

County Adjusted Property Tax Base	$2,238,114,356	
State Average "Effective" Tax Rate	0.604	(per $100 in Property Value)
(State Average Tax Rate for all Counties after adjusting each County's Actual Tax Rate by the County's Weighted Sales Assessment Ratio)		
Anticipated County Property Tax Revenue Availability	$13,518,211	

Include Additional Revenue:

Additional Local Revenue *	$7,446,266
Anticipated Total County Revenue Availability	$20,964,477

* (Local Sales and Use Taxes, Food Stamp Exemption Reimbursement, Homestead Exemption Reimbursement, Inventory Tax, Intangibles Tax, and Fines and Forfeitures).

Calculate Anticipated Total County Revenue Availability per Student:

Total County's Average Daily Membership (ADM)	**10,242**	
Anticipated Total County Revenue Availability per Student	**$2,047**	
Anticipated State Average Revenue Availability per Student	**$3,085**	
County Percentage of State Average County Revenue per Student		**66.35%**

Density Adjustment:

County Adjusted Property Tax Base	**$2,238,114,356**	
Square Miles in County	**945.52**	
County Adjusted Property Tax Base per Square Mile	**$2,367,072**	
State Average Adjusted Property Tax Base per Square Mile	**$8,963,583**	
County Percentage of State Average Property Tax Base per Square Mile		**26.41%**

Per Capita Income:

County 3 Year Average Per Capita Income (1994, 1995, 1996)	**$19,638**	
State 3 Year Average Per Capita Income (1994, 1995, 1996)	**$21,168**	
County Percentage of State 3 Year Average Per Capita Income		**92.77%**

STEP 2 - Eligibility

Calculating Low Wealth Supplemental Funding
Example - FY 1998-99

Weighted 40% Revenue, 10% Density, and 50% Income

Eligible for Funding:

40% of the County Percentage of Revenue Base per Student	**26.54%**	(66.35% * .4)
10% of the County Percentage of Property Base per Mile	**2.64%**	(26.41% * .1)
50% of the County Percentage of Per Capita Income	**46.39%**	(92.77% * .5)
County Wealth as a Percentage of State Average Wealth	**75.57%**	

If the Overall Wealth Percentage is less than 100%, then a County is eligible.

THIS COUNTY IS CLASSIFIED AS ELIGIBLE FOR LOW WEALTH FUNDING!!!

STEP 3 - Effort:

1st way to meet effort requirement:

County's 1997 Tax Rate	$0.670	(Per $100 in Property Valuation)	
Weighted Sales Assessment Ratio:	0.9129		
Effective County Tax Rate		**0.612**	
Effective State Average Tax Rate		**0.604**	(.6757 unadjusted)

If the Effective County Tax Rate is greater than the Effective State Average Tax Rate, then a County is Fundable.

THIS COUNTY WOULD RECEIVE 100% LOW WEALTH FUNDING!!!

THIS COUNTY W N

2nd way to meet effort requirement:

State Average Local Appropriation per Student	$933.81
County Wealth as a Percentage of State Average	75.57%
Calculated County Appropriation per Student	$705.68
Actual 1997 County Appropriation per Student	$658.35
County Appropriation as a Percentage of Calculated County Appropriation ($658.35 divided by $705.68)	93.3%

If the Actual County Appropriations exceed the Calculated County Appropriation (greater than 100%), then a County is Fundable at 100%.

Otherwise:

All other Eligible Counties will receive a portion of the calculated funding outlined in Step 4. If the Actual County Appropriations are less than the Calculated County Appropriation (less than 100%), then a County's funding will be reduced by the percent a County is below 100%. For example, this County was contributing only 93.3% of the formula's anticipated contributions. Therefore, this County would receive only 93.3% of the total funding the County would have received under the formula if the tax rate did not guarantee them 100% - Step 4 (Calculation of Effort Proration).

STEP 4 - Funding:

Calculating Low Wealth Supplemental Funding
Example - FY 1998-99

Weighted 40% Revenue, 10% Density, and 50% Income

Calculation of Total Funding:

State Average Local Appropriation per Student	$933.81	
County Wealth as a Percentage of State Average	75.57%	
Calculated County Appropriation per Student	$705.68	
State Average Local Appropriation per Student	933.81	
Difference From State Average	$228.13	0 if more than state avg.)
Total County's Average Daily Membership (ADM)	10,242	
Total Allotment per Formula	$2,336,507	

Calculation of Effort Proration:

Calculation of Proportional Funding if a County's Actual per Student Appropriations to public schools is less than the amount the formula anticipates that they could generate (See Step 3 Effort):

Total Allotment per Formula	$2,336,507	
County Appropriation as a Percentage of Calculated County Appropriation ($658.35 divided by $705.68)	100.0%	(Tax Rate > State Average Adjustment is not required)
Total Allotment after Effort Proration	$2,336,507	

Note: Revised legislation effective 7/1/97:

If a county's calculated effort falls below 100% because the effective tax rate drops below the state average tax rate, the county cannot lose more than 10% of what the funding would have been at 100%. This is a one time adjustment and will not be implemented if the county had reduced its tax rate.
In FY 1997-98, five LEAs were eligible for this adjustment. This adjustment saved these systems more than $1.5 million.

Another provision allows counties to increase local appropriations to the public schools and have this increase included in the local appropriation calculations, for effort, in the formula.

Calculation Pro Rata Actual Funding:

Maximum State Allotment for Fundable Counties	$109,286,960	(Includes all 73 eligible Co. after effort)
Total Appropriated Funds	$65,127,971	
County's Portion of Appropriated Funds	**$1,392,407**	(59.59% of $2,336,507)

North Carolina Department of Public Instruction
Division of School Business
School Finance Section
ary 18, 1999 (C:Other\1998-99\lowwealt\Example.wk4)

Low Wealth Supplemental Funding

FY 1991-92 through FY 1998-99

LEA #	LEA Name	Low Wealth Supplemental Funding							
		FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	1998-99
010	Alamance County	$0	$0	$0	$0	$0	$0	$0	$0
011	Burlington City	0	0	0	0	0	0	0	0
020	Alexander County	0	0	71,371	158,951	229,943	235,523	290,642	334,004
030	Alleghany County	2,567	2,567	12,963	2,054	11,491	0	0	0
040	Anson County	92,254	101,750	228,569	404,995	513,999	590,959	653,284	775,484
050	Ashe County	0	0	75,913	119,387	118,323	123,682	129,034	121,620
060	Avery County	0	0	0	0	0	0	0	0
070	Beaufort County	0	0	180,557	360,345	520,545	543,313	568,798	662,451
080	Bertie County	84,862	104,173	262,432	500,363	604,552	658,449	693,960	841,444
090	Bladen County	91,319	113,863	268,851	452,020	558,038	644,152	684,445	686,534
100	Brunswick County	0	0	0	0	0	0	0	0
110	Buncombe County	0	0	0	0	0	0	0	0
111	Asheville City	0	0	0	0	0	0	0	0
120	Burke County	0	0	216,119	575,084	755,476	855,220	858,797	973,302
130	Cabarrus County	36,736	48,225	0	0	0	0	0	0
132	Kannapolis City	8,796	11,533	9,227	23,384	29,764	36,954	42,096	48,956
140	Caldwell County	143,048	168,776	301,865	587,365	671,909	753,905	889,292	1,096,947
150	Camden County	9,596	12,114	40,776	106,527	159,077	166,685	165,985	198,915
160	Carteret County	0	0	0	0	0	0	0	0
170	Caswell County	69,354	96,097	195,834	267,058	421,508	474,099	535,747	647,073
180	Catawba County	0	0	0	0	0	0	0	0
181	Hickory City	0	0	0	0	0	0	0	0
182	Newton City	0	0	0	0	0	0	0	0
190	Chatham County	0	0	0	0	0	0	0	29,745
200	Cherokee County	0	0	81,093	195,094	248,833	247,326	294,239	310,380
210	Chowan County	37,988	45,222	96,029	181,276	231,719	260,662	258,274	312,805
220	Clay County	0	0	20,671	38,343	34,344	38,489	42,889	42,715
230	Cleveland County	88,321	88,838	69,158	286,269	270,195	358,839	404,287	696,463
231	Kings Mountain City	42,306	41,829	30,156	129,206	119,316	162,246	183,072	319,467
232	Shelby City	34,738	34,684	26,336	109,115	102,110	138,182	154,724	256,846

PS 53

Low Wealth Supplemental Funding

FY 1991-92 through FY 1998-99

LEA #	LEA Name	Low Wealth Supplemental Funding							
		FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	1998-99
240	Columbus County	166,657	203,936	436,884	629,938	740,088	759,797	841,884	1,206,537
241	Whiteville City	58,341	74,665	155,984	232,282	271,100	276,619	315,345	452,846
250	Craven County	0	0	383,373	714,228	777,740	812,951	891,384	942,172
260	Cumberland County	714,898	1,154,781	1,251,203	2,041,430	1,582,296	2,274,806	2,031,716	2,646,134
270	Currituck County	0	0	0	0	0	0	0	0
280	Dare County	0	0	0	0	0	0	0	0
290	Davidson County	0	0	141,126	228,487	360,593	507,297	575,897	793,329
291	Lexington City	0	0	24,598	38,946	62,169	87,440	100,094	132,068
292	Thomasville City	0	0	17,843	28,957	44,327	62,213	73,777	98,385
300	Davie County	0	0	0	0	0	0	0	0
310	Duplin County	154,632	190,579	436,892	488,569	844,879	875,891	915,245	939,153
320	Durham Public	0	0	0	0	0	0	0	0
330	Edgecombe County	162,831	199,546	200,845	548,565	687,730	754,875	833,397	1,067,825
340	Forsyth County	0	0	0	0	0	0	0	0
350	Franklin County	103,521	133,244	318,951	619,083	745,192	840,900	966,097	1,044,459
360	Gaston County	247,520	247,534	0	0	0	0	0	0
370	Gates County	25,139	29,072	81,590	192,376	272,712	310,963	336,918	433,935
380	Graham County	0	0	36,723	69,684	100,877	81,397	96,625	83,904
390	Granville County	0	0	266,478	582,650	711,781	847,767	955,076	1,051,523
400	Greene County	57,472	70,256	135,753	232,254	303,867	372,718	401,734	522,028
410	Guilford County	0	0	0	0	0	0	0	0
420	Halifax County	122,996	147,053	333,346	620,880	545,412	840,326	929,450	1,120,449
421	Roanoke Rapids City	54,831	67,349	161,067	318,270	274,560	428,064	460,031	565,123
422	Weldon City	22,615	27,860	66,209	118,928	107,284	168,065	175,250	198,801
430	Harnett County	241,979	334,321	746,082	1,462,094	1,822,861	1,345,106	2,362,767	3,086,895
440	Haywood County	24,442	24,442	74,851	50,130	112,117	175,524	225,551	280,468
450	Henderson County	0	0	0	0	0	0	0	0
460	Hertford County	85,904	115,478	260,411	528,087	625,996	698,534	748,086	833,841
470	Hoke County	127,109	172,813	424,741	874,766	1,085,834	1,256,019	1,340,474	1,627,327
480	Hyde County	0	0	0	0	0	0	0	5,665

Low Wealth Supplemental Funding

FY 1991-92 through FY 1998-99

LEA #	LEA Name	Low Wealth Supplemental Funding							
		FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	1998-99
490	Iredell County	0	127,489	0	0	0	0	0	0
491	Mooresville City	0	28,366	0	0	0	0	0	0
500	Jackson County	0	0	0	0	0	0	0	0
510	Johnston County	235,389	298,790	520,849	1,045,218	1,305,597	1,322,063	1,307,740	1,695,964
520	Jones County	28,605	33,917	80,644	106,250	114,034	136,596	135,981	179,229
530	Lee County	50,959	50,959	29,680	106,113	68,548	41,550	95,370	125,492
540	Lenoir County	164,712	183,311	258,758	499,929	530,259	572,354	626,009	894,541
550	Lincoln County	0	174,429	81,566	159,994	166,938	183,835	254,933	425,419
560	Macon County	0	0	0	0	0	0	0	0
570	Madison County	0	0	59,661	140,410	155,979	173,806	198,196	269,795
580	Martin County	63,868	68,641	161,532	362,107	407,312	466,439	517,421	724,346
590	McDowell County	0	0	187,856	391,996	483,108	493,138	548,065	634,363
600	Mecklenburg County	0	0	0	0	0	0	0	0
610	Mitchell County	0	0	66,814	115,116	127,587	140,695	154,717	168,276
620	Montgomery County	0	0	108,418	246,419	304,436	338,225	479,067	481,271
630	Moore County	0	0	0	0	0	0	0	0
640	Nash County	69,901	84,708	366,215	707,325	1,034,225	1,334,996	1,455,137	1,702,630
650	New Hanover County	0	0	0	0	0	0	0	0
660	Northampton County	70,935	79,139	193,104	416,370	526,773	580,823	618,949	711,735
670	Onslow County	0	590,311	925,312	1,755,236	2,236,174	2,325,838	2,663,886	3,076,586
680	Orange County	0	0	0	0	0	0	0	0
681	Chapel Hill City	0	0	0	0	0	0	0	0
690	Pamlico County	0	0	50,966	135,816	132,923	142,452	196,236	241,441
700	Pasquotank County	92,249	130,821	255,410	495,603	598,210	604,345	726,785	837,781
710	Pender County	0	0	157,727	350,052	418,962	510,752	497,605	541,990
720	Perquimans County	0	46,837	103,584	195,205	219,716	238,206	259,961	346,982
730	Person County	0	0	17,258	0	60,444	67,374	80,324	94,877
740	Pitt County	183,143	222,073	330,358	690,101	808,773	706,580	1,017,560	1,239,735
750	Polk County	0	0	0	0	0	0	0	0
760	Randolph County	0	0	169,582	335,311	406,175	560,425	663,310	853,968

Low Wealth Supplemental Funding

FY 1991-92 through FY 1998-99

LEA #	LEA Name	Low Wealth Supplemental Funding							
		FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	1998-99
761	Asheboro City	0	0	43,702	89,510	104,288	147,987	172,936	223,866
770	Richmond County	163,625	209,960	452,763	844,425	1,061,637	1,220,835	1,287,128	1,622,456
780	Robeson County	570,809	731,631	1,614,695	3,066,840	3,532,329	3,906,997	4,331,898	5,391,408
790	Rockingham County	144,320	144,320	222,697	593,952	535,235	720,201	755,457	1,218,562
800	Rowan County	0	0	159,460	437,830	556,142	810,623	919,010	1,086,908
810	Rutherford County	0	0	203,987	492,221	554,612	665,055	690,309	778,554
820	Sampson County	126,917	127,258	213,916	409,621	430,528	703,252	760,500	1,051,267
821	Clinton City	53,080	52,739	85,560	150,660	156,743	246,704	257,981	341,140
830	Scotland County	152,303	192,194	337,040	677,107	812,952	896,172	969,227	1,049,007
840	Stanly County	0	0	123,794	295,039	391,209	505,246	812,869	979,359
841	Albemarle City	0	0	38,007	88,926	114,883	150,662	0	0
850	Stokes County	0	0	121,951	186,061	287,216	360,885	469,981	593,717
860	Surry County	78,113	78,466	87,483	172,244	224,751	251,456	337,605	482,741
861	Elkin City	10,618	10,396	11,613	23,988	29,926	33,654	46,786	68,790
862	Mount Airy City	20,705	20,574	22,764	42,930	55,753	64,718	83,466	118,291
870	Swain County	0	0	61,957	110,715	139,412	141,675	145,933	148,443
880	Transylvania County	0	0	0	0	0	0	0	0
890	Tyrrell County	7,238	9,691	30,996	49,914	80,347	92,289	105,572	150,717
900	Union County	0	199,462	2,822	370,286	455,905	544,249	735,478	841,793
910	Vance County	0	201,077	268,754	497,751	615,559	732,192	792,196	1,013,103
920	Wake County	0	0	0	0	0	0	0	0
930	Warren County	39,762	46,030	145,159	335,555	408,660	483,708	541,182	607,933
940	Washington County	55,940	71,871	168,635	271,135	302,228	343,002	376,523	497,633
950	Watauga County	0	0	0	0	0	0	0	0
960	Wayne County	331,409	443,339	820,780	1,547,345	1,456,794	2,115,301	2,257,599	2,346,392
970	Wilkes County	0	0	229,156	464,442	614,985	582,813	629,390	683,547
980	Wilson County	136,074	213,998	165,998	303,983	355,822	333,217	371,152	526,893
990	Yadkin County	36,554	64,603	104,031	278,771	285,119	333,645	429,929	398,354
995	Yancey County	0	0	57,693	110,547	134,044	135,826	144,355	172,658
	Total	$6,000,000	$9,000,000	$18,063,577	$35,283,809	$41,483,809	$47,528,813	$53,348,077	$65,127,971

Low Wealth Supplemental Funding

LEA No.	LEA Name	Fiscal Year 1997-98 Allotment	YTD Expenditures	Unexpended Amount	Unexpended Percent
020	Alexander County	290,282.00	290,282.00	0.00	0.00%
040	Anson County	653,284.00	653,269.15	14.85	0.00%
050	Ashe County	129,034.00	129,034.00	0.00	0.00%
070	Beaufort County	568,647.00	568,647.00	0.00	0.00%
080	Bertie County	693,960.00	680,921.96	13,038.04	1.88%
090	Bladen County	684,445.00	684,444.90	0.10	0.00%
120	Burke County	858,239.00	858,239.00	0.00	0.00%
132	Kannnapolis City	42,096.00	42,066.27	29.73	0.07%
140	Caldwell County	884,280.00	883,846.75	433.25	0.05%
150	Camden County	165,985.00	165,985.00	0.00	0.00%
170	Caswell County	535,747.00	535,658.96	88.04	0.02%
200	Cherokee County	289,111.00	289,111.00	0.00	0.00%
210	Chowan	258,274.00	258,274.00	0.00	0.00%
220	Clay County	42,688.00	42,687.95	0.05	0.00%
230	Cleveland County	404,242.00	404,241.99	0.01	0.00%
231	Kings Mountain City	183,072.00	183,061.74	10.26	0.01%
232	Shelby City	154,679.00	154,679.00	0.00	0.00%
[illegible]0	Columbus County	841,884.00	841,422.30	461.70	0.05%
[illegible]1	Whiteville City	315,345.00	311,169.30	4,175.70	1.32%
250	Craven County	891,325.00	891,261.33	63.67	0.01%
260	Cumberland County	2,031,598.00	2,031,461.77	136.23	0.01%
290	Davidson County	575,866.00	575,866.00	0.00	0.00%
291	Lexington City	100,094.00	100,031.92	62.08	0.06%
292	Thomasville City	73,777.00	71,778.37	1,998.63	2.71%
310	Duplin County	915,245.00	915,245.00	0.00	0.00%
330	Edgecombe County	829,840.00	829,840.00	0.00	0.00%
350	Franklin County	965,692.00	965,076.73	615.27	0.06%
370	Gates County	336,918.00	336,882.63	35.37	0.01%
380	Graham County	96,625.00	96,625.00	0.00	0.00%
390	Granville County	955,076.00	955,076.00	0.00	0.00%
400	Greene County	400,776.00	400,776.00	0.00	0.00%
420	Halifax County	929,012.00	887,980.22	41,031.78	4.42%
421	Roanoke Rapids City	459,885.00	459,885.00	0.00	0.00%
422	Weldon City	175,250.00	175,250.00	0.00	0.00%
430	Harnett County	2,362,767.00	2,362,624.01	142.99	0.01%
440	Haywood County	225,551.00	225,551.00	0.00	0.00%
460	Hertford County	748,086.00	746,584.82	1,501.18	0.20%
470	Hoke County	1,340,021.00	1,340,021.00	0.00	0.00%
510	Johnston County	1,307,240.00	1,307,240.00	0.00	0.00%
520	Jones County	135,981.00	135,971.53	9.47	0.01%
[illegible]0	Lee County	95,370.00	95,370.00	0.00	0.00%
[illegible]0	Lenoir County	619,639.00	619,638.66	0.34	0.00%

P557

Low Wealth Supplemental Funding

LEA No.	LEA Name	Fiscal Year 1997-98 Allotment	YTD Expenditures	Unexpended Amount	Unexpended Percent
550	Lincoln County	254,856.00	254,856.00	0.00	0.00%
570	Madison County	198,119.00	198,032.38	86.62	0.04%
580	Martin County	517,421.00	517,421.00	0.00	0.00%
590	McDowell County	548,065.00	547,761.78	303.22	0.06%
610	Mitchell County	154,717.00	154,717.00	0.00	0.00%
620	Montgomery County	479,067.00	478,721.78	345.22	0.07%
640	Nash-Rocky Mount	1,420,350.00	1,420,350.00	0.00	0.00%
660	Northampton County	618,949.00	605,612.98	13,336.02	2.15%
670	Onslow County	2,663,886.00	2,660,186.79	3,699.21	0.14%
690	Pamlico County	188,852.00	188,836.51	15.49	0.01%
700	Pasquotank County	726,785.00	721,112.46	5,672.54	0.78%
710	Pender County	497,362.00	497,076.94	285.06	0.06%
720	Perquimans County	259,961.00	259,894.93	66.07	0.03%
730	Person County	80,268.00	78,574.74	1,693.26	2.11%
740	Pitt County	1,010,993.00	1,010,790.35	202.65	0.02%
760	Randolph County	662,695.00	662,695.00	0.00	0.00%
761	Asheboro City	172,936.00	172,898.87	37.13	0.02%
[illegible]0	Richmond County	1,287,128.00	1,281,118.79	6,009.21	0.47%
[illegible]0	Robeson County	4,314,390.00	4,314,390.00	0.00	0.00%
790	Rockingham County	755,457.00	755,453.66	3.34	0.00%
800	Rowan County	918,824.00	918,824.00	0.00	0.00%
810	Rutherford County	690,309.00	689,087.74	1,221.26	0.18%
820	Sampson County	760,500.00	758,725.69	1,774.31	0.23%
821	Clinton City	257,981.00	257,981.00	0.00	0.00%
830	Scotland County	969,227.00	969,227.00	0.00	0.00%
840	Stanly County	812,869.00	812,869.00	0.00	0.00%
850	Stokes County	469,848.00	469,843.38	4.62	0.00%
860	Surry County	337,211.00	337,211.00	0.00	0.00%
861	Elkin City	45,103.00	45,103.00	0.00	0.00%
862	Mount Airy City	83,424.00	83,256.97	167.03	0.20%
870	Swain County	145,933.00	145,893.12	39.88	0.03%
890	Tyrrell County	105,572.00	105,572.00	0.00	0.00%
900	Union County	735,478.00	695,577.28	39,900.72	5.43%
910	Vance County	792,196.00	789,743.14	2,452.86	0.31%
930	Warren County	541,182.00	541,182.00	0.00	0.00%
940	Washington County	376,523.00	376,458.01	64.99	0.02%
960	Wayne County	2,246,507.00	2,241,784.28	4,722.72	0.21%
970	Wilkes County	624,274.00	624,274.00	0.00	0.00%
980	Wilson County	362,232.00	348,480.91	13,751.09	3.80%
990	Yadkin County	427,903.00	427,903.00	0.00	0.00%
[illegible]6	Yancey County	144,355.00	144,355.00	0.00	0.00%
	Total	**$53,226,636.00**	**$53,066,932.74**	**$159,703.26**	**27.24%**

Low Wealth Supplemental Funding
Report on Expenditures

June 30,1998

State Summary

Total Allotment:	**$53,226,636**	**$210,586,644**

Expenditure Description	FY 1997-98 As of 06/30/98	FY 1997-98 % of Total	FY 91/92 Thru FY 97/98 Cumulative	FY 91/92 Thru FY 97/98 % of Total
Teachers	$16,291,982.20	30.68%	$56,765,275.80	27.06%
Teacher Assistants	5,545,876.51	10.45%	17,527,685.78	8.36%
Instructional Support (Note)	477,175.62	0.90%	2,393,698.11	1.14%
Clerical Personnel	5,447,384.73	10.27%	16,719,572.61	7.98%
Other - Salary Related:				
Substitute Pay	385,008.51	0.73%	2,026,658.26	0.97%
Supplemental Pay	578,907.40	1.09%	1,305,009.37	0.62%
Overtime Pay	78,356.89	0.15%	163,281.86	0.08%
Technical ,Other Assignments, etc.	827,954.91	1.56%	2,876,613.37	1.37%
Matching Benefits	7,273,550.98	13.71%	24,624,244.65	11.75%
Total Other	9,143,778.69	17.24%	30,995,807.51	14.79%
Instructional Supplies	5,617,558.53	10.59%	27,428,484.54	13.09%
Computer Software and Supplies	1,546,222.25	2.91%	6,436,808.16	3.07%
Textbooks (Supplemental)	41,312.72	0.08%	958,204.02	0.46%
Library Books and Periodicals	843,924.50	1.59%	3,597,641.03	1.72%
Audiovisual Supplies	333,939.85	0.63%	1,185,633.49	0.57%
Instructional Equipment	2,998,057.97	5.65%	16,067,323.77	7.67%
Computer Equipment	3,803,233.85	7.17%	24,459,654.34	11.67%
Workshops	976,485.32	1.84%	5,063,089.54	2.42%
Total	$53,066,932.74	100.00%	$209,598,878.70	100.00%

Unexpended Balance:	**$159,703.26**	**0.30%**	**$987,765.30**	**0.47%**

Note: Instructional Support includes Guidance Counselors, Library/Media Specialist, Social Workers, and Health Services.

PS 59

Small School Supplemental Funding

PS 60

Small School Supplemental Funding

- The formula was created by the General Assembly in 1991
- The formula has been modified by the General Assembly a number of time since its inception.
- Purpose of the formula is to distribute funds to school systems not to determine adequacy of educational programs or funding for public schools .
- The formula is not intended to reflect any commitment by the General Assembly to appropriate additional supplemental funds.

ALLOTMENT POLICY IDENTIFICATION:

POLICY ID NUMBER: 02Z
CATEGORY: SPSF ALLOTMENT FORMULAS
POLICY TITLE: Small County Supplemental Funding

EFFECTIVE POLICY DATE: 07/01/98
REVISED POLICY DATE:

SMALL COUNTY SUPPLEMENTAL FUNDING

PROGRAM REPORT CODE: 19
UNIFORM CHART OF ACCOUNTS CODE: XXX0-19-XXX

TYPE: Dollars
TERM: July 1 - June 30

PURPOSE: To provide additional funds to special small school systems.

ELIGIBILITY: County LEAs with less than 3,213 ADM are entitled to funding. Also entitled are county LEAs with ADM between 3,213 and 4,080 whose adjusted property tax base per student is below the state average adjusted property tax base per student.

See Special Provision #1 for the hold harmless policy regarding ineligibility because of an increase in ADM or an increase in the county adjusted property tax base.

FORMULA: The sum of:

1. The dollar equivalent of rounding all fractions of position allotments to the next whole position (Example: 1.1 = 2).

2. The dollar equivalent of five and one-half additional regular classroom teachers for LEAs in which the ADM per square mile is greater than four. For LEAs in which the ADM per square mile is equal to or less than four, the dollar equivalent of seven additional regular classroom teachers is allotted.

PS62

3. The dollar equivalent of additional program enhancement teachers adequate to offer the standard course of study.

ADM Range	Additional Program Enhancement Teachers
0-1,100	5
1,101-1,500	4
1,501-1,900	3
1,901-2,300	2
2,301-2,999	1

Effective July 1, 1999, if an LEA is eligible for Small County Supplemental Funding, they will receive at least the dollar equivalent of one Program Enhancement Teacher.

4. The dollar equivalent of one teacher assistant per 400 ADM less the initial duty-free period allocation ($2 per ADM).

5. The dollar difference between the allotment for Classroom Materials/ Instructional Supplies/Equipment and $355,000.

6. The dollar equivalent of Vocational Education months of employment and program support generated based on sixth grade ADM.

SPECIAL PROVISIONS:

1. If an LEA becomes ineligible for funding solely because of an increase in ADM or an increase in the county adjusted property tax base per student of the county in which the LEA is located, funding for that LEA shall be phased-out over a two year period. For the first year of ineligibility, the unit shall receive the same amount it received for the prior fiscal year. For the second year of ineligibility, the LEA will receive half of that amount.

2. Funds allotted for small school systems may be used for any type expenditure eligible from State fund allotments;

however, based on N.C. G.S. 115C-408(b), these funds are not available for capital construction projects. Each LEA will need to develop its own chart of accounts using PRC 19 with any valid purpose and object code in the Chart of Accounts.

3. These funds are to supplement, not supplant, local funds. Funds will not be allocated to any LEA found to have used these funds to supplant local per student current expense funds.

   A county is considered to have used these funds to supplant if the current expense appropriation per student of the county for the current year is less than 95% of the average of the local current expense appropriations per student for the three prior fiscal years.

4. The State Board of Education will consider requests from LEAs to waive the nonsupplant requirement as outlined in the legislated low wealth and small county supplemental funding formula only under the following conditions:

   The county can show:
   - that it has remedied the deficiency in funding, or
   - that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.

   Examples include:
   - Closing/merging schools within an LEA.
   - Loss of federal Impact Aid funds.
   - Significant change in the demand for county resources due to state/federal unfunded mandates, natural disaster, or other emergency.

ADDRESS QUESTIONS RELATED TO THIS CATEGORY TO THE FOLLOWING:

Allotments: Division of School Business
School Finance Section
(919) 715-1422

PS 64

NORTH CAROLINA PUBLIC SCHOOLS
ALLOTMENT POLICY MANUAL

Expenditures: Division of School Business
Reporting and Auditing Manager
(919) 715-1400

PS 65

January 12, 1999

Small County Supplem[illegible] Funding

FY 1991-92 through FY 1998-99

LEA #	LEA Name	FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98*	FY 1998-99*
030	Alleghany County	$146,796	$236,698	$509,433	$617,021	$628,852	$643,669	$768,002	$874,983
050	Ashe County	176,832	301,784	301,784 A	0	0	0	0	0
060	Avery County	171,880	286,160	401,983	518,348	588,514	651,425	749,028	771,948
080	Bertie County	0	0	0	631,805	572,720	621,783	695,921	842,298
150	Camden County	136,048	232,239	520,142	561,460	656,102	667,060	678,278	876,976
170	Caswell County	172,392	275,723	452,191	521,874	611,964	566,439	724,873	789,169
200	Cherokee County	184,288	331,877	393,132	571,594	621,718	621,718 C	588,607	834,081
210	Chowan County	158,672	291,900	385,277	592,045	606,947	543,496	662,706	819,738
220	Clay County	151,604	227,199	506,938	604,698	613,943	634,671	689,341	839,949
270	Currituck County	162,516	314,139	481,108	538,392	538,392 B	568,227	659,485	847,106
370	Gates County	140,832	241,031	484,818	601,472	579,114	574,420	773,697	867,544
380	Graham County	148,160	255,633	512,527	594,428	653,410	644,293	699,968	834,801
400	Greene County	164,864	265,839	433,385	529,303	611,664	604,840	686,794	786,225
480	Hyde County	146,680	237,132	523,077	635,187	700,587	725,238	780,187	937,189
500	Jackson County	0	298,781	298,781 A	0	0	0	0	0
520	Jones County	151,504	253,386	574,407	619,517	673,396	722,673	769,424	914,116
570	Madison County	165,592	271,698	390,303	552,706	525,270	616,101	629,121	750,743
610	Mitchell County	163,072	264,887	396,817	525,848	586,554	563,343	656,316	835,311
660	Northampton County	189,052	294,455	419,909	521,520	643,046	640,247	705,097	892,592
690	Pamlico County	159,044	279,650	440,533	541,287	507,368	588,133	707,765	911,787
720	Perquimans County	148,288	266,749	425,062	544,822	570,013	609,724	725,334	890,777
750	Polk County	160,624	251,545	423,531	544,135	635,816	593,123	713,403	804,314
870	Swain County	152,464	253,442	532,758	667,872	639,896	606,973	748,197	874,604
890	Tyrrell County	130,204	242,753	602,883	686,571	673,112	723,831	774,118	962,143
930	Warren County	169,384	296,016	394,055	558,497	558,850	546,741	700,786	827,409
940	Washington County	172,592	269,717	470,161	555,314	565,277	630,893	725,320	719,172
995	Yancey County	176,616	259,567	456,912	554,009	554,770	525,516	635,781	792,846
	Total	$4,000,000	$7,000,000	$11,731,907	$14,389,725	$15,117,295	$15,434,577	$17,647,549	$21,097,821

*** Before reduction for Charter Schools**

A. Ashe County and Jackson County were held harmless in FY 1993-94.

B. Currituck County was held harmless in FY 1995-96. They were eligible for funding in FY 1996-97.

C. Cherokee County was held harmless in FY 1996-97. They were eligible for funding in FY 1997-98.

The original formula was first fully funded in FY 1994-95.

PS 66

Small County Supplemental Funding

LEA No.	LEA Name	Fiscal Year 1997-98			
		Allotment	Total Expenditures	Unexpended	
				Amount	Percent
030	Alleghany County	768,002	768,002.00	0.00	0.00%
060	Avery county	749,028	749,028.00	0.00	0.00%
080	Bertie County	695,921	695,911.00	10.00	0.00%
150	Camden County	678,278	678,250.67	27.33	0.00%
170	Caswell County	724,873	724,873.00	0.00	0.00%
200	Cherokee County	578,350	578,350.00	0.00	0.00%
210	Chowan County	662,706	662,706.00	0.00	0.00%
220	Clay County	686,107	686,107.00	0.00	0.00%
270	Currituck County	659,485	659,475.36	9.64	0.00%
370	Gates County	773,697	771,071.59	2,625.41	0.34%
380	Graham County	699,968	698,998.25	969.75	0.14%
400	Greene County	685,156	685,155.99	0.01	0.00%
480	Hyde County	780,187	688,851.69	91,335.31	11.71%
520	Jones County	769,424	769,338.75	85.25	0.01%
570	Madison County	628,876	628,820.60	55.40	0.01%
610	Mitchell County	656,316	652,102.95	4,213.05	0.64%
660	Northampton County	705,097	699,276.10	5,820.90	0.83%
690	Pamlico County	681,130	678,605.48	2,524.52	0.37%
720	Perquimans County	725,334	725,111.35	222.65	0.03%
750	Polk County	713,403	713,367.12	35.88	0.01%
870	Swain County	748,197	748,161.60	35.40	0.00%
890	Tyrrell County	774,118	774,118.00	0.00	0.00%
930	Warren County	700,786	696,577.69	4,208.31	0.60%
940	Washington County	725,320	711,558.71	13,761.29	1.90%
995	Yancey County	635,781	635,781.00	0.00	0.00%
	Total	**17,605,540**	**17,479,599.90**	**125,940.10**	**0.72%**

Small County Supplemental Funding
Report on Expenditures

June 30,1998

State Summary

Total Allotment:	$17,605,540	$85,279,044

Expenditure Description	FY 1997-98 As of 06/30/98	% of Total	FY 1991-92 Thru FY 97-98 Cumulative	% of Total
Teachers	$4,715,509.42	26.98%	$23,496,726.33	27.69%
Teacher Assistants	1,426,165.38	8.16%	5,868,121.21	6.92%
Instructional Support (Note)	146,105.26	0.84%	2,110,197.34	2.49%
Clerical Personnel	975,014.75	5.58%	3,460,455.51	4.08%
Other - Salary Related:				
Substitute Pay	237,518.45	1.37%	1,204,395.45	1.42%
Supplementary Pay	67,178.30	0.38%	92,901.67	0.11%
Overtime Pay	4,092.65	0.02%	30,683.86	0.04%
Custodians	969,024.48	5.54%	2,493,524.48	2.94%
Data Processing-Director/Other	0.00	0.00%	57,367.12	0.07%
Assistant Principals/Principals	238,565.96	1.36%	1,626,863.19	1.92%
Administration Salaries (Dir., Fin. Officer)	0.00	0.00%	439,581.11	0.52%
Technical	206,928.89	1.18%	1,136,426.65	1.34%
Salaries Other	842,154.48	4.82%	2,637,446.92	3.11%
Matching Benefits	2,432,675.71	13.92%	11,243,454.58	13.24%
Total Other	4,998,138.92	28.59%	20,962,645.03	24.71%
Administration Equipment & Supplies	131,602.64	0.75%	1,100,782.03	1.30%
Instructional Supplies and Materials	1,223,636.07	7.00%	6,464,889.37	7.62%
Computer Software and Supplies	338,498.34	1.94%	1,312,930.90	1.55%
Electricity/Fuel	297,419.79	1.70%	2,617,311.87	3.08%
Other category broken out:				
Contracted Services	416,679.08			
Workshop Expenses	291,649.53			
Repairs & Maintenance/Fuel	373,574.69			
Rentals	95,569.31			
Travel	15,862.22			
Telecommunications	146,035.33			
Other (Postg., Misc.,Printing, etc.)	132,432.60			
Subtotal/ OTHER	1,471,802.76	8.42%	5,143,829.55	6.05%
Architect Fees	0.00	0.00%	23,652.86	0.03%
Textbooks (Basic & Supplemental)	14,784.26	0.08%	360,063.63	0.42%
Library Books/Periodcls/Audiovisual	179,981.44	1.03%	1,127,262.38	1.33%
Instructional Equipment	384,741.41	2.20%	4,659,371.02	5.49%
Computer Equipment	1,176,199.46	6.73%	6,142,057.62	7.24%
Total	$17,479,599.90	100.00%	$84,850,296.65	100.00%
Unexpended Balance:	$125,940.10	0.72%	$428,747.35	0.50%

Note: Instructional Support includes Guidance Counselors, Library/Media Specialist, Social Workers, and Health Services.

Governor Hunt's Recommended Continuation Budget

PS 69

Summary of the Governor's Continuation Budget Increases

- FY1999-00 $155.6 million increase
- Adjustment for changes in average salary
- FY2000-01 $262.8 million, including increases for FY1999-00

Public School Fund
Continuation Budget

	FY1999-2000
FY1998-99 Nonreurring Items Funded with Recurring Dollars in FY1999-00	
English as a Second Language Funds. Funded in 1998-99 with nonrecurring funds. Funded as a part of the FY1999-00 Continuation Budget with recurring funds	5,000,000
End-of Course and End-of-Grade test and special education modifications	758,248
Funds to begin the replacement of the Student Information System (SIMS)	2,000,000
N.C. Helps. Additional pay for teachers in low performing and at-risk schools.	4,905,405
National Board for Professional Teaching Standards	2,261,588
Longevity pay earmarked from FY1997-98 excess reversions	9,010,274
Total Included in the Beginning Continuation Budget	$23,935,515

Fiscal Research Division March 23, 1999

Total Adjustments to 1999-00 Continuation Budget

Category Description	Beginning Continuation Budget	Average Daily Membership Revisions: Positions	Average Daily Membership Revisions: Months of Employment	Average Daily Membership Revisions: Dollars	Changes in Average Salary	Revised 1999-2000 Continuation Budget: Positions	Revised 1999-2000 Continuation Budget: Months of Employ.	Revised 1999-2000 Continuation Budget: Dollars INCLUDING LI
National Board for Professional Teaching Standards	**3,274,500**			0	0	0.0	0.0	3,274,500
Uniform Education Reporting System	**5,018,927**			0	0	0.0	0.0	5,018,927
Testing (moved from 1600)	250,000			0	0	0.0	0.0	250,000
Testing (moved from 1600)	**4,616,043**			58,609	0	0.0	0.0	4,674,652
School Buses	22,100,000			18,323,799	0	0.0	0.0	40,423,799
Unemployment Comp	2,869,541			0	0	0.0	0.0	2,869,541
Work Comp (Tr Out-Exp Tr)	10,775,150			8,250,993	0	0.0	0.0	19,026,143
Tort Claims (Department. of Justice)	3,774,000			0	0	0.0	0.0	3,774,000
ADM Contingency Reserve	5,500,000			0	0	0.0	0.0	5,500,000
Central Office Administration	93,745,514			420,000	0	0.0	0.0	94,165,514
Noninstructional Support Personnel	250,314,192			6,528,557	0	0.0	0.0	256,842,749
School Building Administration								
Principals	$121,242,874	35.0		$2,034,060	($3,604,249)	2,095.0	0.0	$119,672,685
Assistant Principals	72,550,799		242.0	1,023,951	(1,742,438)	0.0	17,503.0	71,832,312
Total School Building Administration	$193,793,673	35.0	242.0	$3,058,011	($5,346,687)	2,095.0	17,503.0	$191,504,997
Classroom Teachers	1,895,880,943	783.0	0.0	26,170,538	(5,240,036)	57,482.5	0.0	1,916,811,445
Teacher Assistants	318,919,640			3,134,870	0	0.0	0.0	322,054,510
Instructional Support	232,682,108	89.5		3,268,473	(805,850)	6,445.5	0.0	235,144,731
At Risk Student Services	131,164,011			13,185,881	0	0.0	0.0	144,349,892
NCHELPS	**7,566,015**			0	0	0.0	0.0	7,566,015
Limited English Proficiency	**5,000,000**			0	0	0.0	0.0	5,000,000
Low Wealth Supplement Funding	65,371,018			0	0	0.0	0.0	65,371,018
Small County Supplement Funding	18,610,192			0	0	0.0	0.0	18,610,192
AVID Pilot Project	150,000			0	0	0.0	0.0	150,000
Supplies/Materials/Equipment	50,959,230			2,977,087	0	0.0	0.0	53,936,317
Textbooks								
Regular	$58,522,693			$3,791,513	$0	0.0	0.0	$62,314,206
Exceptional Children	724,032			34,392	0	0.0	0.0	758,424
Total Textbooks	$59,246,725			$3,825,905	$0	0.0	0.0	$63,072,630
Staff Development (K-12)	11,256,154			78,420	0	0.0	0.0	11,334,574
Payment-Teacher Vac. Days	12,750,000			0	0	0.0	0.0	12,750,000
Mentor Teachers	0			0	0	0.0	0.0	0
Vocational Ed-Substitute Pay	1,779,775			0	0	0.0	0.0	1,779,775
Vocational Education Months of Employment	195,345,855		720.0	2,532,320	(616,159)	0.0	56,168.0	197,262,016
Vocational Education Program Support	14,674,371			175,830	0	0.0	0.0	14,850,201
Vocational Education Tech Prep	100,000			0	0	0.0	0.0	100,000

PS 42

Total Adjustments to 1999-00 Continuation Budget

Category Description	Beginning Continuation Budget	Average Daily Membership Revisions: Positions	Average Daily Membership Revisions: Months of Employment	Average Daily Membership Revisions: Dollars	Changes in Average Salary	Revised 1999-2000 Continuation Budget: Positions	Revised 1999-2000 Continuation Budget: Months of Employ.	Revised 1999-2000 Continuation Budget: Dollars INCLUDING LI
Children with Special Needs								
Preschool Handicap.	$27,778,552			$878,992	$0	0.0	0.0	$28,657,544
Exceptional Children	351,151,269			13,040,013	0	0.0	0.0	364,191,282
Group Homes	356,941			218,370	0	0.0	0.0	575,311
Developmental Day	9,031,531			734,203	0	0.0	0.0	9,765,734
Community Residential Centers	5,066,561			208,206	0	0.0	0.0	5,274,767
Total Children with Special Needs	$393,384,854			$15,079,784	$0	0.0	0.0	$408,464,638
Willie M.	6,297,035			425,763	0	0.0	0.0	6,722,798
Academically Gift. Students	39,353,136			732,148	0	0.0	0.0	40,085,284
Transportation	191,043,988	7.0		6,246,219	0	14,121.0	0.0	197,290,207
PRC 01-Social Security	177,146,925			2,999,386	(871,531)	0.0	0.0	179,274,780
PRC 01-Retirement	241,082,586			13,948,076	(1,233,817)	0.0	0.0	253,796,845
PRC 01-Hospitalization	114,407,671			3,974,162	0	0.0	0.0	118,381,833
Short Term Disability	7,163,994			268,063	0	0.0	0.0	7,432,057
Longevity	**38,734,002**			11,478,418	0	0.0	0.0	50,212,420
Annual Leave	12,531,616			4,029,856	0	0.0	0.0	16,561,472
Compensation Bonus	0			0	0	0.0	0.0	0
Vocational Education-Social Security	15,232,872		(See Note 2)	(95,192)	(47,136)	0.0	0.0	15,090,544
Vocational Education-Retirement	20,539,555		(See Note 2)	890,651	(66,730)	0.0	0.0	21,363,476
Vocational Education-Hospitalization	9,444,005		(See Note 2)	306,760	0	0.0	0.0	9,750,765
Vocational Education-Longevity	2,406,926			0	0	0.0	0.0	2,406,926
Assistance Teams	2,600,000			0	0	0.0	0.0	2,600,000
Charter Schools	2,472,531			0	0	0.0	0.0	2,472,531
Safety Assistance Teams	500,000			0	0	0.0	0.0	500,000
Total General Fund	$4,909,738,538	914.5	962.0	$152,273,387	($14,227,946)	80,144.0	73,671.0	$5,047,783,979
Service Charge-Sale Surplus	7,000			0	0	0.0	0.0	7,000
Driver Education	23,895,355			3,406,220	0	0.0	0.0	27,301,575
Total General & Highway Funds	$4,933,640,893	914.5	962.0	$155,679,607	($14,227,946)	80,144.0	73,671.0	$5,075,092,554

Total Adjustments to 2000-01 Continuation Budget

Category Description	Beginning Continuation Budget	Average Daily Membership Revisions: Positions	Average Daily Membership Revisions: Months of Employment	Average Daily Membership Revisions: Dollars	Revised 2000-01 Continuation Budget: Positions	Revised 2000-01 Continuation Budget: Months of Employment	Revised 2000-01 Continuation Budget: Dollars Including Salary Increase
National Board for Professional Teaching Standards	3,274,500			0	0.0	0.0	3,274,500
Uniform Education Reporting System	5,018,927			0	0.0	0.0	5,018,927
Testing (moved from 1600)	250,000			0	0.0	0.0	250,000
Testing (moved from 1600)	4,616,043			130,314	0.0	0.0	4,746,357
School Buses	22,100,000			19,056,638	0.0	0.0	41,156,638
Unemployment Comp	2,869,541			0	0.0	0.0	2,869,541
Work Comp (Tr Out-Exp Tr)	10,775,150			8,250,993	0.0	0.0	19,026,143
Tort Claims (Dept of Justice)	3,774,000			0	0.0	0.0	3,774,000
ADM Contingency Reserve	5,500,000			0	0.0	0.0	5,500,000
Central Office Administration	93,745,514			810,000	0.0	0.0	94,555,514
Noninstructional Support Personnel	250,314,192			13,974,204	0.0	0.0	264,288,396
School Building Administration							
Principals	$121,242,874	75.0		$4,358,700	2,135.0	0.0	$121,957,605
Assistant Principals	72,550,799		527.0	2,215,260	0.0	17,788.0	73,001,952
Total School Buildlding Administration	$193,793,673	75.0	527.0	$6,573,960	2,135.0	17,788.0	$194,959,557
Classroom Teachers	1,895,880,943	1,721.0	0.0	57,525,794	58,420.5	0.0	1,948,089,993
Teacher Assistants	318,919,640			5,938,897	0.0	0.0	324,858,537
Instructional Support	232,682,108	194.5		7,112,111	6,550.5	0.0	238,975,341
At Risk Student Services	131,164,011			26,513,355	0.0	0.0	157,677,366
NCHELPS	7,566,015			0	0.0	0.0	7,566,015
Limited English Proficiency	5,000,000			0	0.0	0.0	5,000,000
Low Wealth Supplemental Funding	65,371,018			0	0.0	0.0	65,371,018
Small County Supplemental Funding	18,610,192			0	0.0	0.0	18,610,192
AVID Pilot Project	150,000			0	0.0	0.0	150,000
Supplies/Materials/Equipment	50,959,230			6,134,102	0.0	0.0	57,093,332
Textbooks							
Regular	$58,522,693			$7,823,523	0.0	0.0	$66,346,216
Exceptional Children	724,032			68,783	0.0	0.0	792,815
Total Textbooks	$59,246,725			$7,892,306	0.0	0.0	$67,139,031
Staff Development (K-12)	11,256,154			170,555	0.0	0.0	11,426,709
Payment-Teacher Vacation Days	12,750,000			0	0.0	0.0	12,750,000
Mentor Teachers	0			0	0.0	0.0	0
Vocationa Ed-Sub Pay	1,779,775			0	0.0	0.0	1,779,775
Vocational Ed-MOE	195,345,855		1,686.0	5,934,182	0.0	57,134.0	200,654,608
Vocational Ed-Program Support	14,674,371			411,823	0.0	0.0	15,086,194
Vocational Ed-Tech Prep	100,000			0	0.0	0.0	100,000
Children with Special Needs							
Preschool Handicap.	$27,778,552			$1,797,546	0.0	0.0	$29,576,098
Exceptional Children	351,151,269			26,858,816	0.0	0.0	378,010,085
Group Homes	356,941			538,205	0.0	0.0	895,146

PS 74

Total Adjustments to 2000-01 Continuation Budget

Category Description	Beginning Continuation Budget	Average Daily Membership Revisions			Revised 2000-01 Continuation Budget		
		Positions	Months of Employment	Dollars	Positions	Months of Employment	Dollars Including Salary Increase
Developmental Day	9,031,531			1,506,251	0.0	0.0	10,537,782
Community Res. Ctrs	5,066,561			416,412	0.0	0.0	5,482,973
Total Children with Special Needs	$393,384,854			$31,117,230	0.0	0.0	$424,502,084
Willie M.	6,297,035			879,642	0.0	0.0	7,176,677
Academically Gift. Students	39,353,136			1,384,506	0.0	0.0	40,737,642
Transportation	191,043,988	29.0		11,807,864	14,143.0	0.0	202,851,852
PRC 01-Social Security	177,146,925			5,961,070	0.0	0.0	182,224,903
PRC 01-Retirement	241,082,586			18,140,892	0.0	0.0	257,973,296
PRC 01-Hospitalization	114,407,671			5,917,614	0.0	0.0	120,325,285
Short Term Disability	7,163,994			268,063	0.0	0.0	7,432,057
Longevity	38,734,002			11,478,418	0.0	0.0	50,212,420
Annual Leave	12,531,616			4,029,856	0.0	0.0	16,561,472
Vocational Ed-Social Security	15,232,872			165,051	0.0	0.0	15,350,077
Vocational Ed-Retirement	20,539,555			1,259,073	0.0	0.0	21,730,894
Vocational Ed-Hospitalization	9,444,005			474,457	0.0	0.0	9,918,462
Vocational Ed-Longevity	2,406,926			0	0.0	0.0	2,406,926
Assistance Teams	2,600,000			0	0.0	0.0	2,600,000
Charter Schools	2,472,531			0	0.0	0.0	2,472,531
Safety Assistance Teams	500,000			0	0.0	0.0	500,000
Total General Fund	$4,909,738,538	2,019.5	2,213.0	$259,312,970	81,249.0	74,922.0	$5,154,633,527
Driver Education	23,895,355			3,519,063	0.0	0.0	27,414,418
Total Highway Fund	$4,933,640,893	2,019.5	2,213.0	$262,832,033	81,249.0	74,922.0	$5,182,054,945

VISITOR REGISTRATION SHEET Tuesday - 8:30 AM

APPROPRIATIONS/Subcommittee on Education April 6, 1999

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	OSBM
Becky McCartney	DPI
Del Johnson	UNC - Arts & Sciences Foundation
Larry Band	UNC - Geography & Carolina Environ. Program
Linda Dykstra	UNC - Psychology / Dean Grad. School
Donald Hallmark	UNC - Economics
[illegible]	NCAE
Bill Wilson	NCAE
Hal Miller	NCACCT
EDDIE CALDWELL	EEBC
Susan Markham	EBHS
Karen Gaffney	General's Office
Jim Barba	NC DPI
Ann Bellamy	SBE
Philip Price	DPI
Maurice Kay	OSBM
Gene Causby	NCSFSA
Paul DeLeon	DPI
Lisa Adams	OSBM
Michael L. Jones	Office of Sci. & Technology
Ashley Westbrook	Governor's Office
Elizabeth Grossenbacher	OSBM
Gary Emery	State Planning
David Brown	OSBM
Gene Arnold	NC House
Leanne Winner	NCSBA
Tilda Grayson	

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	EGHS
[illegible]	NCAICU

Joint Appropriations Subcommittee
On Education/Higher Education

April 7, 1999
8:30 A.M.
Presiding - Representative Boyd-McIntyre

Call to Order	Chair
Questions from previous sessions	Jim Johnson, Fiscal Research Division
Special Education	Jim Johnson
	Dr Henry Johnson, Department of Public Instruction
	Lowell Harris, Department of Public Instruction
Instructional Technology	Jim Johnson
	David Bolick, President ExplorNet

Attachment 1

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE
ON EDUCATION/HIGHER EDUCATION

April 7, 1999

8:30 A.M.
Room 421, Legislative Office Building

The Joint Legislative Appropriations Subcommittee on Education/Higher Education met on April 7, 1999, at 8:30 a.m. in Room 421 of the Legislative Office Building. Members in attendance were: Senators Lee, Dalton, Hartsell, Garwood, Wellons, Pagan and Garrou; Representatives Rogers, Boyd-McIntyre, Oldham, Michaux, Warner, Bonner, Gardner, Gillespie, Insko, Moore, Preston, Smith, Teague and Yongue.

Chair Boyd-McIntyre presided and called the meeting to order at 8:30 am. (Attachment 1)

Pages who were serving for the session were: Ashley Johnson, Cumberland; Patty Williams, Pitt; Perrina Sturdivant, Wake; and Lauren Meyers, Craven.

The Chair explained that the committee was hearing reports on selected topics so the committee could go to the next phase of its work.

Questions from previous sessions

Jim Johnson, Fiscal Research staff member, revisited the issue of teacher salaries, which had been discussed in the previous session. Johnson gave a presentation on Average Teacher Salary. He was clarifying information he had presented in the previous meeting. Representative Mickey Michaux raised a question with regard to the distribution of teachers on the current salary schedule. Johnson also revisited Representative Gardner's question with regard to the distribution of teachers who had Masters and Bachelors degrees. (Attachment 2)

Special Education

Jim Johnson gave an overview of the subject of Special Education, which included the statutory history of Special Education, spanning from 1974 when the General Assembly passed the first comprehensive special education law, through 1997 when Congress added significant amendments to the Individuals with Disabilities Education Act. He further noted that the General Assembly or the State Board of Education has undertaken several major studies of special education programs and funding by outside consultants in 1980, 1983, 1991 and 1994.

Dr. Henry Johnson of the Department of Public Instruction began with overview of the history of provisions of IDEA, a federal act that says states will provide free and appropriate education at

the public's expense. He explained that the local education agencies are responsible for providing special education to children with disabilities. To do so, the agencies must establish procedures for screening, evaluating, identifying and placing children who were found to have disabilities along with safeguards to monitor to ensure that students receive the services they deserve.

Lowell Harris, head of Special Education for the Department of Public Instruction, made a presentation on the areas of exceptionality, stating that the law sets out that school systems must identify every single child with a disability.

On IDEA, Harris said free and appropriate education at public expense, is to provide for all of the children at public supervision. The law also sets out that students receive related services they need, including transportation, physical therapy, occupational therapy and any other related services. The state has an obligation to find every students with a disability as early as possible with the goal of providing appropriate services until the child graduates from high school and receive the diploma or the certificate of completion. (Attachment 3).

Instructional Technology

David Boliek, president of ExplorNet, a non-profit organization created two years ago, made a presentation on the progress the organization has made. ExplorNet's mission is to pilot a program to provide public-private partnerships in the job of putting more computers in North Carolina classroom and to prepare young people for the technological jobs they would have to fill. To date, it is the only program of its kind in the country. Boliek said ExplorNet's primary focus is on getting technology in the classrooms, particularly in poor and rural schools, and to do this with the greatest efficiency and the lowest cost to taxpayers. (Attachment 4)

The meeting was adjourned at 10:00 a.m.

Delores M. Steele

Rep. Flossie Boyd-
Co-Chair Presiding

Delores M. Steele
Committee Assistant

Rep. Gene Rogers
Co-Chair

Senator Howard Lee
Co-Chair

Rep. Warren Pete Oldham
Co-Chair

Senator Walter Dalton
Co-Chair

N.C. Components of the Average Teacher Salary: FY1997-98

• Base Salary	• $30,630
• ABC Bonus	235
• Other	576
• Local Supplements	1,688
	$33,129
• 1997-98 National Average	• $39,385

PS16A

Attachment 2

Special Education

Attachment 3

PS76

Statutory History

- 1974 General Assembly passes first comprehensive special education law.
- 1974 Congress passes Public Law 94-142. Mandates state compliance.
- 1977 General Assembly modifies N,C. law to conform to Public Law 94-142.
- 1990 Congress amends PL94-142. IDEA created. Individuals with Disabilities Act.
- 1997 Congress adds significant amendments to IDEA.

N.C. Studies of Special Education Funding

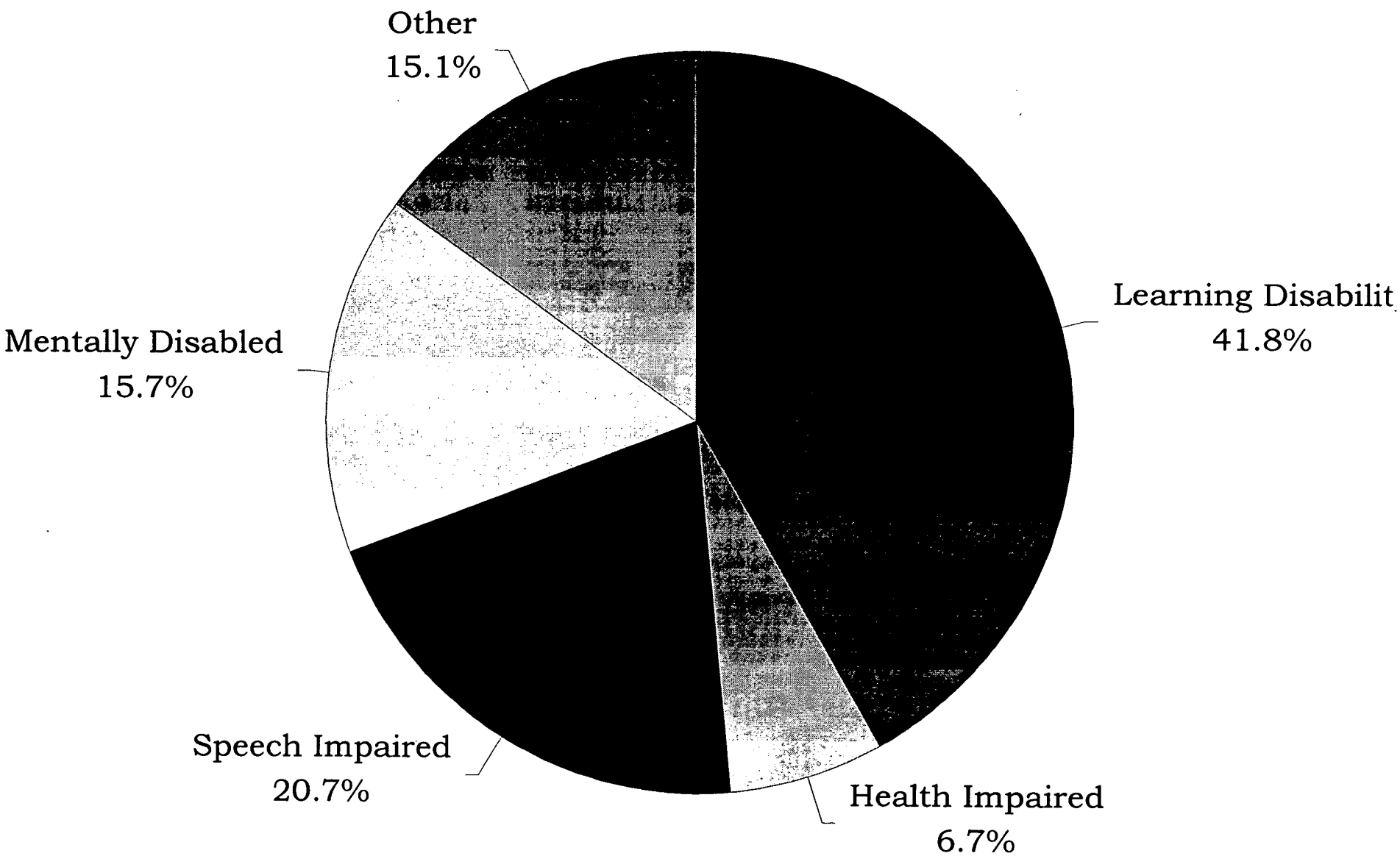
- The General Assembly or the SBE have undertaken major studies of special education programs and funding by outside consultants:
  - 1980
  - 1983
  - 1991
  - 1994

Issues that Emerged in These Studies

- Funding Levels
  - Increase funding level from 2-2.3 times expenditures for non-disabled children.
  - Provide special funding mechanism for dealing extraordinary costs.
- Funding Caps
  - Retention of some type of funding caps.
  - Retaining flat dollar allocation per child and not adopting a weighted formula.

Children With Disabilities

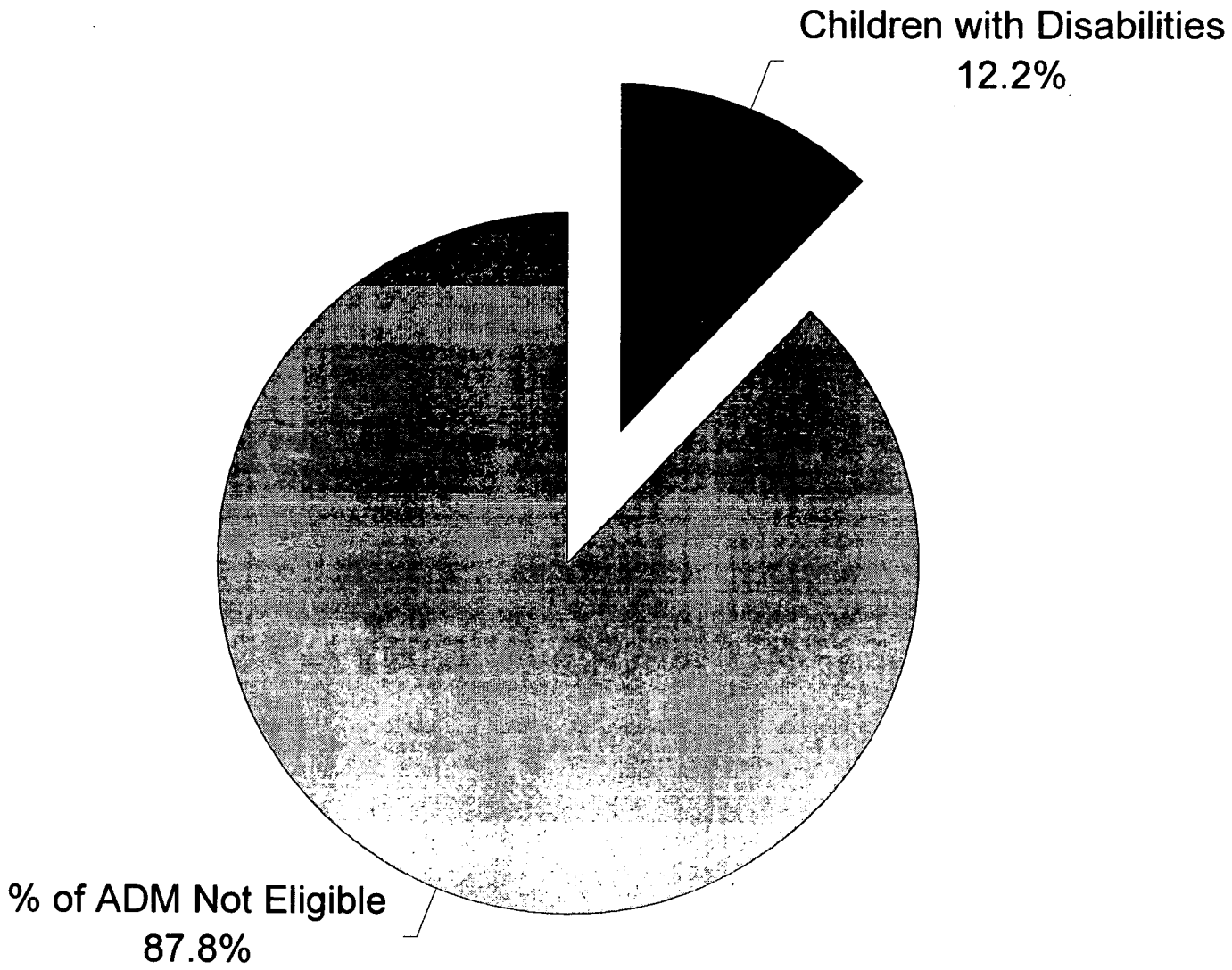
Percent Distribution of the 152,559 Identified Students



PS 80

Children With Disabilities

Percent of Total Student Population



PS 81

SPECIAL EDUCATION AND RELATED SERVICES

Special Education

Special education means specially designed instruction, at no cost to the parents, to meet the unique and individual needs of a student with a disability. It includes instruction in the classroom, in the home, in hospitals and institutions, and in other settings. In addition, it includes instruction in physical education, travel training, and vocational education. Specially designed instruction means adapting, as appropriate to the needs of the child with a disability, the content, methodology, or manner of instruction to:

1. Address the unique needs of the child
2. Ensure access of the child to the general curriculum so that he/she can meet the education standards required of children without disabilities.

Related Services

Related services means developmental, corrective and other supportive services that are required by a child with a disability in order to benefit from special education. It includes such services as transportation, speech-language pathology, audiology, psychological services, physical and occupational therapy, recreation, counseling, orientation and mobility, and medical services for evaluation and diagnostic services only. This list is not all inclusive and other types of services not included in the list may be required as related services to meet the individual needs of a child with a disability. A child with a disability must be receiving special education in order to receive related services. The child who requires only a related service is not eligible for identification as a student with a disability, i.e., a child who only needs occupational therapy.

IDENTIFICATION, SCREENING, EVALUATION, AND PLACEMENT

Local education agencies, public charter schools, and state-operated programs are responsible for providing special education to children with disabilities. In order to do so, the agency must establish procedures that provide for screening, evaluating, identifying and placing children who are found to have disabilities. The Exceptional Children Division develops Procedures Governing Programs and Services for Children with Special Needs, a document that is submitted to the State Board of Education for its approval, thus making it State Board policy. In addition, certain sections of Procedures are included in the Administrative Code.

In line with the emphasis on local flexibility, variations from these procedures may occur when sufficient evidence exists to indicate that children can be properly identified and placed within the intent of the procedures. A written plan with justifications detailing the variations is submitted to the Director of the Exceptional Children Division for approval.

A brief definition of terms follows:

Screening: A possible first-step in the identification process which may consist of mass or sweep screening in which all children in a school or a particular grade are screened for a suspected problem; i.e., hearing, vision, dental, etc.

Evaluation: A process using a variety of assessment instruments measuring such areas as aptitude, achievement, behavioral needs, adaptive behavior, and speech.

Identification: Identifying those students who may be in need of evaluation because they exhibit some sign of a possible disability; or, the category of eligibility of a student with a disability.

Placement: Placing a student who has been found eligible for special education in an appropriate program.

Accountability Requirements

- **Compliance Monitoring**. DPI, Division of Exceptional Children monitors LEA's, including charter schools, and state operated programs for federal compliance.
- Compliance Audits. DPI reviews actual individual student records (IEP's) to determine LEA compliance with federal and state laws and regulations.

State and Federal
Per Child Allocations
FY 1998-99

State Aid (PRC 32)	$2,346.29
IDEA Title VI-B (PRC 60) (Federal)	$580.00
IDEA Title VI-B Preschool Handicapped (PRC 49) (Federal) Preschool per child allocation is based on a new formula. Each LEA has a different per child allocation.	-----
Average Daily Membership (Children with Disabilities)	$3,457.84
State Aid for Academically Gifted (PRC 34) Allotment is based on 4% of total ADM.	$746.95
Developmental Day (PRC 63)	$7,500.00
Community Residential (PRC 63)	$11,015.00
Group Homes (PRC 63) Group Home Allocation is the sum of ADM, VI-B, and State Aid. The amount per child is prorated based on the entry date into the program.	$6,377.71

Out-of-District Placements

Local education agencies are reimbursed up to 50% for a child placed in an Out-of-District Placement for special education and related services. The ADM, State Aid, and VI-B are subtracted from the total cost of the placement before the 50% reimbursement is calculated. The Out-of-District Program will now pay for residential and extended school year (ESY) if it is addressed in the child's individualized education program.

Special Reserve Funds for Children with Disabilities (PRC 32)

Funds are available for "hard to serve" children. The funding is approved through an application process. Approval must be granted before funds are allocated. These are state funds.

Capacity Building and Improvement Grant (Sliver) (PRC 44)

These federal funds are available for Capacity Building and Improvement Grants. Charter Schools, State Operated Programs, and LEAs with a December 1, 1997, headcount are eligible for these funds.

FY 1998-99 Children With Special Needs
Revised Allocation to Include LI

LEA No.	LEA Name	1998-99 Allotted ADM	Charter Sch Allotted ADM	Total ADM By LEA	4-1-98 LEA Headcount	4-1-98 Charter Sch Headcount	Total Handicap Headcount	12.5% of Total ADM	Total Handicapped: Handicapped Headcount to be Funded	Total Handicapped: Handicapped Allotment @ $2,346.29	Amount Per Child	Funds to Charter Schools	CS #	FY 1998-99 Amount To LEAs
010	Alamance County	19,750	88	19,838	2,405	22	2,427	2,480	2,427	$5,694,449	2,346.29	51,618.00	01A	5,642,831
020	Alexander County	5,448		5,448	576		576	681	576	1,351,464	2,346.29			1,351,464
030	Alleghany County	1,483		1,483	191		191	185	185	434,064	2,272.59			434,064
040	Anson County	4,593		4,593	654		654	574	574	1,346,771	2,059.28			1,346,771
050	Ashe County	3,321		3,321	417		417	415	415	973,711	2,335.04			973,711
060	Avery County	2,528	55	2,583	424	19	443	323	323	757,852	1,710.73	32,504.00	06A	725,348
070	Beaufort County	7,454		7,454	1,164		1,164	932	932	2,186,744	1,878.65			2,186,744
080	Bertie County	3,827		3,827	333		333	478	333	781,315	2,346.29			781,315
090	Bladen County	5,774		5,774	749		749	722	722	1,694,022	2,261.71			1,694,022
100	Brunswick County	9,965		9,965	1,300		1,300	1,246	1,246	2,923,479	2,248.83			2,923,479
110	Buncombe County	25,136		25,136	3,146		3,146	3,142	3,142	7,372,048	2,343.31			7,372,048
111	Asheville City	4,306	108	4,414	472	10	482	552	482	1,130,912	2,346.29	23,463.00	11k	1,107,449
120	Burke County	14,293		14,293	1,875		1,875	1,787	1,787	4,192,823	2,236.17			4,192,823
130	Cabarrus County	17,889		17,889	2,156		2,156	2,236	2,156	5,058,604	2,346.29			5,058,604
132	Kannapolis City	3,986		3,986	549		549	498	498	1,168,453	2,128.33			1,168,453
140	Caldwell County	12,201	72	12,273	1,487	6	1,493	1,534	1,493	3,503,013	2,346.29	14,078.00	14A	3,488,935
150	Camden County	1,233		1,233	127		127	154	127	297,979	2,346.29			297,979
160	Carteret County	8,635		8,635	1,305		1,305	1,079	1,079	2,531,648	1,939.96			2,531,648
170	Caswell County	3,591		3,591	433		433	449	433	1,015,944	2,346.29			1,015,944
180	Catawba County	15,183	275	15,458	1,641	21	1,662	1,932	1,662	3,899,536	2,346.29	49,272.00	18K	3,850,264
181	Hickory City	4,526		4,526	587		587	566	566	1,328,001	2,262.35			1,328,001
182	Newton City	2,787		2,787	365		365	348	348	816,509	2,237.01			816,509
190	Chatham County	6,804	138	6,942	853	12	865	868	865	2,029,542	2,346.29	28,155.00	19A	2,001,387
200	Cherokee County	3,494	79	3,573	499	14	513	447	447	1,048,792	2,044.43	28,622.00	20A	1,020,170
210	Chowan County	2,588		2,588	276		276	324	276	647,576	2,346.29			647,576
220	Clay County	1,268		1,268	138		138	159	138	323,788	2,346.29			323,788
230	Cleveland County	9,182		9,182	1,119		1,119	1,148	1,119	2,625,500	2,346.29			2,625,500
231	Kings Mtn. City	4,388		4,388	544		544	549	544	1,276,383	2,346.29			1,276,383
232	Shelby City	3,386		3,386	496		496	423	423	992,481	2,000.97			992,481
240	Columbus County	7,489		7,489	778		778	936	778	1,825,415	2,346.29			1,825,415

PS 87

FY 1998-99 Children With Special Needs
Revised Allocation to Include LI

LEA No.	LEA Name	1998-99 Allotted ADM	Charter Sch Allotted ADM	Total ADM By LEA	4-1-98 LEA Headcount	4-1-98 Charter Sch Headcount	Total Handicap Headcount	12.5% of Total ADM	Total Handicapped: Handicapped Headcount to be Funded	Total Handicapped: Handicapped Allotment @ $2,346.29	Amount Per Child	Funds to Charter Schools	CS #	FY 1998-99 Amount To LEAs
241	Whiteville City	2,811		2,811	467		467	351	351	823,548	1,763.49			823,548
250	Craven County	15,029		15,029	1,737		1,737	1,879	1,737	4,075,508	2,346.29			4,075,508
260	Cumberland County	51,132		51,132	5,249		5,249	6,392	5,249	12,315,683	2,346.29			12,315,683
270	Currituck County	3,036		3,036	459		459	380	380	891,591	1,942.46			891,591
280	Dare County	4,677		4,677	481		481	585	481	1,128,566	2,346.29			1,128,566
290	Davidson County	18,731		18,731	2,169		2,169	2,341	2,169	5,089,106	2,346.29			5,089,106
291	Lexington City	3,117		3,117	377		377	390	377	884,552	2,346.29			884,552
292	Thomasville City	2,323		2,323	338		338	290	290	680,424	2,013.09			680,424
300	Davie County	5,404		5,404	587		587	676	587	1,377,273	2,346.29			1,377,273
310	Duplin County	8,502		8,502	875		875	1,063	875	2,053,005	2,346.29			2,053,005
320	Durham County	29,644	352	29,996	3,988	12	4,000	3,750	3,750	8,798,593	2,199.65	26,396.00	32A	8,772,197
330	Edgecombe County	7,903		7,903	1,005		1,005	988	988	2,318,136	2,306.60			2,318,136
340	Forsyth County	42,817	937	43,754	5,051	26	5,128	5,469	5,128	12,031,782	2,346.29	61,004.00	34A	11,851,117
						3						7,039.00	34B	
						39						91,505.00	34C	
						9						21,117.00	34D	
350	Franklin County	7,180		7,180	969		969	898	898	2,106,970	2,174.38			2,106,970
360	Gaston County	30,133	72	30,205	4,088	1	4,089	3,776	3,776	8,859,596	2,166.69	2,167.00	36A	8,857,429
370	Gates County	2,017		2,017	216		216	252	216	506,799	2,346.29			506,799
380	Graham County	1,184		1,184	165		165	148	148	347,251	2,104.55			347,251
390	Granville County	7,880		7,880	868		868	985	868	2,036,581	2,346.29			2,036,581
400	Greene County	2,963		2,963	467		467	370	370	868,128	1,858.95			868,128
410	Guilford County	61,002		61,002	8,001		8,001	7,625	7,625	17,890,472	2,236.03			17,890,472
420	Halifax County	6,398		6,398	726		726	800	726	1,703,408	2,346.29			1,703,408
421	Roanoke Rapids	3,227		3,227	304		304	403	304	713,273	2,346.29			713,273
422	Weldon City	1,135		1,135	126		126	142	126	295,633	2,346.29			295,633
430	Harnett County	15,949		15,949	1,854		1,854	1,994	1,854	4,350,024	2,346.29			4,350,024
440	Haywood County	7,742		7,742	1,010		1,010	968	968	2,271,210	2,248.72			2,271,210
450	Henderson County	11,668		11,668	1,408		1,408	1,459	1,408	3,303,578	2,346.29			3,303,578
460	Hertford County	4,222		4,222	415		415	528	415	973,711	2,346.29			973,711

FY 19[illegible]99 Children With Special Needs
Revised [illegible]ation to Include LI

LEA No.	LEA Name	1998-99 Allotted ADM	Charter Sch Allotted ADM	Total ADM By LEA	4-1-98 LEA Headcount	4-1-98 Charter Sch Headcount	Total Handicap Headcount	12.5% of Total ADM	Total Handicapped: Handicapped Headcount to be Funded	Total Handicapped: Handicapped Allotment @ $2,346.29	Amount Per Child	Funds to Charter Schools	CS #	FY 1998-99 Amount To LEAs
470	Hoke County	6,012		6,012	873		873	752	752	1,764,411	2,021.09			1,764,411
480	Hyde County	783		783	87		87	98	87	204,127	2,346.29			204,127
490	Iredell County	15,962		15,962	1,952		1,952	1,995	1,952	4,579,961	2,346.29			4,579,961
491	Mooresville City	3,688		3,688	403		403	461	403	945,555	2,346.29			945,555
500	Jackson County	3,602	171	3,773	503	9	512	472	472	1,107,450	2,162.99	19,467.00	50A	1,087,983
510	Johnston County	19,203		19,203	2,392		2,392	2,400	2,392	5,612,329	2,346.29			5,612,329
520	Jones County	1,530		1,530	207		207	191	191	448,142	2,164.94			448,142
530	Lee County	8,673		8,673	844		844	1,084	844	1,980,270	2,346.29			1,980,270
540	Lenoir County	10,357	129	10,486	1,323	21	1,344	1,311	1,311	3,075,988	2,288.68	48,062.00	54A	3,027,926
550	Lincoln County	10,298		10,298	1,276		1,276	1,287	1,276	2,993,868	2,346.29			2,993,868
560	Macon County	4,125		4,125	538		538	516	516	1,210,686	2,250.35			1,210,686
570	Madison County	2,564		2,564	373		373	321	321	753,160	2,019.20			753,160
580	Martin County	5,016		5,016	593		593	627	593	1,391,351	2,346.29			1,391,351
590	McDowell County	6,395		6,395	744		744	799	744	1,745,641	2,346.29			1,745,641
600	Mecklenburg County	98,820	83	98,903	10,107	12	10,119	12,363	10,119	23,742,122	2,346.29	28,155.00	60A	23,713,967
610	Mitchell County	2,388		2,388	304		304	299	299	701,541	2,307.70			701,541
620	Montgomery County	4,418		4,418	608		608	552	552	1,295,153	2,130.19			1,295,153
630	Moore County	10,981	103	11,084	1,149	5	1,154	1,386	1,154	2,707,620	2,346.29	11,731.00	63A	2,695,889
640	Nash County	17,894	594	18,488	2,364	57	2,421	2,311	2,311	5,422,279	2,239.69	127,662.00	64A	5,294,617
650	New Hanover County	21,783		21,783	2,471		2,471	2,723	2,471	5,797,686	2,346.29			5,797,686
660	Northampton County	3,819		3,819	495		495	477	477	1,119,181	2,260.97			1,119,181
670	Onslow County	21,481		21,481	2,214		2,214	2,685	2,214	5,194,689	2,346.29			5,194,689
680	Orange County	6,238	185	6,423	1,026	10	1,036	803	803	1,884,072	1,818.60	18,186.00	68A	1,865,886
681	Chapel Hill City	8,468	297	8,765	1,175	19	1,203	1,096	1,096	2,571,535	2,137.60	40,614.00	68K	2,511,683
						9						19,238.00	68L	
690	Pamlico County	1,848	283	2,131	275	31	306	266	266	624,114	2,039.59	63,227.00	69A	560,887
700	Pasquotank County	6,252		6,252	696		696	782	696	1,633,019	2,346.29			1,633,019
710	Pender County	6,274		6,274	869		869	784	784	1,839,492	2,116.79			1,839,492
720	Perquimans County	1,994		1,994	241		241	249	241	565,456	2,346.29			565,456
730	Person County	5,844		5,844	829		829	731	731	1,715,139	2,068.93			1,715,139

FY 19[illegible]99 Children With Special Needs
Revised [illegible]ation to Include LI

LEA No.	LEA Name	1998-99 Allotted ADM	Charter Sch Allotted ADM	Total ADM By LEA	4-1-98 LEA Headcount	4-1-98 Charter Sch Headcount	Total Handicap Headcount	12.5% of Total ADM	Total Handicapped: Handicapped Headcount to be Funded	Total Handicapped: Handicapped Allotment @ $2,346.29	Amount Per Child	Funds to Charter Schools	CS #	FY 1998-99 Amount To LEAs
740	Pitt County	19,835	145	19,980	2,745	20	2,765	2,498	2,498	5,861,036	2,119.72	42,394.00	74A	5,818,642
750	Polk County	2,263		2,263	260		260	283	260	610,036	2,346.29			610,036
760	Randolph County	16,483		16,483	2,215		2,215	2,060	2,060	4,833,360	2,182.10			4,833,360
761	Asheboro City	4,321		4,321	531		531	540	531	1,245,881	2,346.29			1,245,881
770	Richmond County	8,419		8,419	993		993	1,052	993	2,329,867	2,346.29			2,329,867
780	Robeson County	23,865	110	23,975	3,093	23	3,116	2,997	2,997	7,031,835	2,256.69	51,904.00	78A	6,979,931
790	Rockingham County	14,637		14,637	2,121		2,121	1,830	1,830	4,293,713	2,024.38			4,293,713
800	Rowan County	20,159		20,159	2,665		2,665	2,520	2,520	5,912,654	2,218.63			5,912,654
810	Rutherford County	10,178		10,178	1,325		1,325	1,272	1,272	2,984,483	2,252.44			2,984,483
820	Sampson County	7,733		7,733	935		935	967	935	2,193,782	2,346.29			2,193,782
821	Clinton City	2,509		2,509	248		248	314	248	581,880	2,346.29			581,880
830	Scotland County	7,124		7,124	898		898	891	891	2,090,546	2,328.00			2,090,546
840	Stanly-Albemarle	10,017		10,017	1,480		1,480	1,252	1,252	2,937,557	1,984.84			2,937,557
850	Stokes County	7,151		7,151	1,095		1,095	894	894	2,097,584	1,915.60			2,097,584
860	Surry County	8,192		8,192	1,059		1,059	1,024	1,024	2,402,602	2,268.75			2,402,602
861	Elkin City	1,057	110	1,167	109	33	142	146	142	333,173	2,346.29	77,428.00	86K	255,745
862	Mount Airy City	2,007		2,007	304		304	251	251	588,919	1,937.23			588,919
870	Swain County	1,707		1,707	266		266	213	213	499,760	1,878.80			499,760
880	Transylvania County	4,047		4,047	416		416	506	416	976,057	2,346.29			976,057
890	Tyrrell County	788		788	104		104	99	99	232,283	2,233.49			232,283
900	Union County	20,653		20,653	2,459		2,459	2,582	2,459	5,769,530	2,346.29			5,769,530
910	Vance County	7,888		7,888	940		940	986	940	2,205,514	2,346.29			2,205,514
920	Wake County	93,433	643	94,076	10,996	0	11,060	11,760	11,060	25,949,983	2,346.29	0.00	92A	25,799,820
						7						16,424.00	92B	
						2						4,693.00	92C	
						33						77,428.00	92D	
						22						51,618.00	92E	
930	Warren County	3,234		3,234	369		369	404	369	865,782	2,346.29			865,782
940	Washington County	2,595		2,595	389		389	324	324	760,198	1,954.24			760,198
950	Watauga County	4,896		4,896	613		613	612	612	1,435,930	2,342.46			1,435,930

P590

FY 1998-99 Children With Special Needs
Revised Allocation to Include LI

LEA No.	LEA Name	1998-99 Allotted ADM	Charter Sch Allotted ADM	Total ADM By LEA	4-1-98 LEA Headcount	4-1-98 Charter Sch Headcount	Total Handicap Headcount	12.5% of Total ADM	Total Handicapped: Handicapped Headcount to be Funded	Total Handicapped: Handicapped Allotment @ $2,346.29	Amount Per Child	Funds to Charter Schools	CS #	FY 1998-99 Amount To LEAs
960	Wayne County	19,370	117	19,487	2,330	5	2,335	2,436	2,335	5,478,590	2,346.29	11,731.00	96A	5,466,859
970	Wilkes County	9,954	72	10,026	1,204	17	1,221	1,253	1,221	2,864,822	2,346.29	39,887.00	97A	2,824,935
980	Wilson County	11,831	354	12,185	1,383	30	1,413	1,523	1,413	3,315,310	2,346.29	70,389.00	98A	3,244,921
990	Yadkin County	5,793		5,793	741		741	724	724	1,698,715	2,292.46			1,698,715
995	Yancey County	2,532		2,532	324		324	317	317	743,774	2,295.60			743,774
	LEA Totals	1,245,715	5,572	1,251,287	152,000	559	152,559	156,420	147,328	$345,674,412	2,265.84	$1,257,178		$344,417,234

N.C. Department of Public Instruction
Division of School Business
School Finance Section
April 5, 1999 (C:\Data\Init99\RevCWSN.Wk4)

RS91

Instructional Technology

PS92

K-12 Information Technology

- Instructional Technology
  - Examples: Classroom computers, software networks, teacher and student Internet access.
- Administrative Technology
  - Examples: Financial management, payroll and accounting, and human resources.
- Hybrid Systems that have both instructional and administrative components.
  - Example: Student Information Management System (SIMS)

Instructional Technology

- $400+ million: estimated statewide total need.
  - Includes hardware, software, and networks
- School systems purchase instructional technology from multiple sources of funds:
  - State Public School Funds
  - School Technology Fund
  - Local appropriations
  - Private donations

School Technology Fund

- Created in 1994
- Each school system has an account within the fund and earns interest on unexpended balances.
- Three sources of revenues in the fund
  - State appropriations
  - Transfers from the Public School Building Capital Fund
  - Administrative fines and forfeitures

School Technology Fund

- Total State appropriations to the fund since 1994: $111,500,000, excluding interest earnings, fines and forfeitures, and transfers from the Public School Building Capital Fund.
- Total State appropriations in FY1998-99
  - $10.0 million recurring
    9.5 million nonrecurring
  - $19.5 million

PS96

School Technology
Fact Sheet

Categories	Fiscal Years			
	1995-96	1996-97	1997-98	1998-99*
Budget *Recurring* *Non-Recurring* *Total*	$0 42,000,000 $42,000,000	$10,000,000 10,000,000 $20,000,000	$10,000,000 20,000,000 $30,000,000	$10,000,000 9,500,000 $19,500,000
Formulas	-Base funding per Low Wealth Co. -Minimum $50,000 per County -Remaining per ADM	$ per ADM @ $16.64	$ per ADM @ $24.47	$ per ADM @ $15.60
Interest *- Allotted based on average daily balances* *- Allotted monthly*	$1,805,280	$1,404,402	$1,429,833	$1,366,126
Fines/Forfeitures *- Allotted based on dollars per ADM* *- Allotted as received*			$4,014,195	$7,453,021
Public School Building Capital Fund *- Based on approved projects* *- Allotted when funds are transferred from State Budget and* Management			$2,449,000	$3,653,802
Transfer to Charter Schools			($88,934)	($114,022)
Expenditures *- School Technology- Funds carried over until spent* *- All State Sources -* *(Including School Technology)*	$28,166,799 $39,816,107	$25,424,674 $42,989,745	$30,863,981 $49,922,166	$19,303,011 Unavailable

* Interest, Fines/Forfeitures, Public School Building Capital Fund, and Expenditures are through February 1999.

ilename:c:\123r5w\1998-99\special\Techfact.wk4/6/98

PS97

Expenditures for Technology

Federal FY 1997-98		
Dwight D. Eisenhower	**$45,593**	**0.3%**
To improve the quality of services in math and science.		
Title 1 Programs	**5,684,407**	**36.2%**
Services for educationally deprived children age 5 to 17 from low income families.		
School Improvement	**1,743,870**	**11.1%**
Supports the development and implementation of improvement plans designed to help all students reach challenging academic standards.		
Vocational Education	**4,453,993**	**28.4%**
Programs to expand, improve, modernize, and develop quality programs to enhance future work force skills.		
Job Ready to Work	**632,818**	**4.0%**
To make education more relevant to the skills and knowledge needed in the workplace.		
Drug Free	**140,299**	**0.9%**
Prevention, early identification, and intervention drug programs.		
IASA Title VI	**1,055,792**	**6.7%**
Targeted assistance programs to enhance student performance.		
Techology Literacy	**1,544,900**	**9.9%**
Provide educational technology to LEAs to ensure that students will be technologically literate in the 21st century.		
IDEA Title VI-B	**355,199**	**2.3%**
Special education programs for handicapped children.		
Other	**33,910**	**0.2%**
	$15,690,780	**100.0%**

State FY 1997-98		
Instr. Matterial/Suppl/Equip.	**$2,942,501**	**5.9%**
Regional Education Funding	**223,647**	**0.5%**
Low Wealth/Small County	**7,016,368**	**14.1%**
School Technology	**23,074,461**	**46.2%**
Children With Special Needs	**2,529,959**	**5.1%**
At-Risk Student/Alternative	**5,001,194**	**10.0%**
Academically Gifted	**528,923**	**1.1%**
Teacher Assistance	**951,061**	**1.9%**
Non-Istructional Support	**500,182**	**1.0%**
Vocational Education	**6,055,854**	**12.1%**
Driver Training	**620,083**	**1.2%**
Charter Schools	**232,140**	**0.5%**
Other	**245,793**	**0.5%**
	$49,922,166	**100.0%**

School Technology

Summary of Year to Date Allotments

FY 1997-98

LEA NO.	LEA NAME	Formula Allotment (See Note)	Additional Allotments: Interest Year-to-date	Additional Allotments: School Building fund Year-to-date	Additional Allotments: Fines & Forfeitures Year-to-date	Total Year-to-date
10	Alamance County	$471,045	$27,139	0	$63,091	$561,275
20	Alexander County	126,273	7,775	0	16,913	150,961
30	Alleghany County	35,993	1,884	0	4,817	42,694
40	Anson County	110,378	6,092	0	14,770	131,240
50	Ashe County	83,291	3,808	0	11,145	98,244
60	Avery County	59,532	7,582	165,800	7,966	240,880
70	Beaufort County	184,077	8,497	0	24,638	217,212
80	Bertie County	94,278	3,010	0	12,615	109,903
90	Bladen County	141,111	6,457	250,000	18,882	416,450
100	Brunswick County	238,569	8,999	100,000	31,921	379,489
110	Buncombe County	604,497	33,765	0	80,925	719,187
111	Asheville City	108,690	6,801	0	14,802	130,293
120	Burke County	338,645	19,068	0	45,336	403,049
130	Cabarrus County	417,043	14,287	0	55,803	487,133
132	Kannapolis City	98,706	3,770	100,000	13,208	215,684
140	Caldwell County	293,574	12,047	0	39,503	345,124
150	Camden County	29,069	3,238	0	3,889	36,196
160	Carteret County	209,011	14,038	0	27,965	251,014
170	Caswell County	88,895	1,203	0	11,894	101,992
180	Catawba County	368,474	15,235	0	49,449	433,158
181	Hickory City	104,203	4,699	0	14,203	123,105
182	Newton City	65,673	1,914	0	8,833	76,420
190	Chatham County	165,039	6,031	0	22,289	193,359
200	Cherokee County	86,912	4,160	0	11,741	102,813
210	Chowan COunty	62,004	3,240	0	8,296	73,540
220	Clay County	31,149	461	0	4,175	35,785
230	Cleveland County	219,924	8,601	0	29,430	257,955
231	Kings Mountain City	103,845	4,394	0	13,895	122,134
232	Shelby City	84,197	3,971	0	11,266	99,434
240	Columbus County	185,374	4,019	0	24,805	214,198
241	Whiteville City	69,442	3,078	0	9,292	81,812
250	Craven County	369,232	15,342	0	49,409	433,983
260	Cumberland County	1,265,420	61,156	0	169,321	1,495,897
270	Currituck County	75,681	2,637	0	10,127	88,445
280	Dare County	110,109	3,324	0	14,733	128,166
290	Davidson County	450,933	15,772	0	60,341	527,046
291	Lexington City	78,373	2,117	0	10,487	90,977
292	Thomasville City	57,795	2,825	0	7,734	68,354

School Technology

Summary of Year to Date Allotments

FY 1997-98

LEA NO.	LEA NAME	Formula Allotment (See Note)	Additional Allotments: Interest Year-to-date	Additional Allotments: School Building fund Year-to-date	Additional Allotments: Fines & Forfeitures Year-to-date	Total Year-to-date
300	Davie County	126,626	6,331	0	16,947	149,904
310	Duplin County	207,200	19,106	0	27,725	254,031
320	Durham Public	715,291	36,464	0	96,556	848,311
330	Edgecombe County	194,085	12,010	0	26,082	232,177
340	Forsyth County	1,027,045	51,374	600,000	139,666	1,818,085
350	Franklin County	175,220	6,372	0	23,455	205,047
360	Gaston County	728,089	22,887	0	97,600	848,576
370	Gates County	49,035	962	0	6,561	56,558
380	Graham County	30,243	427	0	4,047	34,717
390	Granville County	188,139	7,181	0	25,176	220,496
400	Greene County	71,644	1,155	0	9,606	82,405
410	Guilford County	1,462,368	37,473	0	195,697	1,695,538
420	Halifax County	155,841	5,902	0	20,863	182,606
421	Roanoke Rapids City	77,248	3,017	0	10,339	90,604
422	Weldon City	29,362	775	0	3,929	34,066
430	Harnett County	371,287	15,401	0	49,680	436,368
440	Haywood County	187,014	10,138	0	25,023	222,175
450	Henderson County	282,833	14,742	0	37,845	335,420
460	Hertford County	105,876	6,983	0	14,167	127,026
470	Hoke County	144,903	23,573	1,000,000	19,395	1,187,871
480	Hyde County	19,624	851	0	2,625	23,100
490	Iredell County	371,600	6,153	0	49,742	427,495
491	Mooresville City	85,420	3,562	0	11,430	100,412
500	Jackson County	87,475	2,159	0	11,903	101,537
510	Johnston County	447,458	15,437	0	59,890	522,785
520	Jones County	37,559	1,410	0	5,026	43,995
530	Lee County	214,468	7,720	0	28,698	250,886
540	Lenoir County	252,296	6,747	0	34,057	293,100
550	Lincoln County	242,093	8,139	0	32,403	282,635
560	Macon County	99,734	5,222	0	13,375	118,331
570	Madison County	62,811	1,790	0	8,408	73,009
580	Martin County	123,053	5,030	0	16,465	144,548
590	McDowell County	151,803	6,615	0	20,313	178,731
600	Mecklenburg County	2,351,925	175,952	0	314,916	2,842,793
610	Mitchell County	58,137	2,728	0	7,779	68,644
620	Montgomery County	105,998	3,514	0	14,184	123,696
630	Moore County	255,599	11,987	0	34,456	302,042
640	Nash County	426,586	14,369	0	58,313	499,268

School Technology

Summary of Year to Date Allotments

FY 1997-98

LEA NO.	LEA NAME	Formula Allotment (See Note)	Additional Allotments: Interest Year-to-date	Additional Allotments: School Building fund Year-to-date	Additional Allotments: Fines & Forfeitures Year-to-date	Total Year-to-date
650	New Hanover County	530,773	37,980	0	71,020	639,773
660	Northampton County	95,207	2,667	0	12,739	110,613
670	Onslow County	516,949	41,518	0	69,169	627,636
680	Orange County	147,448	5,107	0	19,994	172,549
681	Chapel Hill-Carrboro	200,739	11,178	0	27,299	239,216
690	Pamlico County	49,733	1,841	0	6,879	58,453
700	Pasquotank County	152,317	6,448	0	20,380	179,145
710	Pender County	150,434	6,166	0	20,132	176,732
720	Perquimans County	47,371	2,124	0	6,338	55,833
730	Person County	139,128	7,431	233,200	18,619	398,378
740	Pitt County	478,434	20,168	0	64,431	563,033
750	Polk County	53,537	623	0	7,163	61,323
760	Randolph County	395,560	7,908	0	52,955	456,423
761	Asheboro City	103,160	2,600	0	13,803	119,563
770	Richmond County	204,044	6,927	0	27,303	238,274
780	Robeson County	572,810	22,183	0	76,957	671,950
790	Rockingham County	354,257	8,704	0	47,401	410,362
800	Rowan County	482,937	18,225	0	64,627	565,789
810	Rutherford County	248,430	19,476	0	33,240	301,146
820	Sampson County	185,374	7,537	0	24,805	217,716
821	Clinton City	62,884	2,470	0	8,413	73,767
830	Scotland County	176,174	10,578	0	23,573	210,325
840	Stanly-Albemarle	239,107	11,116	0	31,994	282,217
850	Stokes County	173,409	8,369	0	23,210	204,988
860	Surry County	197,012	7,065	0	26,384	230,461
861	Elkin City	26,443	1,380	0	3,657	31,480
862	Mount Airy City	48,718	1,837	0	6,522	57,077
870	Swain County	41,254	1,685	0	5,520	48,459
880	Transylvania County	97,458	3,699	0	13,045	114,202
890	Tyrrell County	20,456	711	0	2,737	23,904
900	Union County	482,301	21,694	0	64,535	568,530
910	Vance County	183,343	10,682	0	24,533	218,558
920	Wake County	2,173,180	115,241	0	292,262	2,580,683
930	Warren County	79,058	3,672	0	10,581	93,311
940	Washington County	63,937	3,229	0	8,555	75,721
950	Watauga County	119,015	8,021	0	15,926	142,962
960	Wayne County	475,743	15,059	0	63,880	554,682
970	Wilkes County	244,567	18,131	0	32,946	295,644

School Technology

Summary of Year to Date Allotments

FY 1997-98

LEA NO.	LEA NAME	Formula Allotment (See Note)	Additional Allotments: Interest Year-to-date	Additional Allotments: School Building fund Year-to-date	Additional Allotments: Fines & Forfeitures Year-to-date	Total Year-to-date
980	Wilson County	291,151	18,604	0	39,875	349,630
990	Yadkin County	136,403	7,557	0	18,330	162,290
995	Yancey County	61,367	8,128	0	8,212	77,707
TOTAL		$29,911,066	$1,429,833	$2,449,000	$4,014,195	$37,804,094

Note: Formula Allotment includes reductions for Charter Schools.

NC Department of Public Instruction

Division of School Business

School Finance Section

April 6, 1999 (C:\Init98\ScTchSum.wk4)

PS102

School Technology
Report on Expenditures

State Summary

Total Allotment:	$43,805,280	$37,042,888	$49,422,309

Expenditure Description	FY 1995-96 As of 06/30/96	FY 1995-96 % of Total	FY 1996-97 As of 06/30/97	FY 1996-97 % of Total	FY 1997-98 As of 06/30/98	FY 1997-98 % of Total
Workshop Expenses	$748,984.40	2.66%	$886,502.36	3.49%	$1,023,388.17	3.32%
Salary - Teacher Assistant	0.00	0.00%	3,825.03	0.02%	5,606.17	0.02%
Salary- Workshop Instructor & Participants	343,659.19	1.22%	426,839.27	1.68%	395,534.18	1.28%
Substitute Pay	176,998.23	0.63%	169,780.77	0.67%	196,078.43	0.64%
Contracts	297,600.94	1.06%	865,422.30	3.40%	1,332,418.41	4.32%
Matching Benefits	74,697.54	0.27%	83,391.36	0.33%	86,493.67	0.28%
Repair & Maint. of Equipment	368,325.45	1.31%	1,125,366.18	4.43%	1,519,334.28	4.92%
Telephone	138,926.23	0.49%	67,074.42	0.26%	360,738.81	1.17%
Telecommunication Services	0.00	0.00%	322,793.36	1.27%	804,390.69	2.61%
Renovation of Buildings	992,805.49	3.52%	1,193,676.32	4.69%	1,257,594.89	4.07%
Administration Equipment & Supplies	1,007,057.00	3.58%	776,268.26	3.05%	861,334.66	2.79%
Instructional Supplies	504,641.30	1.79%	625,196.74	2.46%	715,455.75	2.32%
Computer Software and Supplies	2,481,262.25	8.81%	2,497,150.73	9.82%	3,368,688.69	10.91%
Audiovisual Supplies & Materials	11,490.92	0.04%	38,349.66	0.15%	34,601.05	0.11%
Periodicals	127.92	0.00%	2,105.13	0.01%	941.29	0.00%
Computer Equipment	21,020,222.46	74.62%	16,340,932.27	64.27%	18,901,381.42	61.24%
Total	28,166,799.32	100.00%	$25,424,674.16	100.00%	$30,863,980.56	100.00%

Unexpended Balance:	15,638,480.68	35.70%	$11,618,213.84	31.36%	$18,558,328.44	37.55%

North Carolina Department of Public Instruction

Division of School Business, School Finance Section

November 10,1998 (c:\123r5w\1998-99\special\prc15sum.wk4)

PS103

The *ExplorNet* Technology Learning Project

Help schools wire classrooms with high-speed data wire

Develop a plan to increase the number of computers in North Carolina Public Schools

Assure every school can connect to the Internet

Help develop programs to train teachers

Develop Internet-based learning programs

Evaluate the benefits of each of the projects

Attachment 4

ExplorNet
4909 Windy Hill Drive
Raleigh, NC 27609
(919) 878-0540
tollfree (888) 507-3800
www.explornet.org

The Partnership Structure

Private Sector

Major Businesses
Small Businesses
Statewide Businesses
Local Businesses

Public Sector

General Assembly
DPI / Local Schools
Community Colleges
Economic Developers

Nonprofit Sector

NCCBI
NCEITA
NCBCE
NC Rural Center
Z. Smith Reynolds

The ExplorNet Wiring Project

ExplorNet WIRING PROJECT

The ExplorNet Wiring Project evolved out of the North Carolina NetDay and NetYear projects dating back to 1996 and continuing at the local school level. ExplorNet works with sponsors to help provide materials including Category Five wiring kits and installation tools. ExplorNet works with schools to generate and sustain community support for the wiring effort, recruiting both volunteers and business donations.

Goals

- Assist schools in determining their needs and goals related to wiring for Internet access
- Advise school personnel as they develop a plan of attack for wiring and involving volunteers
- Help schools generate media coverage and community support prior to their wiring projects
- Recruit volunteers in wiring classrooms, promoting parents' interest in school technology
- Wire all classrooms in all schools for Internet access, according to the district's technology plan

*Results

Since 1996…

More than **26,000 volunteers**…

Wired **25,505 classrooms** for Internet access…

With **8.5 million feet** of high speed data wire…

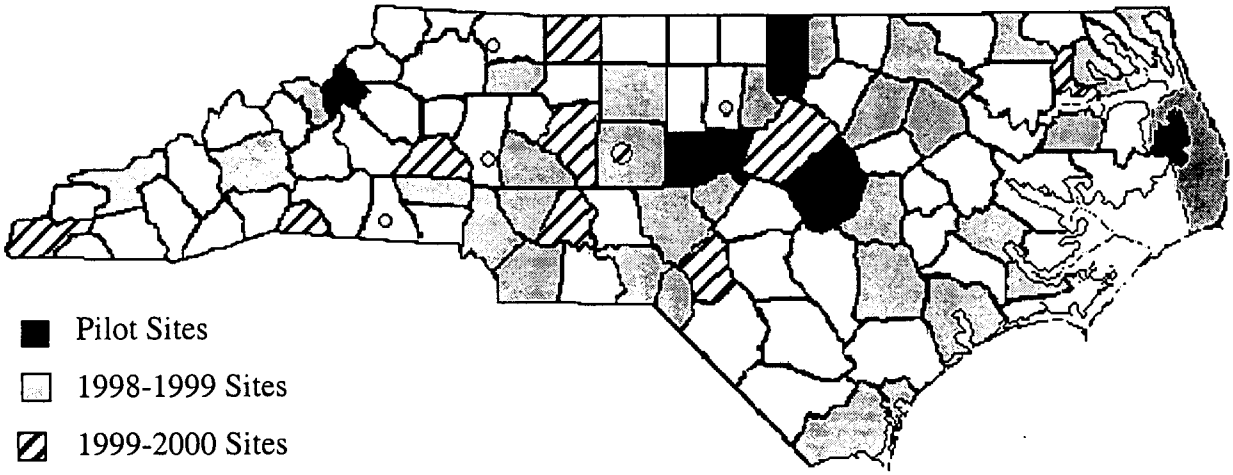
Saving the state and its taxpayers as much as **$47 million.**

*Numbers gathered through ExplorNet and NC Department of Public Instruction surveys

ExplorNet
CPR
Computer Recycling

4909 Windy Hill Drive
Raleigh, NC 27609
(919) 878-0540
(tollfree) (888) 507-3800
(fax) (919) 878-0533
www.explornet.org

Participating School Systems 1997-2000



Avery County
Avery County High School
Brunswick County
Brunswick Community College
Buncombe County
Career Education Center
Cabarrus County
Rowan-Cabarrus Community College
Chapel Hill-Carrboro
East Chapel Hill High School
Charlotte-Mecklenburg
Garinger High School
Chatham County
Central Carolina Community College
Craven County
West Craven High School
Havelock High School
Currituck County
Currituck County High School
Dare County
Manteo High School
Cape Hatteras High School
Duplin County
Wallace-Rose Hill High School
Durham County
Riverside High School
Communities in Schools Academy
Edgecombe County
SW Edgecombe High School
Tarboro High School
Elkin City
Elkin High School
Granville County
SW Granville High School
J.F. Webb High School
Guilford County
Weaver Education Center
High Point Central High School
NW Guilford High School
Halifax County
SE Halifax High School
Hertford County
Hertford County High School
Johnston County
North Johnston High School
Lee County
Lee Senior High School
Lincoln County
Lincoln School of Technology
Mitchell County
Mitchell County High School
Moore County
Center of Academics and Technology
Mooresville
N.F. Woods Advanced Tech. Ctr.
Nash-Rocky Mount
Northern Nash High School
Office of Juvenile Justice
Dobbs School, Kinston
Juvenile Evaluation Center, Black Mountain
New Hanover County
New Hanover High School
Hoggard High School
Onslow County
SW Onslow High School
Richlands High School
Perquimans County
Perquimans County High School
Randolph County
Eastern Randolph High School
Richmond County
Richmond County High School
Rowan-Salisbury
N. Rowan High School
W. Rowan High School
Scotland County
Scotland County High School
Shelby City
Shelby High School
Swain County
Swain County High School
Union County
Union County Career Center
Vance County
Southern Vance High School
Wayne County
Southern Wayne High School
Washington County
Creswell High School
Plymouth High School
Yadkin County
Forbush High School

Teacher Training and Online Curricula Projects

The ExplorNet Technology Road Show is a traveling staff development program tailored to meet the needs, skills and resources of individual teacher and trainer groups. The Road Show provides hands-on, on-site training.

- Help teachers integrate technology into daily classroom activities to enhance student learning and meet the ABCs of Public Education
- Provide teachers with state-required technology training to attain CEU credits
- Maintain communication with teachers to encourage advancement of their computer skills

Teachers served through conference training: 455 (Aug. '98-Mar. '99)

Teachers served through school or district-level training: 289 (Jan. '99-Mar. '99)

Number of school districts served: 8 (Jan. '99-Mar. '99)

Average *cost per teacher for school or district level training: $22

*Cost per teacher varies depending on the number of teachers a district or school elects to train in one session. Cost per day of on-site training is $875 and is based solely on cost-recovery.

ExplorNet's TRAILBLAZER magazine

Trailblazer Magazine and the *Trailblazer Teacher Guide* began circulation in the Spring of 1998, and provides technology-based lessons, activities and planning guides centered around a North Carolina-based theme.

Trailblazer is distributed free of charge to North Carolina's fourth, fifth and six grade teachers. Each issue is keyed to the state's standard course of study and written to prepare students to meet the requirements of the ABCs of Public Education and to take End of Grade test.

	Teacher circulation	Cost to teachers	Web user sessions	Cost for web use
Sept	16,000	$ 0	751	$ 0
Oct	20,750	$ 0	1343	$ 0
Nov	21,000	$ 0	938	$ 0
Dec/Jan	21,000	$ 0	2128	$ 0

ExplorNet Research and Evaluation

All programs have evaluation components.

UNC MetaLab Partnership for research

Sample Questions for CPR program:

Number of classes and students taught

Where are computers installed

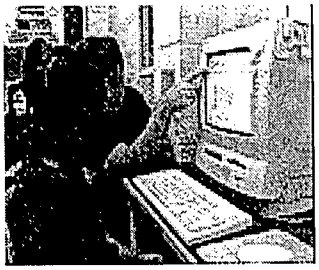
- Classrooms
- Labs
- Media Centers

Do you recycle old computer? How many?

Do you build new computers? How many?

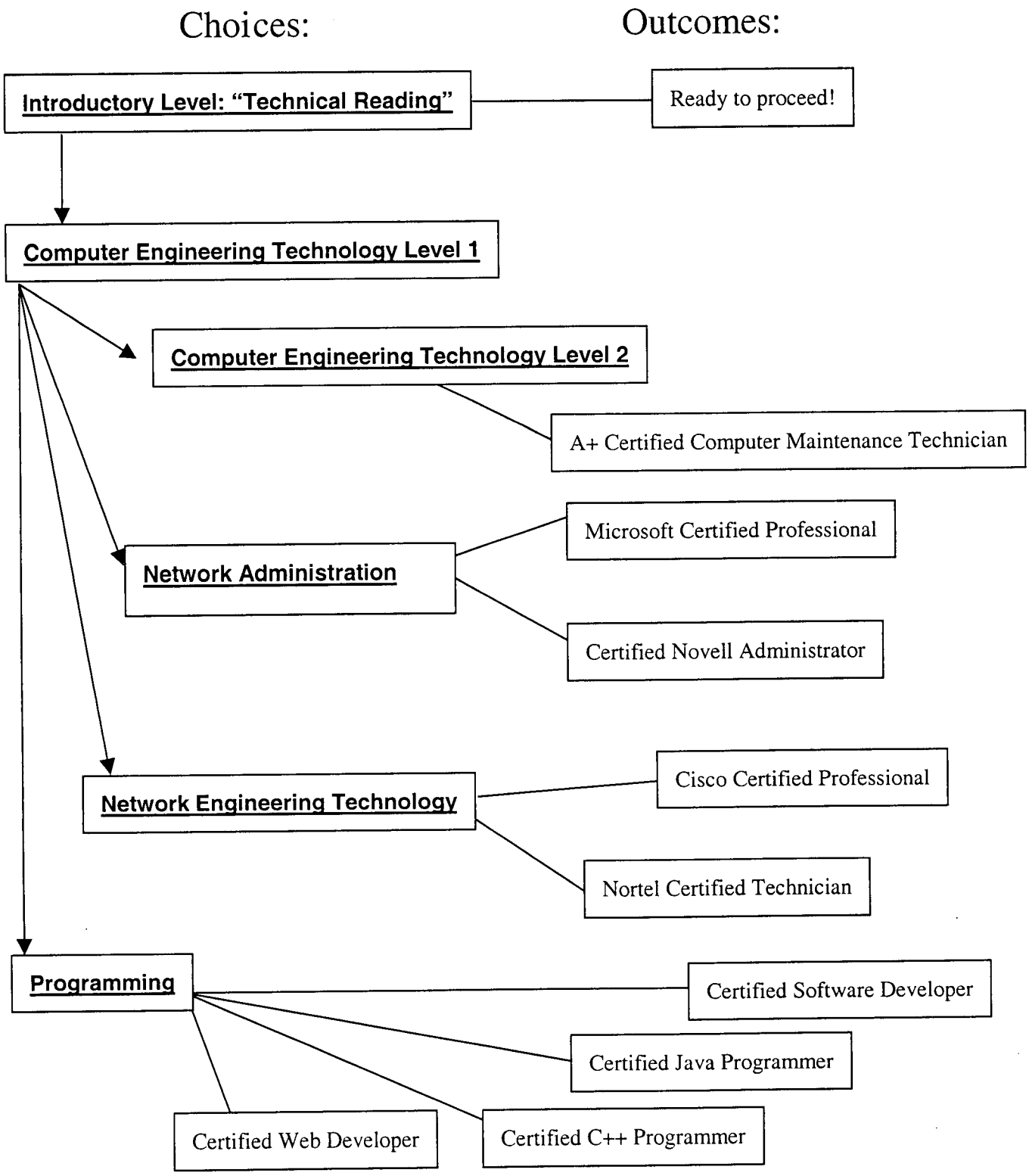
Student information –

- How many plan to attend a college or university
- How many plan to use their computer studies in higher education
- How many are using their training in the workplace



ExplorNet
4909 Windy Hill Drive
Raleigh, NC 27609
(919) 878-0540
tollfree (888) 507-3800
www.explornet.org

The TechPath™



ExplorNet Encourages Economic Development

Young People should not have to leave home to find a good job

The *ExplorNet* Technology Learning Project

Helps build local hardware maintenance and network support companies
access to quick, convenient maintenance and upgrade service

↓

Helps integrate technology into existing industry
Lusk, Wyoming uses technology in community life and commerce

↓

Helps create remote application-based jobs
Watford City, ND works for insurance claims industry

↓

Helps develop higher level programming jobs
South Boston, Va – programmers develop programs and send them around the world

EDUCATION WEEK

American Education's Newspaper of Record • Volume XVIII, Number 5 • October 1, 1998 • © 1998 Editorial Projects in Education / $6.00

In Collaboration With the Milken Exchange on Education Technology

Putting School Technology To the Test

TECHNOLOGY counts

BEST PRACTICES

How does state disseminate information about best practices?	Additional state technology initiatives
Through its teacher-on-loan program, North Carolina last year employed three exemplary technology-using teachers to identify best practices. The teachers worked on sabbatical at the state department of education.	The education department reviews and evaluates software and hardware and recommends resources that align with the state's curriculum goals. The state provides $500,000 each year to Explorenet, a not-for-profit group based in Raleigh that runs a computer recycling project in which vocational students refit outdated hardware for educational uses.

STATE

NORTH CAROLINA

and what ergonomic controls will reduce the injury.

◆ It would require employers to become doctors. Employers would be required to make medical decisions as to the cause of an employee's complaint, if the complaint is in any way related to a job activity, what ergonomic controls will alleviate the symptom, and if it's reasonable and feasible for the company to implement those corrective measures. There are few widely accepted medical standards to guide such decisions.

◆ The training requirements are overly burdensome. Employers would be required to provide employee training classes tailored to the exact MSDs they may be in danger of developing. A company with 60 employees could well determine that the workers could be exposed to 20 different ergo stressors, which would require 20 different training sessions. In addition, employers would also be required to provide training classes on ergo stressors employers may encounter away from the job, such as doing weekend yard work or playing church league softball.

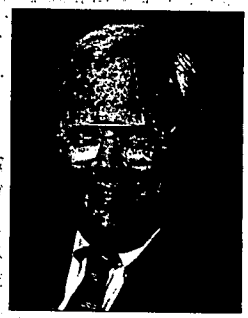
◆ It would require companies to make costly, unproved modifications to the workplace. Unless employers can prove a negative — that a worker's complaint is not causally related to their job and that it's not reasonable and feasible to buy new equipment — companies would be forced to invest in new tools and workstations, to alter how work is done or to allow longer or more frequent work breaks.

The Labor Department will conduct a second round of public hearings on the proposed ergonomics standard sometime later this year.

Membership News: New members since Oct. 1 include: **Adams-Wells Commerical Real Estate,** Hickory; **Ball Container Corp.,** Reidsville; ***The Business Journal,*** Greensboro; **Cannon & Gruber, Realtors,** Atlantic Beach; **Charlotte Center City,** Charlotte; **Crescent Public Relations,** Charlotte; **Currycomb Farm Inc., Farm American Feeds,** Maple Hill; **Dees, Jackson, Watson & Associates,** Smithfield; **Emory Wilson,** Greensboro; **ENS Inc.,** Raleigh; **Gem Theatre,** Kannapolis; **Geoscience & Technology, P.A.,** Winston-Salem; **John Harrison & Associates,** Pinehurst; **Kaiser Permanente,** Charlotte; **McMurray Fabrics Inc.,** Aberdeen; **Hank Palmer & Associates Inc.,** Salisbury; **Helen Powers,** Asheville; **Pro Feet Inc.,** Burlington; **Research Triangle Consultants,** Cary; **H. P. Taylor Jr.,** Wadesboro; **TradeMark Properties Inc.,** Raleigh.

A LETTER FROM PHIL KIRK

ExplorNet a Strong Force for Computer Literacy



As chairman of the State Board of Education, I have been spending some time visiting schools across the state and I am always amazed at the growing use of technology in our classrooms.

I have also noted how so many of our students are excited about and involved with computers. Teachers are enthused not only about existing uses of technology but also about the future. Frankly, many students are being "turned on" to education through the use of technology, which adds excitement to school. While I cannot yet prove it, I believe that using technology ultimately will reduce the number of school dropouts.

Because of many other education funding priorities, I doubt full funding for technology needs will ever be realized. So what's the answer?

ExplorNet, a 501 (c)(3) non-profit, is the brainchild of Dave Boliek, the former WTVD-Durham newsman who is the first and only president of ExplorNet.

When Dave came to my office in 1996 to talk about the technology needs of our public schools, I do not believe even he realized both the potential in his ideas and how they could be expanded because of support from business and the legislature and the cooperation from the General Assembly.

The goals of ExplorNet are: Help wire the state's schools, help get computing equipment into classrooms, help connect schools to networks, help teachers use technology in classrooms, help develop online learning materials, and evaluate the effectiveness of these programs.

After gaining the early endorsement and enthusiastic backing of NCCBI, Lt. Gov. Dennis Wicker, the Public School Forum and the Rural Economic Development Center, ExplorNet's first project was NetDay '96, which was designed to wire public school classrooms for Internet access. More than 11,000 classrooms have been wired by an equal number of volunteers at no cost to the taxpayers, who, in fact, were saved more than $16 million. Businesses by and large footed the bill for the materials.

Because of Dave Boliek's enthusiasm for technology in our schools, ExplorNet is much bigger now. Perhaps its next biggest project is the ComPuteRecycling (CPR) Project, which has a priority of helping rural and low-wealth schools obtain more computers. Businesses are encouraged to donate old computers, which are then repaired by vocational education students. This method fulfills a double mission — providing more computers for schools and providing students with experience for career opportunities in technology. Also, because students repair expensive equipment, large savings in maintenance and repair fees are realized.

The CPR Project was launched last year in high schools in Avery, Chatham, Granville, Johnston and Dare counties. One hundred and six students built 250 computers. Schools were saved $243,500 in computer purchases.

This school year will find approximately 45 schools participating with a potential savings of $4.3 million in computer purchases. Having gained this real-world experience in computer repair, students are expected to receive first-year earnings of $37.4 million on which they will pay income taxes to the tune of $2,467,800!

Evaluation procedures for the CPR program are being put into place. Students who give permission will be tracked for 10 years to determine how they use the skills they learned in the class to see if the benefits followed them into the workplace.

A new idea underway is the SmarTech project, which is designed to provide educational mentoring and instruction for teachers.

Another recent innovation is the creation of the Trailblazer Magazine which is designed to encourage teachers to utilize technology to help their students learn. Teachers determine the content of the magazine. All materials are aligned to the North Carolina standard course of study.

One of the strong points of the project has been the collaboration among many interested players — the business community, local school systems, Department of Public Instruction, the General Assembly, Lt. Gov. Wicker, and others.

To get involved in any of these projects individually or as a business, please contact Dave Boliek at ExplorNet, 5128 Flint Ridge Place, Raleigh, NC 27609; phone: 919-781-5509; or www.explornet.org.

Perq. Weekly

January 7, 1999

The Perquimans

Vol. 67, No. 1

The only newspaper for and about Perquimans County people

Computers get CPR in PCHS class

By SUSAN R. HARRIS
Editor

PHOTO BY SUSAN HARRIS

State Senator Marc Basnight (back row, left) presents a $12,000 check from the North Carolina General Assembly to PCHS computer engineering technology teacher C.D. White and his students (left to right) Paul Spence, Joey Manning and Joey Harrell. for the ComputeRecycling Project.

CPR is giving old computers new life at Perquimans High School.

Students in C.D. White's computer engineering technology class are operating on outdated computers and turning them into up-to-date machines. Then, the computers are placed in classrooms for use.

The CPR program was initiated by ExplorNet, a 501-(c)(3) non-profit corporation in North Carolina with a mission to improve and expand technology-based learning in North Carolina's schools, particularly rural and low-wealth schools. The ExplorNet Learning Project uses apublic-private partnership approach to encourage communities to coordinate resources from government, businesses and individuals for maximum effectiveness and minimum public expenditure.

The local program got a boost Monday when State Senator Marc Basnight presented the school system with a check from the General Assembly for $12,000 to help fund the program during a luncheon attended by school, business and community representatives.

According to Dave Boliek, president of ExplorNet, the CPR program has many positive benefits. First, it gives students hand-on training in technology, a very promising ty's economic development efforts by providing needed job skills.

"There is more computer power in your car today than there was in the first lunar landing," Boliek said to illustrate the explosion in technology over the past 30 years.

Boliek said the business community had been asked to donate old computers for use in schools, but often the machines were not usable because they were obsolete or broken. Through CPR, the old machines can be updated and allow more student access to technology. In addition, students can in many cases now fix and maintain computers already in place.

CPR makes efficient use of available funds, Boliek said. While new computers can cost several hundred or even thou- rebuild and upgrade computers for $300-800 per unit.

Last year, there were six CPR sites with 106 students rebuilding 250 computers. This year, there are 51 sites with 1,300 students and they anticipate rebuilding 4,000 computers. Local school boards have saved an estimated $4.3 million. The legislature has spent only $1 million on the program.

"Kids get skills. Schools get computers. Communities become more attractive for economic development," Boliek said, explaining that CPR is a win-win program.

"I'll tell you, this is the most exciting thing I've seen in seven years," White said. "ExplorNet has done a super job. It's a very positive program. There's nothing but good in this ExplorNet pro-

Three students, all seniors in White's class, told how the program has helped them. Paul Spence, Joey Manning and Joey Harrell have difference plans following graduation in June — one will go to NC State, one has enlisted in service, and one will go to a technical school — yet all said the program will help them meet their career goals.

Basnight said that he will suggest the creation of a subcommittee under appropriations to address technology needs. He said the state must use technology to the fullest. He added that the state must do a better job of balancing the needs of rural areas.

School board chairman Wallace Nelson praised the students and staff in the county for looking for non-traditional ways to meet educa-

Sanford Herald Dec. 10, 1998

Herald photos — Jamie Griswold

ABOVE: David Glass, computer engineering technology (CET) instructor at Lee County Senior High School, assists junior Shilen Patel as the student assembles a central processing unit Wednesday morning. CET students learn real-world job skills by refurbishing outdated computers donated by businesses. BELOW: Senior Derek Patterson inserts the motherboard into a processor that he and his partner are assembling.

Building computers from the ground up

Lee Senior students are taking donated computers from industry and rebuilding them, learning high-tech skills

By JAMIE GRISWOLD
Herald Staff Writer

Students at Lee Senior High School have been learning about technology in a new way this semester. They've been building computers from the ground up.

Thanks to a $12,000 grant from the ExplorNet ComPuteRecycling (CPR) Project, the two dozen Lee Senior students have been gaining real-world job skills, while their school has acquired inexpensive, yet state-of-the-art, computers.

"(ExplorNet's) purpose is to assist public schools in gaining additional technology," said Ken Thigpen, director of vocational and technical education/business and industry for Lee County Schools. "And technology, in this case, is computers."

Through the CPR program, students refurbish outdated computers that have been donated by businesses. Using a computer engineering technology (CET) curriculum developed by the Department of Public Instruction and ExplorNet, the students can install new hardware and upgrade the computers to "Pentium-class" machines for approximately $400.

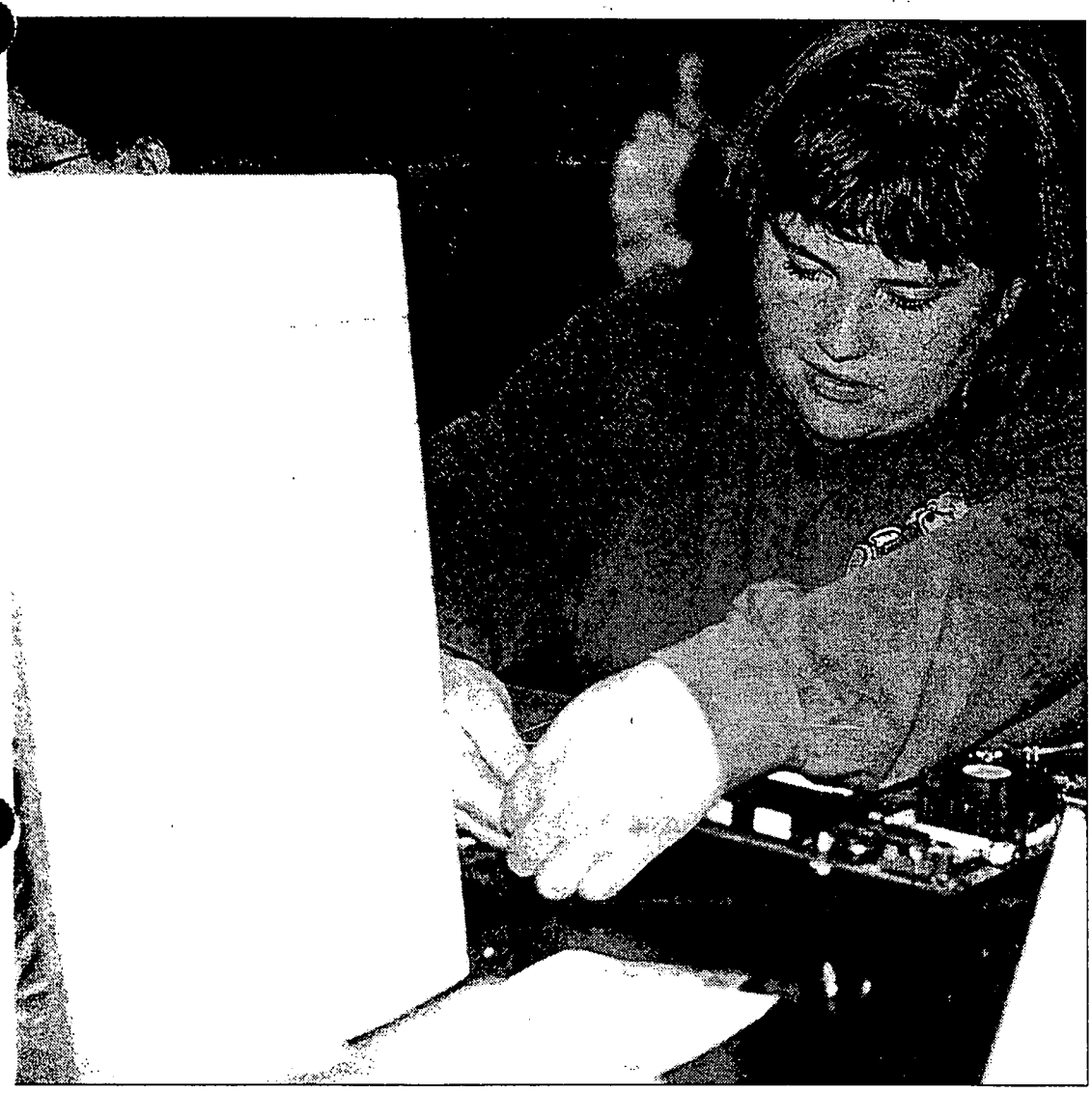
CPR was piloted in a handful of schools last year and was expanded to 51 high schools for 1998-99 after the non-profit ExplorNet secured a $500,000 appropriation from the General Assembly.

On Wednesday morning, students in Lee Senior's CET class worked in pairs to assemble 12 central processing units (CPUs).

"Right now, we're mounting the motherboard, screwing it to the plate and connecting wires," explained senior Derek Patterson. "After that, we'll put in the CD-rom, the disc drive and the hard drive."

"Then we'll connect some cables, and it'll basically be done," he said. "I think anybody, with a little practice, could do it."

See COMPUTERS on Page 10A



Herald photo — Jamie Griswold

ior Jill Parson mounts a motherboard on a plate so that she can insert the motherboard into a cessor.

omputer students have careers in mind

or many students in a new puter engineering technolo- CET) class at Lee County or High School, this semes- has been the first step to a er in technology.

When I get out of high ol, I'm going to go into com- r programming or applica- s," said senior Michael Mon- a student in the first-year . "Maybe make a little mon-

lus, I've never built a com- r before, and this will give little more experience with ardware," he added. "I have nputer at home, but I don't r with it like this."

The CET class also is a good fit for senior Derek Patterson, who said he hopes to someday work in networking or as a computer technician.

Derek, who had taken computer applications courses for three years at Lee Senior, approached administrators last year and requested a class that would provide more hands-on experience with computer hardware. The CET class turned out to be just what he was looking for.

"I think it's great," he said. "I've learned a lot, and I think a lot of people should take it (the class) because of the amount of technology in today's society."

"It adds the hardware portion, while most of the others (classes) are more applications," he said.

For sophomore Danny Swanson, the CET class may not necessarily lead to a career, but it has saved him a lot of money.

"I'm constantly having problems with my computer at home, so I decided to take the class so that I could learn to fix it myself instead of calling someone else and then having to pay them money," Danny said.

"I've learned a lot, like if something's going wrong, you have to check everything and even clean your computer," he added.

Computers

from page 1A

But CET instructor David Gla said the work is not as easy as st dents make it seem. "This is tediou work," he said. "You have to be prett dexterous with your fingers an know what you're doing."

Glass said the units the student were assembling Wednesday woul mark the second dozen computer they had put together this semeste The first 12, which they have bee using to learn computer applications will be distributed to other class rooms at Lee Senior.

The units that the students wer assembling Wednesday will remai in the CET classroom, where nex semester's class will begin the cours by disassembling, and later reassem bling, the units.

"Assembly is not real high-tech but you need to know how they (com puters) go together, how they work. Glass said.

He added that the CPR progran has several benefits for students including preparing them for jobs i technology. The CET curriculum i built around A+ Certification, h said, which is the computer indus try's standard for computer servic technicians. Certification provide students a "certificate of employabil ity."

"A student that goes through thi course and really studies might no be able to pass the (A+ Certification exam, but he's on his way," Glass said "And that's the direction we wan them going in."

In addition to preparing students for computer-related careers, Glass said the CPR program allows stu dents to troubleshoot with their home computers.

"It gives them a confidence to go in and try to fix things that maybe before they would have been afraid to touch," he said.

Glass added that he has been impressed with the level of student interest in CPR and with the enthusiasm and patience his first semester students have shown.

"We're all learning together," he said.

Companies that would like to donate materials to the class or learn more about the program should contact Thigpen at 774-6226 or Glass at 776-7541.

Glass said he is seeking 486 processors and above, as well as monitors, keyboards and mouses.

New computer technology course coming to Southeast High School

Roanoke Rapids Herald, Sunday Sept. 20, 1998

LISA HOWARD
Herald Staff Writer

HALIFAX — Southeast High School electronics teacher Eric Mitchell went back to school a little earlier than most teachers.

In June, Mitchell, along, with 40 other teachers throughout the state, met at East Carolina University for a two week training seminar to learn how to teach a new computer course coming to their schools.

Computer engineering technology, an elective course, will start in January for 10 upperclass students at Southeast High School in Halifax County. Prerequisites include algebra I and electronics I and students may have taken electronics II.

The computer class comes to the high school through the ComPuteRecycling Project which was launched last fall by the state department of public instruction and ExplorNet. It started in six pilot high schools and now is available statewide.

Through the project, businesses donate their upgradable computers to the schools. Students then rebuild the computers with new hardware or build a computer from scratch. The high school students test the computers and they are distributed to other schools' classrooms throughout the district. "It's a program that is here to stay," Mitchell said.

Once the computers are built, they will have a tracking device inside that contains the name of the student who built the computer.

The purpose of the program is for students to learn skills to prepare them for the work force, said Mitchell. High school students don't have to wait to get the experience in college, he said. With the course, students have something to offer perspective employers. It's important to have that background, he said.

When Mitchell heard about the summer training session, "I jumped at the chance," he said. It was more of a refresher for Mitchell. Building a computer is something Mitchell was familiar with. He did so in a college course at North Carolina Agricultural and Technical State University in Greensboro, where he earned a industrial technology degree. One change since then, he said, is the presence of the Internet and compact disk drives on computers.

He enjoyed the seminar because it helped him stay in touch with the computer industry. The participating teachers plan to stay in contact once or twice a year because "computers are always changing."

A highlight for Mitchell was learning more about computer software. "There is more behind what you see on the screen, it's more in-depth."

Mitchell is looking forward to offering the course to the students. "It is a great feeling taking on this new and exciting challenge."

Besides learning to build computers in the 90-minute class, students will learn about computer theory and handle troubleshooting computer questions from other classes.

After the course is complete, students are able to take the A+ Certification, an industry standard for computer service technicians. Having that opportunity in itself is exceptional, said Mitchell.

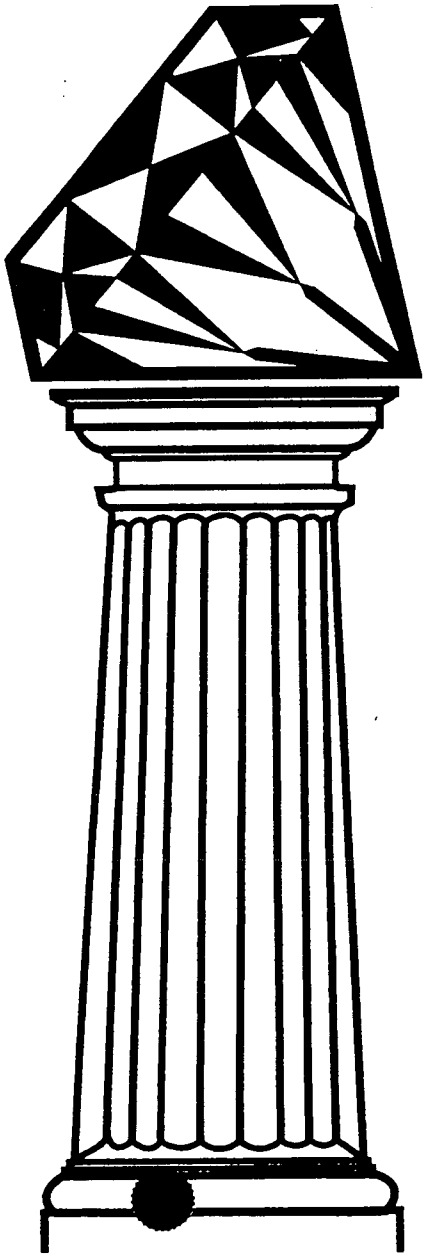
"Thanks to ExplorNet, even our most rural counties can now 'grow' their own computer technicians by giving high school students hands-on training that can prepare them for well-paying, high-demand jobs in the future," said John Dornan, director of the North Carolina Public School Forum.

"It's definitely a plus in our area. A lot of students have computers at home but if they are not familiar with computers, this is a place to start," said Mitchell.

Sunday Herald/LISA HOWARD

Eric Mitchell, a Southeast High School electronics teacher, demonstrates some of the skills students will learn in a new computer course, computer engineering technology. In the class, students will learn how to build a computer.

Charlotte CHAMBER



11th Annual

BLUE DIAMOND AWARDS

February 16, 1999

6:30 pm

North Carolina Blumenthal

Performing Arts Center,

Belk Theatre

Playbill Sponsored by:

CBSI

Complete Business Solutions, Inc.

ExplorNet

CPR Computer Recycling

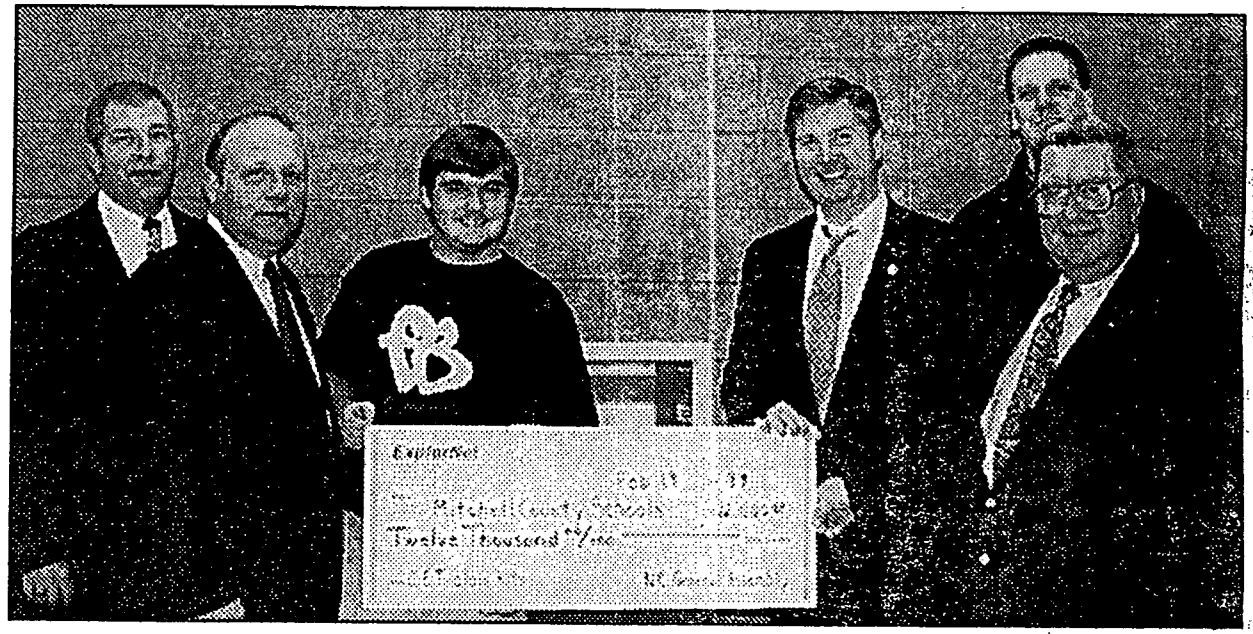
and Garinger High School

On behalf of the North Carolina General Assembly, ExplorNet is proud to present $12,000 to the Computer Engineering Technology class at Charlotte-Mecklenburg Schools' Garinger High School. The grant will be used to purchase kits for the class to upgrade computers as part of the ExplorNet Technology Learning Project's Computer Recycling (CPR) program. Students in this unique workforce development class work toward A+ certification developed by the Computing Technology Industry Association. At the same time the students are helping their school achieve the goals of its technology plan with better, faster, newer computers. They also provide technical support services within the school to keep the technology already in place in top condition for instructional use.

Businesses can support the Garinger CPR Project with volunteer mentoring and technical advice through ExplorNet's SmarTech Project. To learn more contact Susan Clizbe at 1-888-507-3800 or sclizbe@explornet.org.

Good luck to the Garinger High School CPR students!

ExplorNet is a non-profit funded by the North Carolina General Assembly to encourage, promote and expand the use of educational technology at the lowest cost possible.



Mitchell High receives funds for ExplorNet

Vocational Education director Tim Hensley, Mitchell County Superintendent Dale Duncan, Computer Engineering Technology (CET) student Joe Ferguson, N.C. Representative Gregg Thompson, CET teacher Dan Hopson, and N.C. Representative Monroe Buchanan display a check for $12,000 to help with Mitchell High School's ComPuteRecycling program. The N.C. General Assembly provided money for ExplorNet, a non-profit organization working to improve technology-based learning in N.C, to award to the high school. The money will buy computer parts and upgrade kits for the CET class, which began this semester. CET teaches students the skills to become an A+ certified computer technician. Students learn to build, upgrade, configure, and troubleshoot computers. Sophomore Ferguson says he is working on a computer that was in the school's office. The file server was down, so now Ferguson is rebuilding the computer and installing Windows 95 so it can be used in a teacher's classroom. Hopson says the class has rebuilt 12 computers so far this semester.

Students learn computers, inside and out

Class refurbishes, upgrades machines

By GAIL SMITH
Staff Writer

MOUNT PLEASANT — Brandi Williford wasn't exactly cozy with computers when she signed up for "Computer Engineering Technology."

But, boy, is she cozy now.

She can gut an old computer, rebuild a new computer, talk motherboards and floppies and feel confident enough to give advice to fellow students.

"The first time I ever opened up a computer was in this class," said Brandi, 17, a senior at Mount Pleasant High School. "I didn't know what a computer looked like inside."

This isn't just another computer keyboarding course, obviously. Brandi is one of 10 students in the Cabarrus County school system's first course that teaches how to take apart and maintain computers.

The course offers a neat side benefit for the school system: Recycled old computers — upgraded to higher speeds and capabilities by the high school students — are going back into the schools, where other children can learn on them.

took a partnership effort to all of this happen this year.

e N.C. Department of Public Instruction and a nonprofit network called ExplorNet developed the curriculum with the idea of helping students learn high-tech job skills and also provide schools with computers for their students. All participating school districts receive $12,000 from the state; Cabarrus County also pitched in money from its vocational- and technical-education grants.

Rowan-Cabarrus Community College provides the instructor, and the town of Pleasant offers classroom space in its newly renovated town hall, which formerly was a school building.

"I think it's been a great partnership," said Shirley Luckadoo, the college's vice president of instruction.

Students can find out whether they are tailored for a career in computers, while learning a valuable skill and getting community college credit.

"It's certainly an opportunity to try out a career field while they're in high school and decide, 'Do I really like this?' " Luckadoo said. "Or they can go out and get a job ... and take those skills to the workplace."

Learning through doing

The whole idea is learning through hands-on work, and that's exactly what Brandi and the other seniors and juniors are doing.

y work with old computers, ng them with advanced in- ts that make them work at higher speeds. They also check out and rebuild new computers.

At 8 a.m. on a recent school day, the students were testing new Pentium-chip computers bound for the replacement school for Winecoff Elementary. They went through the steps of turning off the computers, unplugging keyboards, rebooting, looking for signs of trouble.

The course instructor, Deborah Price, told her students they were troubleshooting so they would know how to deal with a customer trying to describe a problem long-distance, over the telephone.

"A client will say, 'It comes up, but there's no (monitor) display,' " Price said. "I spend 23 minutes on the phone with a client, so I have to know visually how it works."

When one student jokingly said he'd make more money by just telling the client to plug in the computer — instead of going step-by-step through a troubleshooting procedure — Price chided gently against that way out.

"You've got to build up a good customer base" and establish good will, she said.

Two Mount Pleasant seniors at the back of the room, Aaron Carpenter and Joshua Coppedge, both 17, worked together on a control-panel display problem. Price watched as Joshua's computer failed to show an error message on the screen, although it should have.

"That's a technician's nightmare," Price said.

She said Joshua had to be more diligent in diagnosing the problem, since the computer wasn't telling him what the trouble was.

Price doesn't just tell the students how to fix computers; she also advises them on how to be competent computer professionals.

Aaron, Joshua and Brandi plan to pursue careers in the computer field.

Aaron plans to major in computer engineering at N.C. State University. Joshua plans to major in computer science at Gardner-Webb College. And Brandi plans to attend UNC Charlotte, then enlist in the Army where she hopes to specialize in computer security.

Joshua said he likes the computer course because "it gives me a good first chance to test the w ters."

Developing a work force

This gutting-the-compute work is essential in the new pu for career and work force develo ment at the high school level, sa Penney McRoy, who coordinat the state's JobReady program the Cabarrus County Schools.

"The new course prepares st dents for high-tech jobs, and Jo Ready is all about preparing t work force of the future," McR said.

Luckadoo said Rowan-Cabarr Community College hopes to e pand the effort next year to t Rowan-Salisbury schools.

"The job market is excellent particularly in networking, a rel tively new field. Employers a really looking for people wi those skills," Luckadoo said.

The class eventually will becon as basic as home economics us to be, said Judy Misenheimer, t Cabarrus system's director of hig school curriculum and work for development.

"In our society, everybody using a computer, and everybo needs to understand how to set u a computer," Misenheimer sai "When I was in high school all th students took home ec or agricu ture ... but today (computer tec nology) is a very basic course."

Misenheimer wants to expan the program to all the high schoo and add a computer networkin course in the next semester, star ing in January.

Then, students like Brandi ca take their knowledge to the ne level.

Since September, Brandi's clas has rebuilt 14 new computers an assembled two recycled compu ers. They've stripped donated com puters to find usable parts, an they've salvaged floppy disks.

Now, Brandi said, she feels con fident tearing apart computers an building new ones.

"I thought it was going to b hard, but it's easy."

Reach Gail Smith at (704) 786-2185 o by e-mail at gailsmith@charlotte.com.

CHRISTOPHER A. RECORD/Staff

Teacher Deborah Price works with Chad Edwards, 16, in a class that teaches students how to refurbish computers held at Mount Pleasant Town Hall. The recycled computers go back into Cabarrus schools.

WANT TO HELP?

The Cabarrus school system's computer engineering technology program can use donated computers. The students can work on any IBM-compatible computer of "386" speed or greater, and the parts that go with it, such as the keyboard and monitor.

In addition, businesses are encouraged to share resources and support, such as providing mentors, offering internships, providing technical support an donating equipment. For more information, or to donate time or equipment, call Penney McRoy at 786-6195, extension 186, 8 a.m.-5 p.m. weekdays.

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education 4/7/99

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Christina DiNovo	Carolina Legal Assistance
Janet Pittard	OSBM
Harris Dial	NCAE
Sandy Carmany	NC PTA
David Brown	OSBM
Robert Allen	Carolina Legal Assistance
Bill Wilson	NCAE
Susan Markham	EGHS
Greg Mathews	"
Deborah Byrd	NC PTA
Evelyn Hamilton	UNC-CH
Jan Crotts	NCASA
Dave Bolieu	ExplorNet
Susan Clizbe	ExplorNet
Henry Johnson	DPI
Brad Snueden	DPI
Jill Hunt	DPI
Philip Price	DPI
Jim Barber	"
Ann Berlam	"
Frances Bradburn	"
Pat Simes	"
Sue Adams	OSBM
Kay Amey	OSPL
Elizabeth Grovenstein	OSBM
Maurine Hy	"
Michael L. Jones	Office of Sci & Technology

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Karen Gaff	Governor's Office
Hal Miller	NCACCT
EDDIE CALDWELL	EEBC
Leanne Kynier	NCSBA
T. Vaid	The Pilot (So. Pines)

Joint Appropriations Subcommittee
On Education/Higher Education

April 8, 1999
8:30 A.M.
Presiding - Representative Rogers

Call to Order	Chair
At Risk Students, Alternative Schools, and School Safety	Jim Johnson, Fiscal Research Division Dr Henry Johnson, Department of Public Instruction Dr. Carolyn Cobb, Department of Public Instruction
School Capital Construction	Jim Johnson
School Technology	
Questions from previous sessions	

MINUTES
JOINT HOUSE/SENATE COMMITTEE
APPROPRIATIONS/Subcommittee on Education

April 8, 1999
8:30 a.m.

The House and Senate Joint Appropriations/Subcommittee on Education met Thursday, April 8, 1999 at 8:30 a.m. in Room 421 of the Legislative Office Building with Rep. Gene Rogers, Chair presiding. House members present were Rep. Rogers, Chair, Rep. Boyd-McIntyre, Chair, Rep. Oldham, Chair, Rep. Warner, Vice Chair, Representatives Bonner, Gillespie, Michaux, Moore, Smith, Teague and Yongue. There were six Senate members present. Staff attending were Jim Johnson, Jim Newlin and Charlotte Todd. There were 36 visitors.

Rep. Rogers, Chair called the meeting to order and introduced the pages for the day. They were Montrell Brown and Stephanie Asbury from Wake County, sponsored by Speaker Black, William Adams, New Hanover, sponsored by Rep. Wright, Julia Bowling, Franklin, sponsored by Sen. Carpenter and Abhay Aneja, Greenville, sponsored by Sen. Warren. Rep. Rogers recognized guest and then turned the meeting over to Jim Johnson, Fiscal Staff to give a presentation on At Risk Students, Alternative Schools, School Safety and budget information pertaining to these issues. *(Attachment 1, pages 104-112).* Mr. Johnson then addressed questions from committee members. Speaker Black attended the meeting and was recognized by Chairman Rogers.

Rep. Rogers introduced the next speaker, Dr. Henry Johnson from the Department of Public Instruction to give an overview of Alternative Schools emphasis in the State and a more in depth picture of what is happening with the issue of School Safety. Dr. Johnson introduced Dr. Carolyn Cobb who has led the evaluations required of the State for the past three years, and asked her to explain the descriptive information and student outcome data. She gave a slide presentation on "Alternative Learning Programs". *(Attachment 2 pages 113-128).* Dr. Cobb and Dr. Johnson addressed questions from committee members. Rep. Rogers recognized Rep. Gene Arnold who came into the meeting. Rep. Arnold served as Chairman of this committee last session and remains to have a great deal of interest in Public Schools.

There being no further business, the meeting adjourned at 9:50 a.m.

Respectfully submitted.

Representative Gene Rogers
Chair

Sally Gillis
Committee Assistant

4-8-99

Attachment 1

At Risk Students and Alternative Schools

At-Risk Student Services/Alternative Schools

Recent Changes in Appropriations

In FY 1995-96, House Bill 6 combined seven separate allotments into a category titled

At-Risk Student Services/Alternative Schools:

Dropout Prevention
Summer School/Remediation
Preschool Screening
Alcohol and Drug Defense
Prevention/Student Assistance
Intervention/Prevention
Safe Schools.

The State Board of Education adopted the following formula for funding distribution beginning with FY1996-97

- Each LEA receives $37,838 per high school for a resource officer.
- 50% of remaining funds are distributed based on ADM.
- 50% distributed based on Title I Low Income poverty data (age 5 to 17).

Each LEA receives a minimum allocation of $171,876 for FY 1998-99.

	Beginning Budget	Budget Increase	Final Budget	Percent Change
FY 1995-96	N/A	N/A	$88,933,215	-
FY 1996-97	88,933,215	$17,695,044	106,628,259	19.90%
FY 1997-98	106,628,259	17,742,938	124,371,197	16.64%
FY 1998-99	124,371,197	6,792,814	131,164,011	5.46%
FY 1999-00 (Continuation Budget)	131,164,011	13,185,881	144,349,892	10.05%

	Description of Increases				
	ADM	Poverty Adj.	Addl. Funding	Salary Inc.	Total
FY 1996-97	$1,320,552	$0	$14,200,000	$2,174,492	$17,695,044
FY 1997-98	921,992	0	10,189,190	6,631,756	17,742,938
FY 1998-99	182,028	0	491,894	6,118,892	6,792,814
FY 1999-00	808,114	11,621,007	756,760	0	13,185,881

N.C. Department of Public Instruction
Division of School Business Services
School Finance Section
April 5, 1999 (C:\99_Leg\AtRiskBd.Wk4)

PS105

At-Risk Student Services/Alternative Programs and Schools
Expenditures for July 1, 1997 through June 30, 1998

LEA #	LEA Name	Expenditures						
		Alternative Program/Schools	% of Total	At-Risk Student Services	% of Total	School Resource Officers	% of Total	Total
010	Alamance County	201,279.74	10.36%	1,515,290.91	77.96%	227,028.00	11.68%	1,943,598.65
020	Alexander County	102,067.49	31.01%	227,059.61	68.99%	0.00	0.00%	329,127.10
030	Alleghany County	59,632.00	19.73%	242,591.22	80.27%	0.00	0.00%	302,223.22
040	Anson County	145,019.01	28.94%	332,109.01	66.28%	23,977.51	4.78%	501,105.53
050	Ashe County	68,507.71	13.85%	400,673.63	81.01%	25,437.88	5.14%	494,619.22
060	Avery County	0.00	0.00%	261,947.44	92.59%	20,955.00	7.41%	282,902.44
070	Beaufort County	100,924.40	9.94%	850,981.16	83.83%	63,255.72	6.23%	1,015,161.28
080	Bertie County	0.00	0.00%	640,815.98	94.82%	35,000.00	5.18%	675,815.98
090	Bladen County	117,601.92	14.83%	637,367.06	80.39%	37,861.48	4.78%	792,830.46
100	Brunswick County	359,450.47	31.58%	644,575.28	56.65%	133,887.35	11.77%	1,137,913.10
110	Buncombe County	173,384.21	8.47%	1,669,571.61	81.57%	203,958.85	9.96%	2,046,914.67
111	Asheville City	47,172.62	7.62%	500,507.51	80.85%	71,360.70	11.53%	619,040.83
120	Burke County	169,064.38	14.16%	897,327.81	75.16%	127,566.00	10.68%	1,193,958.19
130	Cabarrus County	194,725.96	18.54%	855,414.72	81.46%	0.00	0.00%	1,050,140.68
132	Kannapolis City	82,812.67	26.45%	211,119.67	67.44%	19,113.49	6.11%	313,045.83
140	Caldwell County	351,888.02	34.47%	640,627.40	62.75%	28,395.06	2.78%	1,020,910.48
150	Camden County	54,754.85	28.45%	111,338.29	57.83%	26,422.28	13.72%	192,515.42
160	Carteret County	203,774.75	27.27%	468,505.04	62.69%	75,000.89	10.04%	747,280.68
170	Caswell County	0.00	0.00%	356,593.58	100.00%	0.00	0.00%	356,593.58
180	Catawba County	192,078.65	15.31%	963,028.80	76.76%	99,555.54	7.93%	1,254,662.99
181	Hickory City	44,088.02	9.50%	419,892.78	90.50%	0.00	0.00%	463,980.80
182	Newton City	57,002.66	18.02%	259,368.61	81.98%	0.00	0.00%	316,371.27
190	Chatham County	70,209.90	10.00%	602,323.69	85.77%	29,714.81	4.23%	702,248.40
200	Cherokee County	147,374.95	25.83%	423,117.46	74.17%	0.00	0.00%	570,492.41
210	Chowan County	50,513.31	15.27%	244,047.38	73.75%	36,346.90	10.98%	330,907.59
220	Clay County	0.00	0.00%	196,054.93	100.00%	0.00	0.00%	196,054.93
230	Cleveland County	0.00	0.00%	661,171.72	100.00%	0.00	0.00%	661,171.72
231	Kings Mountain City	251,533.46	46.32%	291,503.52	53.68%	0.00	0.00%	543,036.98
232	Shelby City	202,758.55	47.16%	227,155.30	52.84%	0.00	0.00%	429,913.85
240	Columbus County	56,657.93	4.87%	998,835.83	85.79%	108,767.40	9.34%	1,164,261.16
241	Whiteville City	0.00	0.00%	377,471.36	93.38%	26,756.00	6.62%	404,227.36
250	Craven County	243,893.64	16.12%	1,168,468.07	77.24%	100,460.92	6.64%	1,512,822.63
260	Cumberland County	368,558.89	6.57%	4,866,119.60	86.76%	374,349.00	6.67%	5,609,027.49
270	Currituck County	89,627.87	26.89%	217,838.24	65.35%	25,883.29	7.76%	333,349.40
280	Dare County	0.00	0.00%	496,557.00	100.00%	0.00	0.00%	496,557.00
290	Davidson County	0.00	0.00%	1,439,545.98	87.61%	203,590.20	12.39%	1,643,136.18
291	Lexington City	848.83	0.23%	344,398.20	93.13%	24,554.82	6.64%	369,801.85
292	Thomasville City	130,204.90	42.74%	147,542.61	48.43%	26,884.55	8.83%	304,632.06
300	Davie County	93,700.92	19.75%	356,811.30	75.22%	23,874.28	5.03%	474,386.50
310	Duplin County	105,326.95	9.77%	828,602.13	76.88%	143,884.44	13.35%	1,077,813.52
320	Durham Public	209,579.56	7.86%	2,019,075.38	75.67%	439,517.12	16.47%	2,668,172.06
330	Edgecombe County	197,672.79	15.69%	1,011,902.01	80.31%	50,444.40	4.00%	1,260,019.20
340	Forsyth County	1,747,421.55	44.77%	2,155,289.56	55.23%	0.00	0.00%	3,902,711.11
350	Franklin County	0.00	0.00%	683,807.14	91.75%	61,483.86	8.25%	745,291.00
360	Gaston County	337,671.98	12.51%	2,333,205.21	86.48%	27,243.14	1.01%	2,698,120.33
370	Gates County	0.00	0.00%	228,837.71	91.49%	21,290.99	8.51%	250,128.70
380	Graham County	0.00	0.00%	88,242.15	80.39%	21,522.13	19.61%	109,764.28
390	Granville County	127,893.43	16.68%	582,578.23	76.00%	56,085.54	7.32%	766,557.20
400	Greene County	59,289.52	14.70%	344,110.36	85.30%	0.00	0.00%	403,399.88
410	Guilford County	1,634,710.26	34.56%	2,562,241.29	54.16%	533,648.66	11.28%	4,730,600.21
420	Halifax County	18,609.02	1.63%	1,123,997.33	98.37%	0.00	0.00%	1,142,606.35

At-Risk Student Services/Alternative Programs and Schools
Expenditures for July 1, 1997 through June 30, 1998

LEA #	LEA Name	Expenditures						
		Alternative Program/Schools	% of Total	At-Risk Student Services	% of Total	School Resource Officers	% of Total	Total
421	Roanoke Rapids City	48,140.29	16.08%	219,355.50	73.26%	31,911.00	10.66%	299,406.79
422	Weldon City	0.00	0.00%	343,801.20	95.98%	14,393.75	4.02%	358,194.95
430	Harnett County	319,900.42	20.19%	1,207,926.60	76.23%	56,656.61	3.58%	1,584,483.63
440	Haywood County	18,043.40	2.53%	696,490.96	97.47%	0.00	0.00%	714,534.36
450	Henderson County	201,101.82	16.91%	827,638.44	69.59%	160,520.41	13.50%	1,189,260.67
460	Hertford County	119,593.80	19.38%	476,851.05	77.25%	20,805.60	3.37%	617,250.45
470	Hoke County	211,408.00	27.70%	481,221.29	63.05%	70,595.71	9.25%	763,225.00
480	Hyde County	5,832.94	2.71%	180,581.33	83.94%	28,715.00	13.35%	215,129.27
490	Iredell County	362,830.10	28.45%	829,941.95	65.07%	82,710.00	6.48%	1,275,482.05
491	Mooresville City	0.00	0.00%	318,688.07	94.82%	17,414.14	5.18%	336,102.21
500	Jackson County	75,992.16	16.06%	336,463.45	71.07%	60,950.00	12.87%	473,405.61
510	Johnston County	228,690.34	13.27%	1,351,483.66	78.43%	143,021.74	8.30%	1,723,195.74
520	Jones County	0.00	0.00%	251,278.34	100.00%	0.00	0.00%	251,278.34
530	Lee County	224,719.71	25.38%	603,544.96	68.14%	57,413.88	6.48%	885,678.55
540	Lenoir County	249,340.67	16.22%	1,288,070.19	83.78%	0.00	0.00%	1,537,410.86
550	Lincoln County	134,307.59	14.75%	776,183.41	85.25%	0.00	0.00%	910,491.00
560	Macon County	135,188.62	22.93%	454,459.26	77.07%	0.00	0.00%	589,647.88
570	Madison County	0.00	0.00%	275,441.93	100.00%	0.00	0.00%	275,441.93
580	Martin County	0.00	0.00%	650,036.68	80.51%	157,368.29	19.49%	807,404.97
590	McDowell County	122,921.85	24.62%	374,523.34	75.01%	1,869.78	0.37%	499,314.97
600	Mecklenburg County	1,415,904.27	17.50%	5,149,500.32	63.63%	1,527,234.95	18.87%	8,092,639.54
610	Mitchell County	0.00	0.00%	297,973.88	92.91%	22,738.84	7.09%	320,712.72
620	Montgomery County	303,927.02	50.62%	294,502.94	49.05%	2,000.00	0.33%	600,429.96
630	Moore County	379,111.69	33.06%	700,391.92	61.09%	67,037.68	5.85%	1,146,541.29
640	Nash County	140,201.34	8.42%	1,399,394.62	84.01%	126,153.04	7.57%	1,665,749.00
650	New Hanover County	420,570.12	20.75%	1,527,455.93	75.37%	78,694.00	3.88%	2,026,720.05
660	Northampton County	108,208.86	18.91%	464,117.92	81.09%	0.00	0.00%	572,326.78
670	Onslow County	232,696.06	13.09%	1,153,629.21	64.90%	391,152.00	22.01%	1,777,477.27
680	Orange County	48,082.59	8.97%	488,066.63	91.03%	0.00	0.00%	536,149.22
681	Chapel Hill-Carrboro	42,895.86	9.25%	420,701.67	90.75%	0.00	0.00%	463,597.53
690	Pamlico County	0.00	0.00%	206,315.30	93.40%	14,581.41	6.60%	220,896.71
700	Pasquotank County	310,462.13	43.39%	404,970.59	56.61%	0.00	0.00%	715,432.72
710	Pender County	134,204.93	21.38%	433,735.66	69.10%	59,740.00	9.52%	627,680.59
720	Perquimans County	51,897.27	18.73%	184,737.01	66.69%	40,394.03	14.58%	277,028.31
730	Person County	168,163.97	32.28%	322,464.40	61.89%	30,378.00	5.83%	521,006.37
740	Pitt County	0.00	0.00%	2,205,787.46	100.00%	0.00	0.00%	2,205,787.46
750	Polk County	53,326.55	20.71%	179,859.77	69.83%	24,364.39	9.46%	257,550.71
760	Randolph County	100,000.00	7.93%	940,899.03	74.68%	219,051.76	17.39%	1,259,950.79
761	Asheboro City	49,543.14	15.56%	226,726.61	71.21%	42,117.06	13.23%	318,386.81
770	Richmond County	78,065.47	8.67%	712,800.72	79.25%	108,622.03	12.08%	899,488.22
780	Robeson County	0.00	0.00%	2,639,124.64	93.71%	177,266.29	6.29%	2,816,390.93
790	Rockingham County	0.00	0.00%	1,149,276.34	89.26%	138,229.82	10.74%	1,287,506.16
800	Rowan County	962,311.12	59.24%	662,137.88	40.76%	0.00	0.00%	1,624,449.00
810	Rutherford County	215,705.93	23.03%	622,098.82	66.42%	98,863.60	10.55%	936,668.35
820	Sampson County	441,762.26	40.89%	499,445.13	46.23%	139,167.00	12.88%	1,080,374.39
821	Clinton City	0.00	0.00%	342,103.59	88.67%	43,725.30	11.33%	385,828.89
830	Scotland County	73,965.24	8.47%	783,236.31	89.72%	15,802.61	1.81%	873,004.16
840	Stanly County	0.00	0.00%	951,566.40	89.45%	112,200.39	10.55%	1,063,766.79
850	Stokes County	18,766.38	3.03%	544,844.76	87.94%	55,920.00	9.03%	619,531.14
860	Surry County	293,253.00	35.04%	513,916.75	61.41%	29,714.00	3.55%	836,883.75
861	Elkin City	2,639.66	1.37%	183,096.16	95.57%	5,856.00	3.06%	191,591.82

At-Risk Student Services/Alternative Programs and Schools
Expenditures for July 1, 1997 through June 30, 1998

LEA #	LEA Name	Expenditures						
		Alternative Program/Schools	% of Total	At-Risk Student Services	% of Total	School Resource Officers	% of Total	Total
862	Mount Airy City	76,849.34	41.56%	108,070.59	58.44%	0.00	0.00%	184,919.93
870	Swain County	0.00	0.00%	265,758.58	100.00%	0.00	0.00%	265,758.58
880	Transylvania County	0.00	0.00%	451,589.00	100.00%	0.00	0.00%	451,589.00
890*	Tyrrell County	49,143.63	18.30%	219,388.01	81.70%	0.00	0.00%	268,531.64
900	Union County	110,352.80	7.54%	1,121,560.41	76.60%	232,227.33	15.86%	1,464,140.54
910	Vance County	146,534.56	14.30%	784,999.13	76.62%	93,032.35	9.08%	1,024,566.04
920	Wake County	1,074,760.97	16.61%	4,641,166.40	71.70%	756,757.00	11.69%	6,472,684.37
930	Warren County	22,357.82	3.32%	626,717.78	93.19%	23,468.89	3.49%	672,544.49
940	Washington County	1,012.20	0.18%	524,283.81	94.51%	29,439.20	5.31%	554,735.21
950	Watauga County	34,460.59	8.80%	318,789.69	81.46%	38,111.59	9.74%	391,361.87
960	Wayne County	815,821.48	35.63%	1,473,757.66	64.37%	0.00	0.00%	2,289,579.14
970	Wilkes County	224,002.41	22.52%	695,672.02	69.95%	74,893.00	7.53%	994,567.43
980	Wilson County	0.00	0.00%	2,052,236.70	100.00%	0.00	0.00%	2,052,236.70
990	Yadkin County	124,542.04	22.59%	362,296.77	65.72%	64,431.05	11.69%	551,269.86
995	Yancey County	48,287.03	16.77%	217,489.70	75.53%	22,174.92	7.70%	287,951.65
	Total	20,101,089.18	16.47%	92,540,194.04	75.85%	9,364,963.64	7.68%	122,006,246.86

* Not included above is $ 18,355 which Tyrrell County paid for School Resource Officer expenses from Small School funds.

School Business Services

School Finance Section

Filename:j:\Lydia\Special99\SRO.wk 3/25/99

Summary of School Safety Officers for Middle and High Schools

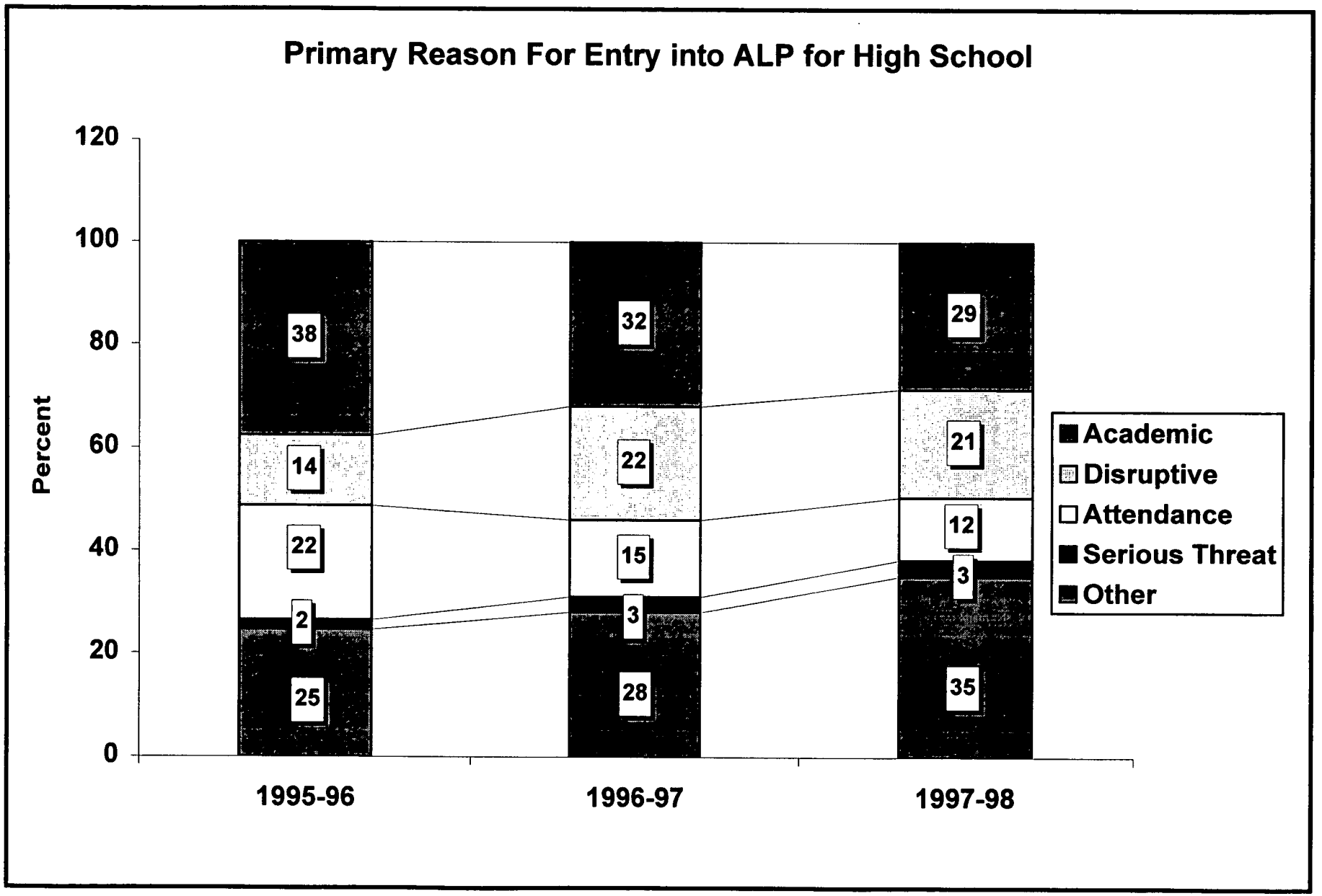
General Information

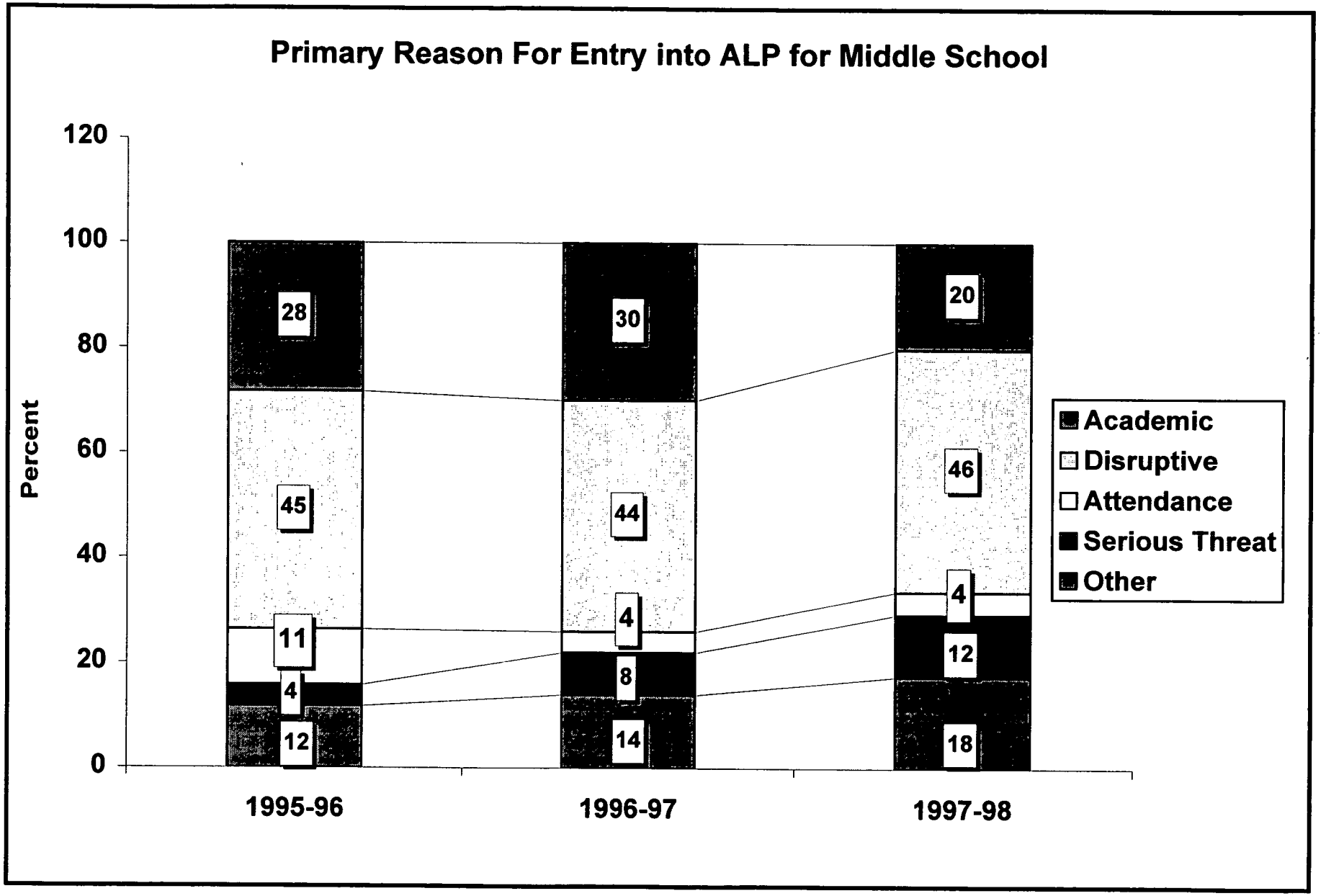
	Description	FY 1998-99 #	FY 1998-99 %	FY 1997-98 #	FY 1997-98 %	FY 1996-97 #/%
All 117 LEAs responded to the Survey	**Total LEAs Reporting**	117	100.00%	117	100.00%	
	LEAs with Safety Officers	113	96.58%	110	94.02%	102
	LEAs without Safety Officers	4	3.42%	7	5.98%	15
	Total Safety Officers Statewide	599.70		516.50		
A High School serves Grades 9 & 10 or 12 and receives a principal	**Total High Schools**	396	100.00%	388	100.00%	
	High Schools with Safety Officers	344	86.87%	322	82.99%	78.74%
	High Schools without Safety Officers	52	13.13%	66	17.01%	21.26%
A Middle School serves no grades lower than 6 and higher than 9 and receives a principal	**Total Middle Schools**	356	100.00%	352	100.00%	
	Middle Schools with Safety Officers	236	66.29%	156	44.32%	33.72%
	Middle Schools without Safety Officers	120	33.71%	196	55.68%	66.28%
The State Allocation for FY 1998-99 for At-Risk Student /Alternative School is $131,164,011.	**Funding Sources for Safety Officers**					
	State Public School Fund	352.02	58.70%	290.36	56.22%	211.00
	Governor's Crime Control	10.00	1.67%	2.15	0.42%	7.00
	LEA Funded (local through LEA)	134.49	22.43%	103.30	20.00%	102.00
	Federal Funded	3.45	0.57%	4.50	0.87%	5.00
	Other (supplied by Sheriff/Police)	99.74	16.63%	116.19	22.49%	119.00
	Total Safety Officers Statewide	599.70	100.00%	516.50	100.00%	444.00
	School Resource Officers as Sanctioned by the Center for the Prevention of School Violence					
	High School Sanctioned School Resource Officers	286.34	47.75%			
	Middle School Sanctioned School Resource Officers	152.36	25.40%			
	Other Non-Sanctioned School Safety Officers	161.00	26.85%			
	Total Safety Officers Statewide	599.70	100.00%			

Summary of School Safety Officers for Middle and High Schools

General Information

		FY 1998-99		FY 1997-98		FY 1996-97
High Schools						
Statistics	LEAs with Safety Officers in all High Schools	66	56.41%	72	61.54%	69
	LEAs with Partial Coverage	46	39.32%	38	32.48%	33
	LEAs with No Safety Officers	5	4.27%	7	5.98%	15
	Total LEAs	117	100.00%	117	100.00%	117
Reasons for No Coverage	1. Funds used for other alternative/intervention measures.	3	60.00%			
	2. No explanation.	2	40.00%			
	Total	5	100.00%			
Middle Schools						
Statistics	LEAs with Safety Officers in all Middle Schools	32	27.35%	29	27.89%	
	LEAs with Partial Coverage	37	31.62%	16	15.38%	
	LEAs with No Safety Officers	48	41.03%	59	56.73%	
	Total LEAs	117	100.00%	104	100.00%	
Reasons for No Coverage	1. LEAs with no middle schools.	13	27.08%			
	2. No funds available.	10	20.83%			
	3. There are no behavior problems that warrant a Safety Officer.	2	4.17%			
	4. Safety Officers in other schools serve middle school as needed.	2	4.17%			
	5. Funds used for other alternative/intervention measures.	4	8.33%			
	6. No explanation.	17	35.42%			
	Total	48	100.00%			


Primary Reason For Entry into ALP for High School
Percent
120
100
80
60
40
20
0
38
14
22
2
25
32
22
15
3
28
29
21
12
3
35
1995-96
1996-97
1997-98
Academic
Disruptive
Attendance
Serious Threat
Other


Primary Reason For Entry into ALP for Middle School
Percent
120
100
80
60
40
20
0
28
45
11
4
12
30
44
4
8
14
20
46
4
12
18
1995-96
1996-97
1997-98
Academic
Disruptive
Attendance
Serious Threat
Other

Alternative Learning Programs

1997-98 Evaluation

4-8-99
Dr. Cobb
Attachment 2

Definition of ALPs

A program that serves students at any level:

- suspended or expelled students,
- students whose learning styles are better served in an alternative program,
- provides primary instruction outside the standard classroom in a caring atmosphere,
- designated period of time (not drop-in)

Number of LEAs with ALPs: 1998-99

ALP Status	Number of LEAs
Have ALP(s)	101
No ALP	13
No Response	3
	117

LEA's Without ALP Programs

- Avery
- Newton-Conover
- Caswell
- Clay
- Gates
- Granville
- Weldon City
- Jones
- Mitchell
- Northampton
- Sampson
- Clinton City
- Elkin City

LEA's not Responding to Survey

- Franklin
- Madison
- Stokes

Numbers of ALPs and Students

School Year	Number of ALPs	Number of Students
1997-98	172	14,821
1996-97	170	13,590
1995-96	171	11,900

Schools versus Programs

- Schools - 100 students and/or 7 state-funded teachers (33% of ALPs)

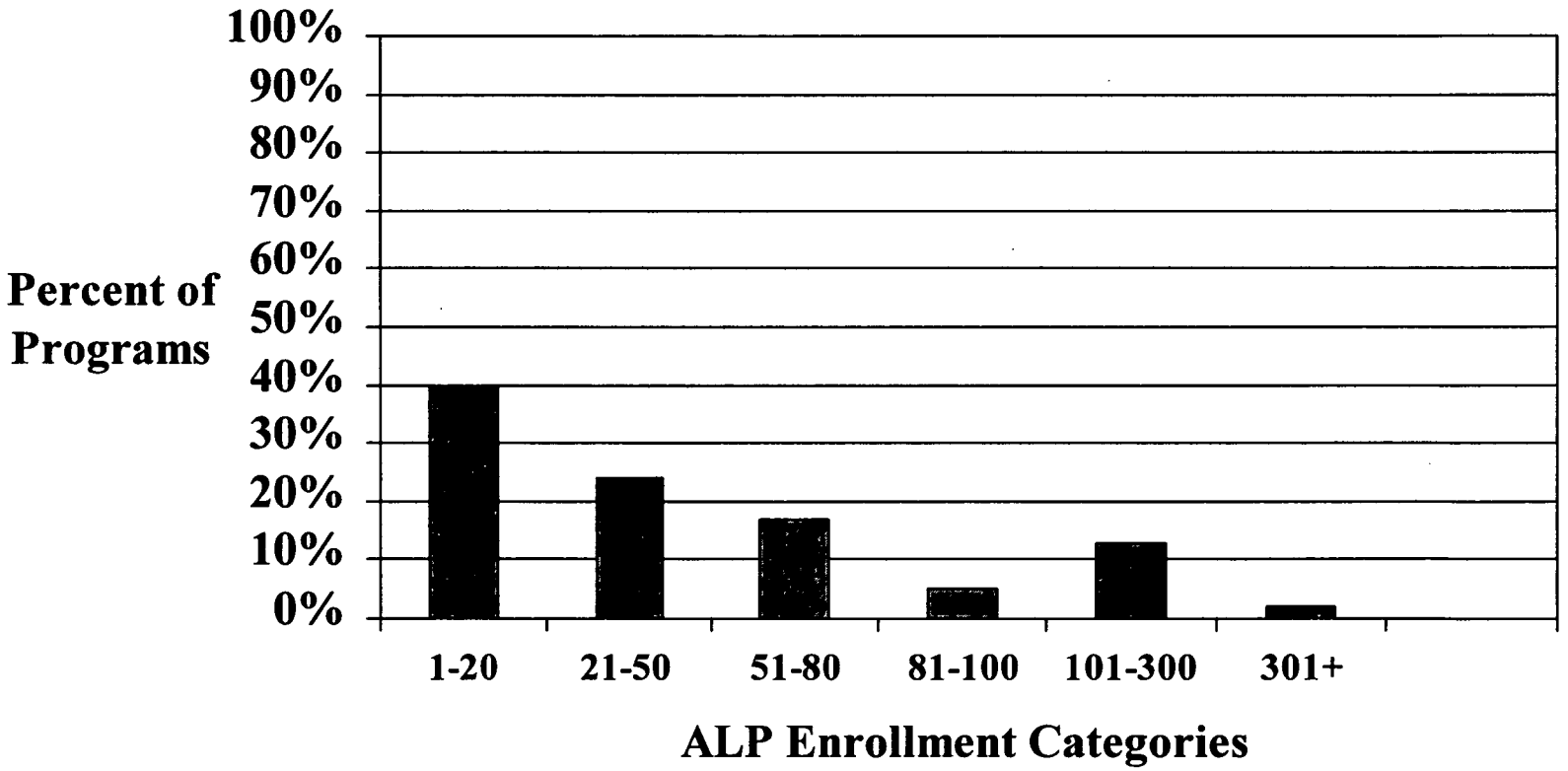
- Programs - Officially, anything other than these criteria - separate from regular school

- School-within-a-school - May have a program within the regular school

Physical Location of ALPs

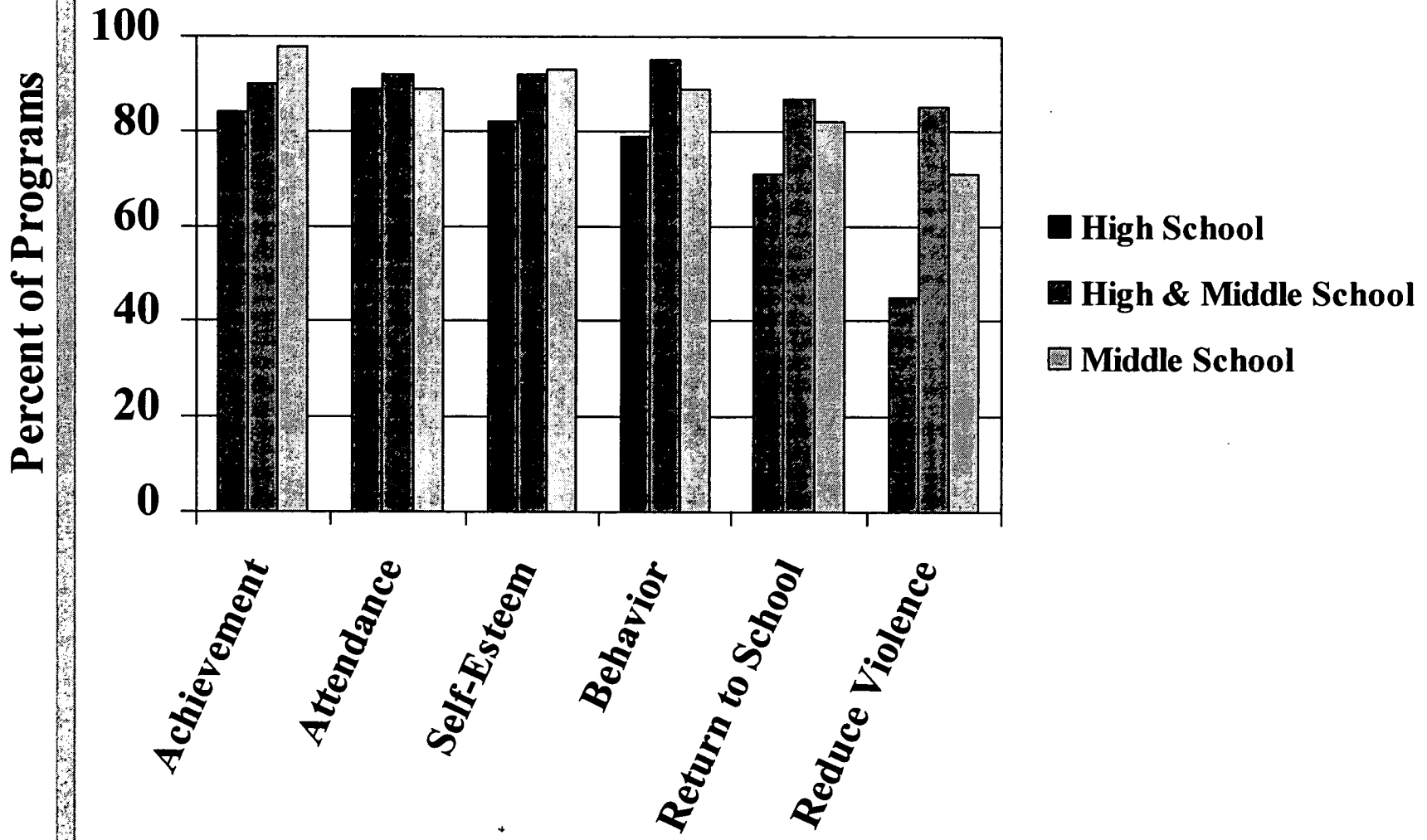
Physical Location	Percent
Separate campus	45
Same campus, separate building	13
Same campus, shared facility	36
Other (YMCA, etc)	6
Total	100

ALP Enrollments



121

Primary Objectives by Level of Program



Students Excluded from ALP

Categories Excluded	Percent of Programs
Suspended	14
Learning Disabled	17
Students already dropped out	21
Expelled	30
BEH	32
Willie M.	34
Educable Mentally Handicapped	34

Suspended/Expelled Students Served by ALPs

Category	Percent Considered	Percent Placed
Long-Term Suspended (6,098 students)	73	52
Expelled (193 Students)	69	48

Recommendations/Best Practices

Need for well thought-out continuum of at-risk services

- Differentiated programs
- ALP as part of a continuum of services
- ALP - clear purpose/philosophy
- Feeder schools share responsibility for student success or failure

Recommendations - continued

Focus on Performance

- High expectations: academic and behavior
- Continuing focus on academics - innovative and challenging curriculum
- Comprehensive support services
- Track and evaluate student progress

Recommendations - continued

Staff in ALPs

- Caring and competent staff
- Strategies to hire and retain the best
- Focused staff development:
  - core academic areas;
  - behavior management and social skills (e.g., anger management, decision making)

Recommendations - continued

- Early intervention!

Often middle and high school is not soon enough! Resources must be targeted to younger students, with challenging academic and behavioral expectations.

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education Thursday, April 8, 1999
Name of Committee Date 8:30 AM.

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Bill Wilson	NCAE
Thad Daire	NCAE
Carolyn Cobb	NCDRS
Dee Brewer	NCDPI
Mildred P. Poole	NCPJA
Ellen Russell	The Arc of NC
Hal Miller	NC ACCT
S Markham	EGHS
Karen Gaul	Governor's Office
Ann McCoy	NCASA
Jan Watts	NCASA
Paula Gupton	DNER
Henry Johnson	DPI
Ann Bertram	DPI
Philip Price	DPI
Bob Matthews	"
Jim Bauter	"
Elsie C. Leak	"
Janet Puttman	OSBM
Lee Adams	OSBM
Ruby Webb	Rockingham County F.B.
Ruby Moore	Rockingham County F. Bureau
Elizabeth Thorensten	OSBM
Marvin Ky	OSBM
David Brown	OSBM
Michael C. Jones	Office of Sci & Tech.
Danny Lindsey	Speaker's Office

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education April 8, 1999 8:30am

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
EDDIE CALDWELL	EEBC
Barbara Harris	OSBM
Gene Arnold	House
Gene Causby	NCSISA
Leanne Winner	NCSBA
Ashley Westbrook	Governor's Office
Brad Sneeden	DPI
[illegible]	Governor's Constituent Services
Lucy Boca	Wake Forest Medical Sch

Joint Appropriations Subcommittee
On Education/Higher Education

April 13, 1999
8:30 A.M.
Presiding - Senator Dalton

Call to Order	Chair
Promotion, graduation standards and associated costs	Mr. Phil Kirk, Chairman of the State Board of Education Dr. Mike Ward, State Superintendent of Public Instruction

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Tuesday, April 13, 1999
8:30 A.M.
Room 421 LOB

The Joint Appropriations Subcommittee on Education/Higher Education met on Tuesday, April 13, 1999 at 8:30 A.M. in Room 421 of the Legislative Office Building. Senator Walter Dalton presided. Senator Dalton called the meeting to order and introduced and welcomed Pages Becca Lee from Goldsboro and sponsored by Senator John Kerr; Phillip Stewart from Guilford County and sponsored by Representative Adams; and Kris Washington from Wake County and sponsored by Speaker Black.

Senator Dalton introduced Mr. Phil Kirk, Chairman of the State Board of Education. Mr. Kirk reviewed the history of promotion and the graduation standards for students. He noted that a Standards and Accountability Commission was initially appointed by Governor Hunt to work on promotion and graduation standards. He stated after several years of work, the Standards and Accountability *Commission* was changed to a *Committee.* This Committee functions in an Advisory capacity to the State Board. In addition, Public Hearings were held throughout the State on promotion and graduation standards. Mr. Kirk stated the Exit Exam for high school students would be given at the end of the 11th grade. Another area that is being reviewed is the possibility of a Differentiated Diploma. A Taskforce has been established to study the Differentiated Diploma and will have its recommendations ready by August 1999.

Mr. Kirk emphasized that the State Board has evaluated and implemented the Standards and Accountability policies in order to assist students early in the education process. He stressed that the Standards and Accountability policy is not a retention policy. Mr. Kirk addressed several questions and comments from the Committee Members.

Senator Dalton introduced Dr. Mike Ward, State Superintendent of Public Instruction. Dr. Ward presented a detailed review of the Statewide Accountability Standards *(See Attachment 1).* He reviewed the four "Gateways" and gave the Timeline for each. Dr. Ward reviewed the estimated impact of the Student Accountability Standards on the Public School Fund. He stated the estimated increase in the retention of students in grades 3,5, and 8 would be between 3% and 5%. He then discussed the predicted funding needs due to the expected student retention increases. He noted that students who are retained in the third grade actually do not cost the school extra funds until that student actually spends the extra year in school attendance, which would be at

the eighth grade level. The additional funding is predicted to be $36. per retained student.

Next, Dr. Ward presented a detailed overview of the State Public School Fund Expansion Budget Request. He detailed each item pertinent to the Accountability Standards funding. Dr. Ward then addressed the potential resources of funding for the Student Accountability Standards. *(See Attachment 1, pp. PS 156).* Dr. Ward addressed several questions and comments from the Committee. He explained the various potential federal resources and the Administrative Outreach resources.

Senator Dalton thanked Mr. Kirk and Dr. Ward for their presentations.

Senator Dalton adjourned the meeting at 9:50 A.M.

Senator Walter Dalton, Co-Chair

Christina K. Minard, Education Committee Assistant

Statewide Accountability Standards

PS 149

North Carolina Statewide Student Accountability Standards

The New Standards at a Glance

• North Carolina public school students will soon be required to meet statewide standards for promotion from grades 3, 5 and 8 and high school graduation. The standards, also called gateways, will ensure that students are working at grade level in reading, writing and mathematics before being promoted to the next grade. For high school graduation, students will need a passing score on a new exit exam of essential skills.

• Students who do not meet the standards will have multiple opportunities for re-testing and more students will receive timely help as soon as they have difficulty with their school work--not at the end of the year when time and options are running out.

• What does this mean for North Carolina? It means more students will be at grade level than ever before. More students will have a strong foundation in reading, writing and math. Most important, it means students in North Carolina will have specific expectations for their performance in school, and a pledge that they will receive the instructional support and help they need to reach those expectations.

• These standards were developed over a six-year period in response to the public's demand for better schools in our state. In addition to the work of the Committee on Standards and Accountability, the State Board of Education and the Department of Public Instruction, teachers, parents, principals, students, education associations and organizations, business leaders and many others were involved in the creation of these standards. Eight public input sessions were held around the state and a toll-free hotline and a web site were established to increase public involvement.

The Gateways

Gateway 1--Grade 3	Gateway 2--Grade 5
• Meet local promotion requirements. • Demonstrate grade-level proficiency by scoring at Level III or above on state end-of-grade tests in reading and math. • Effective date: 2001-02 Time Line:	• Meet local promotion requirements. • Score at Level III or above on state end-of-grade tests in reading and math. • Score at or above proficiency level 2.5 on the grade 4 writing assessment. (Students who do not have this score will be given intervention and assistance to develop their writing skills.) * • Effective date: 2000-01 1st Gr. -
Gateway 3--Grade 8	**Gateway 4--High School**
• Meet local promotion requirements. • Score at Level III or above on state end-of-grade tests in reading and math. • Score at or above proficiency level 2.5 on the grade 7 writing assessment. (Students who do not have this score will be given intervention and assistance to develop their writing skills.) * • Effective date: 2001-02	• Meet existing local and state graduation requirements. • A passing score on an exit exam of essential skills. Students will take this exam in the spring of 11th grade. • A passing score on the computer skills test (effective with class of 2001). * • Effective date: graduating class of 2003

PS 150

Review Procedures

For students not scoring at Level III (grade level proficiency) or above on the reading and math end-of-grade tests, school districts will follow certain procedures to determine if the student should advance to the next grade:

- The student will be given additional tests to determine if he or she just had a *bad* test day.
- If the child has not reached Level III after the second or third testing, teachers or parents may request a formal review process to determine if the child should be promoted to the next grade. The teacher will submit documentation of the student's work to a review committee (comprised of teachers and principals from other schools, and central office staff) which will review the request and make a recommendation to the student's principal about promotion.
- Students not promoted to the next grade after the second or third test will receive extra help in smaller classes or additional instructional opportunities. These students also will be provided with a personalized education plan that outlines strategies to assist the child, including increased monitoring and evaluations.
- Based on the experiences of school districts around the state that have already implemented similar standards, educators generally expect that the percentage of students likely to be retained would increase from three to five percent over the current levels. However, after the first year, the retention rate would likely drop back down because more students will receive the help they need to reach grade level proficiency.

Local Accountability Procedures

- Superintendents and local boards of education will be responsible for designing the strategies to reach the state standards. Additionally, they will provide leadership in ensuring that all educators, students, parents and community members understand and/or participate in implementing the Student Accountability Standards.
- The decision to promote a child to the next grade will always be a local decision but must be based upon statewide Student Accountability Standards at grades 3, 5, 8 and high school. The principal always has the final say in determining whether a child is promoted.
- Local school districts must provide focused intervention for all students not meeting the Student Accountability Standards.
- School districts will annually report to the State Board of Education the number of students not performing at grade level who are retained, as well as the number of students who are promoted upon recommendation of the review committee.
- Just as with graduation requirements and other standards, local boards of education can establish higher standards than those of the state's.

Students with Disabilities/Students of Limited English Proficiency

- The Student Accountability Standards do apply to exceptional children and to students with limited English proficiency.
- Students with disabilities may be exempted from the standards by the Individualized Education Program Team, if it's determined that the students do not have the ability to participate in the State Standard Course of Study.
- For students in grades 3 through 8 with limited English proficiency who are exempt from statewide testing due to the language barrier, a portfolio may be used to document the students' progress and English language proficiency.

Public Schools of North Carolina • Student Accountability

For more information about the standards, check the DPI InfoWeb at www.dpi.state.nc.us or call 1-800-431-7373 or 919-715-1246.

PS 151

Student Accountability Standards

Review of Impact on the Public School Fund

➢ Additional Remediation Resources

- An increase in funding per student
- Remediation items included in the State Board's Expansion Budget request.

➢ Cost for Intervention and Professional Development

- Additional time for instruction
- Smaller class sizes
- Additional funds for professional development.

➢ Retention

- An increase in the retention of students (estimated to be between 3% and 6%) in grades 3, 5, and 8
  - The standards for **Grade 3** will be implemented in **2001-02**.
    - Students retained in 2001-02 will impact ADM in 2011-12.
    - A 4% increase in retention would be 4,218 students and increase funding needs in 2011-12 by $14.6 million.
  - The standards for **Grade 5** will be implemented in **2000-01**.
    - Students retained in 2000-01 will impact ADM in 2008-09.
    - A 4% increase in retention would be 4,000 students and increase funding needs in 2008-09 by $13.8 million.
  - The standards for **Grade 8** will be implemented in **2001-02**.
    - Students retained in 2001-02 will impact ADM in 2006-07.
    - A 4% increase in retention would be 3,800 students and increase funding needs in 2006-07 by $13.3 million.
  - The standards for **Graduation from High School** will be implemented with the graduating class of **2002-03** (FY 1999-2000 ninth graders).
    - The impact of students not passing the exit exam is not expected to have a significant impact on ADM.

Impact of Retention → yrs. out → when student spends an x yr. in school

April 13, 1999

PS 152

Student Accountability Standards

Estimated Additional Funding Needed

Estimated FY 1999-2000 Student Population	Additional Funding per Student	Total Estimated Funding
1,268,870	**$36**	**$45.7 million**

This estimate is based on conversations with eight local school districts that have implemented student accountability standards. Each LEA had reviewed their funding sources and categories to determine what existing funds could be redirected to assist the implementation of the higher standards. The State Board's policy will require additional resources for the required writing standards and the high school accountability standards that are not currently in place in any LEA. These additional requirements and the need for additional resources to expand intervention (remediation) and professional development were anticipated to increase costs by approximately $36 per student. These funds would supplement the funds that the LEAs can redirect from their existing budgets.

April 13, 1999

Public Schools of North Carolina

North Carolina Department of Public Instruction

STATE PUBLIC SCHOOL FUND EXPANSION BUDGET REQUEST (Selected Items)

For 1999 - 2001 Biennium

High Student Performance	Cost
ABCs	
NC *HELPS*	$ 24 million
provide additional resources to schools that did not meet their growth expectations	
3 By 3	54 million
provide additional resources to ensure that all 3rd graders are performing at or above grade level	
School Assistance Teams	5 million
fully fund assistance teams for low-performing schools (cost in 1997-98 $4.3 million)	
Testing Program	1.5 million
expand program to cover cost of Computer Skills, HS Exit Exam, Alternate Assessments and inflationary increases	
Children with Special Needs	25 million
improve quality of education for children with special needs	
Limited Proficiency in English	10 million
expand services to children with limited proficiency in English	
Safe and Orderly Schools	
At-Risk Student Services/Alternative Schools	34 million
increase allotment for alternative school programs, school resource officers and other support personnel	
Total State Public School Fund Expansion Request	**$ 153.5 million**

PS 154

Student Accountability Standards

April 13, 1999 Version

Examples of Intervention Cost:

Increase Instructional Days
For Students Performing Below Grade Level:
Estimated cost for an additional instructional day (beyond 180) ... **$ 3.3 million**
Cost to Add up to15 Instructional Days .....**$48.8 million**

Or

Reduce Class Size
For Students Performing Below Grade Level in Math and Reading:
$86.8 million. Estimated cost to reduce class size so one teacher will teach fifteen students who are performing below grade level in reading and math classes.

Additional Funding for Staff Development:

An additional day of employment for all teachers and instructional support personnel for professional development would cost $16.7 million. In FY 1998-1999, $12.5 million is budgeted to pay teachers for up to six days of vacation that they were not allowed to take during the school year. In FY 1997-98, there were 4 days available. Of the $8.5 million budget, $2 million was expended.

Or

Establish eight regional teams to serve as master trainers and coaches for teachers. Each regional team would conduct a one-week training program for four groups of 30 teachers each for three weeks a month. The training would concentrate on diagnosing student needs, developing and implementing effective instructional strategies, and continuous assessment of students who have not met student promotion standards. Estimated cost: $14.3 million.

Student Accountability Standards

April 13, 1999 Version

Potential Resources:

Based on Increases in the Governor's Continuation Budget:

- $13 million in At-Risk Services/Alternative Schools.
- $7.6 million in NCHELPS (total recurring budget increased by $4.9 million).
- $78,000 in staff development (total: $11.3 million – includes Assistance Teams).
- $4 million for 89.5 additional Instructional Support positions could be used for teachers.
- $3.2 million for middle school teachers to work with 6th graders that failed the 5th grade end-of-grade reading and/or math test.

Total: $27.9 million.

Based on Governor's Expansion Budget:

- $7.8 million for all third graders to be at grade level in reading and math (3 by 3).

Federal Resources (New Programs):

- $24.7 million to reduce class size.
- $7 to $15 million for staff development to improve reading.
- $17 million for Workforce Investment Act to target economically disadvantaged youth (high school students) with multiple barriers to graduation and employment.

Total: $31.7 to $56.7 million.

- *Proposed $600 million nation wide for 21st Century Community Learning Centers (Currently $200 million): After School Programs (LEA applies, competitive).*

Federal Programs Continuing Programs:

- $4 to $5 million in Goals 2000 resources might be available.
- Several federal grants have funding set aside for competitive projects.
- Title I can be used for remediation programs … $146.8 million.
- Title VI can be used for remediation programs … $8.8 million.
- Dwight D. Eisenhower is a staff development program … $6.1 million.

Total: $166 million.

Sales Tax Refunds to Local Education Agencies (LEAs):

Effective July 1999, LEAs will be able to request a refund for all sales taxes paid from State, local, and federal resources. Federal resources must be returned to the federal grant from which they were paid; however, local and State refunds will not be restricted to a specific program.

* **Total: $15 million.** ok.

Administrative Outreach:

The North Carolina School Boards Association (NCSBA) is in the process of identifying resources that may flow to a local school system from federal Medicaid funding. The program is titled Administrative Outreach and may distribute at least $20 per average daily membership (ADM) to each LEA ($25 million). The reimbursement could be as much as $30 per ADM.

Total: $25 to $38 million.

VISITOR REGISTRATION SHEET

8:30 A.M.

APPROPRIATIONS/Subcommittee on Education Tuesday, April 13, 1999

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jim Barber	NC DPI
Philip Price	"
Brad Speeden	DPI
Phil Kirk	NCCBE - SBE
Mike Ward	DPI
Marvin Ky	OSBM
J Earl Hayes	DPI
[illegible]	OSBM
[illegible]	OSBM
Henry Johnson	DPI
Philip Price	DPI
[illegible]	NCASA
Jane [illegible]	SBE
Daniel Brown	OSBM
Elizabeth Grossenstein	OSBM
[illegible]	OSPL
[illegible]	Public School Forum of NC
Cecil S Banks	Governor's Office
Robin Allen	Carolina Legal Assistance
Dennis Patterson	AP
[illegible]	NCATA
[illegible]	NCAKU
[illegible]	[illegible]
Barbara Harris	OSBM
Leanne Winner	NCSBA
Ashley Westbrook	Governors Office
Gene Causby	NCSFSA

VISITOR REGISTRATION SHEET

8:30 A.M

APPROPRIATIONS/Subcommittee on Education Tuesday - April 13, 1999

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Bill Wilson	NCAE
[illegible]	NCAE
Dee Atkinson	SBE
Gene Arnold	N C House
[illegible] Miller	Ed Law Project
Danny Lineberry	Speaker's Office
Jaclyn Dixon	Intern - Rep Easterling
Hal Miller	NC ACCT
EDDIE CALDWELL	ECBC
G Markham	BGHS
Becky Stout	PPAP
ROBERT C STOTZ	GTCC Campus Police
Sgt. J. M. Snow	GTCC CAMPUS Police
Jan Roth	Charlotte Observer
Alexander Williams	NCCCS

VISITOR REGISTRATION SHEET

8:30am

APPROPRIATIONS/Subcommittee on Education Tuesday April 13, 1999

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Melissa Suárez	John Locke Foundation
Andrew Chaje	"
Bernard Allen	SOS
Susan Valenti	Nature Conservancy

Joint Appropriations Subcommittee
On Education/Higher Education

April 14, 1999
8:30 A.M.
Presiding - Representative Oldham

Call to Order	Chair
Committee Questions and unfinsihed items from previous meetings	Jim Newlin

- Average teacher salary
- School Technology

School Capital Construction	Jim Newlin

MINUTES
JOINT APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

April 14, 1999
8:30 AM

The Joint Appropriations Subcommittee on Education/Higher Education met on Wednesday, April 14, 1999, at 8:30 am in Room 421 of the Legislative Office Building.

The following members were present: Chairpersons Gene Rogers, Flossie Boyd-McIntyre, Warren Oldham; Representatives Bonner, Gardner, Gillespie, Insko, Michaux, Moore, Preston, Smith, Teague, Warner, Yongue; Seven Senators; Fiscal Staff, Jim Newlin and Charlotte Todd.

Chairman Oldham called the meeting to order and recognized the Pages and Sgt. At Arms staff.

Mr. Jim Newlin, Fiscal Staff, began by addressing the Committee's questions and concerns regarding the average teacher salary. He reviewed the chart on PS 16-B entitled "Current Estimate of Teachers Paid At or Below the State Average Salary Before Supplements or Add-Ons." **See Attachment 1, PS 16-B – PS 17.**

Mr. Newlin gave a summary on "K-12 Information Technology" in the Public School system. He addressed three types of technology: Instructional Technology, Administrative Technology, and the Hybrid Systems. Examples of Instructional Technology are classroom computers, software networks, and teacher and student Internet access. Examples of Administrative Technology are financial management, payroll and accounting, and human resources. The Hybrid Systems have both instructional and administrative components. The State's Student Information Management System (SIMS) was given as an example of the Hybrid Systems. See **Attachment 2, PS 92 – PS 103** for further details on school technology.

"School Capital Construction" was addressed next. Mr. Newlin reviewed "County Responsibility to Build and Maintain Schools" in the North Carolina school system. Dr. Ben Matthews, Director of School Support, DPI graciously assisted Mr. Newlin with additional information regarding School Capital Construction. See **Attachment 3, PS 129 – PS 148** for more detailed information.

Chairman Oldham thanked Mr. Newlin and Dr. Matthews for their participation and adjourned the meeting at 9:45 am.

Visitor Registration Sheets are attached and also made a part of these minutes.

Respectfully submitted,

Delta F. Prince

Warren C. Oldham, Chair

Delta F. Prince, Committee Assistant

Current Estimate of Teachers Paid At or Below the State Average Salary Before Supplements or Add-Ons

	Total FTE	Total %	Below Average Base Salary	% Below	Above Average Base Salary	% Above
A Schedule	50,884.34	64.91%	31,279.71	61.5%	19,604.63	38.5%
G Schedule	19,379.27	24.72%	4,539.49	23.4%	14,839.78	76.6%
Local (all teachers)	5,538.00	7.06%	5,538.00	100.0%	0	0.0%
New teachers without an assigned salary	2,592.17	3.31%	2,592.17	100.0%	0	0
Total	78,393.78	100.00%	43,949.36	56.1%	34,444.42	43.9%

Based on December 1998 Data

Initial projection of FY1998-99 average base teacher salary: 32,554.00

Highest Degree Held by Teachers: US

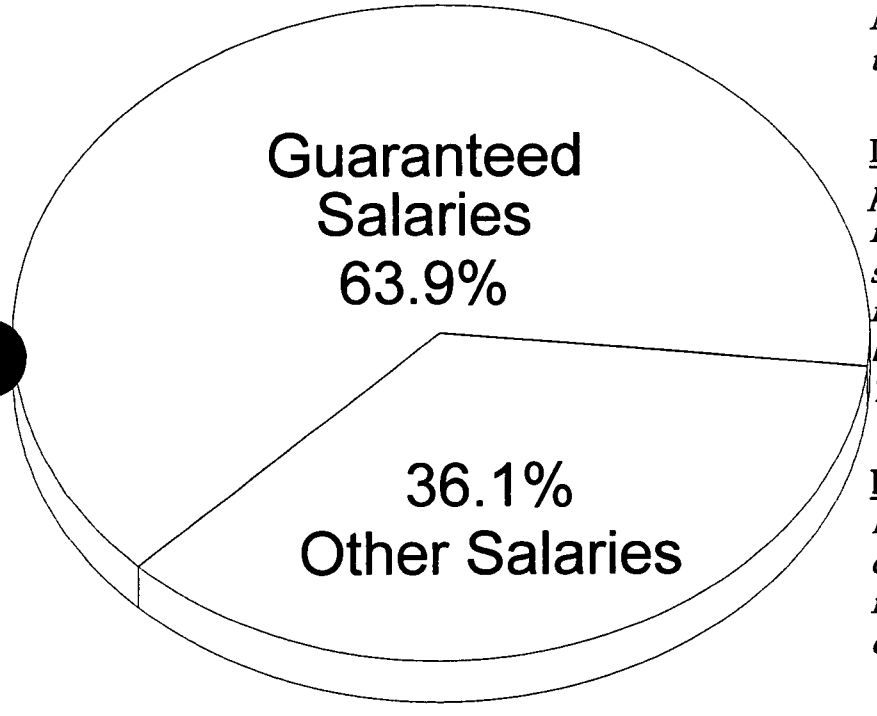
	1961	1996
Less than Bachelor's	14.6%	0.3%
Bachelors	61.9%	43.6%
Master's or specialist degree	23.1%	54.6%
Doctor's	0.4%	1.7%
	100%	100%

Source: National Center for Education Statistics

PS16B

Type of Allotted **Salaries**

Fiscal Year 1998-99



North Carolina funds salaries with two types of allotments.

<u>Position allotments</u>: *The State allots positions to a local school system for a specific purpose. The local school system pays whatever is required to hire certified personnel based on the State Salary Schedule. These are guaranteed salaries.*

<u>Dollar and Categorical Allotments:</u> *Local school systems can hire employees out of these funds, but must operate within the allotted dollar amount.*

Instructional Technology

PS92

K-12 Information Technology

- Instructional Technology
  - Examples: Classroom computers, software networks, teacher and student Internet access.
- Administrative Technology
  - Examples: Financial management, payroll and accounting, and human resources.
- Hybrid Systems that have both instructional and administrative components.
  - Example: Student Information Management System (SIMS)

Instructional Technology

- $400+ million: estimated statewide total need.
  - Includes hardware, software, and networks
- School systems purchase instructional technology from multiple sources of funds:
  - State Public School Funds
  - School Technology Fund
  - Local appropriations
  - Private donations

School Technology Fund

- Created in 1994
- Each school system has an account within the fund and earns interest on unexpended balances.
- Three sources of revenues in the fund
  - State appropriations
  - Transfers from the Public School Building Capital Fund
  - Administrative fines and forfeitures

School Technology Fund

- Total State appropriations to the fund since 1994: $111,500,000, excluding interest earnings, fines and forfeitures, and transfers from the Public School Building Capital Fund.
- Total State appropriations in FY1998-99
  - $10.0 million recurring
    9.5 million nonrecurring

  $19.5 million

PS96

School Technology
Fact Sheet

Categories	Fiscal Years			
	1995-96	1996-97	1997-98	1998-99*
Budget *Recurring* *Non-Recurring* *Total*	$0 42,000,000 $42,000,000	$10,000,000 10,000,000 $20,000,000	$10,000,000 20,000,000 $30,000,000	$10,000,000 9,500,000 $19,500,000
Formulas	-Base funding per Low Wealth Co. -Minimum $50,000 per County -Remaining per ADM	$ per ADM @ $16.64	$ per ADM @ $24.47	$ per ADM @ $15.60
Interest *- Allotted based on average daily balances* *- Allotted monthly*	$1,805,280	$1,404,402	$1,429,833	$1,366,126
Fines/Forfeitures *- Allotted based on dollars per ADM* *Allotted as received*			$4,014,195	$7,453,021
Public School Building Capital Fund *- Based on approved projects* *- Allotted when funds are transferred from State Budget and* Management			$2,449,000	$3,653,802
Transfer to Charter Schools			($88,934)	($114,022)
Expenditures *- School Technology- Funds carried over until spent* *- All State Sources -* *(Including School Technology)*	$28,166,799 $39,816,107	$25,424,674 $42,989,745	$30,863,981 $49,922,166	$19,303,011 Unavailable

* Interest, Fines/Forfeitures, Public School Building Capital Fund, and Expenditures are through February 1999.

name:c:\123r5w\1998-99\special\Techfact.wk4/6/98

PS97

Expenditures for Technology

Federal FY 1997-98		
Dwight D. Eisenhower	**$45,593**	**0.3%**
To improve the quality of services in math and science.		
Title 1 Programs	**5,684,407**	**36.2%**
Services for educationally deprived children age 5 to 17 from low income families.		
School Improvement	**1,743,870**	**11.1%**
Supports the development and implementation of improvement plans designed to help all students reach challenging academic standards.		
Vocational Education	**4,453,993**	**28.4%**
Programs to expand, improve, modernize, and develop quality programs to enhance future work force skills.		
Job Ready to Work	**632,818**	**4.0%**
To make education more relevant to the skills and knowledge needed in the workplace.		
Drug Free	**140,299**	**0.9%**
Prevention, early identification, and intervention drug programs.		
IASA Title VI	**1,055,792**	**6.7%**
Targeted assistance programs to enhance student performance.		
Techology Literacy	**1,544,900**	**9.9%**
Provide educational technology to LEAs to ensure that students will be technologically literate in the 21st century.		
IDEA Title VI-B	**355,199**	**2.3%**
Special education programs for handicapped children.		
Other	**33,910**	**0.2%**
	$15,690,780	**100.0%**

State FY 1997-98		
Instr. Matterial/Suppl/Equip.	**$2,942,501**	**5.9%**
Regional Education Funding	**223,647**	**0.5%**
Low Wealth/Small County	**7,016,368**	**14.1%**
School Technology	**23,074,461**	**46.2%**
Children With Special Needs	**2,529,959**	**5.1%**
At-Risk Student/Alternative	**5,001,194**	**10.0%**
Academically Gifted	**528,923**	**1.1%**
Teacher Assistance	**951,061**	**1.9%**
Non-Istructional Support	**500,182**	**1.0%**
Vocational Education	**6,055,854**	**12.1%**
Driver Training	**620,083**	**1.2%**
Charter Schools	**232,140**	**0.5%**
Other	**245,793**	**0.5%**
	$49,922,166	**100.0%**

School Technology

Summary of Year to Date Allotments

FY 1997-98

LEA NO.	LEA NAME	Formula Allotment (See Note)	Additional Allotments: Interest Year-to-date	Additional Allotments: School Building fund Year-to-date	Additional Allotments: Fines & Forfeitures Year-to-date	Total Year-to-date
10	Alamance County	$471,045	$27,139	0	$63,091	$561,275
20	Alexander County	126,273	7,775	0	16,913	150,961
30	Alleghany County	35,993	1,884	0	4,817	42,694
40	Anson County	110,378	6,092	0	14,770	131,240
50	Ashe County	83,291	3,808	0	11,145	98,244
60	Avery County	59,532	7,582	165,800	7,966	240,880
70	Beaufort County	184,077	8,497	0	24,638	217,212
80	Bertie County	94,278	3,010	0	12,615	109,903
90	Bladen County	141,111	6,457	250,000	18,882	416,450
100	Brunswick County	238,569	8,999	100,000	31,921	379,489
110	Buncombe County	604,497	33,765	0	80,925	719,187
111	Asheville City	108,690	6,801	0	14,802	130,293
120	Burke County	338,645	19,068	0	45,336	403,049
130	Cabarrus County	417,043	14,287	0	55,803	487,133
132	Kannapolis City	98,706	3,770	100,000	13,208	215,684
140	Caldwell County	293,574	12,047	0	39,503	345,124
150	Camden County	29,069	3,238	0	3,889	36,196
160	Carteret County	209,011	14,038	0	27,965	251,014
170	Caswell County	88,895	1,203	0	11,894	101,992
180	Catawba County	368,474	15,235	0	49,449	433,158
181	Hickory City	104,203	4,699	0	14,203	123,105
182	Newton City	65,673	1,914	0	8,833	76,420
190	Chatham County	165,039	6,031	0	22,289	193,359
200	Cherokee County	86,912	4,160	0	11,741	102,813
210	Chowan COunty	62,004	3,240	0	8,296	73,540
220	Clay County	31,149	461	0	4,175	35,785
230	Cleveland County	219,924	8,601	0	29,430	257,955
231	Kings Mountain City	103,845	4,394	0	13,895	122,134
232	Shelby City	84,197	3,971	0	11,266	99,434
240	Columbus County	185,374	4,019	0	24,805	214,198
241	Whiteville City	69,442	3,078	0	9,292	81,812
250	Craven County	369,232	15,342	0	49,409	433,983
260	Cumberland County	1,265,420	61,156	0	169,321	1,495,897
270	Currituck County	75,681	2,637	0	10,127	88,445
280	Dare County	110,109	3,324	0	14,733	128,166
290	Davidson County	450,933	15,772	0	60,341	527,046
291	Lexington City	78,373	2,117	0	10,487	90,977
292	Thomasville City	57,795	2,825	0	7,734	68,354

School Technology

Summary of Year to Date Allotments

FY 1997-98

LEA NO.	LEA NAME	Formula Allotment (See Note)	Additional Allotments: Interest Year-to-date	Additional Allotments: School Building fund Year-to-date	Additional Allotments: Fines & Forfeitures Year-to-date	Total Year-to-date
300	Davie County	126,626	6,331	0	16,947	149,904
310	Duplin County	207,200	19,106	0	27,725	254,031
320	Durham Public	715,291	36,464	0	96,556	848,311
330	Edgecombe County	194,085	12,010	0	26,082	232,177
340	Forsyth County	1,027,045	51,374	600,000	139,666	1,818,085
350	Franklin County	175,220	6,372	0	23,455	205,047
360	Gaston County	728,089	22,887	0	97,600	848,576
370	Gates County	49,035	962	0	6,561	56,558
380	Graham County	30,243	427	0	4,047	34,717
390	Granville County	188,139	7,181	0	25,176	220,496
400	Greene County	71,644	1,155	0	9,606	82,405
410	Guilford County	1,462,368	37,473	0	195,697	1,695,538
420	Halifax County	155,841	5,902	0	20,863	182,606
421	Roanoke Rapids City	77,248	3,017	0	10,339	90,604
422	Weldon City	29,362	775	0	3,929	34,066
430	Harnett County	371,287	15,401	0	49,680	436,368
440	Haywood County	187,014	10,138	0	25,023	222,175
450	Henderson County	282,833	14,742	0	37,845	335,420
460	Hertford County	105,876	6,983	0	14,167	127,026
470	Hoke County	144,903	23,573	1,000,000	19,395	1,187,871
480	Hyde County	19,624	851	0	2,625	23,100
490	Iredell County	371,600	6,153	0	49,742	427,495
491	Mooresville City	85,420	3,562	0	11,430	100,412
500	Jackson County	87,475	2,159	0	11,903	101,537
510	Johnston County	447,458	15,437	0	59,890	522,785
520	Jones County	37,559	1,410	0	5,026	43,995
530	Lee County	214,468	7,720	0	28,698	250,886
540	Lenoir County	252,296	6,747	0	34,057	293,100
550	Lincoln County	242,093	8,139	0	32,403	282,635
560	Macon County	99,734	5,222	0	13,375	118,331
570	Madison County	62,811	1,790	0	8,408	73,009
580	Martin County	123,053	5,030	0	16,465	144,548
590	McDowell County	151,803	6,615	0	20,313	178,731
600	Mecklenburg County	2,351,925	175,952	0	314,916	2,842,793
610	Mitchell County	58,137	2,728	0	7,779	68,644
620	Montgomery County	105,998	3,514	0	14,184	123,696
630	Moore County	255,599	11,987	0	34,456	302,042
640	Nash County	426,586	14,369	0	58,313	499,268

School Technology

Summary of Year to Date Allotments

FY 1997-98

LEA NO.	LEA NAME	Formula Allotment (See Note)	Additional Allotments: Interest Year-to-date	Additional Allotments: School Building fund Year-to-date	Additional Allotments: Fines & Forfeitures Year-to-date	Total Year-to-date
650	New Hanover County	530,773	37,980	0	71,020	639,773
660	Northampton County	95,207	2,667	0	12,739	110,613
670	Onslow County	516,949	41,518	0	69,169	627,636
680	Orange County	147,448	5,107	0	19,994	172,549
681	Chapel Hill-Carrboro	200,739	11,178	0	27,299	239,216
690	Pamlico County	49,733	1,841	0	6,879	58,453
700	Pasquotank County	152,317	6,448	0	20,380	179,145
710	Pender County	150,434	6,166	0	20,132	176,732
720	Perquimans County	47,371	2,124	0	6,338	55,833
730	Person County	139,128	7,431	233,200	18,619	398,378
740	Pitt County	478,434	20,168	0	64,431	563,033
750	Polk County	53,537	623	0	7,163	61,323
760	Randolph County	395,560	7,908	0	52,955	456,423
761	Asheboro City	103,160	2,600	0	13,803	119,563
770	Richmond County	204,044	6,927	0	27,303	238,274
780	Robeson County	572,810	22,183	0	76,957	671,950
790	Rockingham County	354,257	8,704	0	47,401	410,362
800	Rowan County	482,937	18,225	0	64,627	565,789
810	Rutherford County	248,430	19,476	0	33,240	301,146
820	Sampson County	185,374	7,537	0	24,805	217,716
821	Clinton City	62,884	2,470	0	8,413	73,767
830	Scotland County	176,174	10,578	0	23,573	210,325
840	Stanly-Albemarle	239,107	11,116	0	31,994	282,217
850	Stokes County	173,409	8,369	0	23,210	204,988
860	Surry County	197,012	7,065	0	26,384	230,461
861	Elkin City	26,443	1,380	0	3,657	31,480
862	Mount Airy City	48,718	1,837	0	6,522	57,077
870	Swain County	41,254	1,685	0	5,520	48,459
880	Transylvania County	97,458	3,699	0	13,045	114,202
890	Tyrrell County	20,456	711	0	2,737	23,904
900	Union County	482,301	21,694	0	64,535	568,530
910	Vance County	183,343	10,682	0	24,533	218,558
920	Wake County	2,173,180	115,241	0	292,262	2,580,683
930	Warren County	79,058	3,672	0	10,581	93,311
940	Washington County	63,937	3,229	0	8,555	75,721
950	Watauga County	119,015	8,021	0	15,926	142,962
960	Wayne County	475,743	15,059	0	63,880	554,682
970	Wilkes County	244,567	18,131	0	32,946	295,644

PS101

School Technology

Summary of Year to Date Allotments

FY 1997-98

LEA NO.	LEA NAME	Formula Allotment (See Note)	Additional Allotments: Interest Year-to-date	Additional Allotments: School Building fund Year-to-date	Additional Allotments: Fines & Forfeitures Year-to-date	Total Year-to-date
980	Wilson County	291,151	18,604	0	39,875	349,630
990	Yadkin County	136,403	7,557	0	18,330	162,290
995	Yancey County	61,367	8,128	0	8,212	77,707
TOTAL		$29,911,066	$1,429,833	$2,449,000	$4,014,195	$37,804,094

Note: Formula Allotment includes reductions for Charter Schools.

NC Department of Public Instruction

Division of School Business

School Finance Section

April 6, 1999 (C:\Init98\ScTchSum.wk4)

PS102

School Technology
Report on Expenditures

State Summary

Total Allotment:	$43,805,280	$37,042,888	$49,422,309

Expenditure Description	FY 1995-96		FY 1996-97		FY 1997-98	
	As of 06/30/96	% of Total	As of 06/30/97	% of Total	As of 06/30/98	% of Total
Workshop Expenses	$748,984.40	2.66%	$886,502.36	3.49%	$1,023,388.17	3.32%
Salary - Teacher Assistant	0.00	0.00%	3,825.03	0.02%	5,606.17	0.02%
Salary- Workshop Instructor & Participants	343,659.19	1.22%	426,839.27	1.68%	395,534.18	1.28%
Substitute Pay	176,998.23	0.63%	169,780.77	0.67%	196,078.43	0.64%
Contracts	297,600.94	1.06%	865,422.30	3.40%	1,332,418.41	4.32%
Matching Benefits	74,697.54	0.27%	83,391.36	0.33%	86,493.67	0.28%
Repair & Maint. of Equipment	368,325.45	1.31%	1,125,366.18	4.43%	1,519,334.28	4.92%
Telephone	138,926.23	0.49%	67,074.42	0.26%	360,738.81	1.17%
Telecommunication Services	0.00	0.00%	322,793.36	1.27%	804,390.69	2.61%
Renovation of Buildings	992,805.49	3.52%	1,193,676.32	4.69%	1,257,594.89	4.07%
Administration Equipment & Supplies	1,007,057.00	3.58%	776,268.26	3.05%	861,334.66	2.79%
Instructional Supplies	504,641.30	1.79%	625,196.74	2.46%	715,455.75	2.32%
Computer Software and Supplies	2,481,262.25	8.81%	2,497,150.73	9.82%	3,368,688.69	10.91%
Audiovisual Supplies & Materials	11,490.92	0.04%	38,349.66	0.15%	34,601.05	0.11%
Periodicals	127.92	0.00%	2,105.13	0.01%	941.29	0.00%
Computer Equipment	21,020,222.46	74.62%	16,340,932.27	64.27%	18,901,381.42	61.24%
Total	28,166,799.32	100.00%	$25,424,674.16	100.00%	$30,863,980.56	100.00%

Unexpended Balance:	15,638,480.68	35.70%	$11,618,213.84	31.36%	$18,558,328.44	37.55%

North Carolina Department of Public Instruction

Division of School Business, School Finance Section

November 10,1998 (c:\123r5w\1998-99\special\prc15sum.wk4)

PS103

School Capital Construction

PS - 129

County Responsibility to Build and Maintain Schools

(b) To insure a quality education for every child in North Carolina, and to assure that the necessary resources are provided, it is the policy of the State of North Carolina to provide from State revenue sources the instructional expenses for current operations of the public school system as defined in the standard course of study.

It is the policy of the State of North Carolina that the facilities requirements for a public education system will be met by county governments.

How Does North Carolina Compare with Other States in its Contribution to School Capital Construction?

- 1994 GAO study of school facility needs and financing.
  - N.C. ranked seventh in the country in state funding per pupil for school facilities.
  - Among the SREB states, only Florida ranked ahead of N.C.

State Support for School Capital Construction

- Since 1949 the North Carolina has passed five statewide school bonds.
- 1949 - 1973 $479 million
- 1995 $1.8 billion
- Dedicated portion of the two 1/2 cent local option sales tax.
  - 1983 $615.1 million
  - 1986 $953.8 million
  - Total $1,569.9 billion

State Support for School Capital Construction

- 1987 the General Assembly dedicated 1/2 of 1% of the corporate tax to school construction.
  - Public School Building Capital Fund - $564.8 million
  - Critical School Facilities Needs Fund - $221.4 million
  - Total - $786.2 million

Financing Local School Construction

- Pay-as-you go
- Local and state bond proceeds
- Alternative debt financing.
  - Lease/Purchase
  - Certificates of Participation
  - Lease

1995-96 Projection of School Construction Needs

- 1995-96 - School Capital Construction Commission examines the need for school facilities.
- Under guidelines established by the commission and the State Board of Education local school boards and county commissioners project
- $6.2 billion estimated facility needs.

1995-96 Projection of School Construction Needs

FIVE YEAR PROJECTED SCHOOL FACILITY NEEDS: BY COUNTY

Compiled 1995

SCHOOL SYSTEM	NEW SCHOOLS ELEMENTARY	NEW SCHOOLS MIDDLE	NEW SCHOOLS HIGH	ADDITIONS	RENOVATIONS	FURN. / EQUIP.	LAND	TOTAL
Alamance County	29,151,939	9,387,101	0	27,737,166	35,129,135	6,676,595	1,092,000	$109,173,936
Alexander County	12,487,370	0	13,769,285	3,705,026	1,468,802	2,427,754	540,000	$34,398,237
Alleghany County	0	0	0	5,117,499	1,822,711	505,147	180,000	$7,625,357
Anson County	0	0	0	1,729,656	7,335,795	151,790	0	$9,217,241
Ashe County	0	7,252,661	0	689,201	4,273,755	60,483	0	$12,276,100
Avery County	10,286,216	0	0	0	4,238,940	855,687	360,000	$15,740,843
Beaufort County	0	19,093,696	14,675,894	3,271,160	14,350,443	3,047,134	138,000	$54,576,327
Bertie County	0	7,501,574	19,838,420	4,687,281	15,807,546	2,557,699	337,500	$50,730,020
Bladen County	0	0	0	14,729,594	4,097,955	1,274,776	0	$20,102,325
Brunswick County	6,943,339	4,648,821	0	13,185,127	18,531,469	2,098,153	175,000	$45,581,909
Buncombe County	21,050,724	21,867,045	0	36,658,548	47,742,090	7,175,763	2,662,000	137,156,170
Burke County	19,931,679	10,183,762	21,495,355	22,999,439	11,839,558	6,126,383	585,000	$93,161,176
Cabarrus County	39,370,856	28,925,724	24,871,828	34,591,906	19,486,421	10,954,191	2,679,700	160,880,626
Caldwell County	15,565,180	6,561,346	0	11,754,751	9,899,700	2,855,189	300,000	$46,936,166
Camden County	0	0	13,938,291	3,557,468	1,494,109	1,528,593	330,000	$20,848,461
Carteret County	0	8,907,210	0	5,598,987	10,296,087	1,309,307	1,920,000	$28,031,591
Caswell County	0	11,142,135	0	2,143,956	2,220,498	1,078,424	200,000	$16,785,013
Catawba County	13,718,922	33,256,922	0	19,580,463	26,883,547	5,548,465	1,368,000	100,356,319
Chatham County	0	8,450,847	0	5,741,823	12,581,718	1,314,003	540,000	$28,628,391
Cherokee County	0	0	0	12,695,445	6,452,986	1,166,759	0	$20,315,190
Edenton-Chowan	0	0	0	5,626,522	6,891,221	473,408	0	$12,991,151
Clay County	0	0	0	6,515,621	757,823	571,797	0	$7,845,241
Cleveland County	13,195,170	0	0	7,615,611	20,865,395	1,779,929	484,000	43,940,105
Columbus County	0	0	0	43,026,301	39,325,863	4,484,872	246,000	87,083,036
Craven County	14,132,744	0	0	15,535,308	41,524,201	2,420,921	0	$73,613,174
Cumberland County	26,556,155	34,120,870	48,981,206	55,099,749	121,571,210	13,344,304	3,840,000	$303,513,494
Currituck County	9,602,764	0	0	3,013,540	3,469,649	1,335,677	175,000	$17,596,630
Dare County	0	0	15,978,563	2,857,335	122,502	1,496,798	0	$20,455,198
Davidson County	7,038,152	0	0	22,332,720	27,667,042	2,541,332	153,000	59,732,246
Davie County	5,232,463	0	0	10,053,266	12,345,706	1,442,992	150,000	$29,224,427
Duplin County	0	0	0	22,043,181	20,419,745	2,483,066	80,000	$45,025,992
Durham County	14,639,336	10,790,015	0	48,530,062	78,622,480	6,430,235	1,890,000	$160,902,128
Edgecombe County	7,328,259	0	0	36,930,859	34,672,710	4,415,439	392,000	$83,739,267
Forsyth County	0	0	0	1,512,565	5,908,182	234,720	0	$7,655,467
Franklin County	0	16,613,640	0	9,235,451	7,453,642	2,051,327	220,000	$35,574,060
Gaston County	5,205,638	0	0	3,852,595	30,465,909	697,499	300,000	$40,521,641
Gates Couny	6,525,724	0	0	0	0	538,723	160,000	$7,224,447
Graham County	0	0	0	2,367,818	1,231,685	207,795	0	$3,807,298
Granville County	24,142,834	0	0	4,195,999	5,603,161	2,366,196	285,000	$36,593,190
Greene County	0	0	0	3,035,170	3,904,818	266,359	0	$7,206,347
Guilford County	37,484,598	32,984,137	0	237,436,383	425,428,458	29,807,698	4,801,000	$767,942,274
Halifax County	32,533,275	13,559,433	0	6,865,039	369,848	4,309,857	312,172	57,949,624
Harnett County	6,713,193	18,811,157	0	10,706,808	12,923,251	3,072,328	444,000	$52,670,737
Haywood County	10,944,516	0	0	7,503,071	9,008,052	1,691,879	608,329	$29,755,847
Henderson County	7,490,069	0	0	22,588,663	8,332,139	2,958,952	600,000	$41,969,823
Hertford County	8,808,524	0	0	7,525,215	1,091,016	1,560,042	0	$18,984,797
Hoke County	7,003,241	0	0	8,250,346	1,790,870	1,302,135	144,000	$18,490,592
Hyde County	5,390,716	0	0	5,830,493	2,527,029	967,917	70,000	$14,786,155
Iredell County	18,325,483	0	0	13,858,974	26,178,386	2,714,166	468,000	61,545,009
Jackson County	0	6,833,970	15,361,458	11,398,111	3,544,881	2,740,809	1,620,000	$41,499,229
Johnston County	8,319,161	0	20,885,041	29,330,429	26,413,435	5,049,032	498,000	$90,495,098
Jones County	3,696,172	0	0	2,357,467	2,771,723	528,510	0	$9,353,872
Lee County	21,592,587	0	0	4,019,141	483,768	2,277,029	297,500	$28,670,025
Lenoir County	0	0	0	11,399,634	14,444,725	1,121,705	0	$26,966,064
Lincoln County	11,995,048	9,387,101	0	0	0	1,770,645	296,000	$23,448,794
Macon County	0	0	0	15,978,332	9,358,134	1,732,855	789,600	$27,858,921
Madison County	0	0	5,036,022	10,074,192	7,985,466	1,038,602	494,085	$24,628,367
Martin County	0	6,177,689	0	10,337,184	2,230,528	1,476,014	78,000	$20,299,415
Mc Dowell County	0	0	0	10,723,075	7,658,384	790,128	120,000	$19,291,587
Mecklenburg County	32,694,832	37,723,929	49,454,212	40,689,814	161,092,617	18,088,788	14,580,000	$354,324,192
Mitchell County	0	0	0	11,011,774	12,991,158	1,019,608	36,000	$25,058,540
Montgomery County	0	0	0	7,985,149	2,686,284	843,758	0	$11,515,191
Moore County	6,520,992	7,209,859	0	11,088,361	17,518,352	2,322,932	63,000	$44,723,496
Nash County	7,170,739	25,464,484	0	23,392,648	302,144	4,691,575	650,000	$61,671,590
New Hanover County	37,777,044	11,499,347	0	62,930,873	115,374,118	10,235,685	8,180,000	$245,997,067
Northampton County	0	0	0	6,778,741	7,807,655	594,887	0	$15,181,283
Onslow County	8,539,999	0	17,496,269	22,115,016	14,839,663	3,979,213	312,000	$67,282,160

FIVE YEAR PROJECTED SCHOOL FACILITY NEEDS: BY COUNTY

Compiled 1995

SCHOOL SYSTEM	NEW SCHOOLS ELEMENTARY	NEW SCHOOLS MIDDLE	NEW SCHOOLS HIGH	ADDITIONS	RENOVATIONS	FURN. / EQUIP.	LAND	TOTAL
Orange County	6,762,768	9,383,745	0	12,132,759	21,744,279	2,431,678	400,018	52,855,247
Pamlico County	0	0	0	7,648,253	4,136,073	834,000	37,000	$12,655,326
Pasquotank County	0	0	16,764,471	7,751,752	17,285,448	2,043,040	3,579,120	$47,423,831
Pender County	19,782,354	8,369,524	13,984,161	8,121,380	3,303,715	4,429,264	960,000	$58,950,398
Perquimans County	6,573,308	0	0	4,008,075	5,238,535	1,038,921	275,000	$17,133,839
Person County	13,238,645	0	0	6,341,044	4,073,461	1,583,585	90,000	$25,326,735
Pitt County	21,145,801	11,870,112	18,359,429	21,117,996	16,699,104	6,022,817	2,186,760	$97,402,019
Polk County	0	22,694,120	0	1,096,284	1,919,444	824,578	345,000	$26,879,426
Randolph County	6,626,810	30,152,170	0	32,154,334	22,861,549	6,264,828	500,000	98,559,691
Richmond County	3,992,973	9,744,958	0	17,787,858	12,807,533	2,853,682	370,000	$47,557,004
Robeson County	0	0	0	72,217,667	61,443,955	6,931,892	650,000	$141,243,514
Rockingham County	24,532,179	10,964,144	0	12,412,278	18,338,884	4,065,595	340,000	$70,653,080
Rowan County	5,207,769	8,995,252	13,843,654	12,078,287	14,246,355	3,538,584	390,000	$58,299,901
Rutherford County	20,514,461	8,868,603	0	8,635,944	624,967	3,160,278	63,800	$41,868,053
Sampson County	8,434,273	0	0	32,402,967	28,545,972	3,679,225	1,865,000	74,927,437
Scotland County	7,447,084	8,393,863	0	8,466,514	17,386,594	2,222,521	136,500	$44,053,076
Stanly County	6,831,255	7,236,125	47,181,813	20,982,296	18,580,276	8,009,571	80,000	108,901,336
Stokes County	0	6,552,034	20,993,137	23,459,088	18,579,132	4,882,513	250,000	$74,715,904
Surry County	0	9,339,457	11,227,059	13,321,121	10,911,138	2,864,078	227,000	47,889,853
Swain County	0	0	0	873,918	190,750	76,693	0	$1,141,361
Transylvania County	0	8,218,774	0	7,602,572	12,797,865	1,539,213	525,000	$30,683,424
Tyrrell County	0	0	0	1,228,582	588,341	107,818	0	$1,924,741
Union County	0	0	20,398,605	6,391,149	48,501,246	2,087,876	0	$77,378,876
Vance County	0	8,848,159	0	10,002,117	16,822,034	1,743,425	80,500	$37,496,235
Wake County	66,618,539	43,271,116	49,543,972	66,896,076	144,194,446	19,198,049	9,526,000	$399,248,198
Warren County	0	0	0	3,387,259	6,981,788	308,523	0	$10,677,570
Washington County	0	0	0	4,644,578	309,124	407,598	0	$5,361,300
Watauga County	0	0	14,710,469	761,341	11,063,532	1,211,482	1,933,000	$29,679,824
Wayne County	13,324,127	18,247,756	14,551,668	1,545,306	156,278	3,826,573	528,000	$52,179,708
Wilkes County	0	35,482,457	0	14,265,066	16,463,307	4,291,711	1,065,000	$71,567,541
Wilson County	0	0	0	19,015,877	7,134,848	1,571,500	285,000	$28,007,225
Yadkin County	0	0	0	2,223,767	1,175,117	195,152	0	$3,594,036
Yancey County	0	0	0	1,967,912	11,332,364	172,700	0	$13,472,976
TOTALS	**$806,137,999**	**$674,986,844**	**$523,340,282**	**$1,608,670,519**	**$2,190,365,745**	**$321,401,396**	**$83,931,584**	**$6,208,834,369**

Current Status of Expenditures from the $1.8 Billion School Bond Issue

- 1997 $450 million of bonds sold.
- 1998 $450 million of bonds sold.
- 1999 $450 million bonds sold.
- State Treasurer authorized to sell the remaining bonds in 2000.

1996 School Bond Allocations and Match Rates

County	ADM Allocation 40%	Low Wealth Allocation 35%	Gr[illegible] Alloc[illegible] 25%	Total Bond Allocation	County Match Rate	Estimated County Match
Alamance County	$11,080,174	$0.00	$8,084,430	$19,164,604	$2.28	$43,695,298
Alexander County	2,995,962	4,941,875	1,216,676	9,154,513	1.26	5,307,924
Alleghany County	865,997	175,362	0	1,041,359	2.13	1,844,574
Anson County	2,612,710	6,981,548	0	9,594,258	0.51	1,332,482
Ashe County	2,045,190	2,134,326	0	4,179,516	1.71	3,497,275
Avery County	1,422,920	0	0	1,422,920	2.49	3,543,071
Beaufort County	4,514,843	7,070,465	0	11,585,308	1.38	6,230,483
Bertie County	2,324,829	8,211,510	0	10,536,339	0.09	209,235
Bladen County	3,315,045	7,579,706	245,118	11,139,869	0.69	2,456,512
Brunswick County	5,535,672	0	2,321,934	7,857,606	2.67	20,979,807
Buncombe County	14,461,155	0	7,723,439	22,184,594	2.58	57,236,251
Asheville City	2,736,340	0	365,448	3,101,788	2.58	8,002,613
Burke County	8,017,098	11,153,769	5,610,969	24,781,837	1.53	20,850,943
Cabarrus County	9,724,956	0	13,049,180	22,774,136	2.31	52,608,253
Kannapolis City	2,374,281	467,915	0	2,842,196	2.31	5,484,589
Caldwell County	7,055,141	10,265,914	2,558,138	19,879,193	1.44	13,843,122
Camden County	711,754	2,160,704	352,078	3,224,537	0.39	414,895
Carteret County	4,972,273	0	1,947,572	6,919,845	2.55	17,645,605
Caswell County	2,055,198	5,725,252	227,291	8,007,741	0.42	958,646
Catawba County	8,559,304	0	7,032,652	15,591,956	2.79	43,501,556
Hickory City	2,533,234	0	784,377	3,317,610	2.79	9,256,133
Newton City	1,620,728	0	0	1,620,728	2.79	4,521,831
Chatham County	4,010,315	0	3,458,389	7,468,705	2.19	16,356,463
Cherokee County	2,054,610	4,476,625	44,567	6,575,801	0.81	1,700,333
Chowan County	1,530,066	3,147,395	0	4,677,461	0.96	1,468,863
Clay County	729,416	828,575	173,811	1,731,802	1.65	1,490,324
Cleveland County	5,219,533	5,485,707	2,740,863	13,446,102	1.68	13,373,464
Kings Mountain City	2,464,354	2,527,920	1,149,825	6,142,100	1.68	6,071,821
Shelby City	2,009,867	2,073,363	864,597	4,947,828	1.68	4,829,101
Columbus County	4,506,012	12,395,869	0	16,901,881	0.45	2,027,705
Whiteville City	1,640,744	4,539,719	0	6,180,463	0.45	738,335
Craven County	8,751,224	12,666,532	539,259	21,957,016	1.47	13,657,010

141

County	ADM Allocation 40%	Low Wealth Allocation 35%	Growth Allocation 25%	Total Bond Allocation	County Match Rate	Estimated County Match
Cumberland County	30,284,593	21,491,991	21,530,255	73,306,839	1.89	97,930,062
Currituck County	1,759,076	0	1,243,416	3,002,491	2.40	7,205,979
Dare County	2,559,137	0	3,324,689	5,883,825	2.97	17,474,962
Davidson County	10,606,260	6,774,659	5,330,198	22,711,117	1.98	31,554,186
Lexington City	1,827,366	1,167,549	668,503	3,663,419	1.98	4,941,821
Thomasville City	1,299,879	832,854	690,786	2,823,520	1.98	3,941,518
Davie County	2,911,188	0	1,301,353	4,212,540	2.37	9,983,720
Duplin County	4,931,652	11,475,816	1,778,218	18,185,686	0.72	4,831,106
Durham County	17,059,147	0	5,379,221	22,438,368	2.88	64,622,500
Edgecombe County	4,682,626	9,341,292	0	14,023,918	1.02	4,776,279
Forsyth County	24,585,259	0	16,561,049	41,146,308	2.94	120,970,144
Franklin County	4,047,993	10,121,787	3,275,665	17,445,446	0.63	4,613,905
Gaston County	17,544,835	0	2,433,351	19,978,187	2.43	48,546,993
Gates County	1,159,765	3,704,201	1,154,282	6,018,248	0.18	416,529
Graham County	726,472	2,154,379	0	2,880,852	0.33	239,736
Granville County	4,335,874	9,667,973	3,445,019	17,448,866	0.75	5,835,670
Greene County	1,679,599	4,127,357	503,606	6,310,562	0.66	1,440,915
Guilford County	34,566,305	0	22,657,797	57,224,102	2.82	161,371,967
Halifax County	3,723,023	10,065,828	0	13,788,852	0.48	1,787,051
Roanoke Rapids City	1,894,480	5,067,206	1,368,203	8,329,888	0.48	1,566,088
Weldon City	744,134	1,979,352	276,315	2,999,801	0.48	489,815
Harnett County	8,448,037	24,759,550	9,777,971	42,985,558	0.30	5,467,802
Haywood County	4,418,294	1,522,867	1,648,974	7,590,135	2.07	12,559,245
Henderson County	6,562,388	0	4,492,341	11,054,728	2.73	30,179,408
Hertford County	2,514,395	8,502,768	0	11,017,162	0.12	301,727
Hoke County	3,445,739	14,748,672	3,231,098	21,425,510	0.03	200,305
Hyde County	1,000,000	0	0	1,000,000	2.25	2,250,000
Iredell County	8,590,505	0	6,007,614	14,598,119	2.22	32,407,825
Mooresville City	2,012,811	0	2,081,273	4,094,084	2.22	9,088,866
Jackson County	2,098,763	0	378,818	2,477,582	2.34	5,797,541
Johnston County	10,319,556	17,733,652	11,279,875	39,333,083	1.17	25,271,335
Jones County	924,280	1,548,899	49,024	2,522,202	1.23	1,197,163

County	ADM Allocation 40%	Low Wealth Allocation 35%	Growth Allocation 25%	Total Bond Allocation	County Match Rate	Estimated County Match
Lee County	4,953,434	931,071	2,589,335	8,473,841	2.16	16,292,382
Lenoir County	6,167,361	7,202,394	0	13,369,755	1.62	9,991,125
Lincoln County	5,750,552	3,281,461	4,550,277	13,582,290	2.01	20,704,667
Macon County	2,263,603	0	1,555,384	3,818,987	2.64	10,082,125
Madison County	1,534,187	3,244,452	289,685	5,068,323	0.87	1,586,768
Martin County	2,947,688	5,532,445	365,448	8,845,581	1.11	3,677,581
McDowell County	3,628,829	7,226,827	0	10,855,656	0.99	3,592,541
Mecklenburg County	54,601,986	0	65,228,072	119,830,058	3.00	359,490,174
Mitchell County	1,387,597	2,332,411	0	3,720,009	1.29	1,790,001
Montgomery County	2,551,484	5,188,325	766,550	8,506,359	0.93	3,085,771
Moore County	6,160,297	0	4,452,230	10,612,527	2.52	26,743,568
Nash County	10,539,735	14,725,007	3,690,137	28,954,879	1.56	22,198,600
New Hanover County	12,515,457	0	7,830,399	20,345,856	2.91	59,206,442
Northampton County	2,244,764	7,155,039	160,441	9,560,244	0.21	505,093
Onslow County	12,123,374	38,447,459	5,673,363	56,244,195	0.24	4,271,217
Orange County	3,408,650	0	2,571,508	5,980,159	2.76	16,505,238
Chapel Hill-Carrboro	4,823,329	0	6,172,512	10,995,840	2.76	30,348,519
Pamlico County	1,229,822	2,360,084	57,937	3,647,844	1.14	1,468,045
Pasquotank County	3,681,225	8,125,362	1,439,510	13,246,097	0.84	4,301,417
Pender County	3,502,844	5,690,671	3,890,688	13,084,204	1.20	8,872,239
Perquimans County	1,130,918	2,984,367	17,827	4,133,112	0.54	620,322
Person County	3,269,125	829,294	1,586,581	5,685,000	2.10	10,196,982
Pitt County	11,426,926	10,985,395	6,261,645	28,673,967	1.83	32,370,086
Polk County	1,289,871	0	356,535	1,646,406	2.70	4,445,296
Randolph County	9,163,323	9,257,230	7,166,353	25,586,906	1.74	28,413,637
Asheboro City	2,420,201	2,376,181	1,778,218	6,574,600	1.74	7,305,249
Richmond County	4,922,821	14,419,990	699,700	20,042,511	0.36	2,024,108
Robeson County	13,636,956	47,978,887	2,353,131	63,968,974	0.06	959,405
Rockingham County	8,394,464	8,453,474	597,196	17,445,134	1.77	15,915,238
Rowan County	11,392,192	8,743,009	10,776,269	30,911,471	1.92	42,563,446
Rutherford County	5,969,553	7,997,008	1,501,904	15,468,465	1.59	11,879,617
Sampson County	4,307,027	7,902,362	3,418,279	15,627,668	1.08	8,343,330

County	ADM Allocation 40%	Low Wealth Allocation 35%	Gr[illegible] Alloca[illegible] 25%	Total Bond Allocation	County Match Rate	Estimated County Match
Clinton City	1,511,227	2,877,068	0	4,388,295	1.08	1,632,125
Scotland County	4,251,688	11,042,166	0	15,293,854	0.60	2,551,013
Stanly County	4,352,358	6,658,864	2,250,627	13,261,849	1.32	8,715,940
Albemarle City	1,298,113	1,955,352	793,290	4,046,755	1.32	2,760,652
Stokes County	3,976,759	3,901,196	1,341,463	9,219,417	1.80	9,572,799
Surry County	4,669,674	4,070,611	2,357,587	11,097,873	1.86	13,070,707
Elkin City	625,214	541,736	338,708	1,505,658	1.86	1,792,895
Mount Airy City	1,201,564	1,009,671	445,669	2,656,903	1.86	3,063,853
Swain County	974,909	3,198,646	338,708	4,512,263	0.15	197,043
Transylvania County	2,330,127	0	280,771	2,610,899	2.61	6,814,446
Tyrrell County	469,793	1,091,336	271,858	1,832,987	0.78	578,488
Union County	11,140,812	6,192,466	10,339,514	27,672,792	2.04	43,819,864
Vance County	4,374,140	8,361,014	1,488,533	14,223,687	1.05	6,155,807
Wake County	50,523,969	0	72,773,243	123,297,212	2.85	351,397,054
Warren County	1,857,391	5,550,739	548,173	7,956,302	0.27	649,502
Washington County	1,533,010	4,105,098	0	5,638,108	0.57	873,815
Watauga County	2,904,712	0	953,731	3,858,443	2.46	9,491,769
Wayne County	11,230,296	23,725,815	3,030,547	37,986,659	0.90	12,834,759
Wilkes County	5,837,093	8,353,208	106,960	14,297,261	1.50	8,916,080
Wilson County	7,211,150	4,833,060	2,223,887	14,268,097	1.95	18,398,322
Yadkin County	3,214,964	4,728,588	2,232,800	10,176,352	1.35	7,354,481
Yancey County	1,457,066	2,134,456	227,291	3,818,813	1.41	2,374,943
Total	$708,000,000	$619,500,000	$442,500,000	$1,770,000,000		$2,387,163,268

Funds Drawn Against Bond Allocation

LEA	COUNTY	Total Bond Amount	Funds Drawn to Date
010	Alamance - Burlington Schools	19,164,604.00	6,750,867.71
020	Alexander County Schools	9,154,513.00	4,744,650.38
030	Alleghany County Schools	2,434,428.00	67,439.00
040	Anson County Schools	9,594,258.00	3,772,400.00
050	Ashe County Schools	4,179,516.00	2,586,969.53
060	Avery County Schools	2,863,741.00	391,103.00
070	Beaufort County Schools	11,585,308.00	8,662,332.54
080	Bertie County Schools	12,620,680.00	0.00
090	Bladen County Schools	11,139,869.00	0.00
100	Brunswick County Schools	7,857,606.00	6,050,659.24
110	Buncombe County Schools	22,184,594.00	2,636,827.28
111	Asheville City Schools	3,101,788.00	634,301.08
120	Burke County Schools	24,781,837.00	16,539,695.71
130	Cabarrus County Schools	22,774,136.00	11,907,327.70
132	Kannapolis City Schools	2,842,196.00	2,842,196.00
140	Caldwell County Schools	19,879,193.00	5,636,641.50
150	Camden County Schools	6,381,453.00	1,350,572.22
160	Carteret County Schools	6,919,845.00	3,598,297.00
170	Caswell County Schools	8,723,407.00	113,179.77
180	Catawba County Schools	15,591,956.00	5,406,262.49
181	Hickory City Schools	3,317,610.00	1,028,199.00
182	Newton Conover City Schools	1,620,728.00	1,620,728.00
190	Chatham County Schools	7,468,705.00	1,502,048.53
200	Cherokee County Schools	7,501,392.00	6,609,847.80
210	Chowan County Schools	5,553,289.00	5,553,289.00
220	Clay County Schools	3,798,280.00	3,404,114.33
230	Cleveland County Schools	13,446,102.00	5,494,295.47
231	Kings Mountain District	6,142,100.00	0.00
232	Shelby City Schools	4,947,828.00	2,026,657.88
240	Columbus County Schools	16,901,881.00	2,400,543.06
241	Whiteville City Schools	6,180,463.00	3,760,977.91
250	Craven County Schools	21,957,016.00	9,907,520.22
260	Cumberland County Schools	73,306,839.00	26,524,361.37
270	Currituck County Schools	4,360,326.00	321,520.34
280	Dare County Schools	5,883,825.00	815,000.00
290	Davidson County Schools	22,711,117.00	3,998,576.91
291	Lexington City Schools	3,663,419.00	1,435,792.11
292	Thomasville City Schools	2,823,520.00	1,908,243.37
300	Davie County Schools	4,212,540.00	0.00
310	Duplin County Schools	18,185,686.00	4,183,256.80
320	Durham Public Schools	22,438,368.00	8,196,217.32
330	Edgecombe County Schools	14,023,918.00	2,428,280.60
340	Forsyth County Schools	41,146,308.00	10,273,071.69
350	Franklin County Schools	17,445,446.00	3,047,504.78
360	Gaston County Schools	19,978,187.00	8,395,388.87
370	Gates County Schools	6,246,749.00	6,246,749.00
380	Graham County Schools	3,213,876.00	898,805.90

LEA	COUNTY	Total Bond Amount	Funds Drawn to Date
390	Granville County Schools	17,448,866.00	11,083,947.56
400	Greene County Schools	6,480,684.00	5,355,771.17
410	Guilford County Public Schools	57,224,102.00	26,591,352.05
420	Halifax County Schools	13,788,852.00	11,338,918.37
421	Roanoke Rapids City Schools	8,329,888.00	1,752,020.70
422	Weldon City Schools	2,999,801.00	0.00
430	Harnett County Schools	42,985,558.00	15,304,865.36
440	Haywood County Schools	7,590,135.00	2,292,010.18
450	Henderson Co Public Schools	11,054,728.00	5,754,352.36
460	Hertford County Schools	11,017,162.00	984,847.38
470	Hoke County Schools	21,425,510.00	8,545,510.52
480	Hyde County Schools	6,276,029.00	6,089,250.02
490	Iredell Statesville Schools	14,598,119.00	7,952,826.15
491	Mooresville City Schools	4,094,084.00	3,837,689.37
500	Jackson County Schools	2,477,582.00	1,403,382.00
510	Johnston County Schools	39,333,083.00	18,314,504.97
520	Jones County Schools	4,521,760.00	3,533,676.86
530	Lee County Schools	8,473,841.00	5,473,841.00
540	Lenoir County Public Schools	13,369,755.00	5,692,743.13
550	Lincoln County Schools	13,582,290.00	12,741,644.74
560	Macon County Schools	3,818,987.00	0.00
570	Madison County Schools	7,156,858.00	231,144.06
580	Martin County Schools	8,845,581.00	333,978.90
590	McDowell County Schools	10,855,656.00	3,003,405.59
600	Charlotte Mecklenburg Schools	119,830,058.00	8,888,094.51
610	Mitchell County Schools	6,885,426.00	1,304,350.22
620	Montgomery County Schools	8,506,359.00	196,472.00
630	Moore County Schools	10,612,527.00	5,373,143.06
640	Nash Rocky Mount Sch Adm Unit	28,954,879.00	3,789,636.74
650	New Hanover County Schools	20,345,856.00	4,687,854.94
660	Northampton County Schools	10,066,979.00	851,162.49
670	Onslow County Schools	56,244,195.00	23,185,686.89
680	Orange County Schools	5,980,159.00	0.00
681	Chapel Hill Carrboro Schools	10,995,840.00	9,646,846.55
690	Pamlico County Schools	5,621,942.00	2,450,112.00
700	Elizabeth City/Pasquotank Schools	13,246,097.00	2,069,528.34
710	Pender County Schools	13,084,204.00	3,475,801.00
720	Perquimans County Schools	6,171,562.00	6,171,562.00
730	Person County Schools	5,685,000.00	1,086,164.20
740	Pitt County Schools	28,673,967.00	10,771,339.09
750	Polk County Schools	3,118,323.00	0.00
760	Randolph County Schools	25,586,906.00	10,634,029.38
761	Asheboro City Schools	6,574,600.00	3,382,925.90
770	Richmond County Schools	20,042,511.00	7,041,683.62
780	Public Schools of Robeson Co	63,968,974.00	2,814,273.69
790	Rockingham County Schools	17,445,134.00	10,507,438.00
800	Rowan Salisbury Schools	30,911,471.00	10,105,769.99
810	Rutherford County Schools	15,468,465.00	3,273,142.52

LEA	COUNTY	Total Bond Amount	Funds Drawn to Date
820	Sampson County Schools	15,627,668.00	5,495,625.83
821	Clinton City Schools	4,388,295.00	4,388,295.00
830	Scotland County Schools	15,293,854.00	836,974.02
840	Stanly County Schools	17,308,604.00	6,182,163.89
850	Stokes County Schools	9,219,417.00	3,643,736.12
860	Surry County Schools	11,097,873.00	2,037,524.73
861	Elkin City Schools	1,505,658.00	651,688.00
862	Mount Airy City Schools	2,656,903.00	2,656,903.00
870	Swain County Schools	4,512,263.00	2,545,099.89
880	Transylvania County Schools	2,610,899.00	1,987,321.44
890	Tyrrell County Schools	1,898,229.00	1,453,574.47
900	Union County Public Schools	27,672,792.00	6,342,974.17
910	Vance County Schools	14,223,687.00	7,548,452.44
920	Wake County Schools	123,297,205.00	14,759,666.07
930	Warren County Schools	8,305,098.00	4,537,291.05
940	Washington County Schools	5,638,108.00	0.00
950	Watauga County Schools	3,858,443.00	2,819,800.33
960	Wayne County Public Schools	37,986,659.00	12,493,981.81
970	Wilkes County Schools	14,297,261.00	87,988.87
980	Wilson County Schools	14,268,097.00	1,024,722.65
990	Yadkin County Schools	10,176,352.00	1,262,539.98
995	Yancey County Schools	5,799,486.00	1,644,030.29
		$1,805,663,642.00	$579,391,766.03

Successful Local School Bond Elections since 1996

- 1997 11 local bond issues. Nine passed and 2 two failed.
  - Passed $823 million, of which $415 million was in Mecklenburg County.
- 1998 Six local bond elections. Three passed and three failed.
  - Passed - $96,400,000

VISITOR REGISTRATION SHEET

8:30 AM

APPROPRIATIONS/Subcommittee on Education Wed. - April 14, 1999

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Gene Arnold	NC House
Cathie Latta	NCPTA
Harriet Diaz	NCAE
Thad Diaz	NCAE
Lee Atkinson	SBE
Bill Wilson	NCAE
Hal Miller	NCACCT
Barbara Harris	OSBM
[illegible]	EGHS
Tim McDowell	NCAICU
EDDIE CALDWELL	EEBC
Gary Howard	EGHS

VISITOR REGISTRATION SHEET

Education
Name of Committee

4-14-99
Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
David Brown	OSBM
[illegible]	OSPL
Jamie Poppenger	NC Farm Bureau
W. B. Jenkins	NC Farm Bureau
Ben Matthews	NCDPI
Karen Gale	Gov's Office
Jan Crotts	NCASA
Marvin Ely	OSBM
Elizabeth Grovenstein	OSBM
[illegible]	OSBM
Janet Pittard	OSBM
[illegible]	DPI
Henry Johnson	SDPI
[illegible]	
Rebecca Garland	SBE

VISITOR REGISTRATION SHEET

Education — Name of Committee

4/14/99 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
Pat Simes	DPI
Becky Stout	PPAB
Jim Ramquist	WCATA
Karen Kromenacker	Wake Co. Public Schools

VISITOR REGISTRATION SHEET

8:30 AM

APPROPRIATIONS/Subcommittee on Education Wed., April 14, 1999

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Rev. Wesley Ramey III	Macedonia UCC, Raleigh, NC

Joint Appropriations Subcommittee
On Education/Higher Education

April 15, 1999
8:30 a. m.

Presiding, Senator Lee

Call to Order	Chair
Community College System's Expansion Budget Request	President Martin Lancaster
University System's Expansion Budget Request	President Molly Broad
Public Schools' Expansion Budget Request	Superintendent Mike Ward

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Thursday, April 15, 1999
8:30 A.M.
Room 421 LOB

The Joint Appropriations Subcommittee on Education/Higher Education met on Thursday, April 15, 1999 at 8:30 A.M. in Room 421 of the Legislative Office Building. Senator Lee, Co-Chair presided. Senator Lee introduced Pages Charlie Chrisawn from Wake County and sponsored by Representative Bowie; Melissa Barnette from Rowan and sponsored by Representative Gardner and Ashley Hare from Kinston and sponsored by Senator Perdue.

Senator Lee congratulated Mr. Charles Williams, House Sergeant-at-Arms on his 38th Wedding Anniversary.

Senator Lee announced that the Agenda for the meeting would be an equal time presentation of the Expansion Budget Requests from the Community College System; the North Carolina University System and the Department of Public Instruction.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Senator Lee introduced President Lancaster from the Community College System. President Lancaster thanked the Committee for their consideration. He stated that he would present the seven most critical budgetary needs of the Community College System. President Lancaster noted that the number one priority is enrollment growth and faculty salaries.

The seven critical Expansion Budget Requests of the Community College System are:

1. Enrollment Growth.
2. Instruction & Support Capability: Building Institutional Responsiveness.
3. Enhance Non-Curriculum Instruction.
4. Move to an Effective Cycle of Equipment Replacement.
5. Enhance Community College System Capabilities.
6. Facility Improvements.
7. Management Information Systems for the Future.

Senator Lee thanked President Lancaster for his presentation of the North Carolina Community College System Expansion Budget Requests. The complete Community College Expansion Budget Requests are in *Attachment 1.*

NORTH CAROLINA UNIVERSITY SYSTEM

Senator Lee recognized President Molly Broad who presented the North Carolina University Expansion Budget Requests. President Broad expressed gratitude to the Committee for their past support of the UNC System. President Broad prioritized the University of North Carolina Budget Requests as follows:

1. Access – Enrollment Growth, Additional Need-Based Student Financial Aid, Distance Learning/Extension degree Credit Instruction, and Efforts to Improve College Going Rate (PATHWAYS).
2. Productivity and Efficiency – Information Technology and Strategic Initiatives Reserve.
3. Competitiveness – 6% Academic Salary Increase and a 1% Rewarding Teaching Excellence Bonus.
4. Collaborative University/Schools Programs.

The complete University of North Carolina 1999 Regular Session Appropriations Requests are presented in *Attachment 2.*

NORTH CAROLINA STATE BOARD OF EDUCATION

Senator Lee introduced Dr. Michael Ward, State Superintendent of Schools. Dr. Ward presented the North Carolina State Board of Education's Expansion Budget Requests. Dr. Ward expressed appreciation for the efforts extended to the Public School K-12 Programs by the Community College System and the University System. He thanked the Committee for their continued support to the Public Schools.

Superintendent Ward stated the four main areas that the budget is centered on are: High Student performance; Safe and Orderly Schools; Quality Teachers, Administrators, and Staff; and Effective and Efficient Operation. Dr. Ward listed the twelve Expansion Budget Priority items. They are:

1. NC Helps – to improve student performance in low-performing/at risk schools
2. Three By Three – to ensure that all 3rd graders are performing at or above grade level
3. School Assistance Teams – to help improve low-performing schools

4. Testing Program – to expand program for Computer Skills test and High School Exit Exam
5. Children with Special Needs – to improve quality of education for children with special needs
6. Limited Proficiency in English – to expand services to children with limited proficiency in English
7. School Technology – to technologically bring our students, teachers and schools into the 21st Century
8. Student Information Management System – to replace the archaic SIMS
9. At-Risk Student Services/Alternative Schools – to expand alternative school programs, increase school resource officers and other support personnel
10. Teacher Evaluation Instruments – to develop instruments for evaluating teachers and other professional school employees as required by the Excellent Schools Act
11. Tuition to Teach Scholarships – to encourage teacher education majors to pursue teaching in critical teacher shortage areas (both subject and location)
12. LEA Charter Schools Impact – to minimize the fiscal impact of state allotment reductions on Local Education Agencies (LEAs)

Senator Lee thanked Superintendent Ward for his presentation of the North Carolina State Board of Education Expansion Budget Requests. The complete State Board of Education Expansion Budget Requests are presented in *Attachment 3.*

Senator Lee recognized Senator Wellons. Senator Wellons introduced guests Dr. Rosemary Gillet-Karam, President of Louisburg College and Jayne Davis, Director of Learning Partners. Dr. Gillet-Karam spoke briefly to the Committee.

Senator Lee adjourned the meeting at 9:50 A.M.

Senator Howard Lee, Co-Chair

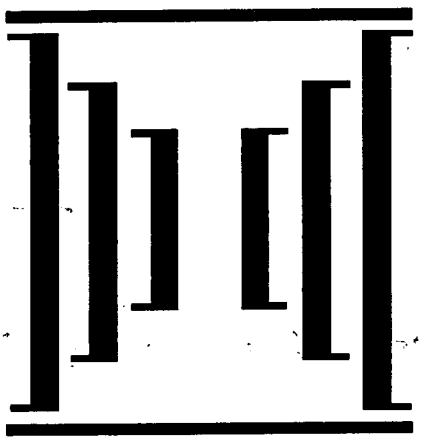
Christina K. Minard

Christina K. Minard, Education Committee Assistant

ATTACHMENT 1

THE STATE BOARD OF COMMUNITY COLLEGES

1999-2001 Expansion Budget Request



H. Martin Lancaster
System President

Division of Business and Finance

February 1999

The State Board of Community Colleges
1999-2001 Expansion Budget Request

Item	Total Cost 1999-2000	Total Cost 2000-2001
1. Enrollment Growth	$ 22,529,331	$ 39,974,642
2. Instruction & Support Capability: Building Institutional Responsiveness	$ 62,811,049	$ 62,811,049
3. Enhance Non-Curriculum Instruction	$ 21,375,181	$ 21,375,181
4. Move to an Effective Cycle of Equipment Replacement	$ 134,827,994	$ 36,576,461
5. Enhance Community College System Capabilities	$ 38,521,005	$ 11,094,546
6. Facility Improvements	$ 137,359,595	$ 17,359,595
7. Management Information Systems for the Future	$ 25,666,087	$ 25,718,887
8. Fund "Distance Learning and the North Carolina Virtual Community College	$ 13,802,000	$ 14,885,000
9. Small Business Center Network	$ 1,600,000	$ 1,600,000
10. New & Expanding Industry	$ 8,000,000	$ 8,000,000
TOTAL 1999-2001 EXPANSION BUDGET SUMMARY	$ 466,492,242	$ 239,395,361

The State Board of Community Colleges
1999-2001 Expansion Budget Request

Item	Identifiable Costs		Total Cost 1999-2000	Total Cost 2000-2001
1. Enrollment Growth				
	Curriculum		$ 15,139,913	$ 29,143,326
	Continuing Education		$ 2,355,893	$ 3,860,691
	Basic Skills		$ 5,033,525	$ 6,970,625
		Total	**$ 22,529,331**	**$ 39,974,642**
2. Instruction & Support Capability: Building Institutional Responsiveness				
	Curriculum		$ 32,593,004	$ 32,593,004
	Continuing Education		$ 3,618,892	$ 3,618,892
	Base Allotment		$ 5,685,557	$ 5,685,557
	Enrollment Allotment		$ 11,006,601	$ 11,006,601
	Other Costs		$ 9,906,995	$ 9,906,995
		Total	**$ 62,811,049**	**$ 62,811,049**
3. Enhance Non-Curriculum Instruction				
	Continuing Education:			
	Unit Value		$ 12,663,078	$ 12,663,078
	Benefits Reserve		$ 1,292,019	$ 1,292,019
	Other Costs		$ 2,055,920	$ 2,055,920
	Basic Skills:			
	Unit Value		$ 4,527,485	$ 4,527,485
	Benefits		$ 836,679	$ 836,679
		Total	**$ 21,375,181**	**$ 21,375,181**
4. Move to an Effective Cycle of Equipment Replacement				
	Replacement Cycle		$ 34,827,994	$ 36,576,461
	Backlog of Equipment		$ 100,000,000	$ -
		Total	**$ 134,827,994**	**$ 36,576,461**
5. Enhance Community College System Capabilities				
	Center for Applied Textile Technology		$ 577,000	$ 225,000
	Multi-Campus Funding		$ 1,660,000	$ 2,538,000
	Specialized Training Centers		$ 34,800,000	$ 6,800,000
	Systemwide Projects		$ 984,005	$ 1,031,546
	Prison Start-up Costs		$ 500,000	$ 500,000
		Total	**$ 38,521,005**	**$ 11,094,546**

The State Board of Community Colleges
1999-2001 Expansion Budget Request

Item	Identifiable Costs		Total Cost 1999-2000	Total Cost 2000-2001
6. Facility Improvements				
	Renovation & Repair		$ 17,359,595	$ 17,359,595
	New Capital Projects		$ 120,000,000	$ -
		Total	**$ 137,359,595**	**$ 17,359,595**
7. Management Information Systems for the Future				
	System Office		$ 15,137,000	$ 15,189,800
	College Requirements		$ 10,529,087	$ 10,529,087
		Total	**$ 25,666,087**	**$ 25,718,887**
8. Fund "Distance Learning and the North Carolina Virtual Community College				
	Interactive Video		$ 4,237,000	$ 5,320,000
	Internet		$ 4,680,000	$ 4,680,000
	Central Support		$ 775,000	$ 775,000
	Content Development		$ 450,000	$ 450,000
	Delivery		$ 3,660,000	$ 3,660,000
		Total	**$ 13,802,000**	**$ 14,885,000**
9. Small Business Center Network				
	Expand Centers		$ 1,200,000	$ 1,200,000
	Program Development		$ 400,000	$ 400,000
		Total	**$ 1,600,000**	**$ 1,600,000**
10. New & Expanding Industry				
	Recurring Funds		$ 4,000,000	$ 4,000,000
	Restricted Reserve		$ 4,000,000	$ 4,000,000
		Total	**$ 8,000,000**	**$ 8,000,000**
TOTAL 1999-2001 EXPANSION BUDGET SUMMARY			**$ 466,492,242**	**$ 239,395,361**

ENROLLMENT GROWTH

Description:

Enrollment growth is anticipated due to the increasingly critical role community colleges play in helping employers and employees respond to workforce development needs. Growth will come from increased offerings, cooperative programs, serving undeserved populations, meeting the needs of the workforce, and meeting the completion goals of students. Section 10.4, Session Laws 1998-212, states that the State Board shall implement the continuing budget concept, changing budget stability from the "3/5 Rule" to the "2/3 Rule" for 1998-99 and the "Modified 3-Year Rolling Average" for 1999-2000.

Elements:

- Increase Curriculum Enrollment by 4.5% (4,889 FTE) in 1999-2000 and 8.7% (9,411 FTE) in 2000-2001
- Increase Continuing Education Enrollment by 5.3% (919 FTE) in 1999-2000 and 8.7% (1,506 FTE) in 2000-2001
- Increase Basic Skills Enrollment by 12.7% (1,715 FTE) in 1999-2000 and 17.6% (2,375 FTE) in 2000-2001

Cost:

	1999-2000	2000-2001
Curriculum	$15,139,913	$29,143,326
Continuing Education	$ 2,355,893	$ 3,860,691
Basic Skills	$ 5,033,525	$ 6,970,625
TOTAL ENROLLMENT INCREASE:	**$22.53 Million**	**$39.97 Million**

INSTRUCTION AND SUPPORT CAPABILITY: BUILDING INSTITUTIONAL RESPONSIVENESS

Description:

The ability of institutions to respond to the instructional needs of the communities they serve is directly related to the recruitment, retention, and replacement of competent faculty and staff. Overdependence upon part-time faculty and staff limits the system's capacity to make quality responses to the economic and educational needs of the state. It is the intent to improve the relative position of faculty in the SREB region to at least that of the regional average. Resources are needed to increase the number of faculty and staff with appropriate credentials and job requirements. This can be achieved through securing resources in non-instructional areas, and further implementation of the "sliding scale" (position/budgeted ratios). Funding is also requested to increase the Administrative and Instructional Support allotment. This funding provides staff which support the faculty and serve students; such as counselors, librarians, registrars, program supervisors, admissions officers, lab assistants, placement officers, and continuing education coordinators. Finally, funds have been included for "Other Costs." Because this item has not been increased since the mid 1980's, colleges have been forced to transfer funds from salary accounts, in the amount of $14.3 million in 1997-98, to the "Other Cost" area to purchase supplies, etc.

Elements:

Instruction -

- Further implementation of the sliding scale to equate actual average and budgeted class size. The budgeted ratios would decrease **from** 1/17.28 **to** 1/15.5 at < 500 FTE; and would decrease **from** 1/20.94 **to** 1/18.78 at > 500 FTE. This would occur for both Curriculum and Continuing Ed classes.

Administrative and Instructional Support Allotment -

- Lower the Base Allotment **from** 750 **to** 650 FTE
- Increase the Enrollment Allotment **from** $991/FTE above 650 FTE **to** $1,100/FTE

Other Costs -

- Increase other costs to relieve transfer pressure **from** $105/FTE **to** $180/FTE

Cost:

	1999-2000	2000-2001
Instruction:		
Curriculum	$32,593,004	$32,593,004
Continuing Education	$ 3,618,892	$ 3,618,892
Administrative & Instructional Support Allotment:		
Enrollment Allotment (for Base)	$ 5,685,557	$ 5,685,557
Enrollment Allotment	$11,006,601	$11,006,601
Other Costs	$ 9,906,995	$ 9,906,995
TOTAL INSTRUCTION & SUPPORT COSTS:	**$62.8 Million**	**$62.8 Million**

ENHANCE NON-CURRICULUM INSTRUCTION

Description:

Increase the level of non-curriculum instruction funding to parity with curriculum instruction, consistent with recommendations of Phases I, II, and III of the State Board's funding studies. This will facilitate a simplified funding structure, and will fund all formula instructional programs at the same value, including continuing education, basic skills, and curriculum instruction. A consultant's report has concluded that equivalent funding in both Continuing Education and Basic Skills will lead to a greater emphasis on both programs, which will ultimately contribute to enhanced workforce development.

Elements:

- Continuing Education Equivalent Funding
  a. Unit value increase **from** $30,069 **to** $42,201
  b. Add benefits for retirement and hospitalization
  c. Other Costs increase **from** $56 per FTE **to** $180 per FTE

- Basic skills Equivalent Funding
  a. Unit Value increase to $42,201
  b. Benefits increase to parity

Cost:

	1999-2000	2000-2001
Continuing Education:		
Unit Value	$12,663,078	$12,663,078
Benefits Reserve	$ 1,292,019	$ 1,292,019
Other Costs	$ 2,055,920	$ 2,055,920
Basic Skills:		
Unit Value	$ 4,527,485	$ 4,527,485
Benefits	$ 836,679	$ 836,679
TOTAL NON-CURRICULUM FUNDING:	**$21.4 Million**	**$21.4 Million**

MOVE TO AN EFFECTIVE CYCLE OF EQUIPMENT REPLACEMENT

Description:

If community colleges are to help provide the employers and employees of this state with the knowledge and skills demanded by the technology forces which influence the economy of today and tomorrow, colleges must integrate more state-of-the-art instructional equipment into the teaching and learning associated with all programs provided. This effort needs to recognize the replacement life cycle of equipment. Multiple-year replacement cycles are needed in some areas, based upon the useful life of the equipment. Further enhancement of the newly established "Equipment Reserve" is requested. Additionally, funds are needed to purchase new equipment heretofore not available.

Elements:

Replacement Cycle

Use a recovery period methodology based upon existing equipment inventory, and add an inflation factor for the replacement of equipment.

New Equipment

Revisit the fall 1997 survey of equipment needs to identify a backlog of equipment requirements.

Cost:

	1999-2000	2000-2001
Equipment & Inflation		
1999-2000 ($33,079,527 + $1,748,467)	$ 34,827,994	
2000-2001 ($33,079,527 + $3,496,934)		$36,576,461
Backlog of Equipment		
1999-2001	$100,000,000	
TOTAL EQUIPMENT COST:	**$134.8 Million**	**$36.6 Million**

ENHANCE COMMUNITY COLLEGE SYSTEM CAPABILITIES

Description:

Studies of the funding needs of colleges within the Community College System have identified areas for improvement. These areas may be singular, in the case for the Center for Applied Textile Technology, affecting only a few campuses, such as multi-campus funding, or broad-based, such as the need to support "Specialized Training Centers." This item seeks to address these types of funding needs. In addition, the issues of systemwide project costs (HAZCOM, Dynix, Telecourse, Information Services) and start-up costs for new prisons, either public or private, need to be addressed. Funding the systemwide projects will generate cost savings for the colleges.

Elements:

a. CATT: Add six (6) new instructional and support positions and new equipment, that is to be deployed in a new lab and administration facility

b. Multi-campus funding

c. **"Specialized Training Centers":** Establish eight (8) specialized centers on a competitive basis systemwide

d. Systemwide Projects: To pay for systemwide initiatives, such as HAZCOM, Dynix, Telecourses, etc.

e. Prison Start-up Costs: Fund the start-up of new prisons coming on-line in 1999-2001

Cost:

	1999-2000	2000-2001
a. CATT:		
Personnel	$ 225,000	$ 225,000
Equipment	$ 352,000	$ -0-
b. Multi-Campus	$ 1,660,000	$ 2,538,000
c. STC's:		
Start-up Costs	$28,000,000	$ -0-
Annual Costs	$ 6,800,000	$ 6,800,000
d. Systemwide Projects	$ 984,005	$ 1,031,546
e. Prison Start-up	$ 500,000	$ 500,000
TOTAL COLLEGE ENHANCEMENT NEEDS:	**$38.5 Million**	**$11.1 Million**

FACILITY IMPROVEMENTS

Description:

Improvement of instructional learning and support spaces at colleges throughout the system is needed in order to continue to provide quality programs and services, a driving force in the State's economy. Funds are needed for both the construction of new facilities, as well as the improvement of existing space through the process of facility renovation and renewal. This facilitates the improvement of existing instructional programs and the deployment of new ones. Newly developed formulae for both capital improvement projects and renovation and renewal activities will be deployed for the distribution of funds.

Elements:

- Pursuant to Section 10.1 of Session Laws 1998-212, the Construction Formula is under study. The results will not be available until late January 1999.
- Renovation and Renewal of Existing Instructional & Support Space, based upon a fall 1997 survey of all institutions, which revealed a $91 million backlog of renovation needs. A formula has been developed and is ready for deployment.

Cost:

	1999-2000	2000-2001
Capital	$120,000,000 (Est.)	
R&R	$ 17,359,595	$ 17,359,595
TOTAL FACILITY IMPROVEMENTS:	**$137.4 Million**	**$17.4 Million**

MANAGEMENT INFORMATION SYSTEMS FOR THE FUTURE

Description:

The current management information system (MIS) utilized by the colleges, or lack thereof, is outdated and inadequate. A modern, effective, and efficient information system designed to support planning, evaluation, communication, resource management, and decision-making is needed. This request includes funding for both software, personnel and support costs. Section 10.6 of Session Laws 1998-212, directed the State Board to develop a plan for an efficient and effective technology management information system, identifying needs and the benefits of meeting those needs. A systemwide study has been completed and the necessary MIS and support has been identified.

Elements:

System Office

Funds are needed for the development of college information systems and the building of a Data Warehouse. This will include software, equipment, licenses, annual maintenance and enhancements, training, and contractual services.

College Requirements

Additional funds are needed at the colleges to support the new information system, including staff and supply costs.

Allocation Method

- System Office: All funds for software, training, licensing, and maintenance retained here.
- Colleges: The funds would be allocated at a base amount per college ($100,000) plus an amount per FTE ($30) plus recognition for the number of Board-approved sites ($6,024/site).

Cost:

	1999-2000	2000-2001
System Office	$15,137,000	$15,189,800
College Requirements	$10,529,087	$10,529,087
TOTAL MIS NEEDS:	**$25.7 Million**	**$25.7 Million**

FUND "DISTANCE LEARNING" AND THE NORTH CAROLINA VIRTUAL COMMUNITY COLLEGE

Description:

Create an integrated, systemwide virtual learning program, including funds to support a system office staff and the delivery of instruction, and technical and instructional resources to colleges. The request assumes the establishment of video rooms using the "Information Highway," Internet access and support, a central office support infrastructure, course content development, and instructional delivery.

Elements:

Interactive Video

Establish 38 video rooms over two years, pay line charges at 60 sites, employ 60 site coordinators, and provide a base level of support for each site.

Internet

Provide web servers, NCIIN data access, network technicians, and other expenses at each of the 60 sites.

Central Support & Service

Provide a "help desk" and network support staff (6 FTE) and operating expenses.

Content Development

Develop 300 courses/year for three years. Instructors would have paid release time for three years. Development of 12 regional courseware centers, including equipment and software.

Instructing

Provide additional support staff for colleges, resource materials, and operating expenses for each college.

Cost:

	1999-2000	2000-2001
Infrastructure		
Interactive Video	$ 4,237,000	$ 5,320,000
Internet	$ 4,680,000	$ 4,680,000
Central Support	$ 775,000	$ 775,000
Instructional		
Content Development	$ 450,000	$ 450,000
Delivery	$ 3,660,000	$ 3,660,000
TOTAL VIRTUAL COLLEGE:	**$13.8 Million**	**$14.89 Million**

SMALL BUSINESS CENTER NETWORK

Description:

Improve and enhance operations at Small Business Centers throughout the North Carolina Community College System so as to expand services to small business employers who provide substantial employment opportunities to the workforce. Funds are requested to ensure that each Center has funding to offer minimal core programs, and to enable Centers to cater to specific small business development needs within their communities. Funding for each Center has remained relatively flat since 1984. Additional funds will be used both to expand base funding for minimal operations, and to implement a formula which recognizes the number of small businesses (1/3) and the economic need of the colleges' area (1/3), but also center productivity (1/3).

Elements:

Expand Centers Using a Formula-Based Approach

33% for the Number of Small Businesses
17% for Per Capita Property Values
17% for Unemployment Value
33% for a "Productivity Factor"

Program Development Funds

To support development, evaluation, and marketing

Cost:

	1999-2000	2000-2001
Expand Centers	$ 1,200,000	$ 1,200,000
Program Development	$ 400,000	$ 400,000
TOTAL SMALL BUSINESS CENTER FUNDS:	**$1.6 Million**	**$1.6 Million**

NEW AND EXPANDING INDUSTRY

Description:

It is recognized that the New and Expanding Industry Training Program (NEIT) is the cornerstone program in North Carolina's industrial activities. The NEIT program provides free customized training programs to industries all across the state. Since 1990, the program has been funded at approximately $6.1 million per year. Expenditures over the past three program years have averaged approximately $8.8 million. The difference has been made up through reversions which have been permitted to be carried forward.

Elements:

Funds are requested to increase the annual operating appropriation by $4.0 million/year, and to establish a restricted reserve of $4.0 million. The $4.0 million in recurring funds would be used to bring the annual appropriation to a level more consistent with annual expenditures and projected growth. The $4.0 million restricted reserve would ensure against unanticipated events and unexpected program growth.

Cost:

	1999-2000	2000-2001
Recurring Funds	$ 4,000,000	$ 4,000,000
Restricted Funds	$ 4,000,000	$ 4,000,000
TOTAL NEW & EXPANDING FUNDS:	**$ 8,000,000**	**$ 8,000,000**

Joint Appropriations Subcommittee on Education

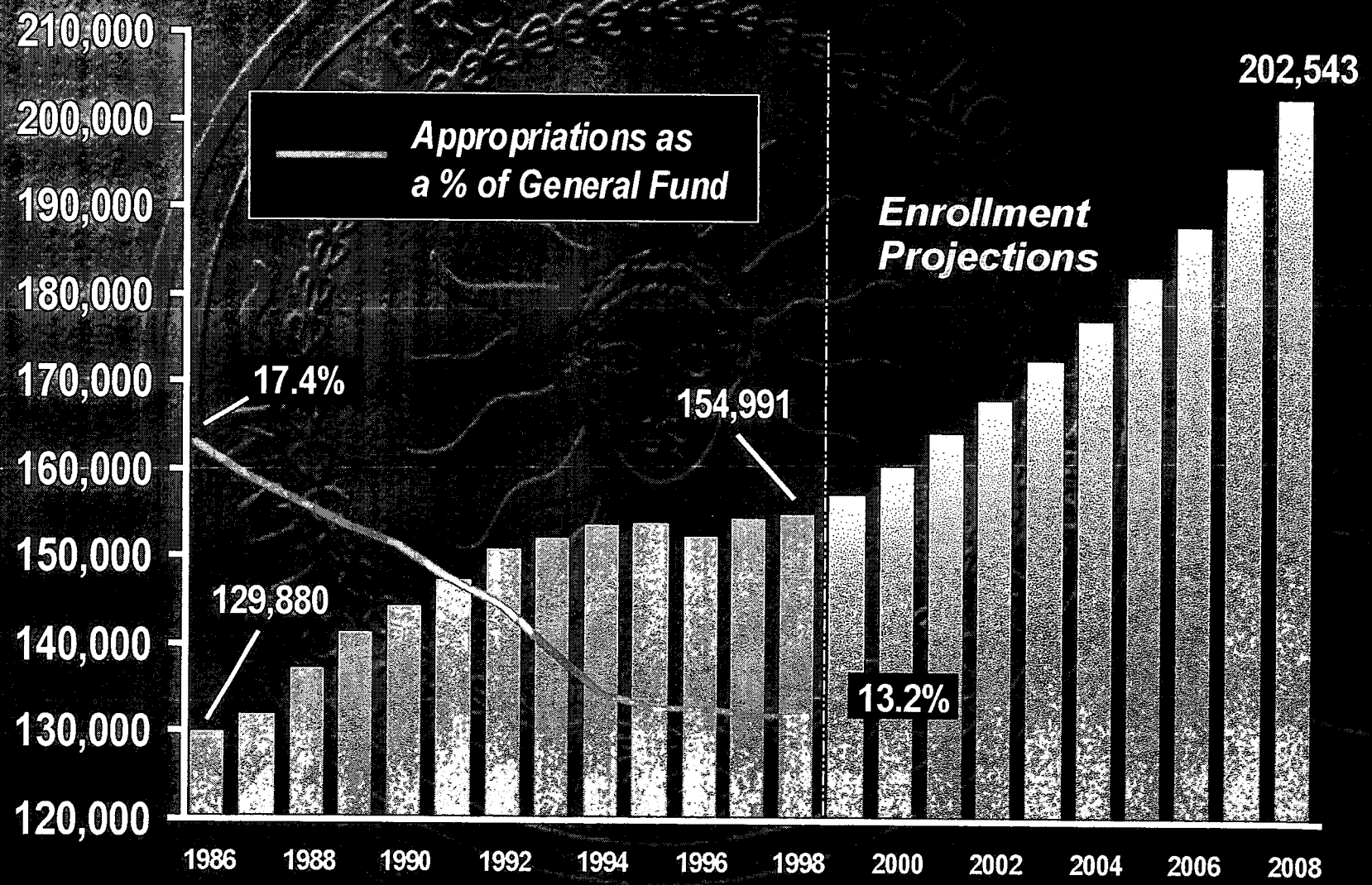
April 15, 1999

Molly Corbett Broad - President

The University of North Carolina

ATTACHMENT 2

Trends in UNC Headcount Enrollment and General Fund Appropriations



Source: UNC Gen. Admin., Planning Div., 1998.

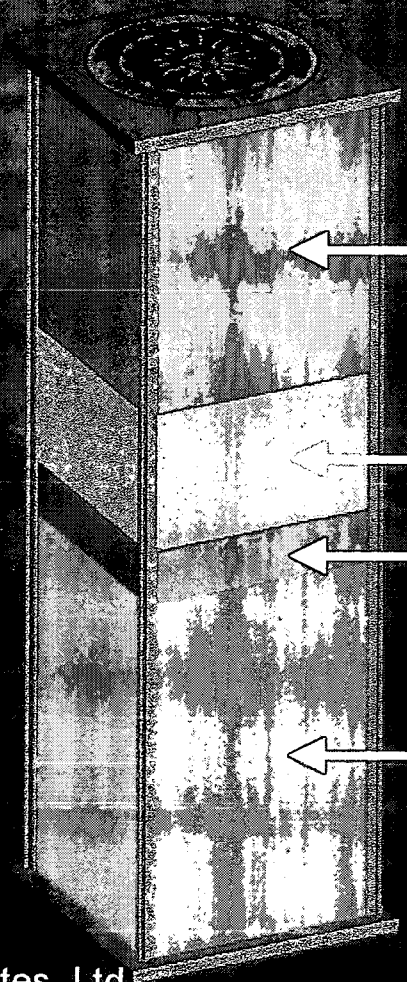
The University of North Carolina

Preliminary 10-Year Capital Needs

University of North Carolina

TOTAL NEEDS

$6.90 Billion

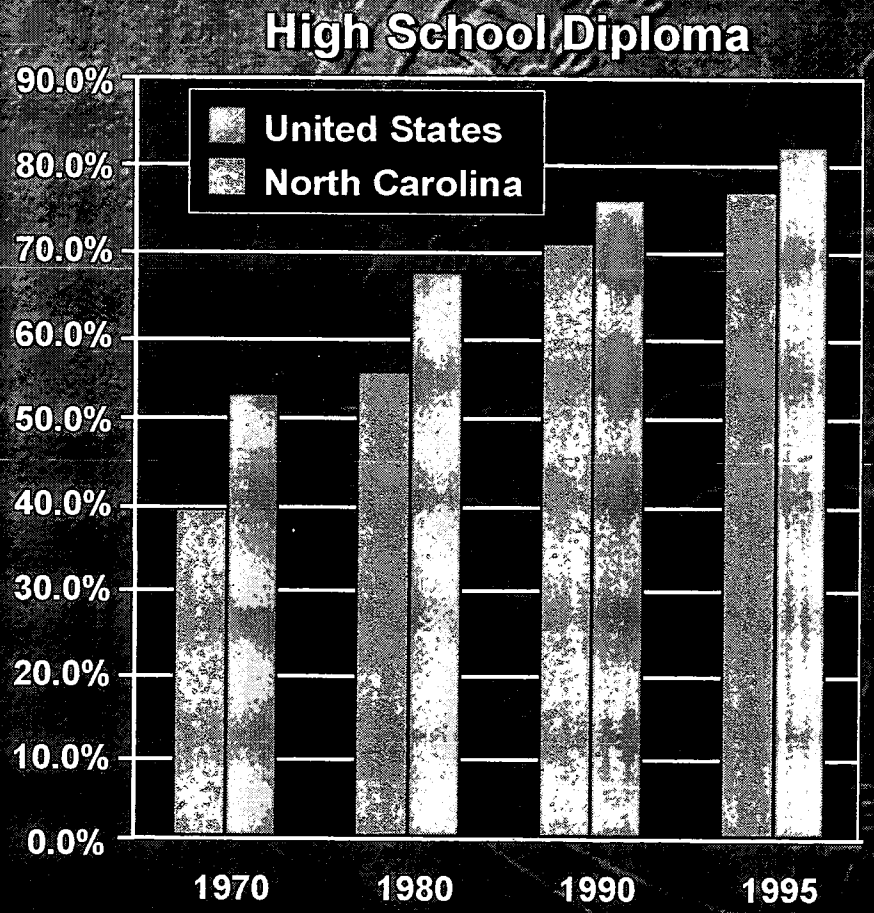


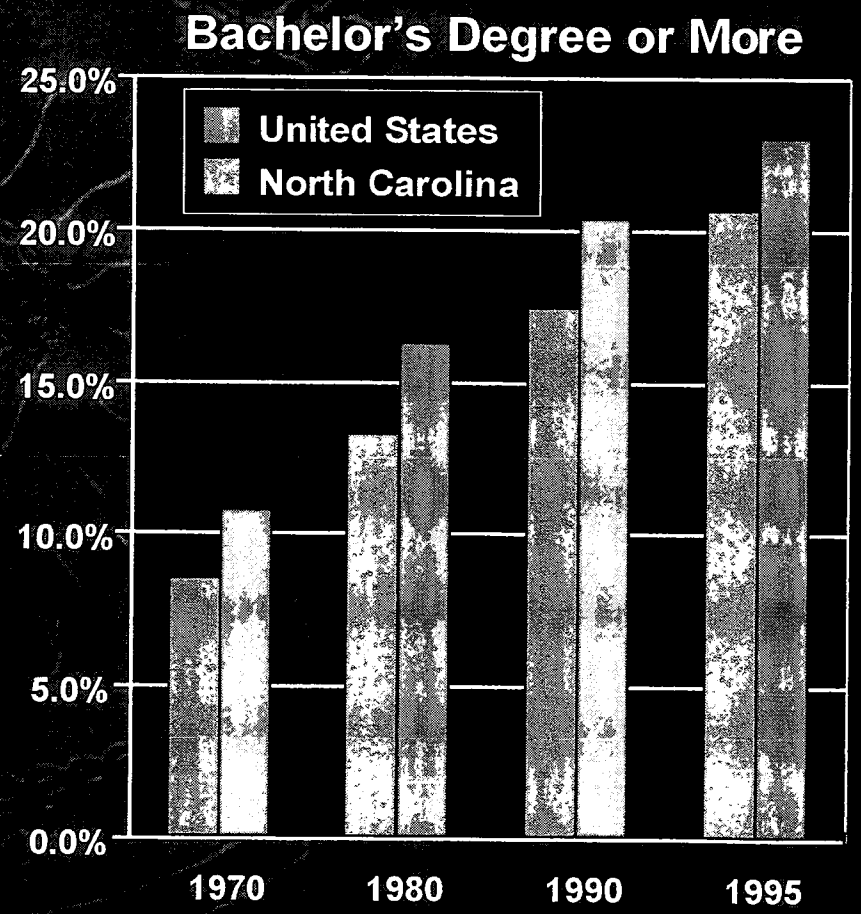
- Other/Special = $2.30 Billion
- Future Capacity = $1.15 Billion
- Current Capacity = $0.45 Billion
- Rehabilitation = $3.00 Billion

Source: Eva Klein & Associates, Ltd.

Educational Attainment

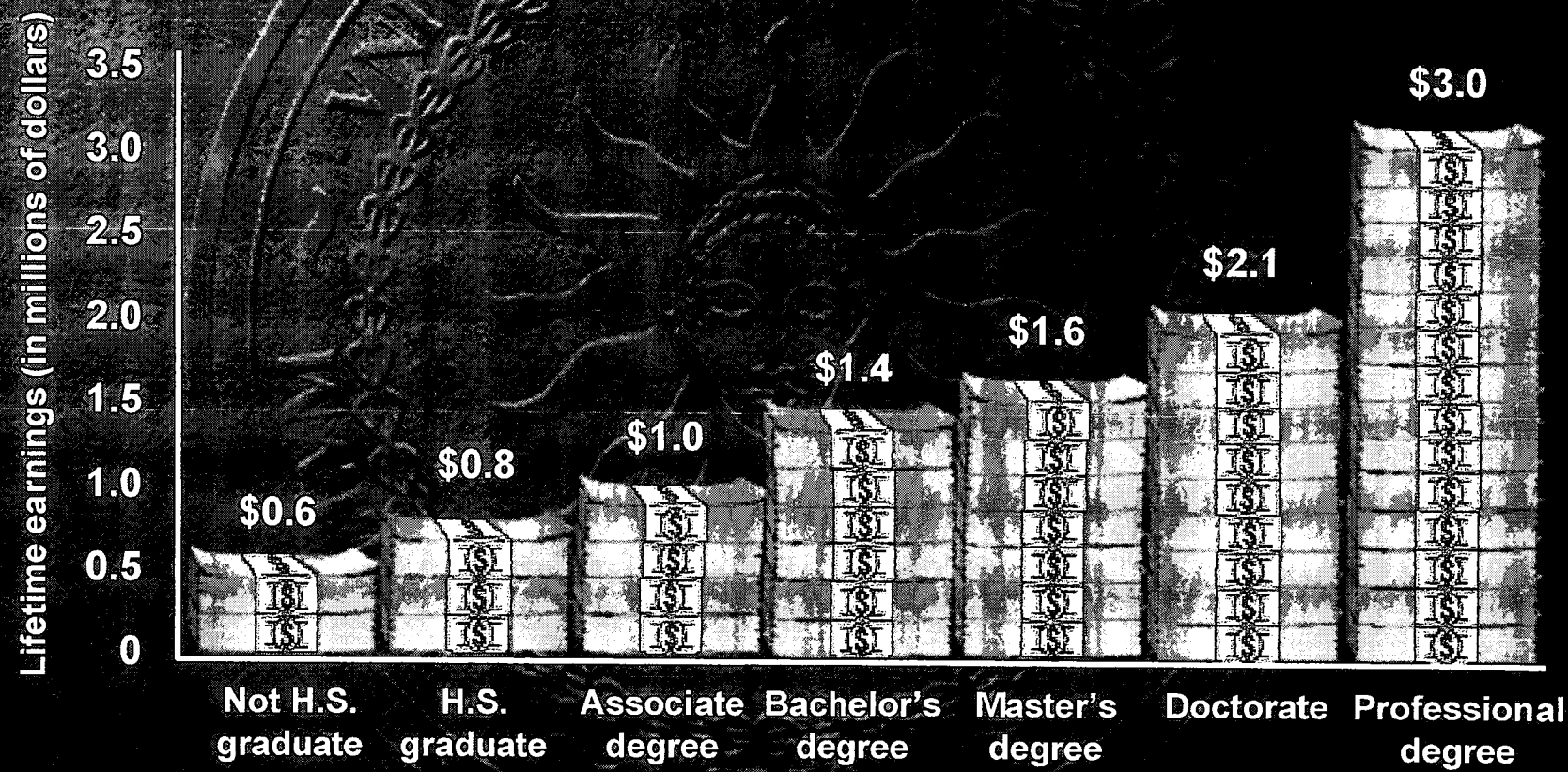
Persons Age 25 and Older: 1970-1995





Source: U.S. Census Bureau, *Educational Attainment in the United States: March 1995.*

Education Determines Earnings



Source: U.S. Bureau of Labor Statistics

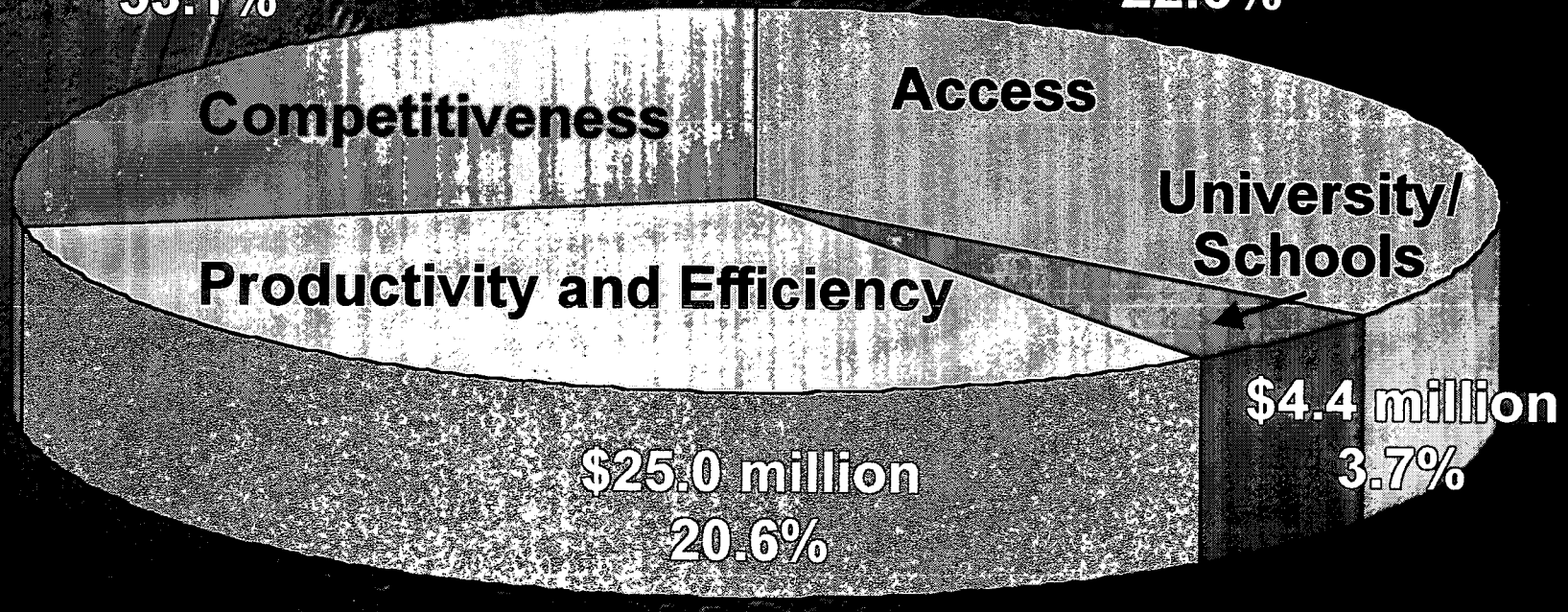
1999-2000 Budget Request
Major Themes

Current Operations Appropriations

Access	
Regular Term Enrollment Changes	$ 19,493,004
Distance Learning/Extension Degree Credit Instruction	5,518,025
Need-Based Student Financial Aid	1,300,000
Efforts to Improve College Going Rate (PATHWAYS)	1,169,722
Total - Access	**27,480,751**
Productivity and Efficiency	
Information Technology	20,000,000
Strategic Initiatives Reserve	5,000,000
Total - Efficiency	**25,000,000**
Competitiveness	
6% Academic Salary Increase	57,468,944
Rewarding Teaching Excellence (1% each year)	7,077,639
Total - Competitiveness	**64,546,583**
Collaborative University/Schools Programs	**4,423,341**
Total	**121,450,675**

1999-2000 Budget Request
Major Themes

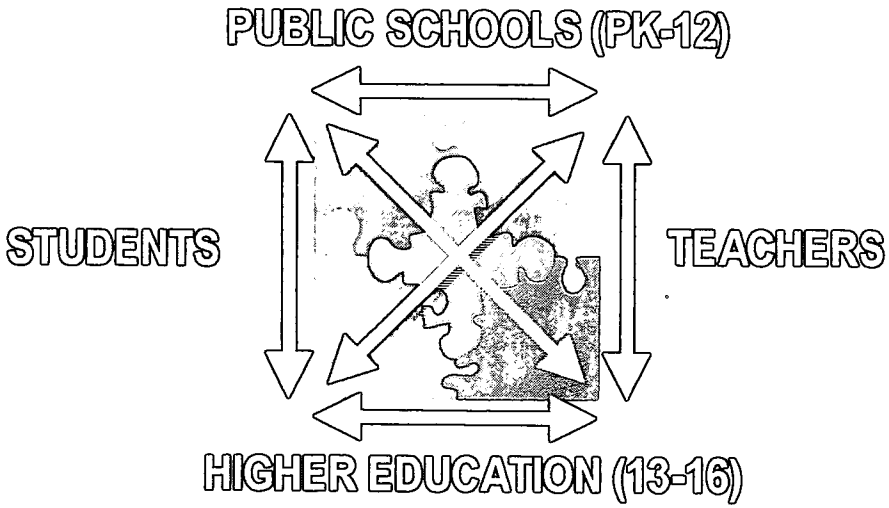
Current Operations Appropriations



Total $121.5 million
(represents 75% of the Total Expansion and Academic Salary Increase Request)

The University of North Carolina

University School Programs



	1999
Center for School Leadership Development	$516,817
K-16 School Services Matching Funds	975,000
Learning Link & Late-Night Learning	743,879
School Technology	347,500
NC Center for the Prevention of School Violence	580,000
Mathematics and Science Education Network (MSEN)	250,000
Summer Ventures in Science and Mathematics	200,092
Principal Fellows Program	380,000
NC Center for International Understanding	180,053
Reading Together USA	250,000
TOTAL	*$4,423,341*

A3

4/15/99

The University of North Carolina
Major Priorities – 1999 Regular Session
Appropriations Requests

	Request	
	1999-2000	2000-01
• **Access**		
Enrollment Growth	25,011,029	43,874,619
Additional Need-Based Student Financial Aid	1,300,000	1,300,000
Efforts to Improve College Going Rate (PATHWAYS)	1,169,722	1,136,970

The requests for University-wide enrollment growth during the 1999-2001 biennium cover both on-campus enrollment growth and students served at off-campus locations.

A comprehensive student-centered guidance system (PATHWAYS) for seventh through twelfth graders that will provide information in the areas of career planning, academic preparation for college, and options for meeting college expenses is proposed. The proposed PATHWAYS project supports the ABC-Plus Strategic Priorities of the State Board of Education.

• **Productivity and Efficiency**		
Information Technology Infrastructure (capital improvements, nonrecurring)	46,045,000	–
Information Technology (recurring)	20,000,000	40,000,000
Strategic Initiatives Reserve (recurring)	5,000,000	5,000,000

The University's Information Technology Strategy is being developed in two phases. In Phase I, a common vision for the role of information technologies within the University and a comprehensive assessment of campus network infrastructures was completed. As a result, a capital improvements request of $77.5 million was presented to the 1998 Reconvened Session for upgrading campus networks. The General Assembly provided $34.9 million in funding for this university-wide effort. The funding of the remaining part of the information technology infrastructure, which totals $46 million after an appropriate inflationary adjustment, is included in the 1999-2001 capital improvements request. Phase II extends the strategic planning process to encompass the remaining infrastructure, as well as system wide and multi-campus information technologies initiatives, and the development or enhancement of campus-specific information technologies plans.

A Strategic Initiatives Reserve would provide a funding source to target issues and opportunities with a special emphasis on strengthening the UNC/Public Schools partnership.

• **Collaborative University/Schools Programs**		
UNC Center for School Leadership Development operations, High Performance Lighthouse Schools, School Services Matching Incentive Grants, N.C. Center for Prevention of School Violence, Reading Together and other programs (recurring)	4,423,341	4,939,111
Completion of funding for the UNC Center for School Leadership Development Facility (capital improvements, nonrecurring)	2,158,900	–
• **Academic Salary Increase Funds**		
6% Salary Increase Funds	57,468,944	119,973,484
Rewarding Teaching Excellence (1% each year)	7,077,639	14,489,588

Salary increases of 6% for each year of the biennium address the continuing need to maintain and improve the competitive position of the University in the recruitment and retention of faculty in the national workplace. An additional increase fund of 1% is requested for each year of the biennium to emphasize and recognize in a tangible manner the State's and the University's continuing commitment to teaching excellence as the primary function of the University.

Total Appropriations Requested	**169,654,575**	**230,713,772**
Recurring	**121,450,675**	**230,713,772**
Nonrecurring	**48,203,900**	**–**

The University of North Carolina
Expansion Budget Requests for Current Operations
(including Academic Salary Increase Request)
1999-2001

	1999-2000	2000-2001
I. UNIVERSITY OPERATIONS		
Schedule of Priorities		
1. Access		
Regular Term Enrollment Changes	19,493,004	30,140,084
Distance Education/Extension Enrollment Changes	5,518,025	13,734,535
Subtotal – Enrollment Changes	25,011,029	43,874,619
New Degree Program Funds	2,400,000	2,400,000
Transition of ECU to Doctoral II Status	1,500,000	4,460,000
Additional Need-Based Student Financial Aid	1,300,000	1,300,000
Efforts to Improve College-Going Rate (PATHWAYS)	1,169,722	1,136,970
Subtotal - Access	31,380,751	53,171,589
2. Productivity and Efficiency		
Information Technology	20,000,000	40,000,000
Improvements of Smaller Universities for Operating Efficiencies (ECSU, NCSA, UNCA, UNCP, and WSSU)	2,350,000	2,350,000
UNC-General Administration Organizational Changes	1,998,082	1,705,082
Strategic Initiatives Reserve	5,000,000	5,000,000
Subtotal - Productivity and Efficiency	29,348,082	49,055,082
3. Competitiveness		
Rewarding Teaching Excellence (1% each year)	7,077,639	14,489,588
Distinguished Professorships – State Matching Funds	3,000,000	3,000,000
Professional Development/Teaching and Learning Centers	2,040,130	2,028,806
Graduate Assistants Tuition Remissions and Other Support	4,000,000	4,000,000
Libraries	9,000,000	11,874,980
Subtotal - Competitiveness	25,117,769	35,393,374
4. Collaborative University/Schools Program		
UNC Center for School Leadership Development:		
Programming and Operation of the Center	256,817	525,467
High Performance Lighthouse Schools	260,000	260,000
Public Schools/Outreach & Teacher Education:		
UNC School Services Matching Incentive Grants - K-16 Initiatives	975,000	975,000
UNC Center for Public Television:		
Learning Link	385,852	456,902
Late Night Learning	358,027	360,347
School Technology Users' Task Force	347,500	521,250
NC Center for Prevention of School Violence	580,000	580,000
Mathematics and Science Education Center at ECSU	157,480	157,480
Mathematics and Science Education Pre-College Center at ECU	92,520	92,520
Summer Ventures in Science and Mathematics	200,092	200,092
Principal Fellows Scholarship Loans	380,000	380,000
NC Center for International Understanding:		
International Educational Exchange Initiative for K-12 Educators	112,000	112,000
International School Partnerships through Technology	68,053	68,053
Reading Together USA	250,000	250,000
Subtotal - Collaborative University/Schools Program	4,423,341	4,939,111

The University of North Carolina
Expansion Budget Requests for Current Operations
(including Academic Salary Increase Request)
1999-2001

	1999-2000	2000-2001
5. Public Service and University Outreach		
Area Health Education Centers	3,000,000	3,000,000
Biomedical/Biotechnology Research Institute (NCCU)	350,000	350,000
Institute of Nutrition (UNC-CH)	50,000	50,000
Institute on Aging (UNC-CH)	450,000	450,000
The North Carolina Center for Nursing (UNC-Gen. Admin.)	39,842	39,842
Water Resources Research Institute (NCSU)	200,000	200,000
UNC Sea Grant College Program (NCSU)	200,000	200,000
Highlands Biological Station (WCU)	50,000	50,000
Small Business & Technology Development Centers (UNC-CH)	250,000	350,000
Manufacturing Extension Partnership (NCSU)	900,000	900,000
North Carolina Arboretum (Asheville)	500,000	500,000
Local Government Information Technology (UNC-CH)	850,000	788,922
UNC Center for Public Television:		
Extending Educational/Public TV to Deaf and Hard-of-Hearing	351,579	564,227
Statewide Event Production	211,348	211,348
International Outreach:		
N.C./Israel Matching Funds	250,000	250,000
UNC Exchange Program	150,000	150,000
N. C. Center for International Understanding – Hispanic Initiative	100,000	100,000
N. C. State Education Assistance Authority	75,702	75,702
N. C. Alliance for Minority Participation (NCA&T)	1,500,000	1,500,000
Subtotal - Public Service and University Outreach	9,478,471	9,730,041
Subtotal – University Operations - Schedule of Priorities	**99,748,414**	**152,289,197**
Less: Additional Receipts from Tuition Increases	**(7,759,492)**	**(7,759,492)**
Net Appropriations Request – University Operations Schedule of Priorities	**91,988,922**	**144,529,705**
II. AGRICULTURAL PROGRAMS		
North Carolina State University		
Competitive Agricultural Production Technologies	750,000	750,000
Statewide Research and Extension Initiative	1,400,000	1,400,000
Alternative Crops for Specialty and Niche Markets	400,000	400,000
Aquaculture and Marine Sciences	500,000	500,000
Food Safety, Hazard Analysis, and Meat Processing	400,000	400,000
Basin-wide Water Quality Education	200,000	200,000
Environmental and Natural Resources Economics	400,000	400,000
Genomic Science	850,000	850,000
Youth Environmental Education Programs	250,000	250,000
Nutrition and Health Education	250,000	250,000
Community Leadership and Economic Development	350,000	350,000
Urban Horticulture	250,000	250,000
Subtotal - NCSU	6,000,000	6,000,000
North Carolina A & T State University		
State Matching Funds for the Agricultural Research and Cooperative Extension Programs	750,000	750,000
Subtotal - Agricultural Programs	**6,750,000**	**6,750,000**

The University of North Carolina
Expansion Budget Requests for Current Operations
(including Academic Salary Increase Request)
1999-2001

	1999-2000	2000-2001
III. UNC HOSPITALS		
Restore appropriations support to 1996 level	**4,868,732**	**4,868,732**
IV. RELATED EDUCATIONAL PROGRAMS		
Medical Scholarships	172,000	166,000
Dental Scholarships	64,000	64,000
Incentive Scholarship/Native Americans	54,800	54,800
Legislative College Opportunity Program	57,600	57,600
Subtotal - Related Educational Programs	**348,400**	**342,400**
V. N.C. SCHOOL OF SCIENCE AND MATHEMATICS		
Coordinated Growth of Outreach, Residential and Support Services	595,142	595,142
Student Leadership Development Program with Israel	118,426	118,426
Residential Program Enhancements	649,641	649,641
Salary Plan	206,910	206,910
Subtotal - NCSSM	**1,570,119**	**1,570,119**
ACADEMIC SALARY INCREASES (6% increase requested each year)	**57,468,944**	**119,973,484**
Total Expansion Requests for Current Operations (Including Academic Salary Increase)	**162,995,117**	**278,034,440**

* *

The University of North Carolina
One-Time Funding for Ongoing Needs
1998-99

Information Technology	15,500,000
Libraries	9,500,000
School Services Matching Incentive Grants	975,000
Reading Together (UNC-G)	300,000
Learning Link (UNC-TV)	535,500
Manufacturing Extension Partnership (NCSU)	750,000
NCA&T Agricultural Programs	400,000
Turfgrass Research (NCSU)	300,000
Fiber Optic Infrastructure (NCCU)	540,000
Total	28,800,500

ATTACHMENT 3

North Carolina State Board of Education's

Expansion Budget Request 1999-2001

Public Schools of North Carolina

State Board of Education
Phillip J. Kirk, Jr., Chairman

http://www.dpi.state.nc.us

Department of Public Instruction
Michael E. Ward, State Superintendent

September 30, 1998

The Honorable James B. Hunt Jr.
Governor, State of North Carolina
Office of the Governor
116 W. Jones Street
Raleigh, NC 27603-8001

Dear Governor Hunt:

Thanks to continued support for the ABCs and the Excellent Schools Act, public schools in North Carolina are making significant improvements in student performance. As we have recently seen from the ABCs school-by-school reports, the focus on instruction is resulting in student performance at higher levels than we have ever seen in North Carolina. However, we still have too many students who are not at grade level and this is why our 1999-2001 Expansion Budget Request and our Continuation Budget Request reflect the need to stay the course on these important initiatives.

The State Board of Education and State Superintendent spent a great deal of time and effort deliberating these budget requests. In our deliberations, we solicited input from teachers, school administrators, parents and others who have a strong interest in public schools and many of their recommendations are incorporated into our requests. These funding items are identified by the Board's four priority areas: High Student Performance; Safe and Orderly Schools; Quality Teachers, Administrators, and Staff; and Effective and Efficient Operation. We believe the expansion budget request and the continuation budget reflect the most important needs of our schools and reflect the education priorities of North Carolina citizens. If funded, these efforts will allow public schools to continue the gains made over the last few years. This request also includes certain items for the Department of Public Instruction's budget which will allow the Department to operate in an effective and efficient manner.

Since the Excellent Schools Act and the ABCs are the centerpieces of our reform efforts and thus, our budget request, we have identified 12 expansion items that are critical to our public schools. These 12 are

NC HELPS – to improve student performance in low-performing/at-risk schools
Three By Three – to ensure that all 3rd graders are performing at or above grade level
School Assistance Teams – to help improve low-performing schools
Testing Program – to expand program for Computer Skills Test and High School Exit Exam
Children with Special Needs – to improve quality of education for children with special needs
Limited Proficiency in English – to expand services to children with limited proficiency in English
School Technology – to technologically bring our students, teachers and schools into the 21st Century
Student Information Management System – to replace the archaic SIMS
At-Risk Student Services/Alternative Schools – to expand alternative school programs, increase school resource officers and other support personnel
Teacher Evaluation Instruments – to develop instruments for evaluating teachers and other professional school employees as required by the Excellent Schools Act
Tuition to Teach Scholarships – to encourage teacher education majors to pursue teaching in critical teacher shortage areas (both subject and location)

LEA Charter Schools Impact - to minimize the fiscal impact of state allotment reductions on Local Education Agencies (LEAs)

In addition to these 12 expansion requests, we also wish to emphasize our continued support of the Excellent Schools Act initiative to increase teachers' salaries to the national average thereby attracting and retaining excellent teachers in the public schools. Salary increases ranging from 4% to 11% will be necessary during 1999–2000, the third year of this four year plan. And in addition to increases in teachers' salaries, we would like you to consider recommending to the General Assembly 6% salary increases for other school personnel.

There are other items which we would encourage you to consider in your budget recommendation to the General Assembly. We have not specifically included these in our expansion budget request, but we will be happy to provide any additional information you might need to include them in your recommendation. These items are

Advanced Placement Tests – to pay the fee for students to take the tests
Academically or Intellectually Gifted – to increase resources for services to children identified as academically or intellectually gifted
Low Wealth Supplemental Funding – to fully fund the legislated formula
Instructional Support – to increase instructional support positions (nurses, guidance counselors, social workers, etc.) in LEAs
Substitute Teacher Pay – to increase salary for certified substitute teachers to 75% of the beginning teacher's salary
National Board for Professional Teaching Standards – to fully fund the application fee and substitute costs for NBPTS candidates

On behalf of the State Board, the Department of Public Instruction and the many educators and citizens whose thoughts are reflected in these requests, we respectfully request your consideration of these items. We sincerely appreciate the support you and the General Assembly are providing for public schools. We are confident that continued support for the ABCs and Excellent Schools Act will yield excellent results in our public schools.

Sincerely,

Phillip J. Kirk, Jr.

Phillip J. Kirk, Jr. Chairman
State Board of Education

Michael E. Ward, State Superintendent
Department of Public Instruction

attachments

STATE PUBLIC SCHOOL FUND EXPANSION BUDGET REQUEST
For 1999 - 2001 Biennium

High Student Performance	Cost
ABCs	
NC *HELPS*	$ 24 million
provide additional resources to schools that did not meet their growth expectations	
3 By 3	54 million
provide additional resources to ensure that all 3rd graders are performing at or above grade level	
School Assistance Teams	5 million
fully fund assistance teams for low-performing schools (cost in 1997-98 $4.3 million)	
Testing Program	1.5 million
expand program to cover cost of Computer Skills, HS Exit Exam, Alternate Assessments and inflationary increases	
Student Information Management System (SIMS)	11 million
replace archaic SIMS to provide accurate and timely student data	
Children with Special Needs	25 million
improve quality of education for children with special needs	
Limited Proficiency in English	10 million
expand services to children with limited proficiency in English	
School Technology	71 million
technologically bring our students, teachers and schools into the 21st Century	
Safe and Orderly Schools	
At-Risk Student Services/Alternative Schools	34 million
increase allotment for alternative school programs, school resource officers and other support personnel	
Quality Teachers, Administrators, and Staff	
Excellent Schools Act	
Teacher Evaluation Instruments	1.1 million
develop instruments for evaluating teachers and other professional school employees	
Tuition to Teach Scholarships	5 million
provide two years of tuition for certain teacher education majors who teach for two years in critical teacher shortage areas (both subject and location)	
Effective and Efficient Operation	
LEA Charter Schools Impact	7 million
minimize the fiscal impact of state allotment reductions on LEAs	
Total State Public School Fund Expansion Request	**$ 248.6 million**

Prepared by: Planning and Budget Section
4/14/99

AGENCY EXPANSION BUDGET REQUEST
For 1999 - 2001 Biennium

High Student Performance	Cost
ABCs	
Testing Program Support	
provide funds for Accountability Services Division due to expansion of scope-of-work associated with implementation of ABCs	$ 204,000
provide .5 position for Accountability Services Division to assist in development of and revision to tests as curriculum content standards are revised	33,000
Charter Schools	
provide .5 position for Accountability Services Division to support Charter Schools testing operations	33,000
Academic Content Standards	
revise curriculum content standards and disseminate to teachers and administrators	650,000
Continuation of Operations	
provide assistance to and workshop activities for Academically & Intellectually Gifted program	100,000
provide additional instructors, salary increases for current faculty, instructional materials and guest lecturers for Governor's School	128,054
Quality Teachers, Administrators, and Staff	
Excellent Schools Act	
provide funds to pay required costs of Case Managers	45,000
Effective and Efficient Operation	
Continuation of Operations	
provide funds for contractual services for client support and to begin a replacement cycle for agency computers (Information and Technology Services Area)	548,628
provide additional travel and "reserve" funds for State Board of Education	40,000
Total Agency Expansion Request	**$ 1,781,682**

STATE PUBLIC SCHOOL FUND CONTINUATION BUDGET REQUEST
For 1999 - 2001 Biennium

High Student Performance	Cost
Continuation of Operations	
ADM Growth adjust base budget items by change in the average daily membership	$ 142 million
ABCs	
Incentive Awards continue providing awards to teachers, certified personnel and teacher assistants for improving student performance	125 million
Quality Teachers, Administrators, and Staff	
Excellent Schools Act	
Longevity fully fund longevity cost at current pay rate	15 million
Continuation of Operations	
Workers Compensation provide increase due to increase in cost	8 million
Total Continuation Budget Request	**$ 290 million**

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education — Thursday, April 15, 1999

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	OSBM
David Brown	OSBM
Clifton R. [illegible]	UNC GA
Dee Atkinson	SBE
Suzanne Williams	NCCCS
Stacy Boch	Wake Forest Univ Medical Center
[illegible]	OSPL
[illegible]	NCAICU
Rip Price	DPI
Brad Snowden	DPI
Ken Gregory	UNC
Mike Ward	DPI
Maurice Ki[illegible]	OSBM
Elizabeth Drovenstein	OSBM
Sue Adams	OSBM
Becky McCroskey	DPI
Jacklyn Dixon	Intern-Rep. Easterling
J. B. Smith	UNC
Karen Gottl[illegible]	Gov's Office
Jay Davis	UNC
Molly Broad	UNC
Joni Worthington	UNC
Gene Causby	NCSFCA
Donnie Patterson	AP
Lloyd Thrasher	TAP/AP
Tom [illegible]	Governmental Consultants

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education Thursday - April 15, 1999

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	NCAE
Hal Miller	NCACCT
Barbara Harris	OSBM
John Malin	DCC
Brenda Rogers	DCC
Larry Morgan	DCC
Tom Boyd	"
Rosemary Gillett-Karam	Louisburg College
James [illegible]	Louisburg College
Sandy Carmany	NCUPTA
Bill Wilson	NCAE
[illegible]	EGHS
Evelyn Hawthorne	UNC-CH
Becky Stirt	PPAB
Eddie Caldwell	EEBC
Henry Johnson	DPI

House Appropriations Subcommittee on Education/Higher Education
April 21, 1999
Presiding - Rep. Boyd-McIntyre

Call to Order **Chair**

BILLS TO BE DISCUSSED AT THE Wednesday, April 21, 1999, 8:30 a.m. Meeting

Rep. Moore's Bills

HB 412	COMMUNITY COLLEGES MULTI-CAMPUS FUNDS
HB 413	UNCC FIRE SAFETY ENGINEERING TECHNOLOGY PROGRAM FUNDS
HB 483	CIVIC EDUCATION PROGRAM FOR MIDDLE SCHOOL CLASSES-UNC
HB 485	REMEDIATION DAY FUNDS
HB 518	ADDITIONAL WORKDAY/BEGINNING TEACHERS
HB 538	SCIENCE AND MATH SCHOOL FUNDS
HB 834	EXPAND SCHOOL TECHNOLOGY

Rep. Warner's Bills

HB 22	SCHOOL UTILITY COSTS/FUNDS
HB 23	SCHOLARSHIP PROGRAM

REP. Yongue's Bill

HB 52	LOW WEALTH SCHOOL SUPPLEMENTAL FUNDING

Rep. Insko's Bill

HB 372	LIMITED ENGLISH PROFICIENCY

Rep. Preston's Bill

HB 192	SPECIAL EDUCATION FUNDS

Rep. Michaux's Bills

HB 479	TOBACCO ALTERNATIVE RESEARCH FUNDS
HB 960	UNIVERSITY OF NC EQUITY FUNDING

Rep. Gillespie's Bills

HB 695	FUNDS FOR LOW-WEALTH COMMUNITY COLLEGES
HB 696	UTILITY FUNDS — LOW-WEALTH COMMUNITY COLLEGES

Rep. Rogers' Bill

HB 593	SCHOOL CENTRAL OFFICE PERSONNEL FUNDS

MINUTES

HOUSE APPROPRIATIONS/SUBCOMMITTEE
ON EDUCATION

April 21, 1999

8:30 A.M.
Room 421, Legislative Office Building

The House Appropriations Subcommittee on Education met on April 21, 1999, at 8:30 a.m. in Room 421 of the Legislative Office Building. Members in attendance were Representatives Rogers, Boyd-McIntyre, Oldham, Michaux, Bonner, Gardner, Holmes, Insko, Moore, Preston, Smith, Teague and Yongue.

Chairman Boyd-McIntyre presided and called the meeting to order at 8:30 a.m. and proceeded to introduce the pages for the session. The pages were Emily Cook, Rowan; David Guy, Cumberland. She welcomed all others and outlined the agenda. (Attachment 1)

The chairman opened the meeting by explaining that bills would not be voted on, but they would be presented so that the committee could understand them, entertain questions and be able to be informed when budget recommendations are made.

The following Representatives presented the specified bills: (Attachment 2)

Representative Moore

HB 412	Community Colleges Multi-Campus Funds
HB 413	UNCC Fire Safety Engineering Technology Program Funds
HB 483	Civic Education Program for Middle School Classes-UNC
HB485	Remediation Day Funds
HB 518	Additional Workdays/Beginning Teachers
HB 538	Science and Math School Funds
HB 834	Expand School Technology

Representative Yongue

Representative Yongue, was called out of order to present:

HB 52	Low-Wealth School Supplemental Funding

Representative Warner

HB 22 School Utility Costs/Funds
HB 23 Scholarship Program

Representative Insko

HB 372 Limited English Proficiency.

Insko presented the bill with Linda Higgins, director of Lee County Schools; and Herlinda Trevino, parent and a member of the Parent Advisory Council.

Representative Preston

HB 192 Special Education Funds

Representative Michaux

HB 479, Tobacco Alternative Research Funds
HB 960 University of NC Equity Funding

The presentation of both bills was postponed after Michaux had to leave for another commitment.

Representative Gillespie

HB 695 Funds for Low-Wealth Community Colleges
HB 696 Utility Funds-Low Wealth Community Colleges

Representative Rogers

HB 593 School Central Office Personnel Funds

In the absence of Representative Rogers, Jim Johnson, a member of the Fiscal Research Staff, presented the bill.

Rep. Flossie Boyd-McIntyre
Co-Chair Presiding

Delores M. Steele
Committee Assistant

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 412

Short Title: Comm. College Multicampus Funds. (Public)

Sponsors: Representatives Moore; Boyd-McIntyre, Bridgeman, Brubaker, Cox, Culp, Cunningham, Davis, Earle, Gardner, Gulley, Hackney, Hunter, Insko, Jarrell, Jeffus, McCombs, Mosley, Nye, Owens, Starnes, Tallent, Thompson, Tolson, Wainwright, Warren, Wood, and Wright.

Referred to: Appropriations.

March 11, 1999

A BILL TO BE ENTITLEBILL

AN ACT TO APPROPRIATE FUNDS TO PROVIDE ADEQUATE FUNDING FOR MULTICAMPUS COMMUNITY COLLEGES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115D-31(a) reads as rewritten:

"(a) The State Board of Community Colleges shall be responsible for providing, from sources available to the State Board, funds to meet the financial needs of institutions, as determined by policies and regulations of the State Board, for the following budget items:

(1) Plant Fund. -- Furniture and equipment for administrative and instructional purposes, library books, and other items of capital outlay approved by the State Board. Provided, the State Board may, on an equal matching-fund basis from appropriations made by the State for the purpose, grant funds to individual institutions for the purchase of land, construction and remodeling of institutional buildings determined by the State Board to be necessary for the instructional programs or administration of such institutions. For the purpose of determining amount of matching State funds, local funds shall include expenditures made prior to the enactment of this Chapter or prior to an institution becoming a community college pursuant to the provisions of this Chapter,

Attachment 2

when such expenditures were made for the purchase of land, construction, and remodeling of institutional buildings subsequently determined by the State Board to be necessary as herein specified, and provided such local expenditures have not previously been used as the basis for obtaining matching State funds under the provisions of this Chapter or any other laws of the State. Notwithstanding the provisions of this subdivision, G.S. 116-53(b), or G.S. 143-31.4, appropriations by the State of North Carolina for capital or permanent improvements for community colleges may be matched with any prior expenditure of non-State funds for capital construction or land acquisition not already used for matching purposes.

(2) Current Operating ~~Expenses:~~ Expenses for Main Campuses and Multicampus Colleges, as Defined by the State Board:

a. General administration. -- Salaries and other costs as determined by the State Board necessary to carry out the functions of general administration.

b. Instructional services. -- Salaries and other costs as determined by the State Board necessary to carry out the functions of instructional services.

c. Support services. -- Salaries and other costs as determined by the State Board necessary to carry out the functions of support services.

(3) Additional Support for Regional Institutions as Defined in G.S. 115D-2(4). -- Matching funds to be used with local funds to meet the financial needs of the regional institutions for the items set out in G.S. 115D-32(a)(2)a. Amount of matching funds to be provided by the State under this section shall be determined as follows: The population of the administrative area in which the regional institution is located shall be called the "local factor," the combined populations of all other counties served by the institution shall be called the "State factor." When the budget for the items listed in G.S. 115D-32(a)(2)a has been approved under the procedures set out in G.S. 115D-45, the administrative area in which the regional institution is located shall provide a percentage to be determined by dividing the local factor by the sum of the local factor and the State factor. The State shall provide a percentage of the necessary funds to meet this budget, the percentage to be determined by dividing the State factor by the sum of the local factor and the State factor. If the local administrative area provides less than its proportionate share, the amount of State funds provided shall be reduced by the same proportion as were the administrative area funds.

Wherever the word "population" is used in this subdivision, it shall mean the population of the particular area in accordance with the latest United States census."

Section 2. There is appropriated from the General Fund to the Department of Community Colleges the sum of one million six hundred sixty thousand dollars ($1,660,000) for the 1999-2000 fiscal year and the sum of two million five hundred thirty-eight thousand dollars ($2,538,000) for the 2000-2001 fiscal year to provide adequate operating expenses for multicampus community colleges, as defined by the State Board of Community Colleges.

Section 3. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 413*

Short Title: UNCC Fire Safety Program Funds. (Public)

Sponsors: Representative Moore.

Referred to: Appropriations.

March 11, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO ESTABLISH A FIRE SAFETY ENGINEERING TECHNOLOGY PROGRAM AT UNC-CHARLOTTE.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of five hundred eighty thousand dollars ($580,000) for the 1999-2000 fiscal year and the sum of five hundred eighty thousand dollars ($580,000) for the 2000-2001 fiscal year to establish a fire safety engineering technology program at the University of North Carolina at Charlotte.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 483

Short Title: Civic Education Program Funds. (Public)

Sponsors: Representative Moore.

Referred to: Appropriations.

March 18, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR A CIVIC EDUCATION PROGRAM FOR MIDDLE SCHOOL CLASSES.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina, Center for the Prevention of School Violence, the sum of fifty thousand dollars ($50,000) for the 1999-2000 fiscal year to support the North Carolina We The People...Project Citizen civic education program. The purpose of the program is to teach middle school classes how to identify and address State and local community public policy issues. The funds shall be used to provide for classroom sets of texts, teacher in-service training, and an annual We The People...Project Citizen competition of simulated legislative hearings for participating middle school classes to be held in the State capitol.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 485*

Short Title: Funds for Remediation Days. (Public)

Sponsors: Representatives Moore; Barefoot, Bonner, Michaux, and Warner.

Referred to: Appropriations.

March 18, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO PROVIDE ADDITIONAL DAYS OF INSTRUCTION FOR CHILDREN WHO RECEIVE LOW GRADES ON END-OF-GRADE OR END-OF-COURSE TESTS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of sixty-six million dollars ($66,000,000) for the 1999-2000 fiscal year and the sum of sixty-six million dollars ($66,000,000) for the 2000-2001 fiscal year to provide an additional 20 instructional days a year for children who score at proficiency levels I or II on end-of-grade or end-of-course tests. Local boards of education may schedule these additional instructional days in hourly or daily increments to meet the needs of their students.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 518

Short Title: Add'l Workdays/Beginning Teachers. (Public)

Sponsors: Representative Moore.

Referred to: Appropriations.

March 22, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO PROVIDE NEWLY CERTIFIED TEACHERS WITH ADDITIONAL WORKDAYS TO MEET THE REQUIREMENTS OF CONTINUING CERTIFICATION.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of five million five hundred thousand dollars ($5,500,000) for the 1999-2000 fiscal year and the sum of five million five hundred thousand dollars ($5,500,000) for the 2000-2001 fiscal year to provide three additional workdays to newly certified teachers during their second year of employment and three additional workdays during their third year of employment. These additional workdays may be scheduled in the discretion of the employees and shall be used by the employees to work on the portfolios required for continuing certification.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

HOUSE BILL 538

Short Title: Science & Math School Funds. (Public)

Sponsors: Representatives Moore; Wainwright and Miller.

Referred to: Appropriations.

March 23, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE NORTH CAROLINA SCHOOL OF SCIENCE AND MATHEMATICS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of two hundred ninety-one thousand four hundred twenty-five dollars ($291,425) for the 1999-2000 fiscal year and the sum of two hundred ninety-one thousand four hundred twenty-five dollars ($291,425) for the 2000-2001 fiscal year for Student Life student supervision, other residential services, and the Student Leadership Development Program with Israel at the North Carolina School of Science and Mathematics.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 834*

Short Title: Expand Public School Technology. (Public)

Sponsors: Representative Moore.

Referred to: Appropriations.

April 1, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO EXPAND THE PUBLIC-PRIVATE PARTNERSHIP TO EXPAND TECHNOLOGY IN NORTH CAROLINA PUBLIC SCHOOLS AND THEIR COMMUNITIES, INCLUDING A VOCATIONAL EDUCATION COMPUTER RECYCLING AND BUILDING PROGRAM.

The General Assembly of North Carolina enacts:

Section 1.(a) There is appropriated from the General Fund to the State Board of Education the sum of two million dollars ($2,000,000) for the 1999-2000 fiscal year and the sum of two million dollars ($2,000,000) for the 2000-2001 fiscal year to expand a public-private partnership to encourage, promote, and expand technology in North Carolina Public Schools and their communities.

Section 1.(b) The purposes of the public-private partnership are to:

(1) Enlist public, private, and volunteer sectors to develop means of bringing technology to North Carolina Public School classrooms and by extension to their communities at minimal cost and expense to the State and its taxpayers.

(2) Help schools implement the portion of their technology plan designed to wire classrooms with high-speed data wire that enables them to connect to school networks as well as the Internet, using a wiring program based on partnerships and volunteer support.

(3) Develop a plan to increase the number of computers, computing equipment, and networking equipment in North Carolina Public Schools.

(4) Help develop a plan that will assure every school can connect to the Internet so that this tool is made available equally to all children in North Carolina Public Schools.

(5) Help develop and implement programs to train teachers and other educators in the use of technology.

(6) Develop Internet-based, multimedia, and other learning programs designed to assist teachers in the job of helping young people learn by using technology.

(7) Test and evaluate the benefits of each of the projects, investigate and develop other means of using computer-based technology in classrooms, and assure this information is available to other educators.

(8) Develop additional curriculum plans to enhance a technology career path and work to implement them in collaboration with the Department of Public Instruction, Department of Community Colleges, and University of North Carolina system, where applicable.

(9) Help establish articulation agreements and concurrent enrollment plans so that students moving between the secondary schools, community colleges, and university system receive the benefit of curriculum uniformity.

Section 1.(c) The State Board of Education shall contract with the nonprofit corporation, ExplorNet, to administer the programs.

Section 1.(d) The provisions of Article 3 of Chapter 143 of the General Statutes do not apply to contracts for supplies, materials, equipment, and contractual services to implement these programs. The Department of Administration may make its services available to the State Board of Education, when requested by the State Board of Education.

Section 1.(e) The State Board of Education shall evaluate the educational components of the programs.

The State Board's contract with ExplorNet shall require ExplorNet to evaluate the technical components of the program and to submit the results of its evaluation to the Information Resources Management Commission for review and comment by August 15, 2001. The Information Resources Management Commission shall submit the evaluation done by ExplorNet and the Commission's comments on it to the State Board of Education by November 15, 2001.

The State Board of Education shall report the results of these evaluations to the Joint Legislative Education Oversight Committee by December 15, 2001.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 52*

Short Title: Low-Wealth School Supp. Funds. (Public)

Sponsors: Representatives Yongue, Bonner, Sutton (Primary Sponsors); Alexander, Allen, Arnold, Barefoot, Boyd-McIntyre, Braswell, Bridgeman, Buchanan, Cox, Culp, Davis, Dockham, Edwards, Fitch, Fox, Goodwin, Grady, Haire, Hardaway, Horn, Hurley, Insko, Luebke, McCrary, McLawhorn, Melton, Mitchell, Moore, Morris, Oldham, Owens, Preston, Rogers, Russell, Smith, Thomas, Thompson, Tolson, Tucker, Wainwright, Warner, Warren, Warwick, and Womble.

Referred to: Appropriations.

February 10, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR LOW-WEALTH SCHOOL SYSTEMS' SUPPLEMENTAL FUNDING.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of forty-four million two hundred thousand dollars ($44,200,000) for the 1999-2000 fiscal year and the sum of forty-four million two hundred thousand dollars ($44,200,000) for the 2000-2001 fiscal year for low-wealth school systems' supplemental funding.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 22

Short Title: 1/2 Sch. Utility Costs/Funds. (Public)

Sponsors: Representatives Warner, Hurley, Kinney; McAllister, Allen, Allred, Gardner, Hunter, Justus, Wainwright, and Yongue.

Referred to: Appropriations.

February 4, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO COMPENSATE LOCAL GOVERNMENTS FOR ONE-HALF OF THE COST OF PUBLIC SCHOOL UTILITIES.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of eighty million dollars ($80,000,000) for the 1999-2000 fiscal year and the sum of eighty million dollars ($80,000,000) for the 2000-2001 fiscal year to compensate local governments for one-half of the cost of public school utilities. The State Board of Education shall allocate these funds to counties on the basis of the actual cost to the counties of school utilities in local school administrative units located in whole or in part in the counties.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 2

HOUSE BILL 23
Committee Substitute Favorable 3/15/99

Short Title: Comm. College Scholarship Program. (Public)

Sponsors:

Referred to:

February 4, 1999

A BILL TO BE ENTITLED

AN ACT TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR NORTH CAROLINIANS ATTENDING COMMUNITY COLLEGES AND TO APPROPRIATE FUNDS TO IMPLEMENT THE EDUCATION IMPROVEMENT PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. Chapter 115D of the General Statutes is amended by adding a new Article 1A to read:

"ARTICLE 1A.

"The Community College Education Improvement Program.

"§ 115D-11.1. The Education Improvement Program.

(a) Grants. -- The State Board of Community Colleges shall develop and implement the Education Improvement Program to provide grants for tuition and mandatory fees for eligible persons who enroll in a community college and pursue a curriculum program for an associate degree, a diploma, or a certificate. The State Board shall make determinations of eligibility to receive grants. In no event shall a grant exceed the total cost of tuition and mandatory fees charged by a community college. The State Education Assistance Authority shall administer the funding of the grants.

(b) Eligibility. -- The State Board may award Education Improvement Program grants based on availability of funds. The following are eligibility and other requirements:

(1) An applicant must:

a. Be a resident for tuition purposes under G.S. 116-143.1.
b. Be a high school graduate, hold a recognized equivalent diploma or certificate, or otherwise meet the requirements of a curriculum program that does not require a high school diploma or its equivalent.
c. Be found to be in financial need, as provided in subsection (c) of this section.

(2) An applicant must not have been convicted of any felony or adjudicated delinquent for acts that would constitute a felony if committed by an adult.

(3) Notwithstanding subdivision (2) of subsection (b) of this section and upon the recommendation of the President of the Community College System, the State Board may determine that an applicant is eligible to receive a grant if the State Board determines that the applicant has been fully rehabilitated and is otherwise eligible. Upon direction by the State Board, the President or the President's designee may request juvenile court records under G.S. 7B-3102 for the purpose of determining eligibility. The President or the President's designee shall follow the procedures in G.S. 115D-11.2 in order to protect the confidentiality of any records received under G.S. 7B-3102.

(4) The State Board shall adopt rules specifying the criteria a student must meet in order to continue to be eligible to receive Education Improvement Program grants.

(c) Financial Need.

(1) All applicants for an Education Improvement Program grant must apply for federal Title IV student financial assistance. If the applicant is eligible for a Pell Grant of an amount less than the total amount of community college tuition and mandatory fees, the amount of the State grant shall be equal to the difference between the total amount of tuition and mandatory fees and the Pell Grant amount.

(2) An applicant who is under 21 years of age and who is ineligible for a Pell Grant shall be found to be in financial need for purposes of an Education Improvement Program grant if one of the following applies:

a. The applicant's custodial parent or guardian has one dependent child under the age of 21, and the adjusted gross income of the family for the tax year immediately preceding the determination of financial need is less than thirty thousand dollars ($30,000).
b. The applicant's custodial parent or guardian has two dependent children under the age of 21, and the annual adjusted gross income of the family for the tax year

immediately preceding the determination of financial need is less than thirty-five thousand dollars ($35,000).

c. The applicant's custodial parent or guardian has three or more dependent children under the age of 21, and the annual adjusted gross income of the family for the tax year immediately preceding the determination of financial need is less than forty thousand dollars ($40,000).

(3) Notwithstanding subdivision (2) of subsection (c) of this section, the State Board may adopt rules that define special circumstances under which an applicant who is under 21 years of age has otherwise demonstrated financial need.

(4) The State Board shall adopt rules for determining the financial need of applicants who are over 21 years of age and are not eligible to receive a Pell Grant.

"§ 115D-11.2. Use of juvenile court information.

(a) Confidential Records. -- The following shall be confidential records, are not public records as defined under G.S. 132-1, and shall not be made a part of the applicant's official student record:

(1) Any request for juvenile records made by the President or the President's designee under G.S. 115D-11.1(b)(3).

(2) Any juvenile records received by the President or the President's designee under G.S. 7B-3102.

(b) Storage, Use, and Destruction of Records. -- Immediately upon receipt of any juvenile records, the President or the President's designee shall maintain these documents in a safe, locked record storage that is separate from the applicant's other records. Documents received under G.S. 7B-3102 shall be used only to determine whether an applicant may be eligible to receive an Education Improvement Program grant. The President or the President's designee shall shred, burn, or otherwise destroy all juvenile records and all information gained from examination of juvenile records when the State Board no longer needs the information to determine an applicant's eligibility for an Education Improvement Program grant. In no case shall the President or the President's designee make a copy of these documents and in no case shall the President or the President's designee share the records with a community college."

Section 2. Article 31 of Chapter 7B of the General Statutes is amended by adding a new section to read:

"§ 7B-3102. Disclosure of information to determine eligibility for Education Improvement Program grants.

Notwithstanding G.S. 7B-3000, upon receipt of a written request under G.S. 115D-11.1(b)(3), the chief juvenile court counselor shall deliver any existing juvenile court records, as defined in G.S. 7B-3000, to the President of the North Carolina Community College System or the President's designee. The President or the President's designee shall handle any records received under this section in accordance with G.S. 115D-11.2. Documents received under this provision shall be

used only to determine whether an applicant is eligible to receive a Community College Education Improvement Program grant."

Section 3. Article 23 of Chapter 116 of the General Statutes is amended by adding a new section to read:

"**§ 116-209.26. Education Improvement Program grants.**

(a) In addition to all other powers and duties under this Article, the Authority shall administer the funding for the Education Improvement Program grants awarded by the State Board of Community Colleges under G.S. 115D-11.1.

(b) In order to accomplish the purposes of this section, the Authority may:

(1) In consultation with the State Board of Community Colleges, adopt rules to implement the funding of the Education Improvement Program.

(2) Receive from the General Fund or other sources those funds the General Assembly may authorize to cover, in addition to any other available funds, the costs of tuition and mandatory fees required to be paid to eligible students under G.S. 115D-11.1 for the coming academic year.

(3) Seek, accept, and expend funds from any source, including private business, industry, foundations, and other groups as well as any federal or other governmental funding available for this purpose."

Section 4. There is appropriated from the General Fund to the State Board of Community Colleges the sum of nineteen million six thousand nine hundred eighteen dollars ($19,006,918) for the 2000-2001 fiscal year. These funds shall be used primarily to provide grants beginning with the 2000-2001 academic year. The State Board of Community Colleges shall allocate funds to the Education Assistance Authority according to a schedule of allocation it establishes.

Section 5. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 372

Short Title: LEP Student Assistance Funds. (Public)

Sponsors: Representatives Insko; Barefoot, Bonner, Cansler, Church, Cox, Gibson, Hackney, Jeffus, Kinney, Luebke, Melton, Mosley, Oldham, Rogers, Sherrill, Wainwright, Womble, and Yongue.

Referred to: Appropriations.

March 9, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR STUDENTS WITH LIMITED ENGLISH PROFICIENCY.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of twenty-nine million dollars ($29,000,000) for the 1999-2000 fiscal year and the sum of twenty-nine million dollars ($29,000,000) for the 2000-2001 fiscal year to provide services to students with limited proficiency in the English language. The State Board of Education shall allocate these funds on the basis of one thousand dollars ($1,000) for each student identified in accordance with State Board guidelines as having limited English proficiency.

Local school administrative units shall use funds allocated to them to pay for classroom teachers, teacher assistants, textbooks, classroom materials/instructional supplies/equipment, and staff development for students with limited English proficiency.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 192

Short Title: Special Education Funds. (Public)

Sponsors: Representatives Preston; Arnold, Boyd-McIntyre, Gardner, Grady, Insko, McCombs, Morris, Oldham, Rogers, Warner, and Yongue.

Referred to: Appropriations.

March 1, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE FUNDING FOR CHILDREN WITH SPECIAL NEEDS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units, Funding Allotment for Children With Special Needs, the sum of twenty-five million dollars ($25,000,000) for the 1999-2000 fiscal year and the sum of twenty-five million dollars ($25,000,000) for the 2000-2001 fiscal year to increase funding for children with special needs, as defined in G.S. 115C-109.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 479

Short Title: Tobacco Funds for Alternatives Research. (Public)

Sponsors: Representatives Michaux, Fitch, Blue, Adams (Primary Sponsors), McAllister, Hunter; Arnold, Baker, Barbee, Barefoot, Bowie, Boyd-McIntyre, Brown, Brubaker, Buchanan, Cansler, Capps, Clary, Cole, Creech, Culp, Cunningham, Daughtry, Davis, Dedmon, Dockham, Easterling, Eddins, Ellis, Esposito, Gardner, Gibson, Gillespie, Goodwin, Gray, Gulley, Hensley, Hiatt, Holmes, Howard, Justus, Kiser, McComas, McCombs, McCrary, McMahan, Miner, Mitchell, Morris, Mosley, Neely, Nesbitt, Oldham, Redwine, Russell, Saunders, Setzer, Sexton, Teague, Thompson, Tolson, Wainwright, Walend, C. Wilson, G. Wilson, Womble, and Wright.

Referred to: Appropriations.

March 18, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE TOBACCO SETTLEMENT FUNDS FOR UNIVERSITY-BASED RESEARCH ON ALTERNATIVES TO TOBACCO FOR FARMERS.

The General Assembly of North Carolina enacts:

Section 1. From the funds received from the Master Settlement Agreement in the tobacco litigation, there is appropriated from the General Fund to The University of North Carolina the sum of ten million dollars ($10,000,000) for the 1999-2000 fiscal year for research on alternatives to tobacco for farmers. The money shall be allocated five million dollars ($5,000,000) to North Carolina Agricultural and Technical State University and five million dollars ($5,000,000) to North Carolina State University.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 960

Short Title: UNC Equity Funding. (Public)

Sponsors: Representatives Michaux, Fitch, McAllister, Hunter (Primary Sponsors); Alexander, Barbee, Blue, Bonner, Bowie, Cole, Cunningham, Davis, Dedmon, Goodwin, Grady, Haire, Hardaway, Hensley, Luebke, McCrary, Miller, Moore, Nesbitt, Oldham, Sutton, Tolson, Wainwright, Warner, and Womble.

Referred to: Appropriations.

April 8, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA TO PROVIDE EQUITY FUNDING FOR NORTH CAROLINA'S PUBLIC HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of twenty-one million dollars ($21,000,000) for the 1999-2000 fiscal year and the sum of twenty-one million dollars ($21,000,000) for the 2000-2001 fiscal year as equity funding to be divided equally among North Carolina's public historically black colleges and universities and the University of North Carolina at Pembroke. The funds shall be used to assist with operating expenses of those institutions.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 695

Short Title: Funds for Low-Wealth Comm. Coll. (Public)

Sponsors: Representatives Gillespie; Tolson (Primary Sponsors), Adams, Allen, Arnold, Barbee, Barefoot, Bonner, Brown, Buchanan, Carpenter, Church, Clary, Cox, Crawford, Creech, Culp, Edwards, Fitch, Goodwin, Grady, Hill, Hunter, Hurley, Melton, Morris, Nye, Preston, Rayfield, Russell, Sexton, Smith, Starnes, Thomas, Thompson, Tucker, Wainwright, and Walend.

Referred to: Appropriations.

March 30, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR COMMUNITY COLLEGES LOCATED IN LOW-WEALTH COUNTIES.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Community Colleges the sum of two million dollars ($2,000,000) for the 1999-2000 fiscal year and the sum of two million dollars ($2,000,000) for the 2000-2001 fiscal year to provide funds for community colleges and community college satellites located in low-wealth counties.

The State Board of Community Colleges shall use the formula used by the State Board of Education to distribute supplemental public school funds in low-wealth counties to determine whether a county is a low-wealth county. If, under that formula, the county's wealth is less than one hundred percent (100%) of the State average wealth, the State Board shall allocate funds to the county on a full-time equivalency (FTE) basis.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 696

Short Title: Utility Funds/Low-Wealth Comm. Coll. (Public)

Sponsors: Representatives Gillespie; Tolson (Primary Sponsors), Allen, Arnold, Barbee, Bonner, Brown, Buchanan, Carpenter, Church, Clary, Cox, Crawford, Creech, Culp, Edwards, Fitch, Goodwin, Grady, Hill, Hunter, Hurley, Melton, Morris, Nye, Preston, Rayfield, Russell, Sexton, Smith, Starnes, Thomas, Thompson, Tucker, Wainwright, and Walend.

Referred to: Appropriations.

March 30, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR UTILITY COSTS FOR COMMUNITY COLLEGES LOCATED IN LOW-WEALTH COUNTIES.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Community Colleges the sum of eleven million four hundred seventy-nine thousand eight hundred fifty-three dollars ($11,479,853) for the 1999-2000 fiscal year and the sum of eleven million four hundred seventy-nine thousand eight hundred fifty-three dollars ($11,479,853) for the 2000-2001 fiscal year to provide funds for utilities in community colleges and community college satellites located in low-wealth counties.

These funds shall be available to a county only if:

(1) The county opts to receive funds under this section;

(2) A community college or community college satellite located in the county can show capital needs demonstrated by a total space needs assessment;

(3) The county sets aside in a capital account an equal amount of money that would otherwise be used for utilities; and

(4) The county is a low-wealth county. The State Board of Community Colleges shall use the formula used by the State Board

of Education to distribute supplemental public school funds in low-wealth counties to determine whether a county is a low-wealth county. A county is a low-wealth county if, under that formula, the county's wealth is less than one hundred percent (100%) of the State average wealth.

The funds a county receives under this act and the matching amount that it sets aside in a capital account pursuant to this act shall be used only for the construction, reconstruction, enlargement, improvement, repair, or renovation of community college buildings and for the purchase of land for community college buildings. As used in this act, "community college buildings" only includes facilities for individual community colleges or community college satellites that are used for instructional and related purposes and does not include centralized administration, maintenance, or other facilities.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 593

Short Title: School Central Office Personnel Funds. (Public)

Sponsors: Representatives Rogers; Russell, Wainwright, and Barefoot.

Referred to: Appropriations.

March 25, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE THE SALARIES OF SCHOOL CENTRAL OFFICE PERSONNEL.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of fifteen million nine hundred nine thousand dollars ($15,909,000) for the 1999-2000 fiscal year and the sum of fifteen million nine hundred nine thousand dollars ($15,909,000) for the 2000-2001 fiscal year to provide salary increases for public school central office personnel. Of these funds the sum of:

(1) $2,500,000 for each fiscal year shall be used to provide full funding of the central office funding formula;

(2) $7,809,000 for each fiscal year shall be used to provide for a seven percent (7%) increase in salary beginning with the 1999-2000 fiscal year; and

(3) $5,600,000 for each fiscal year shall be used to increase the average allotment from $60,000 to $65,000, exclusive of benefits.

Section 2. This act becomes effective July 1, 1999.

VISITOR REGISTRATION SHEET

8:30 A.M.

APPROPRIATIONS/Subcommittee on Education Wednesday, April 21, 1999

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
David Brown	OSBM
Tim Thor	News & Record
Ann Bellamy	SBE
Maurice Ki	OSBM
Lee Abbott	OSBM
David Potter	OSBM
Elizabeth Lawrence	OSBM
Lan Orey	OSPL
Yvonne Perry	NC Justice
Matty Lind-Charleston	NC Justice + Com. Dev. Center
Cindy Malhoit	"
Melinda Trevino	PAC Representative -
Juan Hercille	Lee County School
Linda Higgins	Lee County Schools
Bill Wilson	NCAE
Jo Ann Morris	Public School Forum of NC
Jim Crotts	NCASA
[illegible]	NCPTA
Hal Miller	NC ACCT
Dwight Spencer	Tarheel Political Consultant Serv.
[illegible]	NCAE
Ellen Russell	The Arc of NC
Kim Harrell	Gov's Office
Ashley Westbrook	GOV Office
Susanne Williams	NCCCS

VISITOR REGISTRATION SHEET

8:30 A.M.

APPROPRIATIONS/Subcommittee on Education Wednesday, April 21, 1999

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jan Crutts	NASA

House Appropriations Subcommittee on Education
April 21, 1999 – 2:30 p.m.
Presiding – Rep. Rogers

Call to Order Chair

BILLS TO BE DISCUSSED AT THE Wednesday, April 21, 1999 2:30 p.m. Meeting

Rep. Michaux's Bills

HB 479	**TOBACCO ALTERNATIVE RESEARCH FUNDS**
HB 960	**UNIVERSITY OF NC EQUITY FUNDING**

Rep. Arnold's Bills

HB 912	**CLASS-SIZE REDUCTION**
HB 913	**SUBSTITUTE TEACHER PAY FUNDS**
HB 914	**PRINCIPAL SALARY FUNDS**
HB 916	**STATE SCHOOL TECHNOLOGY FUNDS-2**
HB 917	**ALTERNATIVE SCHOOL FUNDING**
HB 1121	**SCHOOL BUS EFFICIENCY FORMULA FUND**

Rep. Jeffus's Bills

HB 1017	**SUBSTITUTE TEACHERS PAY RAISE**
HB 1018	**INTERNATIONAL BACCALAUREATE PROGRAM FUNDS**
HB 1058	**TEACHER NATIONAL CERTIFICATION FEE FUNDS**

Rep. Nesbitt's Bills

HB 464	**NC ARBORETUM FUNDS**
HB 989	**IMPROVE OPERATION OF SCHOOL TRANSPORTATION SYSTEMS**

Rep. Edwards's Bill

HB 502	**OCRACOKE SCHOOL-ADDITIONAL TEACHERS**

Rep. Baddour's Bills

HB 561	**SCHOOL BASED MANAGEMENT NETWORK FUNDS**
HB 1215	**NORTH CAROLINA LEADERSHIP PROGRAM FUNDS**

MINUTES
HOUSE APPROPRIATIONS/Subcommittee on Education

April 21, 1999
2:30 p.m.

The House Appropriations/Subcommittee on Education met Wednesday, April 21, 1999 at 2:30 p.m. in Room 415 of the Legislative Office Building with Rep. Gene Rogers, Chair presiding. House members present were Rep. Rogers, Chair, Rep. Oldham, Chair, Rep. Boyd-McIntyre, Chair, Representatives Bonner, Gillespie, Insko, Michaux, Moore, Preston, Teague and Yongue. There were thirteen visitors.

Rep. Rogers, Chair called the meeting to order, made announcements and introduced the page for the meeting, Emily Cook from Rowan County sponsored by Rep. Gardner.

Rep. Michaux was first on the agenda but had not arrived so Rep. Rogers, Chair, recognized Representative Arnold, bill sponsor, to explain the following bills: HB 912, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO PROVIDE TEACHER POSITIONS TO REDUCE CLASS SIZE IN THE THIRD GRADE, HB 913, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO INCREASE SUBSTITUTE TEACHER PAY, HB 914, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO INCREASE PRINCIPAL SALARIES, HB 916, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO THE STATE SCHOOL TECHNOLOGY FUND, HB 917, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS FOR ALTERNATIVE SCHOOLS AND FOR AT-RISK STUDENTS, HB 1121, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO FULLY FUND THE SCHOOL BUS EFFICIENCY FORMULA.

Rep. Rogers then introduced Rep. Jeffus to present her bills, HB 1017, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO INCREASE THE PAY FOR SUBSTITUTE TEACHERS, HB 1018, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS FOR THE INTERNATIONAL BACCALAUREATE PROGRAM, HB 1058, A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE PAYMENT OF THE PARTICIPATION FEE FOR TEACHERS WHO PARTICIPATE A SECOND TIME IN THE NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS (NBPTS) CERTIFICATION PROGRAM.

Next on the agenda was Rep. Edwards who explained HB 502, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO PROVIDE ADDITIONAL TEACHERS FOR OCRACOKE SCHOOL.

Rep. Michaux was recognized to present his bills, HB 479, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE TOBACCO SETTLEMENT FUNDS FOR UNIVERSITY-BASED RESEARCH ON ALTERNATIVES TO TOBACCO FOR FARMERS, HB 960, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA TO PROVIDE EQUITY FUNDING FOR NORTH CAROLINA'S PUBLIC HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE.

Questions and discussion followed the presentation of bills. No action was taken on any bill at this meeting.

Rep. Nesbitt and Rep. Baddour were not present to explain their bills.

There being no further business the meeting adjourned at 3:30 p.m.

Respectfully submitted.

Rep. Gene Rogers, Chair

Sally Gillis, Committee Assistant

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

1

HOUSE BILL 912

Short Title: Class-Size Reduction Funds. (Public)

Sponsors: Representatives Arnold; Baker, Barbee, Berry, Brown, Capps, Clary, Creech, Culp, Davis, Esposito, Gillespie, Grady, Gray, Gulley, Howard, Justus, McCombs, Mitchell, Morris, Preston, Rayfield, Russell, Setzer, Sexton, Starnes, Teague, Thompson, Walend, and G. Wilson.

Referred to: Appropriations.

April 5, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO PROVIDE TEACHER POSITIONS TO REDUCE CLASS SIZE IN THE THIRD GRADE.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of nineteen million dollars ($19,000,000) for the 1999-2000 fiscal year and the sum of nineteen million dollars ($19,000,000) for the 2000-2001 fiscal year to provide teacher positions to reduce class size in the third grade.

The State Board of Education shall allocate these funds and other funds for teachers in kindergarten through third grade to local school administrative units on the basis of one teacher for every 23 students in kindergarten through third grade. Local school administrative units shall use these funds (i) to reduce class size in kindergarten through third grade or (ii) to hire reading teachers within kindergarten through third grade or otherwise reduce the student-teacher ratio within kindergarten through third grade.

Notwithstanding the provisions of G.S. 115C-301(c), both the maximum average class size for the grade span kindergarten, first grade, second grade, and third grade, and the maximum size of an individual class within the grade span shall be 26 students.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

HOUSE BILL 913

Short Title: Substitute Teacher Pay Funds. (Public)

Sponsors: Representatives Arnold; Baker, Barbee, Berry, Brown, Cansler, Capps, Clary, Creech, Culp, Davis, Esposito, Gillespie, Grady, Gray, Gulley, Hiatt, Hurley, Justus, Kiser, McCombs, Mitchell, Morris, Preston, Rayfield, Russell, Setzer, Sexton, Smith, Starnes, Teague, Thompson, Walend, and G. Wilson.

Referred to: Appropriations.

April 5, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE SUBSTITUTE TEACHER PAY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-12(8) reads as rewritten:

"(8) Power to Make Provisions for Sick Leave and for Substitute Teachers. -- The Board shall provide for sick leave with pay for all public school employees in accordance with the provisions of this Chapter and shall promulgate rules and regulations providing for necessary substitutes on account of sick leave and other teacher absences.

The minimum pay for a substitute teacher who holds a teaching certificate shall be ~~sixty-five percent (65%)~~ seventy-five percent (75%) of the daily pay rate of an entry-level teacher with an "A" certificate. The minimum pay for a substitute teacher who does not hold a teaching certificate shall be ~~fifty percent (50%)~~ sixty-one percent (61%) of the daily pay rate of an entry-level teacher with an "A" certificate. The pay for noncertified substitutes shall not exceed the pay of certified substitutes.

Local boards may use State funds allocated for substitute teachers to hire full-time substitute teachers.

If a teacher assistant acts as a substitute teacher, the salary of the teacher assistant for the day shall be the same as the daily salary of an entry-level teacher with an "A" certificate."

Section 2. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of ten million dollars ($10,000,000) for the 1999-2000 fiscal year and the sum of ten million dollars ($10,000,000) for the 2000-2001 fiscal year to implement the provisions of Section 1 of this act.

Section 3. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

1

HOUSE BILL 914

Short Title: Principal Salary Funds. (Public)

Sponsors: Representatives Arnold; Baker, Barbee, Brown, Cansler, Clary, Culp, Gulley, Hiatt, McCombs, Morris, Preston, Rayfield, Russell, Thompson, and G. Wilson.

Referred to: Appropriations.

April 5, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE PRINCIPAL SALARIES.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of twenty-two million dollars ($22,000,000) for the 1999-2000 fiscal year and the sum of twenty-two million dollars ($22,000,000) for the 2000-2001 fiscal year to increase salaries of principals and assistant principals. These funds shall be used to:

(1) Modify the school-administrator salary schedule consistent with modifications in the teacher salary schedule,

(2) Provide a bonus if the employee's school met or exceeded the projected levels of improvement in student performance for the prior school year, in accordance with the ABCs of Public Education Program, and

(3) Provide a bonus if the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 916

Short Title: State School Technology Funds. (Public)

Sponsors: Representatives Arnold; Baker, Barbee, Berry, Brown, Cansler, Capps, Clary, Creech, Culp, Davis, Esposito, Grady, Gray, Gulley, Howard, Justus, Kiser, McCombs, Mitchell, Morris, Preston, Rayfield, Russell, Setzer, Sexton, Starnes, Teague, Thompson, Walend, and G. Wilson.

Referred to: Appropriations.

April 5, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE STATE SCHOOL TECHNOLOGY FUND.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of forty-five million dollars ($45,000,000) for the 1999-2000 fiscal year and the sum of forty-five million dollars ($45,000,000) for the 2000-2001 fiscal year for the State School Technology Fund. Local boards of education may use funds allocated to them from the Fund to implement local school technology plans approved by the State Board of Education.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 917

Short Title: Alternative Schools Funding. (Public)

Sponsors: Representatives Arnold; Baker, Barbee, Berry, Brown, Cansler, Capps, Clary, Creech, Culp, Davis, Esposito, Grady, Gray, Gulley, Hiatt, Howard, Justus, Kiser, McCombs, Mitchell, Morris, Preston, Rayfield, Russell, Setzer, Sexton, Smith, Starnes, Teague, Thompson, Walend, and G. Wilson.

Referred to: Appropriations.

April 5, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR ALTERNATIVE SCHOOLS AND FOR AT-RISK STUDENTS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of thirty-four million dollars ($34,000,000) for the 1999-2000 fiscal year and the sum of thirty-four million dollars ($34,000,000) for the 2000-2001 fiscal year for the At-Risk Student Services/Alternative School Allotment.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1121

Short Title: School Bus Efficiency Formula Funds. (Public)

Sponsors: Representatives Arnold and Cansler (Primary Sponsors).

Referred to: Appropriations.

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO FULLY FUND THE SCHOOL BUS EFFICIENCY FORMULA.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of ten million dollars ($10,000,000) for the 1999-2000 fiscal year and the sum of ten million dollars ($10,000,000) for the 2000-2001 fiscal year to fully fund the school bus efficiency formula.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

HOUSE BILL 1017

Short Title: Substitute Teacher Pay Raise. (Public)

Sponsors: Representatives Jeffus; Barefoot, Bonner, Cox, Gillespie, Hurley, Luebke, Mosley, Preston, Russell, Sherrill, Smith, Sutton, Wainwright, Warner, and Yongue.

Referred to: Appropriations.

April 13, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE THE PAY FOR SUBSTITUTE TEACHERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-12(8) reads as rewritten:

"(8) Power to Make Provisions for Sick Leave and for Substitute Teachers. -- The Board shall provide for sick leave with pay for all public school employees in accordance with the provisions of this Chapter and shall promulgate rules and regulations providing for necessary substitutes on account of sick leave and other teacher absences.

~~The~~ A substitute teacher who (i) has an active or expired teaching certificate which has not been revoked and (ii) is employed to substitute for the same teacher for more than 10 consecutive days, shall be paid for all of the subsequent consecutive days at the same daily rate of pay as an entry-level teacher with an 'A' certificate. For all other days a substitute teacher is employed, the minimum pay for a substitute teacher who holds a teaching certificate shall be ~~sixty-five percent (65%)~~ seventy-five percent (75%) of the daily pay rate of an entry-level teacher with an "A" certificate. The minimum pay for a substitute teacher who does not hold a teaching certificate shall be ~~fifty~~

~~percent (50%)~~ sixty-one percent (61%) of the daily pay rate of an entry-level teacher with an "A" certificate. The pay for noncertified substitutes shall not exceed the pay of certified substitutes.

Local boards may use State funds allocated for substitute teachers to hire full-time substitute teachers.

If a teacher assistant acts as a substitute teacher, the salary of the teacher assistant for the day shall be the same as the daily salary of an entry-level teacher with an "A" certificate."

Section 2. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of fifteen million seven hundred seventy-six thousand two hundred eighty dollars ($15,776,280) for the 1999-2000 fiscal year and the sum of fifteen million seven hundred seventy-six thousand two hundred eighty dollars ($15,776,280) for the 2000-2001 fiscal year to implement Section 1 of this act.

Section 3. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1018

Short Title: International Baccalaureate Prog. Funds. (Public)

Sponsors: Representatives Jeffus; Wainwright, Warner, and Luebke.

Referred to: Appropriations.

April 13, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE INTERNATIONAL BACCALAUREATE PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of two hundred twenty-five thousand dollars ($225,000) for the 1999-2000 fiscal year and the sum of two hundred twenty-five thousand dollars ($225,000) for the 2000-2001 fiscal year to support the International Baccalaureate Program.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1058

Short Title: Teacher Nat'l Certification Fee Funds. (Public)

Sponsors: Representatives Jeffus; Wainwright, Mosley, and Adams.

Referred to: Appropriations.

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE PAYMENT OF THE PARTICIPATION FEE FOR TEACHERS WHO PARTICIPATE A SECOND TIME IN THE NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS (NBPTS) CERTIFICATION PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. Funds appropriated to the Department of Public Instruction to pay for the National Board for Professional Teaching Standards (NBPTS) participation fee and for leave for teachers participating in the NBPTS program shall not revert at the end of the fiscal year. These funds shall remain available for the next fiscal year to pay the applicable NBPTS participation fee for teachers who wish to participate in all or part of the certification program more than one time.

Section 2. This act becomes effective June 30, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 502

Short Title: Ocracoke School/Add'l Teachers. (Public)

Sponsors: Representative Edwards.

Referred to: Appropriations.

March 18, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO PROVIDE ADDITIONAL TEACHERS FOR OCRACOKE SCHOOL.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of two hundred six thousand two hundred fifteen dollars ($206,215) for the 1999-2000 fiscal year and the sum of two hundred six thousand two hundred fifteen dollars ($206,215) for the 2000-2001 fiscal year to allot five additional teachers for Ocracoke School.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 479

Short Title: Tobacco Funds for Alternatives Research. (Public)

Sponsors: Representatives Michaux, Fitch, Blue, Adams (Primary Sponsors), McAllister, Hunter; Arnold, Baker, Barbee, Barefoot, Bowie, Boyd-McIntyre, Brown, Brubaker, Buchanan, Cansler, Capps, Clary, Cole, Creech, Culp, Cunningham, Daughtry, Davis, Dedmon, Dockham, Easterling, Eddins, Ellis, Esposito, Gardner, Gibson, Gillespie, Goodwin, Gray, Gulley, Hensley, Hiatt, Holmes, Howard, Justus, Kiser, McComas, McCombs, McCrary, McMahan, Miner, Mitchell, Morris, Mosley, Neely, Nesbitt, Oldham, Redwine, Russell, Saunders, Setzer, Sexton, Teague, Thompson, Tolson, Wainwright, Walend, C. Wilson, G. Wilson, Womble, and Wright.

Referred to: Appropriations.

March 18, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE TOBACCO SETTLEMENT FUNDS FOR UNIVERSITY-BASED RESEARCH ON ALTERNATIVES TO TOBACCO FOR FARMERS.

The General Assembly of North Carolina enacts:

Section 1. From the funds received from the Master Settlement Agreement in the tobacco litigation, there is appropriated from the General Fund to The University of North Carolina the sum of ten million dollars ($10,000,000) for the 1999-2000 fiscal year for research on alternatives to tobacco for farmers. The money shall be allocated five million dollars ($5,000,000) to North Carolina Agricultural and Technical State University and five million dollars ($5,000,000) to North Carolina State University.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 960

Short Title: UNC Equity Funding. (Public)

Sponsors: Representatives Michaux, Fitch, McAllister, Hunter (Primary Sponsors); Alexander, Barbee, Blue, Bonner, Bowie, Cole, Cunningham, Davis, Dedmon, Goodwin, Grady, Haire, Hardaway, Hensley, Luebke, McCrary, Miller, Moore, Nesbitt, Oldham, Sutton, Tolson, Wainwright, Warner, and Womble.

Referred to: Appropriations.

April 8, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA TO PROVIDE EQUITY FUNDING FOR NORTH CAROLINA'S PUBLIC HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of twenty-one million dollars ($21,000,000) for the 1999-2000 fiscal year and the sum of twenty-one million dollars ($21,000,000) for the 2000-2001 fiscal year as equity funding to be divided equally among North Carolina's public historically black colleges and universities and the University of North Carolina at Pembroke. The funds shall be used to assist with operating expenses of those institutions.

Section 2. This act becomes effective July 1, 1999.

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education April 21, 1999 2:30 pm

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Maurice Ely	OSBM
Elizabeth Grossenstein	OSBM
David Brown	OSBM
Janet Pittard	OSBM
Thad Daisy	NCAE
Ann Williams	SBE
Joanne Winner	NCSBA
Karen Gunn	Governor's Office
Lungie Williams	NCCCS
[illegible]	NCAICU
Ashley Westbrook	Governor's Office
Kevin Howell	Governor's office
Bill Wilson	NCAE

House Appropriations Subcommittee on Education
April 22, 1999 – 8:30 a.m.
Presiding – Rep. Oldham

Call to Order Chair

BILLS TO BE DISCUSSED AT THE Thursday, April 22, 1999 – 8:30 a.m. Meeting

Rep Nye's Bills
HB 101 TEACCH PROGRAM
HB 374 CHRISTMAS TREE INDUSTRY FUNDS

Rep. Warren's Bill
HB 148 NC GEOGRAPHIC ALLIANCE FUNDS

Rep. Brown's Bill
HB 6 SCHOOL UTILITY COSTS/FUNDS

Rep. Moore's Bill
HB 974 ACCELERATED SCHOOLS PROGRAM FUND

Rep. Tolson's Bill
HB 308 CC OPERATING FUNDS

Rep Crawford's Bill
HB 250 MODEL TEACHER CONSORTIUM FUNDS

Rep. Rayfield's Bill
HB 396 COMMUNITY COLLEGES MAINTENANCE OPERATING FUNDS

Rep. Grady's Bill
HB 741 LOW-WEALTH SCHOOL SUPPLEMENTAL FUNDS

Rep. Redwine's Bill
HB 864 TEACHER ACADEMY FUNDS

Rep. Brubaker's Bill
HB 475 STAY SMART PROGRAM FUNDS

Rep. Morris's Bill
HB 657 SPECIAL EDUCATION FUNDS

Rep. Adams's Bill
HB 225 NC A & T STATE AGRICULTURAL RESEARCH & EXT. PROGRAM

MINUTES
HOUSE APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION

April 22, 1999
8:30 AM

The House Appropriations Subcommittee on Education met on Thursday, April 22, 1999, at 8:30 am in Room 421 of the Legislative Office Building.

The following members were present: Chairpersons Gene Rogers, Warren Oldham; Representatives Bonner, Gardner, Gillespie, Insko, Michaux, Moore, Smith, Teague, Warner, Yongue; Fiscal Staff, Jim Newlin and Charlotte Todd.

Chairman Oldham called the meeting to order and recognized the Pages and Sgt. At Arms staff. The Committee also recognized members of the North Carolina Education Policy Fellowship Program. This is a year-long seminar program in leadership and policy development.

The following House Bills were presented (in the order listed) to the Committee and are attached as a part of these minutes. See **Attachment 1** for more details on these bills.

HB 250	Model Teacher Consortium Funds (Rep. Crawford, Sponsor)
HB 148	NC Geographic Alliance Funds (Rep. Warren, Sponsor)
HB 101	TEACCH Funds (Rep. Nye, Sponsor)
HB 374	Christmas Tree Industry Funds (Rep. Nye, Sponsor)
HB 974	Accelerated Schools Program Funds (Rep. Moore, Sponsor)
HB 308	Community College Operating Funds (Rep. Tolson, Sponsor)
HB 657	Special Education Funds (Rep. Morris, Sponsor)

On behalf of the School of Science and Math, Ms. Nellie Riley asked the Committee to give favorable consideration to the school's request for $291,000 in additional funding.

With no other sponsors present to present their bills to the Committee, Chairman Oldham adjourned the meeting at 9:10 am.

A Visitor Registration Sheet is attached and also made a part of these minutes.

Respectfully submitted,

Delta F. Prince

Warren C. Oldham, Chair

Delta F. Prince, Committee Assistant

ATTACHMENT 1

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 250

Short Title: Model Teacher Consortium Funds. (Public)

Sponsors: Representatives Crawford; Hunter and Wainwright.

Referred to: Appropriations.

March 4, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE OPERATION OF THE MODEL TEACHER EDUCATION CONSORTIUM.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of one million five hundred thousand dollars ($1,500,000) for the 1999-2000 fiscal year for the operation of the Model Teacher Education Consortium.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 148

Short Title: NC Geographic Alliance Funds. (Public)

Sponsors: Representatives Warren, McLawhorn, Tolson, Rogers, and Edwards.

Referred to: Appropriations.

February 25, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO SUPPORT THE NORTH CAROLINA GEOGRAPHIC ALLIANCE.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Public Instruction the sum of one hundred thousand dollars ($100,000) for the 1999-2000 fiscal year to support the North Carolina Geographic Alliance to continue the Alliance's geography training programs for North Carolina's teachers. These funds shall be matched on the basis of one dollar ($1.00) of non-State funds for every two dollars ($2.00) of State funds.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

HOUSE BILL 101

Short Title: TEACCH Funds. (Public)

Sponsors: Representatives Nye; and Wainwright.

Referred to: Appropriations.

February 17, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO ENABLE THE TEACCH PROGRAM TO PROVIDE SERVICES TO CHILDREN AND ADULTS WITH AUTISM AND OTHER COMMUNICATION HANDICAPS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of one million fifty-one thousand six hundred ninety-nine dollars ($1,051,699) for the 1999-2000 fiscal year to be used by Division TEACCH Administration and Research at the University of North Carolina at Chapel Hill to enable the TEACCH program to meet the rapidly expanding needs of people with autism in North Carolina. These funds shall be allocated as follows:

(1) $434,693 for the Gastonia TEACCH Center.

(2) $236,344 for the Raleigh Satellite TEACCH Center.

(3) $199,472 for the Carolina Living and Learning Center Vocational Expansion.

(4) $181,190 for TEACCH administration and research.

Notwithstanding any other provision of law, these funds shall not be used by the University of North Carolina at Chapel Hill for administrative costs.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 374

Short Title: Christmas Tree Industry Funds. (Public)

Sponsors: Representatives Nye; and Thompson.

Referred to: Appropriations.

March 9, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO ENHANCE THE CHRISTMAS TREE INDUSTRY IN NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of one hundred thousand dollars ($100,000) for the 1999-2000 fiscal year and the sum of one hundred thousand dollars ($100,000) for the 2000-2001 fiscal year to be used by North Carolina State University to enhance the Christmas tree industry in North Carolina. These funds shall be allocated as follows:

(1) $32,000 to provide a Forest Research Technician in the College of Forest Resources.

(2) $20,000 to provide a Graduate Research Assistantship in the College of Forest Resources.

(3) $20,000 to provide a Graduate Research Assistantship in the College of Agriculture and Life Sciences.

(4) $28,000 for operating costs relating to enhancing the Christmas tree industry in North Carolina.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 974

Short Title: Accelerated Schools Program Funds. (Public)

Sponsors: Representatives Moore; Jeffus and Barefoot.

Referred to: Appropriations.

April 12, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE ACCELERATED SCHOOLS PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of one hundred fifty thousand dollars ($150,000) for the 1999-2000 fiscal year and the sum of one hundred fifty thousand dollars ($150,000) for the 2000-2001 fiscal year to strengthen and expand the Accelerated Schools Program in North Carolina public schools. Of these funds:

(1) The sum of $60,000 for each fiscal year shall be used by the Department of Public Instruction to provide support to schools implementing the Program, and

(2) The sum of $90,000 for each fiscal year shall be used to provide coaches for accelerated schools and for professional development for teachers on designing and implementing instructional strategies to (i) enhance students' content knowledge in reading, writing, and mathematics, (ii) build students' skills in imaginative and critical thinking and complex reasoning, and (iii) enhance students' ability to understand connections and relevance between school activities and their lives outside of the classroom. Professional development activities shall be based on strategies traditionally reserved for academically gifted students and on strategies for improving the academic performance of all students.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 308

Short Title: Add'l Funds for Comm. College Costs. (Public)

Sponsors: Representatives Tolson; Goodwin, Hurley, Jeffus, McLawhorn, Morris, Russell, Thompson, and Wainwright.

Referred to: Appropriations.

March 4, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE FUNDS FOR COMMUNITY COLLEGE OPERATING COSTS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Community Colleges the sum of nine million nine hundred six thousand nine hundred ninety-five dollars ($9,906,995) for the 1999-2000 fiscal year and the sum of nine million nine hundred six thousand nine hundred ninety-five dollars ($9,906,995) for the 2000-2001 fiscal year to increase the formula amount for the "other costs" component in the community college funding formula for:

(1) Curriculum courses from one hundred five dollars ($105.00) per FTE to one hundred eighty dollars ($180.00); and

(2) Continuing education courses from fifty-six dollars ($56.00) per FTE to one hundred eighty dollars ($180.00).

The other costs component in the formula covers supplies, postage, repairs to equipment, software, service contracts, telecommunications, advertising, magazine and newspaper subscriptions, printer, rental of equipment, and accreditation expenses.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 657

Short Title: Special Education Funds. (Public)

Sponsors: Representative Morris.

Referred to: Appropriations.

March 29, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR CHILDREN WITH SPECIAL NEEDS WHO RESIDE IN GROUP OR THERAPEUTIC HOMES.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Aid to Local School Administrative Units the sum of three million five hundred ninety-five thousand two hundred seventy-five dollars ($3,595,275) for the 1999-2000 fiscal year and the sum of three million five hundred ninety-five thousand two hundred seventy-five dollars ($3,595,275) for the 2000-2001 fiscal year for a reserve for disabled children in group or therapeutic homes. These funds shall be used to reimburse the local school administrative unit in which the group or therapeutic home is located for the special education of children whose parents reside outside of that local school administrative unit.

Section 2. This act becomes effective July 1, 1999.

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education 4-22-99 8:30am

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Dee Atkinson	SBE
Barbara Harris	OSBM
Maurice Ray	OSBM
Deborah Westbrook	EPFP / DPI
John D. Dennis	EPFP / Wake County Public Schools
Elizabeth Greenstein	OSBM
[illegible]	EPFP / DPI
[illegible]	Public School Forum (EPFP)
John Poteat	Public School forum (EPFP)
Jean P. Murphy	NC Model Teacher Ed. Committee
David Brown	OSBM
Gary Ownes	OSPL
Ed [illegible]	Legislature
Laura Tuttle	EPFP / Women Wilson College
Thad Davis	NCAE
Jan Pratt	NCASA
Mary Rose	EPFP/DPI
Gene Causby	NC CESA
Nellie Riley	OSP
[illegible]	[illegible]

HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION
April 27, 1999 – 8:30 a.m.
Presiding – Rep. Boyd-McIntyre

Call to Order — Chair

BILLS TO BE DISCUSSED

Speaker Black's Bill

HB 2 — **EXCELLENT SCHOOL ACT**

Rep. Brown's Bill

HB 6 — **SCHOOL UTILITY COSTS/FUNDS**

Rep. Adams's Bill

HB 225 — **NC A & T STATE AGRICULTURAL RESEARCH & EXT. PROGRAM**

Rep. Rayfield's Bill

HB 396 — **COMMUNITY COLLEGES MAINTENANCE OPERATING FUNDS**

Rep. Nesbitt's Bills

HB 464 — **NC ARBORETUM FUNDS**
HB 989 — **IMPROVE OPERATION OF SCHOOL TRANSPORTATION SYSTEMS**

Rep. Brubaker's Bills

HB 475 — **STAY SMART PROGRAM FUNDS**

Rep. Baddour's Bills

HB 561 — **SCHOOL BASED MANAGEMENT NETWORK FUNDS**
HB 1215 — **NORTH CAROLINA LEADERSHIP PROGRAM FUNDS**

Rep. Grady's Bills

HB 741 — **LOW-WEALTH SCHOOL SUPPLEMENTAL FUNDS**

Rep. Redwine's Bill

HB 864 — **TEACHER ACADEMY FUNDS**

Attachment 1

MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE
ON EDUCATION

April 27, 1999

8:30 A.M.
Room 421, Legislative Office Building

The House Appropriations Subcommittee on Education met on April 27, 1999, at 8:30 a.m. in Room 421 of the Legislative Office Building. Members in attendance were Representatives Rogers, Boyd-McIntyre, Oldham, Michaux, Bonner, Gardner, Holmes, Insko, Moore, Preston, Smith, Teague and Yongue.

Chair Boyd- presided and called the meeting to order at 8:30 a.m. and proceeded to introduce the pages for the session. The pages were Casey Fraser of Guilford County and Benny Davenport of Clayton. She welcomed all others and outlined the agenda. (Attachment 1)

The following representatives were called to present the specified bills: (Attachment 2)

Speaker Black

HB 2 Excellent School Act, sponsored by Speaker Jim Black, was skipped because the Speaker could not be present.

Rep. Brown

HB6 School Utility Costs/Funds
The bill was sponsored by Representative Brown and was presented by Brown.

Boyd-McIntyre explained that the bills would not be voted on. The committee wants to understand the bills, so that when the committee sits down to deliberate, they will have the information they need.

Rep. Adams

HB 225 North Carolina A&T State University Agricultural Research and Extension Program

Before presenting HB 225, Rep. Adams introduced Dr. Godfrey, Dean of Agriculture at A&T State University, whom she said could be called upon to answer any questions.

Rep. Rayfield

HB 396 Community Colleges Maintenance Operating Funds
The Chair announced that the bill was being deleted at the request of the sponsor.

Representative Moore presented HB2 Excellent School Act for Speaker Black, the bill sponsor.

Rep. Nesbitt

HB 464 NC Arboretun Funds
HB 989 Improve Operation of School Transportation Systems
In the absence of Rep. Nesbitt the bills were called but skipped.

Rep. Brubaker

HB 475 Stay Smart Program Funds
The bill was called but skipped in the absence of Brubaker.

Rep. Baddour

HB 1215 North Carolina Leadership Programs Funds
Representative Baddour presented the bill with Representative Bowie.

HB 561 School Based Management Network Funds
Mary Yates, Brunswick teacher, was recognized to make remarks on the program.

Rep. Grady

HB 741 Low-Wealth School Supplemental Funds
In the absence of Rep. Grady, Rep. Preston presented the bill.

Rep. Redwine

HB 864 Teacher Academy Funds
In the absence of Rep. Redwine, the bill was skipped.

Dr. Barry Russell was recognized to present HB 475 for Rep. Brubaker, bill sponsor.

Chair called the committee to be at ease while time was allowed for Rep. Rogers to locate Rep. Redwine to present his bill.

The meeting was adjourned when Rep. Redwine could not be reached.

Rep. Flossie Boyd-McIntyre
Co-Chair Presiding

Delores M. Steele
Committee Assistant

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

HOUSE BILL 2*

Short Title: Excellent Schools Act Funds. (Public)

Sponsors: Representatives Black; Alexander, Allen, Allred, Baddour, Barefoot, Bonner, Bridgeman, Cansler, Church, Cole, Cox, Crawford, Cunningham, Dedmon, Earle, Easterling, Edwards, Fox, Gibson, Goodwin, Hackney, Haire, Hardaway, Hensley, Hill, Horn, Hunter, Hurley, Insko, Jarrell, Jeffus, Luebke, McCrary, McLawhorn, Melton, Michaux, Miller, Moore, Morris, Mosley, Nesbitt, Nye, Oldham, Owens, Ramsey, Rayfield, Redwine, Rogers, Russell, Saunders, Sherrill, Smith, Sutton, Thomas, Tolson, Tucker, Wainwright, Walend, Warner, Warren, Warwick, Wright, and Yongue.

Referred to: Appropriations.

January 28, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO IMPLEMENT THE EXCELLENT SCHOOLS ACT.

Whereas, North Carolina has always recognized the importance of public education to the civic and economic well-being of the State; and

Whereas, as early as 1776, the North Carolina Constitution directed the General Assembly to establish public schools; and

Whereas, today, the North Carolina Constitution guarantees every child in this State an opportunity to receive a sound basic education in our public schools; and

Whereas, the General Assembly of North Carolina recognizes that it is imperative that the public school system provide our students with the skills and knowledge they need to be successful as citizens and in the workplace; and

Whereas, in recent years, North Carolina has made significant strides in improving public education; and

Whereas, recent initiatives in North Carolina including the Excellent Schools Act, the ABC's of Public Education Program, the Safe Schools Initiatives,

Attachment 2

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

HOUSE BILL 6

Short Title: School Utility Costs Paid by State. (Public)

Sponsors: Representatives Brown, G. Wilson; Ramsey, Cansler, Church, Rayfield, Walend, Buchanan, and Morris.

Referred to: Appropriations.

January 28, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR SCHOOL UTILITY COSTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-408(b) reads as rewritten:

"(b) To insure a quality education for every child in North Carolina, and to assure that the necessary resources are provided, it is the policy of the State of North Carolina to provide from State revenue sources the instructional expenses <u>and utility expenses</u> for current operations of the public school system as defined in the standard course of study.

It is the policy of the State of North Carolina that the facilities requirements for a public education system will be met by county governments.

It is the intent of the 1983 General Assembly to further clarify and delineate the specific financial responsibilities for the public schools to be borne by State and local governments."

Section 2. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of one hundred fifty-eight million four hundred seventy-five thousand three hundred fifty-one dollars ($158,475,351) for the 1999-2000 fiscal year and the sum of one hundred fifty-eight million four hundred seventy-five thousand three hundred fifty-one dollars ($158,475,351) for the 2000-2001 fiscal year for school utility costs.

Section 3. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 225

Short Title: NC A & T Agricultural Research Funds. (Public)

Sponsors: Representatives Adams; McAllister, Jeffus, Wainwright, Mitchell, and Jarrell.

Referred to: Appropriations.

March 3, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR AGRICULTURAL RESEARCH AND EXTENSION PROGRAMS AT NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY.

Whereas, currently, North Carolina Agricultural and Technical State University receives federal funding in the amount of $2.6 million for its Agricultural Research Program and $2.5 million for its Cooperative Extension Program; and

Whereas, in order to provide equitable funding, it is the intent of the General Assembly to increase the State's level of funding for these programs to eventually match the federal level of funding; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of one million dollars ($1,000,000) for the 1999-2000 fiscal year and the sum of one million dollars ($1,000,000) for the 2000-2001 fiscal year as matching funds for agricultural research and extension programs at North Carolina Agricultural and Technical State University. These funds are in addition to any State funds appropriated for these programs and shall be allocated as follows:

(1) $500,000 for the 1999-2000 fiscal year and $500,000 for the 2000-2001 fiscal year to match federal funds for the Agricultural Research Program.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 396

Short Title: Comm. College Operating Funds. (Public)

Sponsors: Representatives Rayfield; Arnold, Barbee, Barefoot, Bridgeman, Cansler, Clary, Dedmon, Dockham, Gulley, Hill, Hurley, Kiser, Moore, Morris, Sexton, Smith, Walend, and C. Wilson.

Referred to: Appropriations.

March 11, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR MAINTENANCE OF PLANT AT COMMUNITY COLLEGES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115D-31(a) reads as rewritten:

"(a) The State Board of Community Colleges shall be responsible for providing, from sources available to the State Board, funds to meet the financial needs of institutions, as determined by policies and regulations of the State Board, for the following budget items:

(1) Plant Fund. -- Furniture and equipment for administrative and instructional purposes, library books, and other items of capital outlay approved by the State Board. Provided, the State Board may, on an equal matching-fund basis from appropriations made by the State for the purpose, grant funds to individual institutions for the purchase of land, construction and remodeling of institutional buildings determined by the State Board to be necessary for the instructional programs or administration of such institutions. For the purpose of determining amount of matching State funds, local funds shall include expenditures made prior to the enactment of this Chapter or prior to an institution becoming a community college pursuant to the provisions of this Chapter, when such expenditures were made for the purchase of land,

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 464*

Short Title: N.C. Arboretum Funds. (Public)

Sponsors: Representatives Nesbitt; Cansler, Sherrill, and Walend.

Referred to: Appropriations.

March 16, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA FOR EXPANDED OPERATIONS AT THE NORTH CAROLINA ARBORETUM.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of five hundred thousand dollars ($500,000) for the 1999-2000 fiscal year and the sum of five hundred thousand dollars ($500,000) for the 2000-2001 fiscal year for expanded operations of the North Carolina Arboretum.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 475

Short Title: Stay Smart Program Funds. (Public)

Sponsors: Representatives Brubaker; Arnold, Baker, Brown, Capps, Clary, Culp, Dockham, Esposito, Gardner, Gillespie, Gulley, Hiatt, Holmes, Kiser, McMahan, Mitchell, Moore, Morgan, Morris, Preston, Rayfield, Sexton, Tallent, and G. Wilson.

Referred to: Appropriations.

March 17, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF COMMUNITY COLLEGES FOR THE STAY SMART PROGRAM.

Whereas, it is well-documented in numerous independent consultant reports and evaluations authorized by the General Assembly that the North Carolina Community College System is underfunded in three principal areas -- instruction, support, and other costs; and

Whereas, this underfunding, which is noted in the State Board of Community Colleges' 1999-2001 Expansion Budget Request, restricts the ability of the North Carolina Community College System to be responsive to the constituencies it was created to serve; and

Whereas, these constituencies include students, business, industry, and the communities in which they are located; and

Whereas, this underfunding further prohibits the North Carolina Community College System from fulfilling its statutory mission to offer (i) vocational and technical education and training, and (ii) basic, high school level, academic education needed in order to profit from vocational and technical education; and

Whereas, sufficient funding must be provided if the General Assembly expects the Community College System to meet the economic development needs of the State of North Carolina, including continuing education, service to small business

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 989

Short Title: School Bus Operating Funds. (Public)

Sponsors: Representatives Nesbitt; Cansler, Wainwright, Barefoot, Mosley, Sherrill, Smith, and Warner.

Referred to: Appropriations.

April 13, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE ADDITIONAL FUNDS TO IMPROVE THE OPERATION OF SCHOOL TRANSPORTATION SYSTEMS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of twenty million dollars ($20,000,000) for the 1999-2000 fiscal year and the sum of twenty million dollars ($20,000,000) for the 2000-2001 fiscal year for school transportation operating expenses. Local school administrative units shall use the funds to improve the operations of their school transportation systems and to eliminate double routing.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

HOUSE BILL 1215*

Short Title: Leadership North Carolina Funds. (Public)

Sponsors: Representatives Baddour; Bowie (Primary Sponsors), Wainwright and Jeffus.

Referred to: Appropriations.

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE LEADERSHIP NORTH CAROLINA PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of seventy-five thousand dollars ($75,000) for the 1999-2000 fiscal year and the sum of seventy-five thousand dollars ($75,000) for the 2000-2001 fiscal year to support the Leadership North Carolina Program. The purpose of the program is to develop future leaders for the State by providing participants with a broad understanding of our States's opportunities, issues, and options, and by strengthening their leadership capabilities.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 561*

Short Title: Sch. Based Management Network Funds. (Public)

Sponsors: Representatives Baddour; Alexander, Owens, Redwine, and Wainwright.

Referred to: Appropriations.

March 23, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO FACILITATE SCHOOL-BASED MANAGEMENT IN THE PUBLIC SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of two hundred fifty thousand dollars ($250,000) for the 1999-2000 fiscal year and the sum of three hundred thousand dollars ($300,000) for the 2000-2001 fiscal year to continue and expand the work of the North Carolina Network. The North Carolina Network is a collaborative of school units, a university partner, and the Southeastern Region Vision for Education (SERVE), that provides training for school-based improvement teams and develops the capacity of local school administrative units to facilitate school-based management.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 741

Short Title: Low-Wealth School Supp. Funds. (Public)

Sponsors: Representatives Grady; Preston (Primary Sponsors), Rayfield, Smith, Wainwright, Crawford, Gardner, Gillespie, and Morris.

Referred to: Appropriations.

March 30, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR LOW-WEALTH SCHOOL SYSTEMS' SUPPLEMENTAL FUNDING.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of forty-four million two hundred thousand dollars ($44,200,000) for the 1999-2000 fiscal year and the sum of forty-four million two hundred thousand dollars ($44,200,000) for the 2000-2001 fiscal year for low-wealth school systems' supplemental funding.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 864*

Short Title: Teacher Academy Funds. (Public)

Sponsors: Representatives Redwine; Nesbitt, Cansler, and Smith.

Referred to: Appropriations.

April 1, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA FOR THE TEACHER ACADEMY.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of five hundred thousand dollars ($500,000) for the 1999-2000 fiscal year and the sum of five hundred thousand dollars ($500,000) for the 2000-2001 fiscal year to expand the Teacher Academy Program and to strengthen the component of the program on teaching students to read.

Section 2. This act becomes effective July 1, 1999.

VISITOR REGISTRATION SHEET

House Appropriations Sub on Ed. 4/27/99

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
David Brown	OSBM
[illegible]	Public School Forum
Susanne Williams	NCCCS
Bill Wilson	NCAE
Thad Davis	"
Jan Crotts	NCASA
Karen Gray	Gov's Office
Lou Dorney	OSPL
Ann Bellamy	SBE
Gene Causby	NCSFSA
Janet Pittman	OSBM
Barry Russell	NCCCS
Sheryl Morgan	NCCCS
Maurice Ivy	OSBM
Elizabeth Mountain	OSBM
[illegible]	NC Park Council
[illegible]	[illegible]
Matty Lazo-Chadderton	NC Justice & Com. Dev. Center
Daniel Godfrey	N.C. A&T St. U.
Yvonne Perry	NC. Justice
Catherine Davis	ElectriCities
[illegible]	EGHS
Myra Best	
Mary Yates	Brunswick Co. Schools
Sam Brothers	UNC-GA / NCSU Ag Program
Dwight Spencer	Tarheel Political Consultant
[illegible]	EGHS
Hal Miller	NCACCT

VISITOR REGISTRATION SHEET

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

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

House Appropriations Subcommittee on Education
May 11, 1999 – 8:30 a.m.
Presiding – Rep. Rogers

Call to Order — Chair

BILLS TO BE DISCUSSED AT THE TUESDAY, MAY 11, 1999 – 8:30 a.m. MEETING

Rep. Saunders Bill
HB 1081 Info. Tech. Ctr. Funds

Rep. Michaux's Bill
HB 1148 School Promotion Standards Postponed

Rep. McLawhorn's Bill
HB 1306 ECU Partner For Human service Funds

Rep. Nye's Bill
HB 1323 UNC Inst. Of Med. Funds

Rep. Boyd-McIntyre's Bills
HB 1337 Special Needs Funds
HB 1338 Teacher Cadet Program Funds

Rep. Dockham's Bill
HB 1354 Wake Forest Med. Stipend Funds

Rep. Russell's Bill
HB 1356 DPI Construction Assistance Funds

Rep. Allred's Bill
HB 1359 Seat Belts On Activity Buses

Rep. Justice's Bill
HB 1362 School Metal Detector Funds

Rep. Cole's Bill
HB 1367 Chinqua-penn Funds

Rep. Yongue's Bill
HB 1416 Child Nutrition Personnel Bonus Funds

Rep. Blue's Bill
HB 1430 NCCU Hosp./Tourism Funds

MINUTES
HOUSE APPROPRIATIONS/Subcommittee on Education

May 11, 1999
8:30 a.m.

The House Appropriations/Subcommittee on Education met Tuesday, May 11, 1999 at 8:30 a.m. in Room 421 of the Legislative Office Building with Rep. Gene Rogers, Chair presiding. House members present were Rep. Rogers, Chair, Rep. Oldham, Chair, Representatives Bonner, Insko, Michaux, Smith, Teague and Yongue. Fiscal Staff attending were Jim Johnson, Jim Newlin and Charlotte Todd. There were twelve visitors.

Rep. Rogers, Chair called the meeting to order and announced that the committee would be hearing all the bills that had been sent to them and then rank them as to importance. He then recognized the pages for the meeting, Laura Douglas, Watauga County, sponsored by Rep. Gene Wilson and Melissa Clements, Granville County, sponsored by Rep. Jim Crawford.

Rep. Rogers, Chair introduced the following Representatives to explain their bills:

Rep. McLawhorn, HB 1306, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS FOR THE SUPPORT OF THE PARTNERSHIP FOR HUMAN SERVICES AT EAST CAROLINA UNIVERSITY

Rep. Dockham , HB 1354, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO INCREASE FINANCIAL ASSISTANCE TO WAKE FOREST UNIVERSITY MEDICAL SCHOOL.

Rep. Nye, HB 1323, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS FOR THE INSTITUTE OF MEDICINE AT THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL.

Rep. Cole, HB 1367, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS FOR REPAIRS AND RENOVATIONS AT CHINQUA-PENN PLANTATION.

Rep. Justice, HB 1362, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS FOR METAL DETECTORS FOR THE PUBLIC SCHOOLS.

Rep. Yongue, HB 1416, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO PAY A BONUS TO CHILD NUTRITION PERSONNEL IN THE PUBLIC SCHOOLS.

Rep. Michaux, HB 1148, A BILL TO BE ENTITLED AN ACT TO POSTPONE THE EFFECTIVE DATE ON THE STATEWIDE STUDENT PROMOTION STANDARDS ADOPTED BY THE STATE BOARD OF EDUCATION.

Rep. Rogers, HB 1291, A BILL TO BE ENTITLED AN ACT TO PROVIDE START-UP FUNDS TO ESTABLISH THE NORTH CAROLINA VOCATIONAL EDUCATION STUDENT LEADERSHIP FOUNDATION.

MINUTES
May 11, 1999, 8:30 a.m.

Rep. Yongue was recognized to present Rep. Allred's bill, HB 1359, A BILL TO BE ENTITLED AN ACT TO REQUIRE THE INSTALLATION OF SEAT BELTS ON SCHOOL BUSES TRANSPORTING CHILDREN AT SPEEDS OF MORE THAN THIRTY-FIVE MILES PER HOUR AND TO REQUIRE THE STATE BOARD OF EDUCATION TO PAY THE ADDITIONAL COSTS FOR SEAT BELTS ON ALL NEW SCHOOL BUSES THAT WILL BE USED IN THIS MANNER.

Rep. Michaux was recognized to present Rep. Blue's bill, HB 1430, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS FOR THE HOSPITALITY AND TOURISM PROGRAM AT NORTH CAROLINA CENTRAL UNIVERSITY.

Rep. Rogers, Chair asked for a ten minute recess to see if other presenters on the agenda would show up. After the recess Rep. Rogers, Chair recalled the meeting to order.

Rep. Saunders was recognized to present HB 1081, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS FOR THE CONSTRUCTION OF THE INFORMATION TECHNOLOGY TRAINING CENTER FOR THE CHARLOTTE REGION AT CENTRAL PIEDMONT COMMUNITY COLLEGE.

Rep. Rogers, HB 593, A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO INCREASE THE SALARIES OF SCHOOL CENTRAL OFFICE PERSONNEL. Rep. Rogers called on Staff Member Jim Johnson to help him explain the bill.

Questions from members were addressed after the bills were presented.

Rep. Rogers recognized Rep. Teague for the Alamance Agriculture Building being named in his honor by the Alamance County Commissioners. He received a round of applause.

There being no further business, the Chair adjourned the meeting at 9:30 a.m.

Respectfully submitted,

Gene Rogers

Representative Gene Rogers
Chair

Sally Gillis

Sally Gillis
Committee Assistant

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1306

Short Title: ECU Partner. for Human Services/Funds. (Public)

Sponsors: Representatives McLawhorn, Rogers, Tolson, and Warren.

Referred to: Appropriations.

April 21, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE SUPPORT OF THE PARTNERSHIP FOR HUMAN SERVICES AT EAST CAROLINA UNIVERSITY.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of one hundred fifty thousand dollars ($150,000) for the 1999-2000 fiscal year for the support of the Partnership for Human Services at the School of Social Work and Criminal Justice Studies at East Carolina University.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1354

Short Title: Funds/Increase Stipend for Wake Med. (Public)

Sponsors: Representatives Dockham; Esposito (Primary Sponsors), Adams, Barbee, Bowie, Brubaker, Culp, Culpepper, Daughtry, Grady, Holmes, McMahan, Mitchell, Moore, Morris, Preston, Rogers, Sexton, Smith, and C. Wilson.

Referred to: Appropriations.

April 28, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE FINANCIAL ASSISTANCE TO WAKE FOREST UNIVERSITY MEDICAL SCHOOL.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of nine hundred thousand dollars ($900,000) for the 1999-2000 fiscal year and the sum of one million eight hundred thousand dollars ($1,800,000) for the 2000-2001 fiscal year as follows:

(1) To increase the financial assistance for the 1999-2000 fiscal year to Wake Forest University Medical School from $8,000 to $12,000 per North Carolina student enrolled annually; and

(2) To increase the financial assistance for the 2000-2001 fiscal year to Wake Forest University Medical School from $12,000 to $16,000 per North Carolina student enrolled annually.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1323

Short Title: UNC Inst. of Med. Funds. (Public)

Sponsors: Representative Nye.

Referred to: Appropriations.

April 23, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE INSTITUTE OF MEDICINE AT THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of two hundred thousand dollars ($200,000) for the 1999-2000 fiscal year for the Institute of Medicine at the University of North Carolina at Chapel Hill.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1367

Short Title: Chinqua-Penn Funds. (Public)

Sponsors: Representative Cole.

Referred to: Appropriations.

April 29, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR REPAIRS AND RENOVATIONS AT CHINQUA-PENN PLANTATION.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of four hundred twenty-five thousand dollars ($425,000) for the 1999-2000 fiscal year for repairs and renovations at the Chinqua-Penn Plantation.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1362

Short Title: School Metal Detector Funds. (Public)

Sponsors: Representatives Justus; Adams, Allen, Allred, Arnold, Baddour, Baker, Barbee, Barefoot, Berry, Blue, Bonner, Bowie, Braswell, Bridgeman, Brubaker, Buchanan, Cansler, Capps, Church, Clary, Cole, Cox, Creech, Culp, Culpepper, Cunningham, Daughtry, Davis, Decker, Dedmon, Dockham, Earle, Eddins, Edwards, Esposito, Fitch, Fox, Gardner, Gibson, Gillespie, Goodwin, Grady, Gray, Gulley, Hardaway, Hensley, Hiatt, Hill, Holmes, Horn, Howard, Hunter, Hurley, Jarrell, Jeffus, Kiser, Luebke, McAllister, McCrary, McLawhorn, McMahan, Melton, Michaux, Miller, Mitchell, Moore, Morris, Mosley, Nesbitt, Nye, Oldham, Owens, Preston, Ramsey, Rayfield, Russell, Saunders, Setzer, Sexton, Sherrill, Smith, Sutton, Tallent, Teague, Thomas, Thompson, Wainwright, Walend, Warner, Warren, Warwick, C. Wilson, G. Wilson, Womble, Wright, and Yongue.

Referred to: Appropriations.

April 29, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR METAL DETECTORS FOR THE PUBLIC SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1.(a) There is appropriated from the General Fund to the Department of Public Instruction the sum of three hundred fifty thousand dollars ($350,000) for the 1999-2000 fiscal year to provide metal detectors for the public schools. Each local board of education may apply for either a portable walk-through model for the local school administrative unit or a hand-held model for each school in the local school administrative unit.

Section 1.(b) In allocating these funds, the Superintendent of Public Instruction shall give highest priority to providing:

(1) A portable walk-through model to each local school administrative unit requesting one that does not have one, and

(2) A hand-held model for each school for which one is requested and that does not have one.

Section 1.(c) The Superintendent of Public Instruction shall allocate any remaining funds on a pro rata basis to provide:

(1) A portable walk-through model to each local school administrative unit requesting one that already has one, and

(2) A hand-held model for each school for which one is requested and that already has one.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1416

Short Title: Child Nutrition Personnel Bonus Funds. (Public)

Sponsors: Representatives Yongue; Preston, Sherrill, Warner (Primary Sponsors), Barefoot, Bonner, Braswell, Bridgeman, Cox, Gibson, Melton, Moore, Rogers, Smith, Teague, and Warren.

Referred to: Appropriations.

April 29, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO PAY A BONUS TO CHILD NUTRITION PERSONNEL IN THE PUBLIC SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of eight million dollars ($8,000,000) for the 1999-2000 fiscal year and the sum of eight million dollars ($8,000,000) for the 2000-2001 fiscal year to pay a bonus to child nutrition personnel. The State Board of Education shall allocate these funds to local school administrative units on the basis of five cents (5¢) for each meal served in the local school administrative unit during the prior school year. Local school administrative units shall use these funds for a one-time bonus to school-based and central office-based child nutrition employees who (i) were employed as child nutrition employees by the local school administrative unit during the prior school year and (ii) are employed as child nutrition employees by the same local school administrative unit at the time the bonus is paid.

Local school administrative units shall allocate these funds to eligible employees on the basis of a set percentage of each eligible employee's salary. The bonus shall be paid to employees between November 1 and December 15 of the school year.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1148

Short Title: School Promotion Standards Postponed. (Public)

Sponsors: Representatives Michaux; Hunter, Adams, and Wainwright.

Referred to: Education.

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO POSTPONE THE EFFECTIVE DATE ON THE STATEWIDE STUDENT PROMOTION STANDARDS ADOPTED BY THE STATE BOARD OF EDUCATION.

The General Assembly of North Carolina enacts:

Section 1. Draft 10 of the "Proposed Statewide Student Accountability Standards" which was adopted by the State Board of Education at its April 1999 meeting shall not become effective until the State Board of Education provides the Joint Legislative Education Oversight Committee with a detailed analysis of the resources needed by local school administrative units to ensure that all students subject to the new standards have a full and fair opportunity to meet the standards.

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

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1291

Short Title: Vocational Educ. Foundation Funds. (Public)

Sponsors: Representative Rogers.

Referred to: Appropriations.

April 19, 1999

A BILL TO BE ENTITLED

AN ACT TO PROVIDE START-UP FUNDS TO ESTABLISH THE NORTH CAROLINA VOCATIONAL EDUCATION STUDENT LEADERSHIP FOUNDATION.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of one million dollars ($1,000,000) for the 1999-2000 fiscal year. These funds shall be used by the Vocational Student Organization Leadership Foundation of the North Carolina Vocational Association, Inc., as start-up funds for securing private support so as to become self-supporting.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1359

Short Title: Seat Belts on Activity Buses. (Public)

Sponsors: Representatives Allred; Church, Kiser, and Mosley.

Referred to: Appropriations.

April 28, 1999

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE INSTALLATION OF SEAT BELTS ON SCHOOL BUSES TRANSPORTING CHILDREN AT SPEEDS OF MORE THAN THIRTY-FIVE MILES PER HOUR AND TO REQUIRE THE STATE BOARD OF EDUCATION TO PAY THE ADDITIONAL COSTS FOR SEAT BELTS ON ALL NEW SCHOOL BUSES THAT WILL BE USED IN THIS MANNER.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-240(c) reads as rewritten:

"(c) The State Board of Education shall from time to time adopt such rules and regulations with reference to the construction, equipment, color, and maintenance of school buses, the number of pupils who may be permitted to ride at the same time upon any bus, and the age and qualifications of drivers of school buses as it shall deem to be desirable for the purpose of promoting safety in the operation of school buses. No school bus shall be operated for the transportation of pupils unless such bus is constructed and maintained as prescribed in such regulations and is equipped with adequate heating facilities, a standard signaling device for giving due notice that the bus is about to make a turn, an alternating flashing stoplight on the front of the bus, an alternating flashing stoplight on the rear of the bus, and such other warning devices, fire protective equipment and first aid supplies as may be prescribed for installation upon such buses by the regulation of the State Board of Education. <u>No school bus purchased as new equipment on or after July 1, 1999, shall be operated for the transportation of pupils at speeds of more than 35 miles per hour unless the bus is equipped with safety belts meeting federal standards. The State Board of Education</u>

shall pay all additional costs to local boards of education for ordering seat belts on all new school buses."

Section 2. The Board of Education shall report to the General Assembly on the first day of the 2000 Session any statutory changes and appropriations necessary to mandate and accomplish the installation, by December 31, 2000, of safety belts meeting federal standards on all school buses used in this State to transport children at speeds of more than 35 miles per hour.

Section 3. Effective July 1, 1999, all school buses purchased as new equipment shall be equipped with safety belts meeting federal standards.

Section 4. There is appropriated from the General Fund to the State Board of Education the sum of one hundred sixty-five thousand two hundred forty dollars ($165,240) for the 1999-2000 fiscal year to pay for the seat belts on all new buses required by Section 1 of this act.

Section 5. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1430

Short Title: NCCU Hosp./Tourism Funds. (Public)

Sponsors: Representatives Blue; Fitch and Luebke.

Referred to: Appropriations.

April 29, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE HOSPITALITY AND TOURISM PROGRAM AT NORTH CAROLINA CENTRAL UNIVERSITY.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of five hundred thousand dollars ($500,000) for the 1999-2000 fiscal year to support the Hospitality and Tourism Program at North Carolina Central University.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1081

Short Title: Info. Tech. Ctr. Funds. (Public)

Sponsors: Representatives Saunders; Alexander, Bridgeman, Cunningham, Earle, Easterling, Gulley, Hurley, McMahan, Rayfield, and C. Wilson.

Referred to: Appropriations.

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE CONSTRUCTION OF THE INFORMATION TECHNOLOGY TRAINING CENTER FOR THE CHARLOTTE REGION AT CENTRAL PIEDMONT COMMUNITY COLLEGE.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Community Colleges the sum of five million dollars ($5,000,000) for the 1999-2000 fiscal year for construction and operation of the Information Technology Training Center for the Charlotte Region at Central Piedmont Community College. These funds shall be used as follows:

(1) Provide a regional Information Technology Center to meet industry needs for skilled information technology-related training in the Charlotte area. The Charlotte Region Workforce Development Partnership (Anson Community College, Catawba Valley Community College, Central Piedmont Community College, Cleveland Community College, Gaston Community College, Mitchell Community College, the North Carolina Center for Applied Textile Technology, Rowan-Cabarrus Community College, Stanly Community College, and the Carolinas Partnership) will benefit from the Information Technology Training Center. Charlotte Mecklenburg Schools, the University of North Carolina at Charlotte, and the Charlotte Chamber of Commerce will also collaborate in the planning and use of the Center.

(2) Construct a 20,000 square foot facility, provide technology equipment and infrastructure, and operate the center for one year.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

HOUSE BILL 593

Short Title: School Central Office Personnel Funds. (Public)

Sponsors: Representatives Rogers; Russell, Wainwright, and Barefoot.

Referred to: Appropriations.

March 25, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE THE SALARIES OF SCHOOL CENTRAL OFFICE PERSONNEL.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of fifteen million nine hundred nine thousand dollars ($15,909,000) for the 1999-2000 fiscal year and the sum of fifteen million nine hundred nine thousand dollars ($15,909,000) for the 2000-2001 fiscal year to provide salary increases for public school central office personnel. Of these funds the sum of:

(1) $2,500,000 for each fiscal year shall be used to provide full funding of the central office funding formula;

(2) $7,809,000 for each fiscal year shall be used to provide for a seven percent (7%) increase in salary beginning with the 1999-2000 fiscal year; and

(3) $5,600,000 for each fiscal year shall be used to increase the average allotment from $60,000 to $65,000, exclusive of benefits.

Section 2. This act becomes effective July 1, 1999.

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education 5/11/99 8:30am

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Daniel Brown	OSBM
Joanne Nunn	NCSBA
Thad Dairs	NCAE
Maurice King	OSBM
Eddie Caldwell	EEBC
[illegible]	BGTS
[illegible]	Mallox Co
Natalie Carstens	SCO
Hal Miller	NC ACCT
[illegible]	NCAICU
Nellie [illegible]	OSP
Karen Gaul	Gov's Office

HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION
May 12, 1999 – 8:30 a.m.
Presiding - Rep. Oldham

Call to Order **Chair**

BILLS TO BE DISCUSSED

Rep. Boyd McIntyre's Bills
HB 1337 Special Needs Funds
HB 1338 Teacher Cadet Program Fund

Rep. Russell's Bill
HB 1356 DPI Construction Assistance Funds

Rep. McAllister's Bills
HB 1387 Success In Education Act Of 1999
HB 72 UNC Tuition/Military Students

Rep. Gillespie's Bill
HB 93 Extend Bond Match Deadline

Rep. Morris's Bill
HB 422 Central Office/Non-Cert. Salary Funds

Rep. Warner, Tolson & Yongue's Bill
HB 1011 Comm. College Salary Equity Funds

Rep. Cansler's Bill
HB 1101 ABC Bonuses For Noncert. Employees

Rep. Hunter's Bill
HB 1438 Study Use Of School Bond Funds

Rep. Nesbitt's Bills
HB 1442 State School Technology Funds-2
HB 989 Improve Operations of School Transportation Systems Funds
HB 464 NC Arboretum Funds

Rep. Brubaker's Bill
HB 475 Stay Smart Program Funds

MINUTES
HOUSE APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION

May 12, 1999
8:30 AM

The House Appropriations Subcommittee on Education met on Wednesday, May 12, 1999, at 8:30 am in Room 421 of the Legislative Office Building.

The following members were present: Chairpersons Gene Rogers, Flossie Boyd-McIntyre, Warren Oldham; Representatives Bonner, Gardner, Gillespie, Holmes, Insko, Preston, Smith, Teague, Warner, Yongue; Fiscal Staff, Jim Johnson, Jim Newlin and Charlotte Todd.

Chairman Oldham called the meeting to order and recognized the Pages, an Intern and the Sgt. At Arms staff.

The following House Bills were presented (in the order listed) to the Committee and are attached as a part of these minutes. See **Attachment 1** for more details on these bills.

HB 72	UNC Tuition/Military Students (Rep. McAllister, Sponsor)
HB 1387	Success in Education Act of 1999 (Rep. McAllister, Sponsor)
HB 1356	DPI Construction Assistance Funds (Rep. Russell, Sponsor)
HB 1101	ABC Bonuses for Noncertified Employees (Rep. Cansler, Sponsor)
HB 475	Stay Smart Program Funds (Rep. Brubaker, Sponsor)
HB 1337	Special Needs Funds (Rep. Boyd-McIntyre, Sponsor)
HB 1338	Teacher Cadet Program Funds (Rep. Boyd-McIntyre, Sponsor)
HB 93	Extend Bond Match Deadline (Rep. Gillespie, Sponsor)
HB 1011	Community College Salary Equity (Rep. Warner, Sponsor)
HB 422	Central Office/Noncertified Salary Funds (Rep. Morris, Sponsor)
HB 464	NC Arboretum Funds (Rep. Nesbitt, Sponsor)
HB 989	Improve Operation of School Transportation Systems Funds (Rep. Nesbitt, Sponsor)
HB 1442	State School Technology Funds-2 (Rep. Nesbitt, Sponsor)

A motion was made to change the effective date of HB 1387, Success in Education Act of 1999 from July 1, 1999 to August 1, 1999. The motion was passed by the Committee.

With no other sponsors present to present their bills to the Committee, Chairman Oldham adjourned the meeting at 9:50 am.

A Visitor Registration Sheet is attached and also made a part of these minutes.

Respectfully submitted,

Delta F. Prince

Warren C. Oldham, Chair

Delta F. Prince, Committee Assistant

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 2

HOUSE BILL 72
Committee Substitute Favorable 4/23/99

Short Title: UNC Tuition/Military Students. (Public)

Sponsors:

Referred to:

February 15, 1999

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT A MEMBER OF THE MILITARY WHO ATTENDS A CONSTITUENT INSTITUTION OR A COMMUNITY COLLEGE SHALL ONLY BE CHARGED THE IN-STATE TUITION RATE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 116-143.3(b) reads as rewritten:

"(b) Any member of the armed services qualifying for admission to an institution of higher education as defined in G.S. 116-143.1(a)(3) but not qualifying as a resident for tuition purposes under G.S. 116-143.1 shall be charged the ~~out-of-State tuition rate; provided, that the out-of-State tuition shall be forgiven to the extent that the out-of-State tuition rate exceeds any amounts payable to the institution or the service member by the service member's employer by reason of enrollment pursuant to such admission while the member is abiding in this State incident to active military duty, plus the amount that represents the percentage of the out-of-State tuition rate paid to the institution or the service member by the service member's employer multiplied by the in-State tuition rate and then subtracted from the in-State tuition rate. Any member of the armed services who does not qualify for any payment by the member's employer shall be eligible to be charged the in-State tuition rate and shall pay the full amount of the in-State tuition rate.~~ <u>in-State tuition rate for enrollments while the member of the armed services is abiding in this State incident to active military duty in this State.</u>"

Section 2. This act becomes effective August 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1387

Short Title: Success in Education Act of 1999. (Public)

Sponsors: Representatives McAllister; Esposito, Howard, Moore (Primary Sponsors), Adams, Blue, Bonner, Fitch, Hurley, Jarrell, Jeffus, Kinney, and Warner.

Referred to: Appropriations.

April 29, 1999

A BILL TO BE ENTITLED

AN ACT TO ENACT THE SUCCESS IN EDUCATION ACT OF 1999.

Whereas, studies consistently show that North Carolina has many overcrowded public schools with poor student performance that are located in and serve low-wealth communities; and

Whereas, this reality affects social stability and hinders recruitment of businesses to certain communities because of low educational performance; and

Whereas, in addition, these same schools also tend to (i) be overcrowded and (ii) have difficulty recruiting the best teachers, two factors that must be addressed to improve schools with low educational performance; and

Whereas, this means that the students who need the most help to succeed are being placed in the most challenging situations; and

Whereas, with the end of "social promotions", many counties will end up with tremendous numbers of students retained, adding to already high levels of educational frustration; Now, therefore,

The General Assembly of North Carolina enacts:

TITLE OF ACT

Section 1. This act shall be known as the "Success in Education Act of 1999".

SCHOOL CONSTRUCTION FUNDS FOR SCHOOLS IN LOW-WEALTH COMMUNITIES

Section 2. There is appropriated from the General Fund to the State Board of Education the sum of twenty-five million dollars ($25,000,000) for the 1999-2000 fiscal year for the construction of modern classrooms in schools at which more than sixty percent (60%) of the students qualify for funds under Title I of the Improving America's Schools Act. The State Board shall allocate these funds on a competitive grant basis to schools that are most in need of additional funding. The State Board of Education shall use its facility guidelines to determine whether schools are overcrowded.

INCENTIVES FOR TEACHING FELLOWS TO TEACH IN SCHOOLS IN LOW-WEALTH COMMUNITIES

Section 3.(a) G.S. 115C-363.23A reads as rewritten:

"§ 115C-363.23A. Teaching Fellows Program established; administration.

(a) A Teaching Fellows Program shall be administered by the North Carolina Teaching Fellows Commission. The Teaching Fellows Program shall be used to provide a four-year scholarship loan of six thousand five hundred dollars ($6,500) per year to North Carolina high school seniors interested in preparing to teach in the public schools of the State. The Commission shall adopt very stringent standards, including minimum grade point average and scholastic aptitude test scores, for awarding these scholarship loans to ensure that only the best high school seniors receive them.

(b) The Commission shall administer the program in cooperation with teacher training institutions selected by the Commission. Teaching Fellows should be exposed to a range of extra-curricular activities while in college. These activities should be geared to instilling a strong motivation not only to remain in teaching but to provide leadership for tomorrow's schools.

(c) The Commission shall form regional review committees to assist it in identifying the best high school seniors for the program. The Commission and the review committees shall make an effort to identify and encourage minority students and students who may not otherwise consider a career in teaching to enter the program.

(d) All scholarship loans shall be evidenced by notes made payable to the Commission that shall bear interest at the rate of ten percent (10%) per year beginning September 1 after completion of the program, or immediately after termination of the scholarship loan, whichever is earlier. The scholarship loan may be terminated by the recipient withdrawing from school or by the recipient not meeting the standards set by the Commission.

(e) The Commission shall forgive the loan if, within seven years after graduation, the recipient teaches for four years at a North Carolina public school or at a school operated by the United States government in North Carolina. The Commission shall also forgive the loan if, within seven years after graduation, the recipient teaches for three consecutive years, unless the recipient takes an approved leave of absence, at a North Carolina public school in a local school administrative unit that, at the time the recipient accepts employment with the unit, is a low-performing school system identified in accordance with Article 6A of this Chapter or is on warning status as

defined by the State Board of ~~Education.~~ Education or at a North Carolina public school at which more than fifty percent (50%) of the students qualify for funds under Title I of the Improving America's Schools Act. The Commission shall also forgive the loan if it finds that it is impossible for the recipient to teach for four years, within seven years after graduation, at a North Carolina public school or at a school operated by the United States government in North Carolina, because of the death or permanent disability of the recipient.

(e1) A Teaching Fellow who teaches in a school at which more than fifty percent (50%) of the students qualify for funds under Title I of the Improving America's Schools Act shall be paid on a salary schedule five percent (5%) higher than the teacher salary schedule.

(f) All funds appropriated to or otherwise received by the Teaching Fellows Program for scholarships, all funds received as repayment of scholarship loans, and all interest earned on these funds, shall be placed in a revolving fund. This revolving fund shall be used for scholarship loans granted under the Teaching Fellows Program. With the prior approval of the General Assembly in the Current Operations Appropriations Act, the revolving fund may also be used for campus and summer program support, and costs related to disbursement of awards and collection of loan repayments."

Section 3.(b) There is appropriated from the General Fund to the State Board of Education the sum of six hundred fifty thousand dollars ($650,000) for the 1999-2000 fiscal year and the sum of one million three hundred thousand dollars ($1,300,000) for the 2000-2001 fiscal year to provide for 100 additional scholarship loans under the Teaching Fellows Program. These scholarship loans shall be awarded only to students who agree prior to acceptance to teach for at least three consecutive years at a school at which more than fifty percent (50%) of the students qualify for funds under Title I of the Improving America's Schools Act. Notwithstanding G.S. 115C-363.23A(e), the Commission shall forgive the loan only if, within seven years after graduation, the recipient teaches for three consecutive years, unless the recipient takes an approved leave of absence, at a North Carolina public school at which more than fifty percent (50%) of the students qualify for funds under Title I of the Improving America's Schools Act.

Section 4. Teachers with Masters/Advanced Competencies Certification who teach at North Carolina public schools at which more than fifty percent (50%) of the students qualify for funds under Title I of the Improving America's Schools Act shall be paid on a salary schedule five percent (5%) higher than the salary schedule for Teachers with Masters/Advanced Competencies Certification.

Section 5. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of thirty-two million dollars ($32,000,000) for the 1999-2000 fiscal year and the sum of thirty-two million dollars ($32,000,000) for the 2000-2001 fiscal year to pay a higher salary to Teaching Fellows who teach in schools in low-wealth communities.

EFFECTIVE DATE

Section 6. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1356

Short Title: DPI Construction Assistance Funds. (Public)

Sponsors: Representatives Russell; and Morris.

Referred to: Appropriations.

April 28, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE PLANT OPERATION SECTION OF THE DEPARTMENT OF PUBLIC INSTRUCTION.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Public Instruction the sum of four hundred eighty-two thousand two hundred eighty-five dollars ($482,285) for the 1999-2000 fiscal year and the sum of four hundred eighty-two thousand two hundred eighty-five dollars ($482,285) for the 2000-2001 fiscal year for seven personnel positions in the Plant Operation Section of the Department of Public Instruction that were previously funded with departmental receipts.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

1

HOUSE BILL 1101

Short Title: ABC Bonuses for Noncertified Emp'ees. (Public)

Sponsors: Representatives Cansler; Sherrill, Walend (Primary Sponsors), Nesbitt, Thompson, and Russell.

Referred to: Education, if favorable, Appropriations.

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO PROVIDE BONUSES UNDER THE ABCs OF EDUCATION PROGRAM TO NONCERTIFIED PUBLIC SCHOOL EMPLOYEES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-105.36(a) reads as rewritten:

"(a) The personnel in schools that achieve a level of expected growth greater than one hundred percent (100%) at a level to be determined by the State Board of Education are eligible for financial awards in amounts set by the ~~State Board.~~ General Assembly. Schools and personnel shall not be required to apply for these awards. For the purpose of this section, "personnel" includes the principal, assistant principal, instructional personnel, instructional support personnel, ~~and teacher assistants~~ teacher assistants, and other noncertified personnel (i) serving students in one or more of the grades kindergarten through 12 or (ii) assigned to a public school prekindergarten program that is located within a public elementary school and is designed to prepare students for kindergarten at that school."

Section 2. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of ten million five hundred seventy-five thousand six hundred twenty-seven dollars ($10,575,627) for the 1999-2000 fiscal year and the sum of ten million five hundred seventy-five thousand six hundred twenty seven dollars ($10,575,627) for the 2000-2001 fiscal year to provide for financial awards to noncertified personnel, other than teacher assistants, under the ABCs of Education Program. The State Board of Education shall allocate these funds to local school administrative units at the amounts per qualifying employee as it does for

teacher assistants. The local board of education shall determine the amount of these funds each qualifying employee shall receive.

Section 3. This act becomes effective July 1, 1999. Section 1 of this act applies to school years beginning with the 1999-2000 school year.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 475

Short Title: Stay Smart Program Funds. (Public)

Sponsors: Representatives Brubaker; Arnold, Baker, Brown, Capps, Clary, Culp, Dockham, Esposito, Gardner, Gillespie, Gulley, Hiatt, Holmes, Kiser, McMahan, Mitchell, Moore, Morgan, Morris, Preston, Rayfield, Sexton, Tallent, and G. Wilson.

Referred to: Appropriations.

March 17, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF COMMUNITY COLLEGES FOR THE STAY SMART PROGRAM.

Whereas, it is well-documented in numerous independent consultant reports and evaluations authorized by the General Assembly that the North Carolina Community College System is underfunded in three principal areas -- instruction, support, and other costs; and

Whereas, this underfunding, which is noted in the State Board of Community Colleges' 1999-2001 Expansion Budget Request, restricts the ability of the North Carolina Community College System to be responsive to the constituencies it was created to serve; and

Whereas, these constituencies include students, business, industry, and the communities in which they are located; and

Whereas, this underfunding further prohibits the North Carolina Community College System from fulfilling its statutory mission to offer (i) vocational and technical education and training, and (ii) basic, high school level, academic education needed in order to profit from vocational and technical education; and

Whereas, sufficient funding must be provided if the General Assembly expects the Community College System to meet the economic development needs of the State of North Carolina, including continuing education, service to small business

entrepreneurs, specialized training for traditional industries, and assistance to newly locating and expanding existing industries; and

Whereas, students, business, industry, and the communities in which they are located, must not only start smart, they must "Stay Smart"; and

Whereas, each adult learner, each small business person, each plant worker, and every member of the communities in which they live and work, must have the opportunity to Stay Smart as they prepare for work, deal with the redefinition of their jobs, and seek to obtain higher levels of job skills; and

Whereas, the vehicle in North Carolina that serves this public purpose is the North Carolina Community College System; and

Whereas, because the vehicle for staying smart is the North Carolina Community College System and because that vehicle does not have the funding to fulfill its mission, the General Assembly concludes that additional support is needed to guarantee quality instruction, to provide financial and academic counseling and support, and to procure instructional resources and materials; and

Whereas, staying smart necessitates proper instruction, proper direction, and proper tools; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Community Colleges the sum of sixty-two million eight hundred eleven thousand forty-nine dollars ($62,811,049) for the 1999-2000 fiscal year and the sum of sixty-two million eight hundred eleven thousand forty-nine dollars ($62,811,049) for the 2000-2001 fiscal year to:

(1) Bring faculty-to-student ratios in line with actual class sizes, thereby improving the quality of instruction through the reduction of faculty workloads and improvement of faculty compensation;

(2) Employ additional counselors, financial aid specialists, librarians, and technology specialists which provide both student and instructional support; and

(3) Enable the procurement of additional instructional software, license, supplies and materials, data processing, printing of course materials, and instructional professional development.

These funds will be deployed to ensure that adult learners can Stay Smart, stay productive, and stay employed in an ever-changing economy.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1337

Short Title: Funds/Special Needs. (Public)

Sponsors: Representatives Boyd-McIntyre; Barefoot, Bonner, Braswell, Bridgeman, Buchanan, Cox, Cunningham, Earle, Gibson, Haire, Horn, Hurley, Jarrell, Jeffus, Melton, Moore, Morris, Mosley, Nesbitt, Ramsey, Sutton, Tolson, Wainwright, Warner, Warren, Wright, and Yongue.

Referred to: Appropriations.

April 26, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE EDUCATION OF CHILDREN WITH SPECIAL NEEDS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Aid to Local School Administrative Units the sum of five million dollars ($5,000,000) for the 1999-2000 fiscal year. These funds shall be used for services for children with special needs.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1338*

Short Title: Teacher Cadet Program Funds. (Public)

Sponsors: Representatives Boyd-McIntyre; Alexander, Baddour, Barefoot, Bonner, Braswell, Bridgeman, Buchanan, Cox, Cunningham, Earle, Gibson, Grady, Haire, Horn, Hurley, Jarrell, Jeffus, McLawhorn, Melton, Moore, Mosley, Nesbitt, Oldham, Ramsey, Sutton, Thomas, Tolson, Wainwright, Warner, Warren, Wright, and Yongue.

Referred to: Appropriations.

April 26, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO IMPLEMENT THE TEACHER CADET PROGRAM IN HIGH SCHOOLS THROUGHOUT THE STATE.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of two hundred thousand dollars ($200,000) for the 1999-2000 fiscal year and the sum of two hundred thousand dollars ($200,000) for the 2000-2001 fiscal year to implement, through the North Carolina Foundation for Public School Children, the Teacher Cadet Program in high schools throughout the State. The purpose of the Teacher Cadet Program is to increase the number of students seeking an education degree, increase their SAT scores, enhance networking between teachers, students, and colleges, and help reduce teacher shortages and teacher attrition.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 93*

Short Title: Extend Bond Match Deadline. (Public)

Sponsors: Representatives Gillespie, Thompson; Buchanan and Justus.

Referred to: Education Subcommittee on Community Colleges, if favorable, Appropriations.

February 17, 1999

A BILL TO BE ENTITLED

AN ACT TO EXTEND FOR ONE YEAR THE DEADLINE FOR MATCHING COMMUNITY COLLEGE BOND FUNDS.

The General Assembly of North Carolina enacts:

Section 1. Section 6(b)IV of Chapter 542 of the 1993 Session Laws, as added by Section 4 of Chapter 515 of the 1995 Session Laws and rewritten by Section 10(a) of S.L. 1998-212, reads as rewritten:

"IV. If the State Board of Community Colleges determines that a community college has not met the matching requirements of G.S. 115D-31(a)(1) by July 1, ~~1999,~~ 2000, with respect to a capital improvement project for which bond proceeds are allocated in subdivision I or pursuant to subdivision II of this subsection, the Board shall certify that fact to the State Treasurer by October 1, ~~1999.~~ 2000. All of these bond proceeds with respect to which the Board certifies that the matching requirement has not been met by July 1, ~~1999,~~ 2000, shall be placed by the State Treasurer in a special account within the Community Colleges Bond Fund and shall be used for making grants to community colleges. Bond proceeds in the special account shall be allocated among the community colleges in accordance with the following conditions:

(1) The State Board of Community Colleges shall generate, by October 1, ~~1999,~~ 2000, a priority ranking of legitimate community college capital improvement needs using a formula based on objective meaningful factors relevant to capital needs, including space to population ratio, population served ratio, capacity

enrollment ratio, local to State and vocational education ratios, type of project, and readiness to implement.

(2) The State Board of Community Colleges shall provide the State Treasurer a projected allocation of the proceeds in the special account in accordance with this priority ranking, except that:

a. No projected allocation shall be made for a community college that the Board certified in accordance with this subdivision IV had failed to meet a matching requirement.

b. No more than four million dollars ($4,000,000) shall be allocated to a single community college.

c. Funds shall not be allocated for more than one project per community college.

(3) The proceeds of grants made from bond proceeds in the special account shall be allocated and expended for paying the cost of community college capital improvements in accordance with this allocation by the State Board of Community Colleges, to the extent and as provided in this act. The Director of the Budget is empowered, when the Director of the Budget determines it is in the best interest of the State and the North Carolina Community College System to do so, and if the cost of a particular project is less than the projected allocation, to use the excess funds to increase the size of that project or increase the size of any other project itemized in this section, or to increase the amount allocated to a particular community college within the aggregate amount of funds available under this section. The Director of the Budget shall consult with the Advisory Budget Commission and the Joint Legislative Commission on Governmental Operations before making these changes."

Section 2. This act becomes effective June 30, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1011

Short Title: Community College Salary Equity Funds. (Public)

Sponsors: Representatives Warner, Tolson, Yongue (Primary Sponsors); Alexander, Arnold, Barefoot, Bonner, Bridgeman, Cox, Dedmon, Fox, Gillespie, Haire, Hensley, Horn, Hurley, Jeffus, Kinney, Luebke, McAllister, McLawhorn, Melton, Morris, Mosley, Nye, Preston, Rayfield, Russell, Sherrill, Smith, Sutton, Thomas, Wainwright, Warren, Warwick, and Womble.

Referred to: Appropriations.

April 13, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE THE SALARIES OF COMMUNITY COLLEGE PERSONNEL.

Whereas, community colleges in North Carolina must be able to attract and retain quality personnel if they are to maintain the strength of the North Carolina Community College System, meet the instructional needs of students, businesses, and communities, and enhance economic development in the State; and

Whereas, substantial salary increases for community college personnel are essential if community colleges in North Carolina are to attract and retain faculty and staff with appropriate credentials, qualifications, and ability; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Community Colleges the sum of forty-one million five hundred thousand dollars ($41,500,000) for the 1999-2000 fiscal year and the sum of forty-one million five hundred thousand dollars ($41,500,000) for the 2000-2001 fiscal year to provide six percent (6%) across-the-board salary increases and additional merit-based increases for State-funded community college personnel.

The amount of a merit-based increase for an employee of an institution shall be recommended by the college president and approved by the board of trustees of the institution.

The combined amount of the across-the-board salary increase and the merit-based increase for an individual employee shall be no more than five thousand dollars ($5,000) for a fiscal year.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 422

Short Title: Central Office/Non. Certs. Salary Funds. (Public)

Sponsors: Representatives Morris; Arnold, McMahan, and Hurley.

Referred to: Appropriations.

March 11, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE SALARIES FOR SCHOOL CENTRAL OFFICE PERSONNEL AND FOR NONCERTIFIED SCHOOL PERSONNEL.

The General Assembly of North Carolina enacts:

Section 1.(a) There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of three million three hundred forty-seven thousand nineteen dollars ($3,347,019) for the 1999-2000 fiscal year and the sum of three million three hundred forty-seven thousand nineteen dollars ($3,347,019) for the 2000-2001 fiscal year to increase the salaries of school central office personnel including superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers, by three percent (3%) for the fiscal year beginning July 1, 1999.

Section 1.(b) There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of five hundred fifty-seven thousand eight hundred thirty-six dollars ($557,836) for the 1999-2000 fiscal year and the sum of five hundred fifty-seven thousand eight hundred thirty-six dollars ($557,836) for the 2000-2001 fiscal year to provide a one-half percent (1/2%) bonus to school central office personnel including superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers, by one-half percent (1/2%) for the fiscal year beginning July 1, 1999.

Section 2.(a) There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of twenty-two million five hundred eight thousand five hundred forty-one dollars ($22,508,541) for the 1999-2000 fiscal

year and the sum of twenty-two million five hundred eight thousand five hundred forty-one dollars ($22,508,541) for the 2000-2001 fiscal year to increase the salaries of all noncertified public school employees whose salaries are supported from the State's General Fund by three percent (3%), for the fiscal year commencing July 1, 1999.

Section 2.(b) There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of three million seven hundred fifty-one thousand four hundred twenty-four dollars ($3,751,424) for the 1999-2000 fiscal year and the sum of three million seven hundred fifty-one thousand four hundred twenty-four dollars ($3,751,424) for the 2000-2001 fiscal year to provide a one-half percent (1/2%) bonus to all noncertified public school employees whose salaries are supported from the State's General Fund by three percent (3%), for the fiscal year commencing July 1, 1999.

Section 3. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 464*

Short Title: N.C. Arboretum Funds. (Public)

Sponsors: Representatives Nesbitt; Cansler, Sherrill, and Walend.

Referred to: Appropriations.

March 16, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA FOR EXPANDED OPERATIONS AT THE NORTH CAROLINA ARBORETUM.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of five hundred thousand dollars ($500,000) for the 1999-2000 fiscal year and the sum of five hundred thousand dollars ($500,000) for the 2000-2001 fiscal year for expanded operations of the North Carolina Arboretum.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 989

Short Title: School Bus Operating Funds. (Public)

Sponsors: Representatives Nesbitt; Cansler, Wainwright, Barefoot, Mosley, Sherrill, Smith, and Warner.

Referred to: Appropriations.

April 13, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE ADDITIONAL FUNDS TO IMPROVE THE OPERATION OF SCHOOL TRANSPORTATION SYSTEMS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of twenty million dollars ($20,000,000) for the 1999-2000 fiscal year and the sum of twenty million dollars ($20,000,000) for the 2000-2001 fiscal year for school transportation operating expenses. Local school administrative units shall use the funds to improve the operations of their school transportation systems and to eliminate double routing.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1442

Short Title: State School Technology Funds. (Public)

Sponsors: Representatives Nesbitt; Barefoot, Ramsey, Smith, Cox, and Cansler.

Referred to: Appropriations.

April 29, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE STATE SCHOOL TECHNOLOGY FUND.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of three hundred million dollars ($300,000,000) for the 1999-2000 fiscal year for the State School Technology Fund to fund the technology needs of the North Carolina public schools. Of these funds, the sum of two million dollars ($2,000,000) shall be used by the State Board of Education to continue and expand the public-private partnership with ExplorNet to encourage, promote, and expand technology in North Carolina public schools. The remainder shall be allocated from the fund to local boards of education to implement local school technology plans approved by the State Board of Education.

Section 2. This act becomes effective July 1, 1999.

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education 5/12/99 8:30am

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
David Brown	OSBM
Don Wildman	North Carolina Community College Faculty Association
Tony Larson	Intern - Verla Insko
Maurice Kin	OSBM
Andy [illegible]	WLCR
Ron Elkins	Intern - Rep. Yongue
Gene Causby	NCSFSA
Bill Williams	NCAE
Hal Miller	NCACCT
Doug Hunter	NCCCS
Curtis Bedam	SBE
Rep Russell	GA
Jim Brotherton	UNC-GA / NCSU Ag Program
Ashley Westbrook	Governor's Office
Glenn Ross	Public School Forum
Janet Rittenhouse	OSBM
Ed Regan	N.C.A.C.C.
Jim Rodgers	NCATA
John Wilson	NCAG

HOUSE APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION

May 13, 1999
8:30 AM

Representative Boyd-McIntyre Presiding

Call to Order **Chair**

BILLS TO BE HEARD:

Representative Mosley:
HB 355 Seat Belts on New School Buses

Representative Arnold:
HB 915 Y2K Funds for Public Schools

Representative Hunter:
HB 1438 Study Use of School Bond Funds

Representative Adams:
HB 1450 Expand School Breakfast Program Funds

Representative Tolson:
HB 1454 Animal Waste Technology Demonstration Funds

Attachment 1

MINUTES

HOUSE APPROPRIATIONS/SUBCOMMITTEE
ON EDUCATION

May 13, 1999

8:30 A.M.
Room 421, Legislative Office Building

The House Appropriations Subcommittee on Education met on May 13, 1999, at 8:30 a.m. in Room 421 of the Legislative Office Building. Members in attendance were Representatives Rogers, Boyd-McIntyre, Oldham, Bonner, Gardner, Holmes, Insko, Moore, Smith, Teague and Yongue.

Chairman Boyd-McIntyre presided and called the meeting to order at 8:40 a.m. and proceeded to introduce the pages for the session. The pages were Laura Douglas, Watauga; and Cherron Belle, Durham. She welcomed all others and outlined the agenda. (Attachment 1)

The chairman explained that bills would not be voted on, but the committee needed to hear them presented so they could understand them, entertain questions be able to be informed when budget recommendations are made.

The following Representatives presented the specified bills: (Attachment 2)

Representative Mosley

HB 355 Seat Belts on New School Buses

(Attachment 3)
The chairman recognized Barbara Lang of the NC Seat Belt Coalition, for additional comments.

Rep. Arnold

HB 915 Y2K Funds for Public Schools

Rep. Hunter

HB 1438 Expand Use of School Bond Funds

Rep. Adams

HB 1450 Expand School Breakfast Program Funds

Rep. Adams presented the bill with Rep. Julia Howard.

Rep. Tolson

HB 1454 Animal Waste Technology Demonstration funds

The meeting was adjourned.

Jim Johnson presented In Rep. Hunter's absence, HB 1438 Expand Use of School Bond Funds, was presented by Jim Johnson of the Fiscal Research staff.

Rep. Boyd-McIntyre asked staff to come forth and pass to committee members the bill ranking form so they would have an opportunity to rank bills for funding. (Attachment 4)

The forms were collected, and the meeting was dismissed.

Rep. Flossie Boyd-McIntyre
Co-Chair Presiding

Delores M. Steele
Committee Assistant

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 2

HOUSE BILL 355
Committee Substitute Favorable 4/12/99

Short Title: Seat Belts on New School Buses. (Public)

Sponsors:

Referred to:

March 8, 1999

A BILL TO BE ENTITLED

AN ACT TO REQUIRE ALL SCHOOL BUSES AND SCHOOL ACTIVITY BUSES PURCHASED AFTER JULY 1, 1999, TO BE EQUIPPED WITH SEAT BELTS AND TO APPROPRIATE FUNDS TO EQUIP NEW SCHOOL BUSES WITH SEAT BELTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-47(24) reads as rewritten:

"(24) Purchase of Activity Buses with Local Capital Outlay Tax Funds. -- Local boards of education ~~are authorized to~~ may purchase activity buses with local capital outlay tax funds, and ~~are authorized to~~ may maintain these buses in the county school bus garage. Reimbursement to the State Public School Fund shall be made for all maintenance ~~cost~~ costs including labor, gasoline and oil, repair parts, tires and tubes, antifreeze, etc. Labor cost reimbursements and local funds may be used to employ additional mechanics so as to insure that all activity buses owned and operated by local boards of education are maintained in a safe mechanical condition. Replacement units for activity buses shall be financed with local funds. Activity buses purchased after July 1, 1999, shall be equipped with seat belts for all passengers."

Section 2. G.S. 115C-240(c) reads as rewritten:

"(c) The State Board of Education shall from time to time adopt ~~such~~ any rules and regulations with reference to the construction, equipment, color, and

Attachment 2

maintenance of school buses, the number of pupils who may be permitted to ride at the same time upon any bus, and the age and qualifications of drivers of school buses ~~as~~ that it ~~shall deem~~ deems to be desirable for the purpose of promoting safety in the operation of school buses. No school bus shall be operated for the transportation of pupils unless ~~such~~ that bus is constructed and maintained as prescribed in ~~such~~ the applicable regulations and is equipped with adequate heating facilities, a standard signaling device for giving due notice that the bus is about to make a turn, an alternating flashing stoplight on the front of the bus, an alternating flashing stoplight on the rear of the bus, and ~~such~~ any other warning devices, fire protective equipment and first aid supplies as may be prescribed for installation ~~upon such~~ on the buses by ~~the regulation of~~ rules issued by the State Board of Education. All buses purchased after July 1, 1999, shall be equipped with seat belts for all passengers."

Section 3. There is appropriated from the General Fund to the State Board of Education the sum of one million nine hundred thousand dollars ($1,900,000) for the 1999-2000 fiscal year to equip all school buses purchased after July 1, 1999, with seat belts for passengers.

Section 4. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 915

Short Title: Y2K Funds for Public Schools. (Public)

Sponsors: Representatives Arnold; Baker, Barbee, Berry, Brown, Capps, Clary, Creech, Culp, Davis, Esposito, Gulley, Howard, Justus, Kiser, McCombs, Mitchell, Morris, Preston, Rayfield, Setzer, Sexton, Starnes, Teague, Thompson, Walend, and G. Wilson.

Referred to: Appropriations.

April 5, 1999

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FUNDS TO LOCAL SCHOOL ADMINISTRATIVE UNITS TO MEET THE COSTS OF THE YEAR 2000 CONVERSION.

The General Assembly of North Carolina enacts:

Section 1. To the extent that the Director of the Budget finds that funds appropriated from the General Fund to the Department of Commerce, Year 2000 Reserve Fund, and funds transferred from the State Information Processing System to the Department of Commerce, Year 2000 Reserve Fund, are not needed to cover the costs of the year 2000 conversion of State departments and agencies, the Director of the Budget shall transfer these funds by July 1, 1999, to the State Board of Education. The State Board of Education shall make these funds available on a competitive grant basis to local school administrative units of education to cover their costs of the year 2000 conversion. In awarding these grants, the State Board shall consider the ability of local school administrative units to provide for the conversion prior to January 1, 2000, and other factors the State Board deems appropriate.

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

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1438

Short Title: Study Use of School Bond Funds. (Public)

Sponsors: Representatives Hunter; and Adams.

Referred to: Appropriations.

April 29, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO STUDY THE USE OF STATE SCHOOL BOND FUNDS TO DETERMINE WHETHER THESE FUNDS WERE ALLOCATED FAIRLY TO ALL SCHOOLS, INCLUDING SCHOOLS THAT SERVE LOW-WEALTH AND MINORITY COMMUNITIES.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of three hundred thousand dollars ($300,000) for the 1999-2000 fiscal year to study the use of funds obtained by local boards of education from the proceeds of bonds authorized in the Public School Building Bond Act of 1996. The purpose of the study is to consider whether these funds were allocated fairly to all schools, including schools that serve low-wealth and minority communities, in light of the State Board of Education's school facility guidelines. The State Board shall report the results of the study to the Joint Legislative Education Oversight Committee prior to April 15, 2000.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1450

Short Title: Expand School Breakfast Program/Funds. (Public)

Sponsors: Representatives Adams, Berry, Howard, McAllister (Primary Sponsors); Hunter and Fitch.

Referred to: Appropriations.

April 29, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO EXPAND THE SCHOOL BREAKFAST PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of ten million sixty-nine thousand seven hundred forty dollars ($10,069,740) for the 1999-2000 fiscal year and the sum of ten million sixty-nine thousand seven hundred forty dollars ($10,069,740) for the 2000-2001 fiscal year. The State Board shall use these funds to expand the school breakfast program to all students in kindergarten through fifth grade, prior to the beginning of the 2000-2001 school year. Any school that serves students in any of the grades, kindergarten through fifth grade, is eligible to receive funds under the program for the 1999-2000 fiscal year for students in those grades. Schools participating in the program shall provide breakfast, without charge, to all students in kindergarten through fifth grade in the school.

If these funds are not adequate to expand the program to all students in schools that elect to participate for the 1999-2000 school year, the Board of Education shall give priority to schools with a high concentration of children who qualify for free or reduced price lunches.

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1454

Short Title: Animal Waste Tech. Demonstration Funds. (Public)

Sponsors: Representative Tolson.

Referred to: Appropriations.

April 29, 1999

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO DEMONSTRATE THE APPLICATION OF A CERTAIN ANIMAL WASTE TREATMENT TECHNOLOGY USED IN COMBINATION WITH INTEGRATED FARMING METHODS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina for the Animal and Poultry Waste Management Center of North Carolina State University the sum of two hundred thousand dollars ($200,000) for the 1999-2000 fiscal year and the sum of two hundred thousand dollars ($200,000) for the 2000-2001 fiscal year for a full-scale demonstration and research project of a bioprocess called thermophilic anaerobic digestion (TAnD), which was developed and patented at North Carolina State University and which represents a low-cost, highly efficient process to convert animal waste to biogas, used in combination with integrated farming methods at the Department of Agriculture and Consumer Services's Upper Control Plain Research Station located in Rocky Mount. This project will demonstrate all of the following:

(1) The application of TAnD technology to treat animal waste.

(2) The uses of biogas energy.

(3) The amount of animal waste reduction that can be achieved through the use of integrated farming methods.

(4) What improvements can result from various odor control and pathogen control methods.

(5) The environmental and economic benefits of combining swine, aquaculture, and horticulture crop production.

(6) The economic viability of, and the potential for, commercial development of the combination of TAnD technology and integrated farming systems.

Section 2. Beginning November 1, 1999, and twice each year thereafter, the North Carolina Agricultural Research Service shall report its findings and recommendations to the Environmental Review Commission and the Fiscal Research Division.

Section 3. This act becomes effective July 1, 1999.

To: Appropriations Committee
North Carolina State Legislature.

From: Lloyd A. Hey, MD MS
Assistant Professor Orthopaedic Surgery
Spinal Surgeon
Duke University Medical Center

Date: May 4 1999

RE: Seatbelts on New Schoolbuses.

To the Committee:

First of all, let me first thank all of you as our State Representatives for serving your neighbor in this important and difficult role, trying to make the most of our scarce State resources to help the most number of people. Thank you also for your time to look carefully at this School Bus Seatbelt legislation. I know you all have busy schedules, but please take a moment to read this, digest it, and hopefully act quickly to get this legislation through, before we lose the opportunity to make a PROACTIVE decision, as opposed to a REACTIVE decision. Only your actions, and the random timing of the next severe NC school bus accident will make the difference.

I am an orthopaedic and spine surgeon at Duke, and have been on staff here for 4 years. I fix broken backs, necks, arms, legs.

If the next severe NC schoolbus accident occurs before the legislature can get the seatbelt law passed, there is a good chance I'll be the one in the Duke Emergency Room waiting for the helicopters to land, while many NC families will already be listening to their TV's and radios in horror and disbelief: "How could this happen? How could this have been prevented". Perhaps WRAL or News Channel 11 will be coming to talk to me in the Duke Emergency Department, or up in the Intensive Care Unit about the accident. Perhaps I'd suggest that they call you, or drop you all an email from the Duke Emergency Department. Lord knows, I don't want to see that happen, to see one child unnecessarily injured or killed --> an injury which could have been prevented, had their been some restraint.

That is why I'm taking time out of my own schedule to get you to work quickly to get this seatbelt law funded and through the legislature.

I have cared for many children and adults over my past 4 years on staff here that were not safety belt restrained, and ended up seriously injured with brain injuries, paralysis, etc. Many of them never even got to see me, but went to the morgue directly. I have cared for a handful of children with seatbelt-related injuries, none of which resulted in paralysis or head injury, or death.

Attachment 3

I also am a father, and a taxpayer. I have 2 small children ages 6 and 8. This past Friday morning, while I watched the morning news at 5:30am, while exercising, I saw horrible footage of a bus accident from Illinois which occurred on Thursday. The reporter described how children were "tossed and hurled" around and out of the bus, and the teacher was killed when she was thrown from the bus. Aerial footage of the bus on it's side told the story.

As I rowed along on my rowing machine, I got a hot flash as I remembered that my daughter Sarah would be riding on a bus to the Asheboro Zoo in just a few hours, wearing a seatbelt for the 15 minutes to school with my wife driving, then wearing no seatbelt for the nearly 2 hours to and from the zoo.

That brings the message home, doesn't it? Another reason why I am writing to you now.

Barbara Lang, one of the NC parents who is supporting this bill got this message brought home when her child's schoolbus turned over, and she actually was following the bus and had to help pull children from the wreckage. Fortunately her child was not badly injured. But it was enough to motivate her to help prevent such injuries for other children and families for the future.

I had the pleasure of addressing the Education Committee a few weeks ago, to express my support for new legislation to require seatbelts on all new NC-purchased school buses. As many of you may have heard, I brought in a spine model and explained in detail how the seatbelts can help prevent fatal and severe injuries by preventing children from being hurled around and out of the bus.

During that same meeting, a short CNN special was shown on the TV monitor, which included the gruesome details of several accidents.
1. 1996 Flagstaff Arizona. A severe rollover bus accident sent several children flying around and out of the bus. Two boys suffered permanent disabilities that they sued State successfully for 30 million, due to a lack of proper restaints on bus. Case in point in this accident: the only one not injured had on a seat belt because he was handicapped, and in a restraint with his wheelchair.

2. Minnesota April 10 1997 3 ten year olds killed when a gravel truck struck the bus. 10 more injured, 4 critically.

A few other facts:
1. 1,000 students are injured in NC every year on school buses.
2. 1,000 accidents occur each year.
3. April 30 1999 Florida just passed a seat belt law last week, also requiring the use of the belt.
4. Now 3 states have the law (NJ, NY, Fl.) . We should be the fourth.
5. The main arguments the industry uses against seat belts is the chance of injury from the belt and the cost. I would counter this by saying that the type of injury which occurs from belts is far less severe and much more treatable than that caused by having no restraint, and the child being hurled through and possibly out of the vehicle. The cost of adding seatbelts to buses is small, in comparison to the cost of one lawsuit. Let's face it: seatbelts are cheaper than lawyers.

I was pleased to see that the Education Committee voted unanimously to forward this bill to the Appropriations Committee. It made it well worth the time I took off to drive down to Raleigh and back.

But it's all for naught if the Bill gets stalled.

As you know, it will still take 13 years to get all of the buses loaded with seatbelts, given the fact that it is not really feasible to retrofit old

buses, and buses last for 13 years. Don't use this as an excuse to be able to not rush. The sooner we start to get new buses fitted with buses, the better chance we have that the bus accident, when it does happen, will have restrained children. It might be a child or grand-child you know. If the accident occurs in a schoolbus that does not have a seatbelt, before 13 years from now, at least you will know in your own conscience and the media that you acted as quickly as possible.

On the positive side, if your Committee acts quickly, there is a 1 in 13 chance that next year the next potential severe bus accident will occur on a new bus that you ensured had seatbelts. The following year it'll be 2/13. Even better. That would be a lot better than a zero out of 13 chance. A new bus crash next year, knowing that this legislation would have put restraints on it would be a tug on my consience, and I'm sure it would be on yours as well.

I am proud to be a NC citizen and taxpayer: A State known for being proactive, and on the cutting edge of Safety ("Click It or Ticket"), Growth, and Medicine. This bill gives us all a great opportunity to do what is right in the long run, to make a small investment to protect the lives of our sons, daughters, grandsons, grand-daughters ---> all priceless in God's eyes, and in the eyes of their parents and grandparents.

I would be happy to speak to any one or all of you, as I did for the Education Committee. You can page me or call me anytime. Just as you are, I am here to serve.

Be Proactive.

Be a Leader.

Act Quickly.

The next bus accident could be tomorrow...

Or next week...

Or next year.

It could be on a bus that you ensured had some seatbelt restraints...
...that saved a child, or maybe several children from death or severe permanent injury.

That is why should we appropriate money NOW for Seatbelts on Schoolbuses. Don't dawdle, or get bogged down. The accidents won't wait. This decision is almost a "no brainer" from my perspective -- and the perspective of the Education Committee that voted unanymously to support it.

Otherwise we all end up paying at least twice: Once for the lawsuit(s), then once to fix the problem. At the same time, we might miss the opportunity to save something of infinite worth: a child travelling to or from school.

I certainly hope you all are able to take action here before you get a followup email from me at night from the Duke ER telling you that the opportunity for a "Proactive" stance has passed, with the bus victims coming in, and the press crews gathering.

Thank you for your help.

Sincerely,

Lloyd A. Hey, MD MS
Assistant Professor, Orthpaedic Surgery

HOUSE BILL 355:
Seat Belts on New School Buses

BILL ANALYSIS

Committee:	House Education	**Introduced by:**	Representative Mosley
Date:	March 18, 1999	**Summary by:**	Sara Kamprath
Version:	Proposed Committee Substitute (H355-CSRJ-001)		Education Policy Analyst

SUMMARY:

House Bill 355 would require all school buses and school activity buses purchased after July 1, 1999 to be equipped with seat belts for all passengers. The bill appropriates $1.9 million for the 1999-2000 fiscal year to the State Board of Education for that purpose.

BACKGROUND: The National Highway Traffic Safety Administration issued federal standards targeting the safety of school buses that became effective April 1, 1977. Federal Motor Vehicle Safety Standard (FMVSS) 222 does not require the installation of seat belts for the passengers on new school buses with gross vehicle weight ratings of greater than 10,000 pounds, the standard large school bus. Only 2 states, New York and New Jersey, have enacted legislation to require lapbelts on large school buses and only New Jersey mandates their use. In 1997, 16 states introduced legislation requiring seat belts on large buses but none of the bills were enacted. At the federal level, Representative Gary Ackerman introduced House Resolution 56 on January 6, 1999. This bill prohibits the manufacture, sale, delivery, or importation of any bus designed to transport more than 15 passengers, including the driver, that is not equipped with seat belts.

BILL ANALYSIS:

Section 1 of the bill amends the powers and duties of local boards of education as set out in G.S. 115C-47. Under existing law, local boards are authorized to purchase activity buses with local tax funds. The bill requires that all activity buses purchased after July 1, 1999 be equipped with seat belts for all passengers.

Section 2 of the bill amends the authority and duties of the State Board of Education as set out in G.S. 115C-240. Under current law, the State Board is authorized to adopt rules regarding school buses used to transport pupils. This bill provides that all buses purchased after July 1, 1999 shall be equipped with seat belts for passengers.

Section 3 of the bill appropriates $1.9 million to equip all school buses purchased after July 1, 1999 with seat belts. The act would become effective July 1, 1999.

Note: The bill was serially referred; if given a favorable report by this Committee, it will be referred to Appropriations.

H355-SMRJ-001

FACTS CONCERNING SEAT BELTS ON NEW SCHOOL BUSES

In N.C. alone there are around 1,000 bus accidents per year; resulting in 1,000 injuries and 1-3 deaths.

N.C. spends at least $1.8 million per year on the medical costs from these injuries. That does not take into account property damage and law suits.

The state of N.C. buys around 1,000 buses a year at approximately $50,000 a piece. Seat belts would add around $2,000 to the total cost of a bus, or $36.00 a child. We now spend $50 million per year on new buses, adding belts would only change that number to $52 million. Buses last 13-14 years.

N.Y., N.J. and 300 districts in the U.S. have seat belts on their buses. These states report 90% compliance in the student use of the belts.

The National PTA just passed a resolution, supporting a federal law requiring seat belts on all new buses. The National PTA represents 6 million parents. The resolution passed 713 to 228.

The National Transportation Safety Board is now advocating for shoulder belts on all commercial buses and school buses. Not true a report will come out soon.

Buses are equipped with color-coded retractable seat belts. These belts cannot be used as weapons and can be easily removed by students.

The number one cause of an accident is driver distraction. Students on buses with seat belts show improved behavior, and are less likely to cause a distraction.

Children belted in during an accident remain conscious and have a better chance of quick evacuation.

Physicians believe that it is very unlikely that any injury would occur due to the use of a seat belt. If the impact of the accident were severe enough to cause injury, then the passenger would likely be dead without a belt.

By not providing seat belts, we are demonstrating a negative form of education. This negative training carries over to our family car, leaving our children defenseless against their number one killer; the automobile crash.

This legislation is supported by the National PTA, N.C. State PTA, N.C. Academy of Pediatrics, N.C. Insurance Commissioner, American Medical Assoc., American Academy of Pediatrics, Center for Automobile Safety, Physicians for Auto Safety, and numerous others.

There are similar bills being considered in the U.S. Congress, in California and in Connecticut.

Barbara Lang- N.C. Coalition for Seat Belts on School Buses 851-1817

Injury Data from the N.C. Highway Safety Research Center

Injuries are categorized according to severity. "A" being the worst, debilitating, "B" being broken bones, sprains etc. and "C" which would be bumps bruises and cuts. A dollar amount is placed on the injury for medical cost. This is a state average of the cost of injuries per year in N.C.

Type of Injury	Average Injuried	$ Spent for injury	Total Cost
Fatality	1	$16,000	$16,000
Type A injury	4 children	$20,000	$80,000
Type B injury	27 children	$ 4,209	$113,643
Type C injury	778 children	$ 2,126	$1,654,028
			$1,864,603

USA TODAY
NO. 1 IN THE USA — FIRST IN DAILY READERS

Report: Buses need seat belts

May 11, 99

School, charters are focus

By Jayne O'Donnell
USA TODAY

A federal watchdog agency's report due this summer is expected to recommend that safety belts be required on all school and commercial buses.

The report, which is expected to be approved by the National Transportation Safety Board (NTSB), will make its case most strongly for belts on tour buses. Crash investigations show that tour buses' larger windows and seat design present a higher risk of ejecting passengers.

Twenty-two people died and at least 18 were injured Sunday morning in New Orleans when a tour bus headed to a casino swerved off a highway.

"There's a good chance that belts would have made a difference," says former NTSB chairman James Kolstad, who now is a vice president of AAA.

Nine people who were thrown from the charter bus might have survived if they had been wearing belts, he said.

An average of six people die each year in crashes of charter and commuter buses and 11 children on school buses. About 8,500 children are injured each year in crashes of school buses.

From late December to early January, eight people were killed and dozens injured in four New Jersey charter bus crashes. Some of those victims probably would have survived without serious injuries if they had been using safety belts, crash investigators say.

Seats on charter buses are not configured as well for passenger protection as they are on school buses, experts say. Most school buses have high-backed cushioned seats that are close together so children are thrown only a short distance into padding in a crash.

NTSB Vice Chairman Robert Francis, who is in charge of the New Orleans crash investigation, says the board has been urging the Transportation Department for years to consider requiring seat belts.

"We haven't gotten an overwhelming response," he says.

Rep. Frank Wolf, R-Va., chairman of a House panel that funds the Transportation Department, will release a letter today asking Transportation Secretary Rodney Slater to consider all of the NTSB's recommendations on bus safety.

"More people were killed in tour bus crashes in the last four months than in the last four or five years," Wolf says.

The NTSB, like many federal and state regulators, long dismissed the idea of seat belts on school buses because accident investigations showed that few children would be saved.

But in the last few years, the board started seeing cases in which children were killed even though they weren't sitting in the area of impact.

In a crash in Flagstaff, Ariz., two years ago, children who were thrown around inside a bus that rolled suffered brain injuries and paralysis.

"No cost is too high when it comes to saving lives," says Bob Schwarz of Peter Pan Bus Lines. "But we're just standing back waiting for someone to tell us what to do."

If the NTSB adopts the report, Transportation Department agencies would be urged to require belts on all buses. But many federal regulators believe the cost of belts would outweigh the benefit because of the relatively few lives lost in bus crashes. All federal rules must pass a cost-benefit analysis before they are enacted.

REPRESENTATIVE JANE H. MOSLEY
NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES
HOUSE DISTRICT 63

THE NEWS & OBSERVER
MONDAY, APRIL 12, 1999

I advise and enjoin those who direct the paper in the tomorrows never to advocate any cause for personal profit or preferment. I would wish it always to be "the tocsin" and to devote itself to the policies of equality and justice to the underprivileged. If the paper should at any time be the voice of self-interest or become the spokesman of privilege or selfishness it would be untrue to its history.

— from the will of Josephus Daniels, Editor and Publisher 1894-1948

Buckle 'em up

Seat belts on school buses would mean some additional expense, but common sense suggests the belts would protect children. Requiring them in North Carolina would be a good step.

Two emotion-laden images make the decision whether to require seat belts to be installed on school buses particularly difficult. One image: a score of youngsters held safely in their seats moments after a traffic accident. The other: youngsters clawing at seat belts after a collision, unable in their fright to open them and escape the bus.

North Carolinians are forced to confront this hard choice again because a state House committee has approved Wake County Rep. Jane Mosley's bill to require that new school buses be equipped with seat belts. Ideally, the decision would hinge on solid research. But extensive research on the subject doesn't exist. What's left, then, is experience and common sense — which suggest support for Mosley's bill.

Adding the seat belts would cost an estimated $1.9 million annually, statewide. Two states, New York and New Jersey, already require them. Several physician and safety groups — the American Academy of Pediatrics, the American Medical Association, the National PTA — endorse school bus seat belts. But other equally respected groups say the evidence doesn't support the cost and effort.

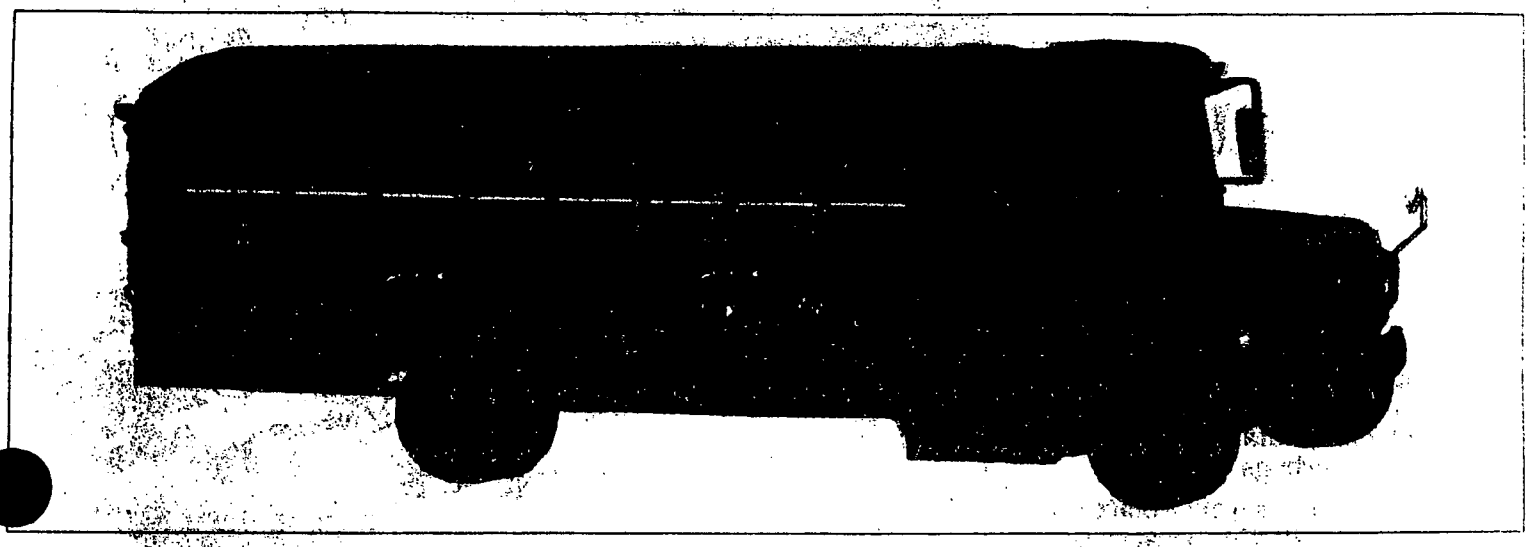
North Carolina's law covering seat belts in cars certainly has made belt use a habit in many households and should make unbuckling the belts, even in an emergency, familiar to most children. New York and New Jersey officials do not report problems with children being trapped in buses because of belts. They do report, however, that mandatory use of belts has resulted in more orderly bus rides to and from school. Even if restrained in a belt, children can be rescued more easily if conscious and unhurt than if they have been tossed around the bus during an accident, belt proponents correctly point out.

Seat belts aren't generally a life-saving issue on school buses, which tend to protect children quite well from the most serious crash injuries. But North Carolina has roughly 1,000 school bus accidents a year. About 1,000 injuries result, and wrecks that result in broken bones are not uncommon. For those children and their parents, seat belts could have made a significant difference in pain, inconvenience and money. A standard belt used throughout the state should be considered, and school districts should be required to have a strong training program for students and drivers on the proper use of the belts. But the bottom line is that the time for belts has arrived.

THE NEWS & OBSERVER
SUNDAY, APRIL 25, 1999

SUNDAY FORUM

TOPICS: FARMING; SAFETY; MAKING GROWTH BLOOM



If N.C. wants safer rides for students, require seat belts on school buses

A bill in the state House of Representatives, sponsored by Rep. Jane Mosley, would require seat belts on all new school buses. This bill has passed the Education Committee and is in the Education Appropriations Committee.

Passage of this bill would greatly enhance the safety of our children. There are around 1,000 school bus accidents in North Carolina each year, which result in over 1,000 injured students. We spend nearly $2 million a year in medical cost for these injuries. I think the money would be better spent for seat belts.

The only two states that require seat belts on their buses are New York and New Jersey. Not only are their children safer, but as a bonus they have found that behavior on the bus has improved. Students who are belted in cannot get up and move around, hang over their seat or stand in the aisle. These practices distract the driver from his job; seat belts would make the job easier and safer.

Why should our children ride in buses every weekday and not be offered the protection of seat belts?

The automobile industry fought this same battle years ago. Thankfully they lost, and as a result thousands of lives are saved and injuries prevented every year.

Seat belts in school buses are supported by the National Parent Teachers Association, the North Carolina PTA, the American Academy of Pediatrics, the state Pediatric Society, the state's insurance commissioner, many bus drivers and by health care organization. Many newspapers around North Carolina have also come out in support of the bill.

North Carolina is a national leader in automobile safety. Our Click-it-or-Ticket program is held up as an example nationwide. Our state has one of the highest percentages of seat belt use. Now it's time for us to join New Jersey and New York and require that seat belts be put in our new buses.

By not providing seat belts we are demonstrating a negative form of education. This can carry over to the family car, leaving our children defenseless against their No. 1 killer, the car crash. I hope readers will join us in this effort by contacting their state representatives and asking them to vote yes for seat belts on school buses.

BARBARA LANG
Cary

The writer is with the N.C. Coalition for Seat Belts on School Buses.

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB355

SHORT TITLE: Seat Belts on New School Buses

SPONSOR(S): Representative Mosley

FISCAL IMPACT

Yes (X) **No ( )** **No Estimate Available ( )**

	FY 1999-00	FY 2000-01	FY 2001-02	FY 2002-03	FY 2003-04
REVENUES					
EXPENDITURES					
Based on SBE request	$1,943,260	$738,760	$1,649,362	$1,693,895	$1,739,630
Governor's Continuation	$1,341,010	$1,341,010	$1,649,362	$1,693,895	$1,739,630
Local Boards of Education	$87,600	$87,600	$89,965	$92,394	$94,889

POSITIONS: None

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: State Board of Education, State Public School Fund. Local school boards.

EFFECTIVE DATE: July 1, 1999

BILL SUMMARY: Amends G.S. 115C-47(24) and G.S. 115C-240(c) as title indicates, and appropriates $1,900,000 for 1999-2000 from General Fund to State Board of Education as title indicates. Requires local boards of education to purchase activity buses equipped with seat belts, and the State Board of Education to purchase all regular school buses with seat belts.

ASSUMPTIONS AND METHODOLOGY:

Possible school bus purchase options 1999-2001 biennium.

State Board of Education request FY1999-00 - 1,120 buses and FY2000-01 460 buses.

Governor's recommended Continuation Budget - FY1999-00 835 and FY2000-01 835 buses.

Activity bus purchases - 100 statewide.

Cost for seat belts on new buses - $1,606 for 66 passenger buses and $876 for 36 passenger buses.

Assume 2.7% inflation in costs and 1,000 bus purchases per year in FY2001-2002 through 2003-2004 .

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION
733-4910
PREPARED BY: James D. Johnson

APPROVED BY: Tom Covington

DATE: Thursday, March 25, 1999

Seat Belts on School Buses

Pros

- Based on the proponents' interpretation of available crash-test and case-study data, seat belts provide improved crash protection and are especially beneficial in side-impacts and rollovers that compartmentalization is not designed to handle.
- In a crash, seat belts will reduce the probability of death and the severity of injuries.
- Seat belts keep students in their seats and can provide a reduction in injuries to out-of-position students.
- Seat belt use can improve passenger behavior and lessen distractions to bus drivers.
- Seat belt use in school buses will provide a carry-over effect helping to remind students to use seat belts in cars.
- Cost is nominal

Cons

- The majority of school bus-related deaths and injuries do not result from crashes. More children are killed in the danger zone around the school bus and as pedestrians going to and from the school bus stop than as passengers inside the bus. Most school bus-related deaths are to occupants of other vehicles.
- Based on the opponents' interpretation of available crash-test and case study data on less severe crashes, seat belts are harmful and decrease crash protection because a body can jackknife over the belts and send the person's head into the back of the seat in front of them.
- Collisions that result in death or serious injury are often catastrophic crashes involving large trucks or trains where seat belts would not help.

- If the bus caught on fire or was submerged in water, then the evacuation could be hampered if the students are still belted in their seats.
- Installation of seat belts does not guarantee use. Drivers would need to monitor seat belt use and the distraction to school bus drivers would be increased.
- Buses are shared by different schools and used by children of varying sizes so it might be difficult to assure a correct fit for all students
- There is no data to indicate that seat belts would reduce fatalities or injuries
- Compartmentalization has demonstrated that it works over the past two decades
- Funds spent on seal belt installation would be better spent on other safety measures.
- There is no evidence that the use of seat belts in school buses will provide a carry-over effect helping to remind students to use seat belts in cars.
- Injuries can result when seat belts are used as weapons or when children catch their fingers in the seat belts or trip over the seat belts
- The energy of the impact during a collision is absorbed throughout the mass of the bus and therefore lessens the crash force felt by the passengers. Buses weigh 8-10 times more than cars.
- Buses generally travel slower than cars and are highly regulated as to how fast they can travel.
- Children sit above the impact zone where cars typically hit school buses.

Sources: UNC Highway Safety Research Center, School Transportation News (based on their review of opponents' and proponents' position papers and websites)

Responses to Questions from Legislators Regarding HB – 355 Posed on 03/25/99

The Department of Public Instruction (DPI) provides start-up funds to school districts for the purchase of new school buses. A school district purchases buses for its expanded fleet, thereafter DPI replaces the buses. Activity buses are purchased by the school districts from their funds. (Chapel Hill-Carrboro Schools System Transportation Department; Sara Kamparth, Legislative Analyst, NC General Assembly)

Average expenditure for a new 66- passenger school bus is approximately $50,000. Equipping a new school bus would cost approximately $2,000. (Alan Ross, National Coalition for School Bus Safety)

Retrofitting of older school buses has not been seriously considered during the past 12 years. Due to the varying configurations of older buses and the possibility of fatigue in the bus floor. This would prevent passing Federal specifications. Expense would be exorbitant. (Chris Thomas, Thomas Built Buses)

Compartmentalization works very well as protection in frontal and rear collisions if the student is seated correctly. Protection is not afforded in rollovers and on-side crashes. Seat belt usage therefore must be mandatory. (William Hall, UNC Highway Safety Research Center)

To date in 1999 at least 263 children have been injured and 6 have died in school bus accidents in the United States. (Alan Ross)

Egress time for children during submersion or fire in a school bus has been questioned. A large school bus sinks in less than 30 seconds. As a result of a devastating school bus fire in Kentucky a few years ago, diesel and gasoline tanks have been regulated and the tanks are now encased to prevent rupture. (Michigan Star II)

Data on deaths and injuries are contained in the following text and attached table for both activity buses and regular school buses during a 6-year period, 1991 – 1997:

In an effort to determine the extent of injuries sustained by school bus occupants in North Carolina, the UNC Highway Safety Research Center obtained school bus crash data contained in the NC Division of Motor Vehicles (DMV) accident files for the calendar years 1991 through 1997. The attached table presents injury data only for school bus occupants in the NC DMV data. School bus drivers and riderless buses have been excluded. During this time period, there were a total of 3,689 buses, 358 activity buses and 3,331 school buses, involved in crashes. These crashes involved 59,038 occupants.

The injury statistics confirm that overall, students are well protected in these crashes with almost 90% receiving no injuries. The overall school bus fatality rate of 0.01% and serious injury rate of 0.06% compare very favorably with the fatality rate of 0.17% and serious injury rate of 1.73 for 5 to 15 year old occupants of passenger cars involved in North Carolina crashes during the time period 1992 through June, 1998.

The crash and injury statistics do, however, indicate two areas of concern. One is the higher level of fatal plus serious injuries to occupants of activity buses (0.17%) when compared to school buses (0.06%). The second area of concern is the injury rate for rollover and side impact crashes when compared to the front and rear impacts. The fatal plus serious injury rate for activity buses involved in rollovers is 2.23% compared to 0.08% for the front/rear impacts. For the school buses, the rollover fatal plus serious injury rate is 2.10% compared to 0.01% for the front/rear impacts.

This difference in injury rates is to be expected since compartmentalization is designed to provide protection primarily in frontal and rear end impacts can be used to support the argument that seat belts are needed for the side impacts and rollovers. On the other hand, the relatively rare rate of occurrence for rollover crashes (1.3% for all bus crashes) and the low number of injuries (15 fatal plus serious injuries out of 53,000 occupants) can be used to support the argument that the buses are safe enough without seat belts and safety improvements need to target injuries from other sources. (William L. Hall, Staff Associate, UNC Highway Safety Research Center).

Compiled by Libby Read
Child Advocate, Interfaith Council for Social Service
Chapel Hill, NC

Injuries to Occupants of School Buses Involved in Crashes in North Carolina: 1991-1997
(Drivers and Riderless Buses Excluded)

Bus Type & Crash Type	# Buses		# Riders		Injuries*									
					Fatal		Serious		Moderate		Minor		None	
	#	%↕	#	%↕	#	%	#	%	#	%	#	%	#	%
Activity Bus														
Front/Rear	215	60.1	2,439	52.1	0	0.00	2	0.08	26	1.07	234	9.59	2,177	89.3
Rollover	13	3.6	180	3.8	1	0.56	3	1.67	36	20.00	89	49.44	51	28.3
Side/Other	130	36.3	2,065	44.1	0	0.00	2	0.10	9	0.44	136	6.59	1,918	92.9
Total	358	100	4,684	100	1	0.02	7	0.15	71	1.52	459	9.80	4,146	88.5
School Bus														
Front/Rear	2,117	63.6	35,527	65.4	0	0.00	4	0.01	13	0	3,594	10.12	31,916	89.8
Rollover	35	1.1	525	1.0	0	0.00	11	2.10	28	5.33	291	55.43	195	37.1
Side/Other	1,179	35.4	18,302	33.7	4	0.02	12	0.07	150	0.82	1,561	8.53	16,575	90.6
Total	3,331	100	54,354	100	4	0.01	27	0.05	191	0.35	5,446	10.02	48,686	89.6
Total														
Front/Rear	2,332	63.2	37,966	64.3	0	0.00	6	0.02	39	0.1	3,828	10.08	34,093	89.8
Rollover	48	1.3	705	1.2	1	0.14	14	1.99	64	9.08	380	53.90	246	34.9
Side/Other	1,309	35.5	20,367	34.5	4	0.02	14	0.07	159	0.78	1,697	8.33	18,493	90.8
Total	3,689	100	59,038	100	5	0.01	34	0.06	262	0.44	5,905	10.00	52,832	89.5

* Injuries based on the NC DMV injury scale where: "Fatal" = Killed; "Serious" = Incapacitating (injury serious enough to prevent carrying out normal activities for at least 24 hours, e.g., massive loss of blood, broken bone); "Moderate" = Non-incapacitating (injury other than killed or serious evident at the scene); "Minor" = No visible sign of injury but complaint of pain or momentary unconsciousness; "None" = No injury.

Excerpted from : **North Carolina School Bus Crash Data and Issues Related to Seat Belts on Large School Buses**

Prepared by: William L. Hall, Staff Associate
University of North Carolina Highway Safety Research Center

Organizations with Announced Positions About Seat Belts on Large School Buses

Advocates:

Many organizations believe that seat belts should be required on large school buses to maximize occupant protection. Among the organizations advocating the installation of seat belts in school buses with GVWRs greater than 10,000 lb., and the year in which they adopted the position, are the following:

- American Academy of Pediatrics, 1984
- American Academy of Orthopaedic Surgeons, 1992
- American College of Emergency Physicians, 1987
- American Medical Association, 1987
- Cable News Network (CNN), 1998
- Great Britain, 1998
- National Coalition for Seatbelts on School Buses (NCSSB)
- National Parent Teacher Association (PTA), 1985, 1998
- New Jersey Institute of Technology, 1989
- Physicians for Automotive Safety, 1980
- Society for Adolescent Medicine, 1985
- State of New Jersey, 1992
- State of New York, 1987
-

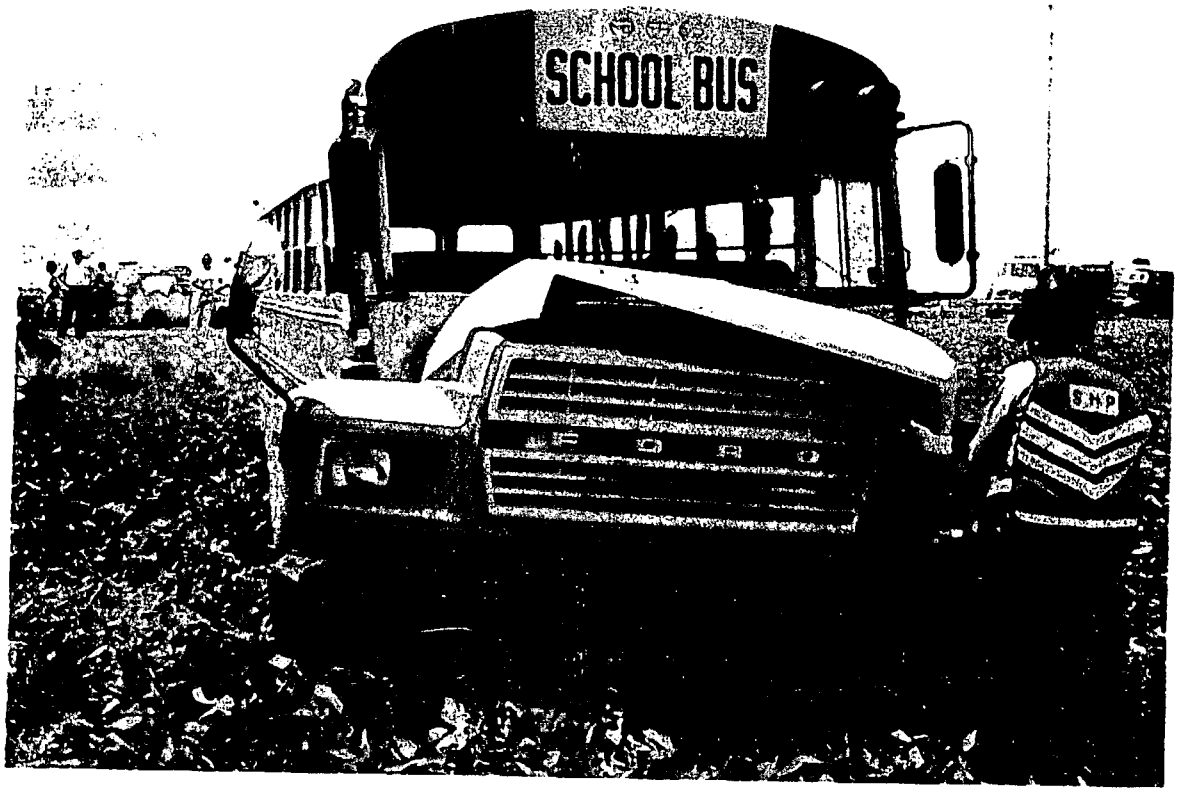
Liability Question
not putting them in
new buses
Retrofitting → County Commission
→ State

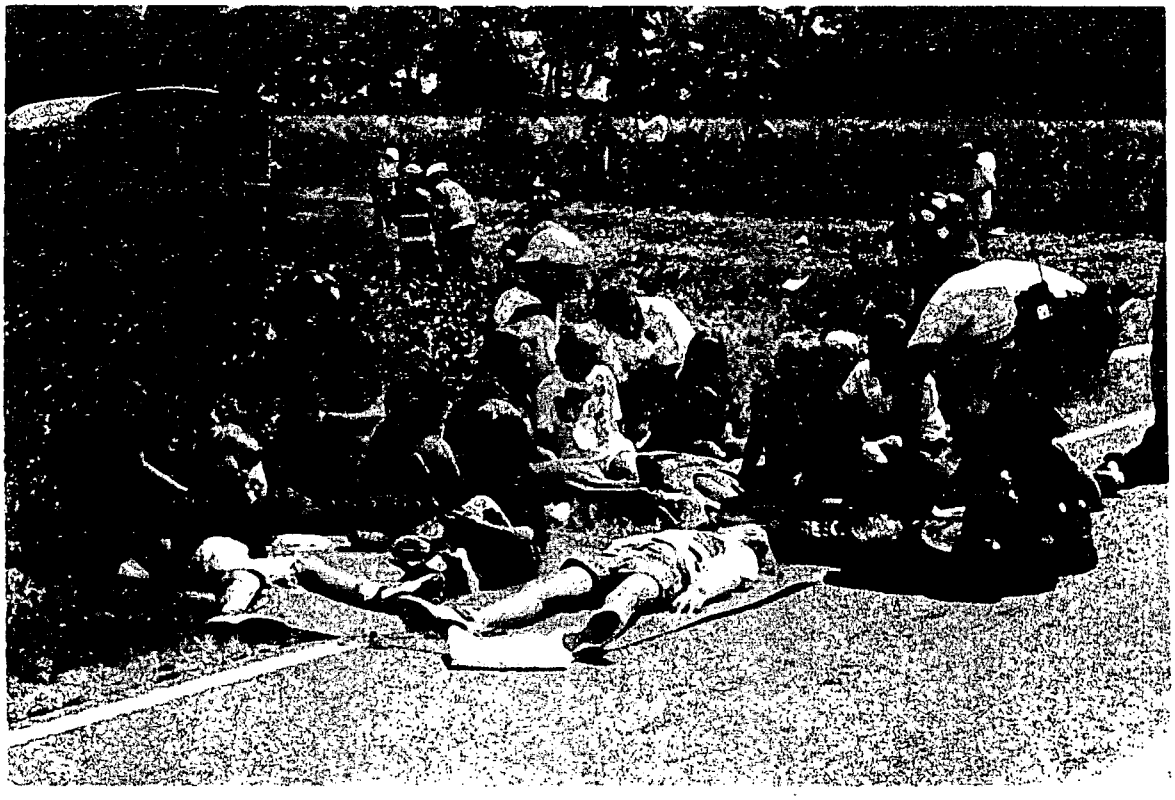
Opponents:

Meanwhile, many other organizations believe that large school buses should not be equipped with seat belts to maximize occupant protection. Among the organizations opposing the installation of 2-point, lap-belt seat belts in school buses with GVWRs greater than 10,000 lb., and the year in which they adopted the position, are the following:

- 10th National Conference on School Transportation, 1985
- Florida Dept. of Education, Pupil Transportation Unit, 1997
- National Academy of Sciences, Transportation Research Board, 1989
- National Association for Pupil Transportation
- National Association of State Directors of Pupil Transportation Services, 1995
- National Highway Traffic Safety Administration, 1997
- National Safety Council, 1986
- National School Transportation Association, 1984
- National Transportation Safety Board
- New Hampshire School Transportation Association
- New York Association for Pupil Transportation
- Ontario School Bus Operators Association, 1995
- Province of Ontario Ministry of Transportation
- Student Transportation Association of Massachusetts
- Thomas Built Buses, Inc. Sen Sandy Sands
- Transport Canada

opposition
is no - we are
not against it


SCHOOL BUS



House Bills

Bill #	Sponsor	Short Title	Heard by Committee?	Rank 1=highest; 10=lowest		Senate Bill ?	1999-2000	2000-2001
2	Black	Excellent School Act (Governor's Expansion)	Y		ED	2	274,889,170	569,534,570
6	Brown	School Utility Costs/Funds	Y		ED	134	158,475,351	158,475,351
22	Warner	School Utility Costs/Funds	Y		ED		80,000,000	80,000,000
23	Warner	CC Scholarship Program	Y		ED		0	19,006,918
52	Yongue	Low Wealth School Supplemental Funding	Y		ED	20	44,200,000	44,200,000
72	McAllister	UNC Tuition/Military Students	Y		ED			
93	Gillespie	Extend Bond Match Deadline for CC by one year	Y		ED	115		
101	Nye	TEACCH Program (Board of Governors)	Y		ED	683	1,051,699	
148	Warren, Edith	NC Geographic Alliance Funds	Y		ED		100,000	0
192	Preston	Special Education Funds	Y		ED		25,000,000	25,000,000
225	Adams	NC A & T State Agricultural Research & Extension Programs	Y		ED		1,000,000	1,000,000
250	Crawford	Model Teacher Consortium Funds	Y		ED		1,500,000	
308	Tolson	CC Operating Funds (Formula)	Y		ED		9,906,995	9,906,995
355	Mosley	Seat Belts on New School Buses			ED		1,900,000	
372	Insko	Limited English Proficiency	Y		ED	508	29,000,000	29,000,000
374	Nye	Christmas Tree Industry Funds (Staff/operations)	Y		ED	324	100,000	100,000
396	Rayfield	Community Colleges Maintenance Operating Funds	Y		ED		75,953,740	75,953,740
412	Moore	Community Colleges Multi-campus funds	Y		ED		1,660,000	2,538,000
413	Moore	UNCC Fire Safety Engineering Technology Program Funds	Y		ED	332	580,000	580,000
422	Morris	Central Office/Non-Cert. Salary Funds	Y		ED		30,164,820	30,164,820
464	Nesbitt	NC Arboretum Funds	Y		ED	294	500,000	500,000
475	Brubaker	Stay Smart Program Funds (Community Colleges)	Y		ED		62,811,049	62,811,049
479	Michaux	Tobacco Alternative Research Funds (Bd of Governors)	Y		ED		Master Settlement Agreement	
483	Moore	Civic Education Program for Middle School Classes-UNC	Y		ED		50,000	0
485	Moore	Remediation Day Funds (Public Schools)	Y		ED	730	66,000,000	66,000,000
502	Edwards	Ocracoke School-Additional Teachers	Y		ED		206,215	206,215
518	Moore	Additional Workdays/Beginning Teachers	Y		ED		5,500,000	5,500,000
538	Moore	Science and Math School Funds	Y		ED		291,425	291,425
561	Baddour	School Based Management Network Funds (NC Network)	Y		ED	518	250,000	300,000
593	Rogers	School Central Office Personnel Funds	Y		ED		15,909,000	15,909,000
657	Morris	Special Education Funds	Y		ED		3,595,275	3,595,275
695	Gillespie	Funds for Low-Wealth Community Colleges	Y		ED		2,000,000	2,000,000
696	Gillespie	Utility Funds-Low Wealth Community Colleges	Y		ED		11,479,853	11,479,853
741	Grady	Low-Wealth School Supplemental Funds (Identical to H52)	Y		ED	20		
834	Moore	Expand School Technology	Y		ED		2,000,000	2,000,000

) 5 6:05 PM

Attachment 4

House Bills

Bill #	Sponsor	Short Title	Heard by Committee?	Rank 1=highest; 10=lowest		Senate Bill ?	1999-2000	2000-2001
864	Redwine	Teacher Academy Funds	Y		ED	519	500,000	500,000
912	Arnold	Class-Size Reduction (Third Grade)	Y		ED		19,000,000	19,000,000
913	Arnold	Substitute Teacher Pay Funds	Y		ED	326	10,000,000	10,000,000
914	Arnold	Principal Salary Funds	Y		ED		22,000,000	22,000,000
915	Arnold	Y2K Funds for Public Schools			ED			
916	Arnold	State School Technology Funds-2	Y		ED		45,000,000	45,000,000
917	Arnold	Alternative School Funding	Y		ED		34,000,000	34,000,000
960	Michaux	University of NC Equity Funding	Y		ED		21,000,000	21,000,000
974	Moore	Accelerated School Programs	Y		ED	1168	150,000	150,000
989	Nesbitt	School Bus Operating Funds	Y		ED		20,000,000	20,000,000
1011	Warner	Comm. College Salary Equity Finds	Y		ED		41,500,000	41,500,000
1017	Jeffus	Substitute Teacher Pay Raise	Y		ED		15,776,280	15,776,280
1018	Jeffus	International Baccalaureate Program Funds	Y		ED		225,000	225,000
1040	Rogers	Community College Improvement Act of 1999			ED	840	131,800,000	131,800,000
1058	Jeffus	Teacher National Certification Fee Funds	Y		ED	1117		
1081	Saunders	Information Tech. Center Funds (Charlotte Region at Piedmont CC)	Y		ED		5,000,000	
1101	Cansler	ABC Bonuses for Noncertified Employees	Y		ED		10,575,627	10,575,627
1116	Wright	Commission on Improving the Academic Achievement of Minority and at-risk Students	Rules Comm.		ED	943		
1121	Arnold	School Bus Efficiency Formula Funds	Y		ED		10,000,000	10,000,000
1148	Michaux	School Promotion Standards Postponed	Y		ED			
1215	Baddour	Leadership North Carolina Funds	Y		ED	1036	75,000	75,000
1291	Rogers	State Bd: Vocational Student Leadership Foundation	Y		ED		1,000,000	
1306	McLawhorn	Partnership for Human Services at ECU	Y		ED		150,000	
1323	Nye	Institute of Medicine at UNC CH	Y		ED		200,000	
1337	Boyd-McIntyre	Special Needs Funds	Y		ED		5,000,000	
1338	Boyd-McIntyre	Teacher Cadet program Funds	Y		ED	1017	200,000	200,000
1354	Dockham	Wake Forest Medical Stipends Funds	Y		ED		900,000	1,800,000
1356	Russell	DPI Construction Assistance (staff)	Y		ED		485,285	485,285
1359	Allred	Seat Belts on Activity Buses	Y		ED		165,240	
1362	Justus	School Metal Detector Funds (Public Insturction)	Y		ED		350,000	
1367	Cole	Chinqua Penn Funds (Board of Governors)	Y		ED		425,000	
1387	McAllister	Success in Education Act of 1999	Y		ED		57,650,000	33,300,000
1416	Yongue	Child Nutrition Personnel Bonus Funds	Y		ED		8,000,000	8,000,000
1430	Blue	NCCU Hospitality and Tourism Program	Y		ED		500,000	
1436	Boyd-McIntyre	Textbook Commission Changes/Funds	Educ. Comm.		ED		50,000	
1438	Hunter	Study Use of School Bond Funds			ED		300,000	

House Bills

Bill #	Sponsor	Short Title	Heard by Committee?	Rank 1=highest; 10=lowest		Senate Bill ?	1999-2000	2000-2001
1440	Mosley	Driver Safety Education Program Funds (Reversion Use)	Educ. Comm.		ED		300,000	
1442	Nesbitt	State School Technology Funds-2	Y		ED		300,000,000	
1450	Adams	School Breakfast Program/ Funds			ED		10,069,740	10,069,740
1454	Tolson	Animal Waste Tech. Demo. Funds			ED		200,000	200,000

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education — 5-13-99

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Gene Brothers	NCSU Ag Pgms
Libby Read	Child Development Inter-Faith Council
Ron Ellings	Intern. Rep. Yancey
Bill Hall	UNC Highway Safety Res Ctr
Hal Miller	NCACCT
Susan Williams	[illegible]
John Crotts	NCASA
Ann Bellamy	SBE
Barbara Lang	NC Coalition for Seat Belts on Buses
Gene Caudy	NCDESFA
Janet Pollard	OSBM
Maurice Kirby	OSBM
Elizabeth Drovenstein	OSBM
Sandra Ellis	Rep Jean Preston LA
Scott Jones	Media General
Bill Wilson	NCAE
Bill Rhoades	North Carolina Community College Faculty Association
Jeanne Wanner	NCSBA
Rock	Wall Law
J Cahoon	NCAE

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the House **APPROPRIATIONS/Subcommittee** on

Education will meet **TODAY, Thursday, May 27, 1999 at 1:00 p.m. in Room 421.**

Agenda will be **Budget Considerations.**

Respectfully,

Representatives Rogers, Oldham & Boyd-McIntyre

Sally Gillis, Delta Prince, Delores Steele (Committee Assistants)

MINUTES
HOUSE APPROPRIATIONS/Subcommittee on Education

May 27, 1999
8:30 a.m.

The House Appropriations/Subcommittee on Education met Thursday, May 27, 1999 at 1:30 p.m. in Room 421 of the Legislative Office Building with Rep. Gene Rogers, Chair presiding. House members present were Rep. Rogers, Chair, Rep. Oldham, Chair, Rep. Boyd-McIntyre, Chair, Representatives Bonner, Gardner, Holmes, Insko, Moore, Peston, Smith, Teague and Yongue. Fiscal Staff present were Jim Johnson, Jim Newlin and Charlotte Todd. There were forty-one visitors.

Rep. Rogers, Chair called the meeting to order. He announced that the committee would be discussing the Draft Report, *(Attachment 1)*, which is the money part of the committee report first and have questions and answers as it is discussed, take a vote on that, then take up the Special Provisions Report, *(Attachment 2)*, answer questions, take up amendments and vote on that report. Rep. Holmes raised the question about how the documents arrived at the committee. Discussion followed on the development of the budget document. Rep. Rogers, Chair responded by stating the same method was used as in the past by considering bills, considering the Governor's budget and request from Public Schools, the University system and the Community College system.

Rep. Rogers, Chair explained the Public School items, beginning on page F1 through F5. Rep. Boyd McIntyre, Chair explained the UNC System, pages F6 through F11 and Rep. Oldham, Chair explained the Community College items, pages F12 through F15. *(Attachment 1)*. Upon completion of the Draft Report, there was discussion and Staff assisted the Chairs in addressing questions. Rep. Yongue stated the Chairs were to be commended for their hard work and decision making. There were no amendments offered on the Draft Report. Rep. Smith made a motion for a favorable report, seconded by Rep. Preston. Motion passed. Rep. Rogers, Chair called for a ten minute recess.

The meeting was again called to order and the Draft Special Provisions report was discussed next. *(Attachment 2)*. Staff was called on to explain their particular area of the report. Charlotte Todd , Community College Provisions, (pages 1 – 18). Jim Johnson, Public School Provisions, (pages 19 – 65). Jim Newlin, University Provisions, (pages 66 – 95). Rep. Yongue presented an amendment to page 29 of the Low Wealth section to add section @. (k) line 38. *(Attachment 3)*. Vote was taken and the amendment passed.

MINUTES
Appropriations/Subcommittee on Education
May 27, 1999, 1:30 p.m.

Rep. Moore was recognized to send forth an amendment to the Teacher Assistant Salary Funds section and added a proposal that the studies be sent to Education Oversight *(Attachment 4)*. Vote was taken and the amendment passed. Rep. Moore was recognized again to send forth another amendment. *(Attachment 5)*. This amendment deals with Alternative Schools/Alternative Learning Programs. After explaining his amendment, a vote was taken and passed. Rep. Insko moved that a favorable report be given the Special Provision Report with all amendments included. Motion passed.

There being no further business, the meeting adjourned.

Respectfully submitted,

Gene Rogers
Rep. Gene Rogers, Chair

Sally Gillis
Sally Gillis, Committee Assistant

Attachment 1

APPROPRIATIONS SUBCOMMITTEE On EDUCATION

Draft Report

May 27, 1999

Public Education

GENERAL FUND

	FY 99-2000		FY 2000-01	
Recommended Budget	$5,143,579,517		$5,195,842,820	
Legislative Changes				
ABC Program				
1 **ABC Bonus Awards 1999-2000** Provide funds to pay the projected ABC bonus awards for FY1999-2000.	$140,000,000	NR	$0	NR
Excellent Schools Act				
2 **Increase Teacher Salaries** Implement the third year of the new teacher salary schedule called for in the Excellent Schools Act. $239,870,258 in recurring funds are located in the Compensation Reserves for this purpose.				
3 **Teacher Longevity: 1999-2000 Salary Increases** Appropriate funds to teacher longevity increases associated with the FY1999-2000 salary increases that are a part of the Excellent Schools Act	$8,199,548	R	$5,000,000	R
4 **Mentor Teachers** Provide funds for mentor teachers.	$14,235,124	R	$14,235,124	R
Improving Student Success				
5 **Improving Student Accountability** Appropriates funds to local school systems to improve student performance in grades K-8. Funds are allocated to local school systems based on the numbers of students scoring at Level I and II, on the end-of-grade test.	$20,582,412	R	$20,582,412	R
6 **Limited English Proficiency** Provide additional funds for students who are have limited proficiency in English.	$5,000,000	R	$5,000,000	R

	FY 99-2000		FY 2000-01	
7 **Low Wealth Supplemental Funding** Provide additional Low Wealth Supplemental Funding.	$10,000,000	R	$10,000,000	R
8 **Small School System Supplemental Funding** Provide additional Small School System Supplemental funding.	$3,000,000	R	$3,000,000	R
9 **ExplorNet Funding** Provide additional funding for ExplorNet to assist in programs for public schools.	$2,000,000	R	$2,000,000	R
10 **Student Information System** Funds to continue implementation of a new student information system in the public schools. The new system supports the State Board of Education's goals under the ABC Program and previous information requirements of the General Assembly.	$0	R	$10,000,000	R
11 **Teacher Cadet Program** Provide funds to begin a teacher cadet program in North Carolina.	$100,000	R	$100,000	R
12 **Programs to Assist Local School Systems** Provide funds to the State Board of Education to assist local school systems in programs to improve student performance. Included are the TQE Program, Global Curriculum Program, and the North Carolina Geographic Alliance.	$600,000	R	$600,000	R
13 **A+ Schools** Provides funds to continue the A+ Schools Program.	$400,000	R	$400,000	R
14 **Textbook Commission Expansion** Funds to support additional members for the State Textbook Commission.	$50,000	R	$50,000	R

House Subcommittee on Education	FY 99-2000		FY 2000-01	
15 **School Leadership Pilot** Funds to the State Board of Education for the school leadership pilot project. The four school districts receiving the funds will participate in the nationwide program of the Center for Leadership in School Reform.	$240,000	NR		
16 **School Breakfast Program** Began implementing a school breakfast program for all kindergarten students. The program would begin in January of 2000.	$1,100,000	R	$1,100,000	R
17 **Funds for School Needs** Appropriates funds to the Critical School Facility Needs Fund to assist local school administrative units in which one or more schools were damaged or destroyed.	$200,000	NR		
18 **North Carolina Network Funds** Appropriates funds to the State Board of Education for the North Carolina Network to provide training for school based management teams, and to improve the managementcapacity of local school administrative units.	$250,000	R	$250,000	R
Various Budget Adjustments				
19 **Average Annual Salary Adjustment** Annual adjustment in average salary of certified personnel to reflect actual experience through December 1998.	($14,227,946)	R	($14,417,981)	R
20 **Additional Adjustments in Average Salary Projections** Reanalysis of the 1998 certified payroll data by the Department of Public Instruction found that the availability of more current teacher certification data produced an additional change in the projected average salary for 1999-2001 fiscal biennium.	($10,352,000)	R	($10,500,000)	R
21 **Revise Average Daily Membership** Revise amounts budgeted for average membership increases to reflect current projections of average daily membership growth for FY1999-2001.	($16,319,791)	R	$1,905,473	R

	FY 99-2000		FY 2000-01	
22 **Reduce Literary Fund Balance** Reduce the balance in the Literary Fund and reappropriate these funds to the public schools.	($2,500,000)	NR		
23 **Reduce Children's Trust Fund Balances** Reduce balance in the Children's Trust Fund.	($1,300,000)	NR		
24 **Unemployment Fund** Reduce balance in the Unemployment Fund for federally funded positions.	($850,000)	NR		
25 **Prospective Teacher Scholarship Loan Program** Reduce balance in the Prospective Teacher Scholarship Loan Program Fund. The reduction will have no impact on the number of scholarships available in FY1999-2001 fiscal biennium.	($500,000)	NR		
26 **Teaching Fellows Program** Reduce the balance in the Teaching Fellows Scholarship Loan Fund. The reduction will have no impact on the number of scholarships available in the 1999-2001 fiscal biennium.	($8,500,000)	NR		
27 **Textbook Fund** Reduce unneeded balance in the textbook fund. The reduction in the balances in this fund will no impact on the availability of textbooks to school students.	($500,000)	NR		
28 **School Bus Purchases** Governor's recommended deferral of the purchase of 377 school buses in FY1999-2000.	($18,021,731)	R	$18,532,943	R
29 **School Bus Purchases** Additional deferral of the purchase of school buses in FY1999-2000. With this deferral the State would still purchase $26.1 million in buses during the next fiscal year. In FY2000-2001 the funding is restored.	($14,337,457)	R	$14,337,457	R

House Subcommittee on Education	FY 99-2000		FY 2000-01	
30 **State Funds for Unemployment** Reduce the State funds appropriated for unemployment.	($500,000)	R	($500,000)	R
Total Legislative Changes	**($8,241,841)**	R	**$81,675,428**	R
	$126,290,000	NR	**$0**	NR
Total Position Changes				
Revised Budget	**$5,261,627,676**		**$5,277,518,248**	

UNC System

	GENERAL FUND			
	FY 99-2000		FY 2000-01	
Recommended Budget	$1,589,402,360		$1,595,487,506	
Legislative Changes				
A. Various Campuses				
31 **Governor's Across-the-Board Reduction** Reduces General Fund support by 0.5% (except for financial aid programs) on a pro rata basis.	($7,233,554)	R	($7,233,554)	R
32 **Reserves for New Facilities** Reduction in reserves for new buildings are adjusted to account for delays in occupancy.	($1,841,288)	NR	$362,342	R
33 **Equipment** Adjust increases in equipment budgets	($1,000,000)	NR		
B. UNC Hospitals				
34 **UNC Hospitals Support** Eliminate first year's proposed increase in support	($2,544,383)	R	($2,544,383)	R
C. East Carolina University				
35 **Medicare Receipts** Increase budgeted receipts from Medicare Medical Education reimbursement for one year; transfer $2 million from trust fund balance for operations for one year. Receipts $3,000,000 General Fund ($3,000,000)	($3,000,000)	NR		

	FY 99-2000		FY 2000-01	
D. Related Educational Programs				
36 **Scholarship Fund Balances** Reduce appropriations for one year to spend down accumulated balances in scholarship trust funds for Nurse Scholars, Principal Fellows, Nurse Education Scholarship Loans, Social Work Education Loan Fund	($3,000,000)	NR		
37 **Aid to Private Medical Schools** Eliminate proposed increase to budget for actual experience over past three years	($455,000)	R	($455,000)	R
38 **Aid to Students Attending Private Colleges** Increases Legislative Tuition Grant for all fulltime students from $1,600 to $1,675. Increases need-based scholarship funding from $900 to $975 per fulltime equivalent student (FTE). Total increase is $150 per student.	$4,011,425	R	$4,011,425	R
E. Schedule of Priorities				
39 **Enrollment Increases: Regular Term** Fund projected on-campus enrollment for 1999-2000, an increase of approximately 1,494 Full-time equivalent (FTE) students over the 98-99 budgeted FTE.	$19,493,004 157.90	R	$19,493,004 157.90	R
40 **Enrollment Increases: Distance Education** Funds 70% of Board's request for expansion of off-campus degree programs for 1999-2000	$3,895,187 45.30	R	$3,895,187 45.30	R
41 **UNC Focused Enrollment Growth** Funds targeted at implementing the Board's plan for enrollment growth, focusing resources on campuses with underutilized capacity. Funds will be used for assessment of needs, better operating efficiencies through economies of scale, physical facilities management, faculty improvement, and development capacity.	$10,000,000	R	$10,000,000	R
42 **New Degree Programs** Funds to support newly authorized degree programs at six campuses (East Carolina, Elizabeth City State, NC A & T State, NC State, UNC-Charlotte, Winston-Salem State)	$1,340,000	R	$1,340,000	R

		FY 99-2000		FY 2000-01	
43	**Transition of East Carolina to Doctoral II Status** Funding for second phase of change in classification of East Carolina University to a Doctoral II university.	$1,500,000	R	$1,500,000	R
44	**Financial Aid** Additional need-based financial assistance for in-state students	$1,300,000	R	$1,300,000	R
45	**Improve College Going Rate** Funding for PATHWAYS initiative to increase the number of North Carolina students attending college	$1,000,000	R	$1,000,000	R
46	**Information Technology** Funding for software, hardware, and operating support	$10,000,000	R	$10,000,000	R
47	**Strategic Initiatives Reserve** Funds for rapid targeting of urgent issues and problems on campuses, enabling the University to explore new initiatives.	$3,000,000	R	$3,000,000	R
48	**Rewarding Excellence in Teaching** Funds for awarding additional salary increases to a portion of teaching faculty judged as excellent teachers.	$7,077,639	R	$7,077,639	R
49	**Graduate Student Tuition Remission** Provide funds for graduate tuition remission and resident graduate tuition awards on campuses not classified as Research I universities.	$3,500,000	R	$3,500,000	R
50	**Service to Public Schools: A. Reserve** Expansion funds for UNC Center for School Leadership for K-16 Matching Incentive Grants, Model Teacher Consortium, and High Performance Lighthouse Schools.	$1,000,000	R	$1,000,000	R
51	**Service to Public Schools: B. International Educator Exchange for K-12** Funding to provide program of international exchange for educators	$112,000	R	$112,000	R

	FY 99-2000		FY 2000-01	
52 **Service to Public Schools: C. Reading Together** Additional funding for elementary tutorial program in reading at UNC-Greensboro.	$300,000	R	$300,000	R
53 **Public Service: Aging** Expansion budget support for the Institute on Aging to expand outreach services to local service providers	$100,000	R	$100,000	R
54 **Public Service: Hispanic Initiative** Funds to assist service providers adjust to changing demographics and demands caused by Hispanic immigration	$100,000	R	$100,000	R
55 **Public Service: Agricultural Matching Funds** Funding for NC Agricultural and Technical State University to match federal funding for research and extension programs	$750,000	R	$750,000	R
56 **Public Service: NC Arboretum** Expanded operating funds for the Arboretum to provide services to an expanding number of visitors and maintenance of recently developed areas.	$250,000	R	$250,000	R
57 **Public Service: Manufacturing Extension Partnership** Provide matching funds for engineering assistance to small manufacturers through NC State Industrial Extension Service	$900,000	R	$900,000	R
58 **Tuition Increase** The Board of Governors has approved a tuition increase of 4.9% for NC undergraduates, with similar dollar increases for non-residents. Graduate tuition will increase from 6.9% to 8.4% for in-state graduates.	($7,759,492)	R	($8,554,364)	R
59 **Reallocation of Funds for Priorities** For the first year, the 16 campuses must reallocate 1% of previously required reversions to initiatives funded in the expansion priorities	($14,375,000)	NR		

	FY 99-2000		FY 2000-01	
F. Other Items				
60 **Allow Research Campuses to Retain Overhead Receipts** Funds to partially replace 5% of overhead receipts transferred by Research I campuses to UNC General Administration for operations. Campuses will now retain all overhead receipts on campus.	$3,500,000	R	$3,500,000	R
61 **Leadership NC** Funding to non-profit leadership training program.	$75,000	NR		
62 **PT-CAM** One-time operating support for the Piedmont Triad Center for Applied Manufacturing operated by NC A & T State as it approaches self-sufficiency from receipts.	$250,000	NR		
63 **Teacher Academy** Additional funds for staff development activities of the Academy	$250,000	R	$250,000	R
64 **Reserve for K-12 Initiative** Funding for "World View" program and "K-12 International Outreach" program at UNC-Chapel Hill	$260,000	R	$260,000	R
65 **Center for Alcohol Studies** Provides additional funding for Center's endowment.	$500,000	R	$500,000	R
66 **Carbon Dioxide Dyeing Project** Funds to support purchase of prototype commercial textile dyeing equipment to test new process developed at NC State.	$500,000	NR		
67 **Diabetes Funding** Provide additional funding for the diabetes programs of the UNC-CH School of Medicine.	$200,000	NR		

	FY 99-2000		FY 2000-01	
Total Legislative Changes	**$56,146,826**	R	**$55,714,296**	R
	($22,191,288)	NR		
Total Position Changes	203.20		203.20	
Revised Budget	**$1,623,357,898**		**$1,651,201,802**	

Community Colleges

GENERAL FUND

	FY 99-2000		FY 2000-01	
Recommended Budget	$549,590,909		$549,428,729	
Legislative Changes				
68 **Enrollment Changes** Provides funds to cover the increased community college enrollment. FTE students are allocated on the previous year's actual enrollments.	$18,769,897	R	$18,769,897	R
69 **Need-Based Financial Aid** This creates the largest community college need-based financial aid program in North Carolina's history. Approximately 40% of the additional curriculum tuition receipts will be set aside for need-based financial aid for community college students. This anticipates offseting any tuition increase for those students who are not eligible for the Federal Hope and Lifetime Learning tax credits. These funds shall not revert.	$5,000,000	R	$5,000,000	R
70 **Management Information System Reserve** North Carolina's Community College System does not have a Management Information System. This will allow the State Board of Community Colleges to begin the development of a comprehensive MIS. These funds shall be put in a non-reverting reserve.	$8,000,000	R	$15,000,000	R
71 **Multi-Campus Funds** To provide additional funding for the operation of multi-campus colleges. The funds will be equally distributed to those sites.	$1,000,000	R	$1,000,000	R
72 **Hosiery Technology Center Funds** Additional one-time appropriation to support the Hosiery Technology Center operations.	$350,000	NR		
73 **Regional Emergency Services Training Facility** Provides a grant-in-aid for Central Carolina Community College to create a regional emergency services training facility.	$375,000	NR		

	FY 99-2000		FY 2000-01	
74 **Start-Up and Transition Funds for New Comm. College Serving Anson and Union** Provides start-up funds for the creation of a new multi-county community college serving Anson and Union counties. Also gives funds to Stanly Community College for its transition out of Union county.	$300,000	NR		
Enhancement of Faculty Salaries				
75 **Additional Faculty Salary Increase Funds** Gives the community college system an additional 2% for faculty salary increases. This is in addition to the 3% across-the-board increase provided to all employees.	$7,144,082	R	$7,144,082	R
76 **Instructional and Administrative Support** By providing additional support positions, funds that community colleges have been transferring from the formula salary line can be significantly reduced. The State Board of Community Colleges shall ensure that at least one additional financial aid counselor is distributed to each college to actively promote financial assistance opportunities for students and to help maximize the benefits and understanding of the Federal tax credits in order for North Carolinians to fully utilize the Federal money that is available.	$8,000,000	R	$8,000,000	R
77 **Increase "Other Cost" Funds** By increasing the amount allocated under the funding formula for non-salary "other cost" items, colleges will free up existing salary line formula money to either enhance faculty salaries or reduce the dependence on part-time faculty.This is the first increase in "other cost" items since 1985 and more accurately reflects the colleges' actual expenditures.	$10,000,000	R	$10,000,000	R
Reductions				
78 **Community Services Block Grant** Ask Community Colleges to spend down institutional fund balances and offer hobby and leisure courses on a self-supporting basis for one year. This block grant would be eliminated for one year only. This does not affect the policy regarding senior citizens free tuition.	($1,821,797)	NR		

	FY 99-2000		FY 2000-01	
79 **Shift Focused Industrial Training Prog. To WTTF** Currently the Worker Training Trust Fund provides approximately half of the money for the Community Colleges Focused Industrial Training Program. This would shift an additional $300,000 of the program funding from the General Fund to the Worker Training Trust Fund for one year only.	($300,000)	NR		
80 **Refund of Kodak NEIT Funds** A non-recurring reduction can be made to offset the refund the New and Expanding Industry Training Program received from Kodak.	($1,020,225)	NR		
81 **Human Resources Development Program** Reduce the HRD program by $100,000. This program has been underspending its appropriation.	($100,000)	R	($100,000)	R
82 **Special Allotment for Nursing Programs** Eliminates the extra money that is allocated over and above the funding formula for nursing programs.	($410,000)	R	($410,000)	R
83 **Unemployment Compensation** Reduce the amount for unemployment compensation based on more recent estimates.	($100,000)	NR		
84 **Eliminate Interest-Only Scholarship Reserve** With the current low interest rates this reserve is not generating sufficient financial aid resources. The direct,recurring appropriation in item #2 above is a more effective method of providing community college need-based financial aid.	($4,000,000)	NR		
85 **Vacant Position Reductions** The Governor proposes eliminating two vacant positions in the Department of Community Colleges.	($67,015)	R	($67,015)	R

	FY 99-2000		FY 2000-01	
Tuition				
86 **Continuing Education Fee** The State Board shall create a sliding fee for continuing education classes that will reflect both the length of the class and the ability to absorb a fee increase. The fees shall be sufficient to generate the budgeted receipts for continuing education.	($4,750,000)	R	($4,750,000)	R
87 **Curriculum Tuition** Increase curriculum tuition rates by $95 per semester and a pro rata amount for summer term which will allow financially needy North Carolinians to access and maximize benefits of the Federal Pell Grants, Hope and Lifetime Learning Tax Credits. Those students not qualifying for these Federal benefits are anticipated to benefit from need-based financial aid in #2 above. A significant portion of these receipts to the community college system can be received from these Federal programs.	($18,000,000)	R	($18,000,000)	R
Total Legislative Changes	**$34,586,964**	R	**$41,586,964**	R
	($6,217,022)	NR		
Total Position Changes				
Revised Budget	**$577,960,851**		**$591,015,693**	

Draft Special Provisions

Community Colleges

Public Schools

UNC

CODE NO. 99DOCC-H001-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

EMPLOYMENT OF COMMUNITY COLLEGE FACULTY/STUDY

Section @. The State Board of Community Colleges shall contract with an outside consultant to study the issue of whether the Community College System should employ faculty members for less than 12 months instead of on a 12-month basis since the Community College System now operates on a semester system instead of a quarter system. The consultant also shall consider how much additional supplemental funding for summer term would be required if the Community College System employed faculty members for less than 12 months and needed to employ a portion of the faculty for the summer term.

The State Board shall use funds from the State Board Reserve to implement this section.

The State Board shall report to the Joint Legislative Appropriations Subcommittees on Education and the Fiscal Research Division prior to April 30, 2000, on the results of this study. It is the intent of the General Assembly, in considering the results of this study and other recommendations regarding community college faculty salaries, to provide for changes in the salary of community college faculty that result in an enhancement of salary for community college faculty.

1 **CODE NO. 99DOCC-H002A-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers,
3 Moore
4 **COOPERATIVE HIGH SCHOOL EDUCATION PROGRAM ACCOUNTABILITY**
5 Section @. Section 10.7 of the Current Operations
6 Appropriations and Capital Improvement Appropriations Act of 1998
7 directed the State Board of Community Colleges and the State
8 Board of Education to create a joint task force to study the
9 existing policies for cooperative high school education programs
10 and to recommend changes necessary to improve the programs'
11 success and accountability. Section 10.7 further directed the
12 Boards to report their findings and recommendations to the Joint
13 Legislative Education Oversight Committee and the Fiscal Research
14 Division prior to March 1, 1999.
15 The General Assembly finds that the study submitted by
16 the Boards inadequately addressed the concerns of the General
17 Assembly; therefore, the General Assembly hereby requests that
18 the Boards jointly reconsider existing policies for cooperative
19 high school education programs. The General Assembly further
20 requests that the Boards make a preliminary report to the Joint
21 Legislative Education Oversight Committee and the Fiscal Research
22 Division prior to November 15, 1999, and a final report prior to
23 April 15, 2000. The report shall include findings and
24 recommendations that will enable the State to achieve the goal of
25 the General Assembly to increase the number of qualified high
26 school students participating in cooperative high school
27 education programs that are provided by local community colleges.
28 These programs should be cost-effective programs and should not
29 duplicate high school Advanced Placement courses that are
30 currently being offered or that could feasibly be offered. These
31 programs should provide additional higher education opportunities
32 for qualified high school students while minimizing overlapping
33 costs to the State for public schools and community colleges.
34 After submission of the final report, the Joint
35 Legislative Education Oversight Committee shall review the report
36 and the success, or lack thereof, of this cooperative program.
37 In the event the Committee finds that the report inadequately
38 addresses the existing policies for cooperative high school
39 education programs, or that there is an inadequate level of
40 coordination between the high school, and community colleges, the
41 Committee shall make a recommendation to the General Assembly as
42 to how much, if any, downward adjustment should be made in
43 appropriations to the respective agencies for failure to
44 adequately develop and implement this program. This downwar

adjustment would be recommended due to the fact that this study, and the implementation thereof, is anticipated to be funded and implemented from current personnel and resources, and failure to adequately implement the program signifies a misuse of resources for which a downward adjustment in appropriations should be made.

CODE NO. 99DOCC-H003A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

IMPLEMENTATION OF PERFORMANCE BUDGETING

Section @.(a) It is the intent of the General Assembly that the the State Board of Community Colleges implement the findings of the consultant's Phase IV Funding Study Report, prepared by the State Board and submitted to the Education Appropriations Subcommittee, on performance budgeting; therefore, Chapter 115D of the General Statutes is amended by adding a new section to read:

"**§ 115D-31.3. Performance budgeting.**

(a) The State Board of Community Colleges shall create new accountability measures and performance standards to be used for performance budgeting for the Community College System. The results of a survey may be used as a performance standard only if the survey is statistically valid. The State Board of Community Colleges shall review annually the accountability measures and performance standards to ensure that they are appropriate for use in performance budgeting.

(b) Notwithstanding any other provision of law, the State Board shall authorize each institution meeting the new performance standards to carry forward funds remaining in its budget at the end of each fiscal year in an amount not to exceed two percent (2%) of the State funds allocated to the institution for that fiscal year. The funds carried forward shall be used for the purchase of equipment and initial program start-up costs excluding regular faculty salaries. These funds shall not be used for continuing salary increases or for other obligations beyond the fiscal year into which they were carried forward. These funds shall be encumbered within 12 months of the fiscal year into which they were carried forward.

(c) The five required performance measures are (i) progress of basic skills students, (ii) passing rate for licensure and certification examinations, (iii) goal completion of program completers, (iv) employment status of graduates, and (v) performance of students who transfer to the university system. Colleges may choose one other performance measure from the list contained in the State Board's Phase 4 Funding Formula Study, which was presented to the Joint Education Oversight Committee. Successful performance on each of the six performance measures shall allow a college to retain and carry forward up to one-third of one percent (1/3 of 1%) of its final fiscal year General Fund appropriations into the next fiscal year.

1 (d) Each college shall publish its performance on these six
2 measures in its catalog each year beginning with the 2001
3 academic year."
4 Section @.(b) The State Board of Community Colleges
5 shall report to the Joint Legislative Education Oversight
6 Committee and to the Fiscal Research Division prior to March 1,
7 on an annual basis, on the implementation of this provision.
8 Section @.(c) This section becomes effective July 1,
9 1999. The State Board of Community Colleges shall authorize
10 institutions meeting the new performance standards to carry
11 forward funds from the 2000-2001 fiscal year to the 2001-2002
12 fiscal year and at the end of subsequent fiscal years.

CODE NO. 99DOCC-H004-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

OVER-REALIZED TUITION AND FEE RECEIPTS TRANSFERRED TO THE EQUIPMENT RESERVE FUND

Section @.(a) G.S. 115D-31 is amended by adding a new subsection to read:

"(e) If receipts for community college tuition and fees exceed the amount certified in General Fund Codes at the end of a fiscal year, the State Board of Community Colleges shall transfer the amount of receipts and fees above those budgeted to the Equipment Reserve Fund."

Section @.(b) If receipts for community college tuition and fees exceed the amount certified in General Fund Codes at the end of the 1998-99 fiscal year, the State Board of Community Colleges shall transfer the amount of receipts and fees above those budgeted to the Equipment Reserve Fund.

Section @.(c) Section @.(b) becomes effective June 30, 1999.

6

CODE NO. 99DOCC-H005-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

FINANCIAL ASSISTANCE FOR COMMUNITY COLLEGE STUDENTS

Section @.(a) Of the funds appropriated to the Community College System Office for the 1999-2001 fiscal biennium, the sum of five million dollars ($5,000,000) for the 1999-2000 fiscal year and the sum of five million dollars ($5,000,000) for the 2000-2001 fiscal year shall be used to provide the largest financial need-based student assistance program in the history of the North Carolina Community College System.

Students must apply for federal Pell Grants to be eligible for this program. It is the intent of the General Assembly that the Community College System make these financial aid funds available to the neediest students who are not eligible for other financial aid programs that fully cover the required educational expenses of these students. The State Board may use some of these funds as short-term loans to students who anticipate receiving the federal HOPE or Lifetime Learning Tax Credits.

The State Board of Community Colleges shall adopt rules and policies for the disbursement of the need-based financial assistance. The State Board may contract with the State Education Assistance Authority for administration of these financial assistance funds. These funds shall not revert at the end of each fiscal year but shall remain available until expended for need-based financial assistance.

Section @.(b) The State Board of Community Colleges shall ensure that at least one counselor is available at each college to inform students about federal programs and funds available to assist community college students including, but not limited to, Pell Grants and HOPE and Lifetime Learning Tax Credits and to actively encourage students to utilize these federal programs and funds.

Section @.(c) G.S. 115D-40 is repealed.

7

1 **CODE NO. 99DOCC-H006-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **COMMUNITY COLLEGE FUNDING FLEXIBILITY**
4 Section @. A local community college may use all State
5 funds allocated to it, except for Literacy Funds and Funds for
6 New and Expanding Industries, for any authorized purpose that is
7 consistent with the college's Institutional Effectiveness Plan.
8 Each local community college shall include in its Institutional
9 Effectiveness Plan a section on how funding flexibility allows
10 the college to meet the demands of the local community and to
11 maintain a presence in all previously funded categorical
12 programs.
13 The State Board may examine new State Aid allocation
14 options that more closely align the allocation and expenditure of
15 State appropriated resources.
16 Funds appropriated for salary increases shall be used
17 only for salary increases and necessary employer contributions.

8

CODE NO. 99DOCC-H008B

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

STATE BOARD RESERVE ALLOCATIONS

Section @.(a) The State Board of Community Colleges may use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for each fiscal year to assist small rural low wealth community colleges with operation and maintenance of plant costs if they need to assist new or expanding industries in their service delivery areas.

Section @. (b) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of forty thousand dollars ($40,000) for the 1999-2000 fiscal year to support the recruitment activities of the North Carolina Industries for Technical Education (NCITE). NCITE recruits students to community colleges with Heavy Equipment and Transportion Technology Programs in an effort to revitalize those programs.

CODE NO. 99DOCC-H009-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Owens

PERMIT TRANSFERS OF FUNDS TO THE NEW AND EXPANDING INDUSTRY TRAINING PROGRAM

Section @. The General Assembly finds that the New and Expanding Industry Training Program:

(1) Assists companies creating new jobs in North Carolina by providing training for new employees;

(2) Provides customized training to new or prospective employees in specific job skills needed by new or expanding industries; and

(3) Supports local, regional, and State economic development goals by offering entry-level training at no cost to companies that are creating new jobs in the State.

The General Assembly further finds that due to the extraordinary growth of new and expanding industry in the State, funds appropriated to the Program may be inadequate to meet demand for Program services during the 1999-2000 fiscal year; therefore, notwithstanding G.S. 143-16.3, G.S. 143-23, or any other provision of law, the Director of the Budget may, after consultation with the Joint Legislative Commission on Governmental Operations, transfer funds from any agency or program funded from the General Fund to the New and Expanding Industry Training Program to supplement the needs of this Program during the 1999-2000 fiscal year.

10

1 **CODE NO. 99DOCC-H010-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers,
3 Moore
4 **ADULT EDUCATION PROGRAM/REVIEW**
5 Section @. The State Board of Community Colleges shall
6 review the Adult High School Program to determine the extent to
7 which the program is aligned with recent public school reforms
8 including course content standards, end-of-course tests,
9 appropriate aspects of the high school accountability system,
10 publication of test results, and high school exit exams that will
11 be implemented by 2003. After completion of this review, the
12 Board shall direct and advise local colleges on steps necessary
13 to ensure that the Program is adequately aligned with recent
14 public school reforms.
15 The Board shall report to the Joint Legislative
16 Education Oversight Committee prior to April 15, 2000, on the
17 implementation of this section.

1 **CODE NO. 99DOCC-H012-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **MANAGEMENT INFORMATION SYSTEM FUNDS**
4 Section @.(a) Funds appropriated for the Community
5 College System Office Management Information System shall not
6 revert at the end of the 1999-2000 and 2000-2001 fiscal years but
7 shall remain available until expended.
8 Section @.(b) This section becomes effective June 30,
9 1999.

CODE NO. 99DOCC-H015-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Gillespie, Thompson, Buchanan

EXTEND COMMUNITY COLLEGE BOND MATCH DEADLINE

Section @.(a) Section 6(b)IV of Chapter 542 of the 1993 Session Laws, as added by Section 4 of Chapter 515 of the 1995 Session Laws and rewritten by Section 10(a) of S.L. 1998-212, reads as rewritten:

"IV. If the State Board of Community Colleges determines that a community college has not met the matching requirements of G.S. 115D-31(a)(1) by July 1, ~~1999,~~ 2000, with respect to a capital improvement project for which bond proceeds are allocated in subdivision I or pursuant to subdivision II of this subsection, the Board shall certify that fact to the State Treasurer by October 1, ~~1999.~~ 2000. All of these bond proceeds with respect to which the Board certifies that the matching requirement has not been met by July 1, ~~1999,~~ 2000, shall be placed by the State Treasurer in a special account within the Community Colleges Bond Fund and shall be used for making grants to community colleges. Bond proceeds in the special account shall be allocated among the community colleges in accordance with the following conditions:

(1) The State Board of Community Colleges shall generate, by October 1, ~~1999,~~ 2000, a priority ranking of legitimate community college capital improvement needs using a formula based on objective meaningful factors relevant to capital needs, including space to population ratio, population served ratio, capacity enrollment ratio, local to State and vocational education ratios, type of project, and readiness to implement.

(2) The State Board of Community Colleges shall provide the State Treasurer a projected allocation of the proceeds in the special account in accordance with this priority ranking, except that:

a. No projected allocation shall be made for a community college that the Board certified in accordance with this subdivision IV had failed to meet a matching requirement.

b. No more than four million dollars ($4,000,000) shall be allocated to a single community college.

c. Funds shall not be allocated for more than one project per community college.

(3) The proceeds of grants made from bond proceeds in the special account shall be allocated and expended for paying the cost of community college capital improvements in accordance with this allocation by the State Board of Community Colleges, to the extent and as provided in this act. The Director of the Budget is empowered, when the Director of the Budget determines it is in the best interest of the State and the North Carolina Community College System to do so, and if the cost of a particular project is less than the projected allocation, to use the excess funds to increase the size of that project or increase the size of any other project itemized in this section, or to increase the amount allocated to a particular community college within the aggregate amount of funds available under this section. The Director of the Budget shall consult with the Advisory Budget Commission and the Joint Legislative Commission on Governmental Operations before making these changes."

Section @.(b) This section becomes effective June 30, 1999.

14

CODE NO. 99DOCC-H016B-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
EMPLOYMENT SECURITY COMMISSION TRAINING AND EMPLOYMENT ACCOUNT FUNDS

Section @.(a) There is appropriated from the Employment Security Commission Training and Employment Account created in G.S. 96-6.1, as enacted by House Bill 275, 1999 General Assembly, to the Community College System Office the sum of twenty-two million dollars ($22,000,000) for the 1999-2000 fiscal year and the sum of fifty-six million five hundred thousand dollars ($56,500,000) for the 2000-2001 fiscal year. These funds shall be used as follows:

	1999-2000	2000-2001
1. Nonreverting Equipment, Technology, and MIS Reserve	$12,000,000	$42,500,000
2. Nonreverting Start-Up Fund for Regional and Cooperative Initiatives	$ 2,000,000	$ 2,000,000
3. New and Expanding Industry Training Program	$ 7,000,000	$10,000,000
4. Enhanced Focused Industrial Training Programs	$ 1,000,000	$ 2,000,000
TOTAL:	$22,000,000	$56,500,000

Funds allocated for the Nonreverting Start-Up Fund for Regional and Cooperative Initiatives shall be used for community college projects that foster regional cooperation among community colleges, between public schools and community colleges, and between universities and community colleges.

Section @.(b) There is appropriated from the Employment Security Commission Training and Employment Account created in G.S. 96-6.1, as enacted by House Bill 275, 1999 General Assembly, to the Department of Commerce, Employment Security Commission, the sum of five million five hundred thousand dollars ($5,500,000) for the 1999-2000 fiscal year and the sum of fourteen million one hundred thousand dollars ($14,100,000) for the 2000-2001 fiscal year for the costs of collecting and administering the new training and reemployment contribution and for enhanced reemployment services.

Section @.(c) To the extent that the State receives more in the Employment Security Commission Training and Employment Account than the funds appropriated in subsections (a) and (b) of this section:

(1) Eighty percent (80%) of these funds are hereby appropriated for the 1999-2000 fiscal year and the 2000-2001 fiscal year to the Community College System Office for the purposes set out in subsection (a) of this section and the State Board of Community Colleges may allocate the additional funds for those purposes; and

(2) Twenty percent (20%) of these funds are hereby appropriated to the Employment Security Commission for the 1999-2000 fiscal year and the 2000-2001 fiscal year, and it may allocate the additional funds for those purposes.

Section @.(d) Funds appropriated in this section shall be used for nonrecurring expenses only and shall not obligate the State financially in future fiscal years. Funds appropriated in this section shall not be used to supplant funds from other sources.

Section @.(e) The Community College System Office and the Employment Security Commission shall report to the Joint Legislative Education Oversight Committee prior to May 1, 2000, on proposed expenditures of these funds and prior to May 1 of subsequent years on actual expenditures.

Section @.(f) The Community College System Office and the Employment Security Commission shall jointly develop a list of options for delivering workforce training more efficiently and more effectively. These options shall include one-stop job placement and career centers. The Community College System Office and the Employment Security Commission shall report on these options to the Joint Legislative Education Oversight Committee prior to May 1, 2000.

1 **CODE NO. 99DOCC-S001-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **CLARIFICATION OF CERTAIN 1998 COMMUNITY COLLEGE APPROPRIATIONS**
4 Section @. Notwithstanding G.S. 115D-31 or any other
5 provision of law, no non-State match is required for funds
6 appropriated in S.L. 1998-212 for community college capital
7 projects or for community college matching scholarship endowment
8 funds.

1 **CODE NO. 99DOCC-S002-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **COMMUNITY COLLEGE RESERVE FUNDS DO NOT REVERT**
4 Section @.(a) Funds appropriated to the Anson-Union
5 Community College Reserve in S.L. 1998-212 shall not revert at
6 the end of the fiscal year but shall remain available for
7 expenditure by the new community college.
8 Section @.(b) This section becomes effective June 30,
9 1999.

end of Comm Col.

(18)

Beginning of Public Sch. Provision

1 **CODE NO. 99DPI-H001-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **CHARTER SCHOOL ADVISORY COMMITTEE/CHARTER SCHOOL EVALUATION**
4 Section @.(a) The State Board of Education may spend up
5 to fifty thousand dollars ($50,000) each year from State Aid to
6 Local School Administrative Units for the 1999-2000 and 2000-2001
7 fiscal years to continue support of a charter school advisory
8 committee.
9 Section @.(b) The State Board of Education may spend up
10 to one hundred fifty thousand dollars ($150,000) each year from
11 State Aid to Local School Administrative Units for the 1999-2000
12 and 2000-2001 fiscal years to conduct an evaluation of charter
13 schools.
14

Rep. Rogers - asked Staff Jim Johnson to cover

CODE NO. 99DPI-H002-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
LITIGATION RESERVE

Section @.(a) Funds in the State Board of Education's Litigation Reserve that are not expended or encumbered on June 30, 1999, shall not revert on July 1, 1999, but shall remain available for expenditure until June 30, 2000.

Section @.(b) Subsection (a) of this section becomes effective June 30, 1999.

Section @.(c) The State Board of Education may expend up to five hundred thousand dollars ($500,000) for the 1999-2000 fiscal year from unexpended funds for certified employees' salaries to pay expenses related to pending litigation.

20

CODE NO. 99DPI-H003-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
EXCEPTIONAL CHILDREN

Section @. The funds appropriated for exceptional children in this section shall be allocated as follows:

(1) Each local school administrative unit shall receive for academically gifted children the sum of seven hundred eighty-nine dollars and seventy-eight cents ($789.78) per child for four percent (4%) of the 1999-2000 allocated average daily membership in the local school administrative unit, regardless of the number of children identified as academically gifted in the local school administrative unit. The total number of children for which funds shall be allocated pursuant to this subdivision is 50,755 for the 1999-2000 school year.

(2) Each local school administrative unit shall receive for children with special needs the sum of two thousand three hundred seventy-four dollars and seventeen cents ($2,374.17) per child for the lesser of (i) all children who are identified as children with special needs or (ii) twelve and five-tenths percent (12.5%) of the 1999-2000 allocated average daily membership in the local school administrative unit. The maximum number of children for which funds shall be allocated pursuant to this subdivision is 151,965 for the 1999-2000 school year.

The dollar amounts allocated under this section for exceptional children shall also increase in accordance with legislative salary increments for personnel who serve exceptional children.

1 **CODE NO. 99DPI-H004-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **ALTERNATIVE SCHOOLS/AT-RISK STUDENTS**
4 Section @. The State Board of Education may use up to
5 two hundred thousand dollars ($200,000) of the funds in the
6 Alternative Schools/At-Risk Student allotment each year for the
7 1999-2000 and for the 2000-2001 fiscal years to implement G.S.
8 115C-12(24).
9

CODE NO. 99DPI-H005-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

UNIFORM EDUCATION REPORTING SYSTEM (UERS)/STUDENT INFORMATION MANAGEMENT SYSTEM (SIMS) FUNDS

Section @.(a) Funds appropriated for the Uniform Education Reporting System and the Student Information Management System shall not revert at the end of the 1999-2000 and 2000-2001 fiscal years, but shall remain available until expended.

Section @.(b) This section becomes effective June 30, 1999.

Rep Gardner asked question

CODE NO. 99DPI-H008-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
SUPPLEMENTAL FUNDING IN LOW-WEALTH COUNTIES

Section @.(a) Funds for Supplemental Funding. -- The General Assembly finds that it is appropriate to provide supplemental funds in low-wealth counties to allow those counties to enhance the instructional program and student achievement; therefore, funds are appropriated to State Aid to Local School Administrative Units for the 1999-2000 fiscal year and the 2000-2001 fiscal year to be used for supplemental funds for schools.

Section @.(b) Use of Funds for Supplemental Funding. -- All funds received pursuant to this section shall be used only (i) to provide instructional positions, instructional support positions, teacher assistant positions, clerical positions, instructional supplies and equipment, staff development, and textbooks, and (ii) for salary supplements for instructional personnel and instructional support personnel.

At least twenty percent (20%) of the funds received pursuant to this section shall be used to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8.

Section @.(c) Definitions. -- As used in this section:

(1) "Anticipated county property tax revenue availability" means the county adjusted property tax base multiplied by the effective State average tax rate.

(2) "Anticipated total county revenue availability" means the sum of the:

a. Anticipated county property tax revenue availability,

b. Local sales and use taxes received by the county that are levied under Chapter 1096 of the 1967 Session Laws or under Subchapter VIII of Chapter 105 of the General Statutes,

c. Food stamp exemption reimbursement received by the county under G.S. 105-164.44C,

d. Homestead exemption reimbursement received by the county under G.S. 105-277.1A,

e. Inventory tax reimbursement received by the county under G.S. 105-275.1 and G.S. 105-277A,

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

24

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

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

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

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

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

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

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

c. Add to the resulting amount the:

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

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

3. Personal property value for the county.

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

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

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

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

c. Compute the percentage that the county adjusted property tax base per square mile is of the State adjusted property tax base per square mile and weight the resulting percentage by a factor of one-tenth,

d. Add the three weighted percentages to derive the county wealth as a percentage of the State average wealth.

(9) "Effective county tax rate" means the actual county tax rate multiplied by a weighted average of the three most recent annual sales assessment ratio studies.

(10) "Effective State average tax rate" means the average of effective county tax rates for all counties.

(10a) "Local current expense funds" means the most recent county current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

(11) "Per capita income" means the average for the most recent three years for which data are available of the per capita income according to the most recent report of the United States Department of Commerce, Bureau of Economic Analysis, including any reported modifications for prior years as outlined in the most recent report.

(12) "Sales assessment ratio studies" means sales assessment ratio studies performed by the Department of Revenue under G.S. 105-289(h).

(13) "State average current expense appropriations per student" means the most recent State total of county current expense appropriations to public

schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

(14) "State average adjusted property tax base per square mile" means the sum of the county adjusted property tax bases for all counties divided by the number of square miles of land area in the State.

(14a) "Supplant" means to decrease local per student current expense appropriations from one fiscal year to the next fiscal year.

(15) "Weighted average of the three most recent annual sales assessment ratio studies" means the weighted average of the three most recent annual sales assessment ratio studies in the most recent years for which county current expense appropriations and adjusted property tax valuations are available. If real property in a county has been revalued one year prior to the most recent sales assessment ratio study, a weighted average of the two most recent sales assessment ratios shall be used. If property has been revalued the year of the most recent sales assessment ratio study, the sales assessment ratio for the year of revaluation shall be used.

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

Section @.(e) Allocation of Funds. -- Except as provided in subsection (g) of this section, the amount received per average daily membership for a county shall be the difference between the State average current expense appropriations per student and the current expense appropriations per student that the county could provide given the county's wealth and an average effort to fund public schools. (To derive the current expense appropriations per student that the county could be able to provide given the county's wealth and an average effort to fund public schools, multiply the county wealth as a percentage of State average wealth by the State average current expense appropriations per student.)

The funds for the local school administrative units located in whole or in part in the county shall be allocated to each local school administrative unit, located in whole or in part in the county, based on the average daily membership of the county's students in the school units.

If the funds appropriated for supplemental funding are not adequate to fund the formula fully, each local school administrative unit shall receive a pro rata share of the funds appropriated for supplemental funding.

Section @.(f) Formula for Distribution of Supplemental Funding Pursuant to This Section Only. -- The formula in this section is solely a basis for distribution of supplemental funding for low-wealth counties and is not intended to reflect any measure of the adequacy of the educational program or funding for public schools. The formula is also not intended to reflect any commitment by the General Assembly to appropriate any additional supplemental funds for low-wealth counties.

Section @.(g) Minimum Effort Required. -- Counties that had effective tax rates in the 1996-97 fiscal year that were above the State average effective tax rate but that had effective rates below the State average in the 1997-98 fiscal year or thereafter shall receive reduced funding under this section. This reduction in funding shall be determined by subtracting the amount that the county would have received pursuant to Section 17.1(g)(ii) of Chapter 507 of the 1995 Session Laws from the amount that the county would have received if qualified for full funding and multiplying the difference by ten percent (10%). This method of calculating reduced funding shall apply one time only.

This method of calculating reduced funding shall not apply in cases in which the effective tax rate fell below the statewide average effective tax rate as a result of a reduction in the actual property tax rate. In these cases, the minimum effort required shall be calculated in accordance with Section 17.1(g)(ii) of Chapter 507 of the 1995 Session Laws.

If the county documents that it has increased the per student appropriation to the school current expense fund in the current fiscal year, the State Board of Education shall include this additional per pupil appropriation when calculating minimum effort pursuant to Section 17.1(g)(ii) of Chapter 507 of the 1995 Session Laws.

Section @.(h) Nonsupplant requirement. -- A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current

expense funds and shall not supplant local current expense funds. For the 1999-2001 fiscal biennium, the State Board of Education shall not allocate funds under this section to a county found to have used these funds to supplant local per student current expense funds. The State Board of Education shall make a finding that a county has used these funds to supplant local current expense funds in the prior year, or the year for which the most recent data are available, if:

(1) The current expense appropriation per student of the county for the current year is less than ninety-five percent (95%) of the average of the local current expense appropriations per student for the three prior fiscal years; and

(2) The county cannot show (i) that it has remedied the deficiency in funding, or (ii) that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.

The State Board of Education shall adopt rules to implement this section.

Section @.(i) Reports. -- The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to May 1, 2000, on its analysis of whether counties supplanted funds.

Section @.(j) Department of Revenue Reports. -- The Department of Revenue shall provide to the Department of Public Instruction a preliminary report for the current fiscal year of the assessed value of the property tax base for each county prior to March 1 of each year and a final report prior to May 1 of each year. The reports shall include for each county the annual sales assessment ratio and the taxable values of (i) total real property, (ii) the portion of total real property represented by the present-use value of agricultural land, horticultural land, and forestland as defined in G.S. 105-277.2, (iii) property of public service companies determined in accordance with Article 23 of Chapter 105 of the General Statutes, and (iv) personal property.

CODE NO. 99DPI-H009A-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
SMALL SCHOOL SYSTEM SUPPLEMENTAL FUNDING

Section @.(a) Funds for Small School Systems. -- Except as provided in subsection (b) of this section, the State Board of Education shall allocate funds appropriated for small school system supplemental funding (i) to each county school administrative unit with an average daily membership of fewer than 3,150 students and (ii) to each county school administrative unit with an average daily membership of from 3,150 to 4,000 students if the county in which the local school administrative unit is located has a county adjusted property tax base per student that is below the State adjusted property tax base per student and if the total average daily membership of all local school administrative units located within the county is from 3,150 to 4,000 students. The allocation formula shall:

(1) Round all fractions of positions to the next whole position.

(2) Provide five and one-half additional regular classroom teachers in counties in which the average daily membership per square mile is greater than four, and seven additional regular classroom teachers in counties in which the average daily membership per square mile is four or fewer.

(3) Provide additional program enhancement teachers adequate to offer the standard course of study.

(4) Change the duty-free period allocation to one teacher assistant per 400 average daily membership.

(5) Provide a base for the consolidated funds allotment of at least three hundred fifty-five thousand dollars ($355,000), excluding textbooks.

(6) Allot vocational education funds for grade 6 as well as for grades 7-12.

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

Section @.(b) Nonsupplant Requirement. -- A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds. For the 1999-2001 fiscal biennium, the State Board of Education shall not allocate funds under this section to a county found to have used these funds to supplant local per student current expense funds. The State Board of Education shall make a finding that a county has used these funds to supplant local current expense funds in the prior year, or the year for which the most recent data are available, if:

(1) The current expense appropriation per student of the county for the current year is less than ninety-five percent (95%) of the average of the local current expense appropriations per student for the three prior fiscal years; and

(2) The county cannot show (i) that it has remedied the deficiency in funding, or (ii) that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.

The State Board of Education shall adopt rules to implement this section.

Section @.(c) Phase-Out Provisions. -- If a local school administrative unit becomes ineligible for funding under this formula solely because of an increase in the county adjusted property tax base per student of the county in which the local school administrative unit is located, funding for that unit shall be phased out over a two-year period. For the first year of ineligibility, the unit shall receive the same amount it received for the prior fiscal year. For the second year of ineligibility, it shall receive one-half of that amount.

If a local school administrative unit becomes ineligible for funding under this formula solely because of an increase in the population of the county in which the local school administrative unit is located, funding for that unit shall be continued for five years after the unit becomes ineligible.

Section @.(d) Definitions. -- As used in this section:

(1) "Average daily membership" means within two percent (2%) of the average daily membership as defined in the North Carolina Public Schools Allotment Policy Manual, adopted by the State Board of Education.

(2) "County adjusted property tax base per student" means the total assessed property valuation for

each county, adjusted using a weighted average of the three most recent annual sales assessment ratio studies, divided by the total number of students in average daily membership who reside within the county.

(2a) "Local current expense funds" means the most recent county current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

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

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

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

(5) "Weighted average of the three most recent annual sales assessment ratio studies" means the weighted average of the three most recent annual sales assessment ratio studies in the most recent years for which county current expense appropriations and adjusted property tax valuations are available. If real property in a county has been revalued one year prior to the most recent sales assessment ratio study, a weighted average of the two most recent sales assessment ratios shall be used. If property has been revalued during the year of the most recent sales assessment ratio study, the sales assessment ratio for the year of revaluation shall be used.

Section @.(e) Reports. -- The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to May 1, 2000, on the results of its analysis of whether counties supplanted funds.

Section @.(f) Use of Funds. -- Local boards of education shall use at least twenty percent (20%) of the funds they receive pursuant to this section to improve the academic

1 performance of children who are performing at Level I or II on
2 either reading or mathematics end-of-grade tests in grades 3-8.
3

CODE NO. 99DPI-H010-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
FUNDS FOR NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS

Section @.(a) Funds appropriated to the Department of Public Instruction in this act shall be used to pay for the National Board for Professional Teaching Standards (NBPTS) participation fee and for up to three days of approved paid leave for teachers participating in the NBPTS program during the 1999-2000 school year and the 2000-2001 fiscal year for State-paid teachers who (i) have completed three years of teaching in North Carolina schools operated by local boards of education, the Department of Health and Human Services, the Department of Correction, or The University of North Carolina, or affiliated with The University of North Carolina, prior to application for NBPTS certification, and (ii) have not previously received State funds for participating in any certification area in the NBPTS program. Teachers participating in the program shall take paid leave only with the approval of their supervisors.

A teacher for whom the State pays the participation fee (i) who does not complete the process or (ii) who completes the process but does not teach in a North Carolina public school for at least one year after completing the process, shall repay the certification fee to the State. Repayment is not required if the process is not completed or the teacher fails to teach for one year due to the death or disability of the teacher or other extenuating circumstances as may be recognized by the State Board.

Section @.(b) The State Board shall adopt policies and guidelines to implement this section.

CODE NO. 99DPI-H011-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
FUNDS TO IMPLEMENT THE ABCs OF PUBLIC EDUCATION PROGRAM

Section @.(a) Of the funds appropriated to State Aid to Local School Administrative Units, the State Board of Education shall provide incentive funding for schools that meet or exceed the projected levels of improvement in student performance, in accordance with the ABCs of Public Education Program. In accordance with State Board of Education policy, incentive awards in schools that achieve higher than expected improvements may be up to: (i) one thousand five hundred dollars ($1,500) for each teacher and for certified personnel; and (ii) five hundred dollars ($500.00) for each teacher assistant. In accordance with State Board of Education policy, incentive awards in schools that meet the expected improvements may be up to: (i) seven hundred fifty dollars ($750.00) for each teacher and for certified personnel; and (ii) three hundred seventy-five dollars ($375.00) for each teacher assistant.

Section @.(b) The State Board of Education may use funds appropriated to State Aid to Local School Administrative Units for assistance teams to low-performing schools.

1 **CODE NO. 99DPI-H015-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **SUBSTITUTE TEACHERS**
4 Section @. If the average number of days teachers are
5 absent in a local school administrative unit is higher than the
6 statewide average, the local board of education shall determine
7 the reasons unit average is high and shall develop a plan for
8 decreasing the unit average.
9

CODE NO. 99DPI-H016-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
LIMITED ENGLISH PROFICIENCY

Section @.(a) The State Board of Education shall develop guidelines for identifying and providing services to students with limited proficiency in the English language.

The State Board shall allocate these funds to local school administrative units and to charter schools under a formula that takes into account the average percentage of students in the units or the charters over the past three years who have limited English proficiency. If data for the prior three years are not available, the State Board shall use the most recent reliable data. The State Board shall allocate funds to a unit or a charter school only if (i) average daily membership of the unit or the charter school includes at least 20 students with limited English proficiency or (ii) students with limited English proficiency comprise at least two and one-half percent (2 1/2%) of the average daily membership of the unit or charter school. No unit or charter school shall receive funds for more than ten and six-tenths percent (10.6%) of its average daily membership.

Local school administrative units shall use funds allocated to them to pay for classroom teachers, teacher assistants, textbooks, classroom materials/instructional supplies/equipment, and staff development for students with limited English proficiency.

A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds.

Section @.(b) The State Board of Education shall survey local school administrative units to determine whether schools are able to recruit and retain ESL certified teachers. The State Board shall provide the results of this survey to the Joint Legislative Education Oversight Committee prior to March 1, 2000.

1 **CODE NO. 99DPI-H017-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **DRIVERS EDUCATION FUNDS DO NOT REVERT/DRIVING EDUCATION**
4 **CERTIFICATES**
5 Section @.(a) The State Board of Education may use
6 funds appropriated for drivers education for the 1999-2000 fiscal
7 year and for the 2000-2001 fiscal year for driving eligibility
8 certificates.
9 Section @.(b) This section becomes effective June 30,
10 1999.
11

38

1 **CODE NO. 99DPI-H019-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **TEACHING FELLOWS ADMINISTRATIVE COSTS**
4 Section @. G.S. 115C-363.23A(f) reads as rewritten:
5 "(f) All funds appropriated to or otherwise received by the
6 Teaching Fellows Program for scholarships, all funds received as
7 repayment of scholarship loans, and all interest earned on these
8 funds, shall be placed in a revolving fund. This revolving fund
9 shall be used for scholarship loans granted under the Teaching
10 Fellows Program. With the prior approval of the General Assembly
11 in the Current Operations Appropriations Act, the revolving fund
12 may also be used for campus and summer program support, and costs
13 related to disbursement of awards and collection of loan
14 repayments.
15 The Public School Forum, as administrator for the Teaching
16 Fellows Program, may use up to one hundred fifty thousand dollars
17 ($150,000) annually from the fund balance for costs associated
18 with administration of the Teaching Fellows Program. These funds
19 are in addition to funds required for collection costs related to
20 loan repayments."
21

39

CODE NO. 99DPI-H021-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
TEACHER SALARY SCHEDULES

Section @.(a) Effective for the 1999-2000 school year, the Director of the Budget may transfer from the Reserve for Compensation Increase for the 1999-2000 fiscal year funds necessary to implement the teacher salary schedule set out in subsection (b) of this section, including funds for the employer's retirement and social security contributions and funds for annual longevity payments at one percent (1%) of base salary for 10 to 14 years of State service, one and one-half percent (1.5%) of base salary for 15 to 19 years of State service, two percent (2%) of base salary for 20 to 24 years of State service, and four and one-half percent (4.5%) of base salary for 25 or more years of State service, commencing July 1, 1999, for all teachers whose salaries are supported from the State's General Fund. These funds shall be allocated to individuals according to rules adopted by the State Board of Education. The longevity payment shall be paid in a lump sum once a year.

Section @.(b)

(1) For the 1999-2000 school year, the following monthly salary schedules shall apply to certified personnel of the public schools who are classified as teachers. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

1999-2000 Monthly Salary Schedule
"A" Teachers

Years of Experience	"A" Teachers	NBPTS Certification
0	$2,405	N/A
1	$2,447	N/A
2	$2,490	N/A
3	$2,668	$2,988
4	$2,824	$3,162
5	$2,951	$3,305
6	$3,052	$3,418
7	$3,099	$3,470
8	$3,147	$3,524
9	$3,196	$3,579
10	$3,245	$3,634
11	$3,294	$3,689
12	$3,344	$3,745
13	$3,396	$3,803

14	$3,449	$3,862
15	$3,503	$3,923
16	$3,558	$3,984
17	$3,614	$4,047
18	$3,671	$4,111
19	$3,729	$4,176
20	$3,789	$4,243
21	$3,850	$4,312
22	$3,913	$4,382
23	$3,976	$4,453
24	$4,040	$4,524
25	$4,105	$4,597
26	$4,172	$4,672
27	$4,241	$4,749
28	$4,311	$4,828
29+	$4,382	$4,907

1999-2000 Monthly Salary Schedule
"G" Teachers

Years of Experience	"G" Teachers	NBPTS Certification
0	$2,555	N/A
1	$2,600	N/A
2	$2,646	N/A
3	$2,835	$3,175
4	$3,001	$3,361
5	$3,135	$3,511
6	$3,243	$3,632
7	$3,293	$3,688
8	$3,344	$3,745
9	$3,396	$3,803
10	$3,448	$3,861
11	$3,500	$3,920
12	$3,553	$3,979
13	$3,608	$4,040
14	$3,665	$4,104
15	$3,722	$4,168
16	$3,780	$4,233
17	$3,840	$4,300
18	$3,900	$4,368
19	$3,962	$4,437
20	$4,026	$4,509
21	$4,091	$4,581
22	$4,158	$4,656
23	$4,225	$4,732
24	$4,293	$4,808
25	$4,362	$4,885
26	$4,433	$4,964
27	$4,506	$5,046
28	$4,580	$5,129
29+	$4,656	$5,214

(2) Certified public school teachers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "G" teachers. Certified public school teachers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "G" teachers.

Section @.(c) Effective for the 1999-2000 school year, the first step of the salary schedule for school psychologists shall be equivalent to Step 5, corresponding to five years of experience, on the salary schedule established in this section for certified personnel of the public schools who are classified as "G" teachers. Certified psychologists shall be placed on the salary schedule at an appropriate step based on their years of experience. Certified psychologists shall receive longevity payments based on years of State service in the same manner as teachers.

Certified psychologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified psychologists. Certified psychologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified psychologists.

Section @.(d) Effective for the 1999-2000 school year, speech pathologists who are certified as speech pathologists at the masters degree level and audiologists who are certified as audiologists at the masters degree level and who are employed in the public schools as speech and language specialists and audiologists shall be paid on the school psychologist salary schedule.

Speech pathologists and audiologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for speech pathologists and audiologists. Speech pathologists and audiologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for speech pathologists and audiologists.

Section @.(e) Certified school nurses who are employed in the public schools as nurses shall be paid on the "G" salary schedule.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

SCHOOL-BASED ADMINISTRATOR SALARIES

Section @.(a) Funds appropriated to the Reserve for Compensation Increase shall be used for the implementation of the salary schedule for school-based administrators as provided in this section. These funds shall be used for State-paid employees only.

Section @.(b) The salary schedule for school-based administrators shall apply only to principals and assistant principals. The salary schedule for the 1999-2000 fiscal year, commencing July 1, 1999, is as follows:

1999-2000
Principal and Assistant Principal Salary Schedules

Classification

Yrs. of Exp	1 Assist Principal	1 Prin I (0-10)	2 Prin II (11-21)	3 Prin III (22-32)	4 Prin IV (33-43)	5 Prin V (44-54)
4	$3,031	--	--	--	--	--
5	$3,166	--	--	--	--	--
6	$3,275	--	--	--	--	--
7	$3,326	--	--	--	--	--
8	$3,377	$3,377	--	--	--	--
9	$3,430	$3,430	--	--	--	--
10	$3,482	$3,482	$3,535	--	--	--
11	$3,535	$3,535	$3,589	--	--	--
12	$3,589	$3,589	$3,644	$3,702	--	--
13	$3,644	$3,644	$3,702	$3,759	$3,818	--
14	$3,702	$3,702	$3,759	$3,818	$3,878	$3,939
15	$3,759	$3,759	$3,818	$3,878	$3,939	$4,002
16	$3,818	$3,818	$3,878	$3,939	$4,002	$4,066
17	$3,878	$3,878	$3,939	$4,002	$4,066	$4,132
18	$3,939	$3,939	$4,002	$4,066	$4,132	$4,200
19	$4,002	$4,002	$4,066	$4,132	$4,200	$4,267
20	$4,066	$4,066	$4,132	$4,200	$4,267	$4,336
21	$4,132	$4,132	$4,200	$4,267	$4,336	$4,406
22	$4,200	$4,200	$4,267	$4,336	$4,406	$4,477
23	$4,267	$4,267	$4,336	$4,406	$4,477	$4,551
24	$4,336	$4,336	$4,406	$4,477	$4,551	$4,626
25	$4,406	$4,406	$4,477	$4,551	$4,626	$4,703
26	$4,477	$4,477	$4,551	$4,626	$4,703	$4,797
27	$4,551	$4,551	$4,626	$4,703	$4,797	$4,893
28	$4,626	$4,626	$4,703	$4,797	$4,893	$4,991
29	$4,703	$4,703	$4,797	$4,893	$4,991	$5,091
30	$4,797	$4,797	$4,893	$4,991	$5,091	$5,193
31	$4,893	$4,893	$4,991	$5,091	$5,193	$5,297
32		$4,991	$5,091	$5,193	$5,297	$5,403
33			$5,193	$5,297	$5,403	$5,511
34			$5,297	$5,403	$5,511	$5,621

35	$5,511	$5,621	$5,733
36	$5,621	$5,733	$5,848
37		$5,848	$5,965
38			$6,084
39			
40			
41			

1999-2000

Principal and Assistant Principal Salary Schedules

Classification

Yrs. of Exp	6 Prin VI (55-65)	7 Prin VII (66-100)	9 Prin VIII (101+)
4	--	--	--
5	--	--	--
6	--	--	--
7	--	--	--
8	--	--	--
9	--	--	--
10	--	--	--
11	--	--	--
12	--	--	--
13	--	--	--
14	--	--	--
15	--	--	--
16	$4,132	--	--
17	$4,200	$4,336	--
18	$4,267	$4,406	$4,477
19	$4,336	$4,477	$4,551
20	$4,406	$4,551	$4,626
21	$4,477	$4,626	$4,703
22	$4,551	$4,703	$4,797
23	$4,626	$4,797	$4,893
24	$4,703	$4,893	$4,991
25	$4,797	$4,991	$5,091
26	$4,893	$5,091	$5,193
27	$4,991	$5,193	$5,297
28	$5,091	$5,297	$5,403
29	$5,193	$5,403	$5,511
30	$5,297	$5,511	$5,621
31	$5,403	$5,621	$5,733
32	$5,511	$5,733	$5,848
33	$5,621	$5,848	$5,965
34	$5,733	$5,965	$6,084
35	$5,848	$6,084	$6,206
36	$5,965	$6,206	$6,330
37	$6,084	$6,330	$6,457
38	$6,206	$6,457	$6,586

39	$6,330	$6,586	$6,718
40	$6,457	$6,718	$6,852
41		$6,852	$6,989

Section @.(c) The appropriate classification for placement of principals and assistant principals on the salary schedule, except for principals in alternative schools, shall be determined in accordance with the following schedule:

Classification	**Number of Teachers Supervised**
Assistant Principal	
Principal I	Fewer than 11 Teachers
Principal II	11-21 Teachers
Principal III	22-32 Teachers
Principal IV	33-43 Teachers
Principal V	44-54 Teachers
Principal VI	55-65 Teachers
Principal VII	66-100 Teachers
Principal VIII	More than 100 Teachers

The number of teachers supervised includes teachers and assistant principals paid from State funds only; it does not include teachers or assistant principals paid from non-State funds or the principal or teacher assistants.

The beginning classification for principals in alternative schools shall be the Principal III level. Principals in alternative schools who supervise 33 or more teachers shall be classified according to the number of teachers supervised.

Section @.(d) A principal shall be placed on the step on the salary schedule that reflects total number of years of experience as a certificated employee of the public schools and an additional step for every three years of experience as a principal.

Section @.(e) For the 1999-2000 fiscal year, a principal or assistant principal shall be placed on the appropriate step plus one percent (1%) if:

(1) The employee's school met or exceeded the projected levels of improvement in student performance for the 1997-98 fiscal year, in accordance with the ABCs of Public Education Program; or

(2) The local board of education found in 1997-98 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school; or

(3) The employee's school met or exceeded the projected levels of improvement in student performance for

the 1998-99 fiscal year, in accordance with the ABCs of Public Education Program; or

(4) The local board of education found in 1998-99 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school.

The principal or assistant principal shall be placed on the appropriate step plus an additional one percent (1%) for meeting each additional condition set out in subdivisions (1) through (4). Under no circumstance shall placement of a principal or assistant principal be higher than four percent (4%) above the appropriate step on the salary schedule.

Section @.(f) For the 1999-2000 fiscal year, a principal or assistant principal shall receive a lump-sum payment of:

(1) One percent (1%) of his or her State-paid salary if the employee's school meets or exceeds the projected levels of improvement in student performance for the 1999-2000 fiscal year, in accordance with the ABCs of Public Education Program.

(2) One percent (1%) of his or her State-paid salary if the local board of education finds that the employee's school has met the 1999-2000 goals of the local plan for maintaining a safe and orderly school.

The principal or assistant principal shall receive a lump-sum payment of two percent (2%) if the conditions set out in both subdivisions (1) and (2) are satisfied.

The lump sum shall be paid as determined by guidelines adopted by the State Board. Except as provided in subsection (1) of this section, placement on the salary schedule in the following year shall be based upon these increases.

Section @.(g) Principals and assistant principals with certification based on academic preparation at the six-year degree level shall be paid a salary supplement of one hundred twenty-six dollars ($126.00) per month and at the doctoral degree level shall be paid a salary supplement of two hundred fifty-three dollars ($253.00) per month.

Section @.(h) There shall be no State requirement that superintendents in each local school unit shall receive in State-paid salary at least one percent (1%) more than the highest paid principal receives in State salary in that school unit: Provided, however, the additional State-paid salary a

superintendent who was employed by a local school administrative unit for the 1992-93 fiscal year received because of that requirement shall not be reduced because of this subsection for subsequent fiscal years that the superintendent is employed by that local school administrative unit so long as the superintendent is entitled to at least that amount of additional State-paid salary under the rules in effect for the 1992-93 fiscal year.

Section @.(i) Longevity pay for principals and assistant principals shall be as provided for State employees.

Section @.(j)

(1) If a principal is reassigned to a higher job classification because the principal is transferred to a school within a local school administrative unit with a larger number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the higher job classification.

(2) If a principal is reassigned to a lower job classification because the principal is transferred to a school within a local school administrative unit with a smaller number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the lower job classification.

This subdivision applies to all transfers on or after the effective date of this section, except transfers in school systems that have been created, or will be created, by merging two or more school systems. Transfers in these merged systems are exempt from the provisions of this subdivision for one calendar year following the date of the merger.

Section @.(k) Participants in an approved full-time masters in school administration program shall receive up to a 10-month stipend at the beginning salary of an assistant principal during the internship period of the masters program. Certification of eligible full-time interns shall be supplied to the Department of Public Instruction by the Principal's Fellow Program or a school of education where the intern participates in a full-time masters in school administration.

Section @.(l) During the 1999-2000 fiscal year, the placement on the salary schedule of an administrator with a one-

year provisional assistant principal's certificate shall be at the entry-level salary for an assistant principal or the appropriate step on the teacher salary schedule, whichever is higher. Lump-sum payments received pursuant to subsection (f) of this section shall not be considered in placing the employee on the salary schedule in subsequent years that the employee is employed under either a provisional or a full certificate.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

SCHOOL CENTRAL OFFICE SALARIES

Section @.(a) The following monthly salary ranges apply to assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers for the 1999-2000 fiscal year, beginning July 1, 1999:

(1) School Administrator I: $2,932 - $5,003
(2) School Administrator II: $3,112 - $5,310
(3) School Administrator III: $3,303 - $5,636
(4) School Administrator IV: $3,436 - $5,863
(5) School Administrator V: $3,574 - $6,101
(6) School Administrator VI: $3,792 - $6,475
(7) School Administrator VII: $3,945 - $6,737

The local board of education shall determine the appropriate category and placement for each assistant superintendent, associate superintendent, director/coordinator, supervisor, or finance officer within the salary ranges and within funds appropriated by the General Assembly for central office administrators and superintendents. The category in which an employee is placed shall be included in the contract of any employee hired on or after July 1, 1999.

Section @.(b) The following monthly salary ranges apply to public school superintendents for the 1999-2000 fiscal year, beginning July 1, 1999:

(1) Superintendent I (Up to 2,500 ADM): $4,187 - $7,150
(2) Superintendent II (2,501 - 5,000 ADM):$4,445 - $7,585
(3) Superintendent III (5,001 - 10,000 ADM):$4,716 - $8,050
(4) Superintendent IV (10,001 - 25,000 ADM):$5,005 - $8,542
(5) Superintendent V (Over 25,000 ADM): $5,312 - $9,066

The local board of education shall determine the appropriate category and placement for the superintendent based on the average daily membership of the local school administrative unit and within funds appropriated by the General Assembly for central office administrators and superintendents.

Notwithstanding the provisions of this subsection, a local board of education may pay an amount in excess of the applicable range to a superintendent who is entitled to receive the higher amount under Section 2 of this act.

Section @.(c) Longevity pay for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers shall be as provided for State employees.

Section @.(d) Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for pursuant to this section. Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for under this section.

Section @.(e) The State Board shall not permit local school administrative units to transfer State funds from other funding categories for salaries for public school central office administrators.

Section @.(f) The Director of the Budget shall transfer from the Reserve for Salary Increases created in this act for fiscal year 1999-2000, beginning July 1, 1999, funds necessary to provide an average annual salary increase of three percent (3%), including funds for the employer's retirement and social security contributions, commencing July 1, 1999, for all permanent full-time personnel paid from the Central Office Allotment. The State Board of Education shall allocate these funds to local school administrative units. The local boards of education shall establish guidelines for providing their salary increases to these personnel.

Section @.(g) Any person who was employed on July 1, 1999, as a permanent public school employee whose salary is set by or under this section shall receive a compensation bonus, payable at the end of the first pay period, of one hundred twenty-five dollars ($125.00).

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

NONCERTIFIED PERSONNEL SALARY FUNDS/TEACHER ASSISTANT SALARY FUNDS

Section @.(a) The Director of the Budget may transfer from the Reserve for Compensation Increase created in this act for fiscal year 1999-2000, commencing July 1, 1999, funds necessary to provide a salary increase of three percent (3%), including funds for the employer's retirement and social security contributions, commencing July 1, 1999, for all noncertified public school employees whose salaries are supported from the State's General Fund. Local boards of education shall increase the rates of pay for all such employees who were employed during fiscal year 1998-99 and who continue their employment for fiscal year 1999-2000 by at least three percent (3%), commencing July 1, 1999. These funds shall not be used for any purpose other than for the salary increases and necessary employer contributions provided by this section.

The State Board of Education may enact or create salary ranges for noncertified personnel to support increases of three percent (3%) for the 1999-2000 fiscal year.

Section @.(b) Effective July 1, 1999, any person who was employed on the first day of the 1999-2000 school year as a permanent public school employee whose salary is set by or under this section shall receive a compensation bonus, payable at the end of the employee's first pay period, of one hundred twenty-five dollars ($125.00).

CODE NO. 99DPI-H022-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
STUDENT ACCOUNTABILITY STANDARDS

Section @.(a) Funds appropriated for the 1999-2001 fiscal biennium for Student Accountability Standards shall be used to assist students in performing at or above grade level in reading and mathematics in grades 3-8 as measured by the State's end-of-grade tests. The State Board of Education shall allocate these funds to local school administrative units based on the number of students who score at Level I or Level II on either reading or mathematics end-of-grade tests in grades 3-8. Funds in this allocation category shall be spent only to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and shall not be transferred to other allocation categories or otherwise used for other purposes. Except as otherwise provided by law, local boards of education may transfer other funds available to them into this allocation category.

The principal of a school receiving these funds, in consultation with the faculty and the site-based management team, shall incorporate plans for expending these funds to improve the performance of students.

Continuation budget funds previously appropriated for NC Helps and for the middle school pilot project shall be transferred to this allocation category.

Local boards of education are encouraged to use federal funds such as Goals 2000 and Title I Comprehensive School Reform Development Funds and to examine the use of State funds to ensure that every student is performing at or above grade level in reading and mathematics.

The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly on the implementation of this section. The report may include recommendations regarding the transfer of other funds into this allocation category.

1 **CODE NO. 99DPI-H024-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **APPROPRIATION OF FUNDS FROM STATE LITERARY FUND**
4 Section @. There is appropriated from the State
5 Literary Fund to the Department of Public Instruction the sum of
6 two million five hundred thousand dollars ($2,500,000) for the
7 1999-2000 fiscal year for aid to local school administrative
8 units.
9

1 **CODE NO. 99DPI-H025-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **TRANSFER FROM UNEMPLOYMENT RESERVE FUND**
4 Section @. The State Board of Education shall transfer
5 the sum of eight hundred fifty thousand dollars ($850,000) from
6 the Unemployment Reserve Fund to the General Fund in the 1999-
7 2000 fiscal year. Of the funds appropriated in Section 2 of
8 this act to the Department of Public Instruction, the sum of
9 eight hundred fifty thousand dollars ($850,000) in fiscal year
10 1999-2000 is to be used as a part of State Aid to Local School
11 Administrative Units. These funds are intended to provide
12 educational programs similar to the State and federal programs
13 that comprise the unemployment reserve.
14

1 **CODE NO. 99DPI-H026-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **HIGH SCHOOL EXIT EXAMS**
4 Section @. Of the funds appropriated to State Aid to
5 Local School Administrative Units, the State Board of Education
6 may use up to two million dollars ($2,000,000) for the 1999-2000
7 fiscal year to develop a high school exit examination.
8 The State Board of Education shall report to the Joint
9 Legislative Education Oversight Committee prior to the
10 expenditure of these funds.
11

1 **CODE NO. 99DPI-H027-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **CENTRAL OFFICE ADMINISTRATOR SALARY STUDY**
4 Section @. The Joint Legislative Education Oversight
5 Committee shall study the issue of salaries for school central
6 office to provide full funding of the central office
7 funding and the need to provide additional funding for this
8 purpose. The Department of Public Instruction shall provide to
9 the Committee all information and data requested to perform the
10 study. The Committee shall report the results of this study to
11 the General Assembly prior to the convening of the 2000 Regular
12 Session of the General Assembly.
13

CODE NO. 99DPI-H028-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
MENTOR PROGRAM STUDY

Section @. The State Board of Education shall study the mentor program for teachers with initial certification. In the course of the study the State Board of Education shall consider:

(1) Whether there is sufficient release time for the mentor and the teacher with initial certification to work together;

(2) Whether the mentor and the teacher with initial certification are in the same school and are teaching in the same grade level and area of certification; and

(3) The level of satisfaction with the program of mentors and initially certified teachers participating in the program.

The State Board of Education shall report the results of the study to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly.

CODE NO. 99DPI-H029-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
NEED FOR SCHOOL NURSES/STUDY

Section @. The Joint Legislative Education Oversight Committee shall examine the need for additional nurses in the public schools. If the Committee finds that additional nurses are necessary, the Committee shall forward the results of the study to the nonprofit corporation created pursuant to subparagraph VI.A.1 of the Consent Decree and Final Judgment entered in that action of 98 CVS 14377 on December 21, 1998, and approved by the General Assembly in S.L. 1999-2.

57

1 **CODE NO. 99DPI-H033-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **STUDY OF SCHOOL TRANSPORTATION FOR CHILDREN WITH SPECIAL NEEDS**
4 Section @. The State Board of Education shall study
5 the issue of school transportation for children with special
6 needs. In the course of the study, the State Board shall consider
7 the difficulty local school administrative units are having in
8 meeting the length of school day requirements for these children.
9 The State Board shall report the results of the study and its
10 recommendations to the Joint Legislative Education Oversight
11 Committee prior to January 1, 2000.
12 The State Board of Education may spend up to fifty
13 thousand dollars ($50,000) from funds appropriated for public
14 school transportation to perform this study.
15

58

CODE NO. 99DPI-H039-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
EXPAND SCHOOL BREAKFAST PROGRAM

Section @.(a) The State Board of Education shall expand the school breakfast program to all students in kindergarten, prior to the beginning of the 2000-2001 school year. Any school that serves kindergarten students is eligible to receive funds under the program for the 1999-2000 fiscal year for those students. Schools participating in the program shall provide breakfast, without charge, to all kindergarten students.

If these funds are not adequate to expand the program to all students in schools that elect to participate for the 1999-2000 school year, the Board of Education shall give priority to schools with a high concentration of children who qualify for free or reduced price lunches.

Section @.(b) This section becomes effective January 1, 2000.

59

1 **CODE NO. 99DPI-H040-P**
2 Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
3 **WILLIE M. FUNDS/STATE AID TO LOCAL SCHOOL ADMINISTRATIVE UNITS**
4 Section @. Funds appropriated to State Aid to Local
5 School Administrative Units to provide services to Willie M.
6 class members shall be spent only to provide services that are
7 required by State and federal law to (i) children with special
8 needs who were identified as members of the class at the time of
9 dissolution of the class, and (ii) other children with special
10 needs.
11

60

CODE NO. 99DPI-S007-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers
CHARTER SCHOOLS/ADM REDUCTION

Section @.(a) If the projected average daily membership of schools other than charter schools in a county school administrative unit with 3,000 or fewer students is decreased by more than four percent (4%) due to projected shifts of enrollment to charter schools, the State Board of Education may use funds appropriated to State Aid to Local School Administrative Units for the 1999-2000 fiscal year to reduce the loss of funds to the schools other than charter schools in the unit to a maximum of four percent (4%). This section applies to the 1999-2000 fiscal year only.

Section @.(b) The State Board of Education shall study the impact of charter schools on local school administrative units with an average daily membership of less than 3,000 students. The State Board of Education shall report the results of the study to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly.

CODE NO. 99DPI-S010-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

PAYROLL DEDUCTION CLARIFICATION

Section @.(a) G.S. 143-3.3(g) reads as rewritten:

"(g) Payroll Deduction for Payments ~~to~~ for Certain Employees' Associations Allowed. -- An employee of the State or any of its institutions, departments, bureaus, agencies or commissions, or any of its local boards of education or community colleges, who is a member of a domiciled employees' association that has at least 2,000 members, the majority of whom are employees of the State or public school employees, may authorize, in writing, the periodic deduction each payroll period from the employee's salary or wages a designated ~~lump~~ sum or sums to be paid ~~to~~ for the employees' association. The authorization shall remain in effect until revoked by the employee. A plan of payroll deductions pursuant to this subsection for employees of the State and other association members shall become void if the employees' association engages in collective bargaining with the State, any political subdivision of the State, or any local school administrative unit. This subsection does not apply to county or municipal governments or any local governmental unit, except for local boards of education."

Section @.(b) G.S. 135-18.8 reads as rewritten:

"**§ 135-18.8. Deduction for payments ~~to~~ for certain employees' associations allowed.**

Any member who is a member of a domiciled employees' association that has at least 2,000 members, the majority of whom are employees of the State or public school employees, may authorize, in writing, the periodic deduction from the member's retirement benefits a designated ~~lump~~ sum or sums to be paid ~~to~~ for the employees' association. The authorization shall remain in effect until revoked by the member. A plan of deductions pursuant to this section shall become void if the employees' association engages in collective bargaining with the State, any political subdivision of the State, or any local school administrative unit."

Section @.(c) Subsection (b) of this section becomes effective January 1, 2000, and applies to retirement benefits paid on or after that date. Subsection (a) of this section becomes effective January 1, 2000.

CODE NO. 99DPI-H037A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

TEXTBOOK COMMISSION MEMBERSHIP EXPANSION

Section @.(a) G.S. 115C-87 reads as rewritten:

"**§ 115C-87. Appointment of Textbook Commission.**

Shortly after assuming office, the Governor shall appoint a Textbook Commission of ~~14~~ 23 members who shall hold office for four years, or until their successors are appointed and qualified. The members of the Commission shall be appointed by the Governor upon recommendation of the Superintendent. Six of these members shall be teachers or principals in ~~the elementary grades;~~ grades K-5; five shall be teachers or principals in ~~the high school grades; one shall be a superintendent of a local school administrative unit;~~ grades 6-8; four shall be superintendents, teachers, or principals in grades 9-12; ~~one~~ three shall be ~~the parent of an elementary student, grades K-6,~~ parents of students in grades K-5 at the time of appointment; ~~and one shall be the parent of a high school student, grades 7-12,~~ three shall be parents of students in grades 6-8 at the time of ~~appointment.~~ appointment; and two shall be parents of students in grades 9-12 at the time of appointment. The Governor shall fill all vacancies by appointment for the unexpired term. The Commission shall elect a chairman, subject to the approval of the Superintendent. The Commission shall meet four times a year or at the call of the chair. The members shall be entitled to compensation for each day spent on the work of the Commission as approved by the Board and to reimbursement for travel and subsistence expense incurred in the performance of their duties at the rates specified in G.S. 138-5(a). ~~Such compensation~~ Compensation shall be paid from funds available to the State Board of Education."

Section @.(b) G.S. 115C-88 reads as rewritten:

"**§ 115C-88. Commission to evaluate textbooks offered for adoption.**

(a) The ~~members of the Commission who are teachers, principals or the parent of students~~ Commission shall evaluate all textbooks offered for adoption.

Each proposed textbook shall be read by at least one expert certified in the discipline for which the textbook would be used. The Commission may use external experts if no commission member or advisory committee member qualifies as an expert certified in a particular discipline.

The Commission may consider any review of a proposed textbook by other experts certified in the discipline who are not involved

in the textbook adoption process. However, these reviews may not substitute for the direct examination of the proposed textbook by a Commission member, an advisory committee member, or any other expert retained by the Commission.

(b) Each member shall examine carefully and file a written evaluation of each ~~textbook offered for adoption~~ proposed textbook for which the member is responsible.

The evaluation report shall give special consideration to the suitability of the textbook to the instructional level for which it is offered, the content or subject matter, whether the textbook is aligned with the Standard Course of Study, and other criteria prescribed by the Board.

Each evaluation report shall be signed by the member making the report and filed with the Board not later than a day fixed by the Board when the call for adoption is made."

Section @.(c) This section becomes effective January 1, 2000. Notwithstanding G.S. 115C-87, the additional members appointed to the Textbook Commission under this section shall hold office until the new Governor takes office in 2001 and their successors are appointed and qualified.

CODE NO. 99DPI-S001A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

STUDIES BY EDUCATION OVERSIGHT COMMITTEE

Section @.(a) The Joint Legislative Education Oversight Committee shall review information and reports provided by the State Board of Education and shall conduct any further study the Committee deems necessary regarding the establishment of a teacher assistant salary schedule. The Committee also may study the issue of differentiated high school diplomas. The Committee may report any findings and recommendations to the General Assembly prior to the convening of the 2000 Regular Session of the 1999 General Assembly, or prior to the convening of the 2001 General Assembly.

Section @.(b) The State Board of Education shall not approve a differentiated diploma plan until after the plan is approved by the General Assembly.

CODE NO. 99UNC-H001F

Requested by: Representatives Rogers, Boyd-McIntyre, Oldham, Easterling, Hardaway, Redwine

AID TO STUDENTS ATTENDING PRIVATE COLLEGES PROCEDURE

Section @.(a) Funds appropriated in this act to the Board of Governors of The University of North Carolina for aid to private colleges shall be disbursed in accordance with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up to nine hundred seventy-five dollars ($975.00) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1, 1999, for the 1999-2000 fiscal year and up to nine hundred seventy-five dollars ($975.00) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1, 2000, for the 2000-2001 fiscal year.

These funds shall be placed in a separate, identifiable account in each eligible institution's budget or chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year. Each student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be available for the tuition grant program as defined in subsection (b) of this section.

(b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition to all other financial assistance made available to private educational institutions located within the State, or to students attending these institutions, there is granted to each full-time North Carolina undergraduate student attending an approved institution as defined in G.S. 116-22, a sum, not to exceed one thousand six hundred seventy-five dollars ($1,675) for the 1999-2000 academic year and one thousand six hundred seventy-five dollars ($1,675) for the 2000-2001 academic year, which shall be distributed to the student as hereinafter provided.

The tuition grants provided for in this section shall be administered by the State Education Assistance Authority pursuant to rules adopted by the State Education Assistance Authority not inconsistent with this section. The State Education Assistance Authority shall not approve any grant until it receives proper certification from an approved institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the State Education Assistance Authority shall

remit at such times as it shall prescribe the grant to the approved institution on behalf, and to the credit, of the student.

In the event a student on whose behalf a grant has been paid is not enrolled and carrying a minimum academic load as of the tenth classroom day following the beginning of the school term for which the grant was paid, the institution shall refund the full amount of the grant to the State Education Assistance Authority. Each approved institution shall be subject to examination by the State Auditor for the purpose of determining whether the institution has properly certified eligibility and enrollment of students and credited grants paid on the behalf of the students.

In the event there are not sufficient funds to provide each eligible student with a full grant:

(1) The Board of Governors of The University of North Carolina, with the approval of the Office of State Budget and Management may transfer available funds to meet the needs of the programs provided by subsections (a) and (b) of this section; and

(2) Each eligible student shall receive a pro rata share of funds then available for the remainder of the academic year within the fiscal period covered by the current appropriation.

Any remaining funds shall revert to the General Fund.

(c) Expenditures made pursuant to this section may be used only for secular educational purposes at nonprofit institutions of higher learning. Expenditures made pursuant to this section shall not be used for any student who:

(1) Is incarcerated in a State or federal correctional facility for committing a Class A, B, B1, or B2 felony; or

(2) Is incarcerated in a State or federal correctional facility for committing a Class C through I felony and is not eligible for parole or release within 10 years.

(d) The State Education Assistance Authority shall document the number of full-time equivalent North Carolina undergraduate students that are enrolled in off-campus programs and the State funds collected by each institution pursuant to G.S. 116-19 for those students. The State Education Assistance Authority shall also document the number of scholarships and the amount of the scholarships that are awarded under G.S. 116-19 to students enrolled in off-campus programs. An "off-campus program" is any

1 program offered for degree credit away from the institution's
2 main permanent campus.
3 The State Education Assistance Authority shall include in its
4 annual report to the Joint Legislative Education Oversight
5 Committee the information it has compiled and its findings
6 regarding this program.

CODE NO. 99UNC-H002

Requested by: Representatives Boyd-McIntrye, Oldham, Rogers, Easterling, Hardaway, Redwine

AID TO PRIVATE COLLEGES/LEGISLATIVE TUITION GRANT LIMITATIONS

Section @.(a) No Legislative Tuition Grant funds shall be expended for a program at an off-campus site of a private institution, as defined in G.S. 116-22(1), established after May 15, 1987, unless (i) the private institution offering the program has previously notified and secured agreement from other private institutions operating degree programs in the county in which the off-campus program is located or operating in the counties adjacent to that county or (ii) the degree program is neither available nor planned in the county with the off-campus site or in the counties adjacent to that county.

An "off-campus program" is any program offered for degree credit away from the institution's main, permanent campus.

Section @. (b) Any member of the armed services as defined in G.S. 116-143.3(a), abiding in this State incident to active military duty, who does not qualify as a resident for tuition purposes as defined under G.S. 116-143.1, is eligible for a legislative tuition grant pursuant to this section if the member is enrolled as a full-time student. The member's legislative tuition grant shall not exceed the cost of tuition less any tuition assistance paid by the member's employer.

CODE NO. 99UNC-H003

Requested by: Representatives Boyd-McIntrye, Oldham, Rogers, Easterling, Hardaway, Redwine

WAKE FOREST AND DUKE MEDICAL SCHOOLS ASSISTANCE/FUNDING FORMULA

Section @. (a) Funds appropriated in this act to the Board of Governors of The University of North Carolina for continuation of financial assistance to the medical schools of Duke University and Wake Forest University shall be disbursed on certifications of the respective schools of medicine that show the number of North Carolina residents as first-year, second-year, third-year, and fourth-year students in the medical school as of November 1, 1999, and November 1, 2000. Disbursement to Wake Forest University shall be made in the amount of eight thousand dollars ($8,000) for each medical student who is a North Carolina resident, one thousand dollars ($1,000) of which shall be placed by the school in a fund to be used to provide financial aid to needy North Carolina students who are enrolled in the medical school. The maximum aid given to any student from this fund in a given year may not exceed the amount of the difference in tuition and academic fees charged by the school and those charged at the School of Medicine at the University of North Carolina at Chapel Hill.

Disbursement to Duke University shall be made in the amount of five thousand dollars ($5,000) for each medical student who is a North Carolina resident, five hundred dollars ($500.00) of which shall be placed by the school in a fund to be used to provide student financial aid to financially needy North Carolina students who are enrolled in the medical school. No individual student may be awarded assistance from this fund in excess of two thousand dollars ($2,000) each year. In addition to this basic disbursement for each year of the biennium, a disbursement of one thousand dollars ($1,000) shall be made for each medical student who is a North Carolina resident in the first-year, second-year, third-year, and fourth-year classes to the extent that enrollment of each of those classes exceeds 30 North Carolina students.

The Board of Governors shall establish the criteria for determining the eligibility for financial aid of needy North Carolina students who are enrolled in the medical schools and shall review the grants or awards to eligible students. The Board of Governors shall adopt rules for determining which students are residents of North Carolina for the purposes of these programs. The Board shall also make any regulations as

necessary to ensure that these funds are used directly for instruction in the medical programs of the schools and not for religious or other nonpublic purposes. The Board shall encourage the two schools to orient students toward primary care, consistent with the directives of G.S. 143-613(a). The two schools shall supply information necessary for the Board to comply with G.S. 143-613(d).

Section @.(b) If the funds appropriated in this act to the Board of Governors of The University of North Carolina for continuation of financial assistance to the medical schools of Duke University and Wake Forest University are insufficient to cover the enrolled students in accordance with this section, then the Board of Governors may transfer unused funds from other programs in the Related Educational Programs budget code to cover the extra students.

71

CODE NO. 99UNC-H004

Requested by: Representatives Boyd-McIntrye, Oldham, Rogers, Easterling, Hardaway, Redwine

REWARDING TEACHING EXCELLENCE PROGRAM FUNDS

Section @. Funds appropriated in this act for the Rewarding Teaching Excellence Program shall be distributed according to guidelines established by the Board of Governors of The University of North Carolina. These funds shall not be used for any purpose other than for salary increases and necessary employer contributions provided by this section.

CODE NO. 99UNC-H005A

Requested by: Representatives Boyd-McIntrye, Oldham, Rogers, Easterling, Hardaway, Redwine

MARINE SCIENCES RESEARCH COMMITTEE FUNDS

Section @. (a) There is established the Marine Sciences Research Organization Planning Committee. The Committee is charged with recommending an organizational and funding structure to effectively ensure cooperative efforts among North Carolina institutions involved in marine science research. The Committee shall consider all options that will lead to realization of North Carolina's potential in marine science and preservation of its coastal resources. The Committee shall also consider all of the following:

(1) Physical facilities and their utilization;
(2) Research funding sources;
(3) Methods of setting research priorities;
(4) Incentives to strengthen cooperation among various State entities; and
(5) Organizational changes.

Section @. (b) The Committee shall consist of the Chancellors of East Carolina University, North Carolina State University, the University of North Carolina at Chapel Hill, the University of North Carolina at Wilmington, and three persons selected by the Chancellors who are knowledgeable in the field of marine science research. If any other constituent institution becomes involved in marine science research, then the Chancellor of that university shall also be included as a member of the Committee. Vacancies shall be filled in the same manner as the original selections. The Committee shall be chaired by the Chancellor of North Carolina State University.

Section @. (c) The Marine Sciences Research Organization Planning Committee shall report its recommendations to the General Assembly by March 1, 2000. The Committee shall dissolve upon submission of its report.

CODE NO. 99UNC-H006

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

UNC INCENTIVE FUNDING

Section @. (a) Effective July 1, 1999, subsection (b) of Section 11 of S.L. 1998-212 is repealed.

Section @. (b) G.S. 116-30.3 reads as rewritten:

"**§ 116-30.3. Reversions.**

(a) Of the General Fund current operations appropriations credit balance remaining at the end of each fiscal year in each budget code of a special responsibility constituent institution, except for the budget code of the Area Health Education Centers of the University of North Carolina at Chapel Hill, any amount greater than two percent (2%) of the General Fund appropriation for that fiscal year may be carried forward by the institution to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. Of the General Fund current operations appropriations credit balance remaining in the budget code of the Area Health Education Centers of the University of North Carolina at Chapel Hill, any amount greater than one percent (1%) of the General Fund appropriation for that fiscal year may be carried forward in that budget code to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. However, the amount carried forward under this section shall not exceed two and one-half percent (2 1/2%) of the General Fund appropriation. The Director of the Budget, under the authority set forth in G.S. 143-25, shall establish the General Fund current operations credit balance remaining in each budget code of each institution.

(b) An institution shall cease to be a special responsibility constituent institution under the following circumstances:

(1) An institution, other than the Area Health Education Centers of the University of North Carolina, does not revert at least two percent (2%) of its General Fund current operations credit balance remaining in each budget code of that institution, or

(2) The Area Health Education Centers of the University of North Carolina at Chapel Hill does not revert at least one percent (1%) of its General Fund current

operations credit balance remaining in its budget code.

However, if the Board of Governors finds that the low reversion rate is due to adverse and unforeseen conditions, the Board may allow the institution to remain a special responsibility constituent institution for one year to come into conformity with this section. The Board may make this exception only one time for any special responsibility constituent institution, and shall report these exceptions to the Joint Legislative Commission on Governmental Operations.

(c) Repealed by Session Laws 1998-212, s. 11(a).

(d) For fiscal year ~~1998-99,~~ 1999-2000, the reversions required in subsections (a) and (b) of this section shall be available to each special responsibility constituent institution of The University of North Carolina. One-half of those funds shall be used for ~~technology infrastructure development in accordance with the Board of Governors' Plan for Technology Development. Those funds may be used as partial funding for multicampus contracts if so directed by the Board of Governors, but the amount spent on each Special Responsibility Constituent Institution's campus shall be at least the equivalent of one percent (1%) of that institution's General Fund operating appropriation for fiscal year 1998-99.~~ funding non-recurring items in the expansion budget appropriated to the Board of Governors of The University of North Carolina for fiscal year 1999-2000. The Board of Governors may direct the use of these funds for fiscal year 1999-2000. The funds shall not be used to support positions. Each special responsibility constituent institution shall report annually to the Board of Governors regarding how the institution spent the funds made available under this section."

Section @. (c) Effective July 1, 2000, G.S. 116-30.3, as amended by subsection (b) of this section, reads as rewritten:

"**§ 116-30.3. Reversions.**

~~(a)~~ Of the General Fund current operations appropriations credit balance remaining at the end of each fiscal year in each budget code of a special responsibility constituent institution, except for the budget code of the Area Health Education Centers of the University of North Carolina at Chapel Hill, any amount ~~greater than two percent (2%)~~ of the General Fund appropriation for that fiscal year may be carried forward by the institution to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. Of the General Fund current operations appropriations

credit balance remaining in the budget code of the Area Health Education Centers of the University of North Carolina at Chapel Hill, any amount ~~greater than one percent (1%)~~ of the General Fund appropriation for that fiscal year may be carried forward in that budget code to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. However, the amount carried forward under this section shall not exceed two and one-half percent (2 1/2%) of the General Fund appropriation. The Director of the Budget, under the authority set forth in G.S. 143-25, shall establish the General Fund current operations credit balance remaining in each budget code of each institution.

~~(b) An institution shall cease to be a special responsibility constituent institution under the following circumstances:~~

~~(1) An institution, other than the Area Health Education Centers of the University of North Carolina, does not revert at least two percent (2%) of its General Fund current operations credit balance remaining in each budget code of that institution, or~~

~~(2) The Area Health Education Centers of the University of North Carolina at Chapel Hill does not revert at least one percent (1%) of its General Fund current operations credit balance remaining in its budget code.~~

~~However, if the Board of Governors finds that the low reversion rate is due to adverse and unforeseen conditions, the Board may allow the institution to remain a special responsibility constituent institution for one year to come into conformity with this section. The Board may make this exception only one time for any special responsibility constituent institution, and shall report these exceptions to the Joint Legislative Commission on Governmental Operations.~~

(c) Repealed by Session Laws 1998-212, s. 11(a).

~~(d) For fiscal year 1999-2000, the reversions required in subsections (a) and (b) of this section shall be available to each special responsibility constituent institution of The University of North Carolina. One-half of those funds shall be used for funding non-recurring items in the expansion budget appropriated to the Board of Governors of The University of North Carolina for fiscal year 1999-2000. The Board of Governors may direct the use of these funds for fiscal year 1999-2000. The funds shall not be used to support positions. Each special responsibility constituent institution shall report annually to~~

1 ~~the Board of Governors regarding how the institution spent the~~
2 ~~funds made available under this section.~~"

77

CODE NO. 99UNC-H008

Requested by: Representatives Boyd-McIntrye, Oldham, Rogers, Easterling, Hardaway, Redwine

SCHOLARSHIP FUND BALANCES

Section @. Fund balances remaining in the Social Worker Scholarship Loan Fund shall be transferred to the Nurse Scholars Fund balance to implement the reductions in appropriations for scholarships in the 1999-2000 fiscal year.

78

CODE NO. 99UNC-H009

Requested by: Representatives Boyd-McIntrye, Oldham, Rogers, Easterling, Hardaway, Redwine

EAST CAROLINA UNIVERSITY MEDICAL SCHOOL

Section @. East Carolina University shall transfer two million dollars ($2,000,000) from the East Carolina University Medicare Reimbursement Trust Fund (26066) established by G.S. 116-36.6 to the East Carolina University School of Medicine General Fund operating fund (16066) for current expenses for fiscal year 1999-2000.

CODE NO. 99UNC-H011B

Requested by: Representatives Hardaway, Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

UNC ENROLLMENT PLANNING

Section @.(a) The University of North Carolina faces an increase in student enrollment of 48,000 students over the next 10 years, primarily at the undergraduate level. The Board of Governors of The University of North Carolina has adopted plans for meeting this large increase. These plans call for ten constituent institutions to enroll a larger share of the new enrollments. Of these ten institutions, seven currently have underutilized capacity. These seven schools (Elizabeth City State University, Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, the University of North Carolina at Pembroke, Western Carolina University, and Winston-Salem State University) are expected to grow by twenty percent (20%) by fall, 2003.

Section @.(b) Of the funds appropriated to the Board of Governors of The University of North Carolina for a "Strategic Initiatives Reserve," for the 1999-2000 fiscal year, the sum of two million dollars ($2,000,000) of the reserve shall be used to perform campus assessments and develop enrollment growth plans for the seven constituent institutions designated as growing twenty percent (20%) by fall, 2003 in the Board of Governors' enrollment plan. The Board of Governors shall report to the Joint Legislative Education Oversight Committee by April 15, 2000, on the use of the funds and on any additional needs identified by the plans.

Section @.(c) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of three million dollars ($3,000,000) in continuing operating funds shall be allocated to carry out the Board of Governors' plans for those campuses planning for rapid enrollment growth whose current enrollment is less than 5,000 full-time equivalent (FTE) students. The intent for this allocation is to promote greater operating efficiencies through budget flexibility for those constituent institutions lacking sufficient size to provide for economies of scale.

Section @.(d) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of three million dollars ($3,000,000) in continuing operating funds shall be allocated for improvement of faculty instruction at the seven

campuses targeted for major enrollment growth. The improvements shall be based on plans approved by the Board of Governors for hiring of new faculty, salary improvements, faculty development, or other initiatives that will improve instruction for students, especially undergraduate students. The Board of Governors shall report to the Joint Legislative Education Oversight Committee by April 15, 2000, on the allocation and proposed use of these funds.

Section @.(e) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of two million dollars ($2,000,000) in continuing operating funds shall be allocated for the enhancement of development offices at the smaller institutions. The goal of this funding is to increase the ability of these institutions to raise funds from the private sector and enhance the institutions' abilities to leverage State and other resources with private donations.

Section @.(f) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of one million dollars ($1,000,000) in continuing operating funds shall be allocated to further develop facilities management support for the smaller campuses facing rapid growth and having greater than average needs for renovation and repair of existing facilities. Funds may be allocated directly to the institutions needing assistance or may be dedicated to providing the assistance needed by other methods. The Board of Governors shall report to the Joint Legislative Education Oversight Committee on the allocation and use of these funds by April 15, 2000.

Section @.(g) Of the funds appropriated by this act to the Board of Governors of The University of North Carolina, the sum of one million dollars ($1,000,000) shall be used by the Board of Governors to prevent reductions in faculty positions for the seven growth constituent institutions identified in subsection (a) of this section if these institutions are projected to have budget reductions based on current enrollment estimates.

The Board of Governors shall report to the Joint Legislative Education Oversight Committee by December 15 of each year on enrollment planning, current and anticipated growth, and management of capacity to meet the demands for higher education in North Carolina. These reports shall continue through December, 2005.

CODE NO. 99UNC-H010B

Requested by: Representatives Hardaway, Oldham, Boyd-McIntyre, Rogers, Easterling, Redwine

UNC ENROLLMENT/CAPITAL

Section @. In this act the sum of twenty million dollars ($20,000,000) in additional capital improvement funds for facilities' renovations and repairs is appropriated to the Board of Governors of The University of North Carolina. The Board of Governors shall allocate these funds among the constituent institutions that are expected to grow in enrollment by twenty percent (20%) by fall, 2003 and who had facility condition and quality index ratings below The University of North Carolina system average, as identified in the report to the Board of Governors "Building for the New Millennium: Volume I".

The funds shall be allocated to the campuses meeting the above criteria, with fifty percent (50%) of the funds allocated based on relative dollar needs for repairs and renovations, and fifty percent (50%) of the funds allocated based on the relative facility condition and quality indices of these campuses.

The Board of Governors shall report the proposed allocation to the Joint Legislative Commission on Governmental Operations.

CODE NO. 99UNC-H012A

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

GRADUATE TUITION REMISSION

Section @. Of the funds appropriated by this act to the Board of Governors of The University of North Carolina the sum of three million five hundred thousand dollars ($3,500,000) shall be allocated to campuses having graduate programs and students eligible for graduate tuition remission or resident graduate tuition awards. None of these funds may be allocated to the Research I institutions.

CODE NO. 99UNC-H013

Requested by: Representative Redwine, Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway

UNC-WILMINGTON RETAIN LAND SALE PROCEEDS

Section @. The University of North Carolina at Wilmington may retain the proceeds from the sale of real property which is the site of the old Marine Science Center near Wrightsville Beach to use for the completion and equipping of the new Marine Science Center currently under construction.

CODE NO. 99UNC-H019

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

EXPLANATION OF FEDERAL TAX CREDITS AVAILABLE FOR EDUCATIONAL PURPOSES

Section @. Each constituent institution of The University of North Carolina shall provide to students and their families a brief, clear explanation of federal tax credits (the HOPE and Lifelong Learning Credits) that are available for educational purposes. The explanation shall include the limitations of the credits as well as examples of the potential benefits under certain tax situations. The constituent institution shall provide the tax credit information to the student and the student's parents when the institution notifies each of the amount of tuition and fees paid for a calendar year.

CODE NO. 99UNC-H014A

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

NORTH CAROLINA PROGRESS BOARD

Section @. Part 2A of Article 9 of Chapter 143B of the General Statutes reads as rewritten:

"Part 2A. North Carolina Progress Board.

"§ 143B-372.1. North Carolina Progress Board.

(a) ~~There~~ The North Carolina Progress Board is ~~established within the Department of Administration the North Carolina Progress Board.~~ established. The Board shall be located administratively in the ~~Department of Administration~~ Board of Governors of The University of North Carolina and is located at North Carolina State University, but shall exercise all its prescribed statutory powers independently of the ~~Department of Administration.~~ Board of Governors.

(b) The North Carolina Progress Board shall consist of ~~14~~ 21 members of statewide prominence as follows:

(1) The Governor, ex officio;

(2) ~~Seven~~ Eight persons appointed by the Governor, none of whom shall be State employees or officers;

(3) ~~Three~~ Four persons appointed by the Speaker of the House of ~~Representatives; and~~ Representatives, one of whom shall be a member of the House of Representatives;

(4) ~~Three~~ Four persons appointed by the President Pro Tempore of the ~~Senate.~~ Senate, one of whom shall be a member of the Senate; and

(5) Four persons appointed by the North Carolina Progress Board.

(c) The Governor shall be chair of the North Carolina Progress Board. The Governor shall appoint a vice-chair from among the membership of the North Carolina Progress Board to serve at the pleasure of the Governor. The North Carolina Progress Board may elect such other officers as it sees fit.

(d) The North Carolina Progress Board shall meet at least twice annually on the call of the chair or as additionally provided by the North Carolina Progress Board. A quorum is ~~eight~~ eleven members of the Board. Members may not send designees to board meetings, nor may they vote by proxy.

(e) ~~Initial~~ Board appointments shall be for terms to begin ~~July 1, 1995.~~ July 1, 1999, with subsequent appointments to be

86

made as terms expire or resignations occur. Of the Governor's appointments, ~~four~~ two shall be for one-year terms, two shall be for two-year ~~terms~~ terms, two shall be for three-year terms, and ~~three~~ two shall be for four-year terms. Of the appointments made by the Speaker of the House of ~~Representatives and~~ Representatives, the President Pro Tempore of the Senate, and the North Carolina Progress Board, one member appointed by each shall be appointed for a one-year term, one member appointed by each shall be appointed ~~one shall be~~ for a two-year ~~term~~ term, one member appointed by each shall be appointed for a three-year term, and ~~two shall be~~ one member appointed by each shall be appointed for a four-year term. As terms expire, successors shall be appointed for four-year terms.

(f) No member may be appointed to more than two consecutive terms. A member of the House of Representatives appointed by the Speaker of the House vacates membership on the North Carolina Progress Board when that person is no longer a member of the House of Representatives, except that if that person is in office at the expiration of the term of office in the House of Representatives but has not been elected to the next term, that person shall continue to serve until the convening of the regular session. A member of the Senate appointed by the President Pro Tempore of the Senate vacates membership on the North Carolina Progress Board when that person is no longer a member of the Senate, except that if that person is in office at the expiration of the term of office in the Senate but has not been elected to the next term, that person shall continue to serve until the convening of the regular session.

"§ 143B-372.2. Responsibilities.

(a) The General Assembly notes that the Commission for a Competitive North Carolina developed goals in the following categories:

(1) Healthy Children and Families;
(2) Quality Education for All;
(3) A High Performance Workforce;
(4) A Prosperous Economy;
(5) A Sustainable Environment;
(6) Technology and Infrastructure Development;
(7) Safe and Vibrant Communities; and
(8) Active Citizenship/Accountable Government.

The Commission for a Competitive North Carolina adopted a report which established major goals and ways to measure progress toward these goals.

87

(a1) The General Assembly finds that the North Carolina Progress Board developed a report that focused on four of the Commission's recommended topics and issued 16 major targets for 2010. The objectives of the targets are to drive the State toward (i) a more expansive vision of education and environmental protection, (ii) strengthening families, and (iii) bringing more people into the economic mainstream.

(b) The General Assembly finds that:

(1) The North Carolina economy of the future can provide unparalleled opportunity while maintaining North Carolina's traditional values, if the State pursues the future with clarity of purpose and perseverance;

(2) The North Carolina economy is in the midst of a massive transition created by technological changes, global competition, and new production practices; and

(3) In order to maintain employment opportunities, increase income levels, reduce poverty, and generate the public revenues necessary to provide public services, North Carolina must increasingly rely on an economy which adds value to its natural and human resources and provides a diverse mix of products.

(c) The North Carolina Progress Board shall:

(1) Encourage the discussion and understanding of critical global and national social and economic trends that will affect North Carolina in the coming decades;

(2) Examine the report of the Commission for a Competitive North ~~Carolina;~~ Carolina and the 1997 report of the North Carolina Progress Board to the General Assembly;

(3) Track the eight issue areas set out in subsection (a) of this ~~section;~~ section and the objectives set out in subsection (a1) of this section and other issues identified by the Progress Board. The Progress Board may, upon vote of the Board, add to those issues identified by its predecessor Commission and Board;

(4) Hold public hearings and other methods of public ~~participation~~ participation, including educational and outreach programs, to secure the views of citizens on priority goals for North ~~Carolina;~~

Carolina and to disseminate findings and recommendations to policy makers;

(5) Formulate and submit to North Carolinians a report every five years, beginning 2001, that updates the 20- to 30-year vision for North Carolina and that describes and explains a vision for North Carolina's progress over the next 20 to 30 years;

(6) Submit a report to the ~~1997 Regular Session of the~~ General Assembly prior to its ~~convening,~~ convening the Regular Session every odd-numbered year, which reports on social and economic trends and issues specific targets and milestones to accomplish its mission;

(7) Recommend how the targets and milestones can be applied to increase the accountability of government to the people of this State; ~~and~~

(8) Report periodically to the people of North Carolina on progress toward meeting goals, targets, and ~~milestones.~~ milestones;

(9) Undertake new and ongoing policy research and benchmarking studies;

(10) Publish and distribute periodic reports on policies, performance improvement, and best practices for meeting the long-term goals for the State; and

(11) May apply for and accept gifts or grants.

(d) The Regular Session of the General Assembly shall further define the mission of the North Carolina Progress Board in continuing its work.

(e) The General Assembly, after adopting the initial set of goals and measures as proposed or amended, may alter the goals and measures.

"**§ 143B-372.3. Staff.**

(a) ~~The North Carolina Progress Board may hire an executive director, who may be dismissed by the North Carolina Progress Board.~~ An Executive Director shall be appointed by the Chancellor of North Carolina State University who shall serve at the pleasure of the Chancellor. The Executive Director shall report to the North Carolina Progress ~~Board.~~ Board and the Chancellor. The Executive Director shall hire or contract with support ~~staff and may dismiss them.~~ staff, who shall work at the pleasure of the Executive Director.

(b) ~~There may be an Executive Staff Committee to assist the North Carolina Progress Board which shall consist of the~~

89

~~Executive Director, if hired, the State Budget Officer, the State Planning Officer, and the Director of Fiscal Research.~~

~~(c) The State Budget Office and the State Planning Office shall also provide staff support to the North Carolina Progress Board.~~ The Office of State Budget and Management and the Office of State Planning shall also provide support, information, reports, and other assistance to the North Carolina Progress Board as requested."

Section @. (b) Funds appropriated for the 1998-99 fiscal year in S.L. 1998-212 for operating support of the North Carolina Progress Board to the Department of Commerce that are unexpended as of June 30, 1999, shall not revert but shall be transferred to North Carolina State University to support the operations of the North Carolina Progress Board. This section is effective June 30, 1999.

CODE NO. 99UNC-H018

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

UNC OVERHEAD RECEIPTS

Section @. Effective July 1, 1999, all overhead receipts earned by constituent institutions of The University of North Carolina shall be retained at the campus earning the receipts.

91

CODE NO. 99UNC-H016

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

UNC GENERAL ADMINISTRATION FLEXIBILITY

Section @. (a) G.S. 116-30.3 is amended by adding a new subsection to read:

"(e) Notwithstanding G.S. 143-18, of the General Fund current operations appropriations credit balance remaining in Budget Code 16010 of the Office of General Administration of The University of North Carolina, any amount of the General Fund appropriation for that fiscal year may be carried forward in that budget code to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. However, the amount carried forward under this subsection shall not exceed two and one-half percent (2 1/2%) of the General Fund appropriation. The Director of the Budget, under the authority set forth in G.S. 143-25, shall establish the General Fund current operations credit balance remaining in Budget Code 16010 of the Office of General Administration of The University of North Carolina. The funds shall not be used to support positions."

Section @. (b) G.S. 116-14 reads as rewritten:

"**§116-14. President and staff.**

(a) The Board shall elect a President of the University of North Carolina. ~~He~~ The President shall be the chief administrative officer of the University.

(b) The President shall be assisted by such professional staff members as may be deemed necessary to carry out the provisions of this Article, who shall be elected by the Board on nomination of the President. The Board shall fix the compensation of the staff members it elects. These staff members shall include a senior vice-president and such other vice-presidents and officers as may be deemed desirable. Provision shall be made for persons of high competence and strong professional experience in such areas as academic affairs, public service programs, business and financial affairs, institutional studies and long-range planning, student affairs, research, legal affairs, health affairs and institutional development, and for State and federal programs administered by the Board. In addition, the President shall be assisted by such other employees as may be needed to carry out the provisions of this Article, who shall be subject to the provisions of Chapter 126 of the General Statutes. The staff

complement shall be established by the Board on recommendation of the President to insure that there are persons on the staff who have the professional competence and experience to carry out the duties assigned and to insure that there are persons on the staff who are familiar with the problems and capabilities of all of the principal types of institutions represented in the system. Subject to approval by the Board, the President may establish and abolish employment positions within the staff complement authorized by this subsection in the manner of and under the conditions prescribed by G.S. 116-30.4 for special responsibility constituent institutions.

(b1) The President shall receive General Fund appropriations made by the General Assembly for continuing operations of The University of North Carolina that are administered by the President and the President's staff complement established pursuant to G.S. 116-14(b) in the form of a single sum to budget code 16010 of The University of North Carolina in the manner and under the conditions prescribed by G.S. 116-30.2. The President, with respect to the foregoing appropriations, shall have the same duties and responsibilities that are prescribed by G.S. 116-30.2 for the Chancellor of a special responsibility constituent institution. The President may establish procedures for transferring funds from budget code 16010 to the constituent institutions for nonrecurring expenditures. The President may identify funds for capital improvement projects from budget code 16010, and the capital improvement projects may be established following the procedures set out in in G.S. 143-18.1.

(b2) The President, in consultation with the State Auditor and the Director of the Office of State Personnel, shall ascertain that the management staff and internal financial controls are in place and continue in place to successfully administer the additional authority authorized under G.S. 116-14(b1) and G.S. 116-30.3(e). All actions taken by the President pursuant to G.S. 116-14(b1) and G.S. 116-30.3(e) are subject to audit by the State Auditor.

(c) The President, with the approval of the Board, shall appoint an advisory committee composed of representative presidents of the private colleges and universities and may appoint such additional advisory committees as are deemed necessary or desirable."

93

CODE NO. 99UNC-H015A

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

UNC SCHOOL ADMINISTRATOR TRAINING PROGRAMS

Section @. G.S. 116-74.21(b) reads as rewritten:

"(b) No more than ~~nine~~ twelve school administrator programs shall be established under the competitive proposal program. In selecting campus sites, the Board of Governors shall be sensitive to the racial, cultural, and geographic diversity of the State. Special priority shall be given to the following factors: (i) the historical background of the institutions in training educators; (ii) the ability of the sites to serve the geographic regions of the State, such as, the far west, the west, the triad, the piedmont, and the east; and, (iii) whether the type of roads and terrain in a region make commuting difficult. A school administrator program may provide for instruction at one or more campus sites."

Section @. (b) The Board of Governors of The University of North Carolina shall review the need for additional school administrator training programs and offer qualified constituent institutions the opportunity to apply to the Board to establish such programs. The Board shall report to the Joint Legislative Education Oversight Committee on its actions to implement this section by March 31, 2000.

CODE NO. 99UNC-H017

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Rogers

UNC NEW DEGREE PROGRAM FUNDS

Section @. Of the funds appropriated to the Board of Governors of The University of North Carolina for the 1999-2000 and the 2000-2001 fiscal years, the sum of one million three hundred forty thousand dollars ($1,340,000) is to be used for new program development. For the 1999-2000 fiscal year the Board shall allocate these funds to support newly authorized programs at East Carolina University, Elizabeth City State University, North Carolina Agricultural and Technical State University, North Carolina State University, the University of North Carolina at Charlotte, and Winston-Salem State University.

Rep Yongue

Attachment 3

1 expense funds and shall not supplant local current expense funds.
2 For the 1999-2001 fiscal biennium, the State Board of Education
3 shall not allocate funds under this section to a county found to
4 have used these funds to supplant local per student current
5 expense funds. The State Board of Education shall make a finding
6 that a county has used these funds to supplant local current
7 expense funds in the prior year, or the year for which the most
8 recent data are available, if:
9 (1) The current expense appropriation per student of
10 the county for the current year is less than
11 ninety-five percent (95%) of the average of the
12 local current expense appropriations per student
13 for the three prior fiscal years; and
14 (2) The county cannot show (i) that it has remedied the
15 deficiency in funding, or (ii) that extraordinary
16 circumstances caused the county to supplant local
17 current expense funds with funds allocated under
18 this section.
19 The State Board of Education shall adopt rules to
20 implement this section.
21 Section @.(i) Reports. -- The State Board of Education
22 shall report to the Joint Legislative Education Oversight
23 Committee prior to May 1, 2000, on its analysis of whether
24 counties supplanted funds.
25 Section @.(j) Department of Revenue Reports. -- The
26 Department of Revenue shall provide to the Department of Public
27 Instruction a preliminary report for the current fiscal year of
28 the assessed value of the property tax base for each county prior
29 to March 1 of each year and a final report prior to May 1 of each
30 year. The reports shall include for each county the annual sales
31 assessment ratio and the taxable values of (i) total real
32 property, (ii) the portion of total real property represented by
33 the present-use value of agricultural land, horticultural land,
34 and forestland as defined in G.S. 105-277.2, (iii) property of
35 public service companies determined in accordance with Article 23
36 of Chapter 105 of the General Statutes, and (iv) personal
37 property.
38 Section @.(k) Allocations do not Revert. -- Funds
39 allocated pursuant to this section shall not revert at the end of
40 the fiscal year but shall remain available for expenditure for
41 the purposes set out in this section.

Amendment Passed
Inclo moved for favorable report - passed -

CODE NO. 99DPI-H032B-P

Requested by: Representative Moore

TEACHER ASSISTANT SALARY FUNDS

Section @.(a) The State Board of Education shall study the cost and feasibility of implementing a salary schedule for teacher assistants that provides for an average teacher assistant salary that is fifty-six percent (56%) of the daily pay rate of an entry-level teacher with an "A" certificate. The salary schedule would have steps based on years of experience and local boards should place teacher assistants on the schedule and would advance them on the salary schedule according to their years of experience.

In the course of the study, the State Board of Education shall collect information from every local school administrative unit on the years of experience of their teacher assistants as teachers or teacher assistants in public or private schools.

Section @.(b) The State Board of Community Colleges and the State Board of Education shall study the feasibility of a plan for the certification of teacher assistants. The plan should provide for:

(1) A program curriculum that is appropriate to ensure that teacher assistants contribute to student achievement;

(2) A certificate program that includes requirements for a one-year certificate, a two-year associate certificate, and a baccalaureate certificate with additional education courses; and

(3) A compensation plan for teacher assistants that is based on the certificate-level attained and years of experience.

Section @.(c) The State Board of Education shall study the cost and feasibility of giving teachers who previously worked as teacher assistants one year of credit on the teacher salary schedule for every two years they worked as teacher assistants.

Rep Moore

Attachment 5

CODE NO. 99DPI-H001.6

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers

STRENGTHEN ALTERNATIVE SCHOOLS/ALTERNATIVE LEARNING PROGRAMS

Section @.(a) G.S. 115C-47(32a) reads as rewritten:

"**§ 115C-47. Powers and duties generally.**

In addition to the powers and duties designated in G.S. 115C-36, local boards of education shall have the power or duty:

...

(32a) **(Effective July 1, 1999)** To Establish Alternative Learning Programs and Develop Policies and ~~Guidelines for Alternative Learning Programs.~~ Guidelines. -- ~~Local boards~~ Each local board of education ~~are encouraged to~~ shall establish at least one alternative school or alternative learning ~~programs. If these programs are established, local boards of education~~ program and shall adopt guidelines for assigning students to them. These guidelines shall include (i) a description of the programs and services to be provided, (ii) a process for ensuring that an assignment is appropriate for the student and that the student's parents are involved in the decision, and (iii) strategies for providing alternative learning programs, when feasible and appropriate, for students who are subject to long-term suspension or expulsion. In developing these guidelines, local boards ~~are encouraged to~~ shall consider the State Board's policies and guidelines developed under G.S. 115C-12(24). Upon adoption of policies and guidelines under this subdivision, local boards are encouraged to incorporate them in their safe school plans developed under G.S. 115C-105.47.

Local boards shall adopt policies that prohibit a superintendent from assigning to an alternative school or an alternative learning

program any professional public school employee who has received within the last three years a rating on a formal evaluation that is less than above standard."

Section @.(b) Funding allotments in the Public School Fund shall be allocated as follows:

Existing Funding Allotments	**New Funding Allotments**
At-Risk Student Services/ Alternative Schools.	(1) At-Risk Student Services. (2) Alternative Schools/ Alternative Learning Programs.

The State Board may continue to use the existing allotment formula for At-Risk Student Services/Alternative Schools. For the 1999-2000 school year and thereafter the State Board shall allocate seventy-five percent (75%) of the allotted funds for At-Risk Student Services and twenty-five percent (25%) of the allotted funds for Alternative Schools/Alternative Learning Programs.

Section @.(c) G.S. 115C-105.25(b)(4) reads are rewritten:

"(4) Funds allocated for children with special needs, for students with limited English proficiency, and for driver's education shall not be transferred. Funds allocated for alternative schools/alternative learning programs shall not be transferred unless the local board obtains a waiver under G.S. 105.26(c1). If the board obtains a waiver, it may transfer the funds only for At-Risk student services."

Section @.(d) G.S. 115C-105.25(b) is amended by adding a new subdivision to read:

"(9) State funds allocated for At-Risk student services may be transferred only for expenditures for alternative schools/alternative learning programs."

Section @.(e) G.S. 115C-105.26 is amended by adding a new subsection to read:

"(c1) The State Board also may grant requests received from local boards for waivers of State laws, rules or policies that require that each local school administrative unit provide at

least one alternative school or at least one alternative learning program."

Section @.(f) G.S. 115C-12(24) reads as rewritten:

"**§ 115C-12. Powers and duties of the Board generally.**

The general supervision and administration of the free public school system shall be vested in the State Board of Education. The State Board of Education shall establish policy for the system of free public schools, subject to laws enacted by the General Assembly. The powers and duties of the State Board of Education are defined as follows:

...

(24) **(Effective July 1, 1999)** Duty to Develop Policies and Guidelines for Alternative Schools and Alternative Learning Programs, Provide Technical Assistance on Implementation of Programs, and Evaluate Programs. -- The State Board of Education shall adopt guidelines for assigning students to alternative learning programs. These guidelines shall include (i) a description of the programs and services that are recommended to be provided in alternative learning programs and (ii) a process for ensuring that an assignment is appropriate for the student and that the student's parents are involved in the decision. The State Board also shall adopt policies that define what constitutes an alternative school and an alternative learning program.

The State Board of Education shall provide technical support to local school administrative units to assist them in developing and implementing alternative schools and alternative learning programs.

The State Board of Education shall also adopt ~~guidelines~~ policies to require that local school administrative units shall ~~use (i) the teachers allocated for students assigned to alternative learning programs pursuant to the regular teacher allotment and (ii) the teachers allocated for students assigned to alternative learning programs only to serve the needs of these students.~~ pay for

all teaching positions in an alternative school or an alternative learning program from the classroom teachers allotment and shall use the Alternative Schools/Alternative Learning Programs allotment to supplement those programs.

The State Board shall evaluate the effectiveness of alternative schools, alternative learning programs ~~and, in its discretion, of any other~~ and all programs funded from the ~~Alternative Schools/At-Risk~~ At-Risk Student Services allotment. Local school administrative units shall report to the State Board of Education on how funds in the Alternative ~~Schools/At-Risk~~ Schools/Alternative Learning Programs and the At-Risk Student Services ~~allotment~~ allotments are spent and shall otherwise cooperate with the State Board of Education in evaluating the alternative schools and alternative learning programs."

Section @.(g) The provisions in subsection (a) of this section that amend G.S. 115C-47(32a) to require at least one alternative school or alternative learning program in each local school administrative unit become effective July 1, 2000. The remainder of this section becomes effective July 1, 1999.

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education May 27, 1999

Name of Committee Date 1:30 pm

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Ashley Westbrook	Governor's Office
Dennis Patterson	AP
Hal Miller	NCACCT
Adrian Mexico	NCCIU
Millie Rousseau	NCCIU
John Malis	Community College System
Kimberly Langdon	Community College System
Kerm Bryant	"
Patricia B. Williams	Dulin LTC, STNL, SLC, AAO
Amal Sali	Biz Journal
Larry Morgan	Community Colleges
Ed Regan	N.C.A.C.C.
Sarah Freeman	Legislative Drafting
Bill Wilson	NCAE
[illegible]	NCAE
Guelda Dunsmore	UNC GA
[illegible]	[illegible]
Matthew Lazo-Chamberlain	NC Ed & Law / NC Justice Center
Gene Causey	NC SEA

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Subcommittee on Education May 27, 1999

Name of Committee Date 1:30 pm

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Joe Wilson	NCAE
David Brown	OSBM
[illegible]	NCSU
J Rumgwood	NCHFA
Tony Larson	Legislative Fiscal
Roberto Forbes	Governors Office
Karen Gore	Gov's Office
Maurice Ky	OSBM
Janet Pulliam	OSBM
[illegible]	OSBM
[illegible]	TRP/AP
[illegible]	DPI
Nicole Duserberry	SBE
Ann Benson	SBE
Clifton Scutcaf	COGA
JB Milliken	UNC
Charles Hyscue	UNC Health Care System
Ken Grogan	UNC
[illegible]	NCUCDC
Tim Moore	UCAICU
Harriet Dial	NCAE
C Calhoun	NCAE

North Carolina General Assembly

Senate
Appropriations Subcommittee on Education Higher Education

State Legislative Building
Raleigh, North Carolina 27601-2808

1999 Session

Senator Howard Lee, Co-Chair
Room 406
Legislative Office Building
Telephone: (919) 715-3030

Senator Walter Dalton, Co-Chair
Room 409
Legislative Office Building
Telephone: (919) 715-3038

SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Membership List

1999-2001

SENATE MEMBERS

Senator Howard Lee, Co-Chair

Senator Walter Dalton, Co-Chair

Senator Charles Carter, Vice-Chair

Senator Fletcher Hartsell, Ranking Minority

Senator Linda Garrou

Senator John Garwood

Senator Kay Hagan

Senator Allen Wellons

FISCAL STAFF

Jim Newlin
Jim Johnson
Charlotte Todd

EDUCATION COMMITTEE ASSISTANT
Christina K. Minard

Senate Appropriations Subcommittee
On
Education/Higher Education

June 9,1999

Senator Walter Dalton, presiding

Call to Order	Chairman
Review the House Adopted Budget:	
Public Schools	Jim Johnson
UNC	Jim Newlin
Community Colleges	Charlotte Todd

MINUTES

SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Wednesday, June 9, 1999
Room 414 LOB

The Senate Appropriations Subcommittee on Education/Higher Education met on Wednesday, June 9, 1999 at 8:30 A.M. in Room 414 of the Legislative Office Building. Senator Walter Dalton presided. There were eight Senators present. Senator Dalton introduced Pages Doughton Horton from Sanford and sponsored by Senator Harris and Erica Ciu from Lake Wylie, South Carolina and sponsored by Senator Odom.

Senator Dalton explained the Senate budgetary review process. He explained that each staff member would brief the Committee on the individual components of the Proposed Education Budget.

Senator Dalton introduced Mr. Jim Johnson, Fiscal Research Division to brief the Committee on the Public School portion of the Proposed Budget. Mr. Johnson presented a line by line explanation of the Proposed Budget. *(See Attachment 1).*

Next, Senator Dalton recognized Mr. Jim Newlin, who presented the North Carolina University System Proposed Budget. Mr. Newlin briefed the Committee on each change that had been instituted per line item. *(See Attachment 2).*

Senator Dalton then recognized Ms. Charlotte Todd, who briefed the Committee on the Community College aspects of the Proposed Budget. *(See Attachment 3).*

Following the presentations of the line items, each Staff Member addressed the Special Provisions for each component: Public Schools, University System and the North Carolina Community College System.

A discussion followed the Fiscal Staff presentations.

Senator Dalton adjourned the meeting at 10:00 A.M.

Senator Walter Dalton, Co-Chair

Christina K. Minard, Education Committee Assistant

Attachments 1, 2 & 3

HOUSE APPROPRIATIONS COMMITTEE

UNOFFICIAL REPORT ON THE CONTINUATION, EXPANSION AND CAPITAL BUDGET

(ENTRIES REFLECT TECHNICAL CORRECTIONS AND JUNE 2, 1999 AMENDMENTS)

JUNE 8, 1999

HOUSE APPROPRIATIONS COMMITTEE
UNOFFICIAL REPORT ON THE CONTINUATION, EXPANSION AND CAPITAL BUDGET
(ENTRIES REFLECT TECHNICAL CORRECTIONS AND JUNE 2, 1999 AMENDMENTS)
JUNE 8, 1999
UNOFFICIAL REPORT ON THE CONTINUATION, EXPANSION AND CAPITAL BUDGET

Public Education

GENERAL FUND

Recommended Budget	FY 99-2000 $5,143,579,517		FY 2000-01 $5,195,842,820	
Legislative Changes				
ABC Program				
1 **ABC Bonus Awards 1999-2000** Provide funds to pay the projected ABC bonus awards for FY1999-2000.	$140,000,000	NR	$0	NR
Excellent Schools Act				
2 **Increase Teacher Salaries** Implement the third year of the new teacher salary schedule called for in the Excellent Schools Act. $239,870,258 in recurring funds are located in the Compensation Reserves for this purpose.				
3 **Teacher Longevity: 1999-2000 Salary Increases** Appropriate funds to teacher longevity increases associated with the FY1999-2000 salary increases that are a part of the Excellent Schools Act	$8,199,548	R	$5,000,000	R
4 **Mentor Teachers** Provide funds for mentor teachers.	$14,235,124	R	$14,235,124	R
Improving Student Success				
5 **Improving Student Accountability** Appropriates funds to local school systems to improve student performance in grades K-8. Funds are allocated to local school systems based on the numbers of students scoring at Level I and II on the end-of-grade test.	$20,582,412	R	$20,582,412	R
6 **Limited English Proficiency** Provide additional funds for students who are limited proficiency in English.	$5,000,000	R	$5,000,000	R
7 **Low Wealth Supplemental Funding** Provide additional Low Wealth Supplemental Funding.	$10,000,000	R	$10,000,000	R

		FY 99-2000		FY 2000-0	
8	**Small School System Supplemental Funding** Provide additional Small School System Supplemental funding.	$0	R	$0	R
9	**ExplorNet Funding** Provide additional funding for ExplorNet to assist in programs for public schools.	$2,000,000	R	$2,000,000	R
10	**Student Information System** Funds to continue implementation of a new student information system in the public schools. The new system supports the State Board of Education's goals under the ABC Program and previous information requirements of the General Assembly.	$0	R	$10,000,000	R
11	**Teacher Cadet Program** Provide funds to begin a teacher cadet program in North Carolina.	$100,000	R	$100,000	R
12	**Programs to Assist Local School Systems** Provide funds to the State Board of Education to assist local school systems in programs to improve student performance. Included are the TQE Program, Global Curriculum Program, and the North Carolina Geographic Alliance.	$600,000	R	$600,000	R
13	**A+ Schools** Provides funds to continue the A+ Schools Program.	$400,000	R	$400,000	R
14	**Textbook Commission Expansion** Funds to support additional members for the State Textbook Commission.	$50,000	R	$50,000	R
15	**School Leadership Pilot** Funds to the State Board of Education for the school leadership pilot project. The four school districts receiving the funds will participate in the nationwide program of the Center for Leadership in School Reform.	$240,000	NR		
16	**School Breakfast Program** Begin implementing a school breakfast program for all kindergarten students. The program would begin in January of 2000.	$1,100,000	R	$1,100,000	R

	FY 99-2000		FY 2000-01	
17 **Funds for School Needs** Appropriates funds to the Critical School Facility Needs Fund to assist local school administrative units in which one or more schools were damaged or destroyed.	$200,000	NR		
18 **North Carolina Network Funds** Appropriates funds to the State Board of Education for the North Carolina Network to provide training for school based management teams, and to improve the management capacity of local school administrative units.	$250,000	R	$250,000	R
Various Budget Adjustments				
19 **Average Annual Salary Adjustment** Annual adjustment in average salary of certified personnel to reflect actual experience through December 1998.	($14,227,946)	R	($14,417,981)	R
20 **Additional Adjustments in Average Salary Projections** Reanalysis of the 1998 certified payroll data by the Department of Public Instruction found that the availability of more current teacher certification data produced an additional change in the projected average salary for 1999-2001 fiscal biennium.	($10,352,000)	R	($10,500,000)	R
21 **Revise Average Daily Membership** Revise amounts budgeted for average membership increases to reflect current projections of average daily membership growth for FY1999-2001.	($16,319,791)	R	$1,905,473	R
22 **Reduce Children's Trust Fund Balances** Reduce balance in the Children's Trust Fund.	($1,300,000)	NR		
23 **Reduce Literary Fund Balance** Reduce the balance in the Literary Fund and reappropriate these funds to the public schools.	($2,500,000)	NR		
24 **Unemployment Fund** Reduce balance in the Unemployment Fund for federally funded positions.	($850,000)	NR		
25 **Prospective Teacher Scholarship Loan Program** Reduce balance in the Prospective Teacher Scholarship Loan Program Fund. The reduction will have no impact on the number of scholarships available in FY1999-2001 fiscal biennium.	($500,000)	NR		

House Subcommittee on Education	FY 99-2000		FY 2000-0	
26 **Textbook Fund** Reduce unneeded balance in the textbook fund. The reduction in the balances in this fund will have no impact on the availability of textbooks to school students.	($500,000)	NR		
27 **Teaching Fellows Program** Reduce the balance in the Teaching Fellows Scholarship Loan Fund. The reduction will have no impact on the number of scholarships available in the 1999-2001 fiscal biennium.	($8,500,000)	NR		
28 **School Bus Purchases** Governor's recommended deferral of the purchase of 377 school buses in FY1999-2000.	($18,021,731)	NR	$18,532,943	R
29 **School Bus Purchases** Additional deferral of the purchase of school buses in FY1999-2000. With this deferral the State would still purchase $26.1 million in buses during the next fiscal year. In FY2000-2001 the funding is restored.	($14,337,457)	NR	$14,337,457	NR
30 **State Funds for Unemployment** Reduce the State funds appropriated for unemployment.	($500,000)	R	($500,000)	
Total Legislative Changes	**$21,117,347**	R	**$64,337,971**	R
	$93,930,812	NR	**$14,337,457**	NR
Total Position Changes				
Revised Budget	**$5,258,627,676**		**$5,274,518,248**	

UNC System

	GENERAL FUND			
	FY 99-2000		FY 2000-01	
Recommended Budget	$1,589,402,360		$1,595,487,506	
Legislative Changes				
A. Various Campuses				
31 **Governor's Across-the-Board Reduction** Reduces General Fund support by 0.5% (except for financial aid programs) on a pro rata basis.	($7,233,554)	R	($7,233,554)	R
32 **Reserves for New Facilities** Reduction in reserves for new buildings are adjusted to account for delays in occupancy.	($1,841,288)	NR	$362,342	R
33 **Equipment** Adjust increases in equipment budgets	($1,000,000)	NR		
B. UNC Hospitals				
34 **UNC Hospitals Support** Eliminate first year's proposed increase in support	($2,544,383)	R	($2,544,383)	R
C. East Carolina University				
35 **Medicare Receipts** Increase budgeted receipts from Medicare Medical Education reimbursement for one year; transfer $2 million from trust fund balance for operations for one year. Receipts $3,000,000 General Fund ($3,000,000)	($3,000,000)	NR		
D. Related Educational Programs				
36 **Scholarship Fund Balances** Reduce appropriations for one year to spend down accumulated balances in scholarship trust funds for Nurse Scholars, Principal Fellows, Nurse Education Scholarship Loans, Social Work Education Loan Fund	($3,000,000)	NR		

House Subcommittee on Education	FY 99-2000		FY 2000-0	
37 **Aid to Private Medical Schools** Eliminate proposed increase to budget for actual experience over past three years	($455,000)	R	($455,000)	R
38 **Aid to Students Attending Private Colleges** Increases Legislative Tuition Grant for all fulltime students from $1,600 to $1,675. Increases need-based scholarship funding from $900 to $975 per fulltime equivalent student (FTE). Total increase is $150 per student.	$4,011,425	R	$4,011,425	R
E. Schedule of Priorities				
39 **Enrollment Increases: Regular Term** Fund projected on-campus enrollment for 1999-2000, an increase of approximately 1,494 Full-time equivalent (FTE) students over the 98-99 budgeted FTE.	$19,493,004 157.90	R	$19,493,004 157.90	R
40 **Enrollment Increases: Distance Education** Funds 70% of Board's request for expansion of off-campus degree programs for 1999-2000	$3,895,187 45.30	R	$3,895,187 45.30	R
41 **UNC Focused Enrollment Growth** Funds targeted at implementing the Board's plan for enrollment growth, focusing resources on campuses with underutilized capacity. Funds will be used for assessment of needs, better operating efficiencies through economies of scale, physical facilities management, faculty improvement, and development capacity.	$10,000,000	R	$10,000,000	R
42 **New Degree Programs** Funds to support newly authorized degree programs at six campuses (East Carolina, Elizabeth City State, NC A & T State, NC State, UNC-Charlotte, Winston-Salem State)	$1,340,000	R	$1,340,000	R
43 **Transition of East Carolina to Doctoral II Status** Funding for second phase of change in classification of East Carolina University to a Doctoral II university.	$1,500,000	R	$1,500,000	R
44 **Financial Aid** Additional need-based financial assistance for in-state students	$1,300,000	R	$1,300,000	R
45 **Improve College Going Rate** Funding for PATHWAYS initiative to increase the number of North Carolina students attending college	$1,000,000	R	$1,000,000	R

	FY 99-2000		FY 2000-01	
46 **Information Technology** Funding for software, hardware, and operating support	$10,000,000	R	$10,000,000	R
47 **Strategic Initiatives Reserve** Funds for rapid targeting of urgent issues and problems on campuses, enabling the University to explore new initiatives.	$3,000,000	R	$3,000,000	R
48 **Rewarding Excellence in Teaching** Funds for awarding additional salary increases to a portion of teaching faculty judged as excellent teachers.	$7,077,639	R	$7,077,639	R
49 **Graduate Student Tuition Remission** Provide funds for graduate tuition remission and resident graduate tuition awards on campuses not classified as Research I universities.	$3,500,000	R	$3,500,000	R
50 **Service to Public Schools: A. Reserve** Expansion funds for UNC Center for School Leadership for K-16 Matching Incentive Grants, Model Teacher Consortium, and High Performance Lighthouse Schools.	$1,000,000	R	$1,000,000	R
51 **Service to Public Schools: B. International Educator Exchange for K-12** Funding to provide program of international exchange for educators	$112,000	R	$112,000	R
52 **Service to Public Schools: C. Reading Together** Additional funding for elementary tutorial program in reading at UNC-Greensboro.	$300,000	R	$300,000	R
53 **Public Service: Aging** Expansion budget support for the Institute on Aging to expand outreach services to local service providers	$100,000	R	$100,000	R
54 **Public Service: Hispanic Initiative** Funds to assist service providers adjust to changing demographics and demands caused by Hispanic immigration	$100,000	R	$100,000	R
55 **Public Service: Agricultural Matching Funds** Funding for NC Agricultural and Technical State University to match federal funding for research and extension programs	$750,000	R	$750,000	R

	FY 99-2000		FY 2000-0	
56 **Public Service: Manufacturing Extension Partnership** Provide matching funds for engineering assistance to small manufacturers through NC State Industrial Extension Service	$900,000	R	$900,000	R
57 **Public Service: NC Arboretum** Expanded operating funds for the Arboretum to provide services to an expanding number of visitors and to maintain recently developed areas.	$250,000	R	$250,000	R
58 **Public Service: Biomedical/Biotechnology Research Institute** Provides funds for equipment and program operations, including research staff, for research and training in cardiovascular diseases, drug abuse, and environmental toxicology.	$350,000 $1,150,000	R NR	$350,000	R
59 **Tuition Increase** The Board of Governors has approved a tuition increase of 4.9% for NC undergraduates, with similar dollar increases for non-residents. Graduate tuition will increase from 6.9% to 8.4% for in-state graduates.	($7,759,492)	R	($8,554,364)	R
60 **Reallocation of Funds for Priorities** For the first year, the 16 campuses must reallocate 1% of previously required reversions to initiatives funded in the expansion priorities	($14,375,000)	NR		
F. Other Items				
61 **Center for Alcohol Studies** Provides additional funding for Center's endowment.	$500,000	R	$500,000	R
62 **Teacher Academy** Additional funds for staff development activities of the Academy	$250,000	R	$250,000	R
63 **PT-CAM** One-time operating support for the Piedmont Triad Center for Applied Manufacturing operated by NC A & T State as it approaches self-sufficiency from receipts.	$250,000	NR		
64 **Leadership NC** Funding to non-profit leadership training program.	$75,000	NR		
65 **Carbon Dioxide Dyeing Project** Funds to support purchase of prototype commercial textile dyeing equipment to test new process developed at NC State.	$500,000	NR		

House Subcommittee on Education	FY 99-2000		FY 2000-01	
66 **Allow Research Campuses to Retain Overhead Receipts** Funds to partially replace 5% of overhead receipts currently transferred by Research I campuses to UNC General Administration for operations. Campuses will now retain 98.2% of overhead receipts on campus.	$2,000,000	R	$3,150,000	R
67 **Reserve for K-12 Initiative** Funding for "World View" program and "K-12 International Outreach" program at UNC-Chapel Hill	$260,000	R	$260,000	R
68 **Diabetes Funding** Provide additional funding for the diabetes programs of the UNC-CH School of Medicine.	$200,000	NR		
Total Legislative Changes	**$54,996,826**	R	**$55,714,296**	R
	($21,041,288)	NR		
Total Position Changes	203.20		203.20	
Revised Budget	**$1,623,357,898**		**$1,651,201,802**	

Community Colleges

GENERAL FUND

	FY 99-2000		FY 2000-01	
Recommended Budget	$549,590,909		$549,428,729	
Legislative Changes				
69 **Enrollment Changes** Provides funds to cover the increased community college enrollment. FTE students are allocated on the previous year's actual enrollments.	$18,769,897	R	$18,769,897	R
70 **Need-Based Financial Aid** This creates the largest community college need-based financial aid program in North Carolina's history. Approximately 40% of the additional curriculum tuition receipts will be set aside for need-based financial aid for community college students. This anticipates offseting any tuition increase for those students who are not eligible for the Federal Hope and Lifetime Learning tax credits. These funds shall not revert.	$5,000,000	R	$5,000,000	R
71 **Management Information System Reserve** North Carolina's Community College System does not have a Management Information System. This will allow the State Board of Community Colleges to begin the development of a comprehensive MIS. These funds shall be put in a non-reverting reserve.	$8,000,000	R	$15,000,000	R
72 **Multi-Campus Funds** To provide additional funding for the operation of multi-campus colleges. The funds will be equally distributed to those sites.	$1,000,000	R	$1,000,000	R
73 **Hosiery Technology Center Funds** Additional one-time appropriation to support the Hosiery Technology Center operations.	$350,000	NR		
74 **Regional Emergency Services Training Facility** Provides a grant-in-aid for Central Carolina Community College to create a regional emergency services training facility.	$375,000	NR		

	FY 99-2000		FY 2000-01	
75 **Start-Up and Transition Funds for New Comm. College Serving Anson and Union** Provides start-up funds for the creation of a new multi-county community college serving Anson and Union counties. Also gives funds to Stanly Community College for its transition out of Union county.	$300,000	NR		
Enhancement of Faculty Salaries				
76 **Additional Faculty Salary Increase Funds** Gives the community college system an additional 2% for faculty salary increases. This is in addition to the 3% across-the-board increase provided to all employees.	$7,144,082	R	$7,144,082	R
77 **Instructional and Administrative Support** By providing additional support positions, funds that community colleges have been transferring from the formula salary line can be significantly reduced. The State Board of Community Colleges shall ensure that at least one additional financial aid counselor is distributed to each college to actively promote financial assistance opportunities for students and to help maximize the benefits and understanding of the Federal tax credits in order for North Carolinians to fully utilize the Federal money that is available.	$8,000,000	R	$8,000,000	R
78 **Increase "Other Cost" Funds** By increasing the amount allocated under the funding formula for non-salary "other cost" items, colleges will free up existing salary line formula money to either enhance faculty salaries or reduce the dependence on part-time faculty.This is the first increase in "other cost" items since 1985 and more accurately reflects the colleges' actual expenditures.	$10,000,000	R	$10,000,000	R
Reductions				
79 **Community Services Block Grant** Ask Community Colleges to spend down institutional fund balances and offer hobby and leisure courses on a self-supporting basis for one year. This block grant would be eliminated for one year only. This does not affect the policy regarding senior citizens free tuition.	($1,821,797)	NR		
80 **Shift Focused Industrial Training Prog. To WTTF** Currently the Worker Training Trust Fund provides approximately half of the money for the Community Colleges Focused Industrial Training Program. This would shift an additional $300,000 of the program funding from the General Fund to the Worker Training Trust Fund for one year only.	($300,000)	NR		

House Subcommittee on Education	FY 99-2000		FY 2000-0	
81 **Refund of Kodak NEIT Funds** A non-recurring reduction can be made to offset the refund the New and Expanding Industry Training Program received from Kodak.	($1,020,225)	NR		
82 **Human Resources Development Program** Reduce the HRD program by $100,000. This program has been underspending its appropriation.	($100,000)	R	($100,000)	R
83 **Special Allotment for Nursing Programs** Eliminates the extra money that is allocated over and above the funding formula for nursing programs.	($410,000)	R	($410,000)	R
84 **Unemployment Compensation** Reduce the amount for unemployment compensation based on more recent estimates.	($100,000)	NR		
85 **Eliminate Interest-Only Scholarship Reserve** With the current low interest rates this reserve is not generating sufficient financial aid resources. The direct,recurring appropriation in item #2 above is a more effective method of providing community college need-based financial aid.	($4,000,000)	NR		
86 **Vacant Position Reductions** The Governor proposes eliminating two vacant positions in the Department of Community Colleges.	($67,015)	R	($67,015)	R
Tuition				
87 **Continuing Education Fee** The State Board shall create a sliding fee for continuing education classes that will reflect both the length of the class and the ability to absorb a fee increase. The fees shall be sufficient to generate the budgeted receipts for continuing education.	($4,750,000)	R	($4,750,000)	R
88 **Curriculum Tuition** Increase curriculum tuition rates by $95 per semester and a pro rata amount for summer term which will allow financially needy North Carolinians to access and maximize benefits of the Federal Pell Grants, Hope and Lifetime Learning Tax Credits. Those students not qualifying for these Federal benefits are anticipated to benefit from need-based financial aid funded in this budget. A significant portion of these receipts to the community college system can be received from these Federal programs.	($18,000,000)	R	($18,000,000)	R

House Subcommittee on Education	FY 99-2000		FY 2000-01	
Total Legislative Changes	**$34,586,964**	**R**	**$41,586,964**	**R**
	($6,217,022)	**NR**		
Total Position Changes				
Revised Budget	**$577,960,851**		**$591,015,693**	

VISITOR REGISTRATION SHEET

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE
Wednesday, June 9, 1999

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Ken Grogan	UNC
Lee Conner	Graduate & Professional Student Federation President, UNC-CH
Nic Heinke	Student Body President UNC-CH
Linda Suggs	NCASA
Harriet Diel	NCAE
Bill Wilson	NCAE
L Cahoon	NCAE
Roberta Forbes	Gov's Office
David Brown	OSBM
[illegible]	PSF
Amy Mallon	"

VISITOR REGISTRATION SHEET

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE
Wednesday, June 9, 1999

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Jan Pratts	NCASA
Sue Adams	OSBM
Larry Moryan	NCCCS
David Brown	NCCCS
Maurice Kg	OSBM
Ken Soza	UNC
Nicole Deisenberry	SBE
[illegible]	DPI
Ann Bellam	SBE
Jimmy Van Dusen	PENC
Clifton Metcalf	UNC GA

VISITOR REGISTRATION SHEET

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE
Wednesday, June 9, 1999

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Elizabeth Grovenden	OSBM
S Markham	EGHS
Jeremiah Jackson	NCCCS
Suzanne Williams	NCCCS
[illegible]	Faith Poe
Karen Gaul	Gov's Office
Leanne Winner	NCSBA
Eddie Caldwell	EEBC
Jan Ramquist	NCATA
Tim Moore	NCAICU
Jeanne Snowa	Guilford Co. School (NBCT)

VISITOR REGISTRATION SHEET

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE
Wednesday, June 9, 1999

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Gene Causby	NC SFSA
Louise Davis	NCCSA - Wake

SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Thursday, June 10, 1999
Room 414 LOB

CALL TO ORDER **Presiding: Senator Dalton, Co-Chair**

AGENDA: Continuation of Budget Review

MINUTES

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Thursday, June 10, 1999
Room 414 LOB

The Senate Appropriations Education/Higher Education Subcommittee met on Thursday, June 10, 1999 at 8:30 A.M. in Room 414 of the Legislative Office Building. There were seven Senators present. Senator Lee presided and introduced Pages Lauren Feldman from Cary and sponsored by Senator Carrington and Josh Currituck from Bass County and sponsored by Senator Basnight.

Senator Lee briefed the Committee on the General Budget review process. He presented a detailed explanation. Senator Lee then recognized Mr. Jim Newlin, Fiscal Staff specialist to brief the Committee on the Special Provisions in the proposed budget pertinent to the University. Mr. Newlin briefed the Committee. *(See Attachment 1, pp.'s 70-96).*

Senator Lee closed the meeting by inviting all members of the Committee to continue their input into the proposed budget. He asked them to please contact the Chairs if there was additional information they wanted to contribute.

Senator Lee adjourned the meeting at 9:00 A.M.

Senator Howard Lee, Co-Chair

Christina K. Minard

Christina K. Minard, Education Committee Assistant

EDUCATION

ATTACHMENT 1

EDUCATION

EDUCATION

EDUCATION

99DPI-H8

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

CHARTER SCHOOL ADVISORY COMMITTEE/CHARTER SCHOOL EVALUATION

Section 8.(a) The State Board of Education may spend up to fifty thousand dollars ($50,000) each year from State Aid to Local School Administrative Units for the 1999-2000 and 2000-2001 fiscal years to continue support of a charter school advisory committee.

Section 8.(b) The State Board of Education may spend up to one hundred fifty thousand dollars ($150,000) each year from State Aid to Local School Administrative Units for the 1999-2000 and 2000-2001 fiscal years to conduct an evaluation of charter schools.

99DPI-H8.1

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

LITIGATION RESERVE

Section 8.1.(a) Funds in the State Board of Education's Litigation Reserve that are not expended or encumbered on June 30, 1999, shall not revert on July 1, 1999, but shall remain available for expenditure until June 30, 2000.

Section 8.1.(b) Subsection (a) of this section becomes effective June 30, 1999.

Section 8.1.(c) The State Board of Education may expend up to five hundred thousand dollars ($500,000) for the 1999-2000 fiscal year from unexpended funds for certified employees' salaries to pay expenses related to pending litigation.

99DPI-H8.2

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

EXCEPTIONAL CHILDREN

Section 8.2. The funds appropriated for exceptional children in this section shall be allocated as follows:

(1) Each local school administrative unit shall receive for academically gifted children the sum of seven hundred eighty-nine dollars and seventy-eight cents ($789.78) per child for four percent (4%) of the 1999-2000 allocated average daily membership in the local school administrative unit, regardless of the number of children identified as academically gifted in the local school administrative unit. The total number of children for which funds shall be allocated pursuant to this subdivision is 50,755 for the 1999-2000 school year.

(2) Each local school administrative unit shall receive for children with special needs the sum of two thousand three hundred seventy-four dollars and seventeen cents ($2,374.17) per child for the lesser of (i) all children who are identified as children with special needs or (ii) twelve and five-tenths percent (12.5%) of the 1999-2000 allocated average daily membership in the local school administrative unit. The maximum number of children for which funds shall be allocated pursuant to this subdivision is 151,965 for the 1999-2000 school year.

The dollar amounts allocated under this section for exceptional children shall also increase in accordance with legislative salary increments for personnel who serve exceptional children.

99DPI-H8.3

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine, Moore

ALTERNATIVE SCHOOLS/AT-RISK STUDENTS

Section 8.3. The State Board of Education may use up to two hundred thousand dollars ($200,000) of the funds in the Alternative Schools/At-Risk Student allotment each year for the 1999-2000 and for the 2000-2001 fiscal years to implement G.S. 115C-12(24).

99DPI-H8.4

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

UNIFORM EDUCATION REPORTING SYSTEM (UERS)/STUDENT INFORMATION MANAGEMENT SYSTEM (SIMS) FUNDS

Section 8.4.(a) Funds appropriated for the Uniform Education Reporting System and the Student Information Management System shall not revert at the end of the 1999-2000 and 2000-2001 fiscal years, but shall remain available until expended.

Section 8.4.(b) This section becomes effective June 30, 1999.

NOTE: Subsection (k) was added by committee amendment on 5/31 and portion of subsection (b) was deleted by floor amendment.

99DPI-H8.5

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine, Yongue

SUPPLEMENTAL FUNDING IN LOW-WEALTH COUNTIES

Section 8.5.(a) Funds for Supplemental Funding. -- The General Assembly finds that it is appropriate to provide supplemental funds in low-wealth counties to allow those counties to enhance the instructional program and student achievement; therefore, funds are appropriated to State Aid to Local School Administrative Units for the 1999-2000 fiscal year and the 2000-2001 fiscal year to be used for supplemental funds for schools.

Section 8.5.(b) Use of Funds for Supplemental Funding. -- All funds received pursuant to this section shall be used only (i) to provide instructional positions, instructional support positions, teacher assistant positions, clerical positions, instructional supplies and equipment, staff development, and textbooks, and (ii) for salary supplements for instructional personnel and instructional support personnel.

*****

~~**At least twenty percent (20%) of the funds received pursuant to this section shall be used to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8.**~~

Section 8.5.(c) Definitions. -- As used in this section:

(1) "Anticipated county property tax revenue availability" means the county adjusted property tax base multiplied by the effective State average tax rate.

(2) "Anticipated total county revenue availability" means the sum of the:

a. Anticipated county property tax revenue availability,

b. Local sales and use taxes received by the county that are levied under Chapter 1096 of the 1967 Session Laws or under Subchapter VIII of Chapter 105 of the General Statutes,

c. Food stamp exemption reimbursement received by the county under G.S. 105-164.44C,

d. Homestead exemption reimbursement received by the county under G.S. 105-277.1A,

e. Inventory tax reimbursement received by the county under G.S. 105-275.1 and G.S. 105-277.001,

f. Intangibles tax distribution and reimbursement received by the county under G.S. 105-275.2, and

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

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

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

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

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

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

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

c. Add to the resulting amount the:

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

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

3. Personal property value for the county.

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

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

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

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

c. Compute the percentage that the county adjusted property tax base per square mile is of the State adjusted property tax base per square mile and weight the resulting percentage by a factor of one-tenth,

d. Add the three weighted percentages to derive the county wealth as a percentage of the State average wealth.

(9) "Effective county tax rate" means the actual county tax rate multiplied by a weighted average of the three most recent annual sales assessment ratio studies.

(10) "Effective State average tax rate" means the average of effective county tax rates for all counties.

(10a) "Local current expense funds" means the most recent county current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

(11) "Per capita income" means the average for the most recent three years for which data are available of the per capita income according to the most recent report of the United States Department of Commerce, Bureau of Economic Analysis, including any reported modifications for prior years as outlined in the most recent report.

(12) "Sales assessment ratio studies" means sales assessment ratio studies performed by the Department of Revenue under G.S. 105-289(h).

(13) "State average current expense appropriations per student" means the most recent State total of county current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

(14) "State average adjusted property tax base per square mile" means the sum of the county adjusted property tax bases for all counties divided by the number of square miles of land area in the State.

(14a) "Supplant" means to decrease local per student current expense appropriations from one fiscal year to the next fiscal year.

(15) "Weighted average of the three most recent annual sales assessment ratio studies" means the weighted average of the three most recent annual sales assessment ratio studies in the most recent years for which county current expense appropriations and adjusted property tax valuations are available. If real property in a county has been revalued one year prior to the most recent sales assessment ratio study, a weighted average of the two most recent sales assessment ratios shall be used. If property has been revalued

the year of the most recent sales assessment ratio study, the sales assessment ratio for the year of revaluation shall be used.

Section 8.5.(d) Eligibility for Funds. -- Except as provided in subsection (h) of this section, the State Board of Education shall allocate these funds to local school administrative units located in whole or in part in counties in which the county wealth as a percentage of the State average wealth is less than one hundred percent (100%).

Section 8.5.(e) Allocation of Funds. -- Except as provided in subsection (g) of this section, the amount received per average daily membership for a county shall be the difference between the State average current expense appropriations per student and the current expense appropriations per student that the county could provide given the county's wealth and an average effort to fund public schools. (To derive the current expense appropriations per student that the county could be able to provide given the county's wealth and an average effort to fund public schools, multiply the county wealth as a percentage of State average wealth by the State average current expense appropriations per student.)

The funds for the local school administrative units located in whole or in part in the county shall be allocated to each local school administrative unit, located in whole or in part in the county, based on the average daily membership of the county's students in the school units.

If the funds appropriated for supplemental funding are not adequate to fund the formula fully, each local school administrative unit shall receive a pro rata share of the funds appropriated for supplemental funding.

Section 8.5.(f) Formula for Distribution of Supplemental Funding Pursuant to This Section Only. -- The formula in this section is solely a basis for distribution of supplemental funding for low-wealth counties and is not intended to reflect any measure of the adequacy of the educational program or funding for public schools. The formula is also not intended to reflect any commitment by the General Assembly to appropriate any additional supplemental funds for low-wealth counties.

Section 8.5.(g) Minimum Effort Required. -- Counties that had effective tax rates in the 1996-97 fiscal year that were above the State average effective tax rate but that had effective rates below the State average in the 1997-98 fiscal year or thereafter shall receive reduced funding under this section. This reduction in funding shall be determined by subtracting the amount that the county would have received pursuant to Section 17.1(g) of Chapter 507 of the 1995 Session Laws from the amount that the county would have received if qualified for full funding and multiplying the difference by ten percent (10%). This method of calculating reduced funding shall apply one time only.

This method of calculating reduced funding shall not apply in cases in which the effective tax rate fell below the statewide average effective tax rate as a result of a reduction in the actual property tax rate. In these cases, the minimum effort required shall be calculated in accordance with Section 17.1(g) of Chapter 507 of the 1995 Session Laws.

If the county documents that it has increased the per student appropriation to the school current expense fund in the current fiscal year, the State Board of Education shall include this additional per pupil appropriation when calculating minimum effort pursuant to Section 17.1(g) of Chapter 507 of the 1995 Session Laws.

Section 8.5.(h) Nonsupplant Requirement. -- A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds. For the 1999-2001 fiscal biennium, the State Board of Education shall not allocate funds under this section to a county found to have used these funds to supplant local per student current expense funds. The State Board of Education shall make a finding that a county has used these funds to supplant local current expense funds in the prior year, or the year for which the most recent data are available, if:

(1) The current expense appropriation per student of the county for the current year is less than ninety-five percent (95%) of the average of the local current expense appropriations per student for the three prior fiscal years; and

(2) The county cannot show (i) that it has remedied the deficiency in funding, or (ii) that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.

The State Board of Education shall adopt rules to implement this section.

Section 8.5.(i) Reports. -- The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to May 1, 2000, on its analysis of whether counties supplanted funds.

Section 8.5.(j) Department of Revenue Reports. -- The Department of Revenue shall provide to the Department of Public Instruction a preliminary report for the current fiscal year of the assessed value of the property tax base for each county prior to March 1 of each year and a final report prior to May 1 of each year. The reports shall include for each county the annual sales assessment ratio and the taxable values of (i) total real property, (ii) the portion of total real property represented by the present-use value of agricultural land, horticultural land, and forestland as defined in G.S. 105-277.2, (iii) property of public service companies determined in accordance with Article 23 of Chapter 105 of the General Statutes, and (iv) personal property.

Section 8.5.(k) Allocations Do Not Revert. -- Funds allocated pursuant to this section shall not revert at the end of the fiscal year but shall remain available for expenditure for the purposes set out in this section.

NOTE: Funding was decreased by $3,000,000 by floor amendment and subsection (f) was deleted.

99DPI-H8.6

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

SMALL SCHOOL SYSTEM SUPPLEMENTAL FUNDING

Section 8.6.(a) Funds for Small School Systems. -- Except as provided in subsection (b) of this section, the State Board of Education shall allocate funds appropriated for small school system supplemental funding (i) to each county school administrative unit with an average daily membership of fewer than 3,150 students and (ii) to each county school administrative unit with an average daily membership of from 3,150 to 4,000 students if the county in which the local school administrative unit is located has a county adjusted property tax base per student that is below the State adjusted property tax base per student and if the total average daily membership of all local school administrative units located within the county is from 3,150 to 4,000 students. The allocation formula shall:

(1) Round all fractions of positions to the next whole position.

(2) Provide five and one-half additional regular classroom teachers in counties in which the average daily membership per square mile is greater than four, and seven additional regular classroom teachers in counties in which the average daily membership per square mile is four or fewer.

(3) Provide additional program enhancement teachers adequate to offer the standard course of study.

(4) Change the duty-free period allocation to one teacher assistant per 400 average daily membership.

(5) Provide a base for the consolidated funds allotment of at least three hundred fifty-five thousand dollars ($355,000), excluding textbooks.

(6) Allot vocational education funds for grade 6 as well as for grades 7-12.

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

Section 8.6.(b) Nonsupplant Requirement. -- A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds. For the 1999-2001 fiscal biennium, the State Board of Education shall not allocate funds under this section to a county found to have used these funds to supplant local per student current expense funds. The State Board of Education shall make a finding that a county has used these funds to supplant local current expense funds in the prior year, or the year for which the most recent data are available, if:

(1) The current expense appropriation per student of the county for the current year is less than ninety-five percent (95%) of the average of the local current expense appropriations per student for the three prior fiscal years; and

(2) The county cannot show (i) that it has remedied the deficiency in funding, or (ii) that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.

The State Board of Education shall adopt rules to implement this section.

Section 8.6.(c) Phase-Out Provisions. -- If a local school administrative unit becomes ineligible for funding under this formula solely because of an increase in the county adjusted property tax base per student of the county in which the local school administrative unit is located, funding for that unit shall be phased out over a two-year period. For the first year of ineligibility, the unit shall receive the same amount it received for the prior fiscal year. For the second year of ineligibility, it shall receive one-half of that amount.

If a local school administrative unit becomes ineligible for funding under this formula solely because of an increase in the population of the county in which the local school administrative unit is located, funding for that unit shall be continued for five years after the unit becomes ineligible.

Section 8.6.(d) Definitions. -- As used in this section:

(1) "Average daily membership" means within two percent (2%) of the average daily membership as defined in the North Carolina Public Schools Allotment Policy Manual, adopted by the State Board of Education.

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

(2a) "Local current expense funds" means the most recent county current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

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

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

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

(5) "Weighted average of the three most recent annual sales assessment ratio studies" means the weighted average of the three most recent annual sales assessment ratio studies in the most recent years for which county current expense appropriations and adjusted property tax valuations are available. If real property in a county has been revalued one year prior to the most recent sales assessment ratio study, a weighted average of the two most recent sales assessment ratios shall be used. If property has been revalued during the year of the most recent sales assessment ratio study, the sales assessment ratio for the year of revaluation shall be used.

Section 8.6.(e) Reports. -- The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to May 1, 2000, on the results of its analysis of whether counties supplanted funds.

~~**Section 8.6.(f) Use of Funds. -- Local boards of education shall use at least twenty percent (20%) of the funds they receive pursuant to this section to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8.**~~

99DPI-H8.7

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

FUNDS FOR NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS

Section 8.7.(a) Funds appropriated to the Department of Public Instruction in this act shall be used to pay for the National Board for Professional Teaching Standards (NBPTS) participation fee and for up to three days of approved paid leave for teachers participating in the NBPTS program during the 1999-2000 school year and the 2000-2001 fiscal year for State-paid teachers who (i) have completed three years of teaching in North Carolina schools operated by local boards of education, the Department of Health and Human Services, the Department of Correction, or The University of North Carolina, or affiliated with The University of North Carolina, prior to application for NBPTS certification, and (ii) have not previously received State funds for participating in any certification area in the NBPTS program. Teachers participating in the program shall take paid leave only with the approval of their supervisors.

A teacher for whom the State pays the participation fee (i) who does not complete the process or (ii) who completes the process but does not teach in a North Carolina public school for at least one year after completing the process, shall repay the certification fee to the State. Repayment is not required if the process is not completed or the teacher fails to teach for one year due to the death or disability of the teacher or other extenuating circumstances as may be recognized by the State Board.

Section 8.7.(b) The State Board shall adopt policies and guidelines to implement this section.

99DPI-H8.8

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

FUNDS TO IMPLEMENT THE ABCs OF PUBLIC EDUCATION PROGRAM

Section 8.8.(a) Of the funds appropriated to State Aid to Local School Administrative Units, the State Board of Education shall provide incentive funding for schools that meet or exceed the projected levels of improvement in student performance, in accordance with the ABCs of Public Education Program. In accordance with State Board of Education policy, incentive awards in schools that achieve higher than expected improvements may be up to: (i) one thousand five hundred dollars ($1,500) for each teacher and for certified personnel; and (ii) five hundred dollars ($500.00) for each teacher assistant. In accordance with State Board of Education policy, incentive awards in schools that meet the expected improvements may be up to: (i) seven hundred fifty dollars ($750.00) for each teacher and for certified personnel; and (ii) three hundred seventy-five dollars ($375.00) for each teacher assistant.

Section 8.8.(b) The State Board of Education may use funds appropriated to State Aid to Local School Administrative Units for assistance teams to low-performing schools.

99DPI-H8.9

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

SUBSTITUTE TEACHERS

Section 8.9. If the average number of days teachers are absent in a local school administrative unit is higher than the statewide average, the local board of education shall determine the reasons unit average is high and shall develop a plan for decreasing the unit average.

99DPI-H8.10

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

LIMITED ENGLISH PROFICIENCY

Section 8.10.(a) The State Board of Education shall develop guidelines for identifying and providing services to students with limited proficiency in the English language.

The State Board shall allocate these funds to local school administrative units and to charter schools under a formula that takes into account the average percentage of students in the units or the charters over the past three years who have limited English proficiency. If data for the prior three years are not available, the State Board shall use the most recent reliable data. The State Board shall allocate funds to a unit or a charter school only if (i) average daily membership of the unit or the charter school includes at least 20 students with limited English proficiency or (ii) students with limited English proficiency comprise at least two and one-half percent (2 1/2%) of the average daily membership of the unit or charter school. No unit or charter school shall receive funds for more than ten and six-tenths percent (10.6%) of its average daily membership.

Local school administrative units shall use funds allocated to them to pay for classroom teachers, teacher assistants, textbooks, classroom materials/instructional supplies/equipment, and staff development for students with limited English proficiency.

A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds.

Section 8.10.(b) The State Board of Education shall survey local school administrative units to determine whether schools are able to recruit and retain ESL certified teachers. The State Board shall provide the results of this survey to the Joint Legislative Education Oversight Committee prior to March 1, 2000.

99DPI-H8.11

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

DRIVERS EDUCATION FUNDS DO NOT REVERT/DRIVING EDUCATION CERTIFICATES

Section 8.11.(a) The State Board of Education may use funds appropriated for drivers education for the 1999-2000 fiscal year and for the 2000-2001 fiscal year for driving eligibility certificates.

Section 8.11.(b) This section becomes effective June 30, 1999.

99DPI-H8.12

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

TEACHING FELLOWS ADMINISTRATIVE COSTS

Section 8.12. G.S. 115C-363.23A(f) reads as rewritten:

"(f) All funds appropriated to or otherwise received by the Teaching Fellows Program for scholarships, all funds received as repayment of scholarship loans, and all interest earned on these funds, shall be placed in a revolving fund. This revolving fund shall be used for scholarship loans granted under the Teaching Fellows Program. With the prior approval of the General Assembly in the Current Operations Appropriations Act, the revolving fund may also be used for campus and summer program support, and costs related to disbursement of awards and collection of loan repayments.

The Public School Forum, as administrator for the Teaching Fellows Program, may use up to one hundred fifty thousand dollars ($150,000) annually from the fund balance for costs associated with administration of the Teaching Fellows Program. These funds are in addition to funds required for collection costs related to loan repayments."

99DPI-H8.13

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

TEACHER SALARY SCHEDULES

Section 8.13.(a) Effective for the 1999-2000 school year, the Director of the Budget may transfer from the Reserve for Compensation Increase for the 1999-2000 fiscal year funds necessary to implement the teacher salary schedule set out in subsection (b) of this section, including funds for the employer's retirement and social security contributions and funds for annual longevity payments at one percent (1%) of base salary for 10 to 14 years of State service, one and one-half percent (1.5%) of base salary for 15 to 19 years of State service, two percent (2%) of base salary for 20 to 24 years of State service, and four and one-half percent (4.5%) of base salary for 25 or more years of State service, commencing July 1, 1999, for all teachers whose salaries are supported from the State's General Fund. These funds shall be allocated to individuals according to rules adopted by the State Board of Education. The longevity payment shall be paid in a lump sum once a year.

Section 8.13.(b) For the 1999-2000 school year, the following monthly salary schedules shall apply to certified personnel of the public schools who are classified as teachers. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

1999-2000 Monthly Salary Schedule
"A" Teachers

Years of Experience	"A" Teachers	NBPTS Certification
0	$2,405	N/A
1	$2,447	N/A
2	$2,490	N/A
3	$2,668	$2,988
4	$2,824	$3,162
5	$2,951	$3,305
6	$3,052	$3,418
7	$3,099	$3,470
8	$3,147	$3,524
9	$3,196	$3,579
10	$3,245	$3,634
11	$3,294	$3,689
12	$3,344	$3,745
13	$3,396	$3,803
14	$3,449	$3,862
15	$3,503	$3,923
16	$3,558	$3,984
17	$3,614	$4,047

18	$3,671	$4,111
19	$3,729	$4,176
20	$3,789	$4,243
21	$3,850	$4,312
22	$3,913	$4,382
23	$3,976	$4,453
24	$4,040	$4,524
25	$4,105	$4,597
26	$4,172	$4,672
27	$4,241	$4,749
28	$4,311	$4,828
29+	$4,382	$4,907

1999-2000 Monthly Salary Schedule
"G" Teachers

Years of Experience	"G" Teachers	NBPTS Certification
0	$2,555	N/A
1	$2,600	N/A
2	$2,646	N/A
3	$2,835	$3,175
4	$3,001	$3,361
5	$3,135	$3,511
6	$3,243	$3,632
7	$3,293	$3,688
8	$3,344	$3,745
9	$3,396	$3,803
10	$3,448	$3,861
11	$3,500	$3,920
12	$3,553	$3,979
13	$3,608	$4,040
14	$3,665	$4,104
15	$3,722	$4,168
16	$3,780	$4,233
17	$3,840	$4,300
18	$3,900	$4,368
19	$3,962	$4,437
20	$4,026	$4,509
21	$4,091	$4,581
22	$4,158	$4,656
23	$4,225	$4,732
24	$4,293	$4,808
25	$4,362	$4,885
26	$4,433	$4,964
27	$4,506	$5,046
28	$4,580	$5,129
29+	$4,656	$5,214

Section 8.13.(b1) Certified public school teachers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the

compensation provided for certified personnel of the public schools who are classified as "G" teachers. Certified public school teachers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "G" teachers.

Section 8.13.(c) Effective for the 1999-2000 school year, the first step of the salary schedule for school psychologists shall be equivalent to Step 5, corresponding to five years of experience, on the salary schedule established in this section for certified personnel of the public schools who are classified as "G" teachers. Certified psychologists shall be placed on the salary schedule at an appropriate step based on their years of experience. Certified psychologists shall receive longevity payments based on years of State service in the same manner as teachers.

Certified psychologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified psychologists. Certified psychologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified psychologists.

Section 8.13.(d) Effective for the 1999-2000 school year, speech pathologists who are certified as speech pathologists at the masters degree level and audiologists who are certified as audiologists at the masters degree level and who are employed in the public schools as speech and language specialists and audiologists shall be paid on the school psychologist salary schedule.

Speech pathologists and audiologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for speech pathologists and audiologists. Speech pathologists and audiologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for speech pathologists and audiologists.

Section 8.13.(e) Certified school nurses who are employed in the public schools as nurses shall be paid on the "G" salary schedule.

99DPI-H8.14

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

SCHOOL-BASED ADMINISTRATOR SALARIES

Section 8.14.(a) Funds appropriated to the Reserve for Compensation Increase shall be used for the implementation of the salary schedule for school-based administrators as provided in this section. These funds shall be used for State-paid employees only.

Section 8.14.(b) The salary schedule for school-based administrators shall apply only to principals and assistant principals. The salary schedule for the 1999-2000 fiscal year, commencing July 1, 1999, is as follows:

1999-2000
Principal and Assistant Principal Salary Schedules

Classification

Yrs. of Exp	1 Assist Principal	1 Prin I (0-10)	2 Prin II (11-21)	3 Prin III (22-32)	4 Prin IV (33-43)	5 Prin V (44-54)
4	$3,031	--	--	--	--	--
5	$3,166	--	--	--	--	--
6	$3,275	--	--	--	--	--
7	$3,326	--	--	--	--	--
8	$3,377	$3,377	--	--	--	--
9	$3,430	$3,430	--	--	--	--
10	$3,482	$3,482	$3,535	--	--	--
11	$3,535	$3,535	$3,589	--	--	--
12	$3,589	$3,589	$3,644	$3,702	--	--
13	$3,644	$3,644	$3,702	$3,759	$3,818	--
14	$3,702	$3,702	$3,759	$3,818	$3,878	$3,939
15	$3,759	$3,759	$3,818	$3,878	$3,939	$4,002
16	$3,818	$3,818	$3,878	$3,939	$4,002	$4,066
17	$3,878	$3,878	$3,939	$4,002	$4,066	$4,132
18	$3,939	$3,939	$4,002	$4,066	$4,132	$4,200
19	$4,002	$4,002	$4,066	$4,132	$4,200	$4,267
20	$4,066	$4,066	$4,132	$4,200	$4,267	$4,336
21	$4,132	$4,132	$4,200	$4,267	$4,336	$4,406
22	$4,200	$4,200	$4,267	$4,336	$4,406	$4,477
23	$4,267	$4,267	$4,336	$4,406	$4,477	$4,551
24	$4,336	$4,336	$4,406	$4,477	$4,551	$4,626
25	$4,406	$4,406	$4,477	$4,551	$4,626	$4,703
26	$4,477	$4,477	$4,551	$4,626	$4,703	$4,797
27	$4,551	$4,551	$4,626	$4,703	$4,797	$4,893
28	$4,626	$4,626	$4,703	$4,797	$4,893	$4,991
29	$4,703	$4,703	$4,797	$4,893	$4,991	$5,091
30	$4,797	$4,797	$4,893	$4,991	$5,091	$5,193
31	$4,893	$4,893	$4,991	$5,091	$5,193	$5,297
32		$4,991	$5,091	$5,193	$5,297	$5,403

33	$5,193	$5,297	$5,403	$5,511
34	$5,297	$5,403	$5,511	$5,621
35		$5,511	$5,621	$5,733
36		$5,621	$5,733	$5,848
37			$5,848	$5,965
38				$6,084
39				
40				
41				

1999-2000
Principal and Assistant Principal Salary Schedules

Classification

Yrs. of Exp	6 Prin VI (55-65)	7 Prin VII (66-100)	9 Prin VIII (101+)
4	--	--	--
5	--	--	--
6	--	--	--
7	--	--	--
8	--	--	--
9	--	--	--
10	--	--	--
11	--	--	--
12	--	--	--
13	--	--	--
14	--	--	--
15	--	--	--
16	$4,132	--	--
17	$4,200	$4,336	--
18	$4,267	$4,406	$4,477
19	$4,336	$4,477	$4,551
20	$4,406	$4,551	$4,626
21	$4,477	$4,626	$4,703
22	$4,551	$4,703	$4,797
23	$4,626	$4,797	$4,893
24	$4,703	$4,893	$4,991
25	$4,797	$4,991	$5,091
26	$4,893	$5,091	$5,193
27	$4,991	$5,193	$5,297
28	$5,091	$5,297	$5,403
29	$5,193	$5,403	$5,511
30	$5,297	$5,511	$5,621
31	$5,403	$5,621	$5,733
32	$5,511	$5,733	$5,848
33	$5,621	$5,848	$5,965
34	$5,733	$5,965	$6,084
35	$5,848	$6,084	$6,206
36	$5,965	$6,206	$6,330

37	$6,084	$6,330	$6,457
38	$6,206	$6,457	$6,586
39	$6,330	$6,586	$6,718
40	$6,457	$6,718	$6,852
41		$6,852	$6,989

Section 8.14.(c) The appropriate classification for placement of principals and assistant principals on the salary schedule, except for principals in alternative schools, shall be determined in accordance with the following schedule:

Classification	**Number of Teachers Supervised**
Assistant Principal	
Principal I	Fewer than 11 Teachers
Principal II	11-21 Teachers
Principal III	22-32 Teachers
Principal IV	33-43 Teachers
Principal V	44-54 Teachers
Principal VI	55-65 Teachers
Principal VII	66-100 Teachers
Principal VIII	More than 100 Teachers

The number of teachers supervised includes teachers and assistant principals paid from State funds only; it does not include teachers or assistant principals paid from non-State funds or the principal or teacher assistants.

The beginning classification for principals in alternative schools shall be the Principal III level. Principals in alternative schools who supervise 33 or more teachers shall be classified according to the number of teachers supervised.

Section 8.14.(d) A principal shall be placed on the step on the salary schedule that reflects total number of years of experience as a certificated employee of the public schools and an additional step for every three years of experience as a principal.

Section 8.14.(e) For the 1999-2000 fiscal year, a principal or assistant principal shall be placed on the appropriate step plus one percent (1%) if:

(1) The employee's school met or exceeded the projected levels of improvement in student performance for the 1997-98 fiscal year, in accordance with the ABCs of Public Education Program; or

(2) The local board of education found in 1997-98 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school; or

(3) The employee's school met or exceeded the projected levels of improvement in student performance for the 1998-99 fiscal year, in accordance with the ABCs of Public Education Program; or

(4) The local board of education found in 1998-99 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school.

The principal or assistant principal shall be placed on the appropriate step plus an additional one percent (1%) for meeting each additional condition set out in subdivisions (1) through (4). Under no circumstance shall placement of a principal or assistant principal be higher than four percent (4%) above the appropriate step on the salary schedule.

Section 8.14.(f) For the 1999-2000 fiscal year, a principal or assistant principal shall receive a lump-sum payment of:

(1) One percent (1%) of his or her State-paid salary if the employee's school meets or exceeds the projected levels of improvement in

student performance for the 1999-2000 fiscal year, in accordance with the ABCs of Public Education Program.

(2) One percent (1%) of his or her State-paid salary if the local board of education finds that the employee's school has met the 1999-2000 goals of the local plan for maintaining a safe and orderly school.

The principal or assistant principal shall receive a lump-sum payment of two percent (2%) if the conditions set out in both subdivisions (1) and (2) are satisfied.

The lump sum shall be paid as determined by guidelines adopted by the State Board. Except as provided in subsection (l) of this section, placement on the salary schedule in the following year shall be based upon these increases.

Section 8.14.(g) Principals and assistant principals with certification based on academic preparation at the six-year degree level shall be paid a salary supplement of one hundred twenty-six dollars ($126.00) per month and at the doctoral degree level shall be paid a salary supplement of two hundred fifty-three dollars ($253.00) per month.

Section 8.14.(h) There shall be no State requirement that superintendents in each local school unit shall receive in State-paid salary at least one percent (1%) more than the highest paid principal receives in State salary in that school unit: Provided, however, the additional State-paid salary a superintendent who was employed by a local school administrative unit for the 1992-93 fiscal year received because of that requirement shall not be reduced because of this subsection for subsequent fiscal years that the superintendent is employed by that local school administrative unit so long as the superintendent is entitled to at least that amount of additional State-paid salary under the rules in effect for the 1992-93 fiscal year.

Section 8.14.(i) Longevity pay for principals and assistant principals shall be as provided for State employees under the State Personnel Act.

Section 8.14.(j)

(1) If a principal is reassigned to a higher job classification because the principal is transferred to a school within a local school administrative unit with a larger number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the higher job classification.

(2) If a principal is reassigned to a lower job classification because the principal is transferred to a school within a local school administrative unit with a smaller number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the lower job classification.

This subdivision applies to all transfers on or after the effective date of this section, except transfers in school systems that have been created, or will be created, by merging two or more school systems. Transfers in these merged systems are exempt from the provisions of this subdivision for one calendar year following the date of the merger.

Section 8.14.(k) Participants in an approved full-time masters in school administration program shall receive up to a 10-month stipend at the beginning salary of an assistant principal during the internship period of the masters program. Certification of eligible full-time interns shall be supplied to the Department of Public Instruction by the Principal's Fellow Program or a school of education where the intern participates in a full-time masters in school administration.

Section 8.14.(l) During the 1999-2000 fiscal year, the placement on the salary schedule of an administrator with a one-year provisional assistant principal's certificate shall be at the entry-level salary for an assistant principal or the appropriate step on the teacher salary schedule, whichever is higher. Lump-sum payments received pursuant to subsection (f) of this section shall not be considered in placing the employee on the salary schedule in subsequent years that the employee is employed under either a provisional or a full certificate.

NOTE: Technical changes

99DPI-H8.15

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

SCHOOL CENTRAL OFFICE SALARIES

Section 8.15.(a) The following monthly salary ranges apply to assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers for the 1999-2000 fiscal year, beginning July 1, 1999:

(1)	School Administrator I:	$2,932 - $5,003
(2)	School Administrator II:	$3,112 - $5,310
(3)	School Administrator III:	$3,303 - $5,636
(4)	School Administrator IV:	$3,436 - $5,863
(5)	School Administrator V:	$3,574 - $6,101
(6)	School Administrator VI:	$3,792 - $6,475
(7)	School Administrator VII:	$3,945 - $6,737

The local board of education shall determine the appropriate category and placement for each assistant superintendent, associate superintendent, director/coordinator, supervisor, or finance officer within the salary ranges and within funds appropriated by the General Assembly for central office administrators and superintendents. The category in which an employee is placed shall be included in the contract of any employee hired on or after July 1, 1999.

Section 8.15.(b) The following monthly salary ranges apply to public school superintendents for the 1999-2000 fiscal year, beginning July 1, 1999:

(1)	Superintendent I (Up to 2,500 ADM):	$4,187 - $7,150
(2)	Superintendent II (2,501 - 5,000 ADM):	$4,445 - $7,585
(3)	Superintendent III (5,001 - 10,000 ADM):	$4,716 - $8,050
(4)	Superintendent IV (10,001 - 25,000 ADM):	$5,005 - $8,542
(5)	Superintendent V (Over 25,000 ADM):	$5,312 - $9,066

The local board of education shall determine the appropriate category and placement for the superintendent based on the average daily membership of the local school administrative unit and within funds appropriated by the General Assembly for central office administrators and superintendents.

Notwithstanding the provisions of this subsection, a local board of education may pay an amount in excess of the applicable range to a superintendent who is entitled to receive the higher amount under Section 8.14 of this act.

Section 8.15.(c) Longevity pay for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers shall be as provided for State employees under the State Personnel Act.

Section 8.15.(d) Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for pursuant to this section. Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for under this section.

Section 8.15.(e) The State Board shall not permit local school administrative units to transfer State funds from other funding categories for salaries for public school central office administrators.

Section 8.15.(f) The Director of the Budget shall transfer from the Reserve for Compensation Increase created in this act for fiscal year 1999-2000, beginning July 1, 1999, funds necessary to provide an average annual salary increase of three percent (3%), including funds for the employer's retirement and social security contributions, commencing July 1, 1999, for all permanent full-time personnel paid from the Central Office Allotment. The State Board of Education shall allocate these funds to local school administrative units. The local boards of education shall establish guidelines for providing their salary increases to these personnel.

Section 8.15.(g) Any person who was employed on July 1, 1999, as a permanent public school employee whose salary is set by or under this section shall receive a compensation bonus, payable at the end of the first pay period, of one hundred twenty-five dollars ($125.00). **For permanent part-time employees, the compensation bonus provided by this section shall be adjusted pro rata. Notwithstanding G.S. 135-1(7a), the compensation bonus provided by this section is not compensation under Article 1 of Chapter 135 of the General Statutes, the Teachers' and State Employees' Retirement System.**

NOTE: Technical changes

99DPI-H8.16

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

NONCERTIFIED PERSONNEL SALARY FUNDS/TEACHER ASSISTANT SALARY FUNDS

Section 8.16.(a) The Director of the Budget may transfer from the Reserve for Compensation Increase created in this act for fiscal year 1999-2000, commencing July 1, 1999, funds necessary to provide a salary increase of three percent (3%), including funds for the employer's retirement and social security contributions, commencing July 1, 1999, for all noncertified public school employees whose salaries are supported from the State's General Fund. Local boards of education shall increase the rates of pay for all such employees who were employed during fiscal year 1998-99 and who continue their employment for fiscal year 1999-2000 by at least three percent (3%), commencing July 1, 1999. These funds shall not be used for any purpose other than for the salary increases and necessary employer contributions provided by this section.

The State Board of Education may enact or create salary ranges for noncertified personnel to support increases of three percent (3%) for the 1999-2000 fiscal year.

Section 8.16.(b) Effective July 1, 1999, any person who was employed on the first day of the 1999-2000 school year as a permanent public school employee whose salary is set by or under this section shall receive a compensation bonus, payable at the end of the employee's first pay period, of one hundred twenty-five dollars ($125.00). **For permanent part-time employees, the compensation bonus provided by this section shall be adjusted pro rata.**

99DPI-H8.17

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

STUDENT ACCOUNTABILITY STANDARDS

Section 8.17. Funds appropriated for the 1999-2001 fiscal biennium for Student Accountability Standards shall be used to assist students in performing at or above grade level in reading and mathematics in grades 3-8 as measured by the State's end-of-grade tests. The State Board of Education shall allocate these funds to local school administrative units based on the number of students who score at Level I or Level II on either reading or mathematics end-of-grade tests in grades 3-8. Funds in this allocation category shall be spent only to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and shall not be transferred to other allocation categories or otherwise used for other purposes. Except as otherwise provided by law, local boards of education may transfer other funds available to them into this allocation category.

The principal of a school receiving these funds, in consultation with the faculty and the site-based management team, shall incorporate plans for expending these funds to improve the performance of students.

Continuation budget funds previously appropriated for NC Helps and for the middle school pilot project shall be transferred to this allocation category.

Local boards of education are encouraged to use federal funds such as Goals 2000 and Title I Comprehensive School Reform Development Funds and to examine the use of State funds to ensure that every student is performing at or above grade level in reading and mathematics.

The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly on the implementation of this section. The report may include recommendations regarding the transfer of other funds into this allocation category.

99DPI-H8.18

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

APPROPRIATION OF FUNDS FROM STATE LITERARY FUND

Section 8.18. There is appropriated from the State Literary Fund to the Department of Public Instruction the sum of two million five hundred thousand dollars ($2,500,000) for the 1999-2000 fiscal year for aid to local school administrative units.

99DPI-H8.19

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

TRANSFER FROM UNEMPLOYMENT RESERVE FUND

Section 8.19. The State Board of Education shall transfer the sum of eight hundred fifty thousand dollars ($850,000) from the Unemployment Reserve Fund to the General Fund in the 1999-2000 fiscal year. Of the funds appropriated in Section 2 of this act to the Department of Public Instruction, the sum of eight hundred fifty thousand dollars ($850,000) in fiscal year 1999-2000 is to be used as a part of State Aid to Local School Administrative Units. These funds are intended to provide educational programs similar to the State and federal programs that comprise the unemployment reserve.

99DPI-H8.20

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

HIGH SCHOOL EXIT EXAMS

Section 8.20. Of the funds appropriated to State Aid to Local School Administrative Units, the State Board of Education may use up to two million dollars ($2,000,000) for the 1999-2000 fiscal year to develop a high school exit examination.

The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to the expenditure of these funds.

99DPI-H8.21

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

CENTRAL OFFICE ADMINISTRATOR SALARY STUDY

Section 8.21. The Joint Legislative Education Oversight Committee shall study the issue of salaries for school central office to provide full funding of the central office funding and the need to provide additional funding for this purpose. The Department of Public Instruction shall provide to the Committee all information and data requested to perform the study. The Committee shall report the results of this study to the General Assembly prior to the convening of the 2000 Regular Session of the General Assembly.

99DPI-H8.22

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

MENTOR PROGRAM STUDY

Section 8.22. The State Board of Education shall study the mentor program for teachers with initial certification. In the course of the study the State Board of Education shall consider:

(1) Whether there is sufficient release time for the mentor and the teacher with initial certification to work together;

(2) Whether the mentor and the teacher with initial certification are in the same school and are teaching in the same grade level and area of certification; and

(3) The level of satisfaction with the program of mentors and initially certified teachers participating in the program.

The State Board of Education shall report the results of the study to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly.

NOTE: NOT IN HOUSE BUDGET: This provision was deleted by floor amendment.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

NEED FOR SCHOOL NURSES/STUDY

Section 8.23. The Joint Legislative Education Oversight Committee shall examine the need for additional nurses in the public schools. If the Committee finds that additional nurses are necessary, the Committee shall forward the results of the study to the nonprofit corporation created pursuant to subparagraph VI.A.1 of the Consent Decree and Final Judgment entered in that action of 98 CVS 14377 on December 21, 1998, and approved by the General Assembly in S.L. 1999-2.

99DPI-H8.24

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

STUDY OF SCHOOL TRANSPORTATION FOR CHILDREN WITH SPECIAL NEEDS

Section 8.24. The State Board of Education shall study the issue of school transportation for children with special needs. In the course of the study, the State Board shall consider the difficulty local school administrative units are having in meeting the length of school day requirements for these children. The State Board shall report the results of the study and its recommendations to the Joint Legislative Education Oversight Committee prior to January 1, 2000.

The State Board of Education may spend up to fifty thousand dollars ($50,000) from funds appropriated for public school transportation to perform this study.

NEW

99DPI-H8.25

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

STRENGTHEN ALTERNATIVE SCHOOLS/ALTERNATIVE LEARNING PROGRAMS

Section 8.25.(a) G.S. 115C-47(32a) reads as rewritten:

"**§ 115C-47. Powers and duties generally.**

In addition to the powers and duties designated in G.S. 115C-36, local boards of education shall have the power or duty:

. . .

(32a) To Establish Alternative Learning Programs and Develop Policies and ~~Guidelines for Alternative Learning Programs.~~ Guidelines. -- ~~Local boards~~ Each local board of education ~~are encouraged to~~ shall establish at least one alternative school or alternative learning ~~programs. If these programs are established, local boards of education~~ program and shall adopt guidelines for assigning students to them. These guidelines shall include (i) a description of the programs and services to be provided, (ii) a process for ensuring that an assignment is appropriate for the student and that the student's parents are involved in the decision, and (iii) strategies for providing alternative learning programs, when feasible and appropriate, for students who are subject to long-term suspension or expulsion. In developing these guidelines, local boards ~~are encouraged to~~ shall consider the State Board's policies and guidelines developed under G.S. 115C-12(24). Upon adoption of policies and guidelines under this subdivision, local boards are encouraged to incorporate them in their safe school plans developed under G.S. 115C-105.47.

Local boards shall adopt policies that prohibit a superintendent from assigning to an alternative school or an alternative learning program any professional public school employee who has received within the last three years a rating on a formal evaluation that is less than above standard."

Section 8.25.(b) Funding allotments in the Public School Fund shall be allocated as follows:

Existing Funding Allotments	**New Funding Allotments**
At-Risk Student Services/ Alternative Schools.	(1) At-Risk Student Services (2) Alternative Schools/ Alternative Learning Programs.

The State Board may continue to use the existing allotment formula for At-Risk Student Services/Alternative Schools. For the 1999-2000 school year and thereafter the State Board shall allocate seventy-five percent (75%) of the allotted funds for At-Risk Student Services and twenty-five percent (25%) of the allotted funds for Alternative Schools/Alternative Learning Programs.

Section 8.25.(c) G.S. 115C-105.25(b)(4) reads are rewritten:

"(4) Funds allocated for children with special needs, for students with limited English proficiency, and for driver's education shall not be transferred. Funds allocated for alternative schools/alternative learning programs shall not be transferred unless the local board obtains a waiver under G.S. 115C-105.26(c1). If the board obtains

a waiver, it may transfer the funds only for at-risk student services."

Section 8.25.(d) G.S. 115C-105.25(b) is amended by adding a new subdivision to read:

"(9) State funds allocated for at-risk student services may be transferred only for expenditures for alternative schools/alternative learning programs."

Section 8.25.(e) G.S. 115C-105.26 is amended by adding a new subsection to read:

"(c1) The State Board also may grant requests received from local boards for waivers of State laws, rules, or policies that require that each local school administrative unit provide at least one alternative school or at least one alternative learning program."

Section 8.25.(f) G.S. 115C-12(24) reads as rewritten:

"§ 115C-12. Powers and duties of the Board generally.

The general supervision and administration of the free public school system shall be vested in the State Board of Education. The State Board of Education shall establish policy for the system of free public schools, subject to laws enacted by the General Assembly. The powers and duties of the State Board of Education are defined as follows:

. . .

(24) Duty to Develop Policies and Guidelines for Alternative Schools and Alternative Learning Programs, Provide Technical Assistance on Implementation of Programs, and Evaluate Programs. -- The State Board of Education shall adopt guidelines for assigning students to alternative learning programs. These guidelines shall include (i) a description of the programs and services that are recommended to be provided in alternative learning programs and (ii) a process for ensuring that an assignment is appropriate for the student and that the student's parents are involved in the decision. The State Board also shall adopt policies that define what constitutes an alternative school and an alternative learning program.

The State Board of Education shall provide technical support to local school administrative units to assist them in developing and implementing alternative schools and alternative learning programs.

The State Board of Education shall also adopt ~~guidelines~~ policies to require that local school administrative units shall ~~use (i) the teachers allocated for students assigned to alternative learning programs pursuant to the regular teacher allotment and (ii) the teachers allocated for students assigned to alternative learning programs only to serve the needs of these students.~~ pay for all teaching positions in an alternative school or an alternative learning program from the classroom teachers allotment and shall use the Alternative Schools/Alternative Learning Programs allotment to supplement those programs.

The State Board shall evaluate the effectiveness of alternative schools, alternative learning programs ~~and, in its discretion, of any other~~ and all programs funded from the ~~Alternative Schools/At-Risk~~ At-Risk Student Services allotment. Local school administrative units shall report to the State Board of Education on how funds in the Alternative ~~Schools/At-Risk~~

Schools/Alternative Learning Programs and the At-Risk Student Services ~~allotment~~ allotments are spent and shall otherwise cooperate with the State Board of Education in evaluating the alternative schools and alternative learning programs."

Section 8.25.(g) The provisions in subsection (a) of this section that amend G.S. 115C-47(32a) to require at least one alternative school or alternative learning program in each local school administrative unit become effective July 1, 2000. The remainder of this section becomes effective July 1, 1999.

NEW and may need technical change

99DPI-H8.26

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine, Adams, Berry, Howard, McAllister

EXPAND SCHOOL BREAKFAST PROGRAM

Section 8.26.(a) The State Board of Education shall expand the school breakfast program to all students in kindergarten, prior to the beginning of the 2000-2001 school year. Any school that serves kindergarten students is eligible to receive funds under the program for the 1999-2000 fiscal year for those students. Schools participating in the program shall provide breakfast, without charge, to all kindergarten students.

If these funds are not adequate to expand the program to all students in schools that elect to participate for the 1999-2000 school year, the Board of Education shall give priority to schools with a high concentration of children who qualify for free or reduced price lunches.

Section 8.26.(b) This section becomes effective January 1, 2000.

99DPI-H8.27

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

WILLIE M. FUNDS/STATE AID TO LOCAL SCHOOL ADMINISTRATIVE UNITS

Section 8.27. Funds appropriated to State Aid to Local School Administrative Units to provide services to Willie M. class members shall be spent only to provide services that are required by State and federal law to (i) children with special needs who were identified as members of the class at the time of dissolution of the class, and (ii) other children with special needs.

99DPI-H8.28

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

CHARTER SCHOOLS/ADM REDUCTION

Section 8.28.(a) If the projected average daily membership of schools other than charter schools in a county school administrative unit with 3,000 or fewer students is decreased by more than four percent (4%) due to projected shifts of enrollment to charter schools, the State Board of Education may use funds appropriated to State Aid to Local School Administrative Units for the 1999-2000 fiscal year to reduce the loss of funds to the schools other than charter schools in the unit to a maximum of four percent (4%). This section applies to the 1999-2000 fiscal year only.

Section 8.28.(b) The State Board of Education shall study the impact of charter schools on local school administrative units with an average daily membership of less than 3,000 students. The State Board of Education shall report the results of the study to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly.

NOTE: Changed by floor amendment as set forth below:

99DPI-H8.29

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

PAYROLL DEDUCTION CLARIFICATION

Section 8.29.(a) G.S. 143-3.3(g) reads as rewritten:

"(g) Payroll Deduction for Payments ~~to~~ for Certain Employees' Associations Allowed. -- An employee of the State or any of its institutions, departments, bureaus, agencies or commissions, or any of its local boards of education or community colleges, who is a member of a domiciled employees' association that has at least 2,000 members, the majority of whom are employees of the State or public school employees, may authorize, in writing, the periodic deduction each payroll period from the employee's salary or wages a designated ~~lump~~ sum or sums to be paid ~~to~~ for the employees' association. **Those payments may not be used in support of or opposition to any candidate in any election by the people, including for any political action committee, campaign committee, or political committee. These funds may not be used in support of or opposition to any local or statewide referendum or bond issue or for any referendum committee.** The authorization shall remain in effect until revoked by the employee. A plan of payroll deductions pursuant to this subsection for employees of the State and other association members shall become void if the employees' association engages in collective bargaining with the State, any political subdivision of the State, or any local school administrative unit. This subsection does not apply to county or municipal governments or any local governmental unit, except for local boards of education."

Section 8.29.(b) G.S. 135-18.8 reads as rewritten:

"**§ 135-18.8. Deduction for payments ~~to~~ for certain employees' associations allowed.**

Any member who is a member of a domiciled employees' association that has at least 2,000 members, the majority of whom are employees of the State or public school employees, may authorize, in writing, the periodic deduction from the member's retirement benefits a designated ~~lump~~ sum or sums to be paid ~~to~~ for the employees' association. **Those payments may not be used in support of or opposition to any candidate in any election by the people, including for any political action committee, campaign committee, or political committee. These funds may not be used in support of or opposition to any local or statewide referendum or bond issue or for any referendum committee.** The authorization shall remain in effect until revoked by the member. A plan of deductions pursuant to this section shall become void if the employees' association engages in collective bargaining with the State, any political subdivision of the State, or any local school administrative unit."

Section 8.29.(c) Subsection (b) of this section becomes effective January 1, 2000, and applies to retirement benefits paid on or after that date. Subsection (a) of this section becomes effective January 1, 2000.

99DPI-H8.30

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

TEXTBOOK COMMISSION MEMBERSHIP EXPANSION

Section 8.30.(a) G.S. 115C-87 reads as rewritten:

"**§ 115C-87. Appointment of Textbook Commission.**

Shortly after assuming office, the Governor shall appoint a Textbook Commission of ~~14~~ 23 members who shall hold office for four years, or until their successors are appointed and qualified. The members of the Commission shall be appointed by the Governor upon recommendation of the Superintendent. Six of these members shall be teachers or principals in ~~the elementary grades;~~ grades K-5; five shall be teachers or principals in ~~the high school grades; one shall be a superintendent of a local school administrative unit;~~ grades 6-8; four shall be superintendents, teachers, or principals in grades 9-12; ~~one~~ three shall be ~~the parent of an elementary student, grades K-6,~~ parents of students in grades K-5 at the time of appointment; ~~and one shall be the parent of a high school student, grades 7-12,~~ three shall be parents of students in grades 6-8 at the time of ~~appointment.~~ appointment; and two shall be parents of students in grades 9-12 at the time of appointment. The Governor shall fill all vacancies by appointment for the unexpired term. The Commission shall elect a chairman, subject to the approval of the Superintendent. The Commission shall meet four times a year or at the call of the chair. The members shall be entitled to compensation for each day spent on the work of the Commission as approved by the Board and to reimbursement for travel and subsistence expense incurred in the performance of their duties at the rates specified in G.S. 138-5(a). ~~Such compensation~~ Compensation shall be paid from funds available to the State Board of Education."

Section 8.30.(b) G.S. 115C-88 reads as rewritten:

"**§ 115C-88. Commission to evaluate textbooks offered for adoption.**

(a) The ~~members of the Commission who are teachers, principals or the parent of students~~ Commission shall evaluate all textbooks offered for adoption.

Each proposed textbook shall be read by at least one expert certified in the discipline for which the textbook would be used. The Commission may use external experts if no commission member or advisory committee member qualifies as an expert certified in a particular discipline.

The Commission may consider any review of a proposed textbook by other experts certified in the discipline who are not involved in the textbook adoption process. However, these reviews may not substitute for the direct examination of the proposed textbook by a Commission member, an advisory committee member, or any other expert retained by the Commission.

(b) Each member shall examine carefully and file a written evaluation of each ~~textbook offered for adoption~~ proposed textbook for which the member is responsible.

The evaluation report shall give special consideration to the suitability of the textbook to the instructional level for which it is offered, the content or subject matter, whether the textbook is aligned with the Standard Course of Study, and other criteria prescribed by the Board.

Each evaluation report shall be signed by the member making the report and filed with the Board not later than a day fixed by the Board when the call for adoption is made."

Section 8.30.(c) This section becomes effective January 1, 2000. Notwithstanding G.S. 115C-87, the additional members appointed to the Textbook

1 Commission under this section shall hold office until the new Governor takes office
2 in 2001 and their successors are appointed and qualified.
3

NOTE: Subsection (b) was added in subcommittee.

99DPI-H8.31

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

STUDIES BY EDUCATION OVERSIGHT COMMITTEE

Section 8.31.(a) The Joint Legislative Education Oversight Committee shall review information and reports provided by the State Board of Education and shall conduct any further study the Committee deems necessary regarding the establishment of a teacher assistant salary schedule. The Committee also may study the issue of differentiated high school diplomas. The Committee may report any findings and recommendations to the General Assembly prior to the convening of the 2000 Regular Session of the 1999 General Assembly, or prior to the convening of the 2001 General Assembly.

Section 8.31.(b) The State Board of Education shall not approve a differentiated diploma plan until after the plan is approved by the General Assembly.

NEW

99DPI-H8.32

Requested by: Representatives Moore, Easterling, Hardaway, Redwine

TEACHER ASSISTANT SALARY STUDY

Section 8.32.(a) The State Board of Education shall study the cost and feasibility of implementing a salary schedule for teacher assistants that provides for an average teacher assistant salary that is fifty-six percent (56%) of the daily pay rate of an entry-level teacher with an "A" certificate. The salary schedule would have steps based on years of experience and local boards should place teacher assistants on the schedule and would advance them on the salary schedule according to their years of experience.

In the course of the study, the State Board of Education shall collect information from every local school administrative unit on the years of experience of their teacher assistants as teachers or teacher assistants in public or private schools.

Section 8.32.(b) The State Board of Community Colleges and the State Board of Education shall study the feasibility of a plan for the certification of teacher assistants. The plan should provide for:

(1) A program curriculum that is appropriate to ensure that teacher assistants contribute to student achievement;

(2) A certificate program that includes requirements for a one-year certificate, a two-year associate certificate, and a baccalaureate certificate with additional education courses; and

(3) A compensation plan for teacher assistants that is based on the certificate-level attained and years of experience.

Section 8.32.(c) The State Board of Education shall study the cost and feasibility of giving teachers who previously worked as teacher assistants one year of credit on the teacher salary schedule for every two years they worked as teacher assistants.

Section 8.32.(d) The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to April 1, 2000, on the studies set out in this section.

NOTE: This provision was added by amendment on the floor.

99DPI-H8.33

Requested by: Representative Redwine

STUDY OF THE RELATIONSHIP BETWEEN SCHOOL SIZE AND STUDENT BEHAVIOR AND PERFORMANCE

Section 8.33. The State Board of Education shall study the relationship between school size and the behavior and academic performance of students at the school. The State Board shall report the results of the study to the Joint Legislative Education Oversight Committee prior to April 15, 2000.

NEW; added by floor amendment

99DPI-H8.34

Requested by: Representative Blue

TRANSFER OF FUNDS FROM SMALL SCHOOL SYSTEM SUPPLEMENTAL FUNDING TO SUPPLEMENTAL FUNDING IN LOW-WEALTH COUNTIES

Section 8.34. The State Board of Education shall transfer the sum of three million dollars ($3,000,000) for the 1999-2000 fiscal year and the sum of three million dollars ($3,000,000) for the 2000-2001 fiscal year from small school system supplemental funding to supplemental funding in low-wealth counties.

99DOCC-H9

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

EMPLOYMENT OF COMMUNITY COLLEGE FACULTY/STUDY

Section 9. The State Board of Community Colleges shall contract with an outside consultant to study the issue of whether the Community College System should employ faculty members for less than 12 months instead of on a 12-month basis since the Community College System now operates on a semester system instead of a quarter system. The consultant also shall consider how much additional supplemental funding for summer term would be required if the Community College System employed faculty members for less than 12 months and needed to employ a portion of the faculty for the summer term.

The State Board shall use funds from the State Board Reserve to implement this section.

The State Board shall report to the Joint Legislative Appropriations Subcommittees on Education and the Fiscal Research Division prior to April 30, 2000, on the results of this study. It is the intent of the General Assembly, in considering the results of this study and other recommendations regarding community college faculty salaries, to provide for changes in the salary of community college faculty that result in an enhancement of salary for community college faculty.

99DOCC-H9.1

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Moore, Easterling, Hardaway, Redwine

COOPERATIVE HIGH SCHOOL EDUCATION PROGRAM ACCOUNTABILITY

Section 9.1. Section 10.7 of the Current Operations Appropriations and Capital Improvement Appropriations Act of 1998 directed the State Board of Community Colleges and the State Board of Education to create a joint task force to study the existing policies for cooperative high school education programs and to recommend changes necessary to improve the programs' success and accountability. Section 10.7 further directed the Boards to report their findings and recommendations to the Joint Legislative Education Oversight Committee and the Fiscal Research Division prior to March 1, 1999.

The General Assembly finds that the study submitted by the Boards inadequately addressed the concerns of the General Assembly; therefore, the General Assembly hereby requests that the Boards jointly reconsider existing policies for cooperative high school education programs. The General Assembly further requests that the Boards make a preliminary report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division prior to November 15, 1999, and a final report prior to April 15, 2000. The report shall include findings and recommendations that will enable the State to achieve the goal of the General Assembly to increase the number of qualified high school students participating in cooperative high school education programs that are provided by local community colleges. These programs should be cost-effective programs and should not duplicate high school Advanced Placement courses that are currently being offered or that could feasibly be offered. These programs should provide additional higher education opportunities for qualified high school students while minimizing overlapping costs to the State for public schools and community colleges.

After submission of the final report, the Joint Legislative Education Oversight Committee shall review the report and the success, or lack thereof, of this cooperative program. In the event the Committee finds that the report inadequately addresses the existing policies for cooperative high school education programs, or that there is an inadequate level of coordination between the high school, and community colleges, the Committee shall make a recommendation to the General Assembly as to how much, if any, downward adjustment should be made in appropriations to the respective agencies for failure to adequately develop and implement this program. This downward adjustment would be recommended due to the fact that this study, and the implementation thereof, is anticipated to be funded and implemented from current personnel and resources, and failure to adequately implement the program signifies a misuse of resources for which a downward adjustment in appropriations should be made.

99DOCC-H9.2

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

IMPLEMENTATION OF PERFORMANCE BUDGETING

Section 9.2.(a) It is the intent of the General Assembly that the the State Board of Community Colleges implement the findings of the consultant's Phase IV Funding Study Report, prepared by the State Board and submitted to the Education Appropriations Subcommittee, on performance budgeting; therefore, Chapter 115D of the General Statutes is amended by adding a new section to read:

"**§ 115D-31.3. Performance budgeting.**

(a) The State Board of Community Colleges shall create new accountability measures and performance standards to be used for performance budgeting for the Community College System. The results of a survey may be used as a performance standard only if the survey is statistically valid. The State Board of Community Colleges shall review annually the accountability measures and performance standards to ensure that they are appropriate for use in performance budgeting.

(b) Notwithstanding any other provision of law, the State Board shall authorize each institution meeting the new performance standards to carryforward funds remaining in its budget at the end of each fiscal year in an amount not to exceed two percent (2%) of the State funds allocated to the institution for that fiscal year. The funds carried forward shall be used for the purchase of equipment and initial program start-up costs excluding regular faculty salaries. These funds shall not be used for continuing salary increases or for other obligations beyond the fiscal year into which they were carried forward. These funds shall be encumbered within 12 months of the fiscal year into which they were carried forward.

(c) The five required performance measures are (i) progress of basic skills students, (ii) passing rate for licensure and certification examinations, (iii) goal completion of program completers, (iv) employment status of graduates, and (v) performance of students who transfer to the university system. Colleges may choose one other performance measure from the list contained in the State Board's Phase 4 Funding Formula Study, which was presented to the Joint Legislative Education Oversight Committee. Successful performance on each of the six performance measures shall allow a college to retain and carry forward up to one-third of one percent (1/3 of 1%) of its final fiscal year General Fund appropriations into the next fiscal year.

(d) Each college shall publish its performance on these six measures in its catalog each year beginning with the 2001 academic year."

Section 9.2.(b) The State Board of Community Colleges shall report to the Joint Legislative Education Oversight Committee and to the Fiscal Research Division prior to March 1, on an annual basis, on the implementation of this provision.

Section 9.2.(c) This section becomes effective July 1, 1999. The State Board of Community Colleges shall authorize institutions meeting the new performance standards to carry forward funds from the 2000-2001 fiscal year to the 2001-2002 fiscal year and at the end of subsequent fiscal years.

99DOCC-H9.3

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

OVER-REALIZED TUITION AND FEE RECEIPTS TRANSFERRED TO THE EQUIPMENT RESERVE FUND

Section 9.3.(a) G.S. 115D-31 is amended by adding a new subsection to read:

"(e) If receipts for community college tuition and fees exceed the amount certified in General Fund Codes at the end of a fiscal year, the State Board of Community Colleges shall transfer the amount of receipts and fees above those budgeted to the Equipment Reserve Fund."

Section 9.3.(b) If receipts for community college tuition and fees exceed the amount certified in General Fund Codes at the end of the 1998-99 fiscal year, the State Board of Community Colleges shall transfer the amount of receipts and fees above those budgeted to the Equipment Reserve Fund.

Section 9.3.(c) Section 9.3.(b) becomes effective June 30, 1999.

99DOCC-H9.4

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

FINANCIAL ASSISTANCE FOR COMMUNITY COLLEGE STUDENTS

Section 9.4.(a) Of the funds appropriated to the Community Colleges System Office for the 1999-2001 fiscal biennium, the sum of five million dollars ($5,000,000) for the 1999-2000 fiscal year and the sum of five million dollars ($5,000,000) for the 2000-2001 fiscal year shall be used to provide the largest financial need-based student assistance program in the history of the North Carolina Community College System.

Students must apply for federal Pell Grants to be eligible for this program. It is the intent of the General Assembly that the Community College System make these financial aid funds available to the neediest students who are not eligible for other financial aid programs that fully cover the required educational expenses of these students. The State Board may use some of these funds as short-term loans to students who anticipate receiving the federal HOPE or Lifetime Learning Tax Credits.

The State Board of Community Colleges shall adopt rules and policies for the disbursement of the need-based financial assistance. The State Board may contract with the State Education Assistance Authority for administration of these financial assistance funds. These funds shall not revert at the end of each fiscal year but shall remain available until expended for need-based financial assistance.

Section 9.4.(b) The State Board of Community Colleges shall ensure that at least one counselor is available at each college to inform students about federal programs and funds available to assist community college students including, but not limited to, Pell Grants and HOPE and Lifetime Learning Tax Credits and to actively encourage students to utilize these federal programs and funds.

Section 9.4.(c) G.S. 115D-40 is repealed.

NOTE: This provision was amended in committee.

99DOCC-H9.5

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

COMMUNITY COLLEGE FUNDING FLEXIBILITY

Section 9.5. A local community college may use all State funds allocated to it, except for Literacy Funds and Funds for New and Expanding Industries, for any authorized purpose that is consistent with the college's Institutional Effectiveness Plan. Each local community college shall include in its Institutional Effectiveness Plan a section on how funding flexibility allows the college to meet the demands of the local community and to maintain a presence in all previously funded categorical programs.

The State Board may examine new State Aid allocation options that more closely align the allocation and expenditure of State appropriated resources.

Funds appropriated for salary increases shall be used only for salary increases and necessary employer contributions.

The General Assembly recognizes that the Community College System has been required to transfer funds from the faculty salary line item in the funding formula during prior fiscal years to make up shortfalls in instructional and administrative support and in other cost items. To enable the Community College System to pay respectable faculty salaries and at the same time maintain the quality of the instructional programs, the General Assembly is providing an additional eight million dollars ($8,000,000) in expansion funds for instructional and administrative support and an additional ten million dollars ($10,000,000) in expansion funds for other cost items. It is the intent of the General Assembly that no transfers be made from the formula salary line item and that faculty salary funds be used to enhance full-time and part-time faculty salaries and, where appropriate, to move part-time faculty members to full-time faculty status. Therefore, transfers made in college budgets from faculty salaries to other purposes shall be made only after public notice and notice to the faculty. No more than one percent (1%) systemwide may be transferred from faculty salaries without the approval of the State Board of Community Colleges. The State Board shall report on any such transfers above one percent (1%) systemwide to the Joint Legislative Commission on Governmental Operations at its next meeting.

NEW

99DOCC-H9.6

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

STATE BOARD RESERVE ALLOCATIONS

Section 9.6.(a) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for each fiscal year to assist small rural low-wealth community colleges with operation and maintenance of plant costs if they need to assist new or expanding industries in their service delivery areas.

Section 9.6.(b) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of forty thousand dollars ($40,000) for the 1999-2000 fiscal year to support the recruitment activities of the North Carolina Industries for Technical Education (NCITE). NCITE recruits students to community colleges with Heavy Equipment and Transportation Technology Programs in an effort to revitalize those programs.

99DOCC-H9.7

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Owens, Easterling, Hardaway, Redwine

PERMIT TRANSFERS OF FUNDS TO THE NEW AND EXPANDING INDUSTRY TRAINING PROGRAM

Section 9.7. The General Assembly finds that the New and Expanding Industry Training Program:

(1) Assists companies creating new jobs in North Carolina by providing training for new employees;

(2) Provides customized training to new or prospective employees in specific job skills needed by new or expanding industries; and

(3) Supports local, regional, and State economic development goals by offering entry-level training at no cost to companies that are creating new jobs in the State.

The General Assembly further finds that due to the extraordinary growth of new and expanding industry in the State, funds appropriated to the Program may be inadequate to meet demand for Program services during the 1999-2000 fiscal year; therefore, notwithstanding G.S. 143-16.3, G.S. 143-23, or any other provision of law, the Director of the Budget may, after consultation with the Joint Legislative Commission on Governmental Operations, transfer funds from any agency or program funded from the General Fund to the New and Expanding Industry Training Program to supplement the needs of this Program during the 1999-2000 fiscal year.

99DOCC-H9.8

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Moore, Easterling, Hardaway, Redwine

ADULT EDUCATION PROGRAM/REVIEW

Section 9.8. The State Board of Community Colleges shall review the Adult High School Program to determine the extent to which the Program is aligned with recent public school reforms including course content standards, end-of-course tests, appropriate aspects of the high school accountability system, publication of test results, and high school exit exams that will be implemented by 2003. After completion of this review, the Board shall direct and advise local colleges on steps necessary to ensure that the Program is adequately aligned with recent public school reforms.

The Board shall report to the Joint Legislative Education Oversight Committee prior to April 15, 2000, on the implementation of this section.

99DOCC-H9.9

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

MANAGEMENT INFORMATION SYSTEM FUNDS

Section 9.9.(a) Funds appropriated for the Community College System Office Management Information System shall not revert at the end of the 1999-2000 and 2000-2001 fiscal years but shall remain available until expended.

Section 9.9.(b) This section becomes effective June 30, 1999.

99DOCC-H9.10

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Gillespie, Thompson, Buchanan, Easterling, Hardaway, Redwine

EXTEND COMMUNITY COLLEGE BOND MATCH DEADLINE

Section 9.10.(a) Section 6(b)IV of Chapter 542 of the 1993 Session Laws, as added by Section 4 of Chapter 515 of the 1995 Session Laws and rewritten by Section 10(a) of S.L. 1998-212, reads as rewritten:

"IV. If the State Board of Community Colleges determines that a community college has not met the matching requirements of G.S. 115D-31(a)(1) by July 1, ~~1999,~~ 2000, with respect to a capital improvement project for which bond proceeds are allocated in subdivision I or pursuant to subdivision II of this subsection, the Board shall certify that fact to the State Treasurer by October 1, ~~1999.~~ 2000. All of these bond proceeds with respect to which the Board certifies that the matching requirement has not been met by July 1, ~~1999,~~ 2000, shall be placed by the State Treasurer in a special account within the Community Colleges Bond Fund and shall be used for making grants to community colleges. Bond proceeds in the special account shall be allocated among the community colleges in accordance with the following conditions:

(1) The State Board of Community Colleges shall generate, by October 1, ~~1999,~~ 2000, a priority ranking of legitimate community college capital improvement needs using a formula based on objective meaningful factors relevant to capital needs, including space to population ratio, population served ratio, capacity enrollment ratio, local to State and vocational education ratios, type of project, and readiness to implement.

(2) The State Board of Community Colleges shall provide the State Treasurer a projected allocation of the proceeds in the special account in accordance with this priority ranking, except that:

a. No projected allocation shall be made for a community college that the Board certified in accordance with this subdivision IV had failed to meet a matching requirement.

b. No more than four million dollars ($4,000,000) shall be allocated to a single community college.

c. Funds shall not be allocated for more than one project per community college.

(3) The proceeds of grants made from bond proceeds in the special account shall be allocated and expended for paying the cost of community college capital improvements in accordance with this allocation by the State Board of Community Colleges, to the extent and as provided in this act. The Director of the Budget is empowered, when the Director of the Budget determines it is in the best interest of the State and the North Carolina Community College System to do so, and if the cost of a particular project is less than the projected allocation, to use the excess funds to increase the size of that project or increase the size of any other project itemized in this section, or to increase the amount allocated to a particular community college within the aggregate amount of funds available under this section. The Director of the Budget shall consult with the Advisory Budget Commission and the Joint Legislative Commission on Governmental Operations before making these changes."

1
2

Section 9.10.(b) This section becomes effective June 30, 1999.

NOTE: This provision was amended on the House floor as follows:

99DOCC-H9.11

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

EMPLOYMENT SECURITY COMMISSION TRAINING AND EMPLOYMENT ACCOUNT FUNDS

Section 9.11.(a) Contingent upon enactment of House Bill 275, 1999 General Assembly, there is appropriated from the Employment Security Commission Training and Employment Account created in G.S. 96-6.1, as enacted by House Bill 275, 1999 General Assembly, to the Community Colleges System Office the sum of twenty-two million dollars ($22,000,000) for the 1999-2000 fiscal year and the sum of fifty-six million five hundred thousand dollars ($56,500,000) for the 2000-2001 fiscal year. **If House Bill 275, 1999 Session, provides an expenditure schedule or source of funds different than that provided in this section, then House Bill 275, 1999 Session, prevails to the extent of the conflict.** These funds shall be used as follows:

	1999-2000	2000-2001
1. Nonreverting Equipment, Technology, and MIS Reserve	$12,000,000	$42,500,000
2. Nonreverting Start-Up Fund for Regional and Cooperative Initiatives	$ 2,000,000	$ 2,000,000
3. New and Expanding Industry Training Program	$ 7,000,000	$10,000,000
4. Enhanced Focused Industrial Training Programs	$ 1,000,000	$ 2,000,000
TOTAL:	$22,000,000	$56,500,000

Funds allocated for the Nonreverting Start-Up Fund for Regional and Cooperative Initiatives shall be used for community college projects that foster regional cooperation among community colleges, between public schools and community colleges, and between universities and community colleges.

Section 9.11.(b) Contingent upon enactment of House Bill 275, 1999 General Assembly, there is appropriated from the Employment Security Commission Training and Employment Account created in G.S. 96-6.1, as enacted by House Bill 275, 1999 General Assembly, to the Employment Security Commission the sum of five million five hundred thousand dollars ($5,500,000) for the 1999-2000 fiscal year and the sum of fourteen million one hundred thousand dollars ($14,100,000) for the 2000-2001 fiscal year for the costs of collecting and administering the new training and reemployment contribution and for enhanced reemployment services.

Section 9.11.(c) To the extent that the State receives more in the Employment Security Commission Training and Employment Account than the funds appropriated in subsections (a) and (b) of this section:

(1) Eighty percent (80%) of these funds are hereby appropriated for the 1999-2000 fiscal year and the 2000-2001 fiscal year to the Community Colleges System Office for the purposes set out in

subsection (a) of this section and the State Board of Community Colleges may allocate the additional funds for those purposes; and

(2) Twenty percent (20%) of these funds are hereby appropriated to the Employment Security Commission for the 1999-2000 fiscal year and the 2000-2001 fiscal year, and it may allocate the additional funds for those purposes.

Section 9.11.(d) Funds appropriated in this section shall be used for nonrecurring expenses only and shall not obligate the State financially in future fiscal years. Funds appropriated in this section shall not be used to supplant funds from other sources.

Section 9.11.(e) The Community Colleges System Office and the Employment Security Commission shall report to the Joint Legislative Education Oversight Committee prior to May 1, 2000, on proposed expenditures of these funds and prior to May 1 of subsequent years on actual expenditures.

Section 9.11.(f) The Community Colleges System Office and the Employment Security Commission shall jointly develop a list of options for delivering workforce training more efficiently and more effectively. These options shall include one-stop job placement and career centers. The Community Colleges System Office and the Employment Security Commission shall report on these options to the Joint Legislative Education Oversight Committee prior to May 1, 2000.

99DOCC-H9.12

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

CLARIFICATION OF CERTAIN 1998 COMMUNITY COLLEGE APPROPRIATIONS

Section 9.12. Notwithstanding G.S. 115D-31 or any other provision of law, no non-State match is required for funds appropriated in S.L. 1998-212 for community college capital projects or for community college matching scholarship endowment funds.

99DOCC-H9.13

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

COMMUNITY COLLEGE RESERVE FUNDS DO NOT REVERT

Section 9.13.(a) Funds appropriated to the Anson-Union Community College Reserve in S.L. 1998-212 shall not revert at the end of the fiscal year but shall remain available for expenditure by the new community college.

Section 9.13.(b) This section becomes effective June 30, 1999.

NOTE: Funding issue.

99UNC-H10

Requested by: Representatives Rogers, Boyd-McIntyre, Oldham, Easterling, Hardaway, Redwine

AID TO STUDENTS ATTENDING PRIVATE COLLEGES PROCEDURE

Section 10.(a) Funds appropriated in this act to the Board of Governors of The University of North Carolina for aid to private colleges shall be disbursed in accordance with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up to nine hundred seventy-five dollars ($975.00) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1, 1999, for the 1999-2000 fiscal year and up to nine hundred seventy-five dollars ($975.00) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1, 2000, for the 2000-2001 fiscal year.

These funds shall be placed in a separate, identifiable account in each eligible institution's budget or chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year. Each student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be available for the tuition grant program as defined in subsection (b) of this section.

Section 10.(b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition to all other financial assistance made available to private educational institutions located within the State, or to students attending these institutions, there is granted to each full-time North Carolina undergraduate student attending an approved institution as defined in G.S. 116-22, a sum, not to exceed one thousand six hundred seventy-five dollars ($1,675) for the 1999-2000 academic year and one thousand six hundred seventy-five dollars ($1,675) for the 2000-2001 academic year, which shall be distributed to the student as hereinafter provided.

The tuition grants provided for in this section shall be administered by the State Education Assistance Authority pursuant to rules adopted by the State Education Assistance Authority not inconsistent with this section. The State Education Assistance Authority shall not approve any grant until it receives proper certification from an approved institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the State Education Assistance Authority shall remit at such times as it shall prescribe the grant to the approved institution on behalf, and to the credit, of the student.

In the event a student on whose behalf a grant has been paid is not enrolled and carrying a minimum academic load as of the tenth classroom day following the beginning of the school term for which the grant was paid, the institution shall refund the full amount of the grant to the State Education Assistance Authority. Each approved institution shall be subject to examination by the State Auditor for the purpose of determining whether the institution has properly certified eligibility and enrollment of students and credited grants paid on behalf of the students.

In the event there are not sufficient funds to provide each eligible student with a full grant:

(1) The Board of Governors of The University of North Carolina, with the approval of the Office of State Budget and Management, may transfer available funds to meet the needs of the programs provided by subsections (a) and (b) of this section; and

(2) Each eligible student shall receive a pro rata share of funds then available for the remainder of the academic year within the fiscal period covered by the current appropriation.

Any remaining funds shall revert to the General Fund.

Section 10.(c) Expenditures made pursuant to this section may be used only for secular educational purposes at nonprofit institutions of higher learning. Expenditures made pursuant to this section shall not be used for any student who:

(1) Is incarcerated in a State or federal correctional facility for committing a Class A, B, B1, or B2 felony; or

(2) Is incarcerated in a State or federal correctional facility for committing a Class C through I felony and is not eligible for parole or release within 10 years.

Section 10.(d) The State Education Assistance Authority shall document the number of full-time equivalent North Carolina undergraduate students that are enrolled in off-campus programs and the State funds collected by each institution pursuant to G.S. 116-19 for those students. The State Education Assistance Authority shall also document the number of scholarships and the amount of the scholarships that are awarded under G.S. 116-19 to students enrolled in off-campus programs. An "off-campus program" is any program offered for degree credit away from the institution's main permanent campus.

The State Education Assistance Authority shall include in its annual report to the Joint Legislative Education Oversight Committee the information it has compiled and its findings regarding this program.

99UNC-H10.1

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

AID TO PRIVATE COLLEGES/LEGISLATIVE TUITION GRANT LIMITATIONS

Section 10.1.(a) No Legislative Tuition Grant funds shall be expended for a program at an off-campus site of a private institution, as defined in G.S. 116-22(1), established after May 15, 1987, unless (i) the private institution offering the program has previously notified and secured agreement from other private institutions operating degree programs in the county in which the off-campus program is located or operating in the counties adjacent to that county or (ii) the degree program is neither available nor planned in the county with the off-campus site or in the counties adjacent to that county.

An "off-campus program" is any program offered for degree credit away from the institution's main, permanent campus.

Section 10.1.(b) Any member of the armed services, as defined in G.S. 116-143.3(a), abiding in this State incident to active military duty, who does not qualify as a resident for tuition purposes, as defined under G.S. 116-143.1, is eligible for a legislative tuition grant pursuant to this section if the member is enrolled as a full-time student. The member's legislative tuition grant shall not exceed the cost of tuition less any tuition assistance paid by the member's employer.

99UNC-H10.1

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

AID TO PRIVATE COLLEGES/LEGISLATIVE TUITION GRANT LIMITATIONS

Section 10.1.(a) No Legislative Tuition Grant funds shall be expended for a program at an off-campus site of a private institution, as defined in G.S. 116-22(1), established after May 15, 1987, unless (i) the private institution offering the program has previously notified and secured agreement from other private institutions operating degree programs in the county in which the off-campus program is located or operating in the counties adjacent to that county or (ii) the degree program is neither available nor planned in the county with the off-campus site or in the counties adjacent to that county.

An "off-campus program" is any program offered for degree credit away from the institution's main, permanent campus.

Section 10.1.(b) Any member of the armed services, as defined in G.S. 116-143.3(a), abiding in this State incident to active military duty, who does not qualify as a resident for tuition purposes, as defined under G.S. 116-143.1, is eligible for a legislative tuition grant pursuant to this section if the member is enrolled as a full-time student. The member's legislative tuition grant shall not exceed the cost of tuition less any tuition assistance paid by the member's employer.

99UNC-H10.3

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

REWARDING TEACHING EXCELLENCE PROGRAM FUNDS

Section 10.3. Funds appropriated in this act for the Rewarding Teaching Excellence Program shall be distributed according to guidelines established by the Board of Governors of The University of North Carolina. These funds shall not be used for any purpose other than for salary increases and necessary employer contributions provided by this section.

NOTE: This provision was amended in committee as follows.

99UNC-H10.4

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

MARINE SCIENCES RESEARCH COMMITTEE FUNDS

Section 10.4.(a) There is established the Marine Sciences Research Organization Planning Committee. The Committee is charged with recommending an organizational and funding structure to effectively ensure cooperative efforts among North Carolina institutions involved in marine science research. The Committee shall consider all options that will lead to realization of North Carolina's potential in marine science and preservation of its coastal resources. The Committee shall also consider all of the following:

(1) Physical facilities and their utilization;
(2) Research funding sources;
(3) Methods of setting research priorities;
(4) Incentives to strengthen cooperation among various State entities; and
(5) Organizational changes.

Section 10.4.(b) The Committee shall consist of the Chancellors of East Carolina University, North Carolina State University, the University of North Carolina at Chapel Hill, the University of North Carolina at Wilmington, and three persons selected by the Chancellors who are knowledgeable in the field of marine science research. If any other constituent institution becomes involved in marine science research, then the Chancellor of that university shall also be included as a member of the Committee. Vacancies shall be filled in the same manner as the original selections. **The Committee shall be chaired by the Chancellor of the University of North Carolina at Wilmington.**

Section 10.4.(c) The Marine Sciences Research Organization Planning Committee shall report its recommendations to the General Assembly by March 1, 2000. The Committee shall dissolve upon submission of its report.

99UNC-H10.5

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

UNC INCENTIVE FUNDING

Section 10.5.(a) Effective July 1, 1999, subsection (b) of Section 11 of S.L. 1998-212 is repealed.

Section 10.5.(b) G.S. 116-30.3 reads as rewritten:

"**§ 116-30.3. Reversions.**

(a) Of the General Fund current operations appropriations credit balance remaining at the end of each fiscal year in each budget code of a special responsibility constituent institution, except for the budget code of the Area Health Education Centers of the University of North Carolina at Chapel Hill, any amount greater than two percent (2%) of the General Fund appropriation for that fiscal year may be carried forward by the institution to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. Of the General Fund current operations appropriations credit balance remaining in the budget code of the Area Health Education Centers of the University of North Carolina at Chapel Hill, any amount greater than one percent (1%) of the General Fund appropriation for that fiscal year may be carried forward in that budget code to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. However, the amount carried forward under this section shall not exceed two and one-half percent (2 1/2%) of the General Fund appropriation. The Director of the Budget, under the authority set forth in G.S. 143-25, shall establish the General Fund current operations credit balance remaining in each budget code of each institution.

(b) An institution shall cease to be a special responsibility constituent institution under the following circumstances:

(1) An institution, other than the Area Health Education Centers of the University of North Carolina, does not revert at least two percent (2%) of its General Fund current operations credit balance remaining in each budget code of that institution, or

(2) The Area Health Education Centers of the University of North Carolina at Chapel Hill does not revert at least one percent (1%) of its General Fund current operations credit balance remaining in its budget code.

However, if the Board of Governors finds that the low reversion rate is due to adverse and unforeseen conditions, the Board may allow the institution to remain a special responsibility constituent institution for one year to come into conformity with this section. The Board may make this exception only one time for any special responsibility constituent institution, and shall report these exceptions to the Joint Legislative Commission on Governmental Operations.

(c) Repealed by Session Laws 1998-212, s. 11(a).

(d) For fiscal year ~~1998-99,~~ 1999-2000, the reversions required in subsections (a) and (b) of this section shall be available to each special responsibility constituent institution of The University of North Carolina. One-half of those funds shall be used for ~~technology infrastructure development in accordance with the Board of Governors' Plan for Technology Development. Those funds may be used as partial funding for multicampus contracts if so directed by the Board of Governors, but the amount spent on each Special Responsibility Constituent Institution's campus shall be at least the equivalent of one percent (1%) of that institution's General Fund operating appropriation for fiscal year 1998-99.~~ funding nonrecurring items in the

expansion budget appropriated to the Board of Governors of The University of North Carolina for fiscal year 1999-2000. The Board of Governors may direct the use of these funds for fiscal year 1999-2000. The funds shall not be used to support positions. Each special responsibility constituent institution shall report annually to the Board of Governors regarding how the institution spent the funds made available under this section."

Section 10.5.(c) Effective July 1, 2000, G.S. 116-30.3, as amended by subsection (b) of this section, reads as rewritten:

"**§ 116-30.3. Reversions.**

~~(a)~~ Of the General Fund current operations appropriations credit balance remaining at the end of each fiscal year in each budget code of a special responsibility constituent institution, except for the budget code of the Area Health Education Centers of the University of North Carolina at Chapel Hill, any amount ~~greater than two percent (2%)~~ of the General Fund appropriation for that fiscal year may be carried forward by the institution to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. Of the General Fund current operations appropriations credit balance remaining in the budget code of the Area Health Education Centers of the University of North Carolina at Chapel Hill, any amount ~~greater than one percent (1%)~~ of the General Fund appropriation for that fiscal year may be carried forward in that budget code to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. However, the amount carried forward under this section shall not exceed two and one-half percent (2 1/2%) of the General Fund appropriation. The Director of the Budget, under the authority set forth in G.S. 143-25, shall establish the General Fund current operations credit balance remaining in each budget code of each institution.

~~(b) An institution shall cease to be a special responsibility constituent institution under the following circumstances:~~

~~(1) An institution, other than the Area Health Education Centers of the University of North Carolina, does not revert at least two percent (2%) of its General Fund current operations credit balance remaining in each budget code of that institution, or~~

~~(2) The Area Health Education Centers of the University of North Carolina at Chapel Hill does not revert at least one percent (1%) of its General Fund current operations credit balance remaining in its budget code.~~

~~However, if the Board of Governors finds that the low reversion rate is due to adverse and unforeseen conditions, the Board may allow the institution to remain a special responsibility constituent institution for one year to come into conformity with this section. The Board may make this exception only one time for any special responsibility constituent institution, and shall report these exceptions to the Joint Legislative Commission on Governmental Operations.~~

(c) Repealed by Session Laws 1998-212, s. 11(a).

~~(d) For fiscal year 1999-2000, the reversions required in subsections (a) and (b) of this section shall be available to each special responsibility constituent institution of The University of North Carolina. One-half of those funds shall be used for funding non-recurring items in the expansion budget appropriated to the Board of Governors of The University of North Carolina for fiscal year 1999-2000. The Board of Governors may direct the use of these funds for fiscal year 1999-2000. The funds shall not be used to support positions. Each special responsibility constituent institution shall report annually to the Board of Governors regarding how the institution spent the funds made available under this section.~~"

99UNC-H10.6

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

SCHOLARSHIP FUND BALANCES

Section 10.6. Fund balances remaining in the Social Workers' Education Loan Fund shall be transferred to the Nursing Scholars Program fund balance to implement the reductions in appropriations for scholarships in the 1999-2000 fiscal year.

99UNC-H10.7

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

EAST CAROLINA UNIVERSITY MEDICAL SCHOOL

Section 10.7. East Carolina University shall transfer two million dollars ($2,000,000) from the East Carolina University Medicare Reimbursement Trust Fund (26066) established by G.S. 116-36.6 to the East Carolina University School of Medicine General Fund operating fund (16066) for current expenses for fiscal year 1999-2000.

NOTE: The following technical change was made in committee.

99UNC-H10.8

Requested by: Representatives Hardaway, Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

UNC ENROLLMENT PLANNING

Section 10.8.(a) The University of North Carolina faces an increase in student enrollment of 48,000 students over the next 10 years, primarily at the undergraduate level. The Board of Governors of The University of North Carolina has adopted plans for meeting this large increase. These plans call for 10 constituent institutions to enroll a larger share of the new enrollments. Of these 10 institutions, seven currently have underutilized capacity. These seven schools (Elizabeth City State University, Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, the University of North Carolina at Pembroke, Western Carolina University, and Winston-Salem State University) are expected to grow by twenty percent (20%) by fall, 2003.

Section 10.8.(b) Of the funds appropriated to the Board of Governors of The University of North Carolina for a "Strategic Initiatives Reserve", for the 1999-2000 fiscal year, the sum of two million dollars ($2,000,000) of the reserve shall be used to perform campus assessments and develop enrollment growth plans for the seven constituent institutions designated as growing twenty percent (20%) by fall, 2003 in the Board of Governors' enrollment plan. The Board of Governors shall report to the Joint Legislative Education Oversight Committee by April 15, 2000, on the use of the funds and on any additional needs identified by the plans.

Section 10.8.(c) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of three million dollars ($3,000,000) in continuing operating funds shall be allocated to carry out the Board of Governors' plans for those campuses planning for rapid enrollment growth whose current enrollment is less than 5,000 full-time equivalent (FTE) students. The intent for this allocation is to promote greater operating efficiencies through budget flexibility for those constituent institutions lacking sufficient size to provide for economies of scale.

Section 10.8.(d) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of three million dollars ($3,000,000) in continuing operating funds shall be allocated for improvement of faculty instruction at the seven campuses targeted for major enrollment growth. The improvements shall be based on plans approved by the Board of Governors for hiring of new faculty, salary improvements, faculty development, or other initiatives that will improve instruction for students, especially undergraduate students. The Board of Governors shall report to the Joint Legislative Education Oversight Committee by April 15, 2000, on the allocation and proposed use of these funds.

Section 10.8.(e) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of two million dollars ($2,000,000) in continuing operating funds shall be allocated for the enhancement of development offices at the smaller institutions. The goal of this funding is to increase the ability of these institutions to raise funds from the private sector and enhance the institutions' abilities to leverage State and other resources with private donations.

Section 10.8.(f) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of one million dollars ($1,000,000) in continuing operating funds shall be allocated to further develop facilities management support for the smaller campuses facing rapid growth and having greater than average needs for renovation and repair of existing facilities. Funds may be allocated directly

1 to the institutions needing assistance or may be dedicated to providing the assistance
2 needed by other methods. The Board of Governors shall report to the Joint
3 Legislative Education Oversight Committee on the allocation and use of these funds
4 by April 15, 2000.
5 Section 10.8.(g) Of the funds appropriated by this act to the Board of
6 Governors of The University of North Carolina, the sum of one million dollars
7 ($1,000,000) shall be used **on a continuing basis** by the Board of Governors to prevent
8 reductions in faculty positions for the seven growth constituent institutions identified
9 in subsection (a) of this section if these institutions are projected to have budget
10 reductions based on current enrollment estimates.
11 The Board of Governors shall report to the Joint Legislative Education
12 Oversight Committee by December 15 of each year on enrollment planning, current
13 and anticipated growth, and management of capacity to meet the demands for higher
14 education in North Carolina. These reports shall continue through December 2005.
15

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

GRADUATE TUITION REMISSION

Section 10.9. Of the funds appropriated by this act to the Board of Governors of The University of North Carolina the sum of three million five hundred thousand dollars ($3,500,000) shall be allocated to campuses having graduate programs and students eligible for graduate tuition remission or resident graduate tuition awards. None of these funds may be allocated to the Research I institutions.

99UNC-H10.10

Requested by: Representatives Redwine, Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway

UNC-WILMINGTON RETAIN LAND SALE PROCEEDS

Section 10.10. The University of North Carolina at Wilmington may retain the proceeds from the sale of real property which is the site of the old Marine Science Center near Wrightsville Beach to use for the completion and equipping of the new Marine Science Center currently under construction.

99UNC-H10.11

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

EXPLANATION OF FEDERAL TAX CREDITS AVAILABLE FOR EDUCATIONAL PURPOSES

Section 10.11. Each constituent institution of The University of North Carolina shall provide to students and their families a brief, clear explanation of federal tax credits (the HOPE and Lifelong Learning Credits) that are available for educational purposes. The explanation shall include the limitations of the credits as well as examples of the potential benefits under certain tax situations. The constituent institution shall provide the tax credit information to the student and the student's parents when the institution notifies each of the amount of tuition and fees paid for a calendar year.

99UNC-H10.12

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

NORTH CAROLINA PROGRESS BOARD

Section 10.12.(a) Part 2A of Article 9 of Chapter 143B of the General Statutes reads as rewritten:

"Part 2A. North Carolina Progress Board.

"§ 143B-372.1. North Carolina Progress Board.

(a) ~~There~~ The North Carolina Progress Board is ~~established within the Department of Administration the North Carolina Progress Board.~~ established. The Board shall be located administratively in the ~~Department of Administration~~ Board of Governors of The University of North Carolina and is located at North Carolina State University, but shall exercise all its prescribed statutory powers independently of the ~~Department of Administration.~~ Board of Governors.

(b) The North Carolina Progress Board shall consist of ~~14~~ 21 members of statewide prominence as follows:

(1) The Governor, ex officio;

(2) ~~Seven~~ Eight persons appointed by the Governor, none of whom shall be State employees or officers;

(3) ~~Three~~ Four persons appointed by the Speaker of the House of ~~Representatives; and~~ Representatives, one of whom shall be a member of the House of Representatives;

(4) ~~Three~~ Four persons appointed by the President Pro Tempore of the ~~Senate.~~ Senate, one of whom shall be a member of the Senate; and

(5) Four persons appointed by the North Carolina Progress Board.

(c) The Governor shall be chair of the North Carolina Progress Board. The Governor shall appoint a vice-chair from among the membership of the North Carolina Progress Board to serve at the pleasure of the Governor. The North Carolina Progress Board may elect such other officers as it sees fit.

(d) The North Carolina Progress Board shall meet at least twice annually on the call of the chair or as additionally provided by the North Carolina Progress Board. A quorum is ~~eight~~ 11 members of the Board. Members may not send designees to board meetings, nor may they vote by proxy.

(e) ~~Initial~~ Board appointments shall be for terms to begin ~~July 1, 1995.~~ July 1, 1999, with subsequent appointments to be made as terms expire or resignations occur. Of the Governor's appointments, ~~four~~ two shall be for one-year terms, two shall be for two-year ~~terms~~ terms, two shall be for three-year terms, and ~~three~~ two shall be for four-year terms. Of the appointments made by the Speaker of the House of ~~Representatives and~~ Representatives, the President Pro Tempore of the Senate, and the North Carolina Progress Board, one member appointed by each shall be appointed for a one-year term, one member appointed by each shall be appointed ~~one shall be~~ for a two-year ~~term~~ term, one member appointed by each shall be appointed for a three-year term, and ~~two shall be~~ one member appointed by each shall be appointed for a four-year term. As terms expire, successors shall be appointed for four-year terms.

(f) No member may be appointed to more than two consecutive terms. A member of the House of Representatives appointed by the Speaker of the House vacates membership on the North Carolina Progress Board when that person is no longer a member of the House of Representatives, except that if that person is in office at the expiration of the term of office in the House of Representatives but has not been

elected to the next term, that person shall continue to serve until the convening of the regular session. A member of the Senate appointed by the President Pro Tempore of the Senate vacates membership on the North Carolina Progress Board when that person is no longer a member of the Senate, except that if that person is in office at the expiration of the term of office in the Senate but has not been elected to the next term, that person shall continue to serve until the convening of the regular session.

"§ **143B-372.2. Responsibilities.**

(a) The General Assembly notes that the Commission for a Competitive North Carolina developed goals in the following categories:

(1) Healthy Children and Families;
(2) Quality Education for All;
(3) A High Performance Workforce;
(4) A Prosperous Economy;
(5) A Sustainable Environment;
(6) Technology and Infrastructure Development;
(7) Safe and Vibrant Communities; and
(8) Active Citizenship/Accountable Government.

The Commission for a Competitive North Carolina adopted a report which established major goals and ways to measure progress toward these goals.

(a1) The General Assembly finds that the North Carolina Progress Board developed a report that focused on four of the Commission's recommended topics and issued 16 major targets for 2010. The objectives of the targets are to drive the State toward (i) a more expansive vision of education and environmental protection, (ii) strengthening families, and (iii) bringing more people into the economic mainstream.

(b) The General Assembly finds that:

(1) The North Carolina economy of the future can provide unparalleled opportunity while maintaining North Carolina's traditional values, if the State pursues the future with clarity of purpose and perseverance;
(2) The North Carolina economy is in the midst of a massive transition created by technological changes, global competition, and new production practices; and
(3) In order to maintain employment opportunities, increase income levels, reduce poverty, and generate the public revenues necessary to provide public services, North Carolina must increasingly rely on an economy which adds value to its natural and human resources and provides a diverse mix of products.

(c) The North Carolina Progress Board shall:

(1) Encourage the discussion and understanding of critical global and national social and economic trends that will affect North Carolina in the coming decades;
(2) Examine the report of the Commission for a Competitive North ~~Carolina;~~ Carolina and the 1997 report of the North Carolina Progress Board to the General Assembly;
(3) Track the eight issue areas set out in subsection (a) of this ~~section;~~ section and the objectives set out in subsection (a1) of this section and other issues identified by the Progress Board. The Progress Board may, upon vote of the Board, add to those issues identified by its predecessor Commission and Board;
(4) Hold public hearings and other methods of public ~~participation~~ participation, including educational and outreach programs, to secure the views of citizens on priority goals for North ~~Carolina;~~

Carolina and to disseminate findings and recommendations to policymakers;

(5) Formulate and submit to North Carolinians a report every five years, beginning 2001, that updates the 20- to 30-year vision for North Carolina and that describes and explains a vision for North Carolina's progress over the next 20 to 30 years;

(6) Submit a report to the ~~1997 Regular Session of the~~ General Assembly prior to its ~~convening,~~ convening the regular session every odd-numbered year, which reports on social and economic trends and issues specific targets and milestones to accomplish its mission;

(7) Recommend how the targets and milestones can be applied to increase the accountability of government to the people of this State; ~~and~~

(8) Report periodically to the people of North Carolina on progress toward meeting goals, targets, and ~~milestones.~~ milestones;

(9) Undertake new and ongoing policy research and benchmarking studies;

(10) Publish and distribute periodic reports on policies, performance improvement, and best practices for meeting the long-term goals for the State; and

(11) May apply for and accept gifts or grants.

(d) The Regular Session of the General Assembly shall further define the mission of the North Carolina Progress Board in continuing its work.

(e) The General Assembly, after adopting the initial set of goals and measures as proposed or amended, may alter the goals and measures.

"**§ 143B-372.3. Staff.**

(a) ~~The North Carolina Progress Board may hire an executive director, who may be dismissed by the North Carolina Progress Board.~~ The Chancellor of North Carolina State University shall appoint an Executive Director who shall serve at the pleasure of the Chancellor. The Executive Director shall report to the North Carolina Progress ~~Board.~~ Board and the Chancellor. The Executive Director shall hire or contract with support ~~staff and may dismiss them.~~ staff, who shall work at the pleasure of the Executive Director.

(b) ~~There may be an Executive Staff Committee to assist the North Carolina Progress Board which shall consist of the Executive Director, if hired, the State Budget Officer, the State Planning Officer, and the Director of Fiscal Research.~~

~~(c) The State Budget Office and the State Planning Office shall also provide staff support to the North Carolina Progress Board.~~ The Office of State Budget and Management and the Office of State Planning shall also provide support, information, reports, and other assistance to the North Carolina Progress Board as requested."

Section 10.12.(b) Funds appropriated for the 1998-99 fiscal year in S.L. 1998-212 for operating support of the North Carolina Progress Board to the Department of Commerce that are unexpended as of June 30, 1999, shall not revert but shall be transferred to North Carolina State University to support the operations of the North Carolina Progress Board. This section is effective June 30, 1999.

NOTE: Amended by floor amendment

99UNC-H10.13

Requested by: Representative Blue

UNC OVERHEAD RECEIPTS/BIOMEDICAL AND BIOTECHNOLOGY RESEARCH INSTITUTE FUNDS

Section 10.13.(a) For fiscal year 1999-2000, Research I institutions shall contribute one and eight-tenths percent (1.8%) of their overhead receipts to the Office of General Administration of The University of North Carolina.

Section 10.13.(b) Effective July 1, 2000, Research I institutions shall contribute one and eight-tenths percent (1.8%) of their overhead receipts to the Office of General Administration of The University of North Carolina.

99UNC-H10.14

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

UNC GENERAL ADMINISTRATION FLEXIBILITY

Section 10.14.(a) G.S. 116-30.3 is amended by adding a new subsection to read:

"(e) Notwithstanding G.S. 143-18, of the General Fund current operations appropriations credit balance remaining in Budget Code 16010 of the Office of General Administration of The University of North Carolina, any amount of the General Fund appropriation for that fiscal year may be carried forward in that budget code to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. However, the amount carried forward under this subsection shall not exceed two and one-half percent (2 1/2%) of the General Fund appropriation. The Director of the Budget, under the authority set forth in G.S. 143-25, shall establish the General Fund current operations credit balance remaining in Budget Code 16010 of the Office of General Administration of The University of North Carolina. The funds shall not be used to support positions."

Section 10.14.(b) G.S. 116-14 reads as rewritten:

"**§ 116-14. President and staff.**

(a) The Board shall elect a President of the University of North Carolina. ~~He~~ The President shall be the chief administrative officer of the University.

(b) The President shall be assisted by such professional staff members as may be deemed necessary to carry out the provisions of this Article, who shall be elected by the Board on nomination of the President. The Board shall fix the compensation of the staff members it elects. These staff members shall include a senior vice-president and such other vice-presidents and officers as may be deemed desirable. Provision shall be made for persons of high competence and strong professional experience in such areas as academic affairs, public service programs, business and financial affairs, institutional studies and long-range planning, student affairs, research, legal affairs, health affairs and institutional development, and for State and federal programs administered by the Board. In addition, the President shall be assisted by such other employees as may be needed to carry out the provisions of this Article, who shall be subject to the provisions of Chapter 126 of the General Statutes. The staff complement shall be established by the Board on recommendation of the President to insure that there are persons on the staff who have the professional competence and experience to carry out the duties assigned and to insure that there are persons on the staff who are familiar with the problems and capabilities of all of the principal types of institutions represented in the system. Subject to approval by the Board, the President may establish and abolish employment positions within the staff complement authorized by this subsection in the manner of and under the conditions prescribed by G.S. 116-30.4 for special responsibility constituent institutions.

(b1) The President shall receive General Fund appropriations made by the General Assembly for continuing operations of The University of North Carolina that are administered by the President and the President's staff complement established pursuant to G.S. 116-14(b) in the form of a single sum to Budget Code 16010 of The University of North Carolina in the manner and under the conditions prescribed by G.S. 116-30.2. The President, with respect to the foregoing appropriations, shall have the same duties and responsibilities that are prescribed by G.S. 116-30.2 for the Chancellor of a special responsibility constituent institution. The President may establish procedures for transferring funds from Budget Code 16010 to the constituent institutions for nonrecurring expenditures. The President may identify funds for

capital improvement projects from Budget Code 16010, and the capital improvement projects may be established following the procedures set out in in G.S. 143-18.1.

(b2) The President, in consultation with the State Auditor and the Director of the Office of State Personnel, shall ascertain that the management staff and internal financial controls are in place and continue in place to successfully administer the additional authority authorized under G.S. 116-14(b1) and G.S. 116-30.3(e). All actions taken by the President pursuant to G.S. 116-14(b1) and G.S. 116-30.3(e) are subject to audit by the State Auditor.

(c) The President, with the approval of the Board, shall appoint an advisory committee composed of representative presidents of the private colleges and universities and may appoint such additional advisory committees as are deemed necessary or desirable."

NEW

99UNC-H10.16

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

UNC NEW DEGREE PROGRAM FUNDS

Section 10.16. Of the funds appropriated to the Board of Governors of The University of North Carolina for the 1999-2000 and the 2000-2001 fiscal years, the sum of one million three hundred forty thousand dollars ($1,340,000) is to be used for new program development. For the 1999-2000 fiscal year the Board shall allocate these funds to support newly authorized programs at East Carolina University, Elizabeth City State University, North Carolina Agricultural and Technical State University, North Carolina State University, the University of North Carolina at Charlotte, and Winston-Salem State University.

NEW; added by floor amendment

99UNC-H10.17

Requested by: Representative Wright

MARTIN LUTHER KING RACE RELATIONS RESEARCH CENTER/STUDY SITE LOCATION

Section 10.17. The Board of Governors of The University of North Carolina shall conduct a site study to determine where the Martin Luther King Race Relations Research Center should be located. The Board of Governors shall submit in writing to the 1999 General Assembly, Regular Session 2000 its findings and recommendation regarding the site location.

NEW; added by floor amendment

99UNC-H10.18

Requested by: Representative Blue

NCCU BIOMEDICAL/BIOTECHNOLOGY RESEARCH INSTITUTE FUNDS

Section 10.18. Of the funds appropriated by this act to the Board of Governors of The University of North Carolina the sum of one million five hundred thousand dollars ($1,500,000) for the 1999-2000 fiscal year and the sum of three hundred fifty thousand dollars ($350,000) shall be allocated to North Carolina Central University for the operations of the Biomedical/Biotechnology Research Institute.

NOTE: NOT IN HOUSE BUDGET: This provision was deleted in committee.

CODE NO. 99UNC-H015A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Hardaway, Redwine

UNC SCHOOL ADMINISTRATOR TRAINING PROGRAMS

Section 10.16.(a) G.S. 116-74.21(b) reads as rewritten:

"(b) No more than ~~nine~~ 12 school administrator programs shall be established under the competitive proposal program. In selecting campus sites, the Board of Governors shall be sensitive to the racial, cultural, and geographic diversity of the State. Special priority shall be given to the following factors: (i) the historical background of the institutions in training educators; (ii) the ability of the sites to serve the geographic regions of the State, such as, the far west, the west, the triad, the piedmont, and the east; and, (iii) whether the type of roads and terrain in a region make commuting difficult. A school administrator program may provide for instruction at one or more campus sites."

Section 10.16.(b) The Board of Governors of The University of North Carolina shall review the need for additional school administrator training programs and offer qualified constituent institutions the opportunity to apply to the Board to establish such programs. The Board shall report to the Joint Legislative Education Oversight Committee on its actions to implement this section by March 31, 2000.

NOTE: Changed as follows:

99UNCCAP-H29.5

Requested by: Representatives Hardaway, Oldham, Boyd-McIntyre, Rogers, Wright, Easterling, Redwine

UNC ENROLLMENT/CAPITAL

Section 29.5. In this act the sum of twenty million dollars ($20,000,000) in additional capital improvement funds for facilities' renovations and repairs is appropriated to the Board of Governors of The University of North Carolina. The Board of Governors shall allocate these funds among the constituent institutions that are expected to grow in enrollment by twenty percent (20%) by fall, 2003 and who had facility condition and quality index ratings below The University of North Carolina System average, as identified in the report to the Board of Governors "Building for the New Millennium: Volume I".

The funds shall be allocated to the campuses meeting the above criteria, with fifty percent (50%) of the funds allocated based on relative dollar needs for repairs and renovations, and fifty percent (50%) of the funds allocated based on the relative facility condition and quality indices of these campuses.

The Board of Governors shall report the proposed allocation to the Joint Legislative Commission on Governmental Operations.

99UNCCAP-H29.6

Requested by: Representatives Wright, Easterling, Hardaway, Redwine

UNC-CHARLOTTE CAPITAL FUNDS REALLOCATED

Section 29.6. Funds in the amount of twelve million dollars ($12,000,000) were appropriated for the 1998-99 fiscal year to the Board of Governors of The University of North Carolina for the University of North Carolina at Charlotte for capital projects. Of those funds appropriated in the 1998-99 fiscal year for capital projects at the University of North Carolina at Charlotte, the sum of two million five hundred thousand dollars ($2,500,000) shall be used for advanced planning of the Science and Technology Building at the University of North Carolina at Charlotte, and the balance of those funds shall be used for site preparation and for construction of Phase 1 of the Humanities Building at the University of North Carolina at Charlotte.

(1)

VISITOR REGISTRATION SHEET

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Thursday – June 10, 1999

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Harriet C Davis	NCAE
Nic Heinke	UNC-CHAPEL HILL
LEE CONNER	UNC-CHAPEL HILL
DAVID BROWN	OSBM
Ann Bellam	SBE
Ashley Barnes	SBE
Michele Duvenberry	SBE
[illegible]	Governor's Office
Bill Wilson	NCAE
Paul Brown	NCCCS

VISITOR REGISTRATION SHEET

(2)

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Thursday, June 10, 1999

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Bryan Boyce	NCCCS
Elizabeth Grossenbacher	OSBM
Stephen Rutledge	UNC GA
Leanne Winner	NCSBA
[illegible]	NCACU
Erin Gulbreth	Sen. Moore
Paul Le Slieur	DPI
Sue Adams	OSBM
ERIC MCKEITHAN	CAPE FEAR COMM. COLL.
Millie Barnes	
Debby Blexico	NCCIA

VISITOR REGISTRATION SHEET

(3)

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Thursday - June 10, 1999

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Evelyn Hawthorne	UNC-CH
Ed Regan	N.C.A.C.C.

VISITOR REGISTRATION SHEET

(4)

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Thursday, June 10, 1999

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS

Principal Clerk ___
Reading Clerk ___

SENATE
NOTICE OF COMMITTEE MEETING

The Senate Committee on **APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE** will meet at the following time:

*** * *DATE: TUESDAY, JUNE 15, 1999**
TIME: 12 Noon
ROOM: 414, LOB

- **AGENDA: Review Draft Budget Proposal**

Senator Howard Lee, Co-Chair
Senator Walter Dalton, Co-Chair

MINUTES

SENATE APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Tuesday, June 15, 1999
Room 414 LOB

The Senate Appropriations Education/Higher Education Subcommittee met on Tuesday, June 15, 1999 at 12:00 Noon in Room 414 of the Legislative Office Building. Senator Lee presided and introduced Pages Ryland Pond from Charlotte and sponsored by Senator Odom and Jaimie Lee from Chapel Hill and sponsored by Senator Lee. Senator Lee, Co-Chair noted that Jaimie is a straight A student, is applying for a Moorehead Scholarship and that he is her proud Grandfather. There were eight Senators present.

Senator Lee called the meeting to order and announced that the Agenda for this meeting is the continuation of the review of the Senate Budget Draft Proposal. Senator Lee recognized the Co-Chair, Senator Walter Dalton. Senator Dalton thanked Senator Lee for allowing him to serve as his Co-Chair and thanked the members of the Committee for their diligence and hard work throughout the session.

Senator Lee explained the budgetary process to the Committee. He stated that he was very proud of the education components of the proposed budget. He stated the education components were very forward-looking and educationally substantive. He stated the proposed budget would benefit all the citizens of North Carolina.

COMMUNITY COLLEGE SYSTEM

Senator Lee recognized Charlotte Todd, Fiscal Staff, to present the changes to the Community College System Ms. Todd detailed the changes to each line item and the Special Provisions pertinent to the Community Colleges. *(Please See Attachment 1, pp.'s F10-F13; and Attachment 2).*

A motion was made by Senator Charles Carter to give the Community College Proposed Budget a Favorable Report. The Committee voted a ***FAVORABLE REPORT FOR THE COMMUNITY COLLEGE PROPOSED BUDGET.***

UNIVERSITY SYSTEM

Senator Lee recognized Mr. Jim Newlin to present the changes to the proposed budget for the University System. Mr. Newlin detailed the line item changes and the Special Provision changes to the proposed budget for the University System. *(Please see Attachment 1, pp.'s F5-F9; and Attachment 3).*

Senator Allen Wellons made a motion to give the University System Proposed Budget a Favorable Report. The Committee voted a ***FAVORABLE REPORT FOR THE UNIVERSITY SYSTEM PROPOSED BUDGET.***

PUBLIC EDUCATION

Senator Lee recognized Mr. Jim Johnson to present a comprehensive list of changes in the line items and the Special Provisions of the proposed budget for Public Education. Mr. Johnson detailed the changes. *(Please see Attachment 1, pp.'s F1-F4; and Attachment 4).*

Senator Lee presented a comprehensive presentation of the Special Provision that proposes a plan to establish a pilot program to test and evaluate a revised school accountability model for the ABC's plan. *(Please see Attachment 4, Code No. 99DPI-S002.1).*

Senator Linda Garrou made a motion to give the Public Education Proposed Budget a Favorable Report. The Committee voted a ***FAVORABLE REPORT FOR THE PUBLIC EDUCATION PROPOSED BUDGET.***

Senator Lee adjourned the meeting at 1:10 P.M.

Senator Howard Lee, Co-Chair

Christina K. Minard

Christina K. Minard, Education Committee Assistant

ATTACHMENT 1

SENATE EDUCATION

Draft Appropriations Subcommittee Report

June 15, 1999

Public Education

	GENERAL FUND			
	FY 99-2000		FY 2000-01	
Recommended Budget	$5,143,579,517		$5,195,842,820	
Legislative Changes				
ABC Program				
1 **ABC Bonus Awards 1999-2000** Provide funds to pay the projected ABC bonus awards for FY1999-2000.	$140,000,000	NR	$0	NR
Excellent Schools Act				
2 **Increase Teacher Salaries** Implement the third year of the new teacher salary schedule called for in the Excellent Schools Act. $239,870,258 in recurring funds are located in the Compensation Reserves for this purpose.				
3 **Teacher Longevity: 1999-2000 Salary Increases** Appropriate funds to teacher longevity increases associated with the FY1999-2000 salary increases that are a part of the Excellent Schools Act	$8,199,548	R	$5,000,000	R
4 **Mentor Teachers** Provide funds for mentor teachers.	$14,235,124	R	$14,235,124	R
Improving Student Success				
5 **Improving Student Accountability** Appropriates funds to local school systems to improve student performance in grades K-8. Funds are allocated to local school systems based on the numbers of students scoring at Level I and II on the end-of-grade test.	$20,582,412	R	$20,582,412	R
6 **Limited English Proficiency** Provide additional funds for students who are limited proficiency in English.	$5,000,000	R	$5,000,000	R
7 **Low Wealth Supplemental Funding** Provide additional Low Wealth Supplemental Funding.	$10,000,000	R	$10,000,000	R

Senate Subcommittee on Education	FY 99-2000		FY 2000-01	
8 **Small School System Supplemental Funding** Provide additional Small School System Supplemental funding.	$3,000,000	R	$3,000,000	R
9 **ExplorNet Funding** Provide additional funding for ExplorNet to assist in programs for public schools.	$2,000,000	R	$2,000,000	R
10 **Student Information System** Funds to continue implementation of a new student information system in the public schools. The new system supports the State Board of Education's goals under the ABC Program and previous information requirements of the General Assembly.	$0	R	$10,000,000	R
11 **Teacher Cadet Program** Provide funds for the North Carolina Teacher Cadet Program.	$100,000	R	$100,000	R
12 **Programs to Assist Local School Systems** Provide funds to the State Board of Education to assist local school systems in programs to improve student performance. Included are the TQE Program, Global Curriculum Program, and the North Carolina Geographic Alliance.	$600,000	R	$600,000	R
13 **A+ Schools** Provides funds to continue the A+ Schools Program.	$400,000	R	$400,000	R
14 **Textbook Commission Expansion** Funds to support additional members for the State Textbook Commission.	$50,000	R	$50,000	R
15 **School Leadership Pilot** Funds to the State Board of Education for the school leadership pilot project. The four school districts receiving the funds will participate in the nationwide program of the Center for Leadership in School Reform.	$120,000	R	$120,000	R
16 **School Breakfast Program** Begin implementing a school breakfast program for all kindergarten students. The program would begin in January of 2000.	$1,100,000	R	$1,100,000	R

Senate Subcommittee on Education	FY 99-2000		FY 2000-01	
17 **Funds for School Needs** Appropriates funds to the Critical School Facility Needs Fund to assist local school administrative units in which one or more schools were damaged or destroyed.	$200,000	NR		
18 **North Carolina Network Funds** Appropriates funds to the State Board of Education for the North Carolina Network to provide training for school based management teams, and to improve the management capacity of local school administrative units.	$250,000	R	$250,000	R
19 **Technology Funds Pilot** Appropriates funds to the State Board of Education for Highland School of Technology Pilot Project. These funds will be used to help support an innovative public-private partnership in school technology through the Gaston County Educational Foundation.	$1,000,000	NR		
Various Budget Adjustments				
20 **Average Annual Salary Adjustment** Annual adjustment in average salary of certified personnel to reflect actual experience through December 1998.	($14,227,946)	R	($14,417,981)	R
21 **Additional Adjustments in Average Salary Projections** Reanalysis of the 1998 certified payroll data by the Department of Public Instruction found that the availability of more current teacher certification data produced an additional change in the projected average salary for 1999-2001 fiscal biennium.	($10,352,000)	R	($10,500,000)	R
22 **Revise Average Daily Membership** Revise amounts budgeted for average membership increases to reflect current projections of average daily membership growth for FY1999-2001.	($16,319,791)	R	$1,905,473	R
23 **Reduce Literary Fund Balance** Reduce the balance in the Literary Fund and reappropriate these funds to the public schools.	($2,500,000)	NR		
24 **Reduce Children's Trust Fund Balances** Reduce balance in the Children's Trust Fund.	($1,300,000)	NR		
25 **Unemployment Fund** Reduce balance in the Unemployment Fund for federally funded positions.	($850,000)	NR		

Senate Subcommittee on Education	FY 99-2000		FY 2000-01	
26 **Prospective Teacher Scholarship Loan Program**				
Reduce balance in the Prospective Teacher Scholarship Loan Program Fund. The reduction will have no impact on the number of scholarships available in FY1999-2001 fiscal biennium.	($500,000)	NR		
27 **Teaching Fellows Program**				
Reduce the balance in the Teaching Fellows Scholarship Loan Fund. The reduction will have no impact on the number of scholarships available in the 1999-2001 fiscal biennium.	($8,500,000)	NR		
28 **Textbook Fund**				
Reduce unneeded balance in the textbook fund. The reduction in the balances in this fund will have no impact on the availability of textbooks to school students.	($500,000)	NR		
29 **School Bus Purchases**			$18,532,943	R
Governor's recommended deferral of the purchase of 377 school buses in FY1999-2000.	($18,021,731)	NR		
30 **School Bus Purchases**				
Additional deferral of the purchase of school buses in FY1999-2000. With this deferral the State would still purchase $26.1 million in buses during the next fiscal year. In FY2000-2001 the funding is restored.	($14,337,457)	NR	$14,337,457	NR
31 **State Funds for Unemployment**	($500,000)	R	($500,000)	R
Reduce the State funds appropriated for unemployment.				
Total Legislative Changes	**$24,237,347**	R	**$67,457,971**	R
	$94,690,812	NR	**$14,337,457**	NR
Total Position Changes				
Revised Budget	**$5,262,507,676**		**$5,277,638,248**	

UNC System

	GENERAL FUND			
	FY 99-2000		FY 2000-01	
Recommended Budget	$1,589,402,360		$1,595,487,506	
Legislative Changes				
A. Various Campuses				
32 **Governor's Across-the-Board Reduction** Reduces General Fund support by 0.5% (except for financial aid programs) on a pro rata basis.	($7,233,554)	R	($7,233,554)	R
33 **Reserves for New Facilities** Reduction in reserves for new buildings are adjusted to account for delays in occupancy.	($1,841,288)	NR	$362,342	R
34 **Equipment** Adjust increases in equipment budgets	($1,000,000)	NR		
B. UNC Hospitals				
35 **UNC Hospitals Support** Eliminate first year's proposed increase in support	($2,544,383)	R	($2,544,383)	R
C. East Carolina University				
36 **Medicare Receipts** Increase budgeted receipts from Medicare Medical Education reimbursement for one year; transfer $2 million from trust fund balance for operations for one year. Receipts $3,000,000 General Fund ($3,000,000)	($3,000,000)	NR		
D. Related Educational Programs				
37 **Scholarship Fund Balances** Reduce appropriations for one year to spend down accumulated balances in scholarship trust funds for Nurse Scholars, Principal Fellows, Nurse Education Scholarship Loans, Social Work Education Loan Fund	($3,000,000)	NR		

	FY 99-2000		FY 2000-01	
38 **Aid to Private Medical Schools** Eliminate proposed increase to budget for actual experience over past three years	($455,000)	R	($455,000)	R
39 **Aid to Students Attending Private Colleges** Increases Legislative Tuition Grant for all fulltime students from $1,600 to $1,750. Increases need-based scholarship funding from $900 to $1,050 per fulltime equivalent student (FTE). Total increase is $300 per student.	$8,022,850	R	$8,022,850	R
40 **Aid to Private Colleges: Students with Learning Disabilities** Assistance to Louisburg College for development of a program to provide postsecondary educational opportunities and learning skills to students with learning difficulties.	$50,000	NR		
E. Schedule of Priorities				
41 **Enrollment Increases: Regular Term** Fund projected on-campus enrollment for 1999-2000, an increase of approximately 1,494 Full-time equivalent (FTE) students over the 98-99 budgeted FTE.	$19,493,004 157.90	R	$19,493,004 157.90	R
42 **Enrollment Increases: Distance Education** Funds 70% of Board's request for expansion of off-campus degree programs for 1999-2000	$3,895,187 45.30	R	$3,895,187 45.30	R
43 **UNC Focused Enrollment Growth** Funds targeted at implementing the Board's plan for enrollment growth, focusing resources on campuses with underutilized capacity. Funds will be used for assessment of needs, better operating efficiencies through economies of scale, physical facilities management, faculty improvement, and development capacity.	$10,000,000	R	$10,000,000	R
44 **New Degree Programs** Funds to support newly authorized degree programs at six campuses (East Carolina, Elizabeth City State, NC A & T State, NC State, UNC-Charlotte, Winston-Salem State)	$1,340,000	R	$1,340,000	R
45 **Transition of East Carolina to Doctoral II Status** Funding for second phase of change in classification of East Carolina University to a Doctoral II university.	$1,500,000	R	$1,500,000	R
46 **Financial Aid** Additional need-based financial assistance for in-state students	$1,300,000	R	$1,300,000	R

Senate Subcommittee on Education	FY 99-2000		FY 2000-01	
47 **Improve College Going Rate** Funding for PATHWAYS initiative to increase the number of North Carolina students attending college	$1,000,000	R	$1,000,000	R
48 **Information Technology** Funding for software, hardware, and operating support	$10,000,000	R	$10,000,000	R
49 **Strategic Initiatives Reserve** Funds for rapid targeting of urgent issues and problems on campuses, enabling the University to explore new initiatives.	$3,000,000	R	$3,000,000	R
50 **Rewarding Excellence in Teaching** Funds for awarding additional salary increases to a portion of teaching faculty judged as excellent teachers.	$7,077,639	R	$7,077,639	R
51 **Graduate Student Tuition Remission** Provide funds for graduate tuition remission and resident graduate tuition awards on campuses not classified as Research I universities.	$3,500,000	R	$3,500,000	R
52 **Service to Public Schools: A. Reserve** Expansion funds for UNC Center for School Leadership for K-16 Matching Incentive Grants, Model Teacher Consortium, and High Performance Lighthouse Schools.	$1,000,000	R	$1,000,000	R
53 **Service to Public Schools: B. International Educator Exchange for K-12** Funding to provide program of international exchange for educators	$112,000	R	$112,000	R
54 **Service to Public Schools: C. Reading Together** Additional funding for elementary tutorial program in reading at UNC-Greensboro.	$300,000	R	$300,000	R
55 **Public Service: Aging** Expansion budget support for the Institute on Aging to expand outreach services to local service providers	$100,000	R	$100,000	R
56 **Public Service: Hispanic Initiative** Funds to assist service providers adjust to changing demographics and demands caused by Hispanic immigration	$100,000	R	$100,000	R

Senate Subcommittee on Education	FY 99-2000		FY 2000-01	
57 **Public Service: Agricultural Matching Funds** Funding for NC Agricultural and Technical State University to match federal funding for research and extension programs	$750,000	R	$750,000	R
58 **Public Service: Manufacturing Extension Partnership** Provide matching funds for engineering assistance to small manufacturers through NC State Industrial Extension Service	$900,000	R	$900,000	R
59 **Public Service: Agricultural Research-Turf Grass** Funds to continue research on turf grass by NC State University.	$150,000	NR		
60 **Public Service: NC Arboretum** Expanded operating funds for the Arboretum to provide services to an increasing number of visitors and to maintain recently developed areas.	$250,000	R	$250,000	R
61 **Public Service: International Outreach-Cooperative Programs** Matching funds for cooperative programs in science and technology between NC and Israel.	$250,000	NR		
62 **Tuition Increase** The Board of Governors has approved a tuition increase of 4.9% for NC undergraduates, with similar dollar increases for non-residents. Graduate tuition will increase from 6.9% to 8.4% for in-state graduates.	($7,759,492)	R	($8,554,364)	R
F. Other Items				
63 **Teacher Academy** Additional funds for staff development activities of the Academy	$250,000	R	$250,000	R
64 **Public Service: Outreach to the Public Schools** Learn NC: Funds to continue technology initiative at UNC-Chapel Hill	$1,000,000	R	$1,000,000	R
65 **Allow Research Campuses to Retain Overhead Receipts** Funds to replace 5% of overhead receipts currently transferred by Research I campuses to UNC General Administration for operations.	$3,500,000	R	$3,500,000	R
66 **Carbon Dioxide Dyeing Project** Funds to support purchase of prototype commercial textile dyeing equipment to test new process developed at NC State.	$500,000	NR		

Senate Subcommittee on Education	FY 99-2000		FY 2000-01	
67 **PT-CAM** One-time operating support for the Piedmont Triad Center for Applied Manufacturing operated by NC A & T State as it approaches self-sufficiency from receipts.	$250,000	NR		
68 **Reserve for K-12 Initiative** Funding for "World View" program and "K-12 International Outreach" program at UNC-Chapel Hill	$260,000	R	$260,000	R
69 **Center for Alcohol Studies** Provides additional funding for Center's endowment.	$500,000	R	$500,000	R
70 **Leadership NC** Funding to non-profit leadership training program.	$75,000	NR		
71 **Diabetes Funding** Provide additional funding for the diabetes programs of the UNC-CH ($200,000) and East Carolina ($100,000) Schools of Medicine.	$300,000	NR		
72 **Endowed Chair** Funding for state match to create an endowed chair at UNC-CH School of Medicine for the study of anorexia and bulimia.	$400,000	NR		
73 **Program on Southern Politics, Media, and Public Life** Funding to support program at UNC-CH.	$50,000	NR		
Total Legislative Changes	**$61,158,251**	R	**$60,725,721**	R
	($6,816,288)	NR		
Total Position Changes	203.20		203.20	
Revised Budget	**$1,643,744,323**		**$1,656,213,227**	

Community Colleges

	GENERAL FUND			
	FY 99-2000		FY 2000-01	
Recommended Budget	$549,590,909		$549,428,729	
Legislative Changes				
74 **Enrollment Changes** Provides funds to cover the increased community college enrollment. FTE students are allocated on the previous year's actual enrollments.	$18,769,897	R	$18,769,897	R
75 **Need-Based Financial Aid** This creates the largest community college need-based financial aid program in North Carolina's history. Approximately 40% of the additional curriculum tuition receipts will be set aside for need-based financial aid for community college students. This anticipates offseting any tuition increase for those students who are not eligible for the Federal Hope and Lifetime Learning tax credits. These funds shall not revert.	$5,000,000	R	$5,000,000	R
76 **Management Information System Reserve** North Carolina's Community College System does not have a Management Information System. This will allow the State Board of Community Colleges to begin the development of a comprehensive MIS. These funds shall be put in a non-reverting reserve.	$8,000,000	R	$15,000,000	R
77 **Multi-Campus Funds** To provide additional funding for the operation of multi-campus colleges. The funds will be equally distributed to those sites.	$1,000,000	R	$1,000,000	R
78 **Information Technology Training Funds for Central Piedmont Comm. College** Non-recurring funds for Central Piedmont Community College to use for its Regional Information Technology Training program.	$200,000	NR		
79 **Hosiery Technology Center Funds** Additional one-time appropriation to support the Hosiery Technology Center operations.	$350,000	NR		

	FY 99-2000		FY 2000-01	
80 **Fayetteville Tech Botanical Lab Funds** A nonrecurring grant-in-aid to Fayetteville Tech to develop a regional botanical laboratory in partnership with the Cape Fear Botanical Garden.	$450,000	NR		
81 **Regional Emergency Services Training Facility** Provides a grant-in-aid for Central Carolina Community College to create a regional emergency services training facility.	$750,000	NR		
82 **Start-Up and Transit. Funds for New Comm. Coll. Serving Anson/Union/Stanly** Provides start-up funds for the creation of a new multi-county community college serving Anson and Union counties ($300,000). Also gives funds to Stanly Community College for its' loss in FTEs ($300,000).	$600,000	NR		
83 **A-B Tech Small Business Center Funds** Additional non-recurring funds for Asheville-Buncombe Technical Community College to use in its Small Business Center.	$200,000	NR		
Enhancement of Faculty Salaries				
84 **Additional Faculty Salary Increase Funds** Gives the community college system an additional 2% for faculty salary increases. This is in addition to the 3% across-the-board increase provided to all employees.	$7,144,082	R	$7,144,082	R
85 **Instructional and Administrative Support** By providing additional support positions, funds that community colleges have been transferring from the formula salary line can be significantly reduced. The State Board of Community Colleges shall ensure that at least one additional financial aid counselor is distributed to each college to actively promote financial assistance opportunities for students and to help maximize the benefits and understanding of the Federal tax credits in order for North Carolinians to fully utilize the Federal money that is available.	$8,000,000	R	$8,000,000	R
86 **Increase "Other Cost" Funds** By increasing the amount allocated under the funding formula for non-salary "other cost" items, colleges will free up existing salary line formula money to either enhance faculty salaries or reduce the dependence on part-time faculty.This is the first increase in "other cost" items since 1985 and more accurately reflects the colleges' actual expenditures.	$10,000,000	R	$10,000,000	R

	FY 99-2000		FY 2000-01	
Reductions				
87 **Community Services Block Grant** Ask Community Colleges to spend down institutional fund balances and offer hobby and leisure courses on a self-supporting basis for one year. This block grant would be eliminated for one year only. This does not affect the policy regarding senior citizens free tuition.	($1,821,797)	NR		
88 **Shift Focused Industrial Training Prog. To WTTF** Currently the Worker Training Trust Fund provides approximately half of the money for the Community Colleges Focused Industrial Training Program. This would shift an additional $300,000 of the program funding from the General Fund to the Worker Training Trust Fund for one year only.	($300,000)	NR		
89 **Refund of Kodak NEIT Funds** A non-recurring reduction can be made to offset the refund the New and Expanding Industry Training Program received from Kodak.	($1,020,225)	NR		
90 **Human Resources Development Program** Reduce the HRD program by $100,000. This program has been underspending its appropriation.	($100,000)	R	($100,000)	R
91 **Special Allotment for Nursing Programs** Eliminates the extra money that is allocated over and above the funding formula for nursing programs.	($410,000)	R	($410,000)	R
92 **Unemployment Compensation** Reduce the amount for unemployment compensation based on more recent estimates.	($100,000)	NR		
93 **Eliminate Interest-Only Scholarship Reserve** With the current low interest rates this reserve is not generating sufficient financial aid resources. The direct,recurring appropriation in this budget is a more effective method of providing community college need-based financial aid.	($4,000,000)	NR		
94 **Vacant Position Reductions** The Governor proposes eliminating two vacant positions in the Community Colleges System Office.	($67,015)	R	($67,015)	R

Senate Subcommittee on Education	FY 99-2000		FY 2000-01	
Tuition				
95 **Continuing Education Fee** The State Board shall create a sliding fee for continuing education classes that will reflect both the length of the class and the ability to absorb a fee increase. The fees shall be sufficient to generate the budgeted receipts for continuing education.	($4,750,000)	R	($4,750,000)	R
96 **Curriculum Tuition** Increase curriculum tuition rates by $95 per semester and a pro rata amount for summer term which will allow financially needy North Carolinians to access and maximize benefits of the Federal Pell Grants, Hope and Lifetime Learning Tax Credits. Those students not qualifying for these Federal benefits are anticipated to benefit from need-based financial aid funded in this budget. A significant portion of these receipts to the community college system can be received from these Federal programs.	($18,000,000)	R	($18,000,000)	R
Total Legislative Changes	**$34,586,964**	R	**$41,586,964**	R
	($4,692,022)	NR		
Total Position Changes				
Revised Budget	**$579,485,851**		**$591,015,693**	

ATTACHMENT 2

COMMUNITY COLLEGES

99DOCC-H9

Requested by: Senators Lee, Dalton

EMPLOYMENT OF COMMUNITY COLLEGE FACULTY/STUDY

Section 9. The State Board of Community Colleges shall contract with an outside consultant to study the issue of whether the Community College System should employ faculty members for less than 12 months instead of on a 12-month basis since the Community College System now operates on a semester system instead of a quarter system. The consultant also shall consider how much additional supplemental funding for summer term would be required if the Community College System employed faculty members for less than 12 months and needed to employ a portion of the faculty for the summer term.

The State Board shall use funds from the State Board Reserve to implement this section.

The State Board shall report to the Joint Legislative Appropriations Subcommittees on Education and the Fiscal Research Division prior to April 30, 2000, on the results of this study. It is the intent of the General Assembly, in considering the results of this study and other recommendations regarding community college faculty salaries, to provide for changes in the salary of community college faculty that result in an enhancement of salary for community college faculty.

99DOCC-H9.1

Requested by: Senators Lee, Dalton

COOPERATIVE HIGH SCHOOL EDUCATION PROGRAM ACCOUNTABILITY

Section 9.1. Section 10.7 of the Current Operations Appropriations and Capital Improvement Appropriations Act of 1998 directed the State Board of Community Colleges and the State Board of Education to create a joint task force to study the existing policies for cooperative high school education programs and to recommend changes necessary to improve the programs' success and accountability. Section 10.7 further directed the Boards to report their findings and recommendations to the Joint Legislative Education Oversight Committee and the Fiscal Research Division prior to March 1, 1999.

The General Assembly finds that the study submitted by the Boards inadequately addressed the concerns of the General Assembly; therefore, the General Assembly hereby requests that the Boards jointly reconsider existing policies for cooperative high school education programs. The General Assembly further requests that the Boards make a preliminary report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division prior to November 15, 1999, and a final report prior to April 15, 2000. The report shall include findings and recommendations that will enable the State to achieve the goal of the General Assembly to increase the number of qualified high school students participating in cooperative high school education programs that are provided by local community colleges. These programs should be cost-effective programs and should not duplicate high school Advanced Placement courses that are currently being offered or that could feasibly be offered. These programs should provide additional higher education opportunities for qualified high school students while minimizing overlapping costs to the State for public schools and community colleges.

After submission of the final report, the Joint Legislative Education Oversight Committee shall review the report and the success, or lack thereof, of this cooperative program. In the event the Committee finds that the report inadequately addresses the existing policies for cooperative high school education programs, or that there is an inadequate level of coordination between the high school, and community colleges, the Committee shall make a recommendation to the General Assembly as to how much, if any, downward adjustment should be made in appropriations to the respective agencies for failure to adequately develop and implement this program. This downward adjustment would be recommended due to the fact that this study, and the implementation thereof, is anticipated to be funded and implemented from current personnel and resources, and failure to adequately implement the program signifies a misuse of resources for which a downward adjustment in appropriations should be made.

99DOCC-H9.2

Requested by: Senators Lee, Dalton

IMPLEMENTATION OF PERFORMANCE BUDGETING

Section 9.2.(a) It is the intent of the General Assembly that the the State Board of Community Colleges implement the findings of the consultant's Phase IV Funding Study Report, prepared by the State Board and submitted to the Education Appropriations Subcommittee, on performance budgeting; therefore, Chapter 115D of the General Statutes is amended by adding a new section to read:

"**§ 115D-31.3. Performance budgeting.**

(a) The State Board of Community Colleges shall create new accountability measures and performance standards to be used for performance budgeting for the Community College System. The results of a survey may be used as a performance standard only if the survey is statistically valid. The State Board of Community Colleges shall review annually the accountability measures and performance standards to ensure that they are appropriate for use in performance budgeting.

(b) Notwithstanding any other provision of law, the State Board shall authorize each institution meeting the new performance standards to carryforward funds remaining in its budget at the end of each fiscal year in an amount not to exceed two percent (2%) of the State funds allocated to the institution for that fiscal year. The funds carried forward shall be used for the purchase of equipment and initial program start-up costs excluding regular faculty salaries. These funds shall not be used for continuing salary increases or for other obligations beyond the fiscal year into which they were carried forward. These funds shall be encumbered within 12 months of the fiscal year into which they were carried forward.

(c) The five required performance measures are (i) progress of basic skills students, (ii) passing rate for licensure and certification examinations, (iii) goal completion of program completers, (iv) employment status of graduates, and (v) performance of students who transfer to the university system. Colleges may choose one other performance measure from the list contained in the State Board's Phase 4 Funding Formula Study, which was presented to the Joint Legislative Education Oversight Committee. Successful performance on each of the six performance measures shall allow a college to retain and carry forward up to one-third of one percent (1/3 of 1%) of its final fiscal year General Fund appropriations into the next fiscal year.

(d) Each college shall publish its performance on these six measures in its catalog each year beginning with the 2001 academic year."

Section 9.2.(b) The State Board of Community Colleges shall report to the Joint Legislative Education Oversight Committee and to the Fiscal Research Division prior to March 1, on an annual basis, on the implementation of this provision.

Section 9.2.(c) This section becomes effective July 1, 1999. The State Board of Community Colleges shall authorize institutions meeting the new performance standards to carry forward funds from the 2000-2001 fiscal year to the 2001-2002 fiscal year and at the end of subsequent fiscal years.

99DOCC-H9.3

Requested by: Senators Lee, Dalton

OVER-REALIZED TUITION AND FEE RECEIPTS TRANSFERRED TO THE EQUIPMENT RESERVE FUND

Section 9.3.(a) G.S. 115D-31 is amended by adding a new subsection to read:

"(e) If receipts for community college tuition and fees exceed the amount certified in General Fund Codes at the end of a fiscal year, the State Board of Community Colleges shall transfer the amount of receipts and fees above those budgeted to the Equipment Reserve Fund."

Section 9.3.(b) If receipts for community college tuition and fees exceed the amount certified in General Fund Codes at the end of the 1998-99 fiscal year, the State Board of Community Colleges shall transfer the amount of receipts and fees above those budgeted to the Equipment Reserve Fund.

Section 9.3.(c) Section 9.3.(b) becomes effective June 30, 1999.

99DOCC-H9.4

Requested by: Senators Lee, Dalton

FINANCIAL ASSISTANCE FOR COMMUNITY COLLEGE STUDENTS

Section 9.4.(a) Of the funds appropriated to the Community Colleges System Office for the 1999-2001 fiscal biennium, the sum of five million dollars ($5,000,000) for the 1999-2000 fiscal year and the sum of five million dollars ($5,000,000) for the 2000-2001 fiscal year shall be used to provide the largest financial need-based student assistance program in the history of the North Carolina Community College System.

Students must apply for federal Pell Grants to be eligible for this program. It is the intent of the General Assembly that the Community College System make these financial aid funds available to the neediest students who are not eligible for other financial aid programs that fully cover the required educational expenses of these students. The State Board may use some of these funds as short-term loans to students who anticipate receiving the federal HOPE or Lifetime Learning Tax Credits.

The State Board of Community Colleges shall adopt rules and policies for the disbursement of the need-based financial assistance. The State Board may contract with the State Education Assistance Authority for administration of these financial assistance funds. These funds shall not revert at the end of each fiscal year but shall remain available until expended for need-based financial assistance.

Section 9.4.(b) The State Board of Community Colleges shall ensure that at least one counselor is available at each college to inform students about federal programs and funds available to assist community college students including, but not limited to, Pell Grants and HOPE and Lifetime Learning Tax Credits and to actively encourage students to utilize these federal programs and funds.

Section 9.4.(c) G.S. 115D-40 is repealed.

99DOCC-H9.5

Requested by: Senators Lee, Dalton

COMMUNITY COLLEGE FUNDING FLEXIBILITY

Section 9.5. A local community college may use all State funds allocated to it, except for Literacy Funds and Funds for New and Expanding Industries, for any authorized purpose that is consistent with the college's Institutional Effectiveness Plan. Each local community college shall include in its Institutional Effectiveness Plan a section on how funding flexibility allows the college to meet the demands of the local community and to maintain a presence in all previously funded categorical programs.

The State Board may examine new State Aid allocation options that more closely align the allocation and expenditure of State appropriated resources.

Funds appropriated for salary increases shall be used only for salary increases and necessary employer contributions.

The General Assembly recognizes that the Community College System has been required to transfer funds from the faculty salary line item in the funding formula during prior fiscal years to make up shortfalls in instructional and administrative support and in other cost items. To enable the Community College System to pay respectable faculty salaries and at the same time maintain the quality of the instructional programs, the General Assembly is providing an additional eight million dollars ($8,000,000) in expansion funds for instructional and administrative support and an additional ten million dollars ($10,000,000) in expansion funds for other cost items. It is the intent of the General Assembly that no transfers be made from the formula salary line item and that faculty salary funds be used to enhance full-time and part-time faculty salaries and, where appropriate, to move part-time faculty members to full-time faculty status. Therefore, transfers made in college budgets from faculty salaries to other purposes shall be made only after public notice and notice to the faculty. No more than three percent (3%) systemwide may be transferred from faculty salaries without the approval of the State Board of Community Colleges. The State Board shall report on any such transfers above three percent (3%) systemwide to the Joint Legislative Commission on Governmental Operations at its next meeting.

CODE NO. 99DOCC-H9.6D-P

Requested by: Senators Lee, Dalton

STATE BOARD RESERVE ALLOCATIONS

Section 9.6.(a) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for each fiscal year to assist small rural low-wealth community colleges with operation and maintenance of plant costs if they need to assist new or expanding industries in their service delivery areas.

Section 9.6.(b) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of forty thousand dollars ($40,000) for the 1999-2000 fiscal year to support the recruitment activities of the North Carolina Industries for Technical Education (NCITE). NCITE recruits students to community colleges with Heavy Equipment and Transportation Technology Programs in an effort to revitalize those programs.

Section 9.6.(c) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for the 1999-2000 fiscal year for planning a Southeastern North Carolina Regional Fire Training program and twenty thousand dollars ($20,000) for the 1999-2000 fiscal year for other fire training programs.

99DOCC-H9.7

Requested by: Senators Lee, Dalton

PERMIT TRANSFERS OF FUNDS TO THE NEW AND EXPANDING INDUSTRY TRAINING PROGRAM

Section 9.7. The General Assembly finds that the New and Expanding Industry Training Program:

(1) Assists companies creating new jobs in North Carolina by providing training for new employees;

(2) Provides customized training to new or prospective employees in specific job skills needed by new or expanding industries; and

(3) Supports local, regional, and State economic development goals by offering entry-level training at no cost to companies that are creating new jobs in the State.

The General Assembly further finds that due to the extraordinary growth of new and expanding industry in the State, funds appropriated to the Program may be inadequate to meet demand for Program services during the 1999-2000 fiscal year; therefore, notwithstanding G.S. 143-16.3, G.S. 143-23, or any other provision of law, the Director of the Budget may, after consultation with the Joint Legislative Commission on Governmental Operations, transfer funds from any agency or program funded from the General Fund to the New and Expanding Industry Training Program to supplement the needs of this Program during the 1999-2000 fiscal year.

99DOCC-H9.8

Requested by: Senators Lee, Dalton

ADULT EDUCATION PROGRAM/REVIEW

Section 9.8. The State Board of Community Colleges shall review the Adult High School Program to determine the extent to which the Program is aligned with recent public school reforms including course content standards, end-of-course tests, appropriate aspects of the high school accountability system, publication of test results, and high school exit exams that will be implemented by 2003. After completion of this review, the Board shall direct and advise local colleges on steps necessary to ensure that the Program is adequately aligned with recent public school reforms.

The Board shall report to the Joint Legislative Education Oversight Committee prior to April 15, 2000, on the implementation of this section.

99DOCC-H9.9

Requested by: Senators Lee, Dalton

MANAGEMENT INFORMATION SYSTEM FUNDS

Section 9.9.(a) Funds appropriated for the Community College System Office Management Information System shall not revert at the end of the 1999-2000 and 2000-2001 fiscal years but shall remain available until expended.

Section 9.9.(b) This section becomes effective June 30, 1999.

99DOCC-H9.10

Requested by: Senators Lee, Dalton, Garwood

EXTEND COMMUNITY COLLEGE BOND MATCH DEADLINE

Section 9.10.(a) Section 6(b)IV of Chapter 542 of the 1993 Session Laws, as added by Section 4 of Chapter 515 of the 1995 Session Laws and rewritten by Section 10(a) of S.L. 1998-212, reads as rewritten:

"IV. If the State Board of Community Colleges determines that a community college has not met the matching requirements of G.S. 115D-31(a)(1) by July 1, ~~1999,~~ 2000, with respect to a capital improvement project for which bond proceeds are allocated in subdivision I or pursuant to subdivision II of this subsection, the Board shall certify that fact to the State Treasurer by October 1, ~~1999.~~ 2000. All of these bond proceeds with respect to which the Board certifies that the matching requirement has not been met by July 1, ~~1999,~~ 2000, shall be placed by the State Treasurer in a special account within the Community Colleges Bond Fund and shall be used for making grants to community colleges. Bond proceeds in the special account shall be allocated among the community colleges in accordance with the following conditions:

(1) The State Board of Community Colleges shall generate, by October 1, ~~1999,~~ 2000, a priority ranking of legitimate community college capital improvement needs using a formula based on objective meaningful factors relevant to capital needs, including space to population ratio, population served ratio, capacity enrollment ratio, local to State and vocational education ratios, type of project, and readiness to implement.

(2) The State Board of Community Colleges shall provide the State Treasurer a projected allocation of the proceeds in the special account in accordance with this priority ranking, except that:

a. No projected allocation shall be made for a community college that the Board certified in accordance with this subdivision IV had failed to meet a matching requirement.

b. No more than four million dollars ($4,000,000) shall be allocated to a single community college.

c. Funds shall not be allocated for more than one project per community college.

(3) The proceeds of grants made from bond proceeds in the special account shall be allocated and expended for paying the cost of community college capital improvements in accordance with this allocation by the State Board of Community Colleges, to the extent and as provided in this act. The Director of the Budget is empowered, when the Director of the Budget determines it is in the best interest of the State and the North Carolina Community College System to do so, and if the cost of a particular project is less than the projected allocation, to use the excess funds to

increase the size of that project or increase the size of any other project itemized in this section, or to increase the amount allocated to a particular community college within the aggregate amount of funds available under this section. The Director of the Budget shall consult with the Advisory Budget Commission and the Joint Legislative Commission on Governmental Operations before making these changes."

Section 9.10.(b) This section becomes effective June 30, 1999.

99DOCC-H9.12-P

Requested by: Senators Lee, Dalton

CLARIFICATION OF CERTAIN 1998 COMMUNITY COLLEGE APPROPRIATIONS

Section 9.12. Notwithstanding G.S. 115D-31 or any other provision of law, no non-State match is required for funds appropriated in S.L. 1998-212 for community college capital projects or for community college matching scholarship endowment funds.

99DOCC-H9.13

Requested by: Senators Lee, Dalton

COMMUNITY COLLEGE RESERVE FUNDS DO NOT REVERT

Section 9.13.(a) Funds appropriated to the Anson-Union Community College Reserve in S.L. 1998-212 shall not revert at the end of the fiscal year but shall remain available for expenditure by the new community college.

Section 9.13.(b) This section becomes effective June 30, 1999.

CODE NO. 99DOCC-S011

Requested by: Senators Lee, Dalton

COMMUNITY COLLEGE CONSTRUCTION FLEXIBILITY/STUDY

Section 9.14. The Joint Legislative Education Oversight Committee may study the need to streamline the community college capital construction process. In the course of the study, the Committee may consider the need to authorize pilot sites to determine the effect of various options for streamlining the process. The Committee may report its findings and recommendations to the General Assembly prior to May 1, 2000.

1 **PART X. UNIVERSITIES**

ATTACHMENT 3

1 **PART X. UNIVERSITIES**

1 PART X. UNIVERSITIES

CODE NO. 99UNC-H10-D-P

Requested by: Senators Lee, Dalton, Perdue, Plyler, Odom

AID TO STUDENTS ATTENDING PRIVATE COLLEGES PROCEDURE

Section 10.(a) Funds appropriated in this act to the Board of Governors of The University of North Carolina for aid to private colleges shall be disbursed in accordance with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up to one thousand fifty dollars ($1,050) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1, 1999, for the 1999-2000 fiscal year and up to one thousand fifty dollars ($1,050) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1, 2000, for the 2000-2001 fiscal year.

These funds shall be placed in a separate, identifiable account in each eligible institution's budget or chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year. Each student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be available for the tuition grant program as defined in subsection (b) of this section.

Section 10.(b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition to all other financial assistance made available to private educational institutions located within the State, or to students attending these institutions, there is granted to each full-time North Carolina undergraduate student attending an approved institution as defined in G.S. 116-22, a sum, not to exceed one thousand seven hundred fifty dollars ($1,750) for the 1999-2000 academic year and one thousand seven hundred fifty dollars ($1,750) for the 2000-2001 academic year, which shall be distributed to the student as hereinafter provided.

The tuition grants provided for in this section shall be administered by the State Education Assistance Authority pursuant to rules adopted by the State Education Assistance Authority not inconsistent with this section. The State Education Assistance Authority shall not approve any grant until it receives proper certification from an approved institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the State Education Assistance Authority shall remit at such times as it shall prescribe the grant to the approved institution on behalf, and to the credit, of the student.

In the event a student on whose behalf a grant has been paid is not enrolled and carrying a minimum academic load as of the tenth classroom day following the beginning of the school term for which the grant was paid, the institution shall refund the full amount of the grant to the State Education Assistance Authority. Each approved institution shall be subject to examination by the State Auditor for the purpose of determining whether the institution has properly certified eligibility and enrollment of students and credited grants paid on behalf of the students.

In the event there are not sufficient funds to provide each eligible student with a full grant:

(1) The Board of Governors of The University of North Carolina, with the approval of the Office of State Budget and Management, may transfer available funds to meet the needs of the programs provided by subsections (a) and (b) of this section; and

(2) Each eligible student shall receive a pro rata share of funds then available for the remainder of the academic year within the fiscal period covered by the current appropriation.

Any remaining funds shall revert to the General Fund.

Section 10.(c) Expenditures made pursuant to this section may be used only for secular educational purposes at nonprofit institutions of higher learning. Expenditures made pursuant to this section shall not be used for any student who:

(1) Is incarcerated in a State or federal correctional facility for committing a Class A, B, B1, or B2 felony; or

(2) Is incarcerated in a State or federal correctional facility for committing a Class C through I felony and is not eligible for parole or release within 10 years.

Section 10.(d) The State Education Assistance Authority shall document the number of full-time equivalent North Carolina undergraduate students that are enrolled in off-campus programs and the State funds collected by each institution pursuant to G.S. 116-19 for those students. The State Education Assistance Authority shall also document the number of scholarships and the amount of the scholarships that are awarded under G.S. 116-19 to students enrolled in off-campus programs. An "off-campus program" is any program offered for degree credit away from the institution's main permanent campus.

The State Education Assistance Authority shall include in its annual report to the Joint Legislative Education Oversight Committee the information it has compiled and its findings regarding this program.

99UNC-H10.1

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

AID TO PRIVATE COLLEGES/LEGISLATIVE TUITION GRANT LIMITATIONS

Section 10.1.(a) No Legislative Tuition Grant funds shall be expended for a program at an off-campus site of a private institution, as defined in G.S. 116-22(1), established after May 15, 1987, unless (i) the private institution offering the program has previously notified and secured agreement from other private institutions operating degree programs in the county in which the off-campus program is located or operating in the counties adjacent to that county or (ii) the degree program is neither available nor planned in the county with the off-campus site or in the counties adjacent to that county.

An "off-campus program" is any program offered for degree credit away from the institution's main, permanent campus.

Section 10.1.(b) Any member of the armed services, as defined in G.S. 116-143.3(a), abiding in this State incident to active military duty, who does not qualify as a resident for tuition purposes, as defined under G.S. 116-143.1, is eligible for a legislative tuition grant pursuant to this section if the member is enrolled as a full-time student. The member's legislative tuition grant shall not exceed the cost of tuition less any tuition assistance paid by the member's employer.

99UNC-H10.2

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

WAKE FOREST AND DUKE MEDICAL SCHOOLS ASSISTANCE/FUNDING FORMULA

Section 10.2.(a) Funds appropriated in this act to the Board of Governors of The University of North Carolina for continuation of financial assistance to the medical schools of Duke University and Wake Forest University shall be disbursed on certifications of the respective schools of medicine that show the number of North Carolina residents as first-year, second-year, third-year, and fourth-year students in the medical school as of November 1, 1999, and November 1, 2000. Disbursement to Wake Forest University shall be made in the amount of eight thousand dollars ($8,000) for each medical student who is a North Carolina resident, one thousand dollars ($1,000) of which shall be placed by the school in a fund to be used to provide financial aid to needy North Carolina students who are enrolled in the medical school. The maximum aid given to any student from this fund in a given year may not exceed the amount of the difference in tuition and academic fees charged by the school and those charged at the School of Medicine at the University of North Carolina at Chapel Hill.

Disbursement to Duke University shall be made in the amount of five thousand dollars ($5,000) for each medical student who is a North Carolina resident, five hundred dollars ($500.00) of which shall be placed by the school in a fund to be used to provide student financial aid to financially needy North Carolina students who are enrolled in the medical school. No individual student may be awarded assistance from this fund in excess of two thousand dollars ($2,000) each year. In addition to this basic disbursement for each year of the biennium, a disbursement of one thousand dollars ($1,000) shall be made for each medical student who is a North Carolina resident in the first-year, second-year, third-year, and fourth-year classes to the extent that enrollment of each of those classes exceeds 30 North Carolina students.

The Board of Governors shall establish the criteria for determining the eligibility for financial aid of needy North Carolina students who are enrolled in the medical schools and shall review the grants or awards to eligible students. The Board of Governors shall adopt rules for determining which students are residents of North Carolina for the purposes of these programs. The Board shall also make any regulations as necessary to ensure that these funds are used directly for instruction in the medical programs of the schools and not for religious or other nonpublic purposes. The Board shall encourage the two schools to orient students toward primary care, consistent with the directives of G.S. 143-613(a). The two schools shall supply information necessary for the Board to comply with G.S. 143-613(d).

Section 10.2.(b) If the funds appropriated in this act to the Board of Governors of The University of North Carolina for continuation of financial assistance to the medical schools of Duke University and Wake Forest University are insufficient to cover the enrolled students in accordance with this section, then the

Board of Governors may transfer unused funds from other programs in the Related Educational Programs budget code to cover the extra students.

99UNC-H10.3

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

REWARDING TEACHING EXCELLENCE PROGRAM FUNDS

Section 10.3. Funds appropriated in this act for the Rewarding Teaching Excellence Program shall be distributed according to guidelines established by the Board of Governors of The University of North Carolina. These funds shall not be used for any purpose other than for salary increases and necessary employer contributions provided by this section.

99UNC-H10.4-D-P

Requested by: Senators Lee, Dalton, Perdue, Plyler, Odom

MARINE SCIENCES RESEARCH COMMITTEE FUNDS

Section 10.4.(a) There is established the Marine Sciences Research Organization Planning Committee. The Committee is charged with recommending an organizational and funding structure to effectively ensure cooperative efforts among North Carolina institutions involved in marine science research. The Committee shall consider all options that will lead to realization of North Carolina's potential in marine science and preservation of its coastal resources. The Committee shall also consider all of the following:

(1) Physical facilities and their utilization;

(2) Research funding sources;

(3) Methods of setting research priorities;

(4) Incentives to strengthen cooperation among various State entities; and

(5) Organizational changes.

Section 10.4.(b) The Committee shall consist of the Chancellors of East Carolina University, North Carolina State University, the University of North Carolina at Chapel Hill, the University of North Carolina at Wilmington, and three persons selected by the Chancellors who are knowledgeable in the field of marine science research. If any other constituent institution becomes involved in marine science research, then the Chancellor of that university shall also be included as a member of the Committee. Vacancies shall be filled in the same manner as the original selections.

Section 10.4.(c) The Marine Sciences Research Organization Planning Committee shall report its recommendations to the General Assembly by March 1, 2000. The Committee shall dissolve upon submission of its report.

99UNC-H10.6

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

SCHOLARSHIP FUND BALANCES

Section 10.6. Fund balances remaining in the Social Workers' Education Loan Fund shall be transferred to the Nursing Scholars Program fund balance to implement the reductions in appropriations for scholarships in the 1999-2000 fiscal year.

99UNC-H10.7

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom, Warren

EAST CAROLINA UNIVERSITY MEDICAL SCHOOL

Section 10.7. East Carolina University shall transfer two million dollars ($2,000,000) from the East Carolina University Medicare Reimbursement Trust Fund (26066) established by G.S. 116-36.6 to the East Carolina University School of Medicine General Fund operating fund (16066) for current expenses for fiscal year 1999-2000.

99UNC-H10.8

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

UNC ENROLLMENT PLANNING

Section 10.8.(a) The University of North Carolina faces an increase in student enrollment of 48,000 students over the next 10 years, primarily at the undergraduate level. The Board of Governors of The University of North Carolina has adopted plans for meeting this large increase. These plans call for 10 constituent institutions to enroll a larger share of the new enrollments. Of these 10 institutions, seven currently have underutilized capacity. These seven schools (Elizabeth City State University, Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, the University of North Carolina at Pembroke, Western Carolina University, and Winston-Salem State University) are expected to grow by twenty percent (20%) by fall, 2003.

Section 10.8.(b) Of the funds appropriated to the Board of Governors of The University of North Carolina for a "Strategic Initiatives Reserve", for the 1999-2000 fiscal year, the sum of two million dollars ($2,000,000) of the reserve shall be used to perform campus assessments and develop enrollment growth plans for the seven constituent institutions designated as growing twenty percent (20%) by fall, 2003 in the Board of Governors' enrollment plan. The Board of Governors shall report to the Joint Legislative Education Oversight Committee by April 15, 2000, on the use of the funds and on any additional needs identified by the plans.

Section 10.8.(c) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of three million dollars ($3,000,000) in continuing operating funds shall be allocated to carry out the Board of Governors' plans for those campuses planning for rapid enrollment growth whose current enrollment is less than 5,000 full-time equivalent (FTE) students. The intent for this allocation is to promote greater operating efficiencies through budget flexibility for those constituent institutions lacking sufficient size to provide for economies of scale.

Section 10.8.(d) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of three million dollars ($3,000,000) in continuing operating funds shall be allocated for improvement of faculty instruction at the seven campuses targeted for major enrollment growth. The improvements shall be based on plans approved by the Board of Governors for hiring of new faculty, salary improvements, faculty development, or other initiatives that will improve instruction for students, especially undergraduate students. The Board of Governors shall report to the Joint Legislative Education Oversight Committee by April 15, 2000, on the allocation and proposed use of these funds.

Section 10.8.(e) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of two million dollars ($2,000,000) in continuing operating funds shall be allocated for the enhancement of development offices at the smaller institutions. The goal of this funding is to increase the ability of these institutions to raise funds from the private sector and enhance the institutions' abilities to leverage State and other resources with private donations.

Section 10.8.(f) Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of one million dollars ($1,000,000) in continuing operating funds shall be allocated to further develop facilities management support for the smaller campuses facing rapid growth and having greater than average needs for renovation and repair of existing facilities. Funds may be allocated directly to the institutions needing assistance or may be dedicated to providing the assistance needed by other methods. The Board of Governors shall report to the Joint Legislative Education Oversight Committee on the allocation and use of these funds by April 15, 2000.

Section 10.8.(g) Of the funds appropriated by this act to the Board of Governors of The University of North Carolina, the sum of one million dollars ($1,000,000) shall be used on a continuing basis by the Board of Governors to prevent reductions in faculty positions for the seven growth constituent institutions identified in subsection (a) of this section if these institutions are projected to have budget reductions based on current enrollment estimates.

The Board of Governors shall report to the Joint Legislative Education Oversight Committee by December 15 of each year on enrollment planning, current and anticipated growth, and management of capacity to meet the demands for higher education in North Carolina. These reports shall continue through December 2005.

99UNC-H10.9

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

GRADUATE TUITION REMISSION

Section 10.9. Of the funds appropriated by this act to the Board of Governors of The University of North Carolina the sum of three million five hundred thousand dollars ($3,500,000) shall be allocated to campuses having graduate programs and students eligible for graduate tuition remission or resident graduate tuition awards. None of these funds may be allocated to the Research I institutions.

99UNC-H10.10

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

UNC-WILMINGTON RETAIN LAND SALE PROCEEDS

Section 10.10. The University of North Carolina at Wilmington may retain the proceeds from the sale of real property which is the site of the old Marine Science Center near Wrightsville Beach to use for the completion and equipping of the new Marine Science Center currently under construction.

99UNC-H10.11-D-P

Requested by: Senators Lee, Dalton, Perdue, Plyler, Odom

EXPLANATION OF FEDERAL TAX CREDITS AVAILABLE FOR EDUCATIONAL PURPOSES

Section 10.11. Each constituent institution of The University of North Carolina and each community college shall provide to students and their families a brief, clear explanation of federal tax credits (the HOPE and Lifetime Learning Credits) that are available for educational purposes. The explanation shall include the limitations of the credits as well as examples of the potential benefits under certain tax situations. The constituent institution shall provide the tax credit information to the student and the student's parents when the institution notifies each of the amount of tuition and fees paid for a calendar year.

99UNC-H10.12

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

NORTH CAROLINA PROGRESS BOARD

Section 10.12.(a) Part 2A of Article 9 of Chapter 143B of the General Statutes reads as rewritten:

"Part 2A. North Carolina Progress Board.

"§ 143B-372.1. North Carolina Progress Board.

(a) ~~There~~ The North Carolina Progress Board is ~~established within the Department of Administration the North Carolina Progress Board.~~ established. The Board shall be located administratively in the ~~Department of Administration~~ Board of Governors of The University of North Carolina and is located at North Carolina State University, but shall exercise all its prescribed statutory powers independently of the ~~Department of Administration.~~ Board of Governors.

(b) The North Carolina Progress Board shall consist of ~~14~~ 21 members of statewide prominence as follows:

(1) The Governor, ex officio;

(2) ~~Seven~~ Eight persons appointed by the Governor, none of whom shall be State employees or officers;

(3) ~~Three~~ Four persons appointed by the Speaker of the House of ~~Representatives; and~~ Representatives, one of whom shall be a member of the House of Representatives;

(4) ~~Three~~ Four persons appointed by the President Pro Tempore of the ~~Senate.~~ Senate, one of whom shall be a member of the Senate; and

(5) Four persons appointed by the North Carolina Progress Board.

(c) The Governor shall be chair of the North Carolina Progress Board. The Governor shall appoint a vice-chair from among the membership of the North Carolina Progress Board to serve at the pleasure of the Governor. The North Carolina Progress Board may elect such other officers as it sees fit.

(d) The North Carolina Progress Board shall meet at least twice annually on the call of the chair or as additionally provided by the North Carolina Progress Board. A quorum is ~~eight~~ 11 members of the Board. Members may not send designees to board meetings, nor may they vote by proxy.

(e) ~~Initial~~ Board appointments shall be for terms to begin ~~July 1, 1995.~~ July 1, 1999, with subsequent appointments to be made as terms expire or resignations occur. Of the Governor's appointments, ~~four~~ two shall be for one-year terms, two shall be for two-year ~~terms~~ terms, two shall be for three-year terms, and ~~three~~ two shall be for four-year terms. Of the appointments made by the Speaker of the House of ~~Representatives and~~ Representatives, the President Pro Tempore of the Senate, and the North Carolina Progress Board, one member appointed by each shall be appointed for a one-year term, one member appointed by each shall be appointed ~~one shall be~~ for a two-year ~~term~~ term, one member appointed by each shall be appointed for a three-year term, and ~~two shall be~~ one member appointed by each

shall be appointed for a four-year term. As terms expire, successors shall be appointed for four-year terms.

(f) No member may be appointed to more than two consecutive terms. A member of the House of Representatives appointed by the Speaker of the House vacates membership on the North Carolina Progress Board when that person is no longer a member of the House of Representatives, except that if that person is in office at the expiration of the term of office in the House of Representatives but has not been elected to the next term, that person shall continue to serve until the convening of the regular session. A member of the Senate appointed by the President Pro Tempore of the Senate vacates membership on the North Carolina Progress Board when that person is no longer a member of the Senate, except that if that person is in office at the expiration of the term of office in the Senate but has not been elected to the next term, that person shall continue to serve until the convening of the regular session.

"§ 143B-372.2. Responsibilities.

(a) The General Assembly notes that the Commission for a Competitive North Carolina developed goals in the following categories:

(1) Healthy Children and Families;
(2) Quality Education for All;
(3) A High Performance Workforce;
(4) A Prosperous Economy;
(5) A Sustainable Environment;
(6) Technology and Infrastructure Development;
(7) Safe and Vibrant Communities; and
(8) Active Citizenship/Accountable Government.

The Commission for a Competitive North Carolina adopted a report which established major goals and ways to measure progress toward these goals.

(a1) The General Assembly finds that the North Carolina Progress Board developed a report that focused on four of the Commission's recommended topics and issued 16 major targets for 2010. The objectives of the targets are to drive the State toward (i) a more expansive vision of education and environmental protection, (ii) strengthening families, and (iii) bringing more people into the economic mainstream.

(b) The General Assembly finds that:

(1) The North Carolina economy of the future can provide unparalleled opportunity while maintaining North Carolina's traditional values, if the State pursues the future with clarity of purpose and perseverance;
(2) The North Carolina economy is in the midst of a massive transition created by technological changes, global competition, and new production practices; and
(3) In order to maintain employment opportunities, increase income levels, reduce poverty, and generate the public revenues necessary to provide public services, North Carolina must increasingly rely

on an economy which adds value to its natural and human resources and provides a diverse mix of products.

(c) The North Carolina Progress Board shall:

(1) Encourage the discussion and understanding of critical global and national social and economic trends that will affect North Carolina in the coming decades;

(2) Examine the report of the Commission for a Competitive North ~~Carolina;~~ Carolina and the 1997 report of the North Carolina Progress Board to the General Assembly;

(3) Track the eight issue areas set out in subsection (a) of this ~~section;~~ section and the objectives set out in subsection (a1) of this section and other issues identified by the Progress Board. The Progress Board may, upon vote of the Board, add to those issues identified by its predecessor Commission and Board;

(4) Hold public hearings and other methods of public ~~participation~~ participation, including educational and outreach programs, to secure the views of citizens on priority goals for North ~~Carolina;~~ Carolina and to disseminate findings and recommendations to policymakers;

(5) Formulate and submit to North Carolinians a report every five years, beginning 2001, that updates the 20- to 30-year vision for North Carolina and that describes and explains a vision for North Carolina's progress over the next 20 to 30 years;

(6) Submit a report to the ~~1997 Regular Session of the~~ General Assembly prior to its ~~convening,~~ convening the regular session every odd-numbered year, which reports on social and economic trends and issues specific targets and milestones to accomplish its mission;

(7) Recommend how the targets and milestones can be applied to increase the accountability of government to the people of this State; ~~and~~

(8) Report periodically to the people of North Carolina on progress toward meeting goals, targets, and ~~milestones.~~ milestones;

(9) Undertake new and ongoing policy research and benchmarking studies;

(10) Publish and distribute periodic reports on policies, performance improvement, and best practices for meeting the long-term goals for the State; and

(11) May apply for and accept gifts or grants.

(d) The Regular Session of the General Assembly shall further define the mission of the North Carolina Progress Board in continuing its work.

(e) The General Assembly, after adopting the initial set of goals and measures as proposed or amended, may alter the goals and measures.

"§ 143B-372.3. Staff.

(a) ~~The North Carolina Progress Board may hire an executive director, who may be dismissed by the North Carolina Progress Board.~~ The Chancellor of North Carolina State University shall appoint an Executive Director who shall serve at the pleasure of the Chancellor. The Executive Director shall report to the North Carolina Progress ~~Board.~~ Board and the Chancellor. The Executive Director shall hire or contract with support ~~staff and may dismiss them.~~ staff, who shall work at the pleasure of the Executive Director.

(b) ~~There may be an Executive Staff Committee to assist the North Carolina Progress Board which shall consist of the Executive Director, if hired, the State Budget Officer, the State Planning Officer, and the Director of Fiscal Research.~~

~~(c) The State Budget Office and the State Planning Office shall also provide staff support to the North Carolina Progress Board.~~ The Office of State Budget and Management and the Office of State Planning shall also provide support, information, reports, and other assistance to the North Carolina Progress Board as requested."

Section 10.12.(b) Funds appropriated for the 1998-99 fiscal year in S.L. 1998-212 for operating support of the North Carolina Progress Board to the Department of Commerce that are unexpended as of June 30, 1999, shall not revert but shall be transferred to North Carolina State University to support the operations of the North Carolina Progress Board. This section is effective June 30, 1999.

CODE NO. 99UNC-H10.13-D-P

Requested by: Senators Lee, Dalton, Perdue, Plyler, Odom, Rand

UNC OVERHEAD RECEIPTS

Section 10.13. Effective July 1, 1999, all overhead receipts earned by constituent institutions of The University of North Carolina shall be retained at the campus earning the receipts.

99UNC-H10.14

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

UNC GENERAL ADMINISTRATION FLEXIBILITY

Section 10.14.(a) G.S. 116-30.3 is amended by adding a new subsection to read:

"(e) Notwithstanding G.S. 143-18, of the General Fund current operations appropriations credit balance remaining in Budget Code 16010 of the Office of General Administration of The University of North Carolina, any amount of the General Fund appropriation for that fiscal year may be carried forward in that budget code to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. However, the amount carried forward under this subsection shall not exceed two and one-half percent (2 1/2%) of the General Fund appropriation. The Director of the Budget, under the authority set forth in G.S. 143-25, shall establish the General Fund current operations credit balance remaining in Budget Code 16010 of the Office of General Administration of The University of North Carolina. The funds shall not be used to support positions."

Section 10.14.(b) G.S. 116-14 reads as rewritten:

"**§ 116-14. President and staff.**

(a) The Board shall elect a President of the University of North Carolina. ~~He~~ The President shall be the chief administrative officer of the University.

(b) The President shall be assisted by such professional staff members as may be deemed necessary to carry out the provisions of this Article, who shall be elected by the Board on nomination of the President. The Board shall fix the compensation of the staff members it elects. These staff members shall include a senior vice-president and such other vice-presidents and officers as may be deemed desirable. Provision shall be made for persons of high competence and strong professional experience in such areas as academic affairs, public service programs, business and financial affairs, institutional studies and long-range planning, student affairs, research, legal affairs, health affairs and institutional development, and for State and federal programs administered by the Board. In addition, the President shall be assisted by such other employees as may be needed to carry out the provisions of this Article, who shall be subject to the provisions of Chapter 126 of the General Statutes. The staff complement shall be established by the Board on recommendation of the President to insure that there are persons on the staff who have the professional competence and experience to carry out the duties assigned and to insure that there are persons on the staff who are familiar with the problems and capabilities of all of the principal types of institutions represented in the system. Subject to approval by the Board, the President may establish and abolish employment positions within the staff complement authorized by this subsection in the manner of and under the conditions prescribed by G.S. 116-30.4 for special responsibility constituent institutions.

(b1) The President shall receive General Fund appropriations made by the General Assembly for continuing operations of The University of North Carolina that are administered by the President and the President's staff complement established

pursuant to G.S. 116-14(b) in the form of a single sum to Budget Code 16010 of The University of North Carolina in the manner and under the conditions prescribed by G.S. 116-30.2. The President, with respect to the foregoing appropriations, shall have the same duties and responsibilities that are prescribed by G.S. 116-30.2 for the Chancellor of a special responsibility constituent institution. The President may establish procedures for transferring funds from Budget Code 16010 to the constituent institutions for nonrecurring expenditures. The President may identify funds for capital improvement projects from Budget Code 16010, and the capital improvement projects may be established following the procedures set out in in G.S. 143-18.1.

(b2) The President, in consultation with the State Auditor and the Director of the Office of State Personnel, shall ascertain that the management staff and internal financial controls are in place and continue in place to successfully administer the additional authority authorized under G.S. 116-14(b1) and G.S. 116-30.3(e). All actions taken by the President pursuant to G.S. 116-14(b1) and G.S. 116-30.3(e) are subject to audit by the State Auditor.

(c) The President, with the approval of the Board, shall appoint an advisory committee composed of representative presidents of the private colleges and universities and may appoint such additional advisory committees as are deemed necessary or desirable."

99UNC-H10.16

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom, Warren, Martin of Guilford, Hagan, Garrou

UNC NEW DEGREE PROGRAM FUNDS

Section 10.16. Of the funds appropriated to the Board of Governors of The University of North Carolina for the 1999-2000 and the 2000-2001 fiscal years, the sum of one million three hundred forty thousand dollars ($1,340,000) is to be used for new program development. For the 1999-2000 fiscal year the Board shall allocate these funds to support newly authorized programs at East Carolina University, Elizabeth City State University, North Carolina Agricultural and Technical State University, North Carolina State University, the University of North Carolina at Charlotte, and Winston-Salem State University.

99UNC-H10.17

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

MARTIN LUTHER KING RACE RELATIONS RESEARCH CENTER/STUDY SITE LOCATION

Section 10.17. The Board of Governors of The University of North Carolina shall conduct a site study to determine where the Martin Luther King Race Relations Research Center should be located. The Board of Governors shall submit in writing to the 1999 General Assembly, Regular Session 2000 its findings and recommendation regarding the site location.

CODE NO. 99UNC-S101B-P

Requested by: Senators Hartsell, Lee, Dalton, Perdue, Plyler, Odom

STUDY PREPAID TUITION PLANS AND COLLEGE SAVINGS PLANS

Section 10.21. The Board of Governors of The University of North Carolina shall study the structure, management, and use of prepaid tuition plans and college savings plans in North Carolina and make recommendations to the Joint Legislative Education Oversight Committee regarding how to make the plans more attractive to parents and grandparents in saving for college costs. In conducting the study, the Board of Governors shall consult with private colleges and universities and the Community Colleges System Office and shall also consider similar plans of other states, including Iowa and New York. The Board of Governors shall report its recommendations to the Joint Legislative Education Oversight Committee by April 1, 2000.

CODE NO. 99UNC-S100-P

Requested by: Senators Plyler, Perdue, Odom, Weinstein, Martin of Guilford, Hagan

UNC CARRYFORWARD

Section 10.22. Of the funds remaining in The University of North Carolina General Administration General Fund budget code 16010 credit balance on June 30, 1999, an amount of four hundred thousand dollars ($400,000) shall not revert to the General Fund but shall be carried forward for allocation by the Board of Governors. These funds may be used to assist the University of North Carolina at Pembroke in funding an addition to the Chancellor's residence and to assist North Carolina Agricultural and Technical State University in purchasing a new Chancellor's residence.

CODE NO. 99UNC-S102-P

Requested by: Senators Kerr, Perdue, Plyler, Odom, Dalton, Lee

UNC ANOREXIA/BULIMIA ENDOWED CHAIR

Section 10.23. Of the funds appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of four hundred thousand dollars ($400,000) for the 1999-2000 fiscal year shall be used to endow a chair for the study of anorexia and bulimia at the University of North Carolina at Chapel Hill School of Medicine, provided that the sum of two hundred thousand dollars ($200,000) is raised by The Anorexia/Bulimia Foundation of North Carolina or other private sources to match this appropriation. These funds shall not revert but shall be held in trust pending the receipt of the required matching funds.

99UNCCAP-H29.5

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

UNC ENROLLMENT/CAPITAL

Section 29.5. In this act the sum of twenty million dollars ($20,000,000) in additional capital improvement funds for facilities' renovations and repairs is appropriated to the Board of Governors of The University of North Carolina. The Board of Governors shall allocate these funds among the constituent institutions that are expected to grow in enrollment by twenty percent (20%) by fall, 2003 and who had facility condition and quality index ratings below The University of North Carolina System average, as identified in the report to the Board of Governors "Building for the New Millennium: Volume I".

The funds shall be allocated to the campuses meeting the above criteria, with fifty percent (50%) of the funds allocated based on relative dollar needs for repairs and renovations, and fifty percent (50%) of the funds allocated based on the relative facility condition and quality indices of these campuses.

The Board of Governors shall report the proposed allocation to the Joint Legislative Commission on Governmental Operations.

99UNCCAP-H29.6

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

UNC-CHARLOTTE CAPITAL FUNDS REALLOCATED

Section 29.6. Funds in the amount of twelve million dollars ($12,000,000) were appropriated for the 1998-99 fiscal year to the Board of Governors of The University of North Carolina for the University of North Carolina at Charlotte for capital projects. Of those funds appropriated in the 1998-99 fiscal year for capital projects at the University of North Carolina at Charlotte, the sum of two million five hundred thousand dollars ($2,500,000) shall be used for advanced planning of the Science and Technology Building at the University of North Carolina at Charlotte, and the balance of those funds shall be used for site preparation and for construction of Phase 1 of the Humanities Building at the University of North Carolina at Charlotte.

CODE NO. 99GEN-S001-P

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

KELLOGG CENTER FUNDS DO NOT REVERT

Section 29.6A.(a) Funds in the amount of six hundred eighty-one thousand two hundred seventy-seven dollars ($681,277) appropriated to the Board of Governors of The University of North Carolina for the building of the Center for Craft, Creativity and Design at the Kellogg Center of the University of North Carolina at Asheville shall not revert but shall remain available for expenditure for the project.

Section 29.6A.(b) This section becomes effective June 30, 1999.

CODE NO. 99UNC-S006-P

Requested by: Senators Dalton, Lee, Perdue, Plyler, Odom

POLYMERS CENTER OF EXCELLENCE FUNDS

Section 29.6B. Funds appropriated in Section 34.1 of S.L. 1997-443 to the Board of Governors of The University of North Carolina for the University of North Carolina at Charlotte for the "Construction of a new building for Polymer Extension Program" that remain unexpended or unobligated shall be transferred to the Polymers Center of Excellence for provision of facilities for operations of the Center.

CODE NO. 99UNC-S105

Requested by: Senators Lee, Dalton, Perdue

DENTAL SCHOLARSHIPS & LOANS/WORK UNDERSERVED AREAS

Section @. The Board of Governors of The University of North Carolina shall include in its conditions for receipt of a scholarship from the University of North Carolina Board of Governors Dental Scholarships Program the requirement that scholarship recipients provide dentistry services in underserved areas of the State upon graduation from the University of North Carolina at Chapel Hill School of Dentistry. The Board may adopt guidelines to implement this section.

99DPI-H8

ATTACHMENT 4

Requested by: Senators Lee, Dalton

CHARTER SCHOOL ADVISORY COMMITTEE/CHARTER SCHOOL EVALUATION

Section 8.(a) The State Board of Education may spend up to fifty thousand dollars ($50,000) each year from State Aid to Local School Administrative Units for the 1999-2000 and 2000-2001 fiscal years to continue support of a charter school advisory committee.

Section 8.(b) The State Board of Education may spend up to one hundred fifty thousand dollars ($150,000) each year from State Aid to Local School Administrative Units for the 1999-2000 and 2000-2001 fiscal years to conduct an evaluation of charter schools.

99DPI-H8.1

Requested by: Senators Lee, Dalton

LITIGATION RESERVE

Section 8.1.(a) Funds in the State Board of Education's Litigation Reserve that are not expended or encumbered on June 30, 1999, shall not revert on July 1, 1999, but shall remain available for expenditure until June 30, 2000.

Section 8.1.(b) Subsection (a) of this section becomes effective June 30, 1999.

Section 8.1.(c) The State Board of Education may expend up to five hundred thousand dollars ($500,000) for the 1999-2000 fiscal year from unexpended funds for certified employees' salaries to pay expenses related to pending litigation.

99DPI-H8.2

Requested by: Senators Lee, Dalton

EXCEPTIONAL CHILDREN

Section 8.2. The funds appropriated for exceptional children in this section shall be allocated as follows:

(1) Each local school administrative unit shall receive for academically gifted children the sum of seven hundred eighty-nine dollars and seventy-eight cents ($789.78) per child for four percent (4%) of the 1999-2000 allocated average daily membership in the local school administrative unit, regardless of the number of children identified as academically gifted in the local school administrative unit. The total number of children for which funds shall be allocated pursuant to this subdivision is 50,755 for the 1999-2000 school year.

(2) Each local school administrative unit shall receive for children with special needs the sum of two thousand three hundred seventy-four dollars and seventeen cents ($2,374.17) per child for the lesser of (i) all children who are identified as children with special needs or (ii) twelve and five-tenths percent (12.5%) of the 1999-2000 allocated average daily membership in the local school administrative unit. The maximum number of children for which funds shall be allocated pursuant to this subdivision is 151,965 for the 1999-2000 school year.

The dollar amounts allocated under this section for exceptional children shall also increase in accordance with legislative salary increments for personnel who serve exceptional children.

99DPI-H8.3

Requested by: Senators Lee, Dalton

ALTERNATIVE SCHOOLS/AT-RISK STUDENTS

Section 8.3. The State Board of Education may use up to two hundred thousand dollars ($200,000) of the funds in the Alternative Schools/At-Risk Student allotment each year for the 1999-2000 and for the 2000-2001 fiscal years to implement G.S. 115C-12(24).

99DPI-H8.4

Requested by: Senators Lee, Dalton

UNIFORM EDUCATION REPORTING SYSTEM (UERS)/STUDENT INFORMATION MANAGEMENT SYSTEM (SIMS) FUNDS

Section 8.4.(a) Funds appropriated for the Uniform Education Reporting System and the Student Information Management System shall not revert at the end of the 1999-2000 and 2000-2001 fiscal years, but shall remain available until expended.

Section 8.4.(b) This section becomes effective June 30, 1999.

CODE NO. 99DPI-H8.5D-P

Requested by: Senators Lee, Dalton

SUPPLEMENTAL FUNDING IN LOW-WEALTH COUNTIES

Section 8.5.(a) Funds for Supplemental Funding. -- The General Assembly finds that it is appropriate to provide supplemental funds in low-wealth counties to allow those counties to enhance the instructional program and student achievement; therefore, funds are appropriated to State Aid to Local School Administrative Units for the 1999-2000 fiscal year and the 2000-2001 fiscal year to be used for supplemental funds for schools.

Section 8.5.(b) Use of Funds for Supplemental Funding. -- All funds received pursuant to this section shall be used only (i) to provide instructional positions, instructional support positions, teacher assistant positions, clerical positions, instructional supplies and equipment, staff development, and textbooks, and (ii) for salary supplements for instructional personnel and instructional support personnel.

Local boards of education are encouraged to use at least twenty percent (20%) of the funds received pursuant to this section to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and children who are performing at Level I or II on the writing tests in grades 4 and 7. Local boards of education shall report to the State Board of Education on an annual basis on funds used for this purpose, and the State Board shall report this information to the Joint Legislative Education Oversight Committee.

Section 8.5.(c) Definitions. -- As used in this section:

(1) "Anticipated county property tax revenue availability" means the county-adjusted property tax base multiplied by the effective State average tax rate.

(2) "Anticipated total county revenue availability" means the sum of the:

a. Anticipated county property tax revenue availability,

b. Local sales and use taxes received by the county that are levied under Chapter 1096 of the 1967 Session Laws or under Subchapter VIII of Chapter 105 of the General Statutes,

c. Food stamp exemption reimbursement received by the county under G.S. 105-164.44C,

d. Homestead exemption reimbursement received by the county under G.S. 105-277.1A,

e. Inventory tax reimbursement received by the county under G.S. 105-275.1 and G.S. 105-277.001,

f. Intangibles tax distribution and reimbursement received by the county under G.S. 105-275.2, and

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

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

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

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

(6) "County-adjusted property tax base" shall be computed as follows:

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

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

c. Add to the resulting amount the:

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

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

3. Personal property value for the county.

(7) "County-adjusted property tax base per square mile" means the county-adjusted property tax base divided by the number of square miles of land area in the county.

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

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

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

c. Compute the percentage that the county-adjusted property tax base per square mile is of the State-adjusted property tax base per square mile and weight the resulting percentage by a factor of one-tenth,

d. Add the three weighted percentages to derive the county wealth as a percentage of the State average wealth.

(9) "Effective county tax rate" means the actual county tax rate multiplied by a weighted average of the three most recent annual sales assessment ratio studies.

(10) "Effective State average tax rate" means the average of effective county tax rates for all counties.

(10a) "Local current expense funds" means the most recent county current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

(11) "Per capita income" means the average for the most recent three years for which data are available of the per capita income according to the most recent report of the United States Department of Commerce, Bureau of Economic Analysis, including any reported modifications for prior years as outlined in the most recent report.

(12) "Sales assessment ratio studies" means sales assessment ratio studies performed by the Department of Revenue under G.S. 105-289(h).

(13) "State average current expense appropriations per student" means the most recent State total of county current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

(14) "State average adjusted property tax base per square mile" means the sum of the county-adjusted property tax bases for all counties divided by the number of square miles of land area in the State.

(14a) "Supplant" means to decrease local per student current expense appropriations from one fiscal year to the next fiscal year.

(15) "Weighted average of the three most recent annual sales assessment ratio studies" means the weighted average of the three most recent annual sales assessment ratio studies in the most recent years for which county current expense appropriations and adjusted property tax valuations are available. If real property in a county has been revalued one year prior to the most recent sales assessment ratio study, a weighted average of the two most recent sales assessment ratios shall be used. If property has been revalued the year of the most recent sales assessment ratio study, the sales assessment ratio for the year of revaluation shall be used.

Section 8.5.(d) Eligibility for Funds. -- Except as provided in subsection (h) of this section, the State Board of Education shall allocate these funds to local school administrative units located in whole or in part in counties in which the

county wealth as a percentage of the State average wealth is less than one hundred percent (100%).

Section 8.5.(e) Allocation of Funds. -- Except as provided in subsection (g) of this section, the amount received per average daily membership for a county shall be the difference between the State average current expense appropriations per student and the current expense appropriations per student that the county could provide given the county's wealth and an average effort to fund public schools. (To derive the current expense appropriations per student that the county could be able to provide given the county's wealth and an average effort to fund public schools, multiply the county wealth as a percentage of State average wealth by the State average current expense appropriations per student.)

The funds for the local school administrative units located in whole or in part in the county shall be allocated to each local school administrative unit, located in whole or in part in the county, based on the average daily membership of the county's students in the school units.

If the funds appropriated for supplemental funding are not adequate to fund the formula fully, each local school administrative unit shall receive a pro rata share of the funds appropriated for supplemental funding.

Section 8.5.(f) Formula for Distribution of Supplemental Funding Pursuant to This Section Only. -- The formula in this section is solely a basis for distribution of supplemental funding for low-wealth counties and is not intended to reflect any measure of the adequacy of the educational program or funding for public schools. The formula is also not intended to reflect any commitment by the General Assembly to appropriate any additional supplemental funds for low-wealth counties.

Section 8.5.(g) Minimum Effort Required. -- Counties that had effective tax rates in the 1996-97 fiscal year that were above the State average effective tax rate but that had effective rates below the State average in the 1997-98 fiscal year or thereafter shall receive reduced funding under this section. This reduction in funding shall be determined by subtracting the amount that the county would have received pursuant to Section 17.1(g) of Chapter 507 of the 1995 Session Laws from the amount that the county would have received if qualified for full funding and multiplying the difference by ten percent (10%). This method of calculating reduced funding shall apply one time only.

This method of calculating reduced funding shall not apply in cases in which the effective tax rate fell below the statewide average effective tax rate as a result of a reduction in the actual property tax rate. In these cases, the minimum effort required shall be calculated in accordance with Section 17.1(g) of Chapter 507 of the 1995 Session Laws.

If the county documents that it has increased the per student appropriation to the school current expense fund in the current fiscal year, the State Board of Education shall include this additional per pupil appropriation when calculating minimum effort pursuant to Section 17.1(g) of Chapter 507 of the 1995 Session Laws.

Section 8.5.(h) Nonsupplant Requirement. -- A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds. For the 1999-2001 fiscal biennium, the State Board of Education shall not allocate funds under this section to a county found to have used these funds to supplant local per student current expense funds. The State Board of Education shall make a finding that a county has used these funds to supplant local current expense funds in the prior year, or the year for which the most recent data are available, if:

(1) The current expense appropriation per student of the county for the current year is less than ninety-five percent (95%) of the average of the local current expense appropriations per student for the three prior fiscal years; and

(2) The county cannot show (i) that it has remedied the deficiency in funding, or (ii) that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.

The State Board of Education shall adopt rules to implement this section.

Section 8.5.(i) Reports. -- The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to May 1, 2000, if it determines that counties have supplanted funds.

Section 8.5.(j) Department of Revenue Reports. -- The Department of Revenue shall provide to the Department of Public Instruction a preliminary report for the current fiscal year of the assessed value of the property tax base for each county prior to March 1 of each year and a final report prior to May 1 of each year. The reports shall include for each county the annual sales assessment ratio and the taxable values of (i) total real property, (ii) the portion of total real property represented by the present-use value of agricultural land, horticultural land, and forestland as defined in G.S. 105-277.2, (iii) property of public service companies determined in accordance with Article 23 of Chapter 105 of the General Statutes, and (iv) personal property.

CODE NO. 99DPI-H8.6D-P

Requested by: Senators Lee, Dalton

SMALL SCHOOL SYSTEM SUPPLEMENTAL FUNDING

Section 8.6.(a) Funds for Small School Systems. -- Except as provided in subsection (b) of this section, the State Board of Education shall allocate funds appropriated for small school system supplemental funding (i) to each county school administrative unit with an average daily membership of fewer than 3,150 students and (ii) to each county school administrative unit with an average daily membership of from 3,150 to 4,000 students if the county in which the local school administrative unit is located has a county-adjusted property tax base per student that is below the State-adjusted property tax base per student and if the total average daily membership of all local school administrative units located within the county is from 3,150 to 4,000 students. The allocation formula shall:

(1) Round all fractions of positions to the next whole position.

(2) Provide five and one-half additional regular classroom teachers in counties in which the average daily membership per square mile is greater than four, and seven additional regular classroom teachers in counties in which the average daily membership per square mile is four or fewer.

(3) Provide additional program enhancement teachers adequate to offer the standard course of study.

(4) Change the duty-free period allocation to one teacher assistant per 400 average daily membership.

(5) Provide a base for the consolidated funds allotment of at least three hundred fifty-five thousand dollars ($355,000), excluding textbooks.

(6) Allot vocational education funds for grade 6 as well as for grades 7-12.

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

Section 8.6.(b) Nonsupplant Requirement. -- A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds. For the 1999-2001 fiscal biennium, the State Board of Education shall not allocate funds under this section to a county found to have used these funds to supplant local per student current expense funds. The State Board of Education shall

make a finding that a county has used these funds to supplant local current expense funds in the prior year, or the year for which the most recent data are available, if:

(1) The current expense appropriation per student of the county for the current year is less than ninety-five percent (95%) of the average of the local current expense appropriations per student for the three prior fiscal years; and

(2) The county cannot show (i) that it has remedied the deficiency in funding, or (ii) that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.

The State Board of Education shall adopt rules to implement this section.

Section 8.6.(c) Phase-Out Provisions. -- If a local school administrative unit becomes ineligible for funding under this formula solely because of an increase in the county-adjusted property tax base per student of the county in which the local school administrative unit is located, funding for that unit shall be phased out over a two-year period. For the first year of ineligibility, the unit shall receive the same amount it received for the prior fiscal year. For the second year of ineligibility, it shall receive one-half of that amount.

If a local school administrative unit becomes ineligible for funding under this formula solely because of an increase in the population of the county in which the local school administrative unit is located, funding for that unit shall be continued for five years after the unit becomes ineligible.

Section 8.6.(d) Definitions. -- As used in this section:

(1) "Average daily membership" means within two percent (2%) of the average daily membership as defined in the North Carolina Public Schools Allotment Policy Manual, adopted by the State Board of Education.

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

(2a) "Local current expense funds" means the most recent county current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

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

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

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

(5) "Weighted average of the three most recent annual sales assessment ratio studies" means the weighted average of the three most recent annual sales assessment ratio studies in the most recent years for which county current expense appropriations and adjusted property tax valuations are available. If real property in a county has been revalued one year prior to the most recent sales assessment ratio study, a weighted average of the two most recent sales assessment ratios shall be used. If property has been revalued during the year of the most recent sales assessment ratio study, the sales assessment ratio for the year of revaluation shall be used.

Section 8.6.(e) Reports. -- The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to May 1, 2000, if it determines that counties have supplanted funds.

Section 8.6.(f) Use of Funds. -- Local boards of education are encouraged to use at least twenty percent (20%) of the funds they receive pursuant to this section to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and children who are performing at Level I or II on the writing tests in grades 4 and 7. Local boards of education shall report to the State Board of Education on an annual basis on funds used for this purpose and the State Board shall report this information to the Joint Legislative Education Oversight Committee.

99DPI-H8.7

Requested by: Senators Lee, Dalton

FUNDS FOR NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS

Section 8.7.(a) Funds appropriated to the Department of Public Instruction in this act shall be used to pay for the National Board for Professional Teaching Standards (NBPTS) participation fee and for up to three days of approved paid leave for teachers participating in the NBPTS program during the 1999-2000 school year and the 2000-2001 fiscal year for State-paid teachers who (i) have completed three years of teaching in North Carolina schools operated by local boards of education, the Department of Health and Human Services, the Department of Correction, or The University of North Carolina, or affiliated with The University of North Carolina, prior to application for NBPTS certification, and (ii) have not previously received State funds for participating in any certification area in the NBPTS program. Teachers participating in the program shall take paid leave only with the approval of their supervisors.

A teacher for whom the State pays the participation fee (i) who does not complete the process or (ii) who completes the process but does not teach in a North Carolina public school for at least one year after completing the process, shall repay the certification fee to the State. Repayment is not required if the process is not completed or the teacher fails to teach for one year due to the death or disability of the teacher or other extenuating circumstances as may be recognized by the State Board.

Section 8.7.(b) The State Board shall adopt policies and guidelines to implement this section.

99DPI-H8.8

Requested by: Senators Lee, Dalton

FUNDS TO IMPLEMENT THE ABCs OF PUBLIC EDUCATION PROGRAM

Section 8.8.(a) Of the funds appropriated to State Aid to Local School Administrative Units, the State Board of Education shall provide incentive funding for schools that meet or exceed the projected levels of improvement in student performance, in accordance with the ABCs of Public Education Program. In accordance with State Board of Education policy, incentive awards in schools that achieve higher than expected improvements may be up to: (i) one thousand five hundred dollars ($1,500) for each teacher and for certified personnel; and (ii) five hundred dollars ($500.00) for each teacher assistant. In accordance with State Board of Education policy, incentive awards in schools that meet the expected improvements may be up to: (i) seven hundred fifty dollars ($750.00) for each teacher and for certified personnel; and (ii) three hundred seventy-five dollars ($375.00) for each teacher assistant.

Section 8.8.(b) The State Board of Education may use funds appropriated to State Aid to Local School Administrative Units for assistance teams to low-performing schools.

99DPI-H8.9

Requested by: Senators Lee, Dalton

SUBSTITUTE TEACHERS

Section 8.9. If the average number of days teachers are absent in a local school administrative unit is higher than the statewide average, the local board of education shall determine the reasons unit average is high and shall develop a plan for decreasing the unit average.

CODE NO. 99DPI-H8.10D-P

Requested by: Senators Lee, Dalton

LIMITED ENGLISH PROFICIENCY

Section 8.10.(a) The State Board of Education shall develop guidelines for identifying and providing services to students with limited proficiency in the English language.

The State Board shall allocate these funds to local school administrative units and to charter schools under a formula that takes into account the average percentage of students in the units or the charters over the past three years who have limited English proficiency. If data for the prior three years are not available, the State Board shall use the most recent reliable data. The State Board shall allocate funds to a unit or a charter school only if (i) average daily membership of the unit or the charter school includes at least 20 students with limited English proficiency or (ii) students with limited English proficiency comprise at least two and one-half percent (2 1/2%) of the average daily membership of the unit or charter school. No unit or charter school shall receive funds for more than ten and six-tenths percent (10.6%) of its average daily membership.

Local school administrative units shall use funds allocated to them to pay for classroom teachers, teacher assistants, textbooks, classroom materials/instructional supplies/equipment, and staff development for students with limited English proficiency.

A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds.

Section 8.10.(b) The State Board of Education shall survey local school administrative units to determine whether schools are able to recruit and retain English as a Second Language (ESL) certified teachers. The State Board shall provide the results of this survey to the Joint Legislative Education Oversight Committee prior to March 15, 2000.

CODE NO. 99DPI-H8.11D-P

Requested by: Senators Lee, Dalton

DRIVING EDUCATION CERTIFICATES

Section 8.11. The State Board of Education may use funds appropriated for drivers education for the 1999-2000 fiscal year and for the 2000-2001 fiscal year for driving eligibility certificates.

99DPI-H8.12

Requested by: Senators Lee, Dalton

TEACHING FELLOWS ADMINISTRATIVE COSTS

Section 8.12. G.S. 115C-363.23A(f) reads as rewritten:

"(f) All funds appropriated to or otherwise received by the Teaching Fellows Program for scholarships, all funds received as repayment of scholarship loans, and all interest earned on these funds, shall be placed in a revolving fund. This revolving fund shall be used for scholarship loans granted under the Teaching Fellows Program. With the prior approval of the General Assembly in the Current Operations Appropriations Act, the revolving fund may also be used for campus and summer program support, and costs related to disbursement of awards and collection of loan repayments.

The Public School Forum, as administrator for the Teaching Fellows Program, may use up to one hundred fifty thousand dollars ($150,000) annually from the fund balance for costs associated with administration of the Teaching Fellows Program. These funds are in addition to funds required for collection costs related to loan repayments."

99DPI-H8.13

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

TEACHER SALARY SCHEDULES

Section 8.13.(a) Effective for the 1999-2000 school year, the Director of the Budget may transfer from the Reserve for Compensation Increase for the 1999-2000 fiscal year funds necessary to implement the teacher salary schedule set out in subsection (b) of this section, including funds for the employer's retirement and social security contributions and funds for annual longevity payments at one percent (1%) of base salary for 10 to 14 years of State service, one and one-half percent (1.5%) of base salary for 15 to 19 years of State service, two percent (2%) of base salary for 20 to 24 years of State service, and four and one-half percent (4.5%) of base salary for 25 or more years of State service, commencing July 1, 1999, for all teachers whose salaries are supported from the State's General Fund. These funds shall be allocated to individuals according to rules adopted by the State Board of Education. The longevity payment shall be paid in a lump sum once a year.

Section 8.13.(b) For the 1999-2000 school year, the following monthly salary schedules shall apply to certified personnel of the public schools who are classified as teachers. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

1999-2000 Monthly Salary Schedule
"A" Teachers

Years of Experience	"A" Teachers	NBPTS Certification
0	$2,405	N/A
1	$2,447	N/A
2	$2,490	N/A
3	$2,668	$2,988
4	$2,824	$3,162
5	$2,951	$3,305
6	$3,052	$3,418
7	$3,099	$3,470
8	$3,147	$3,524
9	$3,196	$3,579
10	$3,245	$3,634
11	$3,294	$3,689
12	$3,344	$3,745
13	$3,396	$3,803
14	$3,449	$3,862
15	$3,503	$3,923
16	$3,558	$3,984

1	17	$3,614	$4,047
2	18	$3,671	$4,111
3	19	$3,729	$4,176
4	20	$3,789	$4,243
5	21	$3,850	$4,312
6	22	$3,913	$4,382
7	23	$3,976	$4,453
8	24	$4,040	$4,524
9	25	$4,105	$4,597
10	26	$4,172	$4,672
11	27	$4,241	$4,749
12	28	$4,311	$4,828
13	29+	$4,382	$4,907
14			
15		1999-2000 Monthly Salary Schedule	
16		"G" Teachers	
17			
18	Years of	"G"	NBPTS
19	Experience	Teachers	Certification
20			
21	0	$2,555	N/A
22	1	$2,600	N/A
23	2	$2,646	N/A
24	3	$2,835	$3,175
25	4	$3,001	$3,361
26	5	$3,135	$3,511
27	6	$3,243	$3,632
28	7	$3,293	$3,688
29	8	$3,344	$3,745
30	9	$3,396	$3,803
31	10	$3,448	$3,861
32	11	$3,500	$3,920
33	12	$3,553	$3,979
34	13	$3,608	$4,040
35	14	$3,665	$4,104
36	15	$3,722	$4,168
37	16	$3,780	$4,233
38	17	$3,840	$4,300
39	18	$3,900	$4,368
40	19	$3,962	$4,437
41	20	$4,026	$4,509
42	21	$4,091	$4,581
43	22	$4,158	$4,656
44	23	$4,225	$4,732

24	$4,293	$4,808
25	$4,362	$4,885
26	$4,433	$4,964
27	$4,506	$5,046
28	$4,580	$5,129
29+	$4,656	$5,214

Section 8.13.(b1) Certified public school teachers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "G" teachers. Certified public school teachers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "G" teachers.

Section 8.13.(c) Effective for the 1999-2000 school year, the first step of the salary schedule for school psychologists shall be equivalent to Step 5, corresponding to five years of experience, on the salary schedule established in this section for certified personnel of the public schools who are classified as "G" teachers. Certified psychologists shall be placed on the salary schedule at an appropriate step based on their years of experience. Certified psychologists shall receive longevity payments based on years of State service in the same manner as teachers.

Certified psychologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified psychologists. Certified psychologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified psychologists.

Section 8.13.(d) Effective for the 1999-2000 school year, speech pathologists who are certified as speech pathologists at the masters degree level and audiologists who are certified as audiologists at the masters degree level and who are employed in the public schools as speech and language specialists and audiologists shall be paid on the school psychologist salary schedule.

Speech pathologists and audiologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for speech pathologists and audiologists. Speech pathologists and audiologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for speech pathologists and audiologists.

1 Section 8.13.(e) Certified school nurses who are employed in the public
2 schools as nurses shall be paid on the "G" salary schedule.

99DPI-H8.14

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

SCHOOL-BASED ADMINISTRATOR SALARIES

Section 8.14.(a) Funds appropriated to the Reserve for Compensation Increase shall be used for the implementation of the salary schedule for school-based administrators as provided in this section. These funds shall be used for State-paid employees only.

Section 8.14.(b) The base salary schedule for school-based administrators shall apply only to principals and assistant principals. The base salary schedule for the 1999-2000 fiscal year, commencing July 1, 1999, is as follows:

1999-2000
Principal and Assistant Principal Salary Schedules

Classification

Yrs. of Exp	1 Assist Principal	1 Prin I (0-10)	2 Prin II (11-21)	3 Prin III (22-32)	4 Prin IV (33-43)	5 Prin V (44-54)
4	$3,031	--	--	--	--	--
5	$3,166	--	--	--	--	--
6	$3,275	--	--	--	--	--
7	$3,326	--	--	--	--	--
8	$3,377	$3,377	--	--	--	--
9	$3,430	$3,430	--	--	--	--
10	$3,482	$3,482	$3,535	--	--	--
11	$3,535	$3,535	$3,589	--	--	--
12	$3,589	$3,589	$3,644	$3,702	--	--
13	$3,644	$3,644	$3,702	$3,759	$3,818	--
14	$3,702	$3,702	$3,759	$3,818	$3,878	$3,939
15	$3,759	$3,759	$3,818	$3,878	$3,939	$4,002
16	$3,818	$3,818	$3,878	$3,939	$4,002	$4,066
17	$3,878	$3,878	$3,939	$4,002	$4,066	$4,132
18	$3,939	$3,939	$4,002	$4,066	$4,132	$4,200
19	$4,002	$4,002	$4,066	$4,132	$4,200	$4,267
20	$4,066	$4,066	$4,132	$4,200	$4,267	$4,336
21	$4,132	$4,132	$4,200	$4,267	$4,336	$4,406
22	$4,200	$4,200	$4,267	$4,336	$4,406	$4,477
23	$4,267	$4,267	$4,336	$4,406	$4,477	$4,551
24	$4,336	$4,336	$4,406	$4,477	$4,551	$4,626
25	$4,406	$4,406	$4,477	$4,551	$4,626	$4,703

26	$4,477	$4,477	$4,551	$4,626	$4,703	$4,797
27	$4,551	$4,551	$4,626	$4,703	$4,797	$4,893
28	$4,626	$4,626	$4,703	$4,797	$4,893	$4,991
29	$4,703	$4,703	$4,797	$4,893	$4,991	$5,091
30	$4,797	$4,797	$4,893	$4,991	$5,091	$5,193
31	$4,893	$4,893	$4,991	$5,091	$5,193	$5,297
32		$4,991	$5,091	$5,193	$5,297	$5,403
33			$5,193	$5,297	$5,403	$5,511
34			$5,297	$5,403	$5,511	$5,621
35				$5,511	$5,621	$5,733
36				$5,621	$5,733	$5,848
37					$5,848	$5,965
38						$6,084
39						
40						
41						

1999-2000

Principal and Assistant Principal Salary Schedules

Classification

Yrs. of Exp	6 Prin VI (55-65)	7 Prin VII (66-100)	8 Prin VIII (101+)
4	--	--	--
5	--	--	--
6	--	--	--
7	--	--	--
8	--	--	--
9	--	--	--
10	--	--	--
11	--	--	--
12	--	--	--
13	--	--	--
14	--	--	--
15	--	--	--
16	$4,132	--	--
17	$4,200	$4,336	--
18	$4,267	$4,406	$4,477
19	$4,336	$4,477	$4,551
20	$4,406	$4,551	$4,626

21	$4,477	$4,626	$4,703
22	$4,551	$4,703	$4,797
23	$4,626	$4,797	$4,893
24	$4,703	$4,893	$4,991
25	$4,797	$4,991	$5,091
26	$4,893	$5,091	$5,193
27	$4,991	$5,193	$5,297
28	$5,091	$5,297	$5,403
29	$5,193	$5,403	$5,511
30	$5,297	$5,511	$5,621
31	$5,403	$5,621	$5,733
32	$5,511	$5,733	$5,848
33	$5,621	$5,848	$5,965
34	$5,733	$5,965	$6,084
35	$5,848	$6,084	$6,206
36	$5,965	$6,206	$6,330
37	$6,084	$6,330	$6,457
38	$6,206	$6,457	$6,586
39	$6,330	$6,586	$6,718
40	$6,457	$6,718	$6,852
41		$6,852	$6,989

Section 8.14.(c) The appropriate classification for placement of principals and assistant principals on the salary schedule, except for principals in alternative schools, shall be determined in accordance with the following schedule:

Classification	**Number of Teachers Supervised**
Assistant Principal	
Principal I	Fewer than 11 Teachers
Principal II	11-21 Teachers
Principal III	22-32 Teachers
Principal IV	33-43 Teachers
Principal V	44-54 Teachers
Principal VI	55-65 Teachers
Principal VII	66-100 Teachers
Principal VIII	More than 100 Teachers

The number of teachers supervised includes teachers and assistant principals paid from State funds only; it does not include teachers or assistant principals paid from non-State funds or the principal or teacher assistants.

The beginning classification for principals in alternative schools shall be the Principal III level. Principals in alternative schools who supervise 33 or more teachers shall be classified according to the number of teachers supervised.

Section 8.14.(d) A principal shall be placed on the step on the salary schedule that reflects total number of years of experience as a certificated employee

of the public schools and an additional step for every three years of experience as a principal.

Section 8.14.(e) For the 1999-2000 fiscal year, a principal or assistant principal shall be placed on the appropriate step plus one percent (1%) if:

(1) The employee's school met or exceeded the projected levels of improvement in student performance for the 1997-98 fiscal year, in accordance with the ABCs of Public Education Program; or

(2) The local board of education found in 1997-98 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school; or

(3) The employee's school met or exceeded the projected levels of improvement in student performance for the 1998-99 fiscal year, in accordance with the ABCs of Public Education Program; or

(4) The local board of education found in 1998-99 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school.

The principal or assistant principal shall be placed on the appropriate step plus an additional one percent (1%) for meeting each additional condition set out in subdivisions (1) through (4). Under no circumstance shall placement of a principal or assistant principal be higher than four percent (4%) above the appropriate step on the salary schedule.

Section 8.14.(f) For the 1999-2000 fiscal year, a principal or assistant principal shall receive a lump-sum payment of:

(1) One percent (1%) of his or her State-paid salary if the employee's school meets or exceeds the projected levels of improvement in student performance for the 1999-2000 fiscal year, in accordance with the ABCs of Public Education Program.

(2) One percent (1%) of his or her State-paid salary if the local board of education finds that the employee's school has met the 1999-2000 goals of the local plan for maintaining a safe and orderly school.

The principal or assistant principal shall receive a lump-sum payment of two percent (2%) if the conditions set out in both subdivisions (1) and (2) are satisfied.

The lump sum shall be paid as determined by guidelines adopted by the State Board. Except as provided in subsection (l) of this section, placement on the salary schedule in the following year shall be based upon these increases.

Section 8.14.(g) Principals and assistant principals with certification based on academic preparation at the six-year degree level shall be paid a salary supplement of one hundred twenty-six dollars ($126.00) per month and at the doctoral degree level shall be paid a salary supplement of two hundred fifty-three dollars ($253.00) per month.

Section 8.14.(h) There shall be no State requirement that superintendents in each local school unit shall receive in State-paid salary at least one percent (1%) more than the highest paid principal receives in State salary in that

school unit: Provided, however, the additional State-paid salary a superintendent who was employed by a local school administrative unit for the 1992-93 fiscal year received because of that requirement shall not be reduced because of this subsection for subsequent fiscal years that the superintendent is employed by that local school administrative unit so long as the superintendent is entitled to at least that amount of additional State-paid salary under the rules in effect for the 1992-93 fiscal year.

Section 8.14.(i) Longevity pay for principals and assistant principals shall be as provided for State employees under the State Personnel Act.

Section 8.14.(j)

(1) If a principal is reassigned to a higher job classification because the principal is transferred to a school within a local school administrative unit with a larger number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the higher job classification.

(2) If a principal is reassigned to a lower job classification because the principal is transferred to a school within a local school administrative unit with a smaller number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the lower job classification.

This subdivision applies to all transfers on or after the effective date of this section, except transfers in school systems that have been created, or will be created, by merging two or more school systems. Transfers in these merged systems are exempt from the provisions of this subdivision for one calendar year following the date of the merger.

Section 8.14.(k) Participants in an approved full-time masters in school administration program shall receive up to a 10-month stipend at the beginning salary of an assistant principal during the internship period of the masters program. Certification of eligible full-time interns shall be supplied to the Department of Public Instruction by the Principal's Fellow Program or a school of education where the intern participates in a full-time masters in school administration.

Section 8.14.(l) During the 1999-2000 fiscal year, the placement on the salary schedule of an administrator with a one-year provisional assistant principal's certificate shall be at the entry-level salary for an assistant principal or the appropriate step on the teacher salary schedule, whichever is higher. Lump-sum payments received pursuant to subsection (f) of this section shall not be considered in placing the employee on the salary schedule in subsequent years that the employee is employed under either a provisional or a full certificate.

99DPI-H8.15

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

SCHOOL CENTRAL OFFICE SALARIES

Section 8.15.(a) The following monthly salary ranges apply to assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers for the 1999-2000 fiscal year, beginning July 1, 1999:

(1)	School Administrator I:	$2,932 - $5,003
(2)	School Administrator II:	$3,112 - $5,310
(3)	School Administrator III:	$3,303 - $5,636
(4)	School Administrator IV:	$3,436 - $5,863
(5)	School Administrator V:	$3,574 - $6,101
(6)	School Administrator VI:	$3,792 - $6,475
(7)	School Administrator VII:	$3,945 - $6,737

The local board of education shall determine the appropriate category and placement for each assistant superintendent, associate superintendent, director/coordinator, supervisor, or finance officer within the salary ranges and within funds appropriated by the General Assembly for central office administrators and superintendents. The category in which an employee is placed shall be included in the contract of any employee hired on or after July 1, 1999.

Section 8.15.(b) The following monthly salary ranges apply to public school superintendents for the 1999-2000 fiscal year, beginning July 1, 1999:

(1)	Superintendent I (Up to 2,500 ADM):	$4,187 - $7,150
(2)	Superintendent II (2,501 - 5,000 ADM):	$4,445 - $7,585
(3)	Superintendent III (5,001 - 10,000 ADM):	$4,716 - $8,050
(4)	Superintendent IV (10,001 - 25,000 ADM):	$5,005 - $8,542
(5)	Superintendent V (Over 25,000 ADM):	$5,312 - $9,066

The local board of education shall determine the appropriate category and placement for the superintendent based on the average daily membership of the local school administrative unit and within funds appropriated by the General Assembly for central office administrators and superintendents.

Notwithstanding the provisions of this subsection, a local board of education may pay an amount in excess of the applicable range to a superintendent who is entitled to receive the higher amount under Section 8.14 of this act.

Section 8.15.(c) Longevity pay for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers shall be as provided for State employees under the State Personnel Act.

Section 8.15.(d) Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for pursuant to this section. Superintendents, assistant superintendents, associate superintendents, directors/coordinators,

supervisors, and finance officers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for under this section.

Section 8.15.(e) The State Board shall not permit local school administrative units to transfer State funds from other funding categories for salaries for public school central office administrators.

Section 8.15.(f) The Director of the Budget shall transfer from the Reserve for Compensation Increase created in this act for fiscal year 1999-2000, beginning July 1, 1999, funds necessary to provide an average annual salary increase of three percent (3%), including funds for the employer's retirement and social security contributions, commencing July 1, 1999, for all permanent full-time personnel paid from the Central Office Allotment. The State Board of Education shall allocate these funds to local school administrative units. The local boards of education shall establish guidelines for providing their salary increases to these personnel.

Section 8.15.(g) Any person who was employed on July 1, 1999, as a permanent public school employee whose salary is set by or under this section shall receive a compensation bonus, payable at the end of the first pay period, of one hundred twenty-five dollars ($125.00). For permanent part-time employees, the compensation bonus provided by this section shall be adjusted pro rata. Notwithstanding G.S. 135-1(7a), the compensation bonus provided by this section is not compensation under Article 1 of Chapter 135 of the General Statutes, the Teachers' and State Employees' Retirement System.

99DPI-H8.16

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

NONCERTIFIED PERSONNEL SALARY FUNDS/TEACHER ASSISTANT SALARY FUNDS

Section 8.16.(a) The Director of the Budget may transfer from the Reserve for Compensation Increase created in this act for fiscal year 1999-2000, commencing July 1, 1999, funds necessary to provide a salary increase of three percent (3%), including funds for the employer's retirement and social security contributions, commencing July 1, 1999, for all noncertified public school employees whose salaries are supported from the State's General Fund. Local boards of education shall increase the rates of pay for all such employees who were employed during fiscal year 1998-99 and who continue their employment for fiscal year 1999-2000 by at least three percent (3%), commencing July 1, 1999. These funds shall not be used for any purpose other than for the salary increases and necessary employer contributions provided by this section.

The State Board of Education may enact or create salary ranges for noncertified personnel to support increases of three percent (3%) for the 1999-2000 fiscal year.

Section 8.16.(b) Effective July 1, 1999, any person who was employed on the first day of the 1999-2000 school year as a permanent public school employee whose salary is set by or under this section shall receive a compensation bonus, payable at the end of the employee's first pay period, of one hundred twenty-five dollars ($125.00). For permanent part-time employees, the compensation bonus provided by this section shall be adjusted pro rata.

CODE NO. 99DPI-H8.17D-P

Requested by: Senators Lee, Dalton

STUDENT ACCOUNTABILITY STANDARDS

Section 8.17. Funds appropriated for the 1999-2001 fiscal biennium for Student Accountability Standards shall be used to assist students in performing at or above grade level in reading and mathematics in grades 3-8 as measured by the State's end-of-grade tests. The State Board of Education shall allocate these funds to local school administrative units based on the number of students who score at Level I or Level II on either reading or mathematics end-of-grade tests in grades 3-8. Funds in this allocation category shall be spent only to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and children who are performing at Level I or II on the writing tests in grades 4 and 7. These funds shall not be transferred to other allocation categories or otherwise used for other purposes. Except as otherwise provided by law, local boards of education may transfer other funds available to them into this allocation category.

The principal of a school receiving these funds, in consultation with the faculty and the site-based management team, shall incorporate plans for expending these funds to improve the performance of students.

Continuation budget funds previously appropriated for NC Helps and for the middle school pilot project shall be transferred to this allocation category.

Local boards of education are encouraged to use federal funds such as Goals 2000 and Title I Comprehensive School Reform Development Funds and to examine the use of State funds to ensure that every student is performing at or above grade level in reading and mathematics.

The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly on the implementation of this section. The report may include recommendations regarding the transfer of other funds into this allocation category.

99DPI-H8.18

Requested by: Senators Lee, Dalton

APPROPRIATION OF FUNDS FROM STATE LITERARY FUND

Section 8.18. There is appropriated from the State Literary Fund to the Department of Public Instruction the sum of two million five hundred thousand dollars ($2,500,000) for the 1999-2000 fiscal year for aid to local school administrative units.

99DPI-H8.19

Requested by: Senators Lee, Dalton

TRANSFER FROM UNEMPLOYMENT RESERVE FUND

Section 8.19. The State Board of Education shall transfer the sum of eight hundred fifty thousand dollars ($850,000) from the Unemployment Reserve Fund to the General Fund in the 1999-2000 fiscal year. Of the funds appropriated in Section 2 of this act to the Department of Public Instruction, the sum of eight hundred fifty thousand dollars ($850,000) in fiscal year 1999-2000 is to be used as a part of State Aid to Local School Administrative Units. These funds are intended to provide educational programs similar to the State and federal programs that comprise the unemployment reserve.

99DPI-H8.20

Requested by: Senators Lee, Dalton

HIGH SCHOOL EXIT EXAMS

Section 8.20. Of the funds appropriated to State Aid to Local School Administrative Units, the State Board of Education may use up to two million dollars ($2,000,000) for the 1999-2000 fiscal year to develop a high school exit examination.

The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to the expenditure of these funds.

99DPI-H8.21

Requested by: Senators Lee, Dalton

CENTRAL OFFICE ADMINISTRATOR SALARY STUDY

Section 8.21. The Joint Legislative Education Oversight Committee shall study the issue of salaries for school central office to provide full funding of the central office funding and the need to provide additional funding for this purpose. The Department of Public Instruction shall provide to the Committee all information and data requested to perform the study. The Committee shall report the results of this study to the General Assembly prior to the convening of the 2000 Regular Session of the General Assembly.

99DPI-H8.22

Requested by: Senators Lee, Dalton

MENTOR PROGRAM STUDY

Section 8.22. The State Board of Education shall study the mentor program for teachers with initial certification. In the course of the study the State Board of Education shall consider:

(1) Whether there is sufficient release time for the mentor and the teacher with initial certification to work together;

(2) Whether the mentor and the teacher with initial certification are in the same school and are teaching in the same grade level and area of certification; and

(3) The level of satisfaction with the program of mentors and initially certified teachers participating in the program.

The State Board of Education shall report the results of the study to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly.

Requested by: Senators Lee, Dalton

NEED FOR SCHOOL NURSES/STUDY

Section 8.23. The Joint Legislative Education Oversight Committee shall examine the need for additional nurses in the public schools. If the Committee finds that additional nurses are necessary, the Committee shall forward the results of the study to the nonprofit corporation created pursuant to subparagraph VI.A.1 of the Consent Decree and Final Judgment entered in that action of 98 CVS 14377 on December 21, 1998, and approved by the General Assembly in S.L. 1999-2.

99DPI-H8.24

Requested by: Senators Lee, Dalton

STUDY OF SCHOOL TRANSPORTATION FOR CHILDREN WITH SPECIAL NEEDS

Section 8.24. The State Board of Education shall study the issue of school transportation for children with special needs. In the course of the study, the State Board shall consider the difficulty local school administrative units are having in meeting the length of school day requirements for these children. The State Board shall report the results of the study and its recommendations to the Joint Legislative Education Oversight Committee prior to January 1, 2000.

The State Board of Education may spend up to fifty thousand dollars ($50,000) from funds appropriated for public school transportation to perform this study.

CODE NO. 99DPI-H8.25D-P

Requested by: Senators Lee, Dalton, Carter

ALTERNATIVE SCHOOLS/MODIFICATIONS

Section 8.25.(a) G.S. 115C-47 reads as rewritten:

"**§ 115C-47. Powers and duties generally.**

In addition to the powers and duties designated in G.S. 115C-36, local boards of education shall have the power or duty:

. . .

(32a) To Develop Guidelines for Alternative Learning Programs. -- ~~Local boards~~ Each local board of education ~~are encouraged to~~ shall establish at least one alternative learning ~~programs. If these programs are established, local boards of education~~ program and shall adopt guidelines for assigning students to ~~them.~~ it. These guidelines shall include (i) a description of the programs and services to be provided, (ii) a process for ensuring that an assignment is appropriate for the student and that the student's parents are involved in the decision, and (iii) strategies for providing alternative learning programs, when feasible and appropriate, for students who are subject to long-term suspension or expulsion. In developing these guidelines, local boards are encouraged to consider the State Board's guidelines developed under G.S. 115C-12(24). Upon adoption of guidelines under this subdivision, local boards ~~are encouraged to~~ shall incorporate them in their safe school plans developed under G.S. 115C-105.47.

. . . ."

Section 8.25.(b) G.S. 115C-105.26(b) reads as rewritten:

"(b) When requested as part of a school improvement plan, the State Board of Education may grant waivers of:

(1) State laws pertaining to class size, teacher certification, ~~and~~ the duty-free period for classroom teachers under ~~G.S. 115C-301.1;~~ G.S. 115C-301.1, and the requirement that each local school administrative unit have an alternative learning program; and

(2) State rules and policies, except those pertaining to public school State salary schedules and employee benefits for school employees, the instructional program that must be offered under the Basic Education Program, the system of employment for public school teachers and administrators set out in G.S. 115C-287.1 and G.S. 115C-325, health and safety codes, compulsory attendance, the minimum lengths of the school day and year, and the Uniform Education Reporting System."

Section 8.25.(c) G.S. 115C-105.25(b) is amended by adding a new subdivision to read:

"(9) Funds allocated in the Alternative Schools/At-Risk Student allotment shall be spent only for at-risk students."

Section 8.25.(d) The State Board of Education shall develop a method of reporting expenditures from Alternative Schools/At-Risk Student allotments by the 2001-2002 school year. The State Board shall report to the Joint Legislative Education Oversight Committee on its progress in developing this reporting system.

99DPI-H8.26

Requested by: Senators Lee, Dalton

EXPAND SCHOOL BREAKFAST PROGRAM

Section 8.26.(a) The State Board of Education shall expand the school breakfast program to all students in kindergarten, prior to the beginning of the 2000-2001 school year. Any school that serves kindergarten students is eligible to receive funds under the program for the 1999-2000 fiscal year for those students. Schools participating in the program shall provide breakfast, without charge, to all kindergarten students.

If these funds are not adequate to expand the program to all students in schools that elect to participate for the 1999-2000 school year, the Board of Education shall give priority to schools with a high concentration of children who qualify for free or reduced price lunches.

Section 8.26.(b) This section becomes effective January 1, 2000.

99DPI-H8.27

Requested by: Senators Lee, Dalton

WILLIE M. FUNDS/STATE AID TO LOCAL SCHOOL ADMINISTRATIVE UNITS

Section 8.27. Funds appropriated to State Aid to Local School Administrative Units to provide services to Willie M. class members shall be spent only to provide services that are required by State and federal law to (i) children with special needs who were identified as members of the class at the time of dissolution of the class, and (ii) other children with special needs.

99DPI-H8.28

Requested by: Senators Lee, Dalton

CHARTER SCHOOLS/ADM REDUCTION

Section 8.28.(a) If the projected average daily membership of schools other than charter schools in a county school administrative unit with 3,000 or fewer students is decreased by more than four percent (4%) due to projected shifts of enrollment to charter schools, the State Board of Education may use funds appropriated to State Aid to Local School Administrative Units for the 1999-2000 fiscal year to reduce the loss of funds to the schools other than charter schools in the unit to a maximum of four percent (4%). This section applies to the 1999-2000 fiscal year only.

Section 8.28.(b) The State Board of Education shall study the impact of charter schools on local school administrative units. The State Board of Education shall report the results of the study to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly.

CODE NO. 99DPI-H8.30-D-P

Requested by: Senators Lee, Dalton

TEXTBOOK COMMISSION MEMBERSHIP EXPANSION

Section 8.30.(a) G.S. 115C-87 reads as rewritten:

"§ 115C-87. Appointment of Textbook Commission.

Shortly after assuming office, the Governor shall appoint a Textbook Commission of ~~14~~ 23 members who shall hold office for four years, or until their successors are appointed and qualified. The members of the Commission shall be appointed by the Governor upon recommendation of the Superintendent. Six of these members shall be teachers or principals in ~~the elementary grades;~~ grades K-5; five shall be teachers or principals in ~~the high school grades; one shall be a superintendent of a local school administrative unit;~~ grades 6-8; four shall be superintendents, teachers, or principals in grades 9-12; ~~one~~ three shall be ~~the parent of an elementary student, grades K-6,~~ parents of students in grades K-5 at the time of appointment; ~~and one shall be the parent of a high school student, grades 7-12,~~ three shall be parents of students in grades 6-8 at the time of ~~appointment.~~ appointment; and two shall be parents of students in grades 9-12 at the time of appointment. In making appointments, the Governor shall ensure that at least one principal and at least one superintendent serve on the Commission. The Governor shall fill all vacancies by appointment for the unexpired term. The Commission shall elect a chairman, subject to the approval of the Superintendent. The Commission shall meet four times a year or at the call of the chair. The members shall be entitled to compensation for each day spent on the work of the Commission as approved by the Board and to reimbursement for travel and subsistence expense incurred in the performance of their duties at the rates specified in G.S. 138-5(a). ~~Such compensation~~ Compensation shall be paid from funds available to the State Board of Education."

Section 8.30.(b) G.S. 115C-88 reads as rewritten:

"§ 115C-88. Commission to evaluate textbooks offered for adoption.

(a) The ~~members of the Commission who are teachers, principals or the parent of students~~ Commission shall evaluate all textbooks offered for adoption.

Each proposed textbook shall be read by at least one expert certified in the discipline for which the textbook would be used. The Commission may use external experts if no Commission member or advisory committee member qualifies as an expert certified in a particular discipline.

The Commission may consider any review of a proposed textbook by other experts certified in the discipline who are not involved in the textbook adoption process. However, these reviews may not substitute for the direct examination of the proposed textbook by a Commission member, an advisory committee member, or any other expert retained by the Commission.

(b) Each member shall examine carefully and file a written evaluation of each ~~textbook offered for adoption~~ proposed textbook for which the member is responsible.

The evaluation report shall give special consideration to the suitability of the textbook to the instructional level for which it is offered, the content or subject matter, whether the textbook is aligned with the standard course of study, and other criteria prescribed by the Board.

Each evaluation report shall be signed by the member making the report and filed with the Board not later than a day fixed by the Board when the call for adoption is made."

Section 8.30.(c) This section becomes effective January 1, 2000. Notwithstanding G.S. 115C-87, the additional members appointed to the Textbook Commission under this section shall hold office until the new Governor takes office in 2001 and their successors are appointed and qualified.

CODE NO. 99DPI-H8.31-D-P

Requested by: Senators Lee, Dalton

DIFFERENTIATED DIPLOMA STUDY

Section 8.31.(a) The Joint Legislative Education Oversight Committee may study the issue of differentiated high school diplomas. The Committee may report any findings and recommendations to the General Assembly prior to the convening of the 2000 Regular Session of the 1999 General Assembly, or prior to the convening of the 2001 General Assembly.

Section 8.31.(b) The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to implementing a differentiated diploma plan.

CODE NO. 99DPI-H8.32-D-P

Requested by: Senators Lee, Dalton

TEACHER ASSISTANT SALARY STUDY

Section 8.32. The Joint Legislative Education Oversight Committee shall review information and reports provided by the State Board of Education and shall conduct any further study the Committee deems necessary regarding the establishment of a teacher assistant salary schedule. The Committee shall report its findings and a recommendation on the establishment of a teacher assistant salary schedule to the General Assembly prior to the convening of the 2000 Regular Session of the 1999 General Assembly.

99DPI-H8.33

Requested by: Senators Lee, Dalton

STUDY OF THE RELATIONSHIP BETWEEN SCHOOL SIZE AND STUDENT BEHAVIOR AND PERFORMANCE

Section 8.33. The State Board of Education shall study the relationship between school size and the behavior and academic performance of students at the school. The State Board shall report the results of the study to the Joint Legislative Education Oversight Committee prior to April 15, 2000.

CODE NO. 99DPI-S001-P

Requested by: Senator Reeves

COOPERATION IN EDUCATION INFORMATION TECHNOLOGY

Section 8.34. On or before January 1, 2000, the State Board of Community Colleges, the State Board of Education, and the Board of Governors of The University of North Carolina shall submit a joint report to the General Assembly:

(1) Specifying those functions involving information technology systems, procedures and procurements that are amenable to collaboration among the North Carolina Community Colleges System Office, North Carolina community colleges, the Department of Public Instruction, local school administrative units, and The University of North Carolina and its constituent institutions;

(2) Recommending approaches to facilitate collaboration in these functions; and

(3) Including any necessary proposed legislation to accomplish that purpose.

The report shall be submitted to the chairs of the Senate Information Technology Standing Committee, the House Appropriations Subcommittee on Education, the Senate Appropriations Subcommittee on Education/Higher Education, the House Committee on Education, the Senate Committee on Education/Higher Education, the Fiscal Research Division, and the Information Services Division of the General Assembly.

99DPI-S8.35-P

Requested by: Senators Lee, Dalton, Odom

MECKLENBURG SCHOOL CONSTRUCTION

Section 8.35.(a) Prequalified bidders; solicited bid list. -- Notwithstanding G.S. 143-129, the Charlotte/Mecklenburg Board of Education ("Board") may prequalify a limited number of contractors for a school facility construction, rebuilding, or renovation contract ("contract" and "project") and solicit bids from some or all of those prequalified contractors. The Board shall attempt to prequalify and solicit sealed bids from at least five contractors and may not award a contract pursuant to this subsection unless it receives at least three bids from the group of prequalified contractors. The five-bid solicitation target and the three-proposal rule apply to each subdivision of work specified in G.S. 143-128(a) if the project is bid under the separate-prime or dual bidding systems authorized under G.S. 143-128(b), (d), and (d1).

The Board shall award the contract or contracts to the lowest responsible bidder or bidders, taking into consideration quality, performance, and the time specified in the bids for the performance of the project. Notwithstanding the first paragraph of this subsection, if the Board does not receive three or more proposals, it may again seek proposals for the project pursuant to this subsection and may award the contract to the lowest responsible bidder, even if only one proposal is received.

In prequalifying a contractor for purposes of this subsection, the Board may consider the contractor's relevant experience on the type of project to be bid, ability to meet the project schedule, financial strength, and the contractor's failure to perform satisfactorily on past projects or a current project. The Board's consideration of these factors shall be based upon objective information provided in the public record of the prequalification process. The Board shall notify a disqualified bidder at least seven days prior to the opening of bids.

This subsection applies only to renovation, repair, and rebuilding projects.

Section 8.35.(b) Construction management. -- Notwithstanding G.S. 143-128, 143-129, and 143-132, the Board may contract with a construction manager to manage and assume liability for the completion of a project. The construction manager shall be selected in the same manner that architects and engineers are selected pursuant to Article 3D of Chapter 143 of the General Statutes. If the Board receives bids under the separate-prime system and contracts with a construction manager who will be liable for the completion of the project, the Board may combine the lowest responsible bids in each subdivision of work into a single contract to be administered by the construction manager.

Section 8.35(c) Design-build. -- Notwithstanding G.S. 143-128, 143-129, and 143-132, the Board may use the design-build method of construction as follows:

(1) The Board shall seek to prequalify and solicit at least five design-build teams to bid on the project and shall receive sealed proposals from at least three of those teams. The request for proposals shall

contain a design criteria package that defines the project scope, including preliminary design and performance specifications, in a manner sufficient to allow the bidders to respond. This package should be developed by an architect.

(2) The Board shall interview at least three of the design-build teams that submit proposals. The Board shall award the contract to the best qualified team, taking into account the time of completion of the project and the cost of the project as the major factors.

Section 8.35.(d) Other methods. -- Nothing in this section limits the Board's use of any method of contracting already authorized by law under Articles 3D and 8 of Chapter 143 of the General Statutes.

Section 8.35.(e) Project bundling. -- The Board may award a single contract pursuant to this act covering multiple facilities and sites, except that all facilities for which such contract is awarded under this act for new construction shall be in the same grade level (elementary school, middle school, or high school) unless the facilities are part of a single campus.

Section 8.35(f) This section applies to the Charlotte/Mecklenburg Board of Education only.

Section 8.35(g) This section is effective when it becomes law and expires July 1, 2002.

CODE NO. 99DPI-S002.1

Requested by: Senators Lee and Dalton

ESTABLISH A PILOT PROGRAM TO TEST AND EVALUATE A REVISED SCHOOL ACCOUNTABILITY MODEL FOR THE ABC'S PLAN

Section @. The State Board of Education shall establish a pilot program in up to five local school administrative units for the purpose of determining whether revisions in the present school accountability model under the ABC's Plan are likely to result in more students demonstrating mastery of grade level subject matter and skills on the end-of-grade tests or demonstrating mastery of course subject matter or skills on end-of-course-tests. The revised school accountability model shall be common for all schools in all local school administrative units that participate in the pilot program. For purposes of the pilot program, the State Board shall disaggregate student performance within designated demographic groups or designated student performance level groups or both. The pilot school accountability model shall take into account student performance for each designated group and shall incorporate that performance in the overall school accountability model for the pilot program. The State-wide ABC's Plan school accountability model also shall apply to the participating schools.

During the 1999-2000 school year, the State Board shall select local school administrative units to participate in the pilot program. The units shall be located geographically throughout the State, have different demographic profiles, and must have volunteered to participate in the program. A local board must submit an application to the State Board in order to be considered for participation in the pilot program. Before a local board may submit an application to the State Board, it must hold a public meeting and pass a resolution specifically approving its participation in the pilot program. The State Board shall implement the pilot program in the participating units during the 2000-2001 school year.

Personnel in schools that participate in the pilot program and that achieve the pilot program school accountability goals shall be eligible to receive financial awards for that achievement. Personnel in schools that participate in the pilot program and that achieve the State-wide ABC's Plan school accountability goals also shall be eligible to receive financial awards under G.S. 115C-105.36. The financial awards for achieving the pilot program goals shall be separate from and may

be in addition to the financial awards that are provided under G.S. 115C-105.36. All other statutory and regulatory provisions of the State-wide ABC's Plan school accountability model shall apply to local school administrative units, schools, and school personnel that participate in the pilot program. Notwithstanding any other law and in accordance with G.S. 115C-325(a)(4), the following shall not constitute a demotion: the reduction or elimination of bonus payments under the pilot program; the termination of the pilot program in a local school administrative unit or all participating units; or the State-wide implementation of the pilot program school accountability model in the place of or as incorporated into the current ABC's plan school accountability standards.

The State Board shall set a uniform level of financial awards for personnel in schools that achieve the pilot program goals and the awards may be up to seven hundred fifty dollars ($750.00) for each teacher and certified personnel, and up to three hundred twenty-five dollars ($325.00) for each teacher assistant. The State Board shall establish a match of twenty-five percent (25%) in local funds for participating school units that do not qualify for Low Wealth or Small School supplemental funding. The match shall be used to meet the pilot program financial awards level in those school units.

The State Board shall evaluate the pilot program on an annual basis regarding its implementation in each participating unit, the student performance achieved by schools participating in the pilot, how that performance compares with the State-wide results under the ABC'S Plan. The State Board also shall determine whether the pilot program should be continued or terminated in each unit. The State Board may, in its discretion, terminate the pilot program in a local school administrative unit. The State Board shall terminate the pilot program in a local school administrative unit at the request of the unit's local board of education. However, the State Board shall not terminate a pilot program in a participating unit during the school year.

The State Board shall make a preliminary report to the Joint Legislative Legislative Education Oversight Committee by November 15, 1999 and prior to the selection of any local school administrative units to participate in the pilot program regarding the development of the revised school accountability model for the pilot program and the selection of local school administrative units to participate in the program. The Committee shall review the report and may make any

1 recommendations to the State Board the Committee deems
2 appropriate. The State Board shall report again to the Joint
3 Legislative Education Oversight Committee prior to March 15, 2001
4 regarding the selection of participating school administrative
5 units, the implementation of the pilot program, the estimated
6 cost of providing bonuses under the pilot program, and possible
7 sources of funds for the bonuses. The State Board also shall
8 report to the Joint Legislative Education Oversight Committee by
9 October 15, 2001, and annually thereafter, its findings and
10 recommendations regarding the continued implementation,
11 expansion, and modification of the pilot program.
12 The Joint Legislative Education Oversight Committee
13 shall study issues related to the development of a revised school
14 accountability model including the dissagregation of student
15 performance, models used in other states, and possible sources of
16 funds for bonuses under a revised mode. The Committee may report
17 its findings and recommendations to the 2000 Regular Session of
18 the General Assembly, or to the 2001 General Assembly.
19 This section is effective July 1, 1999 and expires with
20 the payment of pilot program incentive awards for the 2004-2005
21 school year.

J

VISITOR REGISTRATION SHEET

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Tuesday, June 15, 1999 – 12 :00 Noon

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	NCPCU
[illegible]	TMP/HP
[illegible]	SBE
Elizabeth Grovenstein	OSBM
Chris Walker	NC Ed + Law
[illegible]	NCAICU
Karen Gark	Governor's Office
Roberta Forbes	Gov's Office
[illegible]	NCAE
Leanne Winner	NCSBA
Evelyn Hawthorne	UNC-CH

VISITOR REGISTRATION SHEET

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Tuesday, June 15, 1999 – 12 :00 Noon

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Gene Causby	NC SFSA
Clifton Whitehead	UNC GA
Jan Pratt	NCASA
Jan Ramquest	NCATA
Glenn Morris	PSF
Harriet Diel	NCAE
~~John D. Wells~~	
Jim Barton	NC DPI
Philip Price	"
Janet Pittard	OSBM
Maurice Kay	"

VISITOR REGISTRATION SHEET

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Tuesday, June 15, 1999 – 12 :00 Noon

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible] Grogan	UNC
[illegible] Bryd	NCCCS
Daniel Brown	NCCCS
Hal Miller	NCACCT
[illegible] Adams	OSBM
Austin Bunch	ECU
Erin Culbreth	Sen. K. Moore
Suzanne Williams	NCCCS
[illegible]	Legislative Asst. Sen. Dalton
Theresa Tornydwal	NCAE
Glen Strickland	NCAE
Debbie Metcalf	NCAE

VISITOR REGISTRATION SHEET

APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Tuesday, June 15, 1999 – 12 :00 Noon

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Debbie Cromer	NCAE
Jan I Ban	NCAE
Janette Matt	NCAE
Jennifer Lerch	NCAE
Sally Jo Gilbert	NCAE
Cassandra H. Yongue	NCAE
Virginia Hoover	NCAE
Wayne Webb	NCAE
Will Jorgenson	NCAE

2000

JOINT APPROPRIATIONS – EDUCATION/HIGHER EDUCATION

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION 1999-2000

CO-CHAIRS

SENATOR HOWARD LEE
SENATOR WALTER DALTON

REPRESENTATIVE BOYD-McINTYRE
REPRESENTATIVE WARREN OLDHAM
REPRESENTATIVE GENE ROGERS

FISCAL RESEARCH STAFF

CHARLOTTE TODD
MONA MOON
JIM NEWLIN
PHILLIP PRICE

COMMITTEE ASSISTANTS

MIA BAILEY
SALLY GILLIS
CHRIS MINARD
DELTA PRINCE

APPROPRIATIONS SUBCOMMITTEE MEETINGS ON EDUCATION/HIGHER EDUCATION

LIST OF MEETINGS

May 23, 2000 – Joint

May 24, 2000 – Joint

June 6, 2000 – House

June 12, 2000 – House

June 15, 2000 – Senate

June 20, 2000 - Senate

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Membership List
1999-2000

SENATE MEMBERS

Senator Howard Lee, Co-Chair

Senator Walter Dalton, Co-Chair

Senator Charles Carter, Vice-Chair

Senator Fletcher Hartsell, Ranking Minority

Senator John Garwood

Senator Allen Wellons

Senator Kay Hagan

Senator Linda Garrou

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Membership List
1999 – 2000

HOUSE MEMBERS

Representative Gene Rogers, Co-Chair

Representative Warren Pete Oldham, Co Chair

Representative Flossie Boyd-McIntyre, Co-Chair

Representative Alex Warner, Vice-Chair

Representative Donald Bonner

Representative Harold Brubaker

Representative Charlotte Gardner

Representative Mitch Gillespie

Representative George Holmes

Representative Verla Insko

Representative Mickey Michaux

Representative Jean Preston

Representative Leonard Sossamon

Representative Ronald Smith

Representative W. B. Teague, Jr.

Representative Douglas Yongue

FISCAL STAFF

Charlotte Todd – Universities

Mona Moon – Community College System

Jim Newlin – Public Schools
Phillip Price

SENATE COMMITTEE ASSISTANT

Chris Minard 3-5645

HOUSE COMMITTEE ASSISTANTS

Mia Bailey 3-5905
Sally Gillis 5-3023
Delta Prince 5-3026

NORTH CAROLINA GENERAL ASSEMBLY

COMMITTEE SUMMARY REPORT

1999-2000 Biennium — HOUSE: APPROPRIATIONS--EDUCATION — Valid Through 1-AUG-2000

BILL	INTRODUCER	SHORT TITLE	LATEST ACTION ON BILL	IN DATE	OUT DATE
H 2=	**BLACK**	**EXCELLENT SCHOOLS ACT FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 6=	**BROWN**	**SCHOOL UTILITY COSTS PAID BY STATE**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 22	**WARNER**	**1/2 SCH. UTILITY COSTS/FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 23	**WARNER**	**COMM. COLLEGE SCHOLARSHIP PROGRAM**	***H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 52=	**YONGUE**	**LOW-WEALTH SCHOOL SUPP. FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 72	MCALLISTER	UNC TUITION/MILITARY STUDENTS	*H -RE-ASSIGNED TO APP-EDUC	05-10-99	
H 93=	GILLESPIE	EXTEND BOND MATCH DEADLINE	H -RE-ASSIGNED TO APP-EDUC	05-10-99	
H 101=	**NYE**	**TEACCH FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 148=	**WARREN EDITH**	**NC GEOGRAPHIC ALLIANCE FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 192	**PRESTON**	**SPECIAL EDUCATION FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 225	**ADAMS**	**NC A&T AGRICULTURAL RESEARCH FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 250	**CRAWFORD**	**MODEL TEACH CONSORTIUM FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 308	**TOLSON**	**ADD'L FUNDS FOR COMM. COLLEGE COSTS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 355=	**MOSLEY**	**SEAT BELTS ON NEW SCHOOL BUSES**	***H -RE-ASSIGNED TO APP-EDUC**	**04-19-99**	
H 372=	**INSKO**	**LEP STUDENT ASSISTANCE FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 374=	**NYE**	**CHRISTMAS TREE INDUSTRY FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 396	**RAYFIELD**	**COMM COLLEGE OPERATING FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 412	**MOORE R**	**COMM. COLLEGE MULTICAMPUS FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 413=	**MOORE R**	**UNCC FIRE SAFETY PROGRAM FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 422	**MORRIS**	**CENTRAL OFFICE/NON-CERT SALARY FUNDS**	**H -RE-ASSIGNED TO APP-EDUC**	**05-10-99**	
H 464=	**NESBITT**	**N. C. ARBORETUM FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 475=	**BRUBAKER**	**STAY SMART PROGRAM FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 479	**MICHAUX**	**TOBACCO ALTERNATIVES RESEARCH FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 483	**MOORE R**	**CIVIC EDUCATION PROGRAM FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 485=	**MOORE R**	**REMEDIATION DAYS FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 502	**EDWARDS**	**OCRACOKE SCHOOL/ADD'L TEACHER FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 518=	**MOORE R**	**ADD'L WORKDAYS/BEGINNING TEACHERS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 538	**MOORE R**	**SCIENCE & MATH SCHOOL FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 561=	**BADDOUR**	**SCH. BASED MANAGEMENT NETWORK FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 593	**ROGERS**	**SCHOOL CENTRAL OFFICE PERSONNEL FUND**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	

NOTES- = AFTER BILL NUMBER SHOWS THAT BILL IS IDENTICAL, AS INTRODUCED, TO ANOTHER BILL.
* AFTER NUMBERS INDICATES THAT TEXT OF BILL WAS ALTERED BY ACTION ON THE BILL.
BOLDED LINE INDICATES BILL INDEXED AS AFFECTING APPROPRIATIONS.

NORTH CAROLINA GENERAL ASSEMBLY

COMMITTEE SUMMARY REPORT

1999-2000 Biennium HOUSE: APPROPRIATIONS--EDUCATION Valid Through 1-AUG-2000

BILL	INTRODUCER	SHORT TITLE	LATEST ACTION ON BILL	IN DATE	OUT DATE
H 657	**MORRIS**	**SPECIAL EDUCATION FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 695	**GILLESPIE**	**FUNDS FOR LOW-WEALTH COMM. COLLEGES**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 696	**GILLESPIE**	**UTILITY FUNDS/LOW-WEALTH COMM. COLL.**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 741=	**GRADY**	**LOW-WEALTH SCHOOL SUPP. FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-05-99**	
H 834=	**MOORE R**	**EXPAND PUBLIC SCHOOL TECHNOLOGY**	**H -ASSIGNED TO APP-EDUC**	**04-12-99**	
H 864=	**REDWINE**	**TEACHER ACADEMY FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-12-99**	
H 912	**ARNOLD**	**CLASS-SIZE REDUCTION FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-12-99**	
H 913=	**ARNOLD**	**SUBSTITUTE TEACHER PAY FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-12-99**	
H 914	**ARNOLD**	**PRINCIPAL SALARY FUNDS**	**H -ASSIGNED TO APP-EDUC**	**04-12-99**	
H 915	ARNOLD	Y2K FUNDS FOR PUBLIC SCHOOLS	H -ASSIGNED TO APP-EDUC	04-12-99	
H 916	**ARNOLD**	**STATE SCHOOL TECHNOLOGY FUNDS - 2**	**H -ASSIGNED TO APP-EDUC**	**04-12-99**	
H 917	**ARNOLD**	**ALTERNATIVE SCHOOLS FUNDING**	**H -ASSIGNED TO APP-EDUC**	**04-12-99**	
H 960	**MICHAUX**	**UNC EQUITY FUNDING**	**H -ASSIGNED TO APP-EDUC**	**04-12-99**	
H 974=	**MOORE R**	**ACCELERATED SCHOOLS PROGRAM FUNDS**	**H -RE-ASSIGNED TO APP-EDUC**	**04-19-99**	
H 989	**NESBITT**	**SCHOOL BUS OPERATING FUNDS**	**H -RE-ASSIGNED TO APP-EDUC**	**04-19-99**	
H1011	**WARNER**	**COMM. COLLEGE SALARY EQUITY FUNDS**	**H -RE-ASSIGNED TO APP-EDUC**	**05-10-99**	
H1017	**JEFFUS**	**SUBSTITUTE TEACHER PAY RAISE**	**H -RE-ASSIGNED TO APP-EDUC**	**04-19-99**	
H1018	**JEFFUS**	**INTERNATIONAL BACCAL. PROG. FUNDS**	**H -RE-ASSIGNED TO APP-EDUC**	**04-19-99**	
H1040=	**ROGERS**	**COMM. COLL. IMPROVEMENT ACT OF 1999**	**H -RE-ASSIGNED TO APP-EDUC**	**04-19-99**	
H1058=	JEFFUS	TEACHER NAT'L CERTIFICATION FEE FUND	H -RE-ASSIGNED TO APP-EDUC	04-19-99	
H1081	**SAUNDERS**	**INFO. TECH. CTR. FUNDS**	**H -RE-ASSIGNED TO APP-EDUC**	**04-26-99**	
H1101	**CANSLER**	**ABC BONUSES FOR NONCERT. EMPLOYEES**	**H -RE-ASSIGNED TO APP-EDUC**	**05-10-99**	
H1121	**ARNOLD**	**SCHOOL BUS EFFICIENCY FORMULA FUNDS**	**H -RE-ASSIGNED TO APP-EDUC**	**04-19-99**	
H1148	MICHAUX	SCHOOL PROMOTION STANDARDS POSTPONED	H -ASSIGNED TO APP-EDUC	05-03-99	
H1215=	BADDOUR	LEADERSHIP NORTH CAROLINA FUNDS	H -RE-ASSIGNED TO APP-EDUC	04-19-99	
H1291=	**ROGERS**	**VOCATIONAL EDUC. FOUNDATION FUNDS**	**H -RE-ASSIGNED TO APP-EDUC**	**04-26-99**	
H1306	**MCLAWHORN**	**ECU PARTNER. FOR HUMAN SERVICES/FUND**	**H -RE-ASSIGNED TO APP-EDUC**	**04-26-99**	
H1323	**NYE**	**UNC INST. OF MED. FUNDS**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1337	**BOYD-MCINTYRE**	**SPECIAL NEEDS FUNDS**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1338=	**BOYD-MCINTYRE**	**TEACHER CADET PROGRAM FUNDS**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	

NOTES- = AFTER BILL NUMBER SHOWS THAT BILL IS IDENTICAL, AS INTRODUCED, TO ANOTHER BILL.
* AFTER NUMBERS INDICATES THAT TEXT OF BILL WAS ALTERED BY ACTION ON THE BILL.
BOLDED LINE INDICATES BILL INDEXED AS AFFECTING APPROPRIATIONS.

NORTH CAROLINA GENERAL ASSEMBLY

COMMITTEE SUMMARY REPORT

1999-2000 Biennium HOUSE: APPROPRIATIONS--EDUCATION Valid Through 1-AUG-2000

BILL	INTRODUCER	SHORT TITLE	LATEST ACTION ON BILL	IN DATE	OUT DATE
H1354	**DOCKHAM**	**WAKE FOREST MED. STIPEND FUNDS**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1356	**RUSSELL**	**DPI CONSTRUCTION ASSISTANCE FUNDS**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1359	**ALLRED**	**SEAT BELTS ON ACTIVITY BUSES**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1362	**JUSTUS**	**SCHOOL METAL DETECTOR FUNDS**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1367	**COLE**	**CHINQUA-PENN FUNDS**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1387	**MCALLISTER**	**SUCCESS IN EDUCATION ACT OF 1999**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1416	**YONGUE**	**CHILD NUTRITION PERSONNEL BONUS FUND**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1430	**BLUE**	**NCCU HOSP./TOURISM FUNDS**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1438	HUNTER	STUDY USE OF SCHOOL BOND FUNDS	H -ASSIGNED TO APP-EDUC	05-03-99	
H1442	**NESBITT**	**STATE SCHOOL TECHNOLOGY FUNDS-2**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1450	**ADAMS**	**SCHOOL BREAKFAST PROGRAM/FUNDS**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1454	**TOLSON**	**ANIMAL WASTE TECH. DEMO FUNDS**	**H -ASSIGNED TO APP-EDUC**	**05-03-99**	
H1496	**MITCHELL**	**NCSU POULTRY FACULTY FUNDS**	**H -ASSIGNED TO APP-EDUC**	**00-05-31**	
H1521=	**ADAMS**	**NC A&T COOP EXTEN FUNDS**	**H -ASSIGNED TO APP-EDUC**	**00-05-31**	
H1574=	MCCRARY	SUSPENDED STUDENT PLACEMENT PILOT	H -ASSIGNED TO APP-EDUC	00-05-31	
H1697=	**OLDHAM**	**CLOSE ACADEMIC ACHIEVEMENT GAP/FUNDS**	**H -ASSIGNED TO APP-EDUC**	**00-05-31**	
H1749	**ROGERS**	**FRESHWATER RESEARCH CENTER FUNDS**	**HF-POSTPONED INDEFINITELY**	**00-05-31**	**00-06-05**
H1762=	**INSKO**	**LEP STUDENT ASSISTANCE FUNDS**	**H -ASSIGNED TO APP-EDUC**	**00-05-31**	

NOTES- = AFTER BILL NUMBER SHOWS THAT BILL IS IDENTICAL, AS INTRODUCED, TO ANOTHER BILL.
* AFTER NUMBERS INDICATES THAT TEXT OF BILL WAS ALTERED BY ACTION ON THE BILL.
BOLDED LINE INDICATES BILL INDEXED AS AFFECTING APPROPRIATIONS.

Joint Appropriations Subcommittee on Education

May 23, 2000
Room 421 LOB

Representative Pete Oldham, Chairing

Agenda

Welcome and Opening Remarks	Chair
Governor's Education Budget Recommendations	Sue Adams Office of State Budget and Management
Presentation on Budget Requests:	
Public Schools	Superintendent Mike Ward
Community Colleges	President Martin Lancaster
University System	President Molly Broad
Private Colleges and Universities	Dr. Hope Williams

MINUTES
JOINT APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION

May 23, 2000
8:30 AM

The Joint Appropriations Subcommittee on Education met on Tuesday, May 23, 2000, at 8:30 am in Room 421 of the Legislative Office Building.

The following members were present: Chairpersons Eugene Rogers, Flossie Boyd-McIntyre, Warren Oldham, Howard Lee and Walter Dalton; Representatives Bonner, Gardner, Gillespie, Holmes, Insko, Michaux, Preston, Smith, Sossamon, Teague, Warner and Yongue; Senators Carter, Garrou, Garwood and Hagan; Fiscal staff - Mona Moon, Jim Newlin and Philip Price.

This meeting was called to order by Chairman Eugene Rogers. Chairman Rogers introduced a new committee member of the House from Cabarrus County, Representative Leonard B. Sossamon. Representative Sossamon replaced former Representative Richard Moore. Representative Gene Arnold, graduate students from NCSU (Education Administration), the Sgt. At Arms staff and Pages were also recognized by the Chairman.

The purpose of this meeting was to hear the recommendations for the Governor's Education Budget. Ms. Sue Adams, Office of State Budget and Management gave an overview of the Governor's "**Recommended Changes to the 2000-2001 State Budget**." This document is attached. She noted recommended adjustments in Public Education (pages 11-14), in Community Colleges (pages 15-18) and in the Universities (pages 19-22).

After Ms. Adams' overview, a question was raised concerning a possible $91 million shortfall and how to address it. Ms. Adams responded by noting that normal reversions had been built into the plans; however, some of these reversions had already been put in reserve for Hurricane Floyd. According to Ms. Adams, carryover obligations, cash flow and other possible areas of revenue will be carefully considered to address the possible shortfall. Other areas of concern were funding for distance learning and summer enrollment, defining "unrestricted reserve" items and increasing teacher compensation (master's degree candidates).

State Superintendent Michael E. Ward gave an overview of the budget needs for Public Schools. The following needs were addressed:

- Improving Student Accountability – Closing the Achievement Gap
- ABC's Incentive and Pilot Programs
- Implementation of Occupational Course of Study
- Additional Funds for Students with LEP (Limited English Proficiency)
- Academically or Intellectually Gifted Program
- Testing Requirements
- Textbook Warehouse
- School Technology
- Academic Content Standards
- Governor's School
- At-Risk Student Services/Alternative Schools
- Children with Disabilities
- Salary Increases

Superintendent Ward also noted the need for $7 million to be included in the school transportation budget for fuel costs next year. See the attached letter to "**Governor James B. Hunt, Jr.**" for further details of these budget requests. Areas of concern pertaining to the Public Schools budget requests were the $346 million overall net increase, changes in the formulation of qualifications to include minorities in the talented and gifted program, and additional ABC's incentives to increase student achievement and to help close of the gap.

Community Colleges President, H. Martin Lancaster thanked the Committee for its support of funding already in place and presented his budget for additional funding on behalf of the State Board of Community Colleges. His budget requests included enrollment adjustments, sustaining educational and economic opportunities, funding occupational continuing education, funding for libraries and learning centers, expanding access to learning, funding for enhancing system operations statewide, and funding for additional salary increases for instructors. President Lancaster also noted that funding for summer school was not included in the Governor's budget requests. See the attached "**State Board of Community Colleges 2000-01 Budget Request**" for additional information.

UNC System President, Molly Broad presented her budget adjustments pertaining to operating needs. President Broad first expressed concern that the Governor's budget requests did not include funding for repair and renovation for the university school system. She identified access to the university, improving productivity and competitiveness, and strengthening partnerships with K-12 and the business community as key priorities for current operations. See the attached "**2000-2001 Supplemental Budget Request - UNC**" for explanations of budget requests.

Due to the lack of time, Chairman Rogers announced that Dr. Hope Williams would make her presentation on the morning of the next meeting. This meeting adjourned at 10:00 am.

A **Visitor Registration Sheet** is attached and also made a part of these minutes.

Respectfully submitted,

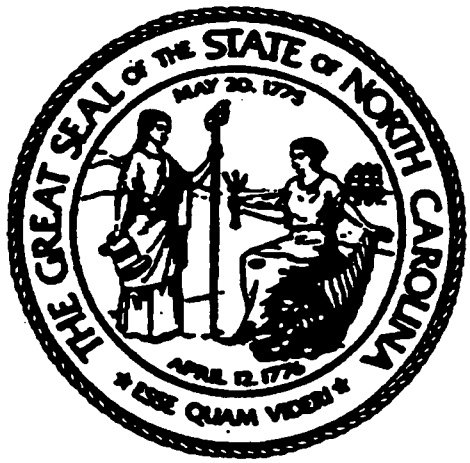
R. Eugene Rogers, Chair

Delta F. Prince, Committee Assistant

North Carolina

Recommended Changes to the 2000-2001 State Budget

1999-2001 Biennium



James B. Hunt Jr.
Governor

The North Carolina Recommended Changes to the 2000-01 State Budget

Prepared by
Office of State Budget and Management

Marvin K. Dorman, Jr.
State Budget Officer

Robert L. Powell
Deputy State Budget Officer

Additional information and further explanation of the The North Carolina Recommended Changes to the 2000-01 State Budget are available from the Office of State Budget and Management, 116 West Jones Street, 20320 Mail Service Center, Raleigh, North Carolina, 27699-0320, (919)733-7061. Contact one of the following staff members:

Susan S. Adams	Public Education Community Colleges Board of Governors of the University of North Carolina University of North Carolina Hospitals at Chapel Hill
Mike Kiltie	Economic Forecast Revenue Forecast Revenue and Tax Issues Economic Impact on Rules
Maurice King	Capital Improvements Special Appropriations
Tom Newsome	Management and Productivity Services
J.W. Reel	Departments of General Government Departments of Natural and Economic Resources Department of Transportation
Nina M. Yeager	Department of Health and Human Services Department of Correction Department of Crime Control and Public Safety Judicial Department Department of Justice Office of Juvenile Justice

Editorial assistance was provided by Jean Surles, Publications Coordinator. Summary tables were prepared by Julie Mitchel, Budget Analyst. The OSBM secretarial staff, under the direction of Faye Mial, provided much assistance in preparing this document for publication.

May 2000

RECOMMENDED CHANGES TO THE 2000-01 STATE BUDGET

Table of Contents

Page

I. Introduction 1

II. Economic Outlook for 2000-01

A. For The Nation 2
B. For North Carolina 3

III. General Fund

A. Revenue 6
B. Condition of the Fund 8
C. Recommended Changes to the 2000-01 Budget 11

Education
Public Education 11
Community Colleges 15
University of North Carolina 19

General Government
Department of Administration 23
Department of Cultural Resources 24
Department of Labor 25
Department of Revenue 26

Health and Human Services
Department of Health and Human Services 28

Justice and Public Safety
Department of Correction 35
Department of Crime Control and Public Safety 42
Department of Justice 44
Office of Juvenile Justice 45

Natural and Economic Resources
Department of Agriculture and Consumer Services 50
Department of Commerce 51
Department of Environment and Natural Resources 56

Table of Contents (Continued)

Page

IV. Transportation
- A. Transportation Program 59
- B. Highway Fund 60
  - 1. Revenue 60
  - 2. Highway Fund Revenue, 1999-01 61
  - 3. Condition of the Highway fund, 2000-01 61
  - 4. Changes to the 2000-01 Highway Fund Budget 66
- C. Highway Trust Fund 68
  - 1. Revenue 68
  - 2. Highway Trust Fund Revenue, 1999-01 69
  - 3. Condition of the Highway Trust Fund, 2000-01 69
  - 4. Supplemental Budget Recommendations 70
  - 5. Changes to the 2000-01 Highway Trust Fund Budget 70

V. Compensation and Benefits 71

VI. Other Appropriations 73

VII Special Provisions 74

VIII Long-Term Impact of Recommended Changes 77

Text Tables

Construction Employment Booms in the Year Following a Natural Disaster 4
Economic Conditions 5
General Fund Revenue 7
Condition of the General Fund 2000-2001 8
Recommended Changes to the 2000-01 General Fund Budget 9
North Carolina Transportation Program, 2000-01 59
Highway Fund Revenue, 1999-01 61
Condition of the Highway Fund, 2000-01 61
Changes to the 2000-01 Highway Fund Budget 66
Highway Trust Fund Revenue, 1999-01 69
Condition of the Highway Trust Fund, 2000-01 69
Changes to the 2000-01 Highway Trust Fund Budget 70
Expenditure Forecast 2000-05 77

2000-01 Recommended Changes

I. INTRODUCTION

This Summary of Recommended Appropriations contained herein provides Governor James B. Hunt Jr's proposed revisions to the previously adopted budget for the 2000-2001 fiscal year for the State of North Carolina. The proposed revisions to the general fund budget include expansion of $729.7 million and is supported by general fund tax and nontax revenue growth coupled with redirected resources of $334.9 million from within state government to supplement programs consistent with Governor Hunt's agenda. Also included in this documents are the Governor's recommendations for revisions to the Highway Fund and Highway Trust Fund appropriations for the 2000-01 fiscal year.

Contained in this Recommended Summary are proposals which continue the efforts of Governor Hunt and the General Assembly with respect to teacher pay; providing children with early childhood development and health care; economic development funding; support for the University and Community College systems in North Carolina; compensation for state employees; and funds for continued protection and nourishing of the environment. The Governor is proposing that these initiatives continue without interruption in spite of the impact of Hurricane Floyd and the Winter Snow Storm of 2000, and funding is recommended herein to support all costs required.

Highlighting this budget is $281.0 million for the final increment required to fund the salary schedule and longevity to bring teacher's salaries to the national average. Also included in this number are funds to support the salary schedule for principals and assistant principals and to support the relative pay differential in each schedule. The Public School ABC bonus funds are recommended at $135.0 million which is the estimate of cost to support the program for schools that meet or exceed 2000-01 performance goals adopted by the State Board of Education. Also within the education community, the Governor is recommending enrollment increases of $21.1 million for the University System and $22.5 million for the Community College System. Financial aid for needy students seeking higher education is included through recommendations of $11.4 million for the University System and $3.2 million for increased support for North Carolina children attending private colleges and universities within the State.

The final increment to bring Smart Start to 100% of required statewide support is recommended at $67.0 million. While this recommendation is effective October 1, 2000, funds required to annualize Smart Start costs statewide will be included in the Governor's final budget for 2001-03. Funds are also recommended to support mental health programs ($3.4 million); local juvenile justice grants and support ($5.3 million); economic development ($5.5 million); and environmental protection/water resources programs ($14.3 million). The final major component of the Governor's Recommended Budget is an appropriation of $149.1 million to support a 3% increase in state employee compensation to be utilized under the State Employee Comprehensive Pay Plan.

A full analysis of all revisions to the 2000-01 State Budget is included within this document.

II. Economic Outlook For 2000-01

A. For The Nation

At a 4.9% gain, Fiscal Year 1999-00 is now expected to record the strongest rate of national economic growth in the past 20 years. The rate of unemployment in the U.S. has fallen to a recent low of 3.9%. In the view of the Federal Reserve, the current strength of the U.S. economy has greatly increased the likelihood of an acceleration in the rate of inflation. The Federal Reserve is now committed to downshifting the economy's growth to a more sustainable pace. Over the past year, the Federal Reserve increased the federal funds rate 5 times (each by 25 basis points) from its low of 4.75% to the current 6.00%. There is historical evidence, though, that the federal funds rate will need to rise to at least 6.50% before the economic brakes take hold. Currently, Standard & Poor's/DRI expects the Federal Reserve will increase the federal funds rate target by 25 basis points at each of its next two meeting, ending up at 6.50%. The Fed will then pause in deference to the upcoming Presidential elections, while evaluating the effect of the recent round of interest rate hikes. If the desired braking of the U.S. economy is not evident then, the Fed will likely push interest rates higher, probably in November or December 2000.

The current forecast assumes that the projected rise in interest rates will be sufficient to slow U.S. economic growth in the 2000-01, principally through weaker residential and nonresidential construction activity. Single-family housing starts are forecast to decline to 1.22 million, down from an estimated 1.33 million in the prior year. In addition to higher borrowing costs, an additional problem for nonresidential construction may be the availability of labor, especially with the anticipated boost in highway construction resulting from the Transportation Equity Act.

Consumer markets are expected to remain healthy in 2000-01, despite the jitters from Wall Street and higher gasoline prices. Consumer optimism will remain high as long as the unemployment rate remains at near 4.0%, as projected. Real consumer spending is forecast to grow by 4.1% in 2000-01, cooling from the prior year due to an expected slowdown in light-vehicle sales.

Despite the recent, expectedly transitory rise in fuel prices, worries about inflation continue to be confined to Federal Reserve Chairman Alan Greenspan. The Consumer Price Index is projected to rise by 2.7% in 1999-00, up from 1.7% last year largely due to higher gasoline prices. As transportation costs retreat, the CPI is forecast to increase by 2.2% in 2000-01.

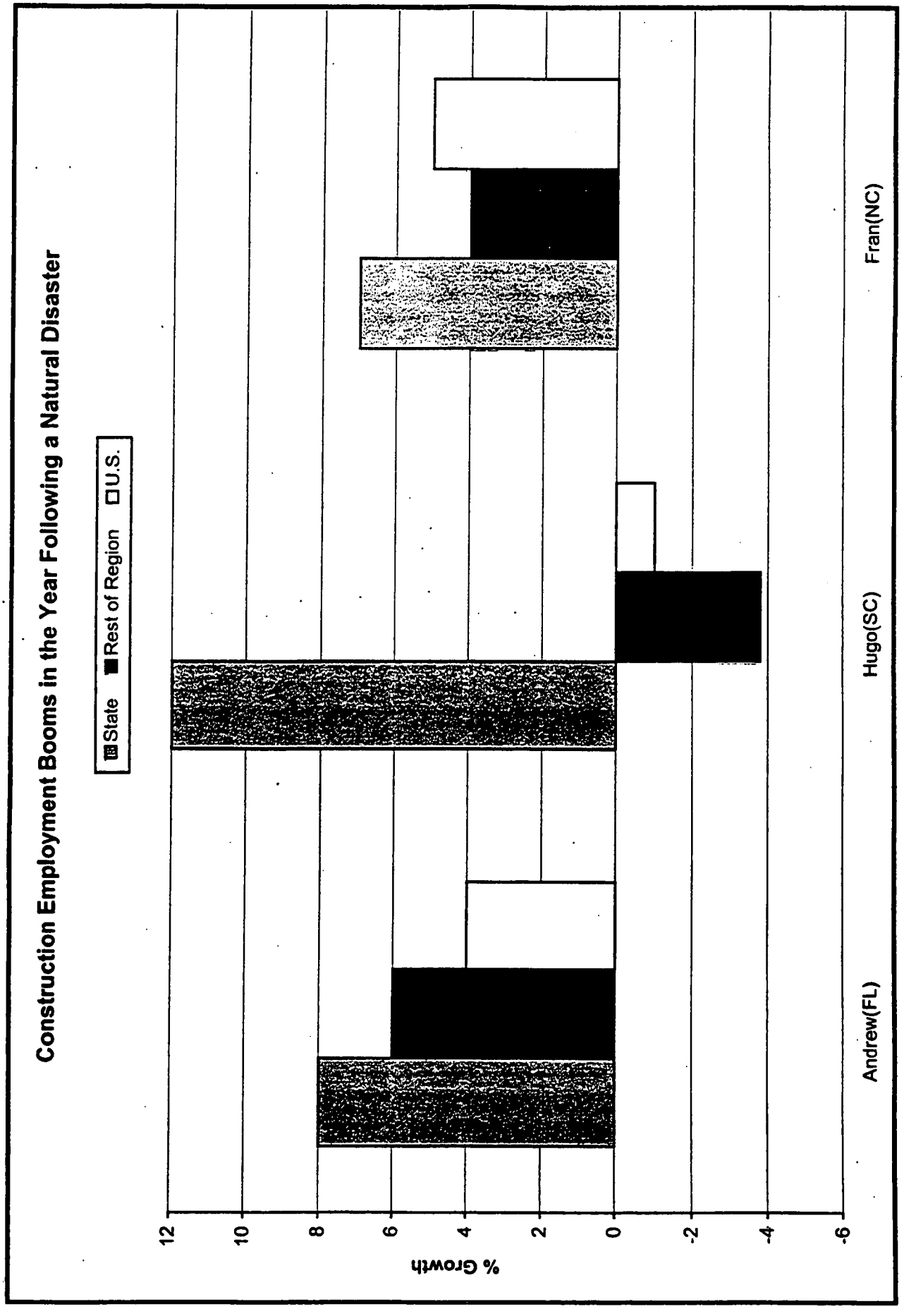
Overall, Real Gross Domestic Product is forecast to increase by 3.9% in 2000-01, down from a 4.9% surge in 1999-00. However, this rate of growth compares very favorably with the 2.6% average rate of real GDP growth over the past 20 years.

B. For North Carolina

Since emerging from the 1990-1991 recession, North Carolina's employment growth has been well above the national average. Fiscal Year 2000-01 will follow suit, with nonfarm payroll employment expanding by another 2.2%. The continued erosion of manufacturing payrolls is a negative, but will be dominated by the strength in services and retail and wholesale trade, with more than 60,000 new jobs coming from these sectors combined.

On the downside, North Carolina's tight labor markets are becoming a growing problem, as firms are having more and more difficulty finding experienced, skilled labor. The situation is most severe in Piedmont North Carolina in which the state's high-technology firms are currently concentrated. While the unemployment rate is at 3.1% statewide, it is even lower (less than 2.5%) in the three major cities, which generate about two-thirds of the state's new jobs each year. The tightness of the labor market has probably drawn the most qualified workers into the ranks of the employed, leaving behind the less skilled. Therefore, not only are there fewer job-seekers, but the average skill level of the pool is likely trending lower as well. This shortage will contribute to the moderate slowdown in nonfarm employment growth to 2.2% in 2000-01.

Housing start activity in North Carolina will be affected by two opposing forces. Rising mortgage rates are expected to cool housing construction statewide in 2000-01. However, the recovery efforts in the eastern counties following Hurricane Floyd will stimulate construction of both single-family and multi-family housing units next year. As shown in the chart on page 4, a construction boom has followed each of the major hurricanes striking Southern states in the last decade.


Construction Employment Booms in the Year Following a Natural Disaster
State
Rest of Region
U.S.
% Growth
12
10
8
6
4
2
0
-2
-4
-6
Andrew(FL)
Hugo(SC)
Fran(NC)

Total personal income growth in North Carolina was harmed by Hurricane Floyd, with the losses concentrated in farm and rental income. Currently, personal income is estimated to grow by 5.2% in 1999-00, down at least a full percentage point due to Floyd. As the strong economic expansion continues in North Carolina, the economic stimulus from new home construction in the Floyd-affected counties is projected to rise the rate of state personal income growth to 6.5% in 2000-01.

Table 2

Economic Conditions
(Annual Rates of Change)

	1998-99 Actual	1999-00 Projected	2000-01 Projected
National			
Real Gross Domestic Product	4.1%	4.9%	3.9%
Real Personal Consumption	5.1	5.6	4.1
Industrial Production	3.2	4.7	2.7
Personal Income	6.0	6.0	6.2
Inflation (CPI)	1.7	2.7	2.2
Federal Funds Rate (%)	5.0	5.6	6.7
North Carolina			
Industrial Production	3.6%	4.2%	3.0%
Nonfarm Employment	3.0	2.5	2.2
Manufacturing Employment	-1.9	-1.8	-1.9
Unemployment Rate (%)	3.2	3.2	3.4
Total Personal Income	5.7	5.2	6.4
Housing Starts (000)	79.5	75.5	81.2

III. General Fund

A. Revenue

Growth in the individual income tax is expected to be solid, although unspectacular in 2000-01. Strong labor market conditions along with acceleration in average wages will continue to propel state total withholding payments in 2000-01. Rising interest rates and the beginnings of the post-Floyd recovery of the state's farm sector will provide a boost to non-withholding tax receipts. Overall, growth in the individual income tax is currently forecast at 8.1% in 2000-01.

Corporate income tax payments in 1999-2000 were aided by a one-time $69 million revenue windfall from the sale of RJ Reynolds' overseas tobacco operations. This prior year windfall, along with the final reduction in the state corporate income tax rate to 6.90% for tax year 2000, largely explains the projected decline in corporate income tax receipts in 2000-01. Fundamentally, corporate earnings remain healthy due to the continued strong expansion of the U.S. domestic economy as well as the recovery of many foreign markets. On a technical note, the net corporate income tax collections in Table 3. reflect a recommendation of eight additional interstate auditor positions (along with 3 support staff) which are projected to generate $12.5 million in net collections in 2000-01.

Although disposable income growth in North Carolina remains above the U.S. average, the expected baseline rate of growth in state sales and use tax payments is to ease in 2000-01 for a variety of reasons. For one, retail sales in recent years were boosted by the large number of residential mortgage refinancing, which provided spendable cash in many instances. Higher fixed mortgage rates since 1999-2000 has slowed refinancing activity, and in turn, retail spending. Retail sales in recent years have also been aided by the sharp rise in the stock market – the so-called "Wealth Effect". Recent jitters on Wall Street have weakened consumer confidence and will negatively affect consumer spending in 2000-01. Despite these negative factors, reported net sales and use tax collections are projected to grow by a respectable 6.6%.

Including nontax revenue (largely investment earnings, judicial fees, and Disproportionate Share Medicaid payments, total General Fund Revenue is projected to increase by 5.8%, or $769.0 million, in 2000-01. The long-term revenue availability outlook is shown in the five year General Fund Forecast on page 77.

Table 3

General Fund Revenue

	1998-99 Actual	1999-00 Projected	2000-01 Projected
Tax Revenue:			
Inheritance	$ 169,935,220	$ 169,000,000	$ 152,700,000
Licenses	27,588,260	41,800,000	44,700,000
Cigarette	44,852,542	43,700,000	41,600,000
Soft Drink	12,349,253	1,300,000	0
Franchise(1)	409,558,340	305,300,000	421,200,000
Income Tax:			
Individual	$ 6,606,500,278	$ 7,052,900,000	$ 7,627,000,000
Corporate(1)	848,509,669	931,900,000	790,600,000
Subtotal	$ 7,455,009,947	$ 7,984,800,000	$ 8,417,600,000
Sales and Use	$ 3,376,206,664	$ 3,373,300,000	$ 3,595,200,000
Beverage	158,026,529	167,200,000	174,000,000
Gift	19,334,909	24,900,000	28,300,000
Freight Car Lines	469,302	400,000	450,000
Insurance	291,230,879	280,100,000	295,900,000
Piped Natural Gas	0	36,400,000	34,000,000
Miscellaneous	702,059	600,0000	650,000
Total Tax Revenue	$ 11,965,263,904	$ 12,428,800,000	$ 13,206,300,000
Percentage Change	7.9%	3.9%	6.3%
Nontax Revenue:			
Investment Income	$ 249,282,071	$ 211,200,000	$ 214,000,000
Judicial Fees	120,960,787	99,600,000	106,700,000
Disproportionate Share Receipts	85,000,000	105,000,000	105,000,000
Insurance Department	40,197,960	41,600,000	41,700,000
Miscellaneous	89,615,903	114,400,000	95,700,000
Total Nontax Revenue	$ 585,056,721	$ 571,800,000	$ 563,100,000
Transfers:			
Highway Fund	$ 13,400,000	$ 13,600,000	$ 13,800,000
Highway Trust Fund	170,000,000	170,000,000	170,000,000
Total General Fund Revenue	$ 12,733,753,625	$ 13,184,200,000	$ 13,953,200,000
Percentage Change	8.8%	3.5%	5.8%

(1) A portion of the Corporate Franchise Tax was reported as Corporate Income Tax on a one-time basis in 1999-00.

B. Condition of the Fund

Table 4

Condition of the General Fund
2000-2001

	2000-01 Recommended
Unreserved Credit Balance	$ -
Reserved Credit Balance	
Budget Stabilization Reserve	36,554,738
Clean Water Management Trust Fund Reserve	1,054,152
Total Reserved Credit Balance	37,608,890
Revenue	
Tax Revenue	$ 13,206,300,000
Nontax Revenue	458,100,000
Highway Fund Transfer	13,800,000
Highway Trust Fund Transfer	170,000,000
Disproportionate Share Receipts	105,000,000
Total Revenue	13,953,200,000
Total Availability	13,990,808,890
Appropriations	
Operating Budget	13,558,096,383
Adjustments to the Recommended Continuation Budget	(334,961,847)
Expansion Budget Recommended	729,761,294
Total Operating Budget Recommended	13,952,895,830
Capital Improvement - Direct Appropriation	-
Total Direct and Earmarked Appropriations	13,952,895,830
Ending Balance	37,913,060
Ending Reserved Balance	
Budget Stabilization Reserve	36,554,738
Clean Water Management Trust Fund	1,054,152
Repair and Renovations	-
Total Reserved Balance	37,608,890
Ending Unreserved Balance	$ 304,170

Recommended Changes to the 2000-01 General Fund Budget

Departments	FY 2000-01 Certified Budget	Recommended Reductions	Authorized Transfers	Recommended Expansion	FY 2000-01 Recommended Budget
Education:					
Public Education *	$ 5,277,518,248	$ (50,516,648)	$ -	$ 416,088,578	$ 5,643,090,178
Community Colleges *	591,015,693	(3,030,225)	-	22,526,642	610,512,110
University of North Carolina *	1,656,863,227	(11,614,696)	(500,000)	36,839,250	1,681,587,781
Total Education	7,525,397,168	(65,161,569)	(500,000)	475,454,470	7,935,190,069
Other Departments:					
Administration	60,089,326	(714,893)	-	-	59,374,433
Administrative Hearings	2,786,455	(45,780)	-	-	2,740,675
Agriculture and Consumer Svc.	54,146,601	-	-	1,200,000	55,346,601
Auditor	11,608,041	-	-	-	11,608,041
Board of Elections	3,199,660				3,199,660
Commerce	43,745,365	(517,329)	-	3,522,809	46,750,845
Commerce - State Aid	17,096,251	-	-	2,000,000	19,096,251
Commerce - ITS (1)	-	(9,000,000)	-	-	(9,000,000)
Correction	889,745,650	(13,654,377)	-	-	876,091,273
Crime Control and Public Safety	36,269,969	-	(338,000)	-	35,931,969
Cultural Resources	58,182,464	-	-	2,260,000	60,442,464
Cul. Res. - Roanoke Island Com.	1,826,157	-	-	-	1,826,157
Environment & Natural Res.	157,700,273	(2,531,337)	-	1,000,000	156,168,936
General Assembly	39,518,408	-	-	-	39,518,408
Governor's Office	5,282,172	-	-	-	5,282,172
Juvenile Justice	140,090,649	(561,000)	1,063,000	5,259,316	145,851,965
Insurance	21,599,037	-	-	-	21,599,037
Ins. - Direct Appropriation	4,500,000	-	-	-	4,500,000
Housing Finance Agency	5,300,000	-	-	-	5,300,000
DHHS:					
Administration and Support	89,806,803	-	-	-	89,806,803
Aging	29,792,117	-	-	-	29,792,117
Child Development	305,441,553	(49,000,000)	-	67,054,056	323,495,609
Early Intervention & Education	31,989,549		-	-	31,989,549
Public Health	131,979,059	(4,284,871)	-	850,000	128,544,188
Social Services	188,788,166	-	-	250,000	189,038,166
Medical Assistance	1,539,549,270	(114,535,129)	-		1,425,014,141
N.C. Health Choice	25,509,475	-	-	1,413,226	26,922,701

Recommended Changes to the 2000-01 General Fund Budget

Departments	FY 2000-01 Certified Budget	Recommended Reductions	Authorized Transfers	Recommended Expansion	FY 2000-01 Recommended Budget
Blind & Deaf / Hard of Hearing	17,455,155	-	-	-	17,455,155
Mental Health/DD/SAS	607,658,021	(571,526)	-	3,430,000	610,516,495
Facility Services	11,196,731	-	-	1,149,000	12,345,731
Vocational Rehabilitation	38,256,403	(956,328)	-	-	37,300,075
Total DHHS	3,017,422,302	(169,347,854)	-	74,146,282	2,922,220,730
Judicial	279,564,478	-	-	-	279,564,478
Judicial - Indigent Defense	64,193,626	-	-	-	64,193,626
Justice	72,975,950	-	(225,000)	-	72,750,950
Labor	16,369,251	(400,000)	-	-	15,969,251
Lt. Governor's Office	640,485	-	-	-	640,485
Revenue	75,755,633	(1,415,113)	-	804,308	75,144,828
Rules Review Commission	309,326	-	-	-	309,326
Secretary of State	6,455,933	-	-	-	6,455,933
State Budget and Management	4,247,782	-	-	-	4,247,782
Special Appropriations	3,080,000	-	-	-	3,080,000
State Controller	11,488,315	-	-	-	11,488,315
State Planning	2,147,099	-	-	-	2,147,099
State Treasurer	6,568,253	-	-	-	6,568,253
State Treasurer - Pensions	12,294,780	-	-	-	12,294,780
Transportation	15,434,165	-	-	-	15,434,165
Reserves:					
Contingency and Emergency	1,125,000	-	-	-	1,125,000
Compensation Increases	461,227,578	(11,000,000)	-	149,139,937	599,367,515
SPA Minimum Salary	100,000	-	-	-	100,000
Positions Vacated by Retirement	(12,709,493)	-	-	-	(12,709,493)
AOC Retirement Reduction	(900,000)	-	-	-	(900,000)
Debt Service	290,709,550	(45,612,595)	-	-	245,096,955
Debt Service - Federal	1,155,918	-	-	-	1,155,918
Salary Adjustment Fund	4,444,303	-	-	-	4,444,303
Welfare Reform	412,503	-	-	-	412,503
State Health Plan	147,000,000	-	-		147,000,000
Capital Improvement Projects	-	-	-	14,974,172	14,974,172
Disaster Relief Reserve	-	(15,000,000)	-	-	(15,000,000)
Consolidated Mail Services	(1,500,000)	-	-	-	(1,500,000)
Total General Fund Budget	$ 13,558,096,383	$ (334,961,847)	$ -	$ 729,761,294	$ 13,952,895,830

(1) Nine million will be transferred from Budget Code 24660 to 14660 to offset this reduction.
* Appropriation for education compensation increases included under education budget codes.

C. Recommended Changes to the 2000-01 Budget

Public Education

Recommended Adjustments

	2000-01
1. **Average Annual Salary Adjustment** An adjustment is recommended to revise budgeted average annual salaries including principals and assistant principals using actual 1999-00 sixth pay period salaries as the base. This adjustment is made annually after reviewing budgeted salary projections for all certified personnel. Typically, because of turnover in these positions, the actual salaries are lower than what is budgeted, and a reduction is made accordingly. This adjustment does not reduce any salary paid to certified personnel.	$ (42,363,546)
2. **Revise Average Daily Membership** Positions, textbooks, instructional equipment, and supplies allocated to the public schools are budgeted on the basis of average daily membership (ADM) of students in the classroom. Budgeted ADM was 1,268,870 for 1999-00 and 1,289,528 for 2000-01. The revised budgeted ADM for 2000-01 is 1,288,556, which is a 972 net decrease. Budgeted ADM for 2000-01 is based on the higher of 1999-00 actual ADM or 2000-01 projected ADM by local school system.	
Receipts from the Highway Fund to be transferred to the Department of Public Instruction for the Driver Education program are adjusted by $449,802 due to a projected increase of 1,468 ADM in the ninth grade.	
Requirements	$ (6,437,558)
Receipts	449,802
Appropriation	$ (6,887,360)

Recommended Adjustments - Continued

	2000-01
3. **Employee Benefit Program – Public School Fund**	
The following employee benefit programs were adjusted based on 1998-99 expenditure levels:	
Workman's Compensation	
Short Term Disability	
Annual Leave	$ (1,265,742)
Total Recommended Adjustments for Public Education	
Requirements	$ (50,066,846)
Receipts	449,802
Appropriation	$ (50,516,648)

Recommended Changes to the 2000-01 Expansion

1. **Increase Teacher Compensation**

Consistent with The Excellent Schools Act, ratified by the 1997 Session of the General Assembly, 6.5% funding in the amount of $224,031,710 is recommended for the fourth and final installment of the revised teacher salary schedule, continuing the effort to attract and retain highly qualified and experienced teachers. The fourth year of the revised teacher salary schedule increases the beginning teacher salary with a bachelor's degree to $25,000 and increases the differential between the bachelor's degree and the master's degree from the current 6.25% to 10%. Funds in the amount of $8,474,153 are recommended for longevity pay related to the new salary schedule.

In addition, $13,630,177 is recommended to change the teacher longevity rates to the same longevity rates as state employees. The current rates for teachers are: 1% at 10 years, 1.5% at 15 years, 2% at 20 years, and 4.5% at 25 years. The rates for state employees are: 1.5% at 10 years, 2.25% at 15 years, and 3.25% at 20 years. Teachers and state employees are currently at the same rate of 4.5% at 25 years.

Recommended Changes to the 2000-01 Expansion - Continued

	2000-01	
Increase Teacher Compensation - Continued A reserve in the amount of $9,500,000 is recommended for use in the salary schedule if the Department of Public Instruction finds that additional salary funds are needed to compensate teachers who will be receiving their master's degrees in 2000-01.	$ 255,636,040	
2. **School-Based Incentive Awards Under the ABCs Program** The ABCs initiative directs that each year a school must assure that students receive a year's worth of education for a year of instruction. According to G.S. 115C-105.36, incentive awards will be given when a school either meets or exceeds the projected levels of improvement in student performance. In accordance with State Board of Education policy, incentive awards in schools that achieve higher than expected improvement may be up to $1,500 for each teacher and certified personnel, and $500 for each teacher assistant. Incentive awards in schools that meet the expected improvements may be up to $750 for each teacher and certified personnel, and $375 for each teacher assistant. Nonrecurring funds in the amount of $135,000,000 are recommended for 2000-01 for awards earned in the 2000-01 school year and awarded in July of 2001. This amount is based on 65% of schools exceeding their goals and 20% meeting their goals. The 1999 Session of the General Assembly directed the State Board of Education to establish a pilot program in up to five school systems to determine if revisions in the present ABC program are likely to result in more students demonstrating mastery of grade level subject matter and skills. In March 2000, the State Board of Education approved Bladen County, Craven County, Winston-Salem/Forsyth, Charlotte/Mecklenburg, and Elizabeth City/Pasquotank to participate in the pilot. Nonrecurring funds in the amount of $4,600,000 are recommended to implement the program in 2000-01.	139,600,000	NR

NR - Nonrecurring

Recommended Changes to the 2000-01 Expansion – Continued

	2000-01
3. **Salary Increases – Other Public School Employees** Funds in the amount of $27,932,244 are recommended to provide an average annual salary increase of 3% effective July 1, 2000, for all public school employees not paid from the teacher or principal salary schedule. This includes certified nonteaching positions in central office administration (superintendents and school administrators) and noncertified employees, such as finance officers, clerical workers, teacher assistants, school nurses, custodians, bus drivers, bus mechanics, and maintenance supervisors. Funds in the amount of $20,852,538 are recommended for an average annual salary increase of 8.4% for principals and assistant principals, consistent with their salary schedule maintaining a 1% differential between the salary schedule for teachers with a master's degree.	$ 48,784,782
Total Recommended Changes to the 2000-01 Expansion for Public Education	$ 304,420,822
	139,600,000 NR

NR - Nonrecurring

Community Colleges

Recommended Adjustments

	2000-01	
1. State Board Reserve The State Board Reserve is limited by statute to funding feasibility studies, pilot projects, start-up of new programs, and innovative ideas. The State Board Reserve has a certified budget of $1,150,000. In the 1999-00 fiscal year over $106,000 was redirected to the Hurricane Floyd relief effort. The State Board Reserve is recommended for a one-time reduction of $100,000.	$ (100,000)	NR
2. New and Expanding Industry Training The New and Expanding Industry Training (NEIT) Program provides customized training assistance in support of new, full-time production positions created in the State of North Carolina. The 1999-00 budget for NEIT is $6,028,541 plus carry-forward funds of $3,583,372. In addition to the operating budget for NEIT, funds were appropriated ($4,000,000 in 1999-00 and $5,500,000 in 2000-01) for NEIT in Session Law 1999-321 (House Bill 275). House Bill 275 created the Employment Security Commission Training and Employment Account to provide worker training through improved continuing education, acquisition of modern training equipment, operation of specialized training centers, enhancement of small business center training, incumbent worker training, programs funded by the Worker Training Trust Fund, and other programs of the Community College System. Due to the additional availability with House Bill 275 one-time funds, a nonrecurring reduction is recommended in the New and Expanding Industry Training program.	(500,000)	NR

NR - Nonrecurring

Recommended Adjustments - Continued

	2000-01	
3. **Educational Equipment** A nonrecurring reduction is recommended in the educational equipment budget. The 1999-00 budget for educational equipment is $16,299,507, while the 2000-01 budget is $17,319,732. In addition to the operating budget for educational equipment, funds were appropriated to a non-reverting reserve ($10,000,000 in 1999-00 and $38,000,000 in 2000-01) for equipment, technology, and an MIS reserve in Session Law 1999-321 (House Bill 275). House Bill 275 created the Employment Security Commission Training and Employment Account to provide worker training through improved continuing education, acquisition of modern training equipment, operation of specialized training centers, enhancement of small business center training, incumbent worker training, programs funded by the Worker Training Trust Fund, and other programs of the Community College System.	$ (2,020,225)	NR
4. **Scholarship Reserve Fund Balance** An interest only scholarship reserve was generating insufficient resources for financial aid and was eliminated in the 1999-00 fiscal year. The 1999 legislative session replaced the interest only scholarship reserve with a non-reverting $5 million annual appropriation to provide need-based financial aid. It is recommended that the fund balance remaining in the interest only scholarship reserve be eliminated.	(410,000)	NR
Total Recommended Adjustments for Community Colleges		
Requirements	$ (3,030,225)	
Receipts	-	
Appropriation	$ (3,030,225)	NR

NR – Nonrecurring

Recommended Changes to the 2000-01 Expansion

	2000-01

1. **Enrollment Changes**

The 2000-01 enrollment projection from the State Board of Community Colleges indicates a 7,240 FTE increase in full time equivalent (FTE) students above the 1999-00 budgeted enrollment of 144,283 FTE. The revised 2000-01 budgeted enrollment will be 151,523 FTE, a 5% increase over 1999-00. Curriculum enrollment is projected to increase by 5,702 FTE or 5.1%; Continuing Education enrollment is projected to increase by 912 FTE or 5.1%; and Basic Skills enrollment is projected to increase by 626 FTE or 4.3%.

The 1998 Session of the General Assembly changed the formula for calculating enrollment in the community colleges effective in 2000-01. In 1999-00 enrollment was calculated using the 2/3 rule. The new formula for calculating enrollment uses the greater of (1) the average of the actual enrollment of the prior three fiscal years or (2) the actual enrollment of the prior fiscal year to determine the budgeted enrollment for the subsequent fiscal year.

The combination of Hurricane Floyd in September 1999 and the new enrollment formula, which uses prior year FTE as a basis for budgeted enrollment, impacted the enrollment budget for the 2000-01 fiscal year. Twenty community colleges in Eastern North Carolina experienced a decline in enrollment after Hurricane Floyd. Losses of 462 Curriculum FTE, 96 Occupational Extension FTE, and 104 Basic Skills FTE totaling $2,045,732 were sustained by colleges in the Hurricane Floyd disaster area. It is recommended that these twenty community colleges be held harmless to the 1999-00 budgeted enrollment for the 2000-01 fiscal year.

The recommended funds include $20.4 million for enrollment growth and $2.1 million for the hold harmless recommendation.

Requirements	$ 27,487,208
Receipts	4,960,566
Appropriation	$ 22,526,642

Recommended Changes to the 2000-01 Expansion - Continued

		2000-01
2.	**Salary Increase** Funding for an average 3% salary increase effective July 1, 2000, is recommended for all community college personnel supported from state funds.	$ 17,279,112
	Total Recommended Changes to the 2000-01 Expansion for Community Colleges	
	Requirements	$ 44,766,320
	Receipts	4,960,566
	Appropriation	$ 39,805,754

University of North Carolina

Recommended Adjustments

	2000-01	
1. Current Operations Efficiencies In an effort to facilitate efficiencies at the constituent institutions of the University of North Carolina, a reduction in the operating budgets for fiscal year 2000-01 is recommended. The 1990 session of the General Assembly established Special Responsibility Constituent Institutions (SRCI's) and granted budget flexibility to constituent institutions with this status. Therefore, SRCI's have the authority to make the necessary budgetary adjustments to accommodate the reduction required by each campus. A 0.5% reduction is recommended for all 16 campuses and UNC General Administration except UNC-AHEC, which is recommended for a 0.25% reduction. This recommended reduction does not include UNC-GA Related Education, the North Carolina School of Science and Mathematics or UNC Hospitals.	$ (7,712,759)	
2. Reserves for Operating New Facilities As a result of adjustments to schedules in constructing or renovating seven facilities at five of the constituent institutions throughout the University system and one facility at UNC General Administration, funds which had been appropriated for facilities operations in 2000-01 are recommended to be changed. The affected buildings and corresponding adjustments include:		
Labor Force Development Center - WCU $(159,178)		
Anderson HS Center Renovation - WSSU (69,448)		
NC Center for School Leadership - UNC-GA (473,190)		
Beard Hall Addition - UNC-CH HA (354,502)		
Carolina Living/Learning Center - UNC-CH HA (30,965)		
Education Building –NCCU 10,646		
4-H Environmental Education Center - NCSU 6,486	17,132	
General Classroom Building - UNC-W (140,039)	(1,227,322)	NR

NR – Nonrecurring

Recommended Adjustments - Continued

	2000-01	
3. **UNC Hospitals Inflationary Increase** It is recommended that funds be reduced for the UNC Hospitals inflationary increase for 2000-01.	$ (2,691,748)	
Total Recommended Adjustments for the University of North Carolina		
Requirements	$ (11,614,697)	
Receipts	-	
Appropriation	$ (10,387,375)	
	$ (1,227,322)	NR

Recommended Changes to the 2000-01 Expansion

1. **Schedule of Priorities - Current Operations**
General Statute 116-11(9) requires the Board of Governors (BOG) of the University of North Carolina to "develop, prepare, and present to the Governor, Advisory Budget Commission, and the General Assembly a single, unified recommended budget for all of public senior education." Funds requested for expansion, new programs and activities, increases in enrollment, remedying deficiencies, etc. are to be itemized in priority order and any funds appropriated for the priority schedule are to be in a lump sum.

In response to the Board of Governors' 2000-01 "Schedule of Priorities," the following items are recommended:
Line 1a - Regular Term Enrollment Changes
In response to the Board of Governors' 1999-01 "Schedule of Priorities," the General Assembly did not appropriate funds for enrollment growth (Line 1a) in the second year of the biennium. Regular term enrollment projections by the UNC Board of Governors indicate that full time equivalent (FTE) students will increase by 2,460 FTE or 1.8% from 135,499 in 1999-00 to 137,959 in 2000-01. The recommended increase is to support this enrollment growth.

Requirements	$ 29,605,693
Receipts	8,523,900
Appropriation	$ 21,081,793
Number of Positions	201

NR - Nonrecurring

Recommended Changes to the 2000-01 Expansion – Continued

	2000-01
Schedule of Priorities - Current Operations - Continued **Line 1e - Need-Based Financial Aid** One of the goals of The University of North Carolina is to increase the college-going rate of North Carolina residents. Part of the strategy to meet this goal is to provide additional need-based financial aid. It is recommended that these funds be used for need-based financial aid using the UNC BOG's established criteria for needy students who are residents of North Carolina. This need-based grant formula consists of the cost of education (tuition plus required fees plus standard living allowance) less contribution from income (based on family income, dependents and employment), student self-help, Pell grant and estimated tax credits.	$ 11,400,000
Line 4d - Model Teacher Consortium The Model Teacher Consortium serves persons interested in becoming certified teachers, upgrading or refining skills, or expanding areas of certification for employment in public schools. Participants include: Bertie, Gates, Granville, Halifax, Hertford, Northampton, Vance, Warren, Roanoke Rapids, and Weldon school administrative units, with the collaboration of East Carolina University, Elizabeth City State University, Barton College, North Carolina Wesleyan College, Halifax Community College, and Vance-Granville Community College. The 2000-01 general fund operating budget for the Model Teacher Consortium is $828,951. These funds will be used to expand the program.	1,000,000
2. **Aid to Students Attending North Carolina Private Colleges and Universities** "Aid to Students Attending Private Colleges" is composed of two programs: the Legislative Tuition Grant (LTG) and the State Contractual Scholarship Fund (SCSF). The LTG provides a payment to private institutions for each North Carolina resident student, which is credited directly to the student's account. The SCSF provides funds to each private institution based on the number of full time North Carolina undergraduate resident students. The SCSF funds are used for scholarship for needy North Carolina students attending private colleges. It is recommended that the LTG and the SCSF be increased by $50 per year to $1,800 and $1,100 respectively.	3,257,457

Recommended Changes to the 2000-01 Expansion – Continued

		2000-01
3.	**Chinqua-Penn Plantation** It is recommended that funds be provided to the Board of Governors for use by North Carolina State University for the operation of the Chinqua-Penn Plantation.	$ 100,000
4.	**Transfer of Center for Prevention of School Violence from North Carolina State University to the Office of Juvenile Justice (OJJ)** It is recommended that the Center for Prevention of School Violence, currently located at North Carolina State University, be transferred to the Office of Juvenile Justice. The Center is the primary point of contact for information, programs, and research about the prevention of school violence. The Center is involved in the establishment and support of School Resource Officers, Students Against Violence Everywhere (SAVE) chapters, and conflict management and peer mediation programs.	(500,000)
	Number of Positions	(7.0)
5.	**Salary Increase** Funding for an average 3% salary increase is recommended for all University personnel effective July 1, 2000.	45,115,028
	Total Recommended Changes to the 2000-01 Expansion for the University of North Carolina	
	Requirements	$ 89,978,178
	Receipts	8,523,900
	Appropriation	$ 81,454,278
	Number of Positions	194

Department of Administration

Recommended Adjustments

	2000-01
1. Low-Level Radioactive Waste Management Authority	
In accordance with Senate Bill 247, North Carolina withdrew from membership in the Southeast Interstate Low-Level Radioactive Waste Management Compact. The Authority is to close and restore the proposed Wake County low-level radioactive waste site, and finalize all other responsibilities and business of the Authority on or before June 30, 2000. It is therefore recommended that the General Fund appropriation for the operating expenses of the Authority be eliminated.	
Requirements	$ (893,072)
Receipts	(400,025)
Appropriation	$ (493,047)
Number of Positions	(8.0)
2. Reduce Operating Funds	
It is recommended that funds for building repairs in the Facilities Management Division be reduced.	(221,846)
Total Recommended Adjustments for Department of Administration	
Requirements	$ (1,114,918)
Receipts	(400,025)
Appropriation	$ (714,893)
Number of Positions	(8.0)

Office of Administrative Hearings

Recommended Adjustments

1. Reduce Reserve Account - Correction of Continuation Budget Error	
Non-recurring appropriations were inadvertently left in the 2000-01 fiscal year. This reduction corrects for that oversight.	$ (45,780)
Total Recommended Changes to the 2000-01 Expansion for the Office of Administrative Hearings	$ (45,780)
Number of Positions	0.0

Department of Cultural Resources

Recommended Changes to the 2000-01 Expansion

			2000-01	
1.	**Arts Council - Operating Support** A substantial portion of the Arts Council's formula-based federal grant must be used to cover operating costs. It is recommended that funds be provided to cover the operating costs currently paid from the federal grant, to allow all available federal funds to be used for grants to non-profit organizations and for special one-time programs and projects.		$ 260,000	
2.	**Arts Council – Grant Programs** Funding is recommended to provide an increase in grants awarded to local arts programs and organizations.			
	Grassroots Arts Program	$800,000		
	Primary Arts.Organization	$600,000		
	Rural Arts Programs	$400,000		
	Cultural Tourism	$200,000	2,000,000	NR
	Total Recommended Changes to the 2000-01 Expansion for Department of Cultural Resources			
	Requirements		$ 2,260,000	
	Receipts		-	
	Appropriation		$ 260,000	
			2,000,000	NR

NR - Nonrecurring

Department of Labor

Recommended Adjustments

	2000-01
1. Indirect Cost Receipts	
This recommendation will reduce the department's general fund appropriation by budgeting indirect cost receipts.	
Requirements	$ -
Receipts	300,000
Appropriation	$ (300,000)
2. Ergonomics Center	
The state has funded the Ergonomics Center since 1994-95 with a $750,000 general fund appropriation to establish the Center. Since then, the appropriation has been reduced to a $500,000 recurring appropriation for operating expenses. The Department of Labor reduced the Ergonomics Center's allocation by $100,000 this year to make reversions for Hurricane Floyd.	
This recommendation proposes to (1) follow the department's 1999-00 reduction by reducing the Center's 2000-01 appropriation by an equal amount and (2) continue reductions by an additional $100,000 each year after that until the Center is entirely self-supporting. Recommended appropriation to the Ergonomics Center:	
2000-01 $400,000	
2000-02 $300,000	
2000-03 $200,000	
2000-04 $100,000	
2000-05 $ -	(100,000)
Total Recommended Adjustments for Department of Labor	
Requirements	$ (100,000)
Receipts	300,000
Appropriation	$ (400,000)

Department of Revenue

Recommended Adjustments

		2000-01	
1.	**Federal Retirees – Refund** Legislation in 1996 (House Bill 30) provided an appropriation of $25 million to the Department of Revenue to make refunds to certain taxpayers whose federal pensions were determined not to be taxable. The balance of these as of March 31, 2000, was $287,985. The department does not anticipate future refunds to exceed $37,985. These funds are in budget code 24701.	$ (250,000)	NR
2.	**State/Federal Retirees – Cost of Administration** As the department continues to incur costs in assisting with the refunds to state and federal retirees as a result of the Bailey/Emory/Patton Lawsuit, reimbursements for these costs are requested from Womble, Carlyle, Sandridge and Rice, Attorneys at Law. The reimbursement anticipated for the 1999-00 fiscal year is $100,000.	(100,000)	NR
3.	**Transportation – Ground - In-State** Reductions can be made in the travel budget for the Field Operations Division.	(150,000)	
4.	**Computer/Data Processing Services** The department anticipates a rate reduction in transactions processing by ITS (Information Technology Services) for fiscal year 2000-01. Provided this reduction in rates does occur and utilization remains flat, savings are estimated to be $200,000.	(200,000)	
5.	**Abolish Positions in Various Centers** The department proposes to abolish 11 positions in various divisions.	(715,113)	
	Number of Positions	(11.00)	
	Total Recommended Adjustments for the Department of Revenue	$ (1,415,113)	
		(350,000)	NR
	Number of Positions	(11.0)	

NR – Nonrecurring

Recommended Changes to the 2000-01 Expansion

	2000-01	
1. **Additional Interstate Audit Personnel** Each Interstate Auditor position is projected to generate in excess of $1.5 million dollars in the first year of employment. Funding is recommended to add eight Interstate Auditor positions and three support positions.	$751,208	
	53,100	NR
Number of Positions	11.0	
Total Recommended Changes to the 2000-01 Expansion for Department of Revenue	$751,208	
	$53,100	NR
Number of Positions	11.0	

NR - Nonrecurring

Department of Health and Human Services

Recommended Adjustments

	2000-01
1. Development Evaluation Centers Budget	
The department's efforts to increase receipts from federal funding sources have generated additional Medicaid receipts for services delivered by the Developmental Evaluation Centers. It is recommended that these receipts be budgeted to support services and reduce appropriations.	
Requirements	$ -
Receipts	1,000,000
Appropriations	$ (1,000,000)
2. Medical Examiner's Fees	
Effective January 1, 1999, autopsy fees in the Medical Examiner's Office were increased from $400 to $600. It is recommended that increased receipts from the fees be budgeted to support the Medical Examiner's Office and appropriations be reduced accordingly.	
Requirements	$ -
Receipts	100,000
Appropriations	$ (100,000)
3. Public Health Laboratory Medicaid Receipts	
Efforts to increase federal support for the Public Health Laboratory are expected to generate additional Medicaid receipts. It is recommended that these receipts be budgeted to support functions in the Laboratory and offset appropriations.	
Requirements	$ -
Receipts	220,000
Appropriations	$ (220,000)

Recommended Adjustments – Continued

	2000-01
4. AIDS Drugs	
It is recommended that the AIDS Drugs budget be adjusted to reflect an anticipated increase in funding from the Federal Ryan White Grant and drug rebates from pharmaceutical companies.	
Requirements	$ -
Receipts	2,000,000
Appropriations	$ (2,000,000)
5. Forensic Test for Alcohol Program	
Prior to 1999-00, G.S. 20-16.5(j) required that 50% of the fee collected to restore a revoked driver license be deposited into a Non-Tax Revenue Code to fund a statewide Forensic Test for Alcohol Program. These funds accumulated in the account and established a baseline against which the Forensic Test for Alcohol Program was supported by appropriations. Section 11.62(a) of Chapter 168 redirected deposit of these funds directly into the Department of Health and Human Resources. It is recommended that these fees be budgeted to support functions in the Forensic Test for Alcohol Program and appropriations be reduced accordingly. As a result of this action, fourteen (14) positions will be changed to receipt supported from appropriation.	
Requirements	$ -
Receipts	964,871
Appropriations	$ (964,871)
6. Operating Reserve for the Goldsboro TBI Unit	
In anticipation of the scheduled January 1, 2001, opening of a Traumatic Brain Injury Unit in Goldsboro, the General Assembly appropriated funds to support operations. Capital funds to renovate the building were redirected after Hurricane Floyd to assist recovery in Eastern North Carolina delaying this effort.	(956,328)
Number of Positions	(48.0)
7. Neurobehavioral Treatment Unit – Black Mountain Center	
The Governor redirected renovation and first year operating funds appropriated for the Neurobehavioral Treatment Unit to services to support victims of Hurricane Floyd. In the absence of available renovation funds, it is recommended that the remaining operating funds be eliminated from the budget.	(571,526)
	(51.0)

Recommended Adjustments - Continued

	2000-01	
8. **Smart Start** A one-time reduction to the Smart Start program is recommended. Spending in the Smart Start has been slower than originally projected due to: (1) the complex process of building human service delivery infrastructure in less developed counties, (2) the impact of Hurricane Floyd on Partnerships in Eastern North Carolina and (3) the length of the 1998 short session of the legislature. Based on an analysis of current Smart Start spending patterns the Governor recommends a one-time reduction of $49,000,000.	$ (49,000,000)	NR
9. **Medicaid Program** The 1999-01 budget was originally prepared in January 1999. A reduction to the Medicaid program is recommended based on a revised forecast that considers more current expenditure and utilization information.		
Requirements	$(118,740,319)	
Receipts	(86,351,688)	
Appropriation	$ (32,388,631)	
10. **Additional Medicaid Drug Rebate Receipts** Due to increased spending in prescribed drugs in the Medicaid program additional drug rebate receipts have become available which offsets the need for state appropriations.		
Requirements	$ -	
Receipts	12,146,498	
Appropriation	$ (12,146,498)	

NR - Nonrecurring

Recommended Adjustments - Continued

	2000-01	
11. **Transfer Medicaid Reserve Funds**		
G.S. 143-23.2 limits the use of the Division of Medical Assistance Reserve to support the Medicaid program. Currently, $29 million in recurring revenues are transferred from this reserve to support the Medicaid program. It is recommended that an additional $70 million in one-time revenues be used to support the Medicaid program. The remaining funds in this reserve are needed to support future cost settlements with the United States Health Care Financing Administration.		
Requirements	$ -	
Receipts	70,000,000	
Appropriation	$ (70,000,000)	NR
Total Recommended Adjustments for Department of Health and Human Services		
Requirements	$(169,268,173)	
Receipts	79,681	
Appropriation	$(169,347,854)	
Number of Positions	(99.0)	

Recommended Changes to the 2000-01 Expansion

1. **Smart Start**		
It is recommended that the Smart Start program be fully funded in 2001. To this end, $64,388,955 is recommended with an effective date of October 1, 2000. It is also recommended that $50,750 be provided to support program evaluation costs; $500,000 in non-recurring funds be provided to support county collaboration efforts; $750,000 in nonrecurring funds be provided to support the triennial assessment of children's needs and resources as required by G.S. 143B-168.3; and $964,351 be provided for the North Carolina Partnership for Children to support the cost of personnel, rent, utilities and related administrative costs that have not kept pace with program expansion needs.	$ 66,654,056	

NR - Nonrecurring

Recommended Changes to the 2000-01 Expansion

	2000-01	
2. **T.E.A.C.H. Program** Additional funding is recommended for the T.E.A.C.H. program to support increased cost for tuition, increased number of enrollees, and an increase in the number of participants enrolled in the Associate Degree scholarship program. The Teacher Education and Compensation Helps (T.E.A.C.H.) Early Childhood Project provides a variety of educational scholarship opportunities for people working in regulated child care centers and homes.	$ 400,000	
3. **Health Choice Expansion** It is recommended that eligibility for NC Health Choice be expanded from 200% of the federal poverty level (FPL) to 300%. This will provide coverage to an additional 65,690 children. Expansion costs will be partially offset by monthly premiums paid by parents. For families between 200-249% of the FPL, the monthly premium per child will be $25 with no limit on the number of children per family. For families between 250-299% of the FPL, the monthly premium per child will be $35 with no limit on the number of children per family. Four positions including a support staff assistant, two computer systems' professionals and a financial operation's professional are recommended. This expansion is effective October 1, 2000.		
Requirements	$ 5,355,153	
Receipts	3,941,928	
Appropriation	$ 1,413,225	
Number of Positions	4.0	
4. **Healthy Start Foundation** Funding is recommended to continue the public information and education activities of North Carolina's nationally recognized First Step Campaign. It will also enable the Healthy Start Foundation to provide mini-grants to local communities to fund activities and services designed to reduce infant mortality and low birth weight, which is the leading cause of infant mortality.	650,000	NR

NR - Nonrecurring

Recommended Changes to the 2000-01 Expansion - Continued

		2000-01	
5.	**State Games** Funding is recommended to continue the support for the State Games of North Carolina to promote health and fitness through athletic activities for all North Carolinians.	$ 200,000	NR
6.	**Atypical Antipsychotics** The newer class of atypical antipsychotics (chlozaphine, risperdone, quietiapine, and olanaphine) offers greater efficacy, but is far more costly than traditional medications. To continue to meet the demand for these medications, the Governor recommends additional funds for the State's psychiatric hospitals and mental retardation centers.	1,500,000	
7.	**School Based Mental Health and Substance Abuse Services** The Governor proposes a multi-agency collaboration to improve child mental health and substance abuse services in North Carolina's public school system. The Divisions of Mental Health, Developmental Disabilities and Substance Abuse Services and Public Health will partner with the Department of Public Instruction to establish 24 demonstration centers in at-risk schools. Center staff, including a special education teacher, nurse, mental health professional and substance abuse counselor, will provide direct and referral services to maintain or enhance students' well being and opportunities for academic success. Planning funds are also requested for 24 additional centers. Total program cost is $5,870,000, which includes block grant support and an anticipated award from the Governor's Crime Commission.	930,000	
8.	**Child Mental Health Services** The state's thirty-nine Area Mental Health Programs provide mental health services to our children, including those in foster care children. To better serve these children, the Governor recommends funds be appropriated to the Area Mental Health Programs to increase the availability of child mental health services.	1,000,000	

NR - Nonrecurring

Recommended Changes to the 2000-01 Expansion - Continued

	2000-01
9. **Statewide Poison Control Center** It is recommended that funding be provided to support the North Carolina's Statewide Poison Control Center. The Department of Health and Human Services designated a Statewide poison control center in 1988, in response to G.S. 143-509(3), to serve as a resource to both the medical community and to private citizens. Approximately 28% of the calls received by the Statewide poison control center come from the service area of the Carolinas Poison Center. The remainder is received from other areas of the state. The Statewide Poison Control Center received 89,547 calls in 1999. This represents an 8.1% increase over 1998.	$ 1,000,000
10. **Adult Care Home Inspectors** It is recommended that new inspectors be added to implement the requirements established in Senate Bill 10 ratified in the long session of the General Assembly. These funds support newly established requirements for special care units, time-limited provisional licenses, complaint investigations, medication administration and compliance history reviews which cannot be handled within current resources. These funds are to be used as match to draw down federal funds. The Governor recommends that this item be implemented effective January 1, 2001.	149,000
Number of Positions	6.0
11. **Child Advocacy Institute Children's Services Report** It is recommended that $250,000 in non-recurring funds be provided to support children's reporting efforts developed by the North Carolina Child Advocacy Institute.	250,000
Total Recommended Changes to the 2000-01 Expansion for Department of Heath and Human Services	
Requirements	$ 78,088,209
Receipts	3,941,928
Appropriation	$ 74,146,281
Number of Positions	10.0

Department of Correction

Recommended Adjustments

	2000-01	
1. Increase Receipts from Correction Enterprises		
It is recommended that a total of $3,250,000 ($2,750,000 in nonrecurring and $500,000 in recurring funds) be reduced from the balance of the Prison Enterprise Fund for the purpose of creating additional availability for state fiscal year 2000-01.		
North Carolina Correction Enterprises (NCCE) is self supporting from the sale of products and services produced by inmates and sold to various state and local agencies at a competitive market price. All profits are used by the Department of Correction for capital improvement, salaries of enterprise employees, purchase of equipment, and/or other uses as determined by the Secretary of Correction.		
Requirements	$ -	
Recurring Receipts	500,000	
Nonrecurring Receipts	$ 2,750,000	NR
Recurring Appropriation	$ 500,000	
Nonrecurring Appropriation	$ 2,750,000	NR
2. Reduction of Automobile Replacement Budget		
To create one-time availability, it is recommended the Department of Correction (DOC) delay the replacement schedule for department-owned cars and increase the mileage on DOC vehicles. This initiative is aided by the DOC vehicles taken from prison facilities recently closed.	(1,000,000)	NR
3. Fund Enterprise Accounting Positions from Enterprise Fund		
It is recommended that nine accounting positions dedicated to the Enterprise Fund be supported by receipts from that Fund, thus replacing state appropriation.		
Requirements	$ -	
Receipts	344,200	
Appropriation	$ (344,200)	

NR - Nonrecurring

Recommended Adjustments - Continued

	2000-01	
4. **Reduce Data Processing Equipment by 10%** A one-time reduction of ten percent in data processing equipment budgeted in the Department of Correction is recommended to create needed availability. This savings initiative is aided by reductions in the estimated cost of this type of equipment.	$ (225,862)	NR
5. **IMPACT Aftercare Program – Elimination of Contracts Between the Department of Correction (DOC) and Treatment Alternatives to Street Crimes (TASC)** The Intensive Motivational Program of Alternative Correctional Treatment (IMPACT) or boot camp is a condition of special probation (split sentence) in which the offender must serve an active sentence of 90 to 120 days, and then remain on supervised probation. The General Assembly appropriated funding for IMPACT Aftercare, a pilot, post-boot camp probation program, which includes intensive supervision probation and care management through the TASC program in the Department of Health and Human Services. The program is available to 180 IMPACT graduates per year in six counties: Buncombe, Forsyth, Mecklenburg, New Hanover, and Edgecombe/Nash. DOC analysis of the success rate statistics on this program do not support the concept on which the program is based. TASC is an intervention program for certain drug dependent criminal offenders and those participating in the IMPACT program do not have drug and alcohol problems as their primary treatment need. Reduction of the funds budgeted for these contracts is recommended accordingly.	(440,000)	

NR-Nonrecurring

Recommended Adjustments – Continued

	2000-01	
6. Increase Receipts from Welfare Fund for One-Time Transfer of Cash		
The Inmate Welfare Fund accounts for canteen profits and telephone contract profits in the prison system. The Fund pays for vocational teachers in the prison units and for supplies. This savings initiative is aided by the completion of new prison construction and its decreased demand on this Fund for equipment associated with inmate activities. Teaching positions and related supplies are not impacted by this reduction.		
Requirements	$ -	
Receipts	2,250,000	
Appropriation	$ (2,250,000)	NR
7. Increase Receipts from Work Release by Increasing Per Diem from $14 to $15 per day		
Inmates on work release are required by General Statute to pay per diem to the state. The current rate for per diem is $14 per day; an increase to $15 per day is recommended. There are 1,326 inmates currently on work release.		
Requirements	$ -	
Receipts	325,000	
Appropriation	$ (325,000)	
8. Increase Receipts from Work Release by Increasing Transportation Fee from $1.50 to $2.00 per day		
Inmates on work release are required by General Statute to contribute toward the cost of their transportation to work. The current rate of reimbursement to the state is $1.50 per day. It is recommended that this rate be increased to $2 per day.		
Requirements	$ -	
Receipts	44,844	
Appropriation	$ (44,844)	
9. Reduce the Division of Prisons Travel Budget		
The Division of Prisons has turned in a number of Department of Administration (DOA) owned vehicles. Based on actual spending to date, a recurring reduction to the funds budgeted for rent/lease of DOA owned vehicles is recommended.	(150,000)	

NR - Nonrecurring

2000-01 Recommended Changes
General Fund – Department of Correction – Continued

Recommended Adjustments - Continued

		2000-01	
10.	**Reduce Division of Prisons Employee Uniform Budget** Due to a large number of correctional officer vacancies and a reduction in Central Warehouse inventory, the Department of Correction projects a recurring savings in employee uniforms of $750,000. A reduction in the funds budgeted for uniforms is recommended accordingly.	$ (750,000)	
11.	**Reduce Division of Prisons Equipment Budget by 10%** A one-time reduction of 10% in equipment in the Division of Prisons is recommended to create fund availability.	(460,000)	NR
12.	**Cancel Food Service Contract at Black Mountain** Currently the Division of Prisons contracts for the food service provided at the Black Mountain correctional facility. Food service can be accommodated through the Marion facility, which is less than 20 miles from the Black Mountain unit. Marion Correctional Institution's existing food service staff will prepare the meals, and meals will be transported by van to Black Mountain. A reduction in contract costs is recommended accordingly.	(223,372)	
13.	**Drug Test Increase from $2.50 to $3.50** The Department of Correction provides drug testing on a contractual basis to a number of county, state and private facilities as well as the Division of Prisons at well below the cost of private drug testing. The current fee charged is $2.50 per test. It is recommended that this fee be increased to $3.50 per test. This proposed increase is still less expensive than private drug testing, and the increase would come closer to meeting the cost of supplies required in the testing. This is the first increase in this fee since inception of this service.		
	Requirements	$ -	
	Receipts	84,124	
	Appropriation	$ (84,124)	
14.	**Reduce Division of Community Corrections Travel Budget** Over the last few months the Division of Community Corrections has reduced the number of Department of Administration owned vehicles used by the division by defining caseloads into zones and thus reducing employee driving time significantly. A reduction in the division's travel budget is recommended accordingly.	(200,000)	

NR - Nonrecurring

2000-01 Recommended Changes
General Fund – Department of Correction – Continued

Recommended Adjustments - Continued

	2000-01	
15. **Reduce Division of Community Corrections Equipment Budget by 10%** A one-time reduction of 10% in the equipment budget for the Division of Community Corrections is recommended to create fund availability for fiscal year 2000-01.	$ (110,000)	NR
16. **Reduce Department of Correction Management Budget** A nonrecurring budget reduction of $300,000 is recommended to be distributed across the non-salary operating budget for Department of Correction central administration to create availability.	(300,000)	NR
17. **Reduce the Intensive Motivational Program of Alternative Correctional Treatment (IMPACT) Budget** IMPACT, a 90 to 120 day boot camp program for probationers, is operational at two locations: IMPACT East in Hoffman is for males; IMPACT West in Morganton serves both male and female on a rotating basis. The program has a capacity of 1,500 but is only graduating 900. A 10% recurring budget reduction in the non-salary operating budget for IMPACT is recommended due to low participation.	(108,300)	
18. **Close Currituck Correctional Facility (GPAC)** It is recommended that the Currituck facility be closed effective August 1, 2000. This is a minimum custody facility with inmate standard operating capacity (SOC) of 56 and expanded operating capacity (EOC) of 68. A total of $614,726 of this savings is recommended for the Office of Juvenile Justice to offset the expansion of the Camp Woodson Program. The Currituck facility was recommended for closing by the Government Performance Audit Comission (GPAC).	(1,045,000)	
Number of Positions	(38.0)	
19. **Reduce Division of Prisons (DOP) Food Budget** The Division of Prisons has implemented cost savings initiatives in food service, which include changes to the master menu and decreasing inventory at the Department of Correction Central Warehouse. Accordingly, a recurring reduction is recommended in the food budget.	(1,500,000)	

NR-Nonrecurring

Recommended Adjustments - Continued

	2000-01
20. **Abolish One Vacant Parole Commission Position** Due to the declining number of parolees since the passage of structured sentencing, costs associated with the operation of the Commission are decreasing. The 1999 General Assembly, in House Bill 168, Section 18.1, directed that the Post Release Supervision and Parole Commission report on a plan for staff reduction in March 2000, including a minimum 10% reduction in staff positions in the 2000-2001 fiscal year over the 1999-00 fiscal year. Budget reductions taken in 1999-00 totaled $354,799 with a recurring reduction of $409,472, in excess of the 10% stipulated. A total reduction of $35,561 is recommended for fiscal year 2000-01.	$ (35,561)
Number of Positions	(1.0)
21. **Eliminate Eight Vacant Surveillance and Intensive Case Officer Positions** Surveillance and intensive case officers are used in the Division of Community Corrections to provide intensive supervision to offenders placed on intermediate sanctions. Based on caseload projections, which reflect a slight decline in population under community supervision, a reduction of eight positions and $327,152 is recommended in the budget for surveillance and intensive case teams as of July 2000. All eight positions are vacant.	(327,152)
Number of Positions	(8.0)
22. **Reduce Division of Prisons (DOP) Electricity Budget** The Division of Prisons has realized savings from taking advantage of peak power options with the power companies and also has identified excess funds budgeted for opening new prison facilities. Based on projected expenditures for 1999-00, a reduction in the funds budgeted for electricity is recommended in the DOP.	(300,000)
23. **Reduce Division of Community Corrections Employee Employment Physical Budget** Physicals are required as a condition of employment for probation/parole officers and certain other employees in the Division of Community Corrections. Based on expenditures in 1999-00, a reduction is recommended in the funds budgeted for pre-employment physicals.	(100,000)

Recommended Adjustments - Continued

	2000-01
24. **Eliminate Six Electronic House Arrest (EHA) Specialist Positions** House arrest with electronic monitoring is a special condition of supervised probation, parole, or post-release supervision. Computer technology is used to monitor and restrict the offender's movement. All house arrest with electronic monitoring cases are supervised by probation and parole officers who respond to violations during regular work hours. Designated electronic house arrest response officers respond to violations after regular work hours. Electronic House Arrest (EHA) is a centralized monitoring system for tracking the movement of persons designated by the court to be placed on house arrest. Effective January 2001, the Division of Community Corrections Special Programs will implement a new, more automated monitoring system for Electronic House Arrest (EHA) which will allow a reduction in staff and a budget reduction in the first year of implementation of $80,962, with a recurring cost savings of $166, 781 beginning in the second year.	$ (80,962)
Number of Positions	(6.0)
Total Recommended Adjustments for Department of Correction	
Requirements	$ (7,356,209)
Receipts	6,298,168
Appropriation	$ (13,654,377)
Number of Positions	(53.0)

Department of Crime Control and Public Safety

Recommended Adjustments

		2000-01
1.	**Transfer of the Guard Response to Alternative Sentencing Program (GRASP) from the Department of Crime Control and Public Safety (DCCPS) to the Office of Juvenile Justice (OJJ)** The GRASP is currently administered by the Department of Crime Control and Public Safety and operated by the North Carolina National Guard. The program provides a regimented training program for at-risk and adjudicated juvenile offenders aged 13-15 years old. Because this is an intervention program designed specifically for juvenile offenders, it is recommended that the direct control of the program be transferred from the DCCPS to the OJJ. The National Guard will continue to operate this program through a contractual arrangement with the OJJ.	$ (338,000)
2.	**Federal 2001 Juvenile Accountability Incentive Block Grant (JAIBG) to be Administered by the Office of Juvenile Justice (OJJ)** Currently the Juvenile Accountability Incentive Block Grant is administered by the Governor's Crime Commission in the Department of Crime Control and Public Safety. JAIBG is a block grant from the federal Department of Justice that funds a broad range of local juvenile crime programs. It is recommended that any JAIBG funds for the federal fiscal year 2001 be awarded to and administered by the OJJ. Federal fiscal year 2000 funds will total approximately $5,650,000 and will be awarded in June 2000 by the Governor's Crime Commission.	
	Total Recommended Adjustments for the Department of Crime Control and Public Safety	
	Requirements	$ (338,000)
	Receipts	-
	Appropriation	$ (338,000)

Recommended Changes to the 2000-01 Expansion

	2000-01
1. Overtime Pay for Highway Patrol	
An increase in the Highway Fund support for the Highway Patrol is recommended to begin to implement overtime pay in lieu of compensatory leave for the Highway Patrol. Currently there is no money budgeted for the Highway Patrol to pay overtime. Based on a forty hour work week, in 1999, the Highway Patrol would have given the equivalent of 104,666 hours of compensatory time or the equivalent of fifty full time troopers. The number of licensed drivers in North Carolina has grown more than eighty percent since the mid-1970's, while the number of troopers has grown less than twenty percent. With the lack of adequate manpower, overtime for troopers continues to increase. These funds will assist in the effort to increase manpower as opposed to decreasing coverage through the practice of troopers taking compensatory time off.	
Requirements	$ 1,500,000
Receipts (Highway Fund)	1,500,000
Appropriation	$ -
Total Recommended Changes to the 2000-01 Expansion for Crime Control and Public Safety	
Requirements	$ 1,500,000
Receipts (Highway Fund)	1,500,000
Appropriation	$ -

Department of Justice

Recommended Adjustments

	2000-01
1. **Transfer of J-NET Positions from Department of Justice to Office of Juvenile Justice** It is recommended that three positions currently located in the Department of Justice and working with the Juvenile Justice Information Network (J-NET) be transferred to the Office of Juvenile Justice. Of the total recommended, $210,000 is for positions (one project director and two information and business systems liaisons); and $15,000 is for support. The $210,000 for the positions was appropriated for 1998-99; and the $15,000 was appropriated for 1999-01.	$ (225,000)
Number of Positions	(3.0)
Total Recommended Changes to the 2000-01 Expansion for Department of Justice	
Requirements	$ (225,000)
Receipts	-
Appropriation	$ (225,000)
Number of Positions	(3.0)

Office of Juvenile Justice

Recommended Adjustments

	2000-01	
1. **Opening of Two New Detention Centers Delayed** Funding in the amount of $840,000 was appropriated for operating costs for two new detention centers in Alexander and Wayne Counties, originally scheduled to be open by January 2001. Current estimates indicate the centers will not be open until July 1, 2001, allowing a nonrecurring reduction in the funds budgeted for the fiscal year 2000-01.	$ (561,000)	NR
Total Recommended Adjustments for Office of Juvenile Justice		
Requirements	$ (561,000)	
Receipts	-	
Appropriation	$ (561,000)	

Recommended Changes to the 2000-01 Expansion

1. **Intermediate Sanctions – Juvenile Crime Prevention Councils (JCPC Grants)** JCPC grants are directed at helping children who, because of changes in sentencing laws, have been diverted from training schools. The grants establish permanent funding in all 100 counties for this purpose. The 1998 Session of the General Assembly funded local juvenile justice programs at a level of $5,511,990. A total of $29 mil is currently budgeted for JCPC grants; but some of these funds are from one-time sources such as carryforward, which reduces the amount available for next year to $24 million. Of the $5.5 million appropriated in 1998, $3.6 million was direct allocation to counties. Funds are recommended to restore the level of funding for state fiscal year 2000-01 to that of the current year.	$ 3,688,000	

Recommended Changes to the 2000-01 Expansion - Continued

	2000-01
2. **Management Information System** The Office of Juvenile Justice (OJJ) receives complaints on approximately 30,000 juveniles per year and provides institutional and community based services to approximately 50,000 juveniles annually. At present, information on juveniles is maintained in multiple filing systems. The OJJ is not electronically linked and in many cases, only paper records exist. The current system causes greater incidence of error and an incomplete database, which does not allow conducting research and evaluation studies of a longitudinal nature on the juveniles within the juvenile justice system. The Juvenile Information Network (J-NET) is a comprehensive computer program being developed to serve OJJ needs. The Juvenile Network Planning Project Final Report dated October 1998, recommended computers, program maintenance staff, LAN administrators, connection lines, and other operational functions as necessary to make J-NET operational. For initial support of J-NET, the OJJ obtained a Management Information System (MIS) grant in the amount of $2,393,276 for 1999-00 from the Governor's Crime Commission. Funds in the amount of $956,590 are recommended to continue to support this initiative for the last six months of fiscal year 2000-01 when grant funds will no longer be available. The funds recommended will be used to support 10 positions responsible for the functions noted earlier. Annualized costs will be $2,002,545.	$ 956,590
3. **Camp Woodson** Camp Woodson is a therapeutic adventure oriented camping program operated by the Office of Juvenile Justice as an intermediate sanction, that is, youth participating in the program are referred through the juvenile court in selected District Courts. These youth are placed on probation with an intermediate sanction requiring that they complete the Camp Woodson Program. Youth may also be referred to the program by the training schools to assist in transition back into the community. Currently, the program is operated only in Buncombe County (Camp Woodson West). It is recommended that $614,726 of the savings realized from the closing of Currituck	

Recommended Changes to the 2000-01 Expansion - Continued

		2000-01	
Camp Woodson - Continued			
Correctional Facility in the Department of Correction be used to offset the expense of an additional three positions at Camp Woodson West and expansion of this program to a location in Washington County (Camp Woodson East) effective October 1, 2000.			
Additional support in the amount of $215,800 for nonrecurring start-up costs for the program will come from a grant from the Governor's Crime Commission (GCC). Nonrecurring start-up costs and recurring operating expenses associated with meal planning and preparation will be supported from federal Child Nutrition grant funds in the amount of $75,920 nonrecurring and $59,980 recurring. Start up construction costs will be minimized through the use of inmate labor from the Department of Correction.			
Requirements	$966,426		
Nonrecurring Receipts (GCC)	215,800		
Nonrecurring Receipts (Child Nutrition)	$ 75,920		
Recurring Receipts (Child Nutrition)	59,980		
Nonrecurring Appropriation	23,978	$ 23,978	NR
Recurring Appropriation	$590,748	590,748	
Number of Positions		24.0	

4. **Transfer of J-NET Positions from the Department of Justice to the Office of Juvenile Justice**
It is recommended that three positions currently located in the Department of Justice and working with the Juvenile Justice Information Network (J-NET) be transferred to the Office of Juvenile Justice. Two hundred and ten thousand dollars is for positions (one project director and two information and business systems liaisons); $15,000 is for support. The $210,000 for the positions was appropriated for 1998-99; and the $15,000 was appropriated for 1999-01.

NR – Nonrecurring

Recommended Changes to the 2000-01 Expansion – Continued

	2000-01
Transfer of J-NET Positions from the Department of Justice to the Office of Juvenile Justice - Continued J-NET is a comprehensive software program developed by the Office of Juvenile Justice to provide critical information about juveniles in North Carolina. This information database eventually will form a communication link with other agencies such as the Division of Social Services, Department of Correction, and the Department of Public Instruction allowing both horizontal and longitudinal studies to be performed.	$ 225,000
Number of Positions	3.0
5. **Transfer of the Guard Response to Alternative Sentencing Program (GRASP) from the Department of Crime Control and Public Safety (DCCPS) to the Office of Juvenile Justice (OJJ)** The GRASP is currently administered by the Department of Crime Control and Public Safety and operated by the North Carolina National Guard. The program provides a regimented training program for at-risk and adjudicated juvenile offenders aged 13-15 years old. The program's mission is to build self-esteem and emphasize the consequences of individual actions. The OJJ is currently receiving this funding through the DCCPS and is responsible for the program's outcome. Because this is an intervention program designed specifically for juvenile offenders, it is recommended that the direct control of the program be transferred from the DCCPS to the OJJ. The National Guard will continue to operate this program through a contractual arrangement with the OJJ.	338,000
6. **Federal 2001 Juvenile Accountability Incentive Block Grant (JAIBG) Funds to be Administered by the Office of Juvenile Justice (OJJ)** Currently, the Juvenile Accountability Incentive Block Grant is administered by the Governor's Crime Commission in the Department of Crime Control and Public Safety. JAIBG is a block grant from the federal Department of Justice that funds a broad range of local juvenile crime programs. It is recommended that any JAIBG for federal fiscal year 2000 will total approximately $5,650,000 and will be awarded in June 2000 by the Governor's Crime Commission.	

Recommended Changes to the 2000-01 Expansion - Continued

	2000-01
Federal 2001 Juvenile Accountability Incentive Block Grant (JAIBG) Funds to be Administered by the Office of Juvenile Justice (OJJ) - Continued	
funds for the federal fiscal year 2001 be awarded to and administered by the OJJ. The OJJ will direct this funding to local Juvenile Crime Prevention Councils (JCPCs), which would then determine how these funds could best serve local prevention efforts. JAIBG funds	
7. **Transfer of Center for Prevention of School Violence from North Carolina State University to the Office of Juvenile Justice (OJJ)**	
It is recommended that the Center for Prevention of School Violence, currently located at North Carolina State University, be transferred to the Office of Juvenile Justice. The Center is the primary point of contact for information, programs, and research about the prevention of school violence. The Center is involved in the establishment and support of School Resource Officers, Students Against Violence Everywhere (SAVE) chapters, and conflict management and peer mediation programs.	$ 500,000
Number of Positions	7.0
Total Recommended Changes to the 2000-01 Expansion for Office of Juvenile Justice	
Requirements	$ 6,674,016
Receipts	351,700
Appropriation (including Transfers)	$ 6,322,316
Number of Positions	34.0

Department of Agriculture and Consumer Services

Recommended Changes to the 2000-01 Expansion

	2000-01	
1. **Farmland Preservation Trust** This will begin to fund the Million Acre Initiative which protects open space and farmland through agricultural conservation easements. This will help farmers continue farming; slows the loss of productive agricultural land; sustain the production of food and fiber and the viability of an agricultural industry; prevent development from damaging existing farmland and protect natural resources required for farming, and contribute to the conservation of water quality and natural areas. This includes $200,000 for CGIA for mapping and operating support, which is essential to the program.	$ 1,200,000	NR
Total Recommended Changes to the 2000-01 Expansion for Department of Agriculture and Consumer Services		
Requirements	$ 1,200,000	
Receipts	-	
Appropriation	$ 1,200,000	NR

NR – Nonrecurring

Department of Commerce

Recommended Adjustments

		2000-01	
1.	**NC Competitive Commission Repealed** The law authorizing the Commission was repealed by the 1999 General Assembly; therefore, the funding is no longer needed.	$ (218,000)	
2.	**Center for Entrepreneurship and Technology (CET)-New and Emerging Industries** Created in 1997-98 with a $300,000 appropriation, this program addressed the need for ongoing planning and program development in the recruitment of new and emerging technology industries. This action will reduce the program by one-third.	(100,000)	
3.	**Welcome Centers** Budgets for utilities and supplies are reduced.	(10,000)	
4.	**Travel Film and Sports Development** Telephone and postage savings associated with increased use of the internet have been realized.	(100,000)	
5.	**Workforce Commission** Excess Salary Reserve was created when a position was moved from appropriation to receipt support.	(25,000)	
6.	**Eliminate Fund Balance** Years ago, Commerce had a centralized copying office for the entire department. Agencies were charged for usage so that they could eventually replace the machines. This function is no longer active. The fund balance will be transferred to the General Fund for reduction.		
	Requirements	$ -	
	Receipts	64,329	
	Appropriation	$ (64,329)	NR
	Total Recommended Adjustments for Department of Commerce		
	Requirements	$ (453,000)	
	Receipts	64,329	
	Appropriation	$ (453,000)	
		(64,329)	NR

NR – Nonrecurring

Recommended Changes to the 2000-01 Expansion

		2000-01	
1.	**JobReady Implementation Grants and Operating Support** In 1994, the state received a $30 million five-year federal School-To-Work grant to expose students to the world of work. This approach combines advanced classroom courses and high academic standards with real life learning to prepare students for college and the cutting-edge jobs of the twenty-first century. Federal Funding ended in 1999-00. Seventy-seven partnerships covering all 100 counties have been funded on a three-year implementation grant schedule. Fifty-three partnerships have received their full three-years of implementation grants. However, 19 partnerships need one more year of funding and five partnerships need two more years of funding totaling nonrecurring funding in the amount of $732,958 for 2000-01 as well as $366,578 for 2001-02. This appropriation will replace a portion of the federal funding to complete the three-year implementation grant commitment made to local partnerships and provide continuing technical assistance to all local partnerships through the state program staff.	$ 289,851 732,958	 NR
	Number of Positions	4.0	
2.	**Industrial Recruitment Competitive Fund** The Industrial Recruitment Competitive Fund was established in 1993 for the purpose of providing financial assistance to those businesses and/or industries deemed to be vital to a healthy and growing state economy and that are making significant efforts to establish or expand in North Carolina. The fund provides grants to companies for machinery and equipment, based upon the number of jobs created ($1,000 per job) and the tier ranking of the county. The current maximum grant is $125,000 per project for Tier 1 counties and is reduced by $25,000 for each Tier increase.	2,000,000	NR
3.	**Rural Prosperity Task Force—Rural Redevelopment Authority** Funds are recommended to create the Rural Redevelopment Authority to actively seek out and fund proposals supporting on-farm and community-based agricultural enterprises, including independent animal-processing facilities and other value-added processing facilities, including biopharmaceuticals.	250,000	

NR – Nonrecurring

Recommended Changes to the 2000-01 Expansion - Continued

		2000-01	
4.	**Rural Prosperity Task Force—Agricultural Advancement Consortium** Funds are recommended to create the Agricultural Advancement Consortium which will bring together a coalition of experts and interested parties, including farm organizations, universities, the North Carolina Department of Agriculture and Consumer Services, N.C. Cooperative Extension, State Ports, and others to research trends and identify and promote opportunities to improve the state's economic development through farming and agricultural interests.	$ 250,000	
	Total Recommended Changes to the 2000-01 Expansion for Department of Commerce		
	Requirements	$ 3,522,809	
	Receipts	-	
	Appropriation	$ 789,851	
		2,732,958	NR
	Number of Positions	4.0	

Department of Commerce – State Aid to Non-State Entities

Recommended Changes to the 2000-01 Expansion

1.	**Rural Prosperity Task Force—North Carolina Biotechnology Center** Funds are recommended to provide additional funding for research into value-added genetic changes of crops, including tobacco, to produce industrial enzymes, pharmaceutical proteins, vaccines, new forest products and other products.	$ 2,000,000	NR
	Total Recommended Changes to the 2000-01 Expansion for Department of Commerce – State Aid to Non-State Entities		
	Requirements	$ 2,000,000	
	Receipts	-	
	Appropriation	$ 2,000,000	NR

NR - Nonrecurring

Department of Commerce – Information Technology Services (ITS)

Recommended Adjustments

	2000-01	
1. Year 2000 (Y2K) Conversion Fund Balance		
In 1997, a special fund was established to support the state's successful response to the Y2K problem. Funds remain that are no longer needed. The fund balance will be transferred to the General Fund.		
Requirements	$ -	
Receipts	9,000,000	
Appropriation	$ (9,000,000)	NR
Total Recommended Adjustments for Department of Commerce-ITS		
Requirements	$ -	
Receipts	9,000,000	
Appropriation	$ (9,000,000)	NR

Recommended Changes to the 2000-01 Expansion

1. **North Carolina Information Network (NCIN)**
The NCIN (Information Highway) provides state government with two principal services: (1) a high-speed backbone that carries the state's data traffic and (2) a two-way interactive video network. The NCIN currently serves over 2,000 state and local government agency locations for data and 172 video sites. Of the 172 video sites, 41 are community colleges, 72 are high schools, 7 are universities, and the remaining 52 sites are state agencies and other governmental institutions. In the 1999-00 fiscal year, the legislature provided approximately $3.6 million in non-recurring funds to pay $2,250 per month per site for continuing operations in 114 of the approved sites.

Recommended Changes to the 2000-01 Expansion - Continued

	2000-01	
North Carolina Information Network (NCIN) - Continued		
This level of funding is still needed. It is recommended that Information Technology Services use available fund balance to support $2.7 million of this total cost with federal e-rate funding anticipated at $900,000 supporting the balance of the cost.		
Requirements	$ 3,596,000	
Receipts	3,596,000	NR
Appropriation	$ -	
Total Recommended Changes to the 2000-01 Expansion for Department of Commerce - ITS		
Requirements	$ 3,596,000	
Receipts	3,596,000	NR
Appropriation	$ -	

NR - Nonrecurring

Department of Environment and Natural Resources

Recommended Adjustments

	2000-01	
1. Aquarium – Delay Construction at Pine Knoll Shores		
The 2000-01 Budget included $1,569,337 in a reserve for staffing and operating the expanded aquarium at Pine Knoll Shores. The capital project has been delayed, therefore the reserve will not be required, until the capital funding is available. The reserve will be required to be restored when the capital project is completed.	$ (1,569,337)	
Number of Positions	(25.0)	
2. Division of Air Quality – Budget Excess Receipts		
The Division of Air Quality receives a portion of the fuel tax charged for gasoline. There are adequate receipts to replace appropriations within the Division's budget without reducing services. This will involve shifting appropriation supported positions to receipt support.		
Requirements	$ -	
Receipts	200,000	
Appropriation	$ (200,000)	
3. Division of Forest Resources – 2% Reduction		
The Department is considering the following reductions: equipment replacement delays, reduction in temporary firefighters funding, increasing local match requirement, and consolidation of fire districts.	(662,000)	
4. Division of Coastal Management – Land Use Planning Funds		
There has been a moratorium on new land use plans since July 1, 1999, to allow the Division to review the process for efficiencies. This moratorium is expected to continue through June 30, 2001. Therefore all the grant funding to local governments will not be required during SFY 2001. This reduction may be made for one year only.	(100,000)	NR
Total Recommended Adjustments for Department of Environment and Natural Resources		
Requirements	$ (2,331,337)	
Receipts	200,000	
Appropriation	$ (2,431,337)	
	(100,000)	NR
Number of Positions	(25.0)	

NR – Nonrecurring

Recommended Changes to the 2000-01 Expansion

	2000-01
1. Division of Marine Fisheries – IT Operating Funds	
The General Assembly has provided funding for the past three years for the development of a data management system for the Marine Fisheries programs. The appropriation has been non-recurring, except for a small amount of recurring funding to cover the cost of two positions, therefore there are no funds for on-going operations such as line charges, SIPS processing time, and software licenses fees. These funds will be provided by the commercial fishing license fees.	
Requirements	$ 750,000
Receipts	750,000
Appropriation	$ -
2. Stormwater Pollution	
Urbanization and development of watersheds is increasing stormwater pollution and flooding. The federal National Pollutant Discharge Elimination System (NPDES) Stormwater Program currently covers 3600 facilities throughout North Carolina. New EPA requirements will add more facilities, construction sites and local governments to the program. Seven of the recommended staff will be located at the regional offices to improve stormwater permitting, compliance and enforcement and technical assistance. One environmental engineer and two environmental specialists will be located in the central office to support regional staff and improve compliance oversight.	775,000
Number of Positions	(9.0)

Recommended Changes to the 2000-01 Expansion - Continued

		2000-01
3. **Sedimentation Pollution**		
Sedimentation is a primary source of water pollution. Increasing inspections increases proper installation and maintenance of erosion and sediment control measures and protects water quality. Recommended staff will be located in the regional offices to increase inspections and provide technical assistance.	$	225,000
Number of Positions		(3.0)
Total Recommended Changes to 2000-01 Expansion for Department of Environment and Natural Resources		
Requirements	$	1,750,000
Receipts		750,000
Appropriation	$	1,000,000
Number of Positions		(12.0)

Note: The Department of Environment and Natural Resources will introduce legislation during the May Session that will help North Carolina meet the statutory 40% solid waste reduction goal. The legislation will include a landfill tipping fee. Proceeds from this fee will be used to: (1) complete the detoxification of the PCB landfill in Warren County; (2) monitor, contain, and clean up abandoned landfills; (3) redevelop brownfields; and (4) provide grants to local governments to build recycling capacity.

IV. Transportation

A. Transportation Program

Total funding in excess of $3.0 billion is required to support the state's Transportation Program for the 2000-01 fiscal year. Approximately $1,240.0 million, or 41% of the total is provided from the traditional Highway Fund. Highway Trust Fund availability adds another $995.5 million of the total, which represents about 33%. Other state funds include General Fund support totaling $15.4 million and departmental receipts of $6.4 million. Federal Aid totals $774.7 million, or 26%.

North Carolina Transportation Program, 2000-01

Budget Code		Highway Fund	Highway Trust Fund	Department Receipts	Federal Funds	General Fund	Total
84210	Administration	$ 65,686,156	$ 5,720,183	$ 568,382	$ -	$ -	$ 71,974,721
	Division of Highways						
84220	Administration	36,495,582	6,748,700	463,675	-	-	43,707,957
84230	Construction	123,002,000	742,165,617	-	736,871,200	-	1,602,038,817
84230	Maintenance	485,569,469	-	-	-	-	485,569,469
84230	Planning and Research	2,959,649	-	-	10,932,436	-	13,892,085
84230	Motor Carrier Safety	897,172					897,172
84230	OSHA Program	425,000	-	-	-	-	425,000
84230	Ferry Operations	18,174,622	-	-	-	-	18,174,622
	State Aid						
84230	Municipalities	87,902,000	49,126,497	-	-	-	137,028,497
84230	Public Transportation	38,246,921	-	-	6,828,057	-	45,074,978
84230	Airports	-	-	-	15,478,062	11,609,165	27,087,227
84230	Railroads	21,507,088	-	-	-	-	21,507,088
84240	Governor's Highway Safety	338,121	-	-	4,567,689	-	4,905,810
84260	Division of Motor Vehicles	93,796,516	4,158,449	5,353,499	-	-	103,308,464
84290	Uncommitted Trust Fund Admin.	-	9,620,554	-	-	-	9,620,554
84270	Other State Agencies	176,966,099	-	-	-	3,825,000	180,791,099
84290	Transfer to General Fund	-	170,000,000	-	-	-	170,000,000
84290	Additional Administrative-Transfer	-	8,000,000	-	-	-	8,000,000
84270	Reserves and Transfers	79,063,605	-	-	-	-	79,063,605
	Total Operating	$1,231,030,000	$995,540,000	$6,385,556	$774,677,444	$15,434,165	$3,023,067,165
84230	Capital Improvements	9,000,000	-	-	-	-	9,000,000
	Grand Total	$1,240,030,000	$995,540,000	$6,385,556	$774,677,444	$15,434,165	$3,032,067,165

B. Highway Fund

The Highway Fund receives its support from three primary sources: (1) three-fourths of the Motor Fuels tax collected by the Department of Revenue; (2) licenses and fees collected by the Division of Motor Vehicles; and (3) interest earned from investment of the fund cash balance by the State Treasurer.

1. Revenue

Highway Fund revenue totaled $1,131.0 million in 1998-99, increasing by 1.6% from the previous year. It is projected that revenue will total $1,156.5 million in 1999-00, and $1,240 million in 2000-01, representing increases of 2.3% and 7.2% respectively. The unusually rapid projected growth in collections in 2000-01 is the result of motor fuel price increases.

Motor fuel consumption is expected to increase at an above average rate of 3.7% in 1999-00, followed by a more typical rate of 3.1%. Motor fuel prices are anticipated to peak in calendar 2000, then decline, but remain above their previous lows. As a result of the lag between the actual wholesale price of motor fuels and changes in the wholesale tax component of the motor fuels tax, fiscal year 2000-01 will feel the largest impact of the recent price increases. It is estimated that collections will total $801.9 million in 1999-00 and $875.3 million in 2000-01, representing growth of 3.4% and 9.2% respectively.

Licenses, Fees, and other state revenue are projected to total $338.6 million in 1999-00, and $350.3 million in 2000-01. This represents a decline in collections of 0.4% in 1999-00, and an increase in revenue of 3.4% in 2000-01. As a result of converting from a four-year to a five-year renewal cycle for driver licenses, collections are projected to decline by 8.5% in 1999-00, and then expand by 7.6% in 2000-01. Normal long-term annual growth is in the 1.5% range. International registration plan collections have been very volatile as other states make-up for payment deficiencies. In 1998-99 collections grew by 21.3%. It is projected that collections will decline by 5.4% in 1999-00, and than expand at a more normal rate of 2.5% the following year. The remaining licenses and fees are projected to expand in the 2.5% to 3% range.

Investment income is projected to total $15.9 million in 1999-00 and $14.4 million in 2000-01. This represents an increase of 2.6% the first year, followed by a 9.5% decline the second. The decline is a result of smaller cash balances as revenue from the 1997 bond issue is depleted.

Highway Fund Revenue, 1999-01

	1998-99 Actual	1999-00 Estimated	2000-01 Projected
Motor Fuels Taxes:			
Motor Fuels Tax	$ 762,888,008	$ 788,860,000	$ 861,860,000
Inspection Fee	12,491,183	12,950,000	13,350,000
Highway Use Registration Fee	162,905	120,000	120,000
Total Motor Fuels Tax	$ 775,542,096	$ 801,930,000	$ 875,330,000
Licenses and Fees:			
Staggered Registration Plan	$ 139,114,535	$ 143,290,000	$ 146,870,000
International Registration Plan	50,791,801	48,060,000	49,260,000
Drivers License Fees	62,278,971	57,000,000	61,320,000
Truck Licenses	56,781,624	58,480,000	60,240,000
Other Licenses and Fees	30,978,863	31,770,000	32,580,000
Total Licenses and Fees	$ 339,945,794	$ 338,600,000	$ 350,270,000
Investment Income	15,541,363	15,940,000	14,430,000
Total Highway Fund Revenue	$1,131,029,253	$1,156,470,000	$1,240,030,000

Condition of the Highway Fund, 2000-01

	1999-00 Estimated	2000-01 Authorized	Net Changes Recommended	2000-01 Recommended
Availability:				
Beginning Credit Balance:				
Estimated Reversions	$ 5,200,000	$ -	$ -	$ -
Overrealized Revenue	-	-	-	-
Subtotal	$ 5,200,000	$ -	$ -	$ -
State Highway Revenue	1,154,690,000	1,194,410,000	45,620,000	1,240,030,000
Total Availability	$1,159,890,000	$1,194,410,000	$ 45,620,000	$1,240,030,000
Expended and Reserved	1,159,890,000	1,181,410,000	58,620,000	1,240,030,000
Ending Credit Balance	$ -	$ 13,000,000	$ (13,000,000)	$ -

Recommended Adjustments

Transportation Administration – 84210

		2000-01
1. **Funds for Additional Insurance Coverage of Facilities** In accordance with analyses performed by the State Property Office and the Department of Insurance an increase in insurance coverage for existing Department of Transportation buildings is requested.	$	125,000
2. **Division of Motor Vehicles Mail Costs and Operations** This request includes $400,000 to pay postage expense due to an increase in the volume of mail for Division of Motor Vehicles. It also includes one-time funds to replace the current mail inserter that is constantly in need of repair.		595,000
3. **Central Warehouse Rental and Staff** Several years ago the Office of the State Auditor was sharply critical of the warehouse conditions and security for sensitive Division of Motor Vehicles items such as vehicle safety stickers, firearms for enforcement, and enforcement uniforms. The Department rented a better warehouse in the summer of 1999 with credit balance funds from 1998-99 to improve the situation. This request is for permanent funding for rent ($292,500), permanent staff and operating costs for the warehouse.		556,914
Number of Positions		4.0
Total Recommended Changes for Transportation Administration	$	1,276,914
Number of Positions		4.0

Transportation Construction and Maintenance – 84230

4. **Municipal Aid (Powell Bill)** This sum is required by law based on revised revenue estimates by the Office of State Budget and Management.	$	192,000
5. **Secondary Roads Construction** This sum is required by law based on revised revenue estimates by the Office of State Budget and Management.		192,000

		2000-01
6.	**Capital Improvements** The Department owns hundreds of facilities statewide. Many are old and dilapidated. The Department has a capital improvement plan that schedules $15 million per year in replacement, repair and renovation. In 1998-99 only $4 million was appropriated and in 1999-00 no capital funding was appropriated. This request will allow the Department to again continue efforts to provide needed buildings, maintenance facilities and repairs across the state.	$ 9,000,000
7.	**Operating and Capital Assistance to Public Transit** During the 1999 session of the General Assembly the legislature added $5.2 million to the 1999-00 public transportation budget. Of that amount, $4.9 million was for operating assistance grants to the urban bus systems throughout the state and $300,000 was for capital assistance to rural transit systems. The funds for the 1999 appropriation came from a one-time source and will not be available in the future. This request is to continue to fund these very important needs on a continuing basis from Highway Fund availability.	5,200,000
8.	**Highway Maintenance** Highway maintenance continues to be a tremendous need across our state. In past years a backlog ranging from $200 million to $300 million has been constant and highway fund appropriations have not been available to remove the backlog and establish a routine maintenance schedule to keep up with the demand. This request will provide additional funds to help meet this critical need.	23,500,000
	Total Recommended Changes for Transportation Construction and Maintenance	$ 38,084,000

Division of Motor Vehicles– 84260

9.	**Driver License Lease Agreements Renewals** Funds are requested to pay for increases in the annual lease agreements for 19 driver license offices located across the state. The lease agreements will cover rental, utilities and janitorial services. The leases that are expiring will be renewed at higher rates.	$ 183,025

		2000-01
10. **Emissions and Safety Inspection Stickers** The Emissions Program now requires a sticker that is bar coded for tracking purposes. Since the inspection centers have only one piece of equipment for both emissions and safety inspections the sticker that is applied to the windshields of inspected vehicles must now have bar coding. This request will help supply the newly redesigned stickers.	$	194,000
11. **Additional Hearing Officers** The Division of Motor Vehicles currently has 23 Hearing Officers who conduct hearings across the state pertaining to driver license revocations. State law requires a hearing to be conducted within 60 days of a driver's request. With the current number of hearing officers it is difficult and sometimes impossible to comply. The Department projects an increase in the number of DWI violations and suspensions resulting in an increase in requested hearings. This request will provide for three additional Hearing Officers that will help afford drivers a hearing within the timeframe prescribed by law.		136,059
Number of Positions		3.0
12. **West Raleigh Office Lease** The West Raleigh Division of Motor Vehicles office just off Blue Ridge Road is inadequate. The Capital Improvement request contains funds to replace that facility and also provide space to house the Division of Motor Vehicles Enforcement Office that is also located in the same area. Until the new facility is completed it will be necessary to lease space to continue to serve the citizens in that area.		296,200
Total Recommended Changes for Division of Motor Vehicles	$	809,284
Number of Positions		3.0

Reserves and Transfers – 84270

13. **Leaking Underground Storage Tank Trust Fund** This sum is required by law based on revised revenue estimates by the Office of State Budget and Management.	$	200,000

		2000-01
14.	**Driver Education** This increase is requested by the Department of Public Instruction to provide for increased enrollment in the target age group.	$ 449,802
15.	**3% Salary Increase for Highway Fund Supported Positions** This amount was set aside but not budgeted during the 1999 Legislative Session. It will provide for a 3% salary increase for all positions currently funded from Highway Fund Appropriations.	13,000,000
16.	**Reserve for Division of Motor Vehicles Systems Maintenance** The Division of Motor Vehicles has implemented numerous automated systems to administer the motor vehicle and driver laws of the state. The systems include (STARS) Vehicle Registration, (SADLS) Driver Licensing, (CRASH) Traffic Records, (IRP) International Registration Plan and several other smaller systems each requiring continual maintenance and functional modifications. This work is currently done primarily by contracted services and costs approximately $5 million per year with a budget of $1 million. The Department has used funds from the credit balance in the past to meet these critical needs. The Department is also requesting that these funds be placed in a reserve so as to allow them to look at any benefits that may be derived by changing to having the work done in house as opposed to contracting.	3,300,000
17.	**Highway Patrol Overtime Pay** An increase in Highway Funds budgeted to support the Highway Patrol is recommended to implement overtime pay in lieu of compensatory leave. Currently there are no funds budgeted for the Highway Patrol to pay overtime. These funds would assist in the effort to increase manpower as opposed to decreasing coverage through the practice of troopers taking compensatory time off.	1,500,000
	Total Recommended Changes for Reserves and Transfers	$ 18,449,802
	Total Recommended Changes for Department of Transportation	$ 58,620,000
	Number of Positions	7.0

Changes to the 2000-01 Highway Fund Budget
(Highway Fund Appropriations Only)

	2000-01 Previously Authorized	Revision	2000-01 Revised Appropriation
DOT-General Administration	$ 64,409,242	$ 1,276,914	$ 65,686,156
Highway Division Administration	36,495,582	-	36,495,582
State Match for Federal Aid-Planning and Research	2,959,649	-	2,959,649
Construction Program:			
State Secondary System	$ 87,710,000	$ 192,000	$ 87,902,000
State Urban System	14,000,000	-	14,000,000
Discretionary Funds	10,000,000	-	10,000,000
Spot Safety Improvements	9,100,000	-	9,100,000
Access and Public Service Roads	2,000,000	-	2,000,000
Total Construction Program	$ 122,810,000	$ 192,000	$ 123,002,000
Maintenance Program:			
Primary System	$ 114,393,724	$ -	$ 114,393,724
Secondary System	195,247,571	-	195,247,571
Urban System	37,475,926	-	37,475,926
Contract Resurfacing	114,952,248	23,500,000	138,452,248
Total Maintenance Program	$ 462,069,469	$ 23,500,000	$ 485,569,469
Ferry Operations	$ 18,174,622	$ -	$ 18,174,622
Motor Carrier Safety	897,172	-	897,172
State Aid to Municipalities	87,710,000	192,000	87,902,000
State Aid to Railroads	21,507,088	-	21,507,088
State Aid for Public Transportation	33,046,921	5,200,000	38,246,921
OSHA Program	425,000	-	425,000
Governor's Highway Safety Program	338,121	-	338,121
Division of Motor Vehicles	92,987,232	809,284	93,796,516
Total Department of Transportation	$ 943,830,098	$ 31,170,198	$ 975,000,296

2000-01 Recommended Changes
Transportation – Continued

	2000-01 Previously Authorized	Revision	2000-01 Revised Appropriation
Appropriations to Other State Agencies:			
Agriculture	$ 3,339,686	$ -	$ 3,339,686
Revenue	3,018,692	-	3,018,692
State Treasurer-Sales Tax	13,800,000	-	13,800,000
Public Instruction-Driver Education	26,201,384	449,802	26,651,186
Crime Control and Public Safety-Highway Patrol	121,745,269	-	121,745,269
Environment, and Natural Resources:			
LUST Trust Fund	6,791,622	200,000	6,991,622
Health and Human Services:			
Chemical Test	419,644	-	419,644
Global Transpark	1,000,000	-	1,000,000
Total-Other State Agencies	$ 176,316,297	$ 649,802	$ 176,966,099
Reserves and Transfers:			
Legislative Salary Increase	$ 25,668,715	$ 13,000,000	$ 38,668,715
Salary Adjustment	200,000	-	200,000
DMV Pay Equity	3,390,708	-	3,390,708
Minority Contractor Development	150,000	-	150,000
State Fire Protection Grant	150,000	-	150,000
DMV Vehicle Seizure	29,182	-	29,182
State Health Plan	7,000,000	-	7,000,000
Reserve for General Maintenance	31,000,000	-	31,000,000
Stormwater Discharge Permit	500,000	-	500,000
DMV Systems Maintenance	-	3,300,000	3,300,000
Additional Administrative Transfer	(8,000,000)	-	(8,000,000)
Additional Funding for Visitor Centers	175,000	-	175,000
Highway Patrol Overtime	-	1,500,000	1,500,000
Prescription Drug Card Program	1,000,000	-	1,000,000
Total Reserves and Transfers	$ 61,263,605	$ 17,800,000	$ 79,063,605
Total Current Operations	$1,181,410,000	$ 49,620,000	$1,231,030,000
Capital Improvements	-	9,000,000	9,000,000
Total Highway Fund Appropriation	$1,181,410,000	$ 58,620,000	$1,240,030,000

C. Highway Trust Fund

The 1989 Session of the General Assembly, in Chapter 692 of the Session Laws, ratified House Bill 399 to establish the Highway Trust Fund. Revenue for the funding was provided from four primary sources: (1) one fourth of the Motor Fuels Tax collected by the Department of Revenue; (2) Sales and Use Taxes on the sales of motor vehicles in excess of $170 million, which is to be used in the General Fund; (3) most of the Title Fees and some various Registration Fees collected by the Division of Motor Vehicles; and (4) interest earned from investment of the Trust Fund cash balance by the State Treasurer. Effective July 1, 1996, all revenue from Title Fees is deposited in the Highway Trust Fund. In addition to the revenues above, there has been a transfer from the Highway Fund each year as required by G.S. 136-183, but this transfer was deleted for the biennium.

The legislation also sets out the various roads identified as the Intrastate System and Urban Loops which are to be funded. Also identified are supplemental funds for Secondary Roads Construction and Aid to Municipalities. Formula funding for administration as well as for the mentioned purposes is likewise included in the legislation.

1. Revenue

Highway Trust Fund revenue is projected to total $935 million in 1999-00 and $995 million in 2000-01. This represent increases of 7.0% and 6.5% respectively. One-fourth of motor fuels tax collections is dedicated to the Highway Trust Fund. The revenue is projected to total $262.9 million in 1999-00 and $287.3 million in 2000-01. This represents increases of 3.2% and 9.3% respectively. The rapid growth in collections is a result of increases in motor fuel prices. Although prices are expected to peak in calendar 2000, as a result n the lag between price changes and changes in the wholesale price component of the motor fuel tax, most of the impact of recent price increases will be felt in fiscal 2000-01. Reflecting strong motor vehicle sales, motor vehicle use tax collections are projected to be 10.9% in 1999-00 and 7.5% in 2000-01. Other Trust Fund fees are anticipated to increase in the 3.0% range during this period. Investment income is project to decline by 5% in 1999-00 and 20% in 2000-01. The cash balance of the Trust Fund is anticipated to decline as revenue for the1997 bond sales is depleted.

Highway Trust Fund Revenue, 1999-01

	1998-99 Actual	1999-00 Estimated	2000-01 Projected
Anticipated Collections:			
Motor Fuel Taxes	$ 254,740,680	$ 262,926,000	$ 287,258,000
Highway Use Tax	489,513,431	542,867,000	583,582,000
Title Fees:			
Certificates of Title	78,154,154	80,499,000	82,833,000
Miscellaneous Title Fees	12,098,359	12,504,000	12,891,000
Investments Income	39,323,555	36,220,000	28,976,000
Total Highway Trust Fund Revenue	$ 873,830,179	$ 935,016,000	$ 995,540,000

Condition of the Highway Trust Fund, 2000-01

	1999-00 Authorized	2000-01 Authorized	Net Changes Recommended	2000-01 Recommended
Availability:				
Beginning Credit Balance	$ -	$ -	$ -	$ -
Highway Trust Fund Revenue	880,044,000	912,060,000	83,480,000	995,540,000
Total Availability	$880,044,000	$912,060,000	$ 83,480,000	$995,540,000
Expenditures and Commitments:				
Authorized Budget	$710,044,000	$742,060,000	$ 83,480,000	$825,540,000
Transfer to General Fund (1)	170,000,000	170,000,000	-	170,000,000
Total Expenditures & Commitments	$880,044,000	$912,060,000	$ 83,480,000	$995,540,000
Ending Credit Balance	$ -	$ -	$ -	$ -

(1) Transfer required by G.S. 105-187.9.

Supplemental Budget Recommendations

The statutory provisions for the Highway Trust Fund specify the amounts to be appropriated to the budgetary items. The following table, Changes to the 2000-01 Highway Trust Fund Budget, incorporates the changes in availability in accordance with the formula allocations of the Trust Fund to the appropriation items.

Changes to the 2000-01 Highway Trust Fund Budget

	2000-01 Previously Authorized	Revision	2000-01 Revised Appropriation
Department of Transportation:			
Maximum Allowance for Administration	$ 30,128,464	$ 4,119,422	$ 34,247,886
Construction Allocation:			
Intrastate System	419,674,677	48,538,626	468,213,303
Urban Loop System	169,698,962	19,626,998	189,325,960
Secondary Roads	78,524,234	6,102,120	84,626,354
State Aid to Municipalities	44,033,663	5,092,834	49,126,497
Transfer to the General Fund (1)	170,000,000	-	170,000,000
Total Highway Trust Fund	$912,060,000	$ 83,480,000	$995,540,000

(1) Transfer required by G.S. 105-187.9.

2000-01 Recommended Changes

V. Compensation and Benefits

Additional funds are recommended to provide compensation increases to teachers, school-based administrators, community college employees, university system employees, and all other state employees. Funds recommended total $407 million for 2000-01.

The specific allocations for the distribution are reflected below:

Public Education Employees

	2000-01
Teachers and Instructional Support Personnel:	
• Six and one half percent (6.5%) funding in 2000-01 is recommended for the teacher's salary schedule.	$ 224,031,710
Principals/Assistant Principals:	
• An appropriation with 8.4% funding in 2000-01 is recommended for the school-based administrator salary schedule, student improvement bonus, and safe school bonus.	20,852,538
• All Other Public School Employees (Superintendents, central office administrators, finance officers, clerical workers, teacher assistants, custodians, bus drivers, bus mechanics, and maintenance supervisors). An appropriation to provide a 3% average increase is recommended.	27,932,244
Total Public School Employees	$272,816,492 *

Community College Employees

All Institutional Personnel:	
• An increase for all administrators, faculty, and staff salaries by an average of 3% on a permanent basis is recommended to be distributed in accordance with State Board of Community Colleges policies.	$ 17,279,112
Total Community College Employees	$ 17,279,112 *

*Funds are included in agency totals and are shown here for informational purposes.

2000-01 Recommended Changes
Compensation and Benefits - Continued

University System Employees

	2000-01
• Employees Exempt from the State Personnel Act (EPA)- An increase in funding is recommended to allow teaching and nonteaching faculty an annual average salary increase of 3%. Funds will be distributed consistent with rules and regulations adopted by the University of North Carolina Board of Governors. Funding is recommended to advance teachers on the teacher salary schedule at the NC School of Science and Mathematics.	$ 31,664,837
• Employees subject to the State Personnel Act (SPA) - Funds are recommended for a 3% compensation increase, to be distributed in accordance with G.S. 126-7, Compensation of State Employees.	13,450,191
Total University Employees	$ 45,115,028 *

All Other State Employees

A 3% recurring compensation increase is recommended for employees subject to the State Personnel Act (SPA), to be distributed in accordance with G.S. 126-7, Compensation of State Employees. Judicial employees, General Assembly employees, and other employees exempt from the State Personnel Act (EPA) not defined in other areas of this document are also included in the recommended funding.	$ 58,813,553
Total All Other Employees	$ 58,813,553

Highway Fund Employees

Funding is recommended for Highway Fund employees for a 3% recurring compensation increase, to be distributed in accordance with G.S. 126-7, Compensation of State Employees.	$ 13,000,000
Total Highway Fund Employees	$ 13,000,000 *

*Funds are included in agency totals and are shown here for informational purposes.

VI. Other Appropriations

	2000-01	
1. Charlotte National Guard Armory Funds are recommended for the Department of Crime Control and Public Safety to provide the state's share for a new 66,000 square foot armory in Charlotte. The 1996 General Assembly authorized the planning phase of this project and appropriated $87,600 for this purpose. The total cost is $8,356,872. The federal share is $5,874,100 and the local government share is $777,000.	$ 1,618,172	
2. Reserve for State Match - Water Resources Projects and Small Watershed Grants It is recommended that an appropriation be made for the state share of federal civil works projects for navigation, flood control, water-based recreation, aquatic weed control, drainage, stream restoration, beach protection, and small watershed grants. The costs of these projects are shared by statutory formula with the federal government and/or local governments. Allocation of these funds will be made by the Department of Environment and Natural Resources in compliance with the state's Water Resources Plan.	$ 13,356,000	
3. Statewide Reserve for Legislative Salary Increases Funds remaining in the Reserve for 1999-00 Legislative Salary Increases are not needed and it is recommended that they be reduced from the 2000-01 General Fund Budget.	$ (11,000,000)	
4. Debt Service The 1999 General Assembly appropriated funds in the amount of $290,709,550 for FY 2000-01 to support the General Fund cost of currently outstanding bonds and bonds anticipated to be issued under current authorizations. As a result of cash flow projection reductions and increases in anticipated receipts, the date of bond issuance and the amount of bonds to be issued during FY 2001 has been revised. Therefore, the debt service appropriation has been reduced from $290,709,550 to $245,096,955, providing for a decrease of $45,612,595.		
Requirements	$ (31,787,595)	
Receipts	13,825,000	
Appropriation	$ (45,612,595)	NR

VII. Special Provisions

-----Teacher Longevity Pay

Section __. Funds are appropriated to change the longevity rates for personnel paid from the teacher salary schedule to the same longevity rates as state employees effective with the school year 2000-01. Annual longevity payments are to be at one and one-half percent (1.5%) of base salary for 10 to 14 years of state service, two and one-quarter percent (2.25%) of base salary for 15 to 19 years of state service, three and one-quarter percent (3.25%) of base salary for 20 to 24 years of state service, and four and one-half percent (4.5%) of base salary for 25 or more years of state service, commencing July 1, 2000, for all teachers whose salaries are supported from the State's General Fund. The longevity payment shall be paid in a lump sum once a year.

-----Hold Harmless FTE Losses

Section__. Funds are appropriated to the State Board of Community Colleges to hold harmless community colleges located in Hurricane Floyd federally declared disaster areas that experienced a decline in earned full-time equivalent student (FTE) enrollment to the 1999-00 budgeted FTE. This section is effective for the 2000-01 fiscal year.

-----Transfer of the Center for Prevention of School Violence to the Office of Juvenile Justice

Section __. The Center for Prevention of School Violence currently operating under the University of North Carolina System is hereby transferred to the Office of Juvenile Justice (OJJ). This transfer will be a Type I in accordance with G.S. 143 a-6 (a).

The Center as a component of the OJJ shall continue to consult with the University of North Carolina System and the Department of Public Instruction to enhance research opportunities and specialized study areas such as; teacher preparation, school resource officer development, suicide prevention and best practices.

-----Transfer of Positions and Support Cost for the Juvenile Information Network from the Department of Justice to the Office of Juvenile Justice.

Section __. The Department of Justice is hereby directed to transfer to the Office of Juvenile Justice the three positions and $225,000 appropriated for support of the Juvenile Information System Network.

----PETROLEUM OVERCHARGE FUNDS ALLOCATION

Sec. __. (a) The funds and interest thereon received from the case of the United States vs. Exxon are deposited in the Special Reserve for Oil Overcharge Funds. There is appropriated from the Special Reserve to the Department of Commerce the sum of $1,000,000 for the 2000-01 fiscal year to be used for projects under the State Energy Efficiency Programs.

(b) There is appropriated from funds and interest thereon received from the United States Department of Energy's Stripper Well Litigation (MDL378) which remain in the Special Reserve for Oil Overcharge Funds to the Department of Commerce the sum of $1,600,000 for the 2000-01 fiscal year to be allocated for the Residential Energy Conservation Assistance Program (RECAP).

(c) Any funds remaining in the Special Reserve for Oil Overcharge Funds after the allocations made pursuant to subsections (a) and (b) of this section may be expended only as authorized by the General Assembly. All interest or income accruing from all deposits or investments of cash balances shall be credited to the Special Reserve for Oil Overcharge Funds.

(d) The funds and interest thereon received from the Diamond Shamrock Settlement which remain in a reserve in the Office of State Budget and Management for the Department of Commerce to administer the petroleum overcharge funds pursuant to Section 112 of Chapter 830 of the 1987 Session Laws shall continue to be available to the Department of Commerce on an as-needed basis.

(e) The Department of Commerce shall submit comprehensive annual reports to the General Assembly by January 31, 2001, which detail the use of all Petroleum Overcharge Funds. Any state department or agency that has received petroleum overcharge funds shall provide all information requested by the Department of Commerce for the purpose of preparing these reports.

-----Carry-forward of Funds for Mental Health, Substance Abuse, and Developmental Disabilities Services in FY 2000-2001

(a) Not withstanding GS 143-18, of the General Fund current operations credit balance remaining in the Department of Health and Human Services, on June 30, 2001 the Department shall carry forward to the next fiscal year funds budgeted for any facility operated by the Division of Mental Health Mental Retardation and Substance Abuse Services and budgeted for community based mental health, substance abuse or developmental disability services. The funds may be used for the following purposes:

(1) To pay one time expenditures that will not impose additional financial obligations on the state;
(2) To establish community-based services if sufficient recurring funds can be identified within the Department from funds currently budgeted for mental health, developmental disabilities, and substance abuse services to support ongoing costs of those community-based services.

(b) The Director of the Budget, under the authority set forth in GS 143-25, shall establish the General Fund current operations credit balance remaining as of June 30,2001, in the Department of Health and Human Services.

-----Use of Lapsed Salaries

Notwithstanding GS 143-23, lapsed salaries within the Division Mental Health, Developmental Disabilities and Substance Abuse Services institutions may be used as start-up funds for programs that more appropriately serve institutionalized clients in community programs provided the ongoing operation of these programs can be continued with recurring funds currently budgeted for mental health, developmental disabilities, and substance abuse services within the Department.

The Department of Human Resources shall report to the Legislative Commission on Governmental Operations in November 2000 on initiatives undertaken by the Department as a consequence of this provision.

VIII. Long-Term Impact of Recommended Changes

EXPENDITURE FORECAST 2000-05

General Fund Operating Budget for Recurring Resources and Requirements
(In Millions)

Description	2000-01	2001-02	2002-03	2003-04	2004-05
Revenue Availability	$ 13,953.2	$ 14,893.9	$ 16,001.8	$ 17,194.2	$ 18,479.2
Less: Continuation Budget Authorized	13,558.1	13,883.5	14,216.7	14,557.9	14,907.3
Add: Continuation Budget Adjustments	179.5	179.5	179.5	179.5	179.5
Beginning Availability	$ 574.6	$ 1,189.9	$ 1,964.6	$ 2,815.8	$ 3,751.4
Less: Expansion Recommendations and Forecast					
Public Education					
Teacher & Principal Salaries to National Average (3% Increase Beginning 2001-2002)	(281.1)	(400.4)	(523.2)	(649.8)	(780.1)
Department of Community Colleges					
Enrollment Increase	(22.5)	(39.7)	(58.8)	(77.1)	(97.4)
Board of Governors - University System					
Enrollment - regular	(21.1)	(53.6)	(85.7)	(130.3)	(171.1)
Model Teacher Consortium	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Aid to Private Colleges	(3.3)	(3.3)	(3.3)	(3.3)	(3.3)
Need-Based Financial Aid	(11.4)	(11.4)	(11.4)	(11.4)	(11.4)
Chinqua-Penn Plantation	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Department of Health and Human Services					
Smart Start	(66.7)	(121.4)	(113.7)	(129.3)	(144.3)
MH Services for Children	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
NC Health Choice-300% of Fed.Poverty Level	(1.4)	(2.8)	(4.1)	(5.1)	(5.6)
Facility Services-Poison Control Ctr.Increase	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Mental Health Critical Needs in Pharmacy	(1.5)	(1.7)	(1.9)	(2.1)	(2.4)
School Based MH SAS Services	(0.9)	(3.6)	(3.6)	(3.6)	(3.6)
TEACH	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Adult Care Home Inspectors	(0.1)	(0.3)	(0.3)	(0.3)	(0.3)
Commerce					
Job Ready - Grants/Operating Support	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Rural Prosperity-Rural Development Plan	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Rural Prosperity-Agric.Advancement Consortium	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
DENR					
Storm Water Pollution	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
Sedimentation Pollution	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Juvenile Justice					
JCPC Grants - Intermediate Sanctions	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)
MIS - Gov.Crime Comm. Grant Continuation	(1.0)	(2.0)	(2.0)	(2.0)	(2.0)
Camp Woodson East	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)
Revenue					
Additional Interstate Auditors	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
Cultural Resources					
Arts Council Increase for Operating Support	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Statewide Reserves					
Compensation Increase 3%	(149.1)	(301.0)	(457.4)	(618.4)	(784.3)
Reserve for State Health Plan	0.0	(141.4)	(188.6)	(188.7)	(251.7)
Total Expansion Recommendations	(570.9)	(1,093.4)	(1,464.8)	(1,832.2)	(2,268.3)
Balance	$ 3.8	$ 96.5	$ 499.8	$ 983.6	$ 1,483.1

Note: Includes projected enrollment requirements for 2000-01 through 2004-05 for Universities and Community Colleges.
Medicaid growth projected at 8% in Continuation Budget.
Includes a projected 3% increase for state employees 2000-01 and all employees 2001-02 through 2004-05.
Includes a reserve for State Health Plan increases yet to be determined.
Smart Start funding for 2000-01 is effective October 1, 2000.

Public Schools of North Carolina

State Board of Education
Phillip J. Kirk, Jr., Chairman

http://www.dpi.state.nc.us

Department of Public Instruction
Michael E. Ward, State Superintendent

Mike Ward

April 6, 2000

The Honorable James B. Hunt Jr.
Governor, State of North Carolina
Office of the Governor
116 W. Jones Street
Raleigh, NC 27603-8001

Dear Governor Hunt:

Thanks to continued support for the ABCs and the Excellent Schools Act, public schools in North Carolina are making significant improvements in student performance. The new funds appropriated in the 1999 budget bill are helping to meet the needs of students who are not performing at grade level; this is critical, since the new student accountability standards go into effect next year. There are still needs of our students to be met; we would like consideration of the following educational concerns for 2000-2001:

Improving Student Accountability: Closing the Achievement Gap – to improve performance for students who are not performing at grade level. Current funding provides $173 per student below grade level. An additional **$31,386,800** would increase the funding by $175 to $348 per child. A request is also made to have funds available through August 31, as the At Risk Student Services dollars.

ABCs Incentive Bonus – to continue the awards to certified staff and teacher assistants at schools whose students meet and exceed expected growth in performance. **$135 million**

ABCs Pilot Program – to reward certified staff and teacher assistants at pilot schools whose student performance is disaggregated within designated demographic groups or designated student performance levels. This pilot program is required by legislation passed in 1999. **$4.6 million**

Implementation of Occupational Course of Study – to provide funds for LEAs to implement an Occupational Course of Study as approved by the State Board of Education. This course of study is designed to assist Children with Disabilities in receiving diplomas in accordance with their Individualized Education Plan. **$6,000,695**

Additional funds for Students with Limited English Proficiency (LEP) – to provide additional assistance to LEP students. **$9,579,600** would provide $300 additional to eligible students.

Academically or Intellectually Gifted Program – to improve quality of education for academically or intellectually gifted students. **$3.7 million**

Testing Requirements – to fund the development, implementation, and revision of tests required to measure student performance in accordance with the ABCs. **$4,846,807**

Textbook Warehouse – to comply with a December 1999 mandate from the Information Resource Management Commission (IRMC) to migrate the existing Textbook Warehouse application

system from the AS400 platform to a platform that complies with the (IRMC) technical architecture. **$1,476,104**

We would like to further pursue the items listed below which were recommended by the State Board of Education and State Superintendent as part of our 1999-2001 biennial budget request to you on September 8, 1998. Those requests were based on the Board's five priority areas and reflected some of the needs of our public schools We continue to support those requests that were made for the biennium and would like to highlight some of the most critical needs. These items include:

School Technology – technologically bring our students, teachers, and schools into the 21st century, while also providing assistive technology for children with disabilities.

Academic Content Standards – revise curriculum content standards and disseminate to teachers and administrators.

Governor's School – provide additional resources for operation of Governor's School.

At-Risk Student Services/Alternative Schools – increase allotment for alternative school programs and meet requirements in recommendations from Governor's Task Force on Youth Violence and School Safety.

Children with Disabilities – improve quality of education for children with special needs.

Salary Increases - continue initiative to increase teachers' salaries to the national average; continue the relationship of the principal and teacher salary schedules in order to provide equitable funding for principals as well as teachers; increase central office salaries in light of budget constraints placed on this allotment category over the last several years; and increase salaries for all other public school personnel.

We request your consideration of these items and we would appreciate the opportunity to discuss them with you. Thank you for allowing us to present our requests and for your continued support of the public schools in North Carolina.

Sincerely,

Phillip J. Kirk, Jr., Chairman
State Board of Education

Michael E. Ward, State Superintendent
Department of Public Instruction

PJKjr:MEW:HHH:jb
Attachment

Supplemental Budget Request
State Public School Fund
FY 2000-01

High Student Performance

ABCs	
Improving Student Accountability: Closing the Achievement Gap Improve performance for students who are not performing at grade level	$ 31.4 million
ABCs Incentive Bonus Continue awards to certified staff and teacher assistants at schools whose students meet and exceed expected growth in performance	135 million
ABCs Pilot Program Reward certified staff and teacher assistants at pilot schools whose student performance is disaggregated within designated demographic groups or performance levels	4.6 million
School Assistance Teams Fully fund assistance teams for low-performing schools	5 million
Testing Program Expand program to cover cost of Computer Skills, High School Exit Exam, Alternate Assessments, and inflationary increases	4.8 million
Special Populations	
Children with Disabilities Improve quality of education for children with disabilities	25 million
Occupational Course of Study for children with disabilities to work towards receiving diplomas in accordance with their Individualized Education Plan	6 million
Limited English Proficiency Expand services to children who are English language learners	9.6 million
Academically or Intellectually Gifted Improve quality of education for academically or intellectually gifted students	3.7 million
School Technology Bring technology for students, teachers, and schools into the 21st century and to provide assistive technology for children with disabilities	71 million
Job Ready - School to Work Replace federal funds that are not continued in FY 2000-01	3.6 million

Carter

Safe and Orderly Schools

At-Risk Student Services/Alternative Schools Increase allotment for alternative school programs, school safety officers, and other support personnel.	34 million

Quality Teachers, Administrators, and Staff

Excellent Schools Act Teacher Evaluation Instruments Develop instruments for evaluating teachers and other professional school employees	1.1 million
Tuition to Teach Scholarships Provide two years of tuition for certain teacher education majors who teach for two years in critical teacher shortage areas (both subject and location)	5 million

Effective and Efficient Operation

Charter Schools Impact on LEAs Minimize the fiscal impact of state allotment reductions on LEAs	7 million

Total State Public School Fund Supplemental Request	**$ 346.8 million**

N.C. Department of Public Instruction, Division of School Business
School Finance Section, April 3, 2000 (C:\Data\Leg00\ExpReq.Wk4)

Supplemental Budget Request
Department of Public Instruction
FY 2000-01

High Student Performance

ABCs	
Testing Program Support	$ 204,000
Provide funds for Accountability Services Division due to expansion of scope-of-work associated with implementation of the ABCs	
Provide 0.5 position for Accountability Services Division to assist in development of and revision to tests as curriculum content standards are revised	33,000
Charter Schools	
Provide 0.5 position for Accountability Services Division to support charter schools testing operations	33,000
Academic Content Standards	650,000
Revise curriculum content standards and disseminate to teachers and administrators	
Continuation of Operations	100,000
Provide assistance to and workshops for the Academically & Intellectually Gifted Program	
Provide additional instructors, salary increases for current faculty, instructional materials, and guest lecturers for the Governor's School	128,054

Quality Teachers, Administrators, and Staff

Excellent Schools Act	45,000
Provide funds to pay required costs of Case Managers	

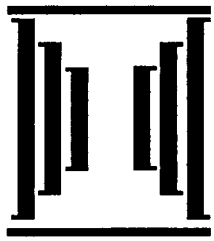
Effective and Efficient Operation

Continuation of Operations	
Provide funds for contractual services for client support and to begin a replacement cycle for agency computers (Information and Technology Services Area)	548,628
Provide additional travel and "reserve" funds for State Board of Education	40,000
Enable the Textbook Warehouse to migrate to a UNIX system which allows LEAs to order textbooks electronically	1,476,104

Total Agency Supplemental Request	**$ 3,257,786**

THE STATE BOARD OF COMMUNITY COLLEGES

2000-01 Budget Request



Committee on Finance and Capital Needs
Office of the President and the
Division of Business and Finance

H. Martin Lancaster
System President

Division of Business and Finance

April 2000

The State Board of Community Colleges
2000-01 Budget Request

Item		Total Cost
Enrollment Adjustments: Serving the Educational & Workforce Training Needs of the Citizens and Their Communities	$	29,704,264
Responding to the Economic Needs of the State of North Carolina: Sustaining Educational and Economic Opportunity	$	28,961,048
Lifelong Learning Which Serves the Marketplace: Continuing Education	$	14,786,326
From Libraries to Learning Resource Centers: An Extension and Modernization of the Learning Environment	$	4,532,965
Expanding Access: Taking the Learning Environment to the People in Their Communities	$	16,547,882
Enhancing the System's Capabilities	$	2,565,250
TOTAL 2000-01 BUDGET REQUEST	$	97,097,735

The State Board of Community Colleges
2000-01 Budget Request

Lancaster

Item	Identifiable Costs		Total Cost
Enrollment Adjustments: Serving the Educational & Workforce Training Needs of the Citizens and Their Communities			
	Annual Enrollment Adjustment	$	22,526,641
	Summer Term Funding	$	7,177,623
	Hurricane Floyd (non-add)	$	2,045,732
	Total	**$**	**29,704,264**
Responding to the Economic Needs of the State of North Carolina: Sustaining Educational and Economic Opportunity			
	Other Costs	$	1,022,336
	Instruction	$	22,073,172
	Instructional Support	$	5,865,540
	Total	**$**	**28,961,048**
Lifelong Learning Which Serves the Marketplace: Continuing Education			
	Occupational Continuing Ed	**$**	**14,786,326**
From Libraries to Learning Resource Centers: An Extension and Modernization of the Learning Environment			
	Additional Funding	$	3,877,965
	Expanded Access to Titles	$	500,000
	Staff Support	$	155,000
	Total	**$**	**4,532,965**
Expanding Access: Taking the Learning Environment to the People in Their Communities			
	Multi-Campus Colleges	$	4,755,312
	Off-Campus Centers	$	5,634,303
	Distance Learning	$	6,158,267
	Total	**$**	**16,547,882**
Enhancing the System's Capabilities			
	Small Business Centers	$	1,600,000
	Center for Applied Textile Technology	$	266,548
	System Office	$	698,702
	Total	**$**	**2,565,250**
TOTAL 2000-01 BUDGET REQUEST		**$**	**97,097,735**

Comp pay (comm coll)

no funding for expansion (needed)

ENROLLMENT ADJUSTMENTS: SERVING THE EDUCATIONAL AND WORKFORCE TRAINING NEEDS OF CITIZENS AND THEIR COMMUNITIES

Description:

The North Carolina Community College System is actively involved in helping people and businesses obtain the knowledge and skills needed to stimulate the state's economy. As North Carolina transitions into an information and knowledge driven global economy, the demand for curriculum programs and services that support the lifelong learning needs of people and communities is increasing. Evidence of this fact is that for the fourth consecutive year, the budgeted enrollment for the NCCCS has increased. In addition, the existing investment in facilities and personnel need to be fully utilized on a year-round basis. This ensures access by and responds to the lifelong workforce development needs of citizens and employers. The doors of colleges must be open as much as possible to provide for both student and industry access. Finally, those colleges that had enrollment decreases as a result of Hurricane Floyd need to be held harmless in order to play a proactive role in rebuilding the economy of eastern North Carolina.

Elements:

- Increase Curriculum enrollment by 5,702 FTE (5.1%); Continuing Ed by 912 FTE (5.12%); and Basic Skills by 626 FTE (4.3%)

- Provide funding for summer term curriculum instruction to enable:
  a. increased responsiveness to the educational needs of people, and the workforce development demands of business;
  b. more opportunities for curriculum students to acquire more skills and knowledge, which enhance employment opportunities; and,
  c. more effective and efficient utilization of existing investment in personnel, facilities, and equipment.

Cost:

	2000-01
Annual Enrollment Adjustment	$22,526,641
Summer-Term Funding	$ 7,177,623
Hold-Harmless for Eastern Community Colleges Affected By Hurricane Floyd (non-add)	($ 2,045,732)
ESTIMATED COST:	**$29,704,264**

RESPONDING TO THE ECONOMIC NEEDS OF THE STATE OF NORTH CAROLINA: SUSTAINING EDUCATIONAL AND ECONOMIC OPPORTUNITY

Description:

Community colleges respond to the demands of students and employers in a variety of ways that enables both students preparing for work and their employers to profit both educationally and economically. This mutual interdependence can only be accomplished and sustained by providing colleges with sufficient funding so as to recruit and retain well-credentialed facility, competent staff, and to provide sufficient operating funds. The benefit to the state of funding these items is derived from increased educational attainment and skills level of all citizens, thereby enabling them to share in economic prosperity, rooted in manufacturing and service industries with well-trained and productive employees. For colleges to accomplish this goal, they must have instructional technology and materials. By more fully utilizing faculty, staff and other resources, the NCCCS can increase educational opportunity for more citizens and favorably impact economic activity throughout the state.

Elements:

- Sustain the progress made in providing faculty and students with modern instructional technology and materials for optimal class and lab instruction.
- Continue the process of lowering budgeted levels of faculty-to-student ratios to meet accrediting requirements, enhance the quality of instruction and training, and expand course offerings.
- Provide additional instructional support staff necessary to manage the demands of additional headcount enrollment, meet complex student needs, and personnel responsible for working with industry to customize training opportunities.

Cost:

	2000-01
Other Costs	$ 1,022,336
Instruction	$22,073,172
Instructional Support	$ 5,865,540
ESTIMATED COST:	**$28,961,048**

LIFELONG LEARNING WHICH SERVES THE MARKETPLACE: CONTINUING EDUCATION

Description:

As North Carolina moves from an agricultural and manufacturing driven economy toward a highly-technical information economy, the skills and knowledge of the existing workforce become increasingly important economic development forces. Lifelong learning opportunities for citizens are essential for helping people and businesses respond to economic forces prevalent in today's marketplace. Occupational Continuing Education enables individuals to enhance their skills, and enables employers to benefit from employees who have the knowledge to think critically, operate modern technology, and improve productivity. This is a continual process in the changing world of work, and it is called "lifelong learning." North Carolina's unique occupational continuing education program has been and continues to be a major factor in helping existing businesses and attracting new industry. The General Assembly recently (1997) realized the value of occupational continuing education by incrementally improving the funding. As a result, course offerings improved in quality and quantity, and enrollments increased. An additional funding increment is needed to further enhance training opportunities for both employers and workers.

Elements:

- Provide funds necessary to value continuing education/lifelong learning equally with traditional curriculum instruction. This includes completing the process begun by the General Assembly in 1997, and providing benefits for full-time faculty. Spending requirements are reduced by ~ $11.6 million of non-curriculum tuition waivers.

Cost:

	2000-01
Occupational Continuing Education	$14,786,326
ESTIMATED COST:	**$14,786,326**

FROM LIBRARIES TO LEARNING RESOURCE CENTERS: AN EXTENSION AND MODERNIZATION OF THE LEARNING ENVIRONMENT

Description:

Libraries, or learning resource centers, are no longer just repositories for "books." These centers have become extensions of the classroom, wherein students from all disciplines and educational levels have access to both printed and electronic media. These media are critical for effective learning. Books, computing technology, and access to periodicals and journals are important to instructional effectiveness. Funding has not been sufficient for these centers to fully become the learning environments needed in the community college of 2000 and beyond, nor has the allocation formula equitably distributed resources. A substantial infusion of funds is needed to supplement classroom instruction and access to knowledge and to implement a more equitable method of allocation.

Elements:

- Implement the recommendations from a consultant's report on the need for additional funding and appropriate resource allocation. This includes establishing a base allocation of $25,000 per college, and supplementing this by an amount per FTE to establish a level of funding adequacy based upon demonstrated need.
  a. Provide additional funding based upon new formula.
  b. Increase funding to enable LRC's to have increase access to titles, catalogues and databases.
  c. Hire two additional cataloging and two additional acquisition specialists to maintain records and place orders.

Cost:

	2000-01
Enhanced LRC Funding:	
Additional Funding Based on New Formula	$3,877,965
Expanded Access to Titles	$ 500,000
Staff Support	$ 155,000
ESTIMATED COST:	**$4,532,965**

EXPANDING ACCESS: TAKING THE LEARNING ENVIRONMENT TO THE PEOPLE IN THEIR COMMUNITIES

Description:

Access to educational opportunities has been a cornerstone of the NCCCS' mission since its creation. In today's learning environment, most students participate in educational activities while employed on a full- or part-time basis. Off-Campus Centers have been developed in order to provide cost effective responses to citizen access needs. Multi-Campus Colleges also provide a cost-effective way to meet access needs of North Carolina citizens. The cost to the state through the development and use of Multi-Campus Colleges and Off-Campus Centers has been minimal compared to building additional freestanding colleges. Operation of these campuses and centers, however, results in necessary duplication of personnel, infrastructure and operating expenses. A two-year study of funding needs in these areas has led to the development of a series of funding recommendations which need to be addressed. Distance Learning and the Virtual Learning Community provide educational opportunities simultaneously at multiple sites while increasing both the quality and quantity of offerings in a cost-effective manner. Learning opportunities are also further extended without time or distance limitations.

Elements:

- Provides additional funding to enable the 14 full-service multi-campus colleges throughout the state to provide for the completion of associate degrees, certificates and diplomas, and to provide necessary student services at all campuses.
- Provide new funding for State Board approved off-campus centers where students may obtain certificates and diplomas and may pursue basic skills and continuing education training.
- Taking the learning environment to the place where people learn, this includes both the necessary infrastructure (interactive video, Internet service, and system-wide support) and the instructional components (course development and course operations).

Cost:

	2000-01
Multi-Campus Colleges	$ 4,755,312
Off-Campus Centers	$ 5,634,303
Distance Learning and the Virtual Learning Community	$ 6,158,267
ESTIMATED COST:	**$16,547,882**

ENHANCING THE SYSTEM'S CAPABILITIES

Description:

There are a number of areas in which the NCCCS is in need of enhancement. First, the Small Business Centers (SBC's) have been neglected for supplemental funding for many years. The SBC's are an integral part of a network of services to employers. Research nationwide indicates that small business employers are primarily responsible for new job creations. The recent recommendations from the Rural Prosperity Task Force recognize the need to enhance support to small businesses in North Carolina.

Another institution that is front-line in meeting the needs of business and industry is the Center for Applied Textile Technology (CATT). The Center serves the needs of the textile industry statewide.

Finally, the NCCCS Office, the structure which supports colleges in their educational and economic development mission and that carries out policies of the State Board, has needs which enable it to be a source of information and technical assistance.

Elements:

- Funds are needed to enhance SBC operations statewide, based upon an incentive formula, which recognizes performance and market size. Funds will also be used at the state level for program development.
- Provide additional staffing, information systems, and operating expenses to provide enhanced instruction to the textile industry.
- These needs include resources sufficient to provide technical assistance to the NCCCS, including research assistance with performance funding, dedicated T1 lines, and workforce initiatives.

Cost:

	2000-01
Small Business Centers	$1,600,000
Center for Applied Textile Technology	$ 266,548
System Office	$ 698,702
ESTIMATED COST:	**$2,565,250**

Joint Appropriations Subcommittee on Education

May 23, 2000

The University of North Carolina

2000-01 Supplemental Budget Request

Current Operations

Schedule of Priorities

- Access
- Productivity and Efficiency
- Competitiveness
- Collaborative University-School Programs
- Public Service and University Outreach

2000-01 Supplemental Budget Request

Major Themes - Current Operations

Access	
Enrollment Increases – students served on-campus and at a distance	$ 35,107,339
Need-Based Student Financial Aid Program	31,000,000
Total - Access	66,107,339
Productivity and Efficiency	
Information Technology (Phase II)	30,000,000
Competitiveness	
6% Academic Salary Increase	62,883,553
Rewarding Teaching Excellence (1%)	7,615,444
Distinguished Professorships – State Matching Funds	3,000,000
Excellent Universities Act (legislative intent)	
Total - Competitiveness	73,498,997
Collaborative University/Schools Programs	
Model Teacher Education Consortium	2,500,000
NC TEACH (lateral-entry program)	500,000
Total - Collaborative University/Schools Programs	3,000,000
Total	172,606,336

The University of North Carolina		
Supplemental Expansion Budget Requests for Current Operations		
2000-01		
		2000-01
		Supplemental
		Request
I.	UNIVERSITY OPERATIONS	
	Schedule of Priorities	
1.	Access	
	Regular Term Enrollment Changes	21,081,793
	Distance Education/Extension Enrollment Changes	14,025,546
	Subtotal – Enrollment Changes	35,107,339
	New Degree Program Funds	1,060,000
	Transition of ECU to Doctoral II Status	2,960,000
	Additional Need-Based Student Financial Aid	31,000,000
	Subtotal - Access	70,127,339
2.	Productivity and Efficiency	
	Information Technology	30,000,000
	Improvements of Smaller Universities for Operating Efficiencies	
	(NCSA and UNCA)	1,403,000
	UNC-General Administration Organizational Changes	1,145,699
	Strategic Initiatives Reserve	2,000,000
	Subtotal - Productivity and Efficiency	34,548,699
3.	Competitiveness	
	Rewarding Teaching Excellence (1%)	7,615,444
	Distinguished Professorships – State Matching Funds	3,000,000
	Professional Development/Teaching and Learning Centers	2,028,806
	Libraries	11,874,980
	Subtotal - Competitiveness	24,519,230
4.	Collaborative University/Schools Program	
	UNC Center for School Leadership Development:	
	Programming and Operation of the Center	296,408
	Public Schools/Outreach & Teacher Education:	
	UNC School Services Matching Incentive Grants - K-16 Initiatives	275,000
	Model Teacher Consortium	2,500,000
	NC TEACH	500,000
	UNC Center for Public Television:	
	Learning Link	456,902
	Late Night Learning	360,347
	School Technology Users' Task Force	521,250
	NC Center for Prevention of School Violence	80,000
	Mathematics and Science Education Center at ECSU	157,480
	Mathematics and Science Education Pre-College Center at ECU	92,520
	Summer Ventures in Science and Mathematics	200,092
	Principal Fellows Scholarship Loans	380,000
	NC Center for International Understanding:	
	International School Partnerships through Technology	68,053
	Subtotal - Collaborative University/Schools Program	5,888,052

The University of North Carolina		
Supplemental Expansion Budget Requests for Current Operations		
2000-01		
		2000-01
		Supplemental
		Request
5.	Public Service and University Outreach	
	Piedmont Triad Center for Advanced Manufacturing (NCA&T)	300,000
	Institution of Outdoor Drama (UNC-CH)	60,000
	Genomics/Bioinformatics Initiative (UNC-CH)	5,600,000
	Genomics Initiative (NCSU)	5,000,000
	Forest Biotechnology Initiative (NCSU)	3,500,000
	International Financial Services Institute (UNC-CH/UNC-C)	500,000
	Area Health Education Centers	3,000,000
	Institute of Nutrition (UNC-CH)	50,000
	Institute on Aging (UNC-CH)	350,000
	The North Carolina Center for Nursing (UNC-Gen. Admin.)	39,842
	Water Resources Research Institute (NCSU)	200,000
	UNC Sea Grant College Program (NCSU)	200,000
	Highlands Biological Station (WCU)	50,000
	Small Business & Technology Development Centers (UNC-CH)	350,000
	North Carolina Arboretum (Asheville)	250,000
	Local Government Information Technology (UNC-CH)	788,922
	UNC Center for Public Television:	
	Extending Educational/Public TV to Deaf and Hard-of-Hearing	564,227
	Statewide Event Production	211,348
	International Outreach:	
	N.C./Israel Matching Funds	250,000
	UNC Exchange Program	150,000
	N. C. State Education Assistance Authority	75,702
	N. C. Alliance for Minority Participation (NCA&T)	1,500,000
	Subtotal - Public Service and University Outreach	22,990,041
	Subtotal – University Operations - Schedule of Priorities	**158,073,361**
	Less: Additional Receipts from Tuition Increases	**(3,345,338)**
	Net Appropriations Request – University Operations Schedule of Priorities	**154,728,023**
II.	AGRICULTURAL PROGRAMS	
	North Carolina State University	6,000,000
	Subtotal - North Carolina State University	6,000,000
	Subtotal - Agricultural Programs	6,000,000
III.	UNC HOSPITALS	
	Restore appropriations support to 1996 level	4,868,732

The University of North Carolina		
Supplemental Expansion Budget Requests for Current Operations		
2000-01		
		2000-01
		Supplemental
		Request
IV.	RELATED EDUCATIONAL PROGRAMS	
	Medical Scholarships	166,000
	Dental Scholarships	64,000
	Incentive Scholarship/Native Americans	54,800
	Legislative College Opportunity Program	57,600
	Subtotal - Related Educational Programs	342,400
V.	N.C. SCHOOL OF SCIENCE AND MATHEMATICS	
	Coordinated Growth of Outreach, Residential and Support Services	595,142
	Student Leadership Development Program with Israel	118,426
	Residential Program Enhancements	649,641
	Salary Plan	206,910
	Subtotal - NCSSM	1,570,119
	Total Expansion Requests for Current Operations	**167,509,274**
Salary Increases		
	EPA Academic Salary Increases	
	Request – 6% – University-wide	62,883,553
	Additional 1% to Reward Teaching Excellence included in the Schedule of Priorities ($7,615,444) as included above	
	Total Salary Increases	62,883,553

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

TUESDAY, MAY 23, 2000
8:30 A.M.

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
MARVIN Connelly	Wake County Schools 1420 Athens DR Athens Drive High School Raleigh NC 27606
Joe Marchiando	NCSU
James "Bo" Mullins	Duplin County Schools East Duplin H.S.
Ben Thigpen	Duplin Co. Schools NC Principal Fellow Beulaville, NC 28518
Suzanne C. Williams	NCCCS
Leonne Winner	NCSBA
William Patota	NCDS & NCPTA
Seth Whitaker	House Appropriations Intern
Judith Pulley	UNC Central Admin.
Joni Worthington	UNC
Judy Davis	UNC
Melissa Searcy	[illegible]

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

TUESDAY, MAY 23, 2000
8:30 A.M.

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Mike Ward	DPI
Mark Hurd	DPI
Brad Sneeden	
Susan Markham	EGHS
Becky McCoury	DPI
Katherine Miller	NCASA
[illegible]	NCFAPIT
Kim Langdon	NCCCS
Larry Morgan	NCCCS
Marina Avramidis	NCSU
Susan Boyer	NCSU

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

TUESDAY, MAY 23, 2000
8:30 A.M.

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	Public School [illegible]
Amber Perrell	Professional Educators
Gilda Ennis	NC Community College Faculty Association
David Brown	OSBM
LINDA Suggs	NCASA
Steve Scott	NCCC System
Jim Causby	NCASA
Jan Mays	North Carolina Community College Faculty Assoc.
Martin Lancaster	NCCCS
[illegible]	"
Ann Bellam	SBE

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

TUESDAY, MAY 23, 2000
8:30 A.M.

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Paul LeSieur	DPI
Susan Harrison	WCPSS
David Ansbacher	NC Principals Fellow
Crystal Scillitani	NC Principal Fellow (NCSU)
Ginger Jones	OSBM
Elizabeth Grovenstein	OSBM
Jan Crotts	NCASA
Ann Hale	NC Center for Public Policy Research
Sam Lee	OSBM
Tim Moore	NCICU
Hope Williams	NCICU

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

TUESDAY, MAY 23, 2000
8:30 A.M.

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Cecil Bass	Governor's Office
Hal Miller	NCACCT
Ann Duncan	WCSR
Debra A. Bundick	Wake Technical Community College, Raleigh
Kathy Knezevic	NCSU-USA
Audrey Galloway	NCAE

Joint Appropriations Subcommittee on Education/Higher Education

May 24, 2000
Room 421 LOB

Sen. Walter Dalton, Chairing

Agenda

Welcome and Opening Remarks	Chair
Independent and Private Colleges Funding Request	Dr. Hope Williams
Governor's Education Budget Recommendations: Additional Details and Background	Sue Adams Office of State Budget and Management
Excellent Schools Act Summary	Philip Price Fiscal Research
Review of Current Budget for FY 2000-01	Fiscal Research Staff

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

May 24, 2000
Room 421 LOB
8:30 A.M.

The Joint Appropriations Subcommittee on Education/Higher Education met on Wednesday, May 24, 2000 at 8:30 a.m. in 421 of the Legislative Office Building. There were eight Senators and fourteen Representatives present. Senator Walter Dalton, Co-Chair, presided and welcomed the members and visitors. Senator Dalton introduced pages: Calvin Marshall, sponsored by Representative Cansler; Brent Miller, sponsored by Senator Hoyle; and Ashley Hartge, sponsored by Representative Scott Thomas. Representative Rogers and Senator Dalton recognized their summer interns.

Senator Dalton announced that the Agenda for the Appropriations Subcommittee on Education/Higher Education would be a continuation of budget presentations.

INDEPENDENT AND PRIVATE COLLEGES FUNDING REQUEST

Senator Dalton introduced Dr. Hope Williams, Director of Independent Colleges and Universities. Dr. Williams reported that 60% of the students are women; 1/3 are minorities; and each state is represented in the student bodies. Each of the Independent schools has a teacher education program or access to one. Several partnerships with public universities are in existence. Dr. Williams noted the State Legislative Tuition Grant is $1750. /per student for every full-time North Carolina student. The need-based program is allotted by the legislature at $1050. /per student. Currently, there are 9,000 student spaces available throughout the Independent Colleges and Universities. The majority of the schools would prefer to allocate those spaces to North Carolina students. A recent financial aid survey showed that between 50-90 % of the North Carolina students attending an Independent College or University are on financial aid. The North Carolina State aid, federal grants, private gifts, loans and work study program are the components that contribute to a students financial ability to attend an Independent College or University. *(See Attachment 1).*

Dr. Williams noted that in previous years, the amount appropriated to the Independent Colleges and Universities was $150. /per student/ per program. The Governor's proposed budget this year, recommends $50. /per student/per program.

Dr. Williams thanked the Committee for the past support they have received and stated the Independent Colleges and Universities appreciate their continued support.

Senator Dalton thanked Dr. Williams for her presentation.

CONTINUATION OF THE GOVERNOR'S EDUCATION BUDGET RECOMMENDATIONS

Senator Dalton recognized Ms. Sue Adams, Director, Office of State Budget and Management to present additional background and details pertinent to the Governor's proposed budget. Ms. Adams noted the recommended adjustments in public education are adjustments that are made every year by the budget office. She detailed several items in the Governor's proposed budget. *(See Attachment 2).*

Next, she presented individual proposed budget changes for each of the educational systems – Public Schools, Community Colleges and the University system. Ms. Adams explained the UNC need-based financial aid formula. *(See Attachment 2).*

Ms. Adams responded to several comments and questions from the Committee members.

Senator Dalton thanked Ms. Adams for her presentation.

EXCELLENT SCHOOLS ACT SUMMARY

Senator Dalton recognized Mr. Philip Price, Fiscal Research to explain the budget summary for the Excellent Schools Act. *(See Attachment 3A).* Mr. Price reported that in fiscal year 1995-96, North Carolina was paying 80.7% of the national average salary. In 1999-2000, the projection is approximately 94.5% of the national average. This is the third year of the Excellent Schools Act. The State components of teacher salaries are: salary schedule plus longevity; mentor pay and new teacher orientation; forfeited vacation; incentive pay and extra pay for extra duties. Mr. Price presented charts illustrating the variation of salaries with a Bachelor's Degree and a Master's Degree. *(See Attachment 3B).*

Senator Dalton thanked Mr. Price.

REVIEW OF CURRENT BUDGET FOR FISCAL YEAR 2000-2001

Senator Dalton recognized Mr. Jim Newlin, Fiscal Research, to present the budget proposals for Public Education. Mr. Newlin reviewed the budgetary differences between FY 1999-2000 and FY 2000-2001. *(See Attachment 4).*

Mr. Newlin responded to several questions from the Committee.

Senator Dalton thanked Mr. Newlin.

Senator Dalton adjourned the meeting at 9:45 a.m.

Senator Walter Dalton, Co-Chair

Christina K. Minard, Education Committee Assistant

North Carolina's Independent Colleges and Universities

HANDBOOK 1999-2000

North Carolina Independent Colleges and Universities

879-A Washington Street
Raleigh, North Carolina 27605
919-832-5817
Web Site: www.ncicu.org

North Carolina's 36 independent colleges and universities are fully accredited by the Southern Association of Colleges and Schools. They admit qualified students and administer all educational and employment activities without discrimination because of race, color, religion, national origin, handicap, or gender, except where exemption is appropriate and allowed by law.

Why Consider Independent Colleges and Universities?

Because of the small sizes of North Carolina's 36 independent colleges and universities, a close-knit **family atmosphere** is present on our campuses. Most education is carried out in small classes by professors who are dedicated to undergraduate teaching. This atmosphere enables students to develop **close personal relationships with professors**—contacts that will be valuable to them as they enter the job market or apply to graduate school.

The liberal arts education that is the basis for academic programs at virtually all independent colleges provides a **solid foundation** for a lifetime of opportunities. While preparing young adults for their first job, this foundation also will enable them to adapt to the changes that will be taking place in the workforce during their lifetimes.

Much of a student's education, especially that which helps develop **leadership skills**, comes through access to extracurricular programs like student government, service clubs, performing arts and religious groups, and inter-collegiate and intramural athletics. Because independent college students aren't competing with thousands upon thousands of other students for limited access to a particular activity, each individual is freer to participate in a variety of these character-building programs.

Also, **unique educational opportunities** are available on every campus. Internships can provide practical work experience along with academic credits. Honors programs, independent studies and study abroad programs are other alternatives that can help a student create an academic program that best meets his or her needs.

On the financial side, while tuition may be higher at an independent college or university, other costs—room, board and books—are about the same. And if dormitory space is unavailable at a large university, the costs of living off-campus can quickly add up. Also, smaller classes and caring professors provide an environment in which students have access to the help they need to graduate in four years, often saving the cost of an extended education.

North Carolina's Independent Colleges and Universities

COLLEGE	UNDERGRADUATE ENROLLMENT		
Barber-Scotia	500	Co-ed	4-year
Barton	1,271	Co-ed	4-year
Belmont Abbey	939	Co-ed	4-year
Bennett	603	Women's	4-year
Brevard	674	Co-ed	4-year
Campbell	7,434	Co-ed	4-year
Catawba	1,255	Co-ed	4-year
Chowan	691	Co-ed	4-year
Davidson	1,639	Co-ed	4-year
Duke	6,367	Co-ed	4-year
Elon	3,641	Co-ed	4-year
Gardner-Webb	2,269	Co-ed	4-year
Greensboro	982	Co-ed	4-year
Guilford	1,398	Co-ed	4-year
High Point	2,848	Co-ed	4-year
Johnson C. Smith	1,443	Co-ed	4-year
Lees-McRae	575	Co-ed	4-year
Lenoir-Rhyne	1,603	Co-ed	4-year
Livingstone	882	Co-ed	4-year
Louisburg	487	Co-ed	2-year*
Mars Hill	1,265	Co-ed	4-year
Meredith	2,612	Women's	4-year
Methodist	1,851	Co-ed	4-year
Montreat	1,053	Co-ed	4-year
Mount Olive	1,741	Co-ed	4-year
N.C. Wesleyan	802	Co-ed	4-year
Peace	564	Women's	4-year**
Pfeiffer	1,682	Co-ed	4-year
Queens	1,715	Co-ed	4-year
St. Andrews	660	Co-ed	4-year
Saint Augustine's	1,598	Co-ed	4-year
Salem	923	Women's	4-year
Shaw	2,536	Co-ed	4-year
Wake Forest	3,855	Co-ed	4-year
Warren Wilson	789	Co-ed	4-year
Wingate	1,230	Co-ed	4-year

* Two-year colleges offer strong transfer programs designed to prepare students for advanced standing in a four-year institution. At these colleges, students may complete their basic liberal arts curriculum (similar to courses required in the first two years of most four-year colleges) and they may enroll in courses to prepare them for their chosen major, should they decide to transfer to a four-year institution.

** A 2-year A.A. option is available

How Can a College Education be Made Affordable?

If cost weren't an issue, selecting a college would be easy. A student would simply choose the one that offered the educational program, atmosphere and extracurricular activities that best meets his or her needs and goals. And in a sense, despite what you may have heard about financial aid, it still can be that easy.

The key point to remember is that the amount a family will be expected to contribute for college and the resulting eligibility for federal financial aid is determined by national standards that consider such factors as annual income, assets, debts, number of family members in college and other considerations.

It's important to keep in mind that the amount of federal financial aid eligibility and financial need changes according to the estimated expenses at each college, not by the amount a family is expected to pay. Therefore, more financial aid may be available for higher-cost colleges.

Grants, scholarships, loans and work opportunities are available to cover the difference between what a family will be expected to contribute and the actual college costs. In some cases, a student may also be able to obtain additional loans to meet the family contribution.

Grants

- **North Carolina Legislative Tuition Grant,** *$1,750*

Every legal resident of North Carolina who has resided in the state for at least 12 months prior to enrolling in a North Carolina independent college or university on a full-time basis automatically receives a tuition credit of $1,750 from the State of North Carolina, based on the availability of funds.

- **North Carolina State Contractual Scholarship Fund,** *variable*

In addition to the Legislative Tuition Grant, North Carolina resident students attending a North Carolina independent college or university who demonstrate financial need are eligible for Contractual Scholarship Grants, which are funded by the General Assembly.

- **North Carolina Student Incentive Grants,** *up to $1,500*

These grants, funded by the federal and state governments, are offered to legal residents of North Carolina who are full-time undergraduate students and who have demonstrated substantial financial need. The program is administered by the College Foundation, Inc.

- **Federal Pell Grants,** *up to $3,125*

These grants are federally funded, and need is determined on the basis of a formula developed annually by the U.S. Department of Education and reviewed by Congress.

- **Federal Supplemental Education Opportunity Grants (SEOG),** *up to $4,000*

Funds provided by the federal government enable a college's financial aid office to award additional grants to students who have demonstrated financial need.

- **College Grants and Scholarships,** *variable*

Colleges and universities provide their own grant programs in addition to those offered by the state and federal governments. In addition to need-based grants, academic and athletic scholarships are provided by the institutions.

- **Local Scholarships**

Civic clubs and professional organizations award scholarships to students in their communities who demonstrate a commitment to the ideals of these groups.

Loans

- **Federal Perkins Loans**

This program, funded by the federal government, provides loans at 5 percent interest to financially needy students. Loan amounts are determined by college financial aid officers. Interest accrual and payments on these loans are deferred until six months after the student leaves college.

- **Federal Stafford Student Loans/ Federal Direct Student Loans** *(formerly Guaranteed Student Loans)*

These loans are available for students who are accepted for enrollment in participating institutions. A student can qualify for federally paid interest to the extent of demonstrated need. Payments are deferred until six months after the student leaves college. Students without demonstrated need also may borrow money through this program; however, interest is not subsidized by the federal government. Borrowers are required to make interest payments only on a quarterly basis while in college or they may defer repayment of interest until after graduation.

- **Parent Loans for Undergraduate Students (PLUS)**

PLUS loans are federally insured loans. Through this program, parents may borrow to pay the total cost of a student's education less any financial aid for which they qualify. Interest begins to accrue on the date of the loan. Repayment begins approximately 60 days from the date of the loan.

- **Institutional and Private Loans**

Many colleges, universities and financial institutions have loan funds available to students in addition to those offered by state and federal agencies. Amounts, interest and repayment schedules vary.

- **Payment Plans**

Variable payment plans, which permit families to spread out tuition payments, are available at many institutions.

Student Employment

- **Federal Work-Study**

These programs are administered by colleges with funds appropriated by the federal government and the college. Students with demonstrated need are given the opportunity to work at approved jobs.

- **Part-Time Employment**

Most institutions help students find jobs on and off campus. Students are selected for employment based on their qualifications. Need is generally not considered for this service.

Sample Financial Need Assessment

	College A	College B
Total Costs (including tuition and fees, room and board, books and miscellaneous expenses)	$10,000	$16,000
Family Contribution	-$2,500	-$2,500
Financial Need Package	$7,500	$13,500

Since the amount of need changes according to the estimated expenses at each college, more financial aid may be available for higher-cost colleges.

Undergraduate Degree Programs

A = Associate Degree
B = Bachelors Degree
• = Non-degree Concentration Area

	Barber-Scotia	Barton	Belmont Abbey	Bennett	Brevard	Campbell	Catawba	Chowan	Davidson	Duke	Elon	Gardner-Webb	Greensboro	Guilford	High Point	Johnson C. Smith	Lees-McRae	Lenoir-Rhyne	Livingstone	Louisburg	Mars Hill	Meredith	Methodist	Montreat	Mount Olive	N.C. Wesleyan	Peace	Pfeiffer	Queens	St. Andrews	Saint Augustine's	Salem	Shaw	Wake Forest	Warren Wilson	Wingate
Agriculture and Natural Resources																																					
Forestry	-	-	-	-	•	-	-	-	-	-	-	-	-	-	B	-	B	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-
Architecture and Environmental Design																																					
City, Community and Regional Planning	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interior Design	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	B	-	-	-	-	-	-	-	-	-	B	-	-	-	-
Area Studies																																					
American Studies	-	-	-	-	-	-	-	-	-	-	•	-	-	-	B	-	-	-	-	-	-	-	-	B	•	-	-	-	B	•	-	B	-	•	-	B
Asian Studies	-	-	-	-	-	-	-	-	•	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	B	-	-	-	•	-	-
Canadian Studies	-	-	-	-	-	-	-	-	-	B	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Comparative Area Studies	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
European Studies	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	•	•	-
Biological Sciences																																					
Biochemistry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	B	-	-	-	-	•	-
Biology, General	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	•	B	B	B	•	B	B	AB	B	B	B	B	B	B	B	B	B
Botany	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	•	-	-	-	-	-	-	•	-	-	-	-	-	-
Cell Biology	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental Science	-	B	-	-	•	-	B	•	-	B	-	-	-	-	-	-	-	-	-	-	-	•	-	B	-	B	-	-	-	B	-	-	B	-	-	B
Microbiology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	•	-	-	-	-	-	-
Pharmaceutical Science	-	-	-	-	•	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-Vet	-	•	-	-	•	-	•	•	-	-	•	-	-	-	-	-	•	-	-	•	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•
Zoology	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	•	-	-	-	-	-	-	•	-	-	-	-	-	-
Business Management																																					
Accounting	B	B	B	B	•	B	•	•	-	-	B	B	B	B	B	-	•	B	B	-	B	B	B	•	B	B	A	B	B	•	B	B	B	B	-	B
Business and Commerce	-	-	-	-	•	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B
Business Administration and Management	B	B	B	B	•	B	B	B	-	•	B	B	B	B	B	-	B	B	B	-	B	B	B	B	B	B	B	B	B	B	B	B	AB	B	B	B
Business Data Processing	B	-	-	-	-	A	•	•	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•
Business Economics	-	-	•	-	•	B	•	-	-	-	-	•	B	-	B	-	-	-	-	-	•	B	-	-	-	-	-	-	-	B	-	•	-	-	-	B
Finance	B	B	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	•	-	-	-	-	-	B
Food Service Management	B	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	B	-	-	-	-	-	-	-	-	-	-
Foreign Language/Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-
Furniture Marketing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
International Business Management	-	-	-	-	-	B	•	-	-	-	•	•	-	-	B	-	-	B	-	-	•	B	-	•	-	-	-	-	-	B	-	-	-	-	-	-
Marketing Management	B	B	•	-	-	-	•	•	-	•	-	•	-	-	-	-	•	-	-	•	•	•	-	•	-	-	-	-	•	•	-	-	-	-	-	B
Secretarial Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-
Communications																																					
Communications, General	B	B	-	B	B	B	B	•	-	-	B	B	-	•	B	B	-	B	-	•	B	•	B	•	•	-	AB	B	B	B	-	B	-	B	-	B
Journalism	-	•	-	-	•	B	•	-	-	-	B	•	-	-	-	•	-	•	-	-	•	-	-	-	-	•	-	•	•	•	-	-	-	•	-	B
Radio/TV/Film	-	•	-	•	-	B	•	-	-	•	B	•	-	-	B	•	-	•	-	-	•	-	-	-	-	-	-	-	-	-	B	-	B	•	-	B
Sign Language Studies	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Visual Communications	-	-	-	-	-	B	-	-	-	-	-	•	-	-	-	-	-	-	-	-	•	-	-	-	B	-	B	-	-	•	-	-	-	-	-	B
Computer and Information Services																																					
Computer Science and Information Services, General	-	•	B	B	•	B	B	•	-	B	B	B	-	-	B	B	•	B	B	•	B	B	B	•	B	B	•	B	•	•	-	•	B	B	•	B
Education																																					
Arts Education	-	B	-	-	-	-	-	-	-	-	-	•	-	-	B	-	•	B	-	-	B	•	B	-	-	-	-	-	-	-	B	-	-	-	-	B
Business, Commerce and Distributive Education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	•	-	•	-	-	-	-	-	-	-	-	B	-	-	-	-	-
Education, General	-	-	-	-	-	A	•	B	•	•	B	B	B	-	B	-	B	-	-	•	B	•	B	•	-	-	-	-	B	-	-	•	-	B	B	-
Education of the Deaf	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Education of Emotionally Handicapped	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-
Education of Gifted and Talented	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-
Education of Mentally Handicapped	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-
Elementary Education	B	B	B	B	-	B	B	B	-	•	B	B	B	B	B	B	B	B	B	•	B	•	B	-	-	B	-	B	-	B	B	•	B	B	B	B
English Education	-	B	-	B	-	B	•	B	-	-	B	B	B	B	B	B	B	B	B	•	B	•	B	B	-	•	-	•	B	-	-	•	B	•	•	B
Foreign Language Education	-	B	-	-	-	B	-	-	-	-	-	B	B	-	B	-	-	B	-	-	-	•	B	-	-	-	-	-	B	-	-	•	-	•	-	B
Health and Physical Education	-	B	-	-	-	B	B	B	-	-	B	B	B	B	B	B	B	B	B	•	B	•	B	•	•	B	-	B	-	B	B	-	-	B	•	B
Health Education	-	-	-	-	-	-	-	-	-	-	B	B	-	-	B	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Economics Education	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle School Education	-	B	-	B	-	B	B	-	-	-	B	B	B	-	B	-	B	B	-	•	B	•	B	-	-	B	-	-	-	-	-	-	-	•	•	B
Mathematics Education	-	B	-	B	-	B	•	B	•	-	B	B	B	-	B	B	B	B	B	-	B	•	B	-	-	•	-	•	B	-	-	•	B	•	•	B
Music Education	-	B	-	B	-	B	B	-	-	-	B	B	B	-	-	B	B	B	B	-	B	B	B	-	-	-	-	B	-	-	B	-	-	•	-	B
Pre-Elementary Education	-	-	-	B	-	-	-	-	-	-	-	-	B	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	•	-	•	B	-
Reading Education	-	-	-	-	-	-	•	-	-	-	-	•	•	-	-	-	-	•	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	B
Science Education	-	B	-	B	-	B	•	-	•	-	B	B	B	-	B	B	B	B	-	•	B	•	B	-	-	•	-	•	•	-	-	•	B	•	•	B
Secondary Education	-	B	B	-	-	B	•	-	•	•	B	B	B	B	B	B	B	B	-	•	B	•	B	•	-	•	-	•	B	-	-	•	B	•	B	B
Social Studies Education	-	B	-	-	-	B	•	-	•	-	B	B	B	B	B	B	B	B	B	-	B	•	B	B	-	•	-	B	B	-	-	•	B	B	•	B
[illegible]cial Education	-	-	-	B	-	-	-	-	-	-	B	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	B	-	-	-
[illegible]ific Learning Disabilities Education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	•	-	-	-	-
[illegible]tre Arts Education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	B	•	-	B	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Undergraduate Degree Programs

A = Associate Degree
B = Bachelors Degree
• = Non-degree Concentration Area

	Barber-Scotia	Barton	Belmont Abbey	Bennett	Brevard	Campbell	Catawba	Chowan	Davidson	Duke	Elon	Gardner-Webb	Greensboro	Guilford	High Point	Johnson C. Smith	Lees-McRae	Lenoir-Rhyne	Livingstone	Louisburg	Mars Hill	Meredith	Methodist	Montreat	Mount Olive	N.C. Wesleyan	Peace	Pfeiffer	Queens	St. Andrews	Saint Augustine's	Salem	Shaw	Wake Forest	Warren Wilson	Wingate
Engineering																																					
Biomedical Engineering	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-
Civil Engineering	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-
Electrical Engineering	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-
Engineering, General	-	•	-	-	•	-	-	-	-	-	B	-	-	-	-	-	-	•	-	•	-	-	-	-	-	-	-	B	-	•	B	-	B	B	•	•	
Mechanical Engineering	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-
Fine and Applied Arts																																					
Art	-	B	-	B	AB	B	•	B	B	B	B	•	B	B	B	-	-	•	-	•	B	B	B	•	B	-	-	•	B	B	B	B	-	B	•	B	
Art History	-	-	-	-	•	-	-	-	B	B	-	-	-	-	-	-	-	-	-	-	•	•	-	-	-	-	-	-	•	-	-	B	-	B	-	-	
Arts Management	-	-	-	B	•	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	B	-	B	-	-	B	•	B	-	B	-	-	-	-	
Dance	-	-	-	-	-	-	•	-	-	•	•	-	-	-	-	-	B	-	-	A	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Design	-	B	-	-	-	B	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	•	•	-	-	-	-	-	B	
Dramatic Arts	-	B	-	-	•	B	B	•	-	B	-	-	B	-	B	-	B	B	-	•	B	B	B	•	-	-	-	B	B	B	-	-	-	-	•	-	
Music	-	-	-	B	AB	B	B	B	B	B	B	B	B	B	•	B	•	B	B	•	B	B	B	B	B	-	AB	B	B	B	B	B	B	B	•	B	
Music Theatre	-	-	-	-	•	-	B	-	-	-	B	-	-	-	-	-	B	-	-	-	B	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Photography	-	B	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Theatre Arts	-	-	-	-	B	-	B	-	B	-	B	•	-	B	B	-	B	-	B	-	B	B	B	-	-	B	-	-	-	B	-	-	B	B	•	-	
Foreign Languages																																					
Classical Languages	-	-	-	-	-	-	-	-	•	B	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	
French	-	•	-	-	•	B	B	•	B	B	B	B	B	B	B	•	-	B	-	•	•	B	B	•	-	-	-	-	B	-	B	B	-	B	•	•	
German	-	-	-	-	•	-	•	-	B	B	-	-	-	B	•	-	-	B	-	-	•	•	A	-	-	-	-	-	B	-	-	B	-	B	-	•	
Greek	-	-	-	-	-	-	•	-	-	B	-	•	•	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	B	-	•	
Italian	-	-	-	-	-	-	-	-	•	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	
Latin	-	-	-	-	-	-	•	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	
Modern Languages	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Romance Languages	-	-	-	-	-	-	-	-	-	B	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	
Russian	-	-	-	-	-	-	-	-	B	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	
Slavic Languages	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Spanish	-	B	-	-	•	B	B	•	B	B	B	B	B	B	B	•	-	B	-	•	B	B	B	•	•	-	-	-	B	-	-	B	-	B	•	B	
Health Professions																																					
Environmental Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	•	-	
Health Professions, General	-	-	-	-	B	-	•	B	-	-	•	-	-	-	-	-	-	-	-	•	-	B	-	-	-	-	-	-	-	B	B	-	-	-	-	-	
Medical Laboratory Technology	-	•	B	-	-	B	B	-	-	-	B	B	•	-	B	-	B	B	-	-	B	-	-	-	-	-	-	-	-	-	B	B	-	AB	-	-	
Nursing, General	-	B	-	-	•	-	-	-	-	-	-	AB	-	-	-	-	-	B	-	•	•	-	-	-	-	-	-	-	B	-	-	-	-	-	•	-	
Occupational Therapy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Physician Assistant	-	-	-	-	-	B	-	-	-	-	-	B	•	•	-	-	-	B	-	-	B	•	B	-	-	-	-	-	-	•	-	B	-	B	-	-	
Pre-Dentistry	-	•	•	-	•	•	•	•	•	•	•	•	•	•	-	B	B	B	-	-	•	•	B	-	-	-	•	•	•	•	-	-	-	•	•	B	
Pre-Medicine	-	•	•	-	•	B	B	•	•	•	•	•	•	•	•	B	B	B	-	•	•	•	B	•	-	B	•	B	•	•	-	-	-	•	•	B	
Pre-Pharmacy	-	•	-	-	•	B	-	•	-	-	-	-	-	-	-	-	-	-	B	•	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	
Pre-Physical Therapy	-	•	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	
Speech Pathology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	
Home Economics																																					
Child Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Food Services/Nutrition	-	-	-	B	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Geriatric Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Home Economics, General	-	-	-	B	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Textiles, Fashion Merchandising/Design	-	-	-	B	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Law																																					
Pre-Law	-	•	•	-	•	B	B	•	•	•	•	•	•	•	•	B	B	B	B	•	•	•	B	•	-	•	•	•	•	•	-	-	•	•	B	B	
Letters																																					
Classics	-	-	•	-	-	-	-	-	B	B	-	-	-	•	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	
Comparative Literature	-	-	-	-	B	-	•	-	-	B	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
English, General	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	•	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	
English/Journalism	-	-	-	-	B	-	•	-	-	-	-	•	•	-	B	-	-	B	-	-	-	-	-	•	•	•	-	-	•	•	-	-	-	•	-	•	
English/Writing	-	•	•	-	B	-	•	-	•	-	•	-	•	B	B	-	-	B	-	-	-	-	B	•	•	-	-	B	•	B	-	-	-	-	•	-	
Linguistics	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Philosophy	-	-	B	-	-	-	•	-	B	B	B	-	-	B	B	-	-	B	-	-	•	•	-	•	-	-	-	-	•	B	-	B	-	B	•	B	
Philosophy and Religion	-	B	-	-	B	B	B	-	-	-	-	•	B	B	B	-	-	B	-	•	•	-	-	B	B	B	-	B	B	B	-	-	B	-	•	B	
Religious Studies	-	-	•	-	B	-	•	B	B	B	B	B	-	B	B	-	B	B	B	-	B	B	B	B	B	B	•	B	•	B	-	B	-	B	•	B	
Speech, Debate, Forensics	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	•	-	B	-	•	-	-	-	-	-	-	-	-	-	•	-	•	
Mathematics																																					
Mathematics, General	B	B	-	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	•	B	B	B	B	-	B	•	B	B	B	B	B	B	B	B	B	

Undergraduate Degree Programs

A = Associate Degree
B = Bachelors Degree
• = Non-degree Concentration Area

	Barber-Scotia	Barton	Belmont Abbey	Bennett	Brevard	Campbell	Catawba	Chowan	Davidson	Duke	Elon	Gardner-Webb	Greensboro	Guilford	High Point	Johnson C. Smith	Lees-McRae	Lenoir-Rhyne	Livingstone	Louisburg	Mars Hill	Meredith	Methodist	Montreat	Mount Olive	N.C. Wesleyan	Peace	Pfeiffer	Queens	St. Andrews	Saint Augustine's	Salem	Shaw	Wake Forest	Warren Wilson	Wingate
Physical Sciences																																					
Chemistry, General	-	B	-	B	•	B	B	-	B	B	B	B	B	B	B	B	-	B	B	•	B	B	B	-	•	B	•	B	•	B	B	B	B	B	B	B	B
Geology	-	-	-	-	•	•	-	-	-	B	-	•	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Physical Sciences, General	-	•	-	-	•	-	•	B	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	•	•	-	-	-	-	-	-	-
Physics, General	-	-	-	-	B	-	•	-	B	B	B	-	-	B	-	-	-	B	-	•	-	-	-	-	-	-	-	•	-	•	B	-	B	B	•	-	-
Psychology																																					
Industrial and Organizational Psychology	-	-	-	-	-	-	•	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	B	-	-	-	-	-	-	B	-	-	-	-	-	-	-
Psychology with Business Orientation	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	B	-	-	-	-	-	-	-
Psychology, General	-	B	B	B	-	B	B	B	B	B	B	B	B	B	B	B	B	B	B	•	B	B	B	•	B	B	B	B	B	B	B	B	B	B	B	B	B
Public Affairs and Services																																					
Community/Human Services	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	B	B	
Criminal Justice	B	B	-	-	-	B	•	-	-	-	•	•	-	B	B	-	B	-	B	-	•	•	B	-	B	B	-	B	-	-	B	-	AB	-	-	•	
Parks and Recreation	-	-	B	-	B	-	B	-	-	-	-	-	•	-	B	-	-	-	-	-	B	-	-	B	B	-	-	-	-	-	-	-	B	-	-	B	
Public Administration	-	-	-	-	B	B	•	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	
Public Policy	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Social Work	-	B	-	B	-	B	-	-	-	-	-	•	-	-	•	B	-	-	B	•	B	B	B	•	-	-	-	-	-	-	-	-	-	-	B	-	
Social Sciences																																					
Afro-American Studies	-	-	-	-	-	-	-	-	-	B	•	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	
Anthropology	B	-	-	-	-	-	-	-	B	B	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	•	-	-	B	B	•	-	
Bible Studies	-	-	-	-	-	-	•	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	B	
Christian Education - Music	-	-	-	-	-	B	B	-	-	-	-	B	•	-	-	-	-	-	-	-	•	•	-	-	-	-	-	B	-	•	-	-	-	-	-	-	
Criminology	-	-	•	-	-	-	•	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	•	-	-	
Economics	-	-	B	•	•	B	•	-	B	B	B	-	-	B	-	B	-	B	-	•	-	B	B	-	-	-	•	B	•	•	B	B	-	B	B	B	
History	-	B	B	•	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	•	B	B	B	B	B	B	•	B	B	B	B	B	-	B	B	B	
History and Political Science	-	-	-	-	-	B	•	-	-	-	-	•	B	-	-	-	-	-	-	-	B	-	-	•	•	-	•	•	•	B	-	B	-	-	B	-	
International Relations/Studies	-	-	•	-	-	B	•	-	•	•	B	-	-	-	-	-	B	B	-	-	B	-	B	-	-	-	-	-	B	-	-	B	B	-	•	•	
Museums, Archives, Historic Sites	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	•	-	-	-	-	-	-	-	
Political Science and Government	B	B	B	B	-	B	B	-	B	B	B	B	B	B	B	B	-	B	B	•	B	B	B	-	•	•	-	•	B	B	B	-	-	B	•	•	
Religious Education	-	-	-	-	-	B	•	-	-	-	-	•	-	-	-	-	B	B	-	-	B	-	-	B	-	-	-	B	-	•	-	-	-	-	-	-	
Social Sciences, General	-	-	-	-	•	B	•	-	-	-	B	B	-	-	B	B	-	-	B	•	B	-	-	•	•	-	-	-	-	-	B	-	B	-	-	B	
Sociology	B	-	B	B	-	-	B	-	B	B	B	B	B	B	B	B	B	B	B	•	B	B	B	-	-	B	•	B	•	-	B	B	B	B	B	B	
Sociology and Anthropology	-	-	-	-	-	-	-	-	B	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	B	•	-	-	•	-	-	-	-	•	-	
Theological Sciences	-	-	B	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	•	-	-	-	-	-	-	
Urban Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	•	-	-	-	-	-	-	B	-	-	•	•	-	
Interdisciplinary Studies																																					
American Civilization/Studies	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	B	-	-	-	-	-	-	B	•	-	-	-	-	-	-	
Applied Science Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	
Biological and Physical Science	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	B	-	-	-	-	-	-	B	-	-	-	-	-	-	
Biological Anthropology and Anatomy	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Business and Science	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Business Administration	B	B	-	-	B	B	B	-	-	-	B	B	-	B	-	B	B	-	B	•	-	-	B	B	B	B	-	B	B	B	-	B	-	-	-	B	
Communications Media and Public Relations	-	-	-	-	-	B	•	-	-	-	-	-	-	-	-	-	-	B	-	•	B	-	B	-	•	-	-	-	B	B	-	-	-	-	-	B	
English/Theatre Arts	-	-	-	-	B	B	-	-	-	-	-	-	-	-	-	-	B	B	B	-	-	-	-	-	-	-	-	-	B	B	B	-	-	-	B	-	
Environmental Studies	-	B	-	-	B	-	B	-	-	B	B	-	-	•	-	-	B	B	-	-	-	-	-	B	-	B	-	-	-	B	-	-	B	•	B	B	
Equestrian Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	
General Liberal Arts and Sciences	-	-	-	B	A	A	-	B	-	-	-	•	-	-	B	-	B	B	-	A	-	-	B	B	B	-	AB	-	-	-	-	-	B	-	B	B	
Golf Management	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	
Human Relations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	•	-	
Human Resource Development/Management	-	B	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	B	-	B	-	-	-	-	-	-	-	-	-	
Humanities and Social Studies	-	-	•	-	-	-	•	-	•	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	B	•	-	-	-	-	•	B	•	
International Studies	-	-	-	-	-	B	-	-	-	-	B	-	-	B	B	-	B	-	-	-	-	B	B	-	-	-	-	-	B	B	-	-	B	•	B	•	
Interpreting Services for the Deaf	-	B	-	-	-	-	-	-	-	-	-	•	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Marine Sciences	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Math - Computer Science	B	•	-	-	•	B	B	-	-	-	-	B	•	•	•	B	-	-	B	-	-	B	-	-	-	-	-	-	-	B	-	-	-	-	•	B	
Math - Physics	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	
Medieval Studies	-	-	-	-	-	-	-	-	-	B	-	-	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	•	-	-	
Music Recording Technology	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Music Therapy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	
Outdoor Leadership	-	-	-	-	AB	-	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-	B	-	
Graphic Communications	-	-	-	-	-	-	-	B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Self-Designed Majors	-	-	-	-	B	-	B	-	B	B	B	-	-	-	B	-	B	-	-	-	-	B	-	-	-	-	-	-	•	-	-	B	-	-	B	-	
Sports Management	-	B	-	-	-	B	-	B	-	-	B	B	-	B	B	-	-	B	B	•	•	•	B	•	•	-	-	B	-	•	-	-	-	-	-	B	
Sports Medicine/Training	-	B	•	-	B	-	B	B	-	-	B	-	•	B	B	-	B	B	-	•	•	B	B	-	-	-	-	B	-	B	-	-	-	•	-	B	
Women's Studies	-	-	-	-	-	-	-	-	•	B	•	-	-	B	-	-	-	-	-	-	-	•	-	-	-	-	•	-	-	-	-	•	-	•	-	-	

North Carolina's Independent Colleges and Universities

INSTITUTIONAL PROFILES

Barber-Scotia College

Coeducational Four-Year College
Affiliated with the Presbyterian Church (USA)
Established 1867

145 Cabarrus Avenue West
Concord, North Carolina 28025
Telephone: (704) 789-2902
Admissions Office: 1-800-610-0778
Director of Admissions: William White

ENROLLMENT

1998-99 Total: 500

ADMISSIONS

SAT or ACT scores are required
No closing date for applications
Students admitted each term
Notification of admission on a rolling basis
Commitment deposit required: $35
Application fee: $15
Visitation at any time with prior notice

Required High School Courses
4 units of English
3 units of Math
3 units of Science
2 units of Social Studies
1 unit of Physical Education
Total of 18 units required

CLEP program participant. Other advanced placement through an institutional proficiency exam.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $7,866
Room and Board: $3,500

Aid Officer: Raymond Robinson

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, N.C. Department of Public Instruction.

Calendar: The college is on a semester plan, with classes beginning in mid-August and early January. The academic year ends in mid-May.

Faculty: 60 full-time, 5 part-time. 50% hold Doctorates.

Class Size: Range from 15 to 30, average for science labs — 18.

Degrees Offered: B.A., B.S.

Special Programs: Barber-Scotia College offers instruction at two levels. At the lower level, a general studies program, specially designed to provide training in the basic skills subjects, may be found. Classes in English, mathematics, biological and physical science, along with health/physical education and art/music, constitute the required program of study for all first-year students. Advanced grammar and composition, world civilization, speech and courses in the general humanities area, including foreign language, are requirements for second-year students. A solid program of developmental and tutorial services in reading, writing and mathematics is available to meet the special needs of lower-level students. ROTC is available (through UNC Charlotte).

Library: 34,030 volumes.

STUDENT LIFE

Resident halls are living/learning environments aiding students in reaching maximum potential. Coeducational residence halls are not a part of the campus facilities or program.

Athletics: Men's varsity programs in basketball and track. Women's varsity programs in basketball, volleyball, and track and field. Intramural programs are also available.

Campus activities: Fraternities, Sororities, Academic Clubs, Social Clubs, Community Clubs.

DESCRIPTION

Barber-Scotia College is located between Cabarrus and Corban Avenues in Concord, N.C. Concord, with a population of 41,000, is in the heart of the Piedmont section of North Carolina, mid-way between Washington, D.C. and Atlanta. It is only 124 miles from Raleigh, within a few hours' drive of the Blue Ridge and Great Smokey Mountains National Parks to the west and is near the Atlantic coastal resorts to the east. Charlotte, a cultural and recreational center, is only 20 miles away.

Barton College

Coeducational Four-Year College
Affiliated with the Christian Church (Disciples of Christ)
Established 1902

5000 College Station
Wilson, North Carolina 27893
Telephone: (252) 399-6300 or 1-800-345-4973
Admissions Director for In-State Recruitment: Amy Denton
E-mail address: enroll@barton.edu

ENROLLMENT

1998-99 Total: 1,271
406 Men, 865 Women
946 N.C. Residents (including weekend college)
325 Out-of-State Students
497 On-Campus Students in 5 residence halls
469 Commuters

ADMISSIONS

Applicants submit official admissions application
Must have an official high school transcript forwarded
Submit either SAT or ACT score reports
Interview is optional
No closing date for applications
Students admitted each term
Application fee: $20
Commitment deposit: $100, required within 30 days of notification. Fully refundable until May 1.
Visitation: Monday through Friday 8:15 am to 5:00 pm, selected Saturdays 8:00 am to 12:00 pm. Appointments strongly suggested.

Recommended High School Courses
12 academic units required from the areas of
English (4 units required)
Mathematics (2 college prep units required; Algebra I and/or Geometry, Algebra II))
Natural Sciences (at least 1 lab science required)
Social Studies
Foreign Languages

CLEP program participant. CEEB advanced placement available. AP program credit accepted.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $10,834
Room and Board: $3,892

Aid Officer: Bettie Westbrook

Payment plans available

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, N.C. Department of Public Instruction, N.C. Association of Colleges and Universities, National League for Nursing, N.C. Board of Nursing. National Council for the Accreditation of Teacher Education. Council on Social Work Education.

Calendar: Two regular-length semesters and January 3-week term. Traditional semester courses offered within a unique 7 week format. Fall semester begins in the first week of September, January term is the first three weeks of January, and Spring semester begins the first week of February. Two summer sessions are offered: both sessions five weeks.

Faculty: 70 full-time, 10 part-time. 67% hold Doctorates and/or terminal degrees.

Class Size: Average — 22; range from 8 to 35; average for science labs — 20.

Degrees Offered: B.A., B.S., B.F.A., B.L.S., B.S.N., B.S.W.

Special Programs: Academic honors program, dual majors and major-minor degrees, independent study and internships, study abroad, Barton College Seminar for all freshmen, specialized degrees in Education of the Deaf and Hard of Hearing, Photography, Nursing, Environmental Science, Recording Technology, and Social Work.

General: 65% of freshman matriculants graduate; over 80% of recent graduates hold jobs in their chosen fields of study.

Library: 154,750 bound volumes, 37,644 current serials, 49,427 microfilm titles; records, tapes, CDs 3,596; CD-ROMs 1724.

STUDENT LIFE

Barton offers opportunities for students to develop their interests in many academic disciplines. The college also provides options outside the classroom for students to develop themselves through various organizations, activities, athletics and cultural events. Residence hall life is an integral and vital part of the college experience where students form many interpersonal relationships. As a part of developing responsibility, all students, including freshmen, have self-regulating hours and are permitted to have automobiles on campus. All first-year students are required to live in residence halls, but students have other housing options, including co-ed facilities, upon completion of their freshman year.

Athletics: Men's varsity programs in baseball, basketball, golf, soccer, cross-country and tennis. Women's programs include soccer, basketball, softball, tennis, cross-country and volleyball. Full intramural program.

Campus activities: Stage and Script (dramatic company), Student Professional Associations, Departmental Clubs, Greek Organizations, Student Government, Orchestra, Vocal and Jazz Ensembles, Campus Fellowship and Spiritual Organizations, Campus Activities Board, The Collegiate (newspaper), Multicultural Groups, The Crucible (literary magazine), Honor Societies, Service Clubs, WEDT (television studio).

DESCRIPTION

Barton College is located in the heart of Wilson—a gracious, small, tree-covered city noted for its "Southern Hospitality". Barton is part of Wilson's events and celebrations. With a total city population of 40,000, many of Wilson's artistic and cultural events take place on the Barton campus.

The Barton College Seminar, a major component of the year-long weekly Freshman Advising System, fosters the personal, social, intellectual and emotional development of the first-year college student. Taught by specially screened and selected freshman advisors, the required course creates a sense of community, provides a forum for learning skills, and enhances the decision-making process in various areas of the freshman's life. The program has been recognized both on national and international levels. Barton's student-centered core curriculum enhances academic success through a concentrated seven-week delivery system. The college is divided into five schools. They are the School of Arts and Sciences, the School of Business, the School of Education, the School of Nursing, and the School of Social Work.

Belmont Abbey College

Coeducational Four-Year Liberal Arts College
Affiliated with the Roman Catholic Church,
Order of St. Benedict
Established 1876

Belmont, North Carolina 28012
Telephone: (704) 825-6665 or 1-888-222-0110
Vice President for Enrollment Management:
Denis M. Stokes

ENROLLMENT

1998-99 Total: 939
439 Men, 500 Women
586 N.C. Residents, 353 Out-of-State Students
462 On-Campus Students in 4 residence halls
477 Commuters

ADMISSIONS

SAT preferred; ACT accepted
Interview recommended
Application closing dates: August 15 (Fall), December 31 (Spring). International — May 1 (Fall)
Students admitted each term
Students notified of admission on rolling basis
Application fee: $25
$400 room reservation fee, due within 30 days of notification. Nonrefundable deposit.
Visitation: Mon.-Fri., 8:30 am-4:30 pm; Sat., 10:00 am-12:00 pm

Recommended High School Courses
4 units of English
3 units of Math
2 units of Science
2 units of History
2 units of Foreign Language
3 additional academic units

CLEP program participant

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $12,800
Room and Board: $6,276

Monthly payment plan available.

Aid Officer: Anne A. Stevens

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, N.C. Department of Public Instruction, NCATE, American Benedictine Academy.

Calendar: The college is on a semester plan, with classes beginning in late August and early January. The academic year ends in early May. Two summer sessions are offered: first session (3 weeks), second session (8 weeks).

Faculty: 40 full-time, 45 part-time. 82.5% of full-time faculty hold Doctorates/terminal degrees.

Class Size: Average — 15.

Degrees Offered: B.A., B.S. and M.A. in Elementary Education, MBA.

Special Programs: Junior year abroad, independent study courses, ROTC available (through University of North Carolina at Charlotte), Charlotte Area Educational Consortium.

General: 44% of 1990 freshman graduated. Placement officer and lifetime placement services for alumni.

Library: 115,000 bound volumes.

STUDENT LIFE

All students may have cars on campus.

Athletics: Men's varsity programs in baseball, basketball, cross-country, golf, soccer and tennis. Women's varsity programs in basketball, cross-country, soccer, softball and tennis. Full intramural program.

Campus activities: Student Senate, Judicial Board, Abbey Players (dramatics), College Union, Cheerleaders, Circle K Club, International Students, Agora (literary magazine), WABY (radio), Campus Ministry, Social Fraternities, Social Sororities, Inter-fraternity Council, Honor Societies, Service Fraternities, *The Crusader* (newspaper).

DESCRIPTION

Outstanding features include cosmopolitan atmosphere resulting from large number of out-of-state students, friendly student body, and dedicated faculty whose primary concern is teaching. Each student is assigned a faculty advisor throughout academic career. Our location is in a small town of 6,000 people, but we are only 15 minutes from Charlotte, the largest city in the Carolinas. We have the advantage of living in the suburbs, while maintaining easy access to the resources of a large city.

Bennett College

Four-Year Women's College
Affiliated with the United Methodist Church
Established 1873

900 East Washington Street
Greensboro, North Carolina 27401-3239
Telephone: (336) 370-8624 or 1-800-413-5323
Director of Admissions: Linda Torrence

ENROLLMENT

1998-99 Total: 603 Women
132 N.C. Residents, 461 Out-of-State Students

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview recommended; required for some
No closing date for applications
Students admitted each term
Students admitted on rolling basis
Notification of admission usually within two weeks of receipt of completed application
Application fee: $20
Commitment deposit due within 30 days of notification.
Visitation: By appointment

Recommended High School Courses
4 units of English
2 units of Math
2 units of Lab Science
2 units of Social Studies
1 unit of Foreign Language
5 units of Academic Electives
16 units total, 11 in academic subjects

CLEP program participant. Advanced placement available through CEEB.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $12,161
Room and Board: $3,702

Director of Financial Aid: Christine Evans

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, N.C. Department of Public Instruction, University Senate of the United Methodist Church, Council on Social Work Education, American Dietetic Assoc., NCATE.

Calendar: The college is on a semester plan, with classes beginning in mid August and early January. The academic year ends in early May.

Faculty: 58 full-time, 8 part-time. 71% hold Doctorates.

Class Size: Average — 18; average for science labs — 25.

Degrees Offered: B.A., B.S., B.A.S. in Interdisciplinary Studies, B.S.W.

Special Programs: Independent study, interdisciplinary studies, study abroad, Bennett Scholar's Program, ROTC (through N.C. A&T University) and tutorial programs in all academic areas.

General: Approximately 40% of graduates pursue graduate and professional degrees.

Library: Over 98,000 volumes. Afro-American Women's Collection — Norris Wright Cuney Collection.

STUDENT LIFE

Athletics: Varsity programs in basketball, softball, tennis, track and field and volleyball. Intramural programs through the Women's Recreation Association.

Campus activities: Choir, Drama, Dance Group, Sororities, Honor Societies, Department Clubs, Residence Hall Councils, Recreation Council, Newspaper, Student Government and Service Organization, Performing Arts Company.

DESCRIPTION

Bennett College, founded in 1873 as a coeducational institution and reorganized in 1926 as a women's college, is a member of the United Negro College Fund. Comprehensive academic advising and personal counseling services provide support systems to encourage success and promote excellence. Faculty and peer counselors work with students to create a program of study and campus activities best suited to the individual's interest, abilities and career goals. Within the college's three academic disciplines — Humanities, Professional Studies, and Natural , Behavioral and Social Sciences — the Bennett woman can concentrate in one major area, combine two or more majors for a specialized career goal or design a non-traditional program of study. The general education core of Bennett's liberal arts curriculum is designed to improve reading, writing and reasoning skills while inspiring each student to develop her own identity. Innovations such as the Bennett Scholars Program, Outreach Services, dual-degree programs and computer-assisted instruction contribute to a distinctive curriculum especially suited to the Bennett women who will shape and lead future generations.

Brevard College

Coeducational Four-Year College also offering two-year programs
Affiliated with the United Methodist Church
Established 1853

Brevard, North Carolina 28712
Telephone: (828) 884-8300 or 1-800-527-9090
Director of Admissions: Ted Wiard

ENROLLMENT

1998-99 Total: 674
362 Men, 262 Women
291 N.C. Residents, 333 Out-of-State Students

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview recommended
Application closing dates: Rolling
Students admitted each term
Students notified of admission on rolling basis
Application fee: $20
Commitment deposit: $200 by May 1.
Visitation: Anytime weekdays, weekends by appointment

Recommended High School Courses
4 units of English
3 units of Math
3 units of Science
2 units of Social Studies

CLEP program participant. Advanced placement through CEEB.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $10,500
Room and Board: $4,800

Aid Officer: Lisanne Masterson

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, National Association of Schools of Music, University Senate of the United Methodist Church.

Calendar: The college is on a semester plan, with classes beginning in late August and mid-January. The academic year ends in early May. A summer session is scheduled.

Faculty: 54 full-time, 28 part-time. 48% hold Doctorates.

Class Size: Average — 26; range from 4 to 40; average for science labs — 16.

Degrees Offered: B.A., A.A., A.S., A.F.A. Junior College Diploma.

Special Programs: Foreign travel; study in Pisgah National Forest; Creekside summer program of traditional and nontraditional academic programs, workshops, cultural festivals, and athletic camps for students of all ages; Summer Collegian program for high school juniors (with scholarship); Summer BrainStorm for students in the arts; Wilderness Education Program; Brevard Scholar Program; Project Inside-Out; Service Learning; Intensive English Institute.

General: Bachelor and associate degrees provide unique interdisciplinary academic programs with a strong liberal arts curriculum through over 40 fields of study.

Library: 46,500 volumes; 230 periodical subscriptions; 2,850 microforms; 2,350 A-V materials; electronic resources available on CD-ROM, campus LAN, World Wide Web; Mountain College Library Network, NC LIVE, SOLINET, OCLC.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, cross-country, golf, soccer and track. Women's varsity programs in basketball, cross-country, soccer, tennis, softball, volleyball and track. Full intramural program.

Campus activities: Social Clubs, Religious Clubs, Newspaper, Musical Organizations, Annual Staff, Phi Theta Kappa, Hiking, Canoeing, Camping, Snow Skiing, Environmental Awareness, Student Government Association, Art & Literary Magazine.

DESCRIPTION

With specialties in music, art, environmental studies, exercise science, wilderness leadership, and other interdisciplinary majors, Brevard College is a United Methodist, coeducational, liberal arts college that offers an innovative 4-year and 2-year curriculum on a beautiful mountain campus near Asheville, North Carolina. The College's low student-faculty ratio (8:1), its unique covenant that binds faculty and student in a nurturing community of learning, rich cultural offerings, numerous opportunities for student leadership, national competitive athletic programs, and incomparable access to national parks, forests, wilderness areas, and white water recreational rivers make Brevard distinctive.

Inspired by its setting among the world's oldest mountains and founded upon the principles of the Christian faith, Brevard College has the purpose of educating students in the tradition of the liberal arts and in the spirit of love and service. The College's faculty and staff, academic and co-curricular programs, financial resources and support services alike are devoted to providing an educational climate that fosters respect for learning and beauty, creativity and hard work, tolerance and personal integrity, intellect and love of knowledge, vigorous activity and spiritual reflection.

Campbell University

Coeducational Comprehensive University
Affiliated with the Baptist Church
Established 1887

P.O. Box 546
Buies Creek, North Carolina 27506
Telephone: 1-800-334-4111 (ext. 1320)
Dean of Admissions/Veterans Affairs/Financial Aid: Herbert V. Kerner, Jr.

ENROLLMENT

1998-99 Undergraduate Total: 7,434 (including satellite campuses)
994 Men, 1,280 Women (on main campus)
14 residence halls

ADMISSIONS

Applicants submit either SAT or ACT scores
Students admitted each term
Students notified of admission 10 to 14 days after completed application received
Application fee: $15
Commitment deposit: $100 due 2 weeks after acceptance
All applicants must submit a high school transcript showing all work completed through the 11th grade. The transcript should also reflect the student's class rank and cumulative GPA.
Visitation: 1999 — Oct. 3, Oct. 25, Nov. 11; 2000 — Jan. 18, Feb. 15, March 20, and April 19

Recommended High School Courses
4 units of English
3 units of Math
2 units of Natural Science
2 units of Social Science
2 units of Foreign Language

CLEP program participant. Advanced placement available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $10,700 Est.
Room and Board: $3,850 Est.

Aid Officer: Peggy Mason or Nancy Beasley

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, N.C. Association of Colleges and Universities, American Bar Association, American Council on Pharmaceutical Education. Campbell's program of teacher education is accredited by the National Council for Accreditation of Teacher Education and the N.C. Department of Public Instruction.

Calendar: The college is on a semester plan, with classes beginning in late August and early January. The academic year ends in early May. Summer sessions are scheduled.

Faculty: 167 full-time, 216 part-time. 85% hold Doctorates.

Class Size: Average — 18; range from 15 to 55; average for science labs — 20.

Degrees Offered: A.A., B.A., B.S., B.B.A., B.A.S., B.H.S., B.S.W. M.A., M.B.A., M.E.D., M.DIV., J.D., PHARM.D., and D.DIV.

Special Programs: 3/2 MBA Program, Army ROTC, trust, pre-law, pre-pharmacy, pharmaceutical science, golf management, divinity and clinical research.

General: 69% of freshman matriculants graduate. Average age of freshman class — 18. Average age of all undergraduates — 22.

Library: 288,045 volumes, 3,190 periodicals. Placement services annually help secure employment for 80% of recent graduates. 90% of the students who use the placement services obtain job offers prior to their graduation.

STUDENT LIFE

Students participate in university governance as members of university committees. The SGA plans campus social activities. All students are allowed to have automobiles on campus.

Athletics: NCAA Division I program. Trans America Athletic Conference. Men's varsity programs in baseball, basketball, cross-country, golf, soccer, tennis, track and wrestling. Women's varsity programs in basketball, cross-country, golf, soccer, softball, tennis, track and volleyball. Full intramural program with over 80% of the student body participating. JV programs in Women's soccer and Men's and Women's golf.

Campus activities: Pop Concerts, Harvest Festival, Spring Festival, Dances, Staley Lectures, Popular Film Series, Fine Arts Series, Drama, Campus Clubs, Lecture Series.

DESCRIPTION

32 buildings sit on 850 acres in Buies Creek. The classroom buildings are in the center of the campus. The eight women's residence halls are north of the academic complex, and the six men's halls are to the south. Two dining halls serve the entire student body.

Campbell University is in Harnett County, where North Carolina's coastal plain and Piedmont meet just east of the center of the state. It lies within one of the more progressive regions for education and research in the Southeast. Fayetteville and Raleigh are 30 miles away; within a half-hour's drive is the Research Triangle Park. Campbell's rural campus provides an excellent setting for academic and extracurricular pursuits. A small and close-knit community, Buies Creek personifies a tradition of Southern hospitality. Although students maintain a rigorous academic schedule, they still find time to enjoy the pleasures of the slow-paced life-style created by the small village setting.

Presently, the university is divided into six different schools: The College of Arts and Sciences, The Lundy-Fetterman School of Business, The School of Education, The Norman Adrian Wiggins School of Law, The School of Pharmacy, and the School of Divinity. Double majors are available along with a major-minor program. Advanced degrees are offered in Business, Government, Education, Law and Pharmacy.

Catawba College

Coeducational Four-Year College
Affiliated with the United Church of Christ
Established 1851

2300 West Innes Street
Salisbury, North Carolina 28144-2488
Telephone: (704) 637-4402 or 1-800-CATAWBA
Chief Enrollment Management Officer: Chris Walters
email: cwalters@catawba.edu

ENROLLMENT

1998-99 Undergraduate Total: 1,255
600 Men, 655 Women
703 N.C. Residents, 552 Out-of-State Students
695 On-Campus Students in 7 residence halls
560 Commuters
1998-99 Overall Total: 1,307

ADMISSIONS

Applicants submit either SAT-I or ACT scores
Interview and campus visit recommended
Closing date for applications: July 1
Students admitted each term
Students admitted on rolling basis
Notification of admission usually within two weeks of receipt of completed application
Application fee: $25
Commitment deposit: $400 non-refundable — all students

Recommended High School Courses
Total of 16 units, including 12 in academic subjects
4 units of English
2 units of Science
2 units of Foreign Language
2 units of Math (Algebra or Geometry)

CLEP program participant. Advanced placement and International Baccalaureate available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $12,600
Room and Board: $4,840

Aid Officer: Judy Carter
email: jkcarter@catawba.edu

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, National Council for the Accreditation of Teacher Education.

Calendar: The college is on a semester plan, with classes beginning in mid-August and early January. The academic year ends in early May. Summer sessions are scheduled.

Faculty: 66 full-time, 51 part-time. 76% hold Doctorates or equivalent.

Class Size: Average — 15; range from 5 to 55; average for science labs — 16.

Degrees Offered: B.A., B.S., B.F.A., B.B.A., M.Ed.

Special Programs: Environmental Science. Also offered: independent and interdisciplinary study, pre-professional studies in Medicine, Dentistry and Law. Center for lifelong learning offering a BBA degree in the evening.

General: 45% of freshman matriculants graduate.

Library: 300,000 volumes. Career counseling and placement services.

STUDENT LIFE

Affiliation with NCAA Div II.

Athletics: Men's varsity programs in baseball, basketball, cross-country, football, golf, lacrosse, soccer and tennis. Women's varsity programs in basketball, cross-country, field hockey, soccer, softball, swimming, tennis, volleyball and golf. Full intramural program.

Campus activities: Concerts, Movies, Dances, Comedians, Publications, Dramatics.

26 clubs and organizations, 7 national honor societies, 2 campus honor societies, 3 campus social societies.

DESCRIPTION

Catawba is an institution of quality and integrity. Its students are concerned with learning the value of becoming participants, not just spectators, of the world they will enter as they complete their formal education.

Catawba is located in Salisbury, an historic Southern city of about 31,000 people. It is situated in the Piedmont section of the state on Interstate 85, mid-way between Charlotte and Greensboro. The Atlantic Ocean and the Appalachian Mountains are favorite weekend attractions. Catawba has 24 buildings on a 276-acre campus, located in a relatively quiet residential section of the city, with all of the characteristics usually ascribed to an attractive college campus.

Chowan College

Coeducational Four-Year College
Affiliated with the Baptist Church
Established 1848

P.O. Box 1848
Murfreesboro, North Carolina 27855
Telephone: 1-800-488-4101
Vice President for Enrollment Management: Austine Evans

ENROLLMENT

1998-99 Total: 691
391 Men, 300 Women
262 N.C. Residents, 429 Out-of-State Students
518 On-Campus Students in 6 residence halls
173 Commuters

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview is recommended
Priority date for applications: May 1
Students admitted each term
Students admitted on rolling basis
Notification of admission usually within 5 days of receipt of completed application
Application fee: $20
Commitment deposit: $200, required by May 6. Nonrefundable
Visitation: 1999 — Oct. 9, Oct. 30; 2000 — April 15

Recommended High School Courses
4 units of English
2 units of Algebra
1 unit of Geometry
2 units of Lab Science
2 units of Social Studies
7 units of other courses

CLEP program participant. Advanced placement available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $11,470
Room and Board: $4,600

Aid Officer: Clifton Collins
Approximately 80% receive need based assistance.

ACADEMIC

Accreditation: Southern Association of Colleges and Schools.

Calendar: The college is on a semester plan, with classes beginning in late August and mid-January. The academic year ends in mid-May. One 6-week summer session is scheduled.

Faculty: 64 full-time, 15 part-time. 54% hold Doctorates.

Class Size: Average — 25; range from 6 to 50; average for science labs — 25.

Degrees Offered: B.A., B.S., B.A.S.

Special Programs: Graphic Communications, pre-professional programs in most science fields, Information Systems, Graphic Design, Athletic Training, Education, Sports Management, Business Administration, Psychology, Biology, Criminal Justice.

Library: 95,000 volumes. Counseling services and tutorial center.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, football, golf and tennis. Women's varsity programs in basketball, soccer, softball, tennis, golf and volleyball. Full intramural program.

Campus activities: Clubs and Organizations, Movies and Dances, Band, Choir, Residence Hall Programs, Dramatics, Outings, College Committees, Religious Activities, Concerts, Fishing, Bicycling, Student Government, Publications, Lectures, Honor Societies, Fraternities, Sororities.

DESCRIPTION

Located in historic northeast North Carolina in the agricultural community of Murfreesboro, Chowan College is but an hour and 20 minutes' drive from the Atlantic Ocean. The Chowan College campus consists of 300 acres. The main campus is monumented with ancient pines and majestic oaks. Numerous new buildings, of both contemporary and modern design, provide comfortable space for living and study.

Chowan follows the time-honored tradition of smaller, church-related colleges where one finds such advantages as a real sense of "belonging" to a college family, instruction based on Christian pre-suppositions, economy in tuition and boarding, and definite interest in the individual on the part of the faculty and administration.

The Chowan College curricular emphasis on ethics and a newly established Center for Ethics provide opportunities for students to participate in discussions and activities that promote ethical inquiry, character formation, and ethical actions in their personal and professional lives. Chowan seeks to make intelligent use of the newest technology in the process of learning itself, by taking advantage of technology's ability to facilitate student learning in significant ways and by enhancing student/teacher relationships and communication. This commitment to communication technology in a liberal arts setting demonstrates Chowan's educational mission to integrate effective career preparation with a strong liberal arts education.

Davidson College

Coeducational Four-Year Liberal Arts College
Affiliated with the Presbyterian Church, USA
Established 1837

P.O. Box 1737
Davidson, North Carolina 28036
Telephone: (704) 892-2230
Dean of Admission & Financial Aid:
Dr. Nancy J. Cable

ENROLLMENT

1998-99 Total: 1,639
815 Men, 824 Women
1,471 On-Campus Students in 20 residence halls
168 Off-Campus

ADMISSIONS

Applicants submit either SAT or ACT scores
Campus visit recommended
Closing date for applications: Jan. 2 for regular, Nov. 15 and Jan 2 for early decision
Students generally admitted only to Fall term
Notification of admission: before April 1
Application fee: $50
Commitment deposit: $300 due May 1
Visitation: Mon. - Fri., 9:00 am - 4 :00 pm.
Saturdays in Spring and Fall

Recommended High School Courses
4 units of English
4 units of Math
3 units of Natural Science
3 units of Social Studies
3 units of Foreign Language

College does not participate in CLEP program. Advanced placement available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $22,228
Room and Board: $6,340

Will endeavor to meet up to 100% of demonstrated need. Approximately one-third receive need-based assistance.

Aid Officer: Kathleen Stevenson-McNeely

ACADEMIC

Accreditation: Commission on Colleges of the Southern Association of Colleges and Schools, National Council for the Accreditation of Teacher Education, American Chemical Society, N.C. Department of Public Instruction.

Calendar: The college is on a semester plan, from late August to early May.

Faculty: 140 full-time, 13 part-time. 98.86% hold Doctorates or terminal degree.

Class Size: Average — 20; range from 5 to 50; average for science labs — 17.

Degrees Offered: A.B., B.S.

Special Programs: Honors program, independent study, study abroad, interdisciplinary study, Center for Special Studies, Dean Rusk Program for International Studies, Extern Program, double major, minor, and Academic concentrations in 6 areas.

General: As of September 1998, the 5-year graduation rate for students entering in Fall of 1993 is 88%.

Library: 537,394 volumes (includes periodicals and government documents). Comprehensive career counseling and placement services through the Careers Office.

STUDENT LIFE

Students at the college sustain a strong and effective Honor System.

Athletics: Men's varsity programs in baseball, basketball, cross-country, football, golf, soccer, swimming and diving, tennis, track and field, and wrestling. Women's varsity programs in basketball, cross-country, field hockey, soccer, lacrosse, swimming and diving, tennis, track and field, and volleyball. Club sports include crew, fencing, men's lacrosse, men's rugby, sailing, soccer, tennis, water polo, and water skiing.

Campus activities: College Union Programs, Student Government, Publications, STEP Tutoring Program, Fraternities and Eating Clubs, Habitat for Humanity, Music, Drama, Special Interest Clubs, Reach Out Service Organization, Lectures and Concerts, N.C. Fellows, Films.

DESCRIPTION

Davidson College is designed for men and women who want a sound and well-balanced undergraduate education. The campus, located on 450 acres in northern Mecklenburg County, has large expanses of lawn and woodland, towering trees, traditional architecture (even ivy on the walls) and an atmosphere of orderly purpose. There is always something going on: at the College Union, with its steady stream of speakers, films and performers; at the modern, open-stack library, one of the finest in the South; on the athletic fields, where 85% of Davidson's students participate in intramural programs.

Surrounding the campus is a quaint, close community, where students are actively involved in the life of the town. Participation in such areas as the town government and community development provide a unique part of the "Davidson experience". We strongly encourage you to visit the campus.

Duke University

Coeducational Major Research University
Related to the United Methodist Church
Established 1838

2138 Campus Drive
Box 90586
Durham, North Carolina 27708-0586
Telephone: (919) 684-3214
E-mail: askduke@acpub.duke.edu
Director of Admissions: Christoph Guttentag

ENROLLMENT

1998-99 Undergraduate Total: 6,367
51% Men, 49% Women
13.9% of the student body is from North Carolina
90% of the student body live on campus
1998-99 Overall Total: 11,170

ADMISSIONS

Applicants submit either SAT-I or ACT scores
If SAT-I is submitted, 3 SAT-II Tests, including the Writing Test, are required.
Interview optional, but recommended (either on-campus or by alumnus)
Application closing date: January 2
Early Decision application deadline: November 1 with notification by mid-December
Notification of admission: early-April
If candidate desires an alumni interview, Part 1 of application should be submitted by October 1 (Early Decision) or by December 1 (Regular Decision)
Application fee: $65
Commitment deposit: $500 due May 1 or, for early decision plan, by January 2

Required High School Courses
15 year-long academic units, including 4 units of English. Applicants to the School of Engineering also are required to have taken 4 units of math and at least 1 unit of physics or chemistry.

University does not participate in CLEP. Advanced placement through CEEB or International Baccalaureate testing.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $24,740 for Trinity College; $24,840 for School of Engineering
Room and Board: $7,088

Aid Officer: Jim Belvin (919-684-6225)

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, various regional, national and professional accreditations.

Calendar: The university is on a semester plan, with classes beginning in late August and early January. The academic year ends in early May. Two six-week summer sessions are scheduled.

Faculty: 2,095 full-time. 97% hold Doctorates in 2 undergraduate colleges.

Class Size: Average — less than 30; range from 1 to 250; average for science labs — 18.

Degrees Offered: B.A., B.S., B.S.E.

Special Programs: Program II (individualized programs); ROTC (Air Force/Navy/Army); Study Abroad; Marine Science Program; Interdisciplinary Certificate Programs; FOCUS Programs for first-year students.

General: 93% of freshman matriculants graduate.

Library: Over 4.7 million volumes, over 11 million manuscripts. Full-time Director of Career Development Center.

STUDENT LIFE

Athletics: Men have 13 varsity programs. Women have 13 varsity programs. Full intramural and club sports also available.

Campus activities: Musical Activities, Student Government, Cultural and Social Organizations, Interest Clubs, Language Clubs, Outing Clubs, Student Publications, Service Organizations.

DESCRIPTION

Duke enrolls a geographically diverse student body, with students coming from all over the country and the world. The uniquely beautiful campus spans some 9,350 acres of pine forest in a combination of formal gardens and untouched woods. Duke's limited enrollment places it among the smallest of the nation's major universities, and students enjoy an academic community that maintains a commitment to individual education and an appreciation of academic and individual diversity.

Academic resources for research and intellectual advancement include extensive technological and scientific facilities, an internationally known faculty and a nationally ranked medical center. Cultural resources include the presence of professional dance, musical and theatrical groups, and an annual artist series which brings to the campus well-known orchestras, opera and ballet. The residential setting of Duke affords a wide variety of opportunities for intellectual, cultural and social sharing among faculty, students and the surrounding Durham community.

Elon College

Coeducational Four-Year College
Affiliated with the United Church of Christ
Established 1889

2700 Campus Box, Elon College, NC 27244
Telephone: (336) 584-2370 or 1-800-334-8448
Vice President for Enrollment Management and Dean of Admissions and Financial Planning: Nan P. Perkins

ENROLLMENT

1998-99 Undergraduate Total: 3,641
1,470 Men, 2,171 Women
1,091 N.C. Residents, 2,550 Out-of-State Students
1,961 On-Campus Students in 21 residence halls
1,884 Commuters
1998-99 Overall Total: 3,845 Undergraduate & Graduate

ADMISSIONS

Applicants submit either SAT or ACT scores.
Interview recommended but not required
Feb. 1 priority for applications
Students admitted each term
Early decision plan
Notification of admission is on a rolling basis; note priority deadlines
Application fee: $25
Commitment deposit: $150 for commuters, $300 for boarders
Campus Open Houses: 1999 — Oct. 23, Nov. 13; 2000 — April 1
Campus Visits: Mon.-Fri., 9 am -3 pm; Sat. 9 am -11 am

Recommended High School Courses
4 units of English
3 or more units of Math (Algebra I and II and Geometry are required)
2 or more units of Science (including at least one lab science)
2 or more units of Social Studies (including U.S. History)
2 or more units of Foreign Language (same language)

CLEP program participant/AP program participant. College has institutional testing for advanced placement

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $12,896
Room and Board: $4,551

Approximately 63% receive financial assistance
Academic, Fellows (Honors, Business, Science, Leadership, and NC Teaching) scholarships, engineering scholarships, fine arts, athletic and ROTC scholarships available.

Aid Officer: Joel T. Speckhard

ACADEMIC

Accreditation: Southern Association of Colleges and Schools.

Calendar: The college is on a 4-1-4 system, with classes beginning in late August. The academic year ends in mid-May. Summer session is scheduled.

Faculty: 176 full-time, 98 part-time. 84% hold Doctorates or hold Terminal Degrees.

Class Size: Average — 22.

Degrees Offered: A.B., B.S., B.F.A., M.B.A., M.Ed. and Master of Physical Therapy (MPT).

Special Programs: Presidential, Honors Fellows, North Carolina Teaching Fellows, Isabella Cannon Leadership Fellows, Science Fellows and Jefferson Pilot Business Fellows, 3-Z engineering program affiliated w/ NCSU, independent study, study abroad, internships, cooperative education, non-traditional student program, ROTC, pre-major advising. Tutorial service available to all students. Academic Advising Center. Career Services. Writing Center.

General: 63% of freshman matriculants graduate, 6 year rate.

Library: 212,300 volumes, 4,860 serial subscriptions, 145,000 government documents.

STUDENT LIFE

Athletics: NCAA I (I-AA Football) Big South Conference. Men's varsity programs in baseball, basketball, cross-country, football, golf, soccer, and tennis. Women's varsity programs in basketball, cross-country, golf, soccer, softball, tennis and volleyball. Full intramural program.

Campus activities: Concerts, Gamerooms, Homecoming, Family Weekends, Fraternities, Sororities, Movies, Musical Programs, Club Sports, Yearbook, Habitat for Humanity, Liberal Arts Forum, Literary Magazine, Theatre Arts, Radio Station, Fellowship of Christian Athletes, Religious Life Groups, Newspaper, Cultural Events, Elon Volunteers! — approximately 100 student-run organizations.

DESCRIPTION

Elon College is a selective four-year coeducational residential college located in central North Carolina. Elon is distinguished by its size: large enough to offer the academic and extracurricular options of a university with small classes and personal attention. Noted for experiential education, Elon's premier programs include study abroad (Elon is ranked #2 in the nation among comparable institutions for the percentage of students who participate); an internship program (more than 65% of the graduating seniors have completed an internship or coop); service learning; and undergraduate research. Graduate programs offer master's degrees in business, education and physical therapy. Elon's athletic teams catalogued a history of championships in the NAIA before moving to NCAA I (I-AA in football). Elon is also known for its beautiful campus. New facilities include the 74,000 square-foot McMichael Science Building, the 82,000 square-foot Belk Library and new student housing. An on-campus stadium is in the planning stages. Elon one again has been ranked in the top tier of southern colleges and universities — #16 among 123 — by *US News and World Report.*

Gardner-Webb University

Coeducational Four-Year University
Affiliated with the Baptist Church
Established 1905

Boiling Springs, North Carolina 28017
Telephone: (704) 434-2361 or 1-800-253-6472
Director of Admissions: Ray M. Hardee

ENROLLMENT

1998-99 Undergraduate Total: 2,269
862 Men, 1,507 Women
70% N.C. Residents, 30% Out-of-State Students
1000 On-Campus Students in 10 residence halls and apartments
1998-99 Overall Total: 3,023

ADMISSIONS

Applicants submit either SAT or ACT score reports
Interview recommended
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Commitment deposit: requested within 30 days of acceptance; $150 for resident student, $50 for commuters. Refundable until May 1.
Visitation

Recommended High School Courses
4 units of English
2 units of Algebra
1 unit of Geometry
1 unit of Natural Science
2 units of Social Studies
2 units of Foreign Language
4 units of electives

CLEP program participant. Advanced placement available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $10,780
Room and Board: $4,630

Aid Officer: Mike Roebuck (1-800-253-6472)

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, National League for Nursing, National Association of Schools of Music, NCATE.

Calendar: The college is on a semester plan, with classes beginning in late August and early January. The academic year ends in mid-May. Summer sessions are scheduled.

Faculty: 77 full-time, 72 part-time. 70% hold Doctorates.

Class Size: Average — 20; range from 10 to 50; average for science labs — 25.

Degrees Offered: A.A., B.A., B.S., M.A.

Special Programs: Degree program for the Deaf and Hearing Impaired, dual degree with Auburn University in engineering, dual degree with University of North Carolina at Charlotte in engineering, Physician's Assistant with Bowman Gray, Program for the Blind. Full-time Career Planning and Placement Officer.

General: Our mission is to provide students with a superior quality liberal arts and sciences education in a Christian environment with a personal touch.

Library: 250,000+ volumes/400,000+ items, and Internet Access.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, cross-country, football, golf, soccer, tennis, track and field and wrestling. Women's varsity programs in basketball, cross-country, golf, softball, soccer, swimming, track and field, tennis and volleyball. Full intramural program.

Campus activities: Student Government, Student Newspaper, Academic Clubs, Religious Activities, Radio Station, Art Shows, Movies, Guest Lecturers, Drama, Concerts/Dances, G.A.P. (God and People).

DESCRIPTION

Gardner-Webb is a fully accredited Baptist liberal arts university. It is of moderate size, with a good student-to-faculty ratio. Campus life is characterized by friendliness and genuine concern for the individual student. The college is located in Boiling Springs, a small town near Shelby and 50 miles west of Charlotte. It is in the western Piedmont area of North Carolina and within an hour's drive of the beautiful Blue Ridge Mountains. The area is a part of a rapidly developing section of the nation.

Greensboro College

Coeducational Four-Year College
Affiliated with the United Methodist Church
Established 1838

815 West Market Street
Greensboro, North Carolina 27401-1875
Telephone: 1-800-346-8226
Vice President of Admissions: Randy Doss

ENROLLMENT

1998-99 Total: 982
443 Men, 539 Women
551 N.C. Residents, 431 Out-of-State Students including international
486 On-Campus, 496 Commuters

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview recommended
No closing date for applications, financial aid priority given to those received before March 1.
Early action plan
Students admitted each term
Students admitted on rolling basis
Application fee: $35
Commitment deposit: $150 for resident students, $100 for non-residents
Visitation: Nov., Feb., March Open Houses/Scholorship Weekends or by appointment

Recommended High School Courses
Total of 15 units, including 12 in academic subjects

CLEP program participant. Advanced placement available through CEEB and departmental tests.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $11,700
Room and Board: $4,900

Students who apply for admission and are accepted before late December will receive priority in the financial aid process. This Early Action Plan is designed for students to receive early notification of financial aid possibilities.

Aid Officer: Ron Elmore

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, National Council for the Accreditation of Teacher Education.

Calendar: The college is on a semester plan, with classes beginning in late August and early January. The academic year ends in early May. Summer sessions are scheduled.

Faculty: 52 full-time, 52 part-time.

Class Size: Average — 16; range from 2 to 55; average for science labs — 17.

Degrees Offered: B.A., B.S.

Special Programs: Strong community service commitment among students. Computerized writing center, internships, ethics across the curriculum, leadership development emphasis, co-curricular transcript available to all students, writing program, Reality Check — a Career Center service for all juniors and seniors, Precis Program for new students, ROTC (through N.C. A&T), Honors Degree Program focusing on international and diverse cultures.

General: Career Development Center, Religious Life Program (Student Christian Fellowship is the largest club on campus), Internships, Peer Tutorial Program, computer labs. Students can access the Internet, library and the World Wide Web from residence hall rooms, classrooms and labs.

Library: 102,000 volumes. Area colleges are linked electronically, giving access to a total of 750,000 volumes.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, cross-country, football, golf, lacrosse, soccer, and tennis. Women's varsity programs in basketball, cross-country, lacrosse, swimming, soccer, tennis, volleyball and softball. Full intramural program.

Campus Activities: Clubs and organizations include: Alpha Chi, Alpha Kappa Omega, Art Club, Baseball Club, Beta Beta Beta, Business Society, Campus Activities Board, Cheerleaders, Chorale, College Council, Commuter Club, Cultural Outreach Club, Echo (yearbook), Fellowship of Christian Athletes, Fine Arts Association, GC II Association, Greasepaint and Halos, Hillel, Collegian (newspaper), Interclub Council, Intramural and Recreational Sports Club, La Asociacion de los Amigos del Idioma Castellano, Math Club, Medical Careers Club, Music Educators Association, Pep Band, Physical Education Club, Pre-Law Association, Psychology Club, Residence Hall Councils, Show Choir, Sociology Club, Softball Club, Stage Band, Student Christian Fellowship, Student Ambassadors, Student Council for Exceptional Children, Student National Education Association, Theatre, United African American Society.

DESCRIPTION

Greensboro College offers students a unique situation—a small college setting in a large university environment. With its emphasis on individual and personal attention for all students and the social and cultural advantages of a city of 205,000 people, Greensboro College provides an ideal atmosphere for living and learning.

Greensboro College is affiliated with the United Methodist Church and is centered on the liberal arts. Its mission as a College of the Church provides ample opportunity for ethical and religious growth. The Ethics across the Curriculum Program ensures that all students are exposed to ethical questions in all the disciplines. Faculty and staff are committed to providing services, activities and opportunities for each student's intellectual and personal growth.

The academic curriculum is designed with writing-intensive courses in most disciplines. Greensboro students benefit from an academic advising program that assists students in their classes. The College's commitment to individual attention and instruction is exemplified by a student-faculty ratio of 13 to 1.

Co-curricular opportunities abound for Greensboro College students. The community service emphasis, co-curricular transcript availability, and the full complement of intramurals, clubs and organizations serve to round the student's experience.

Guilford College

Coeducational Four-Year College
Affiliated with the Religious Society of Friends (Quakers)
Established 1837

5800 West Friendly Avenue
Greensboro, North Carolina 27410
Telephone: (336) 316-2100 or 1-800-992-7759
Dean of Admission: Al Newell

ENROLLMENT

1998-99 Total: 1,236 plus 162 working adults through the Center for Continuing Education
490 Men, 562 Women
20% N.C. Residents, 3% from other countries
850 On-Campus Students in 16 residence halls, houses and apartments
All residence hall rooms are wired for Internet access

ADMISSIONS

Applicants submit either SAT or ACT score reports
Interview recommended
Closing date for applications: Dec. 1, Feb. 1
Students admitted each term
Early decision plan
Notification of admission on a modified rolling basis
Application fee: $25
Commitment deposit: $300, due by May 1.
Visitation: 1999 — Oct., Nov. (TBA); 2000 — April 15
Weekdays and weekends by appointment

Recommended High School Courses
4 units of English
3 units of Math
2 units of Science
1 unit of History
2 units of Foreign Language

CLEP program participant. Advanced placement available.
Honors Program: 1250+ SAT required.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $15,580
Room and Board: $5,610

Aid Officer: Anthony Gurley

ACADEMIC

Accreditation: Southern Association of Colleges and Schools.

Calendar: The college is on a semester plan, with classes beginning in late August and mid-January. The academic year ends in early May. Summer sessions are scheduled.

Faculty: 89 full-time, 34 part-time. 89% hold Doctorates.

Class Size: Average — 17; range from 1 to 30; average for science labs — 15.

Degrees Offered: B.A., B.S., B.F.A.

Special Programs: Honors Program, independent study, off-campus seminars, 8 study abroad programs, interdisciplinary degree, five year educational studies degree (requires dual major), 3:2 programs in environmental studies (with Duke University) and physician assistant program (with Wake Forest University), Quaker Leadership Scholars Program, Corella and Bertram Bonner Scholars Program (service learning).

General: Offers 32 majors and 16 interdisciplinary concentrations. 64% of freshman matriculants graduate. Member of area college/university consortium, allowing students to take courses at seven other campuses without additional charge. Extensive internship and service learning programs.

Library: 250,000 volumes, another 3 million items available through computerized loan program. Fully-equipped Media Center, nine-room art gallery, Friends Historical Collection.

STUDENT LIFE

The college operates on an honor system.

Athletics: Men's varsity programs in baseball, basketball, football, golf, lacrosse, soccer and tennis. Women's varsity programs in basketball, lacrosse, soccer, tennis and volleyball. Full intramural program.

Campus activities: Art/Lectures Series, 40 Student Organizations, Radio Station WQFS-FM, Dances/Concerts, Revelers Theatre Group, Choir, Coffee House, Newspaper, Yearbook, Off-Campus Seminars, Quaker Concerns Group, Websterian Pre-Law Society, Homeless Awareness Group, Project Community, African American Cultural Society.

DESCRIPTION

"The used brick and white columns of Guilford's Georgian buildings on the campus quadrangle house more than books, classrooms and student dorms. Quaker educators somehow manage to inject a vibrant reflectiveness into their institution that weaves a strong thread of consciousness into the fabric of life. A graceful awareness of right and wrong that can only be called civilized—Guilford, a Quaker school in one of the nation's oldest and distinguished Quaker communities, is a hotbed of hopefulness in a world reeling dangerously toward cynicism..."

Edward P. Morgan, ABC News
Excerpts from a national radio broadcast after Morgan spent a week on campus as a Woodrow Wilson Senior Fellow.

High Point University

Coeducational Four-Year University
Affiliated with the United Methodist Church
Established 1924

University Station
833 Montlieu Avenue
High Point, North Carolina 27262-3598
Telephone: (336) 841-9216 or 1-800-345-6993
E-mail: admiss@highpoint.edu
Fax: (336) 841-4599
Dean of Admissions: James L. Schlimmer

ENROLLMENT

1998-99 Total: 2,848 Undergraduates; 182 Graduates
Men: 45%; Women: 55%
Residence halls: 10
All residence halls rooms are wired for Internet access

ADMISSIONS

Applicants must submit either SAT or ACT scores
Interviews recommended (not mandatory)
No closing date for applications
Early admission plan
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Acceptance deposit: $100

Required High School Courses
4 units of English
2 units of math
1 unit of science
1 unit of history
2 units of a second language (may be waived)
6 units of electives

AP, International Baccalaureate, CLEP (General and Subject) and CEEB/SAT II credit awarded based on test scores (see Undergraduate Bulletin).

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $11,760
Room and Board: $5,520

Through a financial aid policy which awards more than $18 million annually to students, the University seeks to assure that no student who is willing to study and work will be denied enrollment for financial reasons alone.

Aid Officer: Dana D. Kelly

ACADEMIC

Accreditation: Southern Association of Colleges and Schools; National Council for the Accreditation of Teacher Education; University Senate of the United Methodist Church; NC Department of Public Instruction; American Medical Association (AMA) for Sports Medicine Program.

Calendar: Fall semester begins in August; spring semester, January; June and July summer terms.

Faculty: 108 full-time, 91 part-time. Doctorate/terminal degrees: 77%.

Class Size: Average — 17; range — 8 to 35; science laboratories — 18.

Degrees Offered: BA; BS; MBA; MS (management, international management).

Special Programs: Academic enrichment program; ethics across the curriculum; honors program; independent study; interdisciplinary majors; pre-professional advising (dentistry, graduate, law, medicine, pharmacy, theology, veterinary sciences); study abroad programs in England (Leeds University, Westminster College, Oxford), France (Université de Paris), Germany (Schiller University, Heidelburg), Spain (Sevilla Spanish-American Institute), Mexico (Universidad Madero), writing fellows program.

General: Strong career development and internship programs. Computer Center open 76 hours weekly; Learning assistance center provides tutoring services. Internet access available from residence hall rooms (for students with computers), computer center, and library.

Library: Because of a local area consortium, students have direct access to more than 1 million volumes, including more than 194,000 in Smith Library on campus. A local area network provides Internet access to resources of Smith library or any Internet-linked library world-wide from the library, the computer center or student rooms (for students with computers). Local area network also provides easy access to the University's CD-ROM holdings.

STUDENT LIFE

Athletics: NCAA athletics (Division I, Big South Conference) program for men in baseball, basketball, cross-country, golf, soccer, tennis and track. Programs for women in basketball, cross-country, indoor track, outdoor track, soccer, tennis and volleyball. Intramural programs are popular.

Campus activities: More than 50 activities and organizations, including campus radio; cultural enrichment series; honors organizations; literary magazines (2); major theatrical productions; national fraternities (4) and sororities (4); nationally recognized student newspaper; outdoor club; Student Activities Board which plans regular campus events; three choral groups; professional organizations for majors; religious organizations and weekly chapel services; service organizations (2); special interest groups.

DESCRIPTION

The campus, consisting of 27 buildings on 77 acres, is characterized by beautiful gardens and magnificent Georgian Architecture. The recently constructed $6.7 million Millis Athletic/Convocation Center and other athletic facilities provide the benefits of an athletic club to members of the University community.

The 1997, 1998 and 1999 editions of *America's Best Colleges*, published by the *U.S. News and World Report*, list High Point University among the top tier of the nation's regional liberal arts colleges. In each of the last three years, High Point University has been recognized by *U.S. News and World Report* as one of the two most efficient regional liberal arts colleges in the South and one of the 20 most efficient regional liberal arts colleges in the nation. Efficient colleges are those which have achieved quality while keeping costs low. The Peterson's publication *Smart Parents Guide To College* (1996), by Ernest Boyer, former president of the Carnegie Foundation for the Advancement of Teaching, and his son, Paul, features High Point University.

Johnson C. Smith University

Coeducational Four-Year University
Affiliated with the United Presbyterian Church, USA
Established 1867

100 Beatties Ford Road
Charlotte, North Carolina 28216
Telephone: (704) 378-1010
Director of Admissions: Vacant

ENROLLMENT

1998-99 Total: 1,443

ADMISSIONS

Applicants must submit SAT scores
Interview recommended
Closing date for applications: June 30 (Fall) and November 15 (Spring)
Students admitted each term
Rolling admissions plan for notification
Applicants with off-campus housing are admitted until the last day of registration
Application fee: $25
$100 Matriculation fee and $100 room reservation fee
Visitation: Call for appointment

Required High School Courses
4 units of English
2 units of Math
1 unit of Lab Science
2 units of Social Studies
6 units of electives
16 units total

The university does not participate in CLEP. Advanced placement available with scores of 3 or better.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $9,974
Room and Board: $3,875

Aid Officer: Mrs. Cynthia Anderson

ACADEMIC

Accreditation: Southern Association of Colleges and Schools.

Calendar: The college is on a semester plan, with classes beginning in late August and early January. The academic year ends in late May. Summer sessions are scheduled.

Faculty: 79 full-time, 56 part-time. 82% hold terminal degrees.

Class Size: Average — 15; range from 8 to 50; average for science labs — 12. Student-faculty ratio is 16 to 1.

Degrees Offered: B.A., B.S., B.S.W.

Special Programs: Honors College, ROTC (through University of North Carolina at Charlotte), Minority Biomedical Support, Minority Access to Research Careers, cooperative education, enrichment programs in Math and Science, Collaborative Learning Program in engineering.

General: 70% of freshman matriculants persist.

Library: 114,095 volumes. Career and placement center assists students seeking part-time, summer and permanent employment.

STUDENT LIFE

Athletics: Men's varsity programs in basketball, football, golf, tennis and track. Women's varsity programs in basketball, softball and track. Full intramural program.

Campus activities: Social Fraternities and Sororities, Marching Band, Concert Band, Drama Guild, Student Government Association, Student Christian Association, University Choir.

DESCRIPTION

Johnson C. Smith University is committed to academic excellence. Every student is encouraged to develop to his/her fullest potential. We focus on the development of the total person—physically, intellectually and spiritually. In pursuit of academic excellence, the university has established Centers of Excellence, which are Liberal Studies, the Honors College, the Banking and Finance Education Program, the Math and Science Program, and the International Studies program. Our strong academic programs are complemented by social and cultural activities, clubs and student organizations that contribute to the personal and social growth of our students.

Lees-McRae College

Coeducational Four-Year College
Affiliated with the Presbyterian Church (USA)
Established 1900

P.O. Box 128
Banner Elk, North Carolina 28604
Telephone: (800) 280-4562 or (828) 898-8723
Dean of Admissions: Dr. Tim C. Bailey
E-mail: admissions@lmc.edu
Web Site: www.lmc.edu

ENROLLMENT

1998-99 Total: 472

ADMISSIONS

Applicants submit either SAT or ACT score reports
Interview is optional
Students admitted each semester
Notification of admission on rolling basis
Application fee: $15
Commitment deposit: $100, due May 1.

Recommended High School Courses
4 units of English
3 units of Math
2 units of Science
2 units of History
2 units of Foreign Language

High school diploma or G.E.D. certificate required. CLEP program participant

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $10,710
Room and Board: $3,900

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, N.C. Association of Colleges and Universities, National Association for the Accreditation of Teacher Education.

Calendar: The college is on a semester plan, with classes beginning in late August and mid-January. The academic year ends in mid-May. Summer sessions are scheduled.

Faculty: 32 full-time, 12 part-time. 88% hold Doctorates.

Class Size: Average — 15; range from 1 to 35; average for science labs — 20.

Degrees Offered: B.A., B.S.

Special Programs: Honors Program, interdisciplinary studies, teacher certification, 3/2 Environmental Studies/ Forestry with Duke University, Marine Science with Duke University, MedTech.

Library: 92,000 volumes.

STUDENT LIFE

Athletics: Men's varsity programs in basketball, cross-country, golf, lacrosse, skiing, soccer, and tennis. Women's varsity programs in basketball, cross-country, skiing, soccer, softball, tennis and volleyball. Full intramural program. Junior varsity programs available in Men's and Women's tennis.

Campus activities: Alpha Chi Honor Society, Hiking, Clubs, Canoeing, Bible Studies, Drama, Dances, Camping, Music, Skiing, Swimming, Student Government, Mountain Biking, movie nights, Fall Homecoming, Spring Fling, Spring Formal, Mr. Turkey Pageant.

DESCRIPTION

Situated 4,000 feet above sea level, Lees-McRae is the highest college campus in the eastern U.S. The college is in a unique mountain-top environment within minutes of major ski resorts. Lees-McRae offers the maximum challenge to the superior student but also has a tutorial service for those who need it.

Lees-McRae is a moderately selective institution that has committed to increasing academic standards in order to provide quality educational programs to students who demonstrate the ability and motivation to be successful.

A new computer lab has been added to the library. All residence halls are wired for Internet connections, and a new T-1 line has been installed.

Lenoir-Rhyne College

Coeducational Four-Year College
Affiliated with the Lutheran Church
Established 1891

Admissions House
Hickory, North Carolina 28603
Telephone: (828) 328-7300 or (800) 277-5721
Director of Admissions: Tim Jackson

ENROLLMENT

1998-99 Total: 1,603
575 Men, 1,028 Women
1,107 N.C. Residents, 496 Out-of-State Students
800 On-Campus Students in 7 residence halls
803 Commuters

ADMISSIONS

College prefers SAT scores or ACT just as well
Interview recommended
No closing date for applications
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Commitment deposit: $200, refundable until May 1

Recommended High School Courses
4 units of English
2 units of Algebra
1 unit of Geometry
1 unit of Lab Science
1 unit of U.S. History
2 units of Foreign Language preferred
2 units of academic subjects
16 total units

CLEP program participant. Advanced placement available through AP testing.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $12,796
Room and Board: $4,750

Aid Officer: To be announced

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, National Council for the Accreditation of Teacher Education, N.C. Association of Colleges and Universities, National League of Nursing, Conference of Executives of American Students for the Deaf, American Occupational Therapy Association.

Calendar: The college is on a semester plan, with classes beginning in late August and early January. The academic year ends in early May. Summer sessions are scheduled.

Faculty: 102 full-time, 35 part-time. 73% hold Doctorates.

Class Size: Average — 15; range from 1 to 35; average for science labs — 12.

Degrees Offered: A.B., B.S., B. Music Ed., M.Ed., M.B.A.

Special Programs: Honors, independent study, Washington Semester, study abroad, special services for hearing impaired students, Lineberger Center for Cultural and Educational Renewal, Broyhill Institute for Business Leadership, College Consortium for International Study.

General: 65% of freshman matriculants graduate.

Library: 142,000 volumes. Life Planning and Placement Office offers full placement program.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, cross-country, football, golf and soccer. Women's varsity programs in basketball, cross-country, golf, soccer, softball and volleyball. Full intramural program.

Campus activities: Fraternities, Sororities, College Bowl, Theatre, Choir, Bands, Outing Clubs, Cheerleading, Dance Companies, Broyhill Leadership Institute, Center for Women's Studies, Radio/TV Studios, Christian Fellowship, Circle K, Program Board, Student Government, Homecoming, Publications, Honorary Fraternities, Institute for Multicultural Education and Training, Center for Theological Studies.

DESCRIPTION

Lenoir-Rhyne College, one of the fine colleges in the South, is located in Hickory, an All-American City. The area provides many cultural events, as well as winter and water sports. Student involvement in the Hickory community creates a unique relationship between the students of Lenoir-Rhyne and various community groups in Catawba County.

Livingstone College

Coeducational Four-Year College
Affiliated with the African Methodist Episcopal Zion Church
Established 1879

701 West Monroe Street
Salisbury, North Carolina 28144
Telephone: (704) 797-1005
Director of Recruitmentt: Grady Deese

ENROLLMENT

1998-99 Undergraduate Total: 882
468 Men, 414 Women
467 N.C. Residents, 415 Out-of-State Students
656 On-Campus Students in 6 residence halls
226 Commuters

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview optional
Application closing date: July 1
Students admitted each term
Notification of admission: 10 days after file is completed
Application fee: $15
Housing deposit: $100 non-refundable, due July 1
Visitation: Mon.-Fri., 10 am-2 pm

Recommended High School Courses
4 units of English
3 units of Mathematics
3 units of Natural Science
2 units of Social Studies
9 units of Academic Electives (2 units of Foreign Language desired, but not required)
21 total units

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $8,820
Room and Board: $3,700

Aid Officer: Mrs. Ethelene Hughey

ACADEMIC

Accreditation: Southern Association of Colleges and Schools.

Calendar: The college is on a semester plan, with classes beginning in late August and mid-January. The academic year ends in mid-May. A summer session is scheduled.

Faculty: 46 full-time, 19 part-time. 51% hold Doctorates.

Class Size: Average — 35; range from 8 to 55; average for science labs — 38. Student-faculty ratio — 11 to 1.

Degrees Offered: B.A., B.S., B.S.W.

Special Programs: Cooperative education, continuing education, internships and Student Support Services.

General: 59% of freshman matriculants graduate.

Library: 79,167 volumes.

STUDENT LIFE

Athletics: Men's varsity programs in basketball, football, and track. Women's varsity programs in basketball, track and volleyball. Full intramural program.

Campus activities: Fraternities, Sororities, Prayer Meeting, Choir, Men's Glee Club, Departmental Clubs, Marching Band, Student Government, Publications, Movies, Concert Choir, Club Social Activities, Jazz Ensemble.

DESCRIPTION

Livingstone College and Salisbury, N.C., are located in the Piedmont section of the state, just off Interstate 85. The college is in a thriving area, both economically and intellectually. It has provided a century of service under the sponsorship of the A.M.E. Zion Church.

Salisbury is built on gently rolling hills with elevations above sea level ranging from 700 to 800 feet. The major urban centers of Charlotte, Winston-Salem and Greensboro, all within 50 miles of Livingstone, serve as centers for shopping, theatre, dining, cultural activities and outdoor recreation.

Louisburg College

Coeducational Junior College
Affiliated with the North Carolina Conference of the United Methodist Church

501 North Main Street
Louisburg, North Carolina 27549
E-Mail: admissions@earthlink.net
Web Page: http://www.louisburg.edu
Telephone: (919) 496-2521 or 1-800-775-0208
Dean of Enrollment: Gayle Greene

ENROLLMENT

1998-99 Total: 487
256 Men, 231 Women
392 N.C. Residents, 95 Out-of-State Students
329 On-Campus Students in 5 residence halls
100 Commuters; 58 Weekend Program and part-time students

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview is optional
No closing date for applications
Students admitted each term
Application fee: $25
Commitment deposit: $200 due by May 1.
Visitation: (By appointment) During school year-Mon.-Fri. 8:30 am-5 pm; most Saturdays when school is in session, 10 am - 1 pm; summer-Mon.-Thurs. 8 am- 5 pm; Fri. 8 am-1 pm

Recommended High School Courses
4 units of English
3 units of Mathematics
3 units of Science
3 units of Social Studies
2 units of Foreign Language

CLEP program participant

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $8,790
Room and Board: $4,925 (approx.)

Payment plans offered.
Eighty percent (80%) receive financial aid
E-Mail: lcfinaid@earthlink.net

Aid Officer: Amy Coats

ACADEMIC

Accreditation: Louisburg College is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award Associate Degrees. Louisburg College is also accredited by the University Senate of the United Methodist Church and by the North Carolina Board of Education.

Calendar: The college is on a semester plan, with classes beginning in late August and early January. The academic year ends in mid-May.

Faculty: 30 full-time, 20 part-time. 20% hold Doctorates.

Class Size: Average — 13; range from 5 to 35; average for science labs — 25.

Degrees Offered: A.A., A.S.

Special Programs: Freshman Seminar (reading and study skills course), peer tutoring, math lab, writing skills center, science center, independent study in some departments, series of tutorial services for learning disabled students.

General: 90% of graduates transfer to senior institutions.

Library: 50,000 volumes.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, soccer and golf. Women's varsity programs in basketball, soccer and softball. Full intramural program.

Campus activities: Concerts, Dances, Movies, Lecture Series, Yearbook, Newspaper, Magazine, Christian Life Council, Cheerleading, Literary Magazine, Honor Societies, Drama, Chorale and Ensemble, Radio, Student Government, Hiking and White Water Club, Young Democrats' Club, Young Republicans' Club, WAVES, Peace Group, French and Spanish Club, African American Historical Society, Environmental Concerns Club, Residence Life Council, American Chemical Society.

DESCRIPTION

Chartered two years before George Washington became our nation's first president, Louisburg College is the oldest church-related two-year college in the United States. Located in a historic, small town 30 miles north of Raleigh, the College offers small classes, strong academic support services, and a comprehensive program of athletics, campus organizations, and activities. Students may select from programs which will enable them to transfer to four-year institutions in virtually any major area of study they choose. Graduates transfer to a wide range of four-year colleges and universities, with guaranteed acceptance to the public university system of North Carolina with the appropriate grade point averages and courses.

Mars Hill College

Coeducational Four-Year College
Affiliated with the Baptist Church
Established 1856

Mars Hill College, Office of Admissions
P.O. Box 370
Mars Hill, North Carolina 28754
Telephone: (828) 689-1201 or 1-800-543-1514
e-mail: admissions@mhc.edu
Associate Director of Admissions: Cathy Beard

ENROLLMENT

1998-99 Total: 1,265
547 Men, 718 Women
826 N.C. Residents, 439 Out-of-State Students
715 On-Campus Students in 10 residence halls and apartments
550 Commuters

ADMISSIONS

College accepts SAT and ACT
Interview is optional
Closing date for applications: 10 days prior to registration
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Commitment deposit: due by May 1

Recommended High School Courses
4 units of English
2 units of Algebra
1 unit of Geometry
2 units of Natural Science
1 unit of History
Electives to bring total to 18 units

CLEP program participant. Other forms of advanced placement available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $11,600
Room and Board: $4,300

Aid Officer: Scott Miller

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, N.C. Department of Public Instruction, N.C. Association of Colleges and Universities, National Council for the Accreditation of Teacher Education, National Association of Schools of Music.

Calendar: The college is on a 4-4 plan, with classes beginning in late August. The academic year ends in mid-May. Summer sessions.

Faculty: 80 full-time, 69 part-time. 60% hold Doctorates, 67% hold terminal degrees.

Class Size: Average — 13; range from 5 to 35; average for science labs — 15.

Degrees Offered: B.A., B.S., B.F.A., B.M., B.S.W.

Special Programs: Independent study, internships, foreign travel. All students are encouraged to participate in independent study projects and internships. Foreign study programs are offered in more than 100 countries through the International Student Exchange Program. Career advising, interdisciplinary programs in communications, international studies, business and liberal arts.

General: 48% of freshman matriculants graduate

Library: 90,000 volumes, campus network with free internet & e-mail, over 30 CD-ROMs, 750 periodicals, media center with over 10,000 AV materials, 1 to 6 computer: student ratio.

STUDENT LIFE

Freshmen and sophomores are required to live on campus with exceptions made for married students and commuting students, living with parents. Alcohol is not permitted on campus.

Athletics: Men's varsity programs include baseball, basketball, lacrosse, track, cross-country, football, golf, soccer and tennis. Women's varsity programs include basketball, track, cross-country, soccer, softball, tennis and volleyball. All teams are members of the South Atlantic Conference and compete in the NCAA Division II.

Campus activities: Dances, Coffee House, Movies/Concerts, Religious Activities, Fraternities, Sororities, Professional Organizations, Student Government.

DESCRIPTION

Mars Hill has a heritage of academic excellence and Christian commitment. This heritage is maintained by faculty and administration dedicated to sharing their diverse talents and knowledge to help each student develop his or her full potential.

Mars Hill College, the oldest educational institution in Western North Carolina, was founded in 1856. The college is located in one of the most beautiful regions of the United States, the beautiful Blue Ridge Mountains of North Carolina. Mars Hill is just 20 minutes from Asheville, recently named an "All America City" and one of the top 25 cultural cities in America. Asheville has the sophisticated attractions of a major metropolis, and is known for its quality arts, crafts and music offerings. The college is also just minutes from snow skiing, whitewater rafting, camping and hiking on the Blue Ridge Parkway.

Meredith College

Four-Year Women's College
Established 1891

3800 Hillsborough Street
Raleigh, North Carolina 27607-5298
Telephone: (919) 760-8581 or 1-800-MEREDITH
Director of Admissions: Carol R. Kercheval

ENROLLMENT

1998-99 Total: 2,612
2,127 Undergraduate Degree Women
151 Graduate Degree Women
2,278 Total Degree Candidates
2,612 All Credit-Seeking Students
2,330 N.C. Residents; 282 Out-of-State students
1,091 On-campus Undergraduates in 9 residence halls

ADMISSIONS

Applicants submit either SAT or ACT score reports
Interview recommended
Recommended closing date for rolling admission: Feb. 15
Closing date for early decision: Oct. 15
Students admitted in Fall and Spring semesters
Notification of admission: Nov. 1 (early decision), admission on a rolling basis after November 1.
Application fee: $35
Commitment deposit: $100, due by Dec. 1 for early decision, May 1 for rolling admission.
Visitation: Open Days for Seniors
Visitation Day for Juniors; appointments for individual conferences and tours upon request.

Recommended High School Courses
A minimum of 16 overall units in grades 9-12, including at least 14 units in the academic subjects. The program should include English (4 units), foreign language (1 unit required, 2 units recommended), mathematics (3 units-Algebra I, Algebra II and geometry or a higher level course), science (3 units), history/social studies (3 units), and electives (2 units, preferably from the academic subjects)

CLEP program participant. Other advanced placement through CEEB, AP, IB and college tests.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $9,290
Room and Board: $4,100

Academic, Music, Interior Design and Art Scholarships. N.C. Teaching Fellows Scholarship.

Aid Officer: Philip Roof

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, National Association of Schools of Music, Council on Social Work Education, N.C. Department of Public Instruction, National Council for Accreditation of Teacher Education. Foundation for Interior Design Education and Research (FIDER). The college has an approved American Dietetic Association Plan V program and an ADA accredited Dietetic Internship Program and is a member of the American Association of Colleges, American and N.C. Association of Colleges for Teacher Education, and the National Collegiate Athletic Association.

Calendar: The college is on a semester plan, with classes beginning in late August and early January. The academic year ends in mid-May. Summer sessions are scheduled.

Faculty: 112 full-time, 149 part-time. 80% hold Doctorates.

Class Size: Average — 19; student-faculty ratio — 14:1.

Degrees Offered: B.A., B.S., B.Music, M.Ed., M.B.A., M.Music, M.H.A.

Special Programs: Study abroad options including Meredith Abroad summer in England, Italy and the Czech Republic, semester programs in France and Spain for language students, study in Italy for art students and consortial arrangement through which students may study in Japan, China, the United Kingdom and Australia. Internships and cooperative education. Honors Program, N.C. Teaching Fellows Program, independent and group study. Pre-advising programs in law, medicine, dentistry and veterinary medicine. Cooperating Raleigh Colleges Consortium allows students to take courses at 4 other colleges and universities in Raleigh (N.C. State University, Peace College, Shaw University and Saint Augustine's College). Teacher licensure in special subject areas and elementary, middle and secondary grades. Placement and full career counseling program through the Career Center.

Library: 134,414 volumes, 1,943 periodical subscriptions, 45,200 microfilm titles and 11,751 records, tapes, CDs and videos.

STUDENT LIFE

Athletics: Women's varsity programs in basketball, soccer, softball, tennis and volleyball. NCAA Division III. Full intramural program.

Campus activities: Student Government, Service Clubs, Special Interest Clubs, Chorale and Music Ensembles, Academic, Freshman and Leadership Honor Societies, Worship Services, Student Publications, Big Sister/Little Sister Program, Concerts, Meredith Dance Theatre, Meredith Performs, Religious Organizations, Guest Lecturers, Synchronized Swimming, Traditional Events (Cornhuskin, Stunt, Spring Fling), Meredith International Association, Association for Cultural Awareness.

DESCRIPTION

Located on a 225-acre campus graced by grassy lawns, tall oaks and an amphitheater sloping down to meet a lake, Meredith College is situated amidst the excitement and activities of a capital city and the Research Triangle Park. The home of five colleges and universities, Raleigh bustles with professional and academic opportunities, cultural events, political activities and sports action.

In a community of people caring about people, the total development of the individual is stressed. Faculty and administration are sensitive to each student's needs, goals and talents. A small faculty-student ratio encourages a friendly and informal classroom atmosphere and promotes student participation and growth. Working closely with academic advisors, students design programs that meet individual needs and interests – programs that may include, for example, double majors, contract majors or minors and independent study course. Meredith also places strong emphasis on leadership and personal development opportunities for women. One feature that distinguishes Meredith is its commitment to equipping each student with knowledge, skills and values that will enrich future life.

Methodist College

Coeducational Four-Year College
Affiliated with the United Methodist Church
Established 1956

Fayetteville, North Carolina 28311-1420
Telephone: (910) 630-7027 or 1-800-488-7110
Director of Admissions: Eric Brandon

ENROLLMENT

1998-99 Total: 1,851
1,033 Men, 818 Women
906 N.C. Residents, 945 Out-of-State Students
633 Resident Hall Students in 6 halls

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview recommended
No closing date for applications
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Reservation fee: $200 for residential students and $100 for commuting students due 30 days after notification
Visitation: By appointment

Recommended High School Courses
4 units of English
2 units of Math (minimum Algebra I & Geometry)
2 units of Science (one laboratory course required)
2 units of History (US History required)

CLEP and AP program participant.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $12,704
Room and Board: $4,830

Director of Financial Aid: Bonnie J. Adamson

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, N.C. Association of Colleges and Universities, the University Senate of the United Methodist Church.

Calendar: The college is on a semester plan, with classes beginning in late August, mid-January. The academic year ends in early May. Summer sessions are scheduled.

Faculty: 89 full-time, 89 part-time. 66% hold Doctorates/ Terminal Degree.

Class Size: Average — 17; range from 1 to 50; average for science labs — 20.

Degrees Offered: B.A., B.S., B.A.S., B.S.W., B. Music, A.A., A.S., B.H.S.

Special Programs: Army ROTC, internships, Special Topics (independent and direct studies), Golf Management (a business administration degree with concentration in golf), Tennis Management (a business administration degree with a concentration in tennis), Athletic Training (a physical education degree with a concentration in sports management), Liberal Arts,.Art, Music and Theatre Management, Physician Assistant program.

Library: 93,773 bound volumes; 13,888 non-print items; 48,219 microfilms; 620 periodical subscriptions.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, cross-country, football, golf, soccer, tennis and track. Women's varsity programs in basketball, cross-country, golf, soccer, softball, tennis, track and volleyball. Full intramural program. Cheerleading for men and women is part of the Athletic Department.

Campus activities: Dances, Concerts, Movies, Musical Groups, Recreational Tournaments, Student Government, Student Union, Theatrical Groups, Clubs, Publications, Fall and Spring Flings.

DESCRIPTION

Methodist College is located on a 600-acre site overlooking the historic Cape Fear Valley. Individual buildings reflect classic principle in a contemporary form. The college is in the heart of the fastest-growing area of the Southeast, an area large enough to aid in a student's cultural, spiritual and social development, yet small enough to encourage the development of self-identity and individualism. Methodist offers its students the opportunity to contribute to campus life according to their time, interests and special abilities and, in turn, to benefit from the contributions of others.

Montreat College

Coeducational Four-Year College
Affiliated with the Presbyterian Church, USA
Established 1916

Montreat, North Carolina 28757
Telephone: (828) 669-8011 or (800) 622-6968
Director of Admissions: Anita F. Darby

ENROLLMENT

1998-99 Total: 1,053
464 Men, 589 Women
847 N.C. Residents, 206 Out-of-State Students
1,036 Full-time Students, 17 Part-time

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview recommended
No closing date for applications
Students admitted each term
Notification of admission on rolling basis
Application fee: $15
Commitment deposit: $100
Visitation: Visitation Days and Individual visits.

Required High School Courses
4 units of English
3 units of Math (including Algebra I, II, and Geometry)
3 units of Science
3 units of Social Science
1 unit of Foreign Language

CLEP program participant. Advanced placement available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $10,862
Room and Board: $4,340

93% receive financial aid; 87% is need-based.

Aid Officer: Lisa Lankford

ACADEMIC

Accreditation: Southern Association of Colleges and Schools.

Calendar: The college is on a semester plan, with classes beginning in late August and early January. The academic year ends in early May.

Faculty: 38 full-time, 17 part-time. 55% hold Doctorates.

Class Size: Average—12; range from 6 to 40; average for science labs—19.

Degrees Offered: B.A., B.S., B.B.A., A.A., A.S., M.B.A.

Special Programs: Christian Ministries, community service, independent study, internships, honors courses, summer travel, semesters in Hollywood, Central America, Washington, D.C., Moscow and Cairo, Egypt, 21-Day Discovery Wilderness Program.

General: Full placement services: permanent, part-time and summer employment.

Library: More than 67,000 volumes on campus and access to almost 500,000 volumes through the Mountain College Library Network.

STUDENT LIFE

Athletics: Montreat belongs to the NAIA. Men's programs in baseball, basketball, cross-country, golf, soccer and tennis. Women's varsity programs in basketball, cross-country, tennis, softball, soccer, and volleyball. There is an active intramurals program.

Campus activities: Student Government, Honor Society, Academic Clubs, Adventure Club, Student Services Club, Chess Club, Veritas Debate Team, Quiz Bowl, International Club, Fellowship of Christian Athletes, Dances, Movies, Camping, Hiking, Rock Climbing, Christian Fellowship, Student Publications, Canoeing, Concerts, Student Drama Productions, Trips, Tours, Skiing, Chorus.

DESCRIPTION

Montreat College is a Christian college of Liberal Arts and Sciences, located in the heart of the beautiful Blue Ridge Mountains of western North Carolina. Enrollment is rapidly growing. The campus is surrounded by wooded hiking trails, mountain streams and a mountain lake. The buildings on campus are made of mountain stone.

Its sense of Christian community is one of the most distinctive features of campus life. Montreat is a place where students can set themselves apart through an extraordinary range of leadership opportunities. The college is committed to the integration of faith and learning. A special emphasis is placed on the concept of servant leadership.

SCHOOL OF PROFESSIONAL AND ADULT STUDENTS

The School of Professional and Adult Studies is designed especially for the adult learner who has completed some college work and who desires to finish a degree in an accelerated program while continuing to be fully involved in a current career. Classes are taught in Asheville, Charlotte, Spindale, Murphy and Marion. Permanent campus facilities are located in Charlotte and Asheville. For more information call (800) 436-2777 (Charlotte) or (800) 806-2777 (Asheville).

Mount Olive College

Coeducational Four-Year College
Affiliated with the Free Will Baptist Church
Established 1951

634 Henderson Street
Mount Olive, North Carolina 28365
Telephone: (919) 658-2502 or 1-800-653-0854
Director of Admissions: Tim E. Woodard

ENROLLMENT

1998-99 Total: 1,741
472 Men, 554 Women
1,026 Main Campus

ADMISSIONS

SAT or ACT scores required
No closing date for applications
Students admitted each term
Notification of admission on rolling basis
Application fee: $20
Commitment deposit: $50, within 3 weeks of notification.
Additional $50 required to reserve dormitory room.
Visitation: 1998 — Nov. 11; 1999 — Jan. 18

Required High School Courses
High school graduate or equivalent
Satisfactory secondary school transcript
Acceptable recommendation(s)

CLEP program participant. Advanced placement available through AP.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $8,825
Room and Board: $3,885

Scholarships: Honors, Leaders, Music, Athletics, Visual Communication, Science and Math, Education, Ministerial. Free Will Baptist tuition grants.

Aid Officer: Vicky Cotton

ACADEMIC

Accreditation: Southern Association of Colleges and Schools.

Calendar: The college is on a semester plan, with classes beginning in late August and early January. The academic year ends in early May. Summer sessions are scheduled.

Faculty: 42 full-time, 39 part-time. 52% hold Doctorates.

Class Size: Average—24; range from 5 to 35; average for science labs—24.

Degrees Offered: A.A., A.S., B.A., B.S., B.A.S.

Special Programs: Honors Program, Leaders Program, cooperative education, joint (high school/college) enrollment, early admissions program, evening program, Educational Enrichment Events (E3) Series.

Library: 60,000+ volumes.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, cross country, golf, soccer and tennis. Women's varsity programs in basketball, cross country, softball, soccer, tennis and volleyball. Full intramural program.

Campus activities: Alpha Chi, Art Club, Campus Activity Board, Commuters' Organization, Criminal Justice Club, English Society, Environmental Awareness Club, Fellowship of Christian Athletes, Fellowship of Christian Students, Free Will Baptist Fellowship, Henderson Science Club, International Club, Mount Olive College Political Forum, Mount Olive College Undergraduate Alumni Association, Pep Club, Phi Beta Lambda, Prospective Teachers' Association, Psi Chi, Psychology Club, Recreation Majors Club, Sigma Tau Delta-International English Honor Society, Students Against Destructive Decisions (SADD), Student Government Association, Students' Theological Fellowship, Transfer Students' Club, Volunteer Corps, College Choir, Mount Olive Community Ensemble, Piano Lessons, Voice Lessons.

DESCRIPTION

Mount Olive College is a liberal arts Christian college for men and women. The college family shares a concern for the academic, personal and spiritual growth of each student. Our programs of study center on the individual and his/her personal needs. With one of the most modern campuses in North Carolina, located in Mount Olive (population 5,000), the college provides a cultural and academic center for community residents and students alike.

North Carolina Wesleyan College

Coeducational Four-Year College
Affiliated with the United Methodist Church
Established 1956

3400 N. Wesleyan Blvd.
Rocky Mount, North Carolina 27804
Telephone: (252) 985-5200 or 1-800-488-6292
Vice President for Enrollment Management and Student Services: Tyrone Bledsoe
Director of Admissions: Alan P. Felton
Email: adm@ncwc.edu
Web Site: http://www.ncwc.edu

ENROLLMENT

1998-99 Total: 802
352 Men, 450 Women (on main campus)
432 N.C. Residents, 370 Out-of-State Students
428 On-Campus Students in 6 residence halls
375 Day Commuters (includes evening college on the main campus)
1200 part-time adult degree non-traditional students at extension sites in Raleigh, Durham and Goldsboro. (This brings total enrollment to 2,002 students.)

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview recommended
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Commitment deposit: $200, refundable to May 1
Visitation: Mon.-Fri. 9-5:00; Sat. 9-12:00

Recommended High School Courses
4 units of English
2 units of Social Studies
2 units of Foreign Language
3 units of Mathematics
2 units of Laboratory Science
3 units of electives

CLEP, Advanced Placement & IB Program participants

FINANCIAL

1999-2000 Expenses
*The College lowered tuition $2,000 in 1996
Tuition and Fees: $8,656
Room and Board: $5,272

Aid Officer: Vickie Edwards

ACADEMIC

Accreditation: Southern Association of Colleges and Schools and National Council for Accreditation of Teacher Education NCATE.

Calendar: The college is on a semester plan, with classes beginning in late August. The academic year ends in early May. Summer sessions are scheduled. January term offered.

Faculty: 48 full-time, 21 part-time. More than 52% hold Doctorates.

Class Size: Average — 17; range from 6 to 30; maximum for English and Math — 25.

Degrees Offered: B.A., B.S. (N.C. Wesleyan-Campbell University Consortia — M.B.A.).

Special Programs: Pre-major advising program, internships, double majors, minors, independent study classes. The honors program, Justice Studies (Criminal Justice, Politics or Legal Studies Concentration) and Food Service and Hotel Management. College 101 is a required freshman course on college survival, which includes time and stress management, community service, career planning, etc.

Library: 75,000 volumes.

STUDENT LIFE

Student life at Wesleyan promotes and supports personal growth and enhances academic pursuits. A community atmosphere of genuine care and concern fosters close personal relationships and encourages students to become involved in college activities and community service. Residence hall living consists of freshman and upper-class residence halls and suites. Halls are equipped with voice mail, cable TV, one exercise room and two computer stations in each hall. Each room now has two internet/data ports. All halls are air conditioned. Approximately 60% of students live on campus.

Athletics: Men's varsity programs in baseball, basketball, golf, tennis and soccer. Women's varsity programs in basketball, soccer, softball, tennis and volleyball. Full intramural program and cardiovascular fitness facility.

Campus activities: Theatre, Gospel Choir, Wesleyan Choir, Greek System, Movies, Visiting Writers' Series, Student Government, Religious Activities, Publications, Subject Area Clubs, Honor Societies, Campus Activities Board, Building Bridges Leadership Series.

DESCRIPTION

Wesleyan offers a distinctive personalized education that emphasizes vital skills and leadership training. The College promises attention to the individual and considers commitment to work and services as integral to a meaningful life.

Through the liberal arts foundation and cocurricular experience students explore questions of ethics, values, and integrity. Students enjoy a personalized learning experience where many faculty teach in an interactive setting. The "4-1-4" calendar provides specialized study, internship and study abroad opportunities during the month of January.

The Experiential Education Program combines classroom theory with practical work experience.

Peace College

Liberal Arts and Sciences College for Women
Affiliated with the Presbyterian Church
Established 1857

15 East Peace Street
Raleigh, North Carolina 27604
Telephone: (919) 508-2214 FAX: (919) 508-2306
Admissions Officers:
Tiffany J. Roberson, Robin R. Stewart, Perri L. Sutton

ENROLLMENT

1998-99 Total: 564 Women
469 N.C. Residents; 95 Out-of-State Students
386 On-Campus Students in 5 residence halls
178 Commuters

ADMISSIONS

Applicants submit either SAT I or ACT scores
Interview recommended
No closing date for applications. Priority given to those received before April 15.
Students admitted each term
Students notified of admission on rolling basis
Application fee: $25 (non-refundable)
Commitment Deposit: Non-refundable deposit of $150 due May 1
Visitation: Senior visitation days are held in the fall by appointment; Junior visitation days are held in the Spring by appointment. Students are welcome to schedule an individual appointment at their convenience. During the academic year: M-F 8:30-4:00, Sat. 9-11:30. Group tour 10:00. During the summer: M-F 8:30-4:00, no Saturday appointments

Required High School Courses
4 units of English
3 units of math (Algebra I and II, Geometry)
2-3 units of Science
2 units of Social Studies
2 units of the same Foreign Language

College does not participate in CLEP program. Advanced placement available through CEEB.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $8,885
Room and Board: $4,940

Academic Scholarships; Art, Music, Drama, Business, Presbyterian Scholarships and Leadership. 82% receive financial assistance.

Aid Officers: Krista Owens, Karen Parrish

ACADEMIC

Accreditation: Southern Association of Colleges and Schools.

Calendar: The college operates on a semester plan, with classes beginning in late August and early January. The academic year ends in early May.

Faculty: 36 full-time, 33 part-time. 75% hold Doctorates or terminal degrees.

Class Size: Average — 13; range from 5-30; average for science labs — 20.

Degrees Offered: A.A., A.S., A.F.A. in Music, and Baccalaureate degrees in Biology, Business Administration, Communications, Human Resources, Liberal Studies, Psychology, English, Music Performance and Visual Communication.

Special Programs: Students may take advantage of independent study courses, Internships at the sophomore and senior levels, and special interest topics. Summer programs include Studying in the Yucatan Peninsula in Mexico and in Cambridge, England; ROTC available through N.C. State University. Teaching Licensure Program available through Meredith College.

Library: 50,000 volumes.

STUDENT LIFE

Athletics: Intercollegiate tennis, basketball, softball and volleyball (NCAA III); Club soccer.

Campus activities: Student Government Association, Recreation Association, Christian Association, Phi Theta Kappa, Sigma Delta Mu, College Scholars, Judiciary Board, Theatre Arts Group, Pacers Dance Company, Chamber Singers, College Choir, Club and Intramural sports, College Democrats, College Republicans, Minority Student Association, Day Student Association, BACCHUS, Environmental Action Coalition, Non-traditional Student Association, Future Business Women, Arts & Lectures Series, Visiting Scholars, Lotus-the yearbook, Peace Times-the student newspaper, Prism-the literary magazine.

DESCRIPTION

Even though 1.5 percent of all higher education degrees earned by women are received from women's colleges, these graduates represent a large percentage of women leaders in politics, business and education. Most credit their success with the self-confidence and leadership training they received at a women's college.

As a liberal arts and sciences college for women, Peace College provides students a strong academic foundation in a personal setting and participation as leaders in all aspects of college life. This excellent beginning allows students to reach their full potential in their educational and career goals.

Peace College has been acknowledged as having the best transfer record among North Carolina two-year schools. However, Peace was not content to rest on its laurels as an Associate Degree granting institution. In the Fall of 1995, Peace began offering Baccalaureate Degree programs giving Peace students more options than ever. Students may still choose to transfer to another institution after completing their Associate Degree or, as many students do, stay at Peace to earn a Baccalaureate Degree. The Baccalaureate Degree programs are available in: Communications, Business Administration, Biology, Human Resources, Liberal Studies, Psychology, English, Music Performance and Visual Communication.

Located in historic downtown Raleigh, Peace's beautiful campus has won national and state awards of excellence in landscaping. Students are encouraged to visit the campus for a tour and interview to discuss scholarships and financial aid, as well as the admissions process at Peace.

Peace College is one of the most affordable independent colleges in North Carolina. With its strong endowment funds, Peace is able to offer more than 100 endowed scholarships.

Pfeiffer University

Coeducational Four-Year University
Affiliated with the United Methodist Church
Established 1885

Pfeiffer University Admission Office
Misenheimer, North Carolina 28109
Telephone: (704) 463-1360 or 1-800-338-2060
Director of Admissions: Elsie Lowder

ENROLLMENT

1998-99 Overall Total: 1,682
715 Men, 967 Women
Graduate Total: 698
1998-99 Undergraduate Total: 984

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview is recommended, but optional
No closing date for applications
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Commitment deposit: $150
Visitation: 1998 — Sept. and Oct.;
1999 — Feb., March and April.

Recommended High School Courses
4 units of English
2 units of Math
2 units of Science
2 units of Social Studies
2 units of Foreign Language

CLEP program participant. Advanced placement available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $10,844
Room and Board: $4,367

Aid Officer: Kay Hinson

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, National Association of Schools of Music.

Calendar: The college is on a semester plan, with classes beginning in late August and mid-January. The academic year ends in early May. Summer sessions are scheduled.

Faculty: 47 full-time, 22 part-time. 76% hold terminal degrees.

Class Size: Average — 22; range from 4 to 40; maximum for science labs — 24.

Degrees Offered: B.A., B.S., M.B.A., Masters in Christian Education, Masters in Health Administration, Organizational Management.

Special Programs: Honors, directed study, independent study and ROTC (available through UNC-Charlotte).

General: 44% of freshman matriculants graduate.

Library: 116,200 volumes. Full-time placement director. Learning Center.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, cross-country, golf, lacrosse, soccer and tennis. Women's varsity programs in basketball, cross-country, golf, lacrosse, soccer, softball, swimming, tennis and volleyball. Full intramural program.

Campus activities: Dances, College Choirs & Bands, Concerts, Game Room, Drama, Fine Arts, Publications, Student Government, Religious Activities, Pfeiffer Station snack bar, Clubs.

DESCRIPTION

The vital factor at Pfeiffer is to be found in the people who make up the campus community — the men and women in the student body, the faculty, administrators and staff members. Pfeiffer's students are friendly — a trademark deeply appreciated by entering students. The faculty is able and creative in its classroom approach.

The University has a 300-acre campus with buildings in attractive Georgian Colonial-style architecture. Charlotte, Greensboro and Winston-Salem are within easy driving distance. The University Union Board's entertainment series is popular with students, as is the Student Center and a modern gym-swimming pool complex. The blending of these academic and non-academic activities creates a campus spirit with warm appeal.

Queens College

Coeducational Four-Year College
Affiliated with the Presbyterian Church, USA
Established 1857

1900 Selwyn Avenue
Charlotte, North Carolina 28274
Telephone: (704) 337-2212 or 1-800-849-0202
Dean of Admissions and Financial Aid: Eileen T. Dills

ENROLLMENT

1998-99 Overall Total: 1,619
633 traditional graduate
552 adult undergraduate (evening and weekend)
434 graduate

ADMISSIONS

Applicants submit either SAT or ACT score reports
Interview recommended
December 15 deadline for Presidential Scholarship Consideration (full tuition scholarship)
February 15 priority for other scholarship consideration
No closing date for applications
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Commitment deposit: $200 due May 1 or within 30 days after acceptance if after May 1.
Campus Open Houses: 1999 — Oct. 2, Oct. 30, Dec. 5; 2000 — Jan. 29, Feb. 19, Mar. 25
Campus Visits: Mon. – Fri., 9:00 am – 4:00 pm Sat., 9:00 am – 12:00 pm by appointment

Recommended High School Courses
4 units of English
3 units or more of Math
2 units or more of Science (including 1 lab science)
2 units or more of History/Social Sciences
2 units or more of Foreign Language

CLEP program participant. Advanced placement and International Baccalaureate credit available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $10,020
Room and Board: $5,680

Aid awarded on first-come, first-served basis. Priority date is March 1. Approximately 75% receive financial assistance. Academic leadership, fine arts, community service and athletic scholarships available.

Aid Officer: Tony Carter

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, Association of Collegiate Business Schools and Programs, National Association of Schools of Music, National Association for Music Therapy, National Council for Accreditation for Teacher Education, North Carolina Department of Public Instruction, and National League for Nursing.

Calendar: The college is on a semester plan, from late August to early May. Summer sessions are scheduled.

Faculty: 65 full-time, 50 part-time. 83% of tenured faculty hold terminal degrees.

Class Size: Average — 15; range from 3 to 35; average for science labs — 12.

Degrees Offered: B.A., B.S., B.Music, B.S.N., M.A., M.A.T., M.B.A., M.S.N.

Special Programs: Core program in the Liberal Arts, interdisciplinary studies, required two-semester internship, international travel (included in tuition), honors amd independent study.

General: 58% of freshman matriculants graduate.

Library: 98,878 volumes. Computers: A5400 — 95 terminals in computer center, library and dorms; 23 IBM PCs in Dickson Microcomputing Center; direct access to IBM 3081 and Hewlett-Packard 2000 in N.C. Research Triangle. Internet & Email access.

STUDENT LIFE

Athletics: NCAA Division II. Carolinas Virginia Athletic Conference. Men's varsity programs in basketball, cross country, golf, soccer and tennis. Women's varsity programs in basketball, cross country, equestrian, golf, soccer, softball, tennis and volleyball.

Campus activities: Outdoor Adventure, Intramural, Volunteer, Connection Charlotte and Leadership programs, Homecoming, Family Weekend, Religious Life activities, Student Senate, College Union, Concert Choir and Community Orchestra. Two major dance weekends, four national sororities, one national fraternity, Student Nursing Association, College Republicans, Students for Black Awareness, Queens College Dance Group, Newspaper, Literary Magazine, Day Students' Organization, International Student Club, Justinian Society (pre-law); and Art, Biology, Drama, History, Music Therapy and Psychology Clubs.

DESCRIPTION

Queens College is located in Charlotte, the largest city in the Carolinas and one of the South's leading financial, business and cultural centers. Within Charlotte, Queens' 25-acre campus is situated in a quiet residential neighborhood called Myers Park, only ten minutes from uptown.

Queens' dedication to the liberal arts provides a firm foundation in culture, values and critical thinking coupled with a strong career preparation program including career counseling and a required two-semester internship during the junior year. All full-time Queens students in good standing are entitled to a three-week study tour abroad. Cost is included in tuition. International internships and semester study abroad opportunities are available.

St. Andrews College

Coeducational Four-Year College
Affiliated with the Presbyterian Church (USA)
Established 1896

1700 Dogwood Mile
Laurinburg, North Carolina 28352
Telephone: (910) 277-5555 or 1-800-763-0198
Director of Admissions: Shirley Arnold

ENROLLMENT

1998-99 Total: 660
259 Men, 310 Women
293 N.C. Residents, 367 Out-of-State Students
560 On-Campus Students in 8 residence halls
100 Commuters

ADMISSIONS

Applicants submit either SAT or ACT score reports
Interview recommended
No closing date for applications
Early admission possible
Notification of admission on rolling basis
Application fee: $25
Commitment deposit: $200

Recommended High School Courses
4 units of English
3 units of Math
3 units of Natural Sciences
2 units of Social Studies
2 units of Foreign Language
2 units of Electives

AP credit granted for a score of 3 or higher

FINANCIAL

1999-200 Expenses
Tuition and Fees: $13,515
Room and Board: $5,300

ACADEMIC

Accreditation: Southern Association of Colleges and Schools.

Calendar: Classes begin in late August. The academic year ends in early May. Summer session is scheduled.

Faculty: 34 full-time, 35 part-time. 79% hold Doctorates.

Class Size: Average — 13; range from 1 to 30; average for science labs — 15.

Degrees Offered: B.A., B.S., B.F.A. in Creative Writing

Special Programs: Individually designed contract majors, internships, international travel and exchange programs, independent study. Pre-professional programs in medicine, law, physical therapy, veterinary medicine and ministry. 3-2 programs in engineering (with N.C. State University) and accounting (with University of Georgia).

General: 59% of freshman matriculants graduate.

Library: 108,509 volumes. Placement and career counseling through Student Life Services. Part-time employment assistance.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, cross-country, soccer and lacrosse. Women's varsity programs in basketball, cross-country, soccer, softball, and volleyball. Equitation is coeducational. Men's and women's intramural programs each include football, volleyball, basketball, racquetball, bowling, ping-pong and softball. Men's club team in rugby. Swimming pool, racquetball courts and weight room are available.

Campus activities: Theatre, Theme Weekends, Coffeehouse, Black Student Union, Writers' Forum, Symposium, Model U.N., Student Publications, Student Government, Honor Society, World Cultures Club, Debate Team, Business Club, Environmental Club, Pipe Band, Film Society, Art Club, Christian Student Fellowship, Psychology Club, Lacrosse Club, Student Athletic Trainers Association, History Club, Pre-law Club, Women's Issues.

DESCRIPTION

St. Andrews General Education is a nationally recognized nine-course interdisciplinary core curriculum required of all students.

Morgan Jones Science Complex features the 20,000-square foot John Blue Laboratory and Electron Microscopy Center.

General honors program with a community service component.

International emphasis with St. Andrews study sites at Brunnenburg Castle in the Italian Alps and in Beijing, China; exchange programs in Japan, Scotland, Korea and Equador; 4-7 courses offered overseas each year.

Writers Program, including the St. Andrews Press, considered one of the top-ten college presses in the nation.

Artronics Graphics computer with animation component.

Barrier-free campus with rehabilitation center for physically handicapped students.

Competitive equitation program ranked in top-five in the nation.

Saint Augustine's College

Coeducational Four-Year College
Affiliated with the Episcopal Church
Established 1867

1315 Oakwood Avenue
Raleigh, North Carolina 27610
Telephone: (919) 516-4016 or 800-948-1126
FAX: (919) 516-4415
Director of Admissions: Vacant

ENROLLMENT

1998-99 Total: 1,598
678 Men, 920 Women
810 N.C. Residents, 788 Out-of-State Students
1,487 Full-time, 111 Part-time

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview is optional
No closing date for applications
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Room Deposit: $25
Visitation: Weekdays by appointment

Recommended High School Courses
4 units of English
3 units of Math
2 units of Science
2 units of Social Studies
9 units of electives

College participates in CLEP program.
Advanced placement available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $7,182
Room and Board: $4,508

Aid Officer: Wanda White

ACADEMIC

Accreditation: Southern Association of Colleges and Schools.

Calendar: The college is on a semester plan, with classes beginning in mid-August and early January. The academic year ends in early May. A summer session is scheduled.

Faculty: 91 full-time. 53% hold Doctorates.

Class Size: Average — 23; range from 1 to 89; average for science labs — 23.

Degrees Offered: B.A., B.S.

Special Programs: Honors program, independent study, reciprocal enrollment with five other colleges in Raleigh, ROTC, Placement services.

General: The 28 percent provided on the form represents the graduation rate using the guidelines specified by the "Student Right to Know" legislation. This is the overall percentage of First-time Freshmen who entered in Fall 1991 and Fall 1992 who have graduated from St. Augustine's College. In various other reports, however, we are asked for the percentage of First-time Freshmen in the current graduating class. In the May 1997 graduating class, 62 percent began their college careers as First-time Freshmen.

Library: 157,030 volumes.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, golf, tennis and track. Women's varsity programs in basketball, softball, track and volleyball. Full intramural program.

Campus activities: Student Government, Fraternities, Sororities, Academic Clubs, Music Guild, House Organizations, Choral Club, Dramatics Club, Student Publications.

DESCRIPTION

Founded in 1867 by the Episcopal Church and accredited by the Southern Association of Colleges and Schools, the College offers quality undergraduate programs in more than 20 majors. St. Augustine's College received national recognition from the Quality Education for Minorities Network for the preparation and graduation of students in mathematics, science and engineering. The College's Division of Education has received the American Association of Colleges for Teachers Education Exemplary Practice Award. St. Augustine's College is committed to the highest academic standards among its faculty and students.

St. Augustine's College seeks to provide opportunities for students to serve the community by participating in service learning programs, internships in social agencies, or by participating in special programs such as "Walk for Cure" activities, food drives and fund drives. The College also offers competitive National Collegiate Athletic Association Division II intercollegiate sports programs. Education for the whole person is the mission of St. Augustine's College.

Salem College

Four-Year Women's College
Affiliated with the Moravian Church
Established 1772

Winston-Salem, North Carolina 27108
Telephone: (336) 721-2621
Dean of Admissions and Financial Aid:
Katherine Knapp Watts

ENROLLMENT

1998-99 Undergraduate Total: 923
662 N.C. Residents, 261 Out-of-State Students
474 On-Campus Students in 7 residence halls
23 men in Continuing Studies

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview recommended
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Commitment deposit: $250 by May 1
Visitation: 1999 — Oct. 24-25, Nov. 13, Dec. 3
2000 — Feb. 13-14, Mar. 12-13, April 15

Recommended High School Courses
4 units of English
3 units of Math (Algebra I and II, Geometry)
3 units of Science
2 units of History
2 units of Foreign Language (same language)
4 elective subjects

CLEP program participant for continuing education students. Advanced placement available through AP and CEEB.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $13,200
Room and Board: $7,920

Aid Officer: Julie Setzer

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, National Council for the Accreditation of Teacher Education, National Association of Schools of Music.

Calendar: The college is on a 4-1-4 system, with classes beginning in late August. The academic year ends in late May.

Faculty: 49 full-time, 20 part-time. 92% hold Doctorates or equivalent.

Class Size: Average — 13; range from 3 to 45; average for science labs — 12.

Degrees Offered: B.A., B.S., B.Music, B.S.B.A., M.Ed., MAT.

Special Programs: Honors, independent study, interdisciplinary majors, January Program, Washington semester, United Nations semester, study abroad, cross-registration with Wake Forest University, physician assistant, computer science, 3:2 engineering degrees with Duke University and Vanderbilt University.

General: 55% of freshman matriculants graduate.

Library: 119,000 volumes. Academic advising, career planning and placement, personal counseling and health services.

STUDENT LIFE

Athletics: Women's varsity programs in cross-country, field hockey, horseback riding, soccer, swimming, tennis and volleyball. Intramurals in aerobics, basketball, golf, running, softball, swimming and water polo.

Campus activities: Pierrette Players (Drama), CAC (Social Activities), Dansalems, Archways (Choral Group), Choral Ensemble, Intervarsity Christian Fellowship, International Club, Literary Magazine, Newspaper, Yearbook, Student Athletic Association.

DESCRIPTION

Salem, a four-year liberal arts college for women, is known for excellent teaching and career preparation, a January Term that allows students to hold internships off campus, and its unique Salem Signature program, through which students examine their values, career goals and leadership styles along with broader social issues. Salem is one of the few colleges in the nation at which all students complete at least 30 hours of community service. Small classes, individual attention from professors, and close personal relationships among students are central to the Salem experience. A cherished honor code allows students to take exams unmonitored and unscheduled. Salem is the oldest women's college in the nation by founding date and the 13th oldest college overall.

Salem College's 57-acre campus is located in the Old Salem restoration area of Winston-Salem (population 168,000), only a 10-minute walk from downtown. The city is a recognized cultural center of the Southeast.

Shaw University

Coeducational Four-Year University
Affiliated with the Baptist Church
Established 1865

118 E. South Street
Raleigh, North Carolina 27601
Switchboard: (919) 546-8200
Admissions: (919) 546-8275/8276 or 1-800-214-6683
Fax: (919) 546-8271

ENROLLMENT

1998-99 Total: 2,536
859 Men, 1,468 Women
1,528 N.C. Residents, 799 Out-of-State Students

ADMISSIONS

SAT or ACT, minimum 2.0 HS GPA desired, GED considered
Early admission, early action
Interview considered
Students admitted each term
Closing/priority date for applications: July 30 (Fall); Nov. 30 (Spring)
Notification of admission on a rolling basis
Application fee: $25 ($40 for International students)
Visitation: Weekdays by appointment

Recommended High School Courses
3 units of English
2 units of Mathematics
2 units of Social Sciences
2 units of Natural Sciences
9 units of Electives

CLEP program participant. Advanced placement available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $6,854
Room and Board: $4,342

Aid Officer: Bebe Tyson

ACADEMIC

Accreditation: Southern Association of Colleges and Schools (SACS); American Kinesiotherapy Association; National Council for Accreditation of Teacher Education. The Teacher Education Program is also approved by the North Carolina Department of Public Instruction.

Calendar: The university is on a semester plan, with fall classes beginning in late August; Spring classes beginning in early January; and summer session(s) beginning in late May. The academic year ends after the summer session, usually in late July.

Faculty: 84 full-time, 192 part-time.

Class Size: Average—14; average for science labs—16.

Degrees Offered: A.A., B.A., B.S. Master of Divinity.

Special Programs: Accelerated program, independent study, cross-registration, distance learning, double majors, dual enrollment, teacher certification, evening/weekend programs, internships, student-designed majors, English as a Second Language (ESL), mentoring program, ROTC, Child Development Associate (CDA) Program, Environmental Protection Agency (EPA) Program, Lyceum programs, Veterans Affairs Benefits Program.

General: 39% of freshman matriculants graduate.

Library: Approximately 135,000 volumes.

STUDENT LIFE

Athletics: Intercollegiate sports (CIAA, NCAA Division II): Mens' basketball, baseball, track, cross country and tennis. Women's basketball, softball, track, cross country and volleyball. Various intramural programs.

Campus activities: Band, choir, Shaw Players (drama group), fraternities, sororities, honor societies, recreational tournaments, WSHA radio station, cheerleading, service clubs, student government, academic clubs.

DESCRIPTION

Shaw University is the oldest historically Black institution of higher learning in the South, and among the oldest in the nation. The main campus is located on the south edge of downtown Raleigh, adjacent to the Raleigh Memorial Auditorium and the Raleigh Civic and Convention Center. The Center for Alternative Programs of Education (CAPE) allows students in nine cities across the state of North Carolina the opportunity to pursue an academic degree through flexible course scheduling, independent study, and credit for prior learning experiences.

Thirteen departments constitute a variety of academic offerings that are geared toward today's employment market. The University offers 31 degree programs leading to the bachelor of arts or bachelor of science degree, and two degree programs leading to the associate of arts degree. In 1993, under the leadership of President Talbert O. Shaw, the University made courses in ethics and values central to the general education of all its students. Together, these courses emphasize character development oriented towards human fulfillment and social justice.

Currently, the student population represents 31 states, and several foreign countries. The faculty, comprised of highly skilled educators of multi-racial and poly-cultural origin, represents more than 50 graduate centers of learning in America and abroad. The small student to teacher ratio permits students to achieve their maximum potential.

Wake Forest University

Coeducational Comprehensive University
Established 1834

Box 7305, Reynolda Station
Winston-Salem, North Carolina 27109
Telephone: (336) 758-5201
Director of Admissions: William G. Starling

ENROLLMENT

1998-99 Overall Total: 6,134
1998-99 Undergraduate Total: 3,855
1,906 Men, 1,949 Women
78% of the undergraduates live in campus housing.

ADMISSIONS

Applicants must submit official SAT scores
No interview required
Closing date for applications: Jan. 15
Students admitted each term
Early decision plan
Notification of admission: April 1
Application fee: $40
Commitment deposit: $300, due May 1
Early decision: $500, due Jan. 1
Visitation: Mon.-Fri. 9 am, 4 pm (group information sessions). Tours also given daily while classes are in session.

Recommended High School Courses
4 units of English
4 units of Math
4 unit of Science
4 units of Social Studies
4 units of Foreign Language

CLEP program participant. Advanced placement available.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $21,420
Room and Board: $5,900

Need-blind admissions policy.

Aid Officer: William G. Starling

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, A.M.A. Council on Medical Education, American Bar Association, National Association for the Accreditation of Teacher Education, National Assembly of Collegiate Schools of Business.

Calendar: The college is on a semester plan, with classes beginning in late August and mid-January. The academic year ends in mid-May. Summer sessions are scheduled.

Faculty: 308 full-time, 49 part-time. 84.4% hold Doctorates (Reynolda Campus only).

Class Size: Average — 22.2; range from 2 to 98.

Undergraduate Degrees Offered: B.A., B.S.

Special Programs: Honors, independent study, direct study, travel, interdisciplinary study, ROTC and study abroad. 5-year program to earn a B.S. and M.S. in accounting.

General: 83.3% of freshman matriculants graduate within 5 years.

Library: 1.3 million volumes. Placement and career development services available to all students and alumni. Services include placement internships and experiential learning opportunities during the school year and summer.

STUDENT LIFE

Athletics: Men's varsity programs in baseball, basketball, cross-country, football, golf, soccer, tennis and track and field. Women's varsity programs in basketball, cross-country, field hockey, golf, tennis, track and field, soccer, and volleyball.

Campus activities: Student Government, Fraternities, Sororities, University Choir, Theatre, Debate, Student Union, Publications, Religious Activities, Intramural Program, Volunteer Service Corps, WAKE Radio, WAKETV, campus newspaper, special interest groups, honorary and academic organizations.

DESCRIPTION

Located in northwest Winston-Salem, the 340-acre Wake Forest University campus is bordered by Reynolda Gardens, which has an additional 150 acres of walking trails and formal gardens.

Most of Wake Forest's more than 30 buildings are constructed of Old Virginia brick in a modified Georgian style and are surrounded by majestic magnolia trees.

Winston-Salem, a city of 168,470, grew from a Moravian settlement that was founded in 1766. It offers a combination of rich cultural heritage and modern business and industrial activity.

Warren Wilson College

Coeducational Four-Year College
Affiliated with the Presbyterian Church (USA)
Established 1894

P.O. Box 9000
Asheville, North Carolina 28815-9000
Telephone: (828) 298-3325 or 1-800-934-3536
Dean of Admission: Richard Blomgren
Email: admit@warren-wilson.edu
Web Site: www.warren-wilson.edu

ENROLLMENT

1998-99 Overall Total: 789
37% Men, 63% Women
162 N.C. Residents, 627 Out-of-State Students
1998-99 Undergraduate Total: 714
1998-99 Graduate Total: 75

ADMISSIONS

Applicants submit either SAT or ACT scores
Interview recommended
Students admitted each term
Notification of admission Feb. 1
Application fee: None
Commitment deposit: $300

Recommended High School Courses
4 units of English
3 units of Math
2 units of Lab Science
2 units of Social Studies

Advanced placement through AP and departmental testing.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $13,600
Room and Board: $4,444
All students work 15 hours per week and earn a Work-Program Fellowship of $2,472, bringing the actual cost to $15,572

Aid Officer: Kathy Pack

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, National Council for the Accreditation of Teacher Education, N.C. Association of Colleges and Universities, Council on Social Work Education.

Calendar: The college is on a semester plan, with classes beginning in late August and mid-January. The academic year ends in mid-May.

Faculty: 48 full-time, 9 part-time. 77% hold Doctorates or other terminal degrees.

Class Size: Average — 12; range from 3 to 60; average for science labs — 20.

Degrees Offered: B.A., M.F.A., B.S.

Special Programs: Independent study, interdisciplinary study, required travel abroad, international studies internships, 3:2 program in forestry at Duke University, 3:2 program in engineering through Washington University in St. Louis.

General: 57% of freshman matriculants graduate.

Library: 90,000 volumes. Full lifetime placement program.

STUDENT LIFE

Athletics: Men's and Women's varsity programs in basketball, swimming, cross country and soccer. Club sports in whitewater sports, softball and cross-country. Full intramural program.

Campus activities: Student Government, Outing Club, International Activities, Dance, Choir, Rock Climbing, Mountain Biking, Theatre, Religious Studies, Appalachian Traditions, Outward Bound.

DESCRIPTION

Warren Wilson College is located on 1,100 acres of farm and forest in the Blue Ridge Mountains near Asheville, western North Carolina's largest city. 714 undergraduate students from 42 states and 25 foreign countries come here for a unique program of study, work and community service. All students are required to work 15 hours a week and perform 25 hours of service each year. The college provides an atmosphere for the development of each student as an individual.

Wingate University

Coeducational Four-Year University
Affiliated with the Baptist Church
Established 1896

Campus Box 3059
Wingate, North Carolina 28174
Telephone: 1-800-755-5550
Dean of Admissions: Walt Crutchfield

ENROLLMENT

1998-99 Overall Total: 1,230
645 Men, 585 Women
660 N.C. Residents, 570 Out-of-State Students
1998-99 Undergraduate Total; 1,119

ADMISSIONS

Applicants submit either SAT or ACT score reports
Interview is recommended
Priority deadline is December 1
Students admitted each term
Notification of admission on rolling basis
Application fee: $25
Commitment deposit: $200 for resident students, $100 for commuting students.
Visitation: 1999 — July 16, Sept. 25 (overnight), Nov. 13 (overnight); 2000 — Jan. 29 (overnight), Feb 13 (overnight), April 15 (overnight).

Recommended High School Courses
4 units of English
3 units of Math
3 units of Science
3 units of History
Minimum of 16 units or G.E.D. equivalent

CLEP program participant. CEEB advanced placement and International Baccalaureate accepted for credit.

FINANCIAL

1999-2000 Expenses
Tuition and Fees: $12,650
Room and Board: $4,540

Aid Officer: Bruce Blackmon

ACADEMIC

Accreditation: Southern Association of Colleges and Schools, National Association of Schools of Music, National Council for Accreditation of Teacher Education, Association of Collegiate Business Schools and Programs.

Calendar: The university is on a semester plan, with classes beginning in late August and mid-January. A May term follows the spring semester. Two four-week summer sessions are scheduled.

Faculty: 95 full-time, 24 part-time. 83% hold Doctorates.

Class Size: Average — 20; range from 10 to 45; average for science labs — 20.

Degrees Offered: B.A., B.S., B.F.A., B.M.E., B.G.S., Masters in Education, M.B.A., Master of Arts in Teaching.

Special Programs: Winternational (international experience, junior year, no additional cost except meals and personal expenses), ROTC (through UNC-Charlotte), DuPont Summer Research Program.

Library: 120,000 volumes. Fully integrated on-line catalog and circulating system. Full-time Placement Director.

STUDENT LIFE

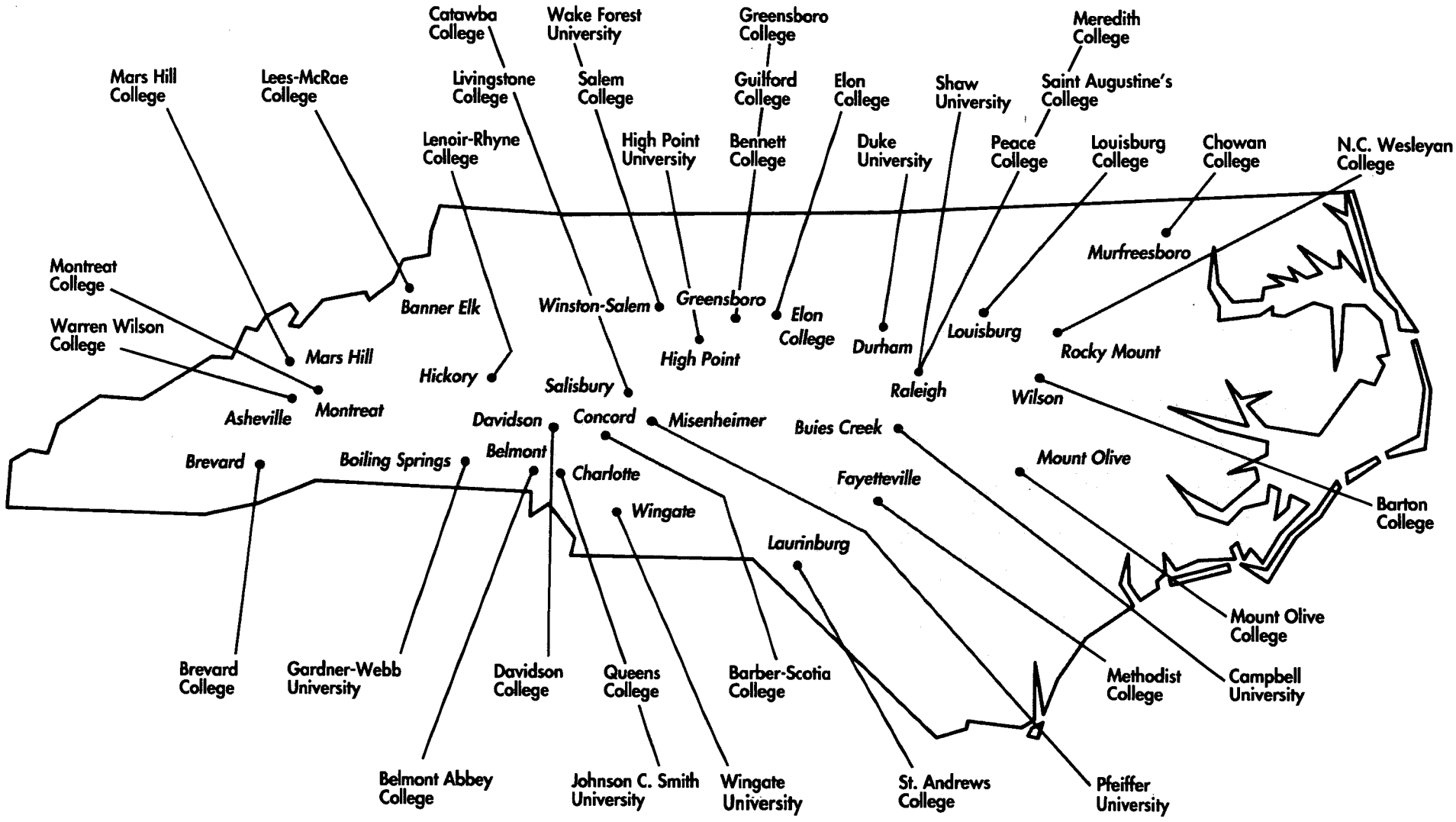
Athletics: Men's varsity programs in baseball, basketball, cross-country, football, golf, lacrosse, soccer and tennis. Women's varsity programs in basketball, cross-country, soccer, softball, swimming, tennis, volleyball.

Campus activities: Christian Student Union, Theatre, Music, Young Democrats, Young Republicans, Circle K, Alpha Phi Omega, Student Government, Outing Club, Phi Beta Lambda, Activities Program Board, Intramurals, Newspaper, Yearbook, Literary Magazine, Black Awareness Club, Fraternities and Sororities, UCAN — United Collegiate Assistance Network.

DESCRIPTION

The ultimate goal of Wingate University is to provide a quality liberal arts education. Our emphasis on value-centered education is designed to prepare students for graduate school and productive careers with a commitment of service to their community. Located on the eastern edge of the rapidly developing metropolitan area of Charlotte, Wingate offers students the advantages of a small community with the opportunities of a large city. This smallness fosters close relationships between students, faculty, staff and community, while the close proximity to a major city offers additional cultural and social opportunities.

North Carolina's Independent Colleges and Universities



North Carolina's Independent Colleges and Universities

ADVANCED PLACEMENT POLICIES

Advanced Placement Policies

Barber-Scotia College

College credit will be awarded to an entering student who completes the advanced placement examination with a score of three (3) or better. Three hours credit may be awarded for any achievement test with a score of 650 or better. No grades will be given in courses in which credit is granted by examination. The decision on the appropriate amount of credit to be awarded will be determined by the appropriate department faculty, with the approval of the vice president for academic affairs.

Barton College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art History	3	3/ART 302
	4,5	6/ART 301,302
Art Studio	3,4,5	3/ART 103
Biology	3	4/BIO 101,103
	4,5	8/BIO 101,102, 103,104
Chemistry	3	4/CHE 140,141
	4,5	8/CHE 140,141, 142,143
Computer ScienceA	3,4,5	3/CIS 009
Economics	3	3/ECO 201
	4,5	6/ECO 201,202
English	3,4	3/ENG 101
	5	6/ENG 101,102
Eng. Lit./Comp.	3,4,5	ENG 201
Environ. Science	3,4,5	BIO 201,203
French	3	3/FRE 101
	4,5	6/FRE 101,102
German	3	3/GER 101
	4,5	6/GER 101,102
U.S. Gov. & Pol.	3,4,5	POL 201
Comp. Gov. & Pol	3,4,5	POL 203
History	3	3/HIS 101
	4,5	6/HIS 101,102
History, American	3	3/HIS 201
	4,5	6/HIS 201,202
History, European	3,4,5	3/HIS 102
Math, Algebra	3,4,5	3/MAT 120
Calculus AB	3,4,5	3/MAT 170
Calculus BC	3,4,5	MAT 170, 270
Music Theory	3,4	3/MUS 121
	5	6/MUS 121,122
Physics B	3	4/PHY 120,121
	4,5	8/PHY 120,121, 122,123
Physics C	3	PHY 220,221
	4,5	PHY 220,221, 222,223
Psychology	3,4,5	3/PSY 101
Spanish	3	3/SPA 101
	4,5	6/SPA 101,102
Stats		MTH 250

Also accept C.L.E.P credits

Belmont Abbey College

Belmont Abbey College will consider for advanced standing students who have taken the Advanced Placement Tests and have scored 3 or higher. By this examination, a student may meet the requirements of some lower-level college courses, with credit, and thus qualify for more advanced work according to his/her ability. The college accepts College Level Examination Program (CLEP) general and subject area credit for scores at or above the 35th percentile.

Bennett College

Freshwomen can apply for advanced placement in selected courses if they have taken college level courses or have scores of 3 or better on the Advanced Placement Tests. Students may also apply for credit-by-examination in any of the subjects covered by the College Level Examination Program (CLEP).

Brevard College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art History	3	3/Art 101
	4,5	6/Art 102-103
Art Studio	3,4,5	3/Art 107
Biology	3	4/Biology 101/103
	4,5	8/Biology 104 plus Elective Credit
Chemistry	3	4/Chemistry 101
	4,5	8/Chemistry 103-104
Classics, Latin Lyric	4,5	6/Elective Credit
Classics, Virgil	4,5	6/Elective Credit
Computer Science	3	3/Comp. Sci. 103
	4,5	6/Comp. Sci. 103-104
English	3	3/English 101
	4,5	6/English 101-102
French, Lang.	4,5	6/French 201-202
French, Lit.	4,5	6/French 203-204

continued

German, Lit.	4,5	6/German 201-202
History	3	3/History 101-102
	4,5	6/History 101-102
History, American	3	3/History 103-104
	4,5	6/History 103-104
History, European	3,4,5	3/History 102
Math, Calc. AB	3	4/Math 201
	4,5	8/Math 201-202
Calc. BC	3	4/Math 201
	4,5	8/Math 201-202
Music, Listening and Lit	3	3/Music 101
	4,5	6/Music 201,202
Music, Theory	3	3/Music 103
	4,5	6/Music 103-104
Physics, B or C	3,4,5	8/Physics 201-202
Spanish, Lang.	4,5	6/Spanish 201-202
Spanish, Lit.	4,5	6/Spanish 203-204

Campbell University

College credit will be awarded to a student who completes the Advanced Placement Examination with a score of three (3) or better. Three (3) hours of credit may be awarded for any achievement test completed with a score of 650 or better. No grades will be given in courses for which credit is granted by examination.

Catawba College

Credit will be awarded for scores of three (3) or higher on the Advanced Placement Examination. Three (3) semester hours of credit will be awarded for International Baccalaureate examination scores of 4 or higher on higher level exams. No credit is given for subsidiary level examinations.

Chowan College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
English, Lang. & Comp	3,4,5	6/English 101-102
English, Lit. & Comp	3,4,5	6/English 101-102
Govt. & Politics, American	3,4,5	3/Government 108
History, American	3,4	3/History 201
	5	6/History 201-202
History, European	3,4	3/History 101
	5	6/History 101-102
Math, Calc. AB	3,4,5	8/Math 210-211
Math, Calc. BC	3,4,5	8/Math 210-211
(will complete Math requirement in general program)		
Music	3,4,5	3/Indiv. Evaluated
Physics, B	3	4/Physics 101

Davidson College

The faculty of Davidson College has determined that credit, defined annually within each department, will normally be granted for scores of 5 and 4 on the Advanced Placement Examination. Beginning with the Class of 1996, the maximum number of Advanced Placement credits a student may receive is four; the student makes the choice. A department may choose to grant credit for a score of 3. In six instances, if a student takes more than one examination in the same subject (English, Economics, French, German, Latin and Spanish), a maximum of one course credit will be granted. When granted, credit is regular course credit and may be applied to meeting graduation, composition, core and major requirements. Credits are considered transfer course credits: ungraded, one course credit, and two grade points per course, and not computed in the grade point average. Credits for 1996-97 are under review.

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art History	4,5	Art 100
Art Studio (General)	4,5	Art 101
Art, Studio (Drawing)	4,5	Art 201
Biology	4	Choose 1 from Biology 111,112
	5	Biology 111,112
Chemistry	4,5	Chemistry 115
Computer Sci. A	4,5	Math 121
Computer Sci. AB	4,5	Math 121, 199C
Economics, Micro	4,5	Economics 199C
Economics, Macro	4,5	Economics 199C
(With a 4 or 5 in BOTH Economics exams, a student receives one course credit for Economics 101; credit for Economics 199C is forfeited if Economics 101 is taken at Davidson)		
English, Lang. & Comp	4,5	English 199
English, Lit. & Comp	4,5	English 110
French, Lang.	4,5	French 201
French, Lit.	4,5	French 201
German, Lang.	4,5	German 201
German, Lit.	4,5	German 201
Govt. & Pol.: Amer.	4,5	Political Science 199C
Govt. & Pol.: Comp.	4,5	Political Science 199C
History, American	4,5	History 141 or 142
History, European	4,5	History 122
Latin: Vergil	4,5	Classics 388
Latin: Catullus/Horace	4,5	Classics 388

continued

Math, Calc. AB	3,4,5	Mathematics 130
Math, Calc. BC	3	Mathematics 130
	4,5	Mathematics 130,199C

(Credit for Math 199C is forfeited if student takes Math 135 at Davidson)

Music, Theory	4,5	Music 101
Physics B	4,5	Physics 199C (No Lab)

(Credit for Physics 199C is forfeited if student takes Physics 120 or 130 at Davidson)

Physics C: Mechanics	4,5	Physics 120 (No Lab)
Physics C: Elec./Mag	4,5	Physics 220 (No Lab)

(AP credit for Physics 120 and/or 220 does not satisfy the college's lab science requirement)

Psychology	4,5	Psy 101

(credit for 199C will be forfeited if student takes Psy 101 at Davidson)

Spanish, Lang.	4,5	Spanish 201
Spanish, Lit.	4,5	Spanish 201

Duke University

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art History	5	Art 20
Art Studio	5	Art 21
Biology	4,5	Biology 19

(BIO19 satisfies the prerequisite for the biology major)

Chemistry	4,5	Chemistry 19
Computer Sci. A	4,5	Comp. Science 04

(No credit for Engineering Students)

Computer Sci. AB	4,5	Comp. Science 04,06

(No credit for Engineering Students for CPS 04)

Eng. Lang. & Comp	4,5	English 29
Engl. Lit. & Comp.	4,5	English 20
French, Lang.	4,5	French 76
French, Lit.	4	French 70
	5	French 70,71
Germ. Lang. & Lit.	4,5	German 99
Govt. & Pol.: U.S.	4,5	Political Science 90A

(Will not count toward meeting major requirements)

Govt. & Pol.: Comp.	4,5	Political Science 90B

(Will not count toward meeting major requirements)

History, US	4,5	History 91,92
History, European	4,5	History 21,22
Latin	4,5	Latin 100
Math, Calc. AB	5	Math 31
Math, Calc. BC	3	Math 31
	4,5	Math 31,32
Macroeconomics	4,5	Economics 1
Microeconomics	4,5	Economics 2
Music	4,5	Music 55
Physics B	4,5	No Credit
Physics C: Mech.	4,5	Physics 21
Physics C: Elec./Mag	4,5	Physics 22

(Does not replace Physics 51 or 52 for purpose of major requirements or course prerequisites; it can be converted into credit for Physics 51 (21) or Physics 52 (22) if the student scores satisfactorily on a placement exam given by the department. Physics 21 and 22 will not count toward the B.S. degree in Engineering.)

Psychology	4,5	Psychology 11
Spanish, Lang.	4,5	Spanish 76
Spanish, Lit.	4	Spanish 70
	5	Spanish 70,71
Statistics	4,5	Statistics 19

International Baccalaureate – Credit will be given for scores of 6 or 7 on the higher level exams.

Elon College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art Studio Drawing	3	4/ART 110
Art History	3	4/ART 111
Biology*	3	4/BIO 111, 113
	4	7/BIO 111, 112, 113
Chemistry*	3	4/CHM 101,102
	4	3/CHM 111
Computer Sci A	3	4/CSC 130
Computer Sci AB	3	4/CSC 130
Economics		
Micro	3,on both	
Macro	tests	4/ECO 201
Eng Lit/Comp	3	4/ENG LIT ELE
	4	4/Choice of ENG 110 or ENG LIT ELE
Eng. Lang/Comp	3	4/ENG 110
Environm. Studies	3	4/ENS ELE
European Hist.	3	4/HST 112
	4	8/HST 111,112
American Hist.	3	4/HST 121
	4	8/HST 121,122
French Lang.	3	4/FRE 210
	4	4/FRE 310
	5	8/FRE 210,310
German Lang.	3	4/GER 210
	4	4/GER 310
	5	8/GER 210,310
Math Calc. AB	3	4/MTH 121
Math Calc. BC	3	8/MTH 121,221
Music Theory	3	4/MUS 111
Physics B	3	4/PHY 111
Physics C-Mech	3,on both	4/PHY 113
Physics C-Ele	3, on one	4/Non-Lab Sci PHY elective
	4,on both	8/PHY 113,114
Psychology	3	4/PSY 111
Spanish Lang.	3	4/SPN 210
	4	4/SPN 310
	5	8/SPN 210,310
Statistics	3	4/MTH 114
U.S. Gov. Pol.	3	4/POL 111

continued

**Additional credit for labs may be provided upon consultation with department chair.*

Gardner-Webb University

Credit will be given for scores of 3 or better on all Advanced Placement Examinations.

Greensboro College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art: Studio Gen. Portfolio	3,4,5	3/Art Elective
Art: Studio Drawing	3,4,5	3/Art 104
Biology	3,4	4/Biology 101
	5	8/Biology 101-102
Computer Sci. A	3,4,5	3/Computer Science 111
Computer Sci. AB	3,4,5	6/Computer Science 111-112
English	4,5	6/English 101-102
French	3	3/French 101
	4,5	6/French 101-102
German	3	3/German 101
	4,5	6/German 101-102
History, American	3	3/History 141-142
	4,5	6/History 141-142
History, European	3	3/History 102
	4,5	6/History 101-102
Math, Calc. AB	3,4,5	3/Math 206
Math, Calc. BC	3,4,5	6/Math 206-207
Music, List./Lit	3,4,5	3/Music 111
	4,5	3 /Music 109
Music Theory	3	2/Music 101
	4,5	4/Music 101-102
Spanish	3	3/Spanish 101
	4,5	6 /Spanish 101-102

Guilford College

Advanced standing may be earned through the Advanced Placement Program of the College Board or the College Level Examination Program (CLEP) for a total of 32 credits (with a maximum of 16 in each) for those examinations that correspond to courses in the Guilford curriculum. The required course First-Year Seminar 101 cannot be waived by examination. Placement and credit decisions in the student's major must be approved by the appropriate departmental chairperson.

Placement requires Advanced Placement scores of 3 or better, or CLEP scores of 500 or better; credit requires Advanced Placement scores of 4 or better, or general CLEP scores of 550 or better. Subject CLEP scores must be at least 50 for placement and at least 55 for credit. General examination scores may apply only to courses taken to satisfy the general college or distribution requirement. Credit for other courses may be obtained only by taking subject area examinations.

Guilford also recognizes the International Baccalaureate (IB) for admission purposes. A course-by-course review by the Registrar and the academic department(s) will specify placement and/or credit for higher level subjects passed at an acceptable level.

All freshmen are tested for proficiency in English and in the foreign language they wish to continue studying. On the basis of these tests, students are placed in the most advanced courses for which they are qualified.

High Point University

The university accepts all 3,4 and 5 scores for AP credit. Three (3) semester hours are granted for a 3; six (6) semester hours are granted for a score of 4 or 5.

Johnson C. Smith University

Advanced placement for up to 15 hours of credit is available with scores of 3 or better on the Advanced Placement Tests.

Lees-McRae College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art History	3	3/241 Art Apprec.
Biology	3,4	3/101 BioScience
BioScience	5	3/102 BioScience
Chemistry	3,4	4/113 Chemistry
	4,5	8/113-114 Chemistry
English	3,4	3/111 Freshman Comp
	5	3/112 Freshman Comp
French, Lang.	3,4	3/101 French
	5	6/101-102 French
French, Lit.	3,4	3/111 French
	5	6/111-112 French
German	3	3/Elective
	4,5	6/Elective
History, American	3,4	3/121 US History
	5	6/121-122 US History
History, European	3,4	3/111 World Civ.
	5	6/111-112 World Civ.
Math, Calc. AB	3,4	4/116 Precalculus
	5	4/117 Calculus I
Math, Calc. BC	3	4/117 Calculus I
Music	3	3/231 Music Apprec.
Physics B	3,4	4/111 Physics
	5	8/111-112 Physics

continued

Physics C, Part 1	3	4/Elective
Physics C, Part 2	3	4/Elective
Spanish	3,4	3/101 Spanish
	5	6/101-102 Spanish

Lenoir-Rhyne College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art	3	3/Art 341
Biology	3	3/Biology 110
Chemistry	3	4/Chemistry 103
Computer Science	3	3/Computer Sci 150
English	3	3/English 131
French	3	6/French 110-111
German	3	6/German 110-111
History, American	3	3/History 121
History, European	3	3/History 102 or 230
Math, Calc. AB	3	4/Math 165
Math, Calc. BC	3	8/Math 165-166
Music	3	2/Music 107
Physics B	3	4/Physics 100 or 101
Spanish	3	6/Spanish 110-111

Livingstone College

Livingstone College participates in the Advanced Placement Program administered by the College Entrance Board. High School students who score three (3) or above on a given examination will receive college credit for the course and advanced placement in his/her major area of study.

Louisburg College

Louisburg College awards credit based on AP examinations with a score of 3 or higher, CLEP, DANTES, and other examinations approved by the appropriate academic divisional chairperson.

Mars Hill College

The college participates in the AP program. Those students achieving a score of 3 or better will be granted course credit and advanced placement in the area of their proficiency.

Meredith College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art History	3,4,5	3/Art History
Art Studio	3,4,5	3/Studio Art elective
Biology	3,4,5	4/Biology 101, 141
Chemistry	3	4/Chem. 111, 141
	4,5	8/Chem. 111,141, 112, 142
Computer Sci. A	3,4,5	3/Comp. Sci 201
Computer Sci. AB	3,4,5	6/Comp. Sci 201,212
Economics (Macro)	3,4,5	3/Economics 210
Economics (Micro)	3,4,5	3/Economics 211
Eng. Lang./Comp.	3	3/Eng elective
	4,5	3/Eng elective or placement in Adv. Comp. & credit for Eng 111
Eng. Lit./Comp.	3	3/English elective
	4,5	3/One course in Literature
Environm. Sci.	3,4,5	4/General Education/ Lab Science
French Lang.	3	3/French 205 or 206
French Lang.	4,5	6/French 205/206
French Lit.	3	3/1 300-level French Lit.
French Lit.	4,5	6/2 300-level French Lit.
German Lang.	3	3/German 205 or 206
German Lang.	4,5	6/German 205/206
Govt/Pol., Comp.	3,4,5	3/Politics 204
Govt/Pol., U.S.	3,4,5	3/Politics 100
History, U.S.	3,4,5	3/History 214
History, European	3,4,5	3/History 102
Latin, Lit.	3	3/1 300-level course
Latin, Lit.	4,5	6/2 300-level courses
Latin, Vergil	3	3/Latin 205 or 206
Latin, Vergil	4,5	6/Latin 205, 206
Math. Calc. AB	3,4,5	7/Math 144 and 211
Math. Calc. BC	3,4,5	10/Math 144,211,212
Music, Theory	4,5	3/Music 100
Physics B (Gen.)	3	4/Physics 211, 241
	4,5	8/Physics 211, 241, 212, 242
Physics C (Mech.)	3,4,5	4/Physics 211, 241
Physics C (Elec./Magn.)	3,4,5	4/Physics 212, 242
Psychology	3,4,5	3/Psychology 100
Spanish Lang.	3	3/Spanish 205 or 206
Spanish Lang.	4,5	6/Spanish 205, 206
Spanish Lit.	3	3/1 300-level Spanish Literature classes
Spanish Lit.	4,5	6/2 300-level Spanish Literature classes
Statistics	3,4,5	3/mathematics 245

Methodist College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art History	3	3/Art 151
Biology	3	4/Biology 153
Chemistry	3	4/Chemistry 151
Computer Sci.	3	3/Computer Sci 100
Economics (Macro)	3	3/Economics 261
Economics (Micro)	3	3/Economics 262
English	3	3/English 100
	4	6/English 100-101
	5	6/English 101-102
French	3	6/French 101-102

continued

German	3	6/German 101-102
Govt/Politics	3	3/Political Sci 151
History, US	3	6/History 201-202
History, European	3	6/Elective
(meets core requirements)		
Latin	3	6/Elective
Math, Calc. AB	3	6/Math 113,114
Math, Calc. BC	3	6 /Math 114, 231
Music, Theory	3	3/Elective
(does not meet core requirements)		
Physics B	3	4/Physics 151
Physics C	3	4/Physics 152
Psychology	3	3/Psychology 101
Spanish	3	6/Spanish 101-102

Montreat College

Advanced placement for courses may be earned with a score of 3 or higher on the Advanced Placement Tests. Test scores will determine hours granted and courses satisfied.

Mount Olive College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
History of Art	3	3(260)
Studio Art General Portfolio	3	3(460)
Studio Art Drawing	3	3(140)
General Biology	3-5	4(110)
General Chemistry	3	4(221)
	4-5	8(221-222)
Computer Sci. A	3	3(120,121,122)
Computer Sci. AB	3	3(120,121,122)
Macroeconomics	3	3(211)
Microeconomics	3	3(212)
Eng. Lang./Comp	3	3(111)
Eng. Lit./Comp	5	6(111-112)
French Lang.	3	3(111)
	4-5	6(111-112)
French Lit.	3	3(Elect.)
	4-5	6(Elect.)
German Lang.	3	3(Elect.)
	4-5	6(Elect.)
Comp.Govt. & Politics	3	3(110)
U.S.Govt. & Politics	3	3(110)
European History	3	3(313)
U.S. History	3	3(221)
	4-5	6(221-222)
Calc. AB	3	4(140)
Calc. BC	3	8(140)
Music Theory	3	3(120 (1),121 (1), Elect. (1))
Music Theory	4-5	6(120 (1),121 (1), Elect. (4))
Physics B	3	4(Science(PEND))
	4-5	8(Science(PEND))
Physics C: Mechanics	3	3(Science)
Physics C: Mech. Electricity & Magnetism	3	3(Science)
Intro. Psychology	3	3(210)
Spanish Lang.	3	3(111)
	4-5	6(111-112)
Spanish Lit.	3	3(311)
	4-5	6(311-312)

North Carolina Wesleyan College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art History	3	3/Art Elective
	4,5	6/Art Elective
Art Studio	3	3/Art Elective
	4,5	6/Art Elective
Biology	3	3/Biology 101
	4,5	6/Biology 101,122
Chemistry	3	3/Chemistry 111
	4,5	6/Chemistry 111,121
Computer Sci. (Pascal)	3	3/Comp. Sci. Elective
	4,5	6/Comp. Sci. Elective
Eng. Comp.	3	3/English 111
	4,5	6/English 111,112
French, Lang.	3	3/French 111
	4,5	6/French 111,112
French, Lit.	3	3/French Elective
	4,5	6/French Elective
German, Lang.	3	3/German Elective
	4,5	6/German Elective
History, U.S.	3	3/History
	4,5	6/History 111
History, Europ	3	3/History 101
	4,5	6/History 101,102
Latin (Vergil)	3	3/Foreign Lang. Elective
	4,5	6/Foreign Lang. Elective
Latin (Catullus-Horace)	3	3/Foreign Lang. Elective
	4,5	6/Foreign Lang. Elective
Math, Calc. AB	3	3/Math Elective
	4,5	6/Math Elective
Math, Calc. BC	3	3/Math Elective
	4,5	6/Math Elective
Music, Hist. (Lit.)	3	3/Music 104
	4,5	6/Music 104
Music, Theory	3	3/Music 114,115
	4,5	6/Music 116,117
Physics B (Gen.)	3	2/Physics Elective
	4,5	4/Physics Elective

continued

Physics C (Mech.)	3	3/Physics 111
	4,5	6/Physics 111,112
Physics C (Elec./Mag.)	3	3/Physics 131
	4,5	6/Physics 131,132
Spanish, Lang.	3	3/Spanish 111
	4,5	6/Spanish 111,112
Spanish, Lit.	3	3/Spanish Elective
	4,5	6/Spanish Elective

Peace College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art History	3,4,5	3/Art 170
Art Studio	Credit by consultation in Art Dept.	
Biology	3,4,5	4/Biology 101
Chemistry	3,4,5	4/Chemistry 111
Eng., Comp./Lit.	3	3/Eng. 101 w/ placement in Eng. 102
	4,5	6/Eng. 101-102 w/ placement in soph. lit.
Eng., Lang./Comp	3	3/Eng. 101 w/ placement in Eng. 102
	4,5	6/Eng. 101-102 w/ placement in soph. lit.
French, Lang. & Lit.	3,4	3/French 111 w/ placement in French 112
	5	6/French 111,112 w/ placement in 200-level course
History, US	3,4,5	6/History 201, 202
History, Europe	3,4,5	6/History 101, 102
Math, Calc. AB	3,4,5	3/Math 211
Math, Calc. BC	3,4,5	6/Math 211, 212
Music	3,4,5	3/Music 180
Psychology	3,4,5	3/Psychology 201
Spanish, Lang. & Lit.	3,4	3/Spanish 111 w/ placement in Spanish 112
	5	6/Spanish 111,112 w/ placement in 200-level course

Pfeiffer University

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art, Hist/Studio/Gen	3,4,5	3
Biology	3,4,5	8
Chemistry	3,4,5	8
Comp. Science A	3,4,5	3
Comp. Science AB	3,4,5	6
Economics, Macro	3,4,5	3
Economics, Micro	3,4,5	3
English, Lit. & Comp.	3,4,5	3
English, Lang. & Comp	3,4,5	3
French, Lang.	3,4,5	6
French, Lit.	3,4,5	6
German, Lang.	3,4,5	6
German, Lit.	3,4,5	6
Govt. & Politics, U.S.	3,4,5	3
Govt. & Politics, Comp.	3,4,5	3
History, U.S.	3,4,5	6
History, European	3,4,5	6
Latin (Vergil)	3,4,5	12
Latin (Catullus-Horace)	3,4,5	12
Math, Calc. AB	3,4,5	4
Math, Calc. BC	3,4,5	8
Music, List. & Lit	3,4,5	3
Music, Theory	3,4,5	6
Physics B or C	3,4,5	8
Spanish, Lang.	3,4,5	6
Spanish, Lit.	3,4,5	6

Queens College

Students may submit results of Advanced Placement Examinations for advanced placement and/or credit. Unless otherwise stated, credit for a score of 5 would be the same as for a score of 4. Granting of credit is subject to the approval of the academic department involved.

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art	4	3/Art 215
Biology	4	4/Biology 103
Chemistry	4	3/Chemistry 111
	5	6/Chem. 111,112
Computer Sci	4	3/Computer Sci 131
Macroeconomics	4	3/Economics 203
Microeconomics	4	3/Economics 204
English, Lit, Comp	4	3/English 210
French	4	Advance Placement to 300 level course
History, US	4	Per dept. approval
History, European	4	Per dept. approval
Math, Calc. AB	4	Per dept. approval
	5	3/Math 121
Math, Calc. BC	4	6/Math 121,122
Music, List & Lit	4	3/Music 100
Music, Theory	4	3/Music 103
	5	6/Music 103,104
Physics	4,5	6/Physics 101,102
Political Sci, US	4	3/Political Sci 210
Political Sci, Comp.	4	3/Political Sci 250
Spanish	4,5	Advanced Placement to 300 level course

International Baccalaureate-Credit will be given for scores of 5, 6, or 7 on the higher level exams.

continued

St. Andrews College

Student achieving a score of three or higher on any Advanced Placement Program examination will receive a 3-hour credit in that subject area at St. Andrews.

Students may earn credit toward graduation through CLEP General Examinations and/or Subject Examinations. A maximum of 9 courses (27 credits) may be earned by scoring at the 50th percentile or above on any combination of the General and Subject Exams.

First-year students who submit official transcripts of college-level credit earned in liberal arts courses in regionally-accredited colleges and universities may receive credit for those courses at St. Andrews. If a college-level course is being used to satisfy high school graduation requirements, St. Andrews will consider granting college credit for these courses on an individual basis.

Saint Augustine's College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
English	3	English 131

Salem College

AP Examination	*Score Required*	*Hours Granted/ Courses Satisfied*
Art	4,5	Department decision
Biology	4,5	credit for Biology 10
Chemistry	4,5	credit for Chemistry 10 & 20
Computer SciA	4,5	credit for CSC 140
English	4,5	1 course credit, placement in English 30H
Macroeconomics	4,5	Econ 110
Microeconomics	4,5	Econ 120
History	4,5	Department decision
Math, Calc. AB	3,4,5	credit for Math 100
Math, Calc. BC	3,4,5	credit for Math 100,101
Modern Foreign Lang.	4,5	credit for intermediate level lang. course
Music	4,5	credit for Music 111
Physics	4,5	credit for Physics 10,20
Psychology	4,5	credit for PSY 10

Shaw University

Shaw uses CLEP examinations to determine placement. Upon CLEP recommendation, the university will offer 6 hours credit and advanced placement according to the following:

CLEP Examination	*Courses Satisfied*
Freshmen English	ENG 111
College Composition	ENG 112
College French	FRE 151
College Spanish	SPA 151
American Government	INT 351
American History	HIS 321, HIS 322
General Psychology	PSY 201
Introductory Sociology	SOC 211, SOC 115
Western Civilization	INT 115
College Algebra	MAT 113
General Biology	BIO 111
General Chemistry	PSY 112
Computers and Data Processing	CIS 101
Introductory Accounting	ACC 241
Introductory Business Law	BUS 204
Intro. to Computer Info. Systems	CIS 210
Intro. to Public Administration	PAD 200
Intro. to Visual Arts	ART 190
Elementary German	GER 151
Elements of Music	MUS 100
Music Appreciation	MUS 225
Intro. to Philosophy	PHI 240, REL 225
Intro. to Theatre	THR 100
Voice and Diction	THR 161
Elementary Arabic	INT 151
Intro. to World Politics	INT 121
Mathematics	MAT 111, MAT 112
Intro. to Criminal Justice	CRJ 200
Survey of the Social Sciences	SOC 115

Other examinations may be used to satisfy elective hours in the curriculum.

Wake Forest University

AP Examination	*Score Required*	*Credit Granted/ Courses Satisfied*
Art, History	4,5	4/Art 103
Art, Studio	4,5	4/Art 111
Biology	4,5	5 /Biology 111
Chemistry	4,5	10/Chemistry 111, 116
Computer Sci. A	5	4/ Computer Sci. 111
Computer Sci. AB	4,5	4/Computer Sci. 111
Economics (both Macro & Micro)	8	4/Economics 150
English, Lit./Lang	4,5	4/English 111
French, Lang.	4,5	4/French 153X
French, Lit.	4,5	4/French 213
German	3	5/German 153
	4,5	9/German 215

continued

History, US	4,5	4/History 151
History, European	4,5	4/History 101
Latin	4,5	4/Latin 211 or 216
Math, Calc. AB	4,5	5/Math 111
Math, Calc. BC	3	5/Math 111
	4,5	10/Math 111, 112
Physics	4,5	5/Physics 113
Politics	4,5	4/Politics 113 or 114
Psychology	4,5	4/Psychology 151
Spanish, Lang.	4,5	4/Spanish 153X
Spanish, Lit.	4,5	4/Spanish 213

Warren-Wilson College

Credit will be awarded for any Advanced Placement Examinations for which a score of 3 or better has been achieved. Advanced Placement credit cannot be used to fulfill core curriculum or major course requirements.

Wingate University

Students who score 3, 4 or 5 on the Advanced Placement Test may receive credit in the following fields: Biology, Chemistry, Physics, English, History, Mathematics and Foreign Language. International Baccalaureate Students who score 5,6 or 7 on the Higher Level Examinations may receive credit toward a Baccalaureate Degree. Student who score 50 on CLEP subject examinations may earn credit toward a Baccalaureate Degree. Students may earn a maximum of 30 semester hours of credit toward a baccalaureate degree by examination.

North Carolina Independent Colleges and Universities

Please send information to:

Name: _____ S.S.#: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone & Area Code: _____

School/College Now Attending: _____

Expected Year of Graduation: _____

Other Information - Optional

Major Academic Interest: _____ ❒ Undecided

Extracurricular Interests: _____

Grade Point Average: _____ Class Rank: _____

SAT/ACT Verbal: _____ Math: _____ Date Taken: _____

Address and mail this card to the college or university listed in this publication in which you are interested. Thank You.

ncicu-hb

North Carolina Independent Colleges and Universities

Please send information to:

Name: _____ S.S.#: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone & Area Code: _____

School/College Now Attending: _____

Expected Year of Graduation: _____

Other Information - Optional

Major Academic Interest: _____ ❒ Undecided

Extracurricular Interests: _____

Grade Point Average: _____ Class Rank: _____

SAT/ACT Verbal: _____ Math: _____ Date Taken: _____

Address and mail this card to the college or university listed in this publication in which you are interested. Thank You.

ncicu-hb

North Carolina Independent Colleges and Universities

Please send information to:

Name: _____ S.S.#: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone & Area Code: _____

School/College Now Attending: _____

Expected Year of Graduation: _____

Other Information - Optional

Major Academic Interest: _____ ❒ Undecided

Extracurricular Interests: _____

Grade Point Average: _____ Class Rank: _____

SAT/ACT Verbal: _____ Math: _____ Date Taken: _____

Address and mail this card to the college or university listed in this publication in which you are interested. Thank You.

ncicu-hb

North Carolina Independent Colleges and Universities

Please send information to:

Name: _____ S.S.#: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone & Area Code: _____

School/College Now Attending: _____

Expected Year of Graduation: _____

Other Information - Optional

Major Academic Interest: _____ ❒ Undecided

Extracurricular Interests: _____

Grade Point Average: _____ Class Rank: _____

SAT/ACT Verbal: _____ Math: _____ Date Taken: _____

Address and mail this card to the college or university listed in this publication in which you are interested. Thank You.

ncicu-hb

Affix Postage Here

TO: _____
Name of Independent College or University

_____
Street Address

_____
City State Zip Code

Attention: Admissions Department

Affix Postage Here

TO: _____
Name of Independent College or University

_____
Street Address

_____
City State Zip Code

Attention: Admissions Department

Affix Postage Here

TO: _____
Name of Independent College or University

_____
Street Address

_____
City State Zip Code

Attention: Admissions Department

Affix Postage Here

TO: _____
Name of Independent College or University

_____
Street Address

_____
City State Zip Code

Attention: Admissions Department

North Carolina Independent Colleges and Universities

Please send information to:

Name: _____ S.S.#: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone & Area Code: _____

School/College Now Attending: _____

Expected Year of Graduation: _____

Other Information - Optional

Major Academic Interest: _____ ❒ Undecided

Extracurricular Interests: _____

Grade Point Average: _____ Class Rank: _____

SAT/ACT Verbal: _____ Math: _____ Date Taken: _____

Address and mail this card to the college or university listed in this publication in which you are interested. Thank You.

ncicu-hb

North Carolina Independent Colleges and Universities

Please send information to:

Name: _____ S.S.#: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone & Area Code: _____

School/College Now Attending: _____

Expected Year of Graduation: _____

Other Information - Optional

Major Academic Interest: _____ ❒ Undecided

Extracurricular Interests: _____

Grade Point Average: _____ Class Rank: _____

SAT/ACT Verbal: _____ Math: _____ Date Taken: _____

Address and mail this card to the college or university listed in this publication in which you are interested. Thank You.

ncicu-hb

North Carolina Independent Colleges and Universities

Please send information to:

Name: _____ S.S.#: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone & Area Code: _____

School/College Now Attending: _____

Expected Year of Graduation: _____

Other Information - Optional

Major Academic Interest: _____ ❒ Undecided

Extracurricular Interests: _____

Grade Point Average: _____ Class Rank: _____

SAT/ACT Verbal: _____ Math: _____ Date Taken: _____

Address and mail this card to the college or university listed in this publication in which you are interested. Thank You.

ncicu-hb

North Carolina Independent Colleges and Universities

Please send information to:

Name: _____ S.S.#: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone & Area Code: _____

School/College Now Attending: _____

Expected Year of Graduation: _____

Other Information - Optional

Major Academic Interest: _____ ❒ Undecided

Extracurricular Interests: _____

Grade Point Average: _____ Class Rank: _____

SAT/ACT Verbal: _____ Math: _____ Date Taken: _____

Address and mail this card to the college or university listed in this publication in which you are interested. Thank You.

ncicu-hb

Affix Postage Here

TO: _____
Name of Independent College or University

_____
Street Address

_____
City State Zip Code

Attention: Admissions Department

Affix Postage Here

TO: _____
Name of Independent College or University

_____
Street Address

_____
City State Zip Code

Attention: Admissions Department

Affix Postage Here

TO: _____
Name of Independent College or University

_____
Street Address

_____
City State Zip Code

Attention: Admissions Department

Affix Postage Here

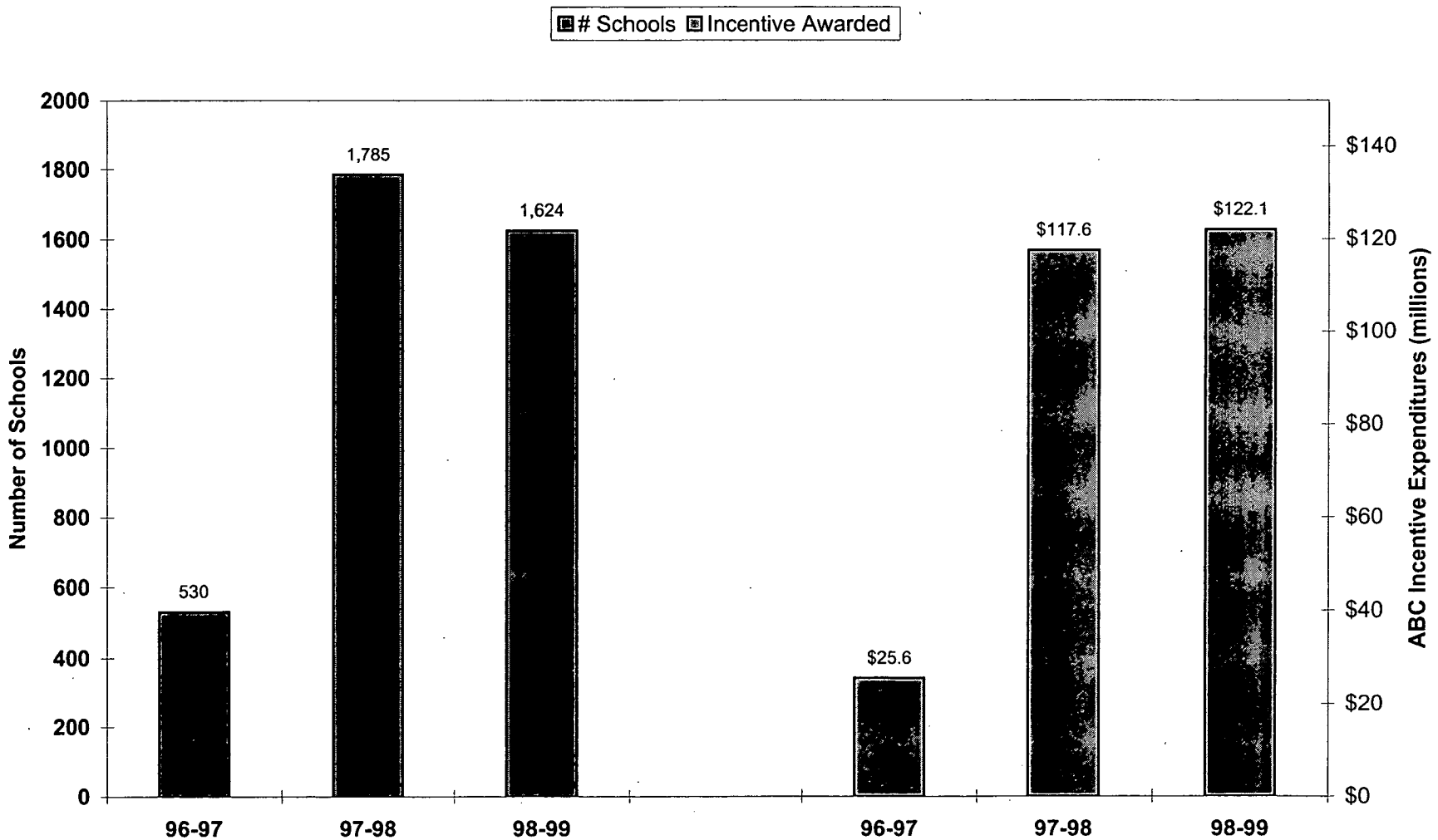
TO: _____
Name of Independent College or University

_____
Street Address

_____
City State Zip Code

Attention: Admissions Department

Public School ABC Incentive Expenditures and Number of Schools Receiving Funds



Source: DPI
Update: May 2000
The ABCs Accountablity Model establishes growth standards for each school in the state (2,135 schools). Schools that attain specified levels of growth, based on student performance, are eligible for incentive awards.

ATTACHMENT 2

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
FTE Losses Sustained By Colleges in Disaster Areas

	CURRICULUM	OCCUPATIONAL	BASIC SKILLS
Beaufort Community College	$57,811.00 (18)	$57,206 (23)	
Cape Fear Community College			$31,072 (10)
Carteret Community College		$9,949 (4)	$9,322 (3)
Coastal Carolina Community College	$93,140.00 (29)		
College of the Albemarle	$83,505.00 (26)	$2,487 (1)	
Craven Community College	$234,456.00 (73)	$62,180 (25)	
Edgecombe Community College	$285,843.00 (89)		$62,143 (20)
Halifax Community College		$14,923 (6)	$40,393 (13)
James Sprunt Community College	$192,703.00 (60)	$24,872 (10)	$18,643 (6)
Johnston Community College		$9,949 (4)	
Lenoir Community College	$179,856.00 (56)		$59,036 (19)
Martin Community College		$2,487 (1)	
Nash Community College	$170,221.00 (53)		
Pitt Community College			$15,536 (5)
Roanoke-Chowan Comm College	$16,059.00 (5)		$18,643 (6)
Robeson Community College		$34,821 (14)	
Sampson Community College			$34,179 (11)
Southeastern Community College		$19,898 (8)	
Wayne Community College	$170,221.00 (53)		$21,750 (7)
Wilson Community College			$12,429 (4)
TOTALS	$1,483,815.00 (462)	$238,771 (96)	$323,146 (104)

University of North Carolina
1/2% Reduction
2000-01 Legislative Session

Budget Code	Institution/Title	2000-01 Appropriation	1/2% Reduction
16010	UNC-GA	$ 48,442,946	$ 242,215
16020	UNC-CH- Academic	193,525,539	967,628
16021	UNC-CH-Health Affairs	154,858,058	774,290
16022	UNC-CH, AHEC	45,102,572	112,756
16030	NCSU-Academic	264,204,264	1,321,021
16031	NCSU-Agricultural Research	47,307,703	236,539
16032	NCSU-Agriculture Extension	37,528,960	187,645
16040	UNC-G	86,851,516	434,258
16050	UNC-C	93,210,041	466,050
16055	UNC-A	25,091,031	125,455
16060	UNC-W	57,415,185	287,076
16065	E C U	113,013,702	565,069
16066	E C U-Health Services	45,946,703	229,734
16070	NC A&T	57,855,085	289,275
16075	W C U	51,357,594	256,788
16080	A S U	83,869,150	419,346
16082	UNC-P	23,062,290	115,311
16084	WSSU	27,430,086	137,150
16086	ECSU	21,068,891	105,344
16088	F S U	28,574,348	142,872
16090	NCCU	43,493,723	217,469
16092	NCSA	15,893,603	79,468
		$ 1,565,102,990	$ 7,712,759

Based on 3/24/2000 RK 317 Journal Entries and Budge Code Balances

Related Ed & Institutional Programs and NCSSM were not included.
16022 AHEC budget is usually reduced by 1/2 the amount for other university budget codes.

University of North Carolina
Building Reserve Reductions
2000-01 Legislative Session

Description	Original Date	Revised Date	Reduction Amount
Building Reserves			
WCU-Labor Force Development Center	January-01	July-01	159,178
WSSU Anderson HS Center Renovation	July-00	December-00	69,448
UNC-GA NC Center for School Leadership	February-01	July-01	473,190
UNC-CH HA Beard Hall Addition	February-01	October-01	354,502
UNC-CH HA Carolina Living/Learning Cntr- III	September-00	Unknown-Floyd	30,965
NCCU Education Building			(10,646)
NCSU 4-H Environmental Educ Ctr.			(6,486)
UNC-W General Classroom Building	July-00	December-00	140,039
			1,210,190

UNC Need-Based Financial Aid

Need-Based Financial Aid Formula

	Cost of Education	(tuition + mandatory fees + standard living allowance of $6,750)
-	Income Contribution	(based on family income, dependents, employment)
-	Student self Help	$4,000 freshmen & sophomores
		$5,000 juniors & seniors
		$7,000 graduate students (doctoral students not eligible)
-	Pell grant and estimated tax credits	
=	Need-based UNC Aid	(mimimum = $200)

Financial Aid Study (1997-98 data)

* 56% of UNC undergraduates applied for need-based financial aid
* 1/3 of freshmen applying for aid had family income below $40,000
* Average loan = $3,829 per year
* 44% of graduates reported college debts -- median debt = $11,600
* Number of students reporting loans in excess of $10,000 increased from 18% in 1995-96 to 24% in 1997-98

Comparative Data to Other States

	UNC	Other Low-Tuition States	(resident tuition and fees rank in bottom third)
* Unmet need after grants	$4,264	$2,666	
* Average amount borrowed	$3,829	$2,865	

University of North Carolina
Aid To Students Attending Private Colleges
Certified Budget Summary

Legislative Tuition Grant (LTG)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	*Recommendation of $50 / program* 2000-2001
Amount/FTE	$ 1,150	$ 1,250	$ 1,250	$ 1,300	$ 1,450	$ 1,600	$ 1,750	$ 1,800
Total Funds	$ 24,147,082	$ 26,282,833	$ 27,343,363	$ 28,900,459	$ 33,234,712	$ 36,587,122	$ 43,183,851	$ 43,911,790
FTE							23,680	24,279

Contractual Scholarship Program (SCSF)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-2001
Amount/FTE	$ 450	$ 550	$ 550	$ 600	$ 750	$ 900	$ 1,050	$ 1,100
Total Funds	$ 11,240,662	$ 13,773,695	$ 13,741,209	$ 15,245,100	$ 19,655,632	$ 23,782,350	$ 29,233,484	$ 31,763,002
FTE							28,189	28,883

Combined Totals	**$ 35,387,744**	**$ 40,056,528**	**$ 41,084,572**	**$ 44,145,559**	**$ 52,890,344**	**$ 60,369,472**	**$ 72,417,335**	**$ 75,674,792**

Aid to Students Attending Private Colleges is composed of two programs: The Legislative Tuition Grant (LTG) and the State Contractual Scholarship Fund (SCSF)

LTG Provides a payment to private institutions for each North Carolina resident student, which is credited directly to the student's account.

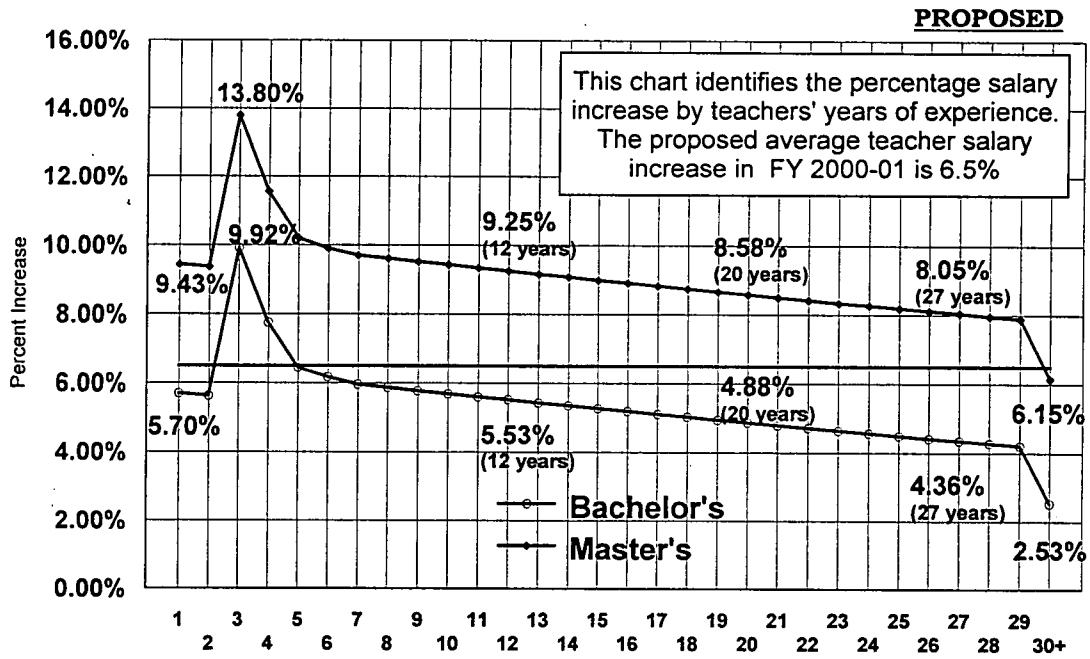
SCSF Provides funds to each institution based on the number of full time North Carolina undergraduate resident students. These funds are used for scholarships for needy North Carolina students.

Excellent Schools Act
Year 4 - FY 2000-2001

- Master's schedule is 10% higher than the Bachelor's schedule (up from 6.25%).
- NBPTS adds 12% for teachers with more than 3 years of experience.
- Estimated Teacher Salary National Rank: 24 (FY 1999-2000). In FY 1996-97, our State rank was 43. The national average rank is around 17.
- In FY 1995-96, N.C. was paying 80.7% of the national average salary. In 1999-2000, we project to be around 94.5% of the national average.
- State Components of Teacher Salary:
  - Salary Schedule plus longevity
  - Mentor Pay (and new teacher orientation)
  - Forfeited Vacation
  - Incentive Pay
  - Extra Pay for Extra Duties
- Through FY 1999-2000, an additional $1,071,958,405 in State resources has been added to teacher pay.
- Local and federal supplements and other pay to teachers are included in the State average salary calculation.

The Excellent Schools Act
Teacher Pay Increases

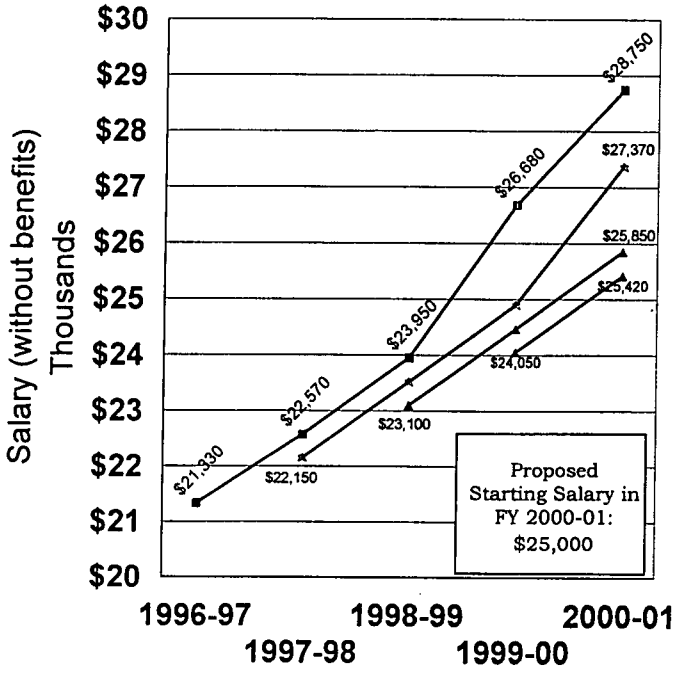
Year 4 - FY 2000-01



ATTACHMENT 3B

The Excellent Schools Act
Teacher Pay Increases

A teacher with a Bachelor's Degree starting in various years with no experience



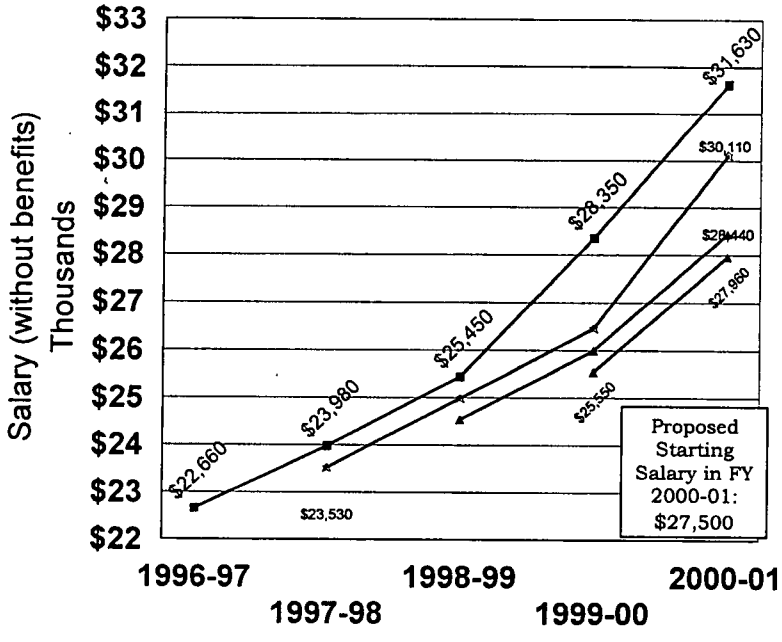
If a Bachelor's Degree teacher's first year of teaching was the year indicated, this chart identifies the annual (10 month) salary based on the Excellent Schools Act.

A teacher starting in 1996-97 will have an increase in pay of 31.08% as of 2000-01.

- **If starting in 1997-98, a 21.98% salary increase.**
- **If starting in 1998-99, a 11.57% salary increase.**

The Excellent Schools Act
Teacher Pay Increases

A teacher with a Master's Degree starting in various years with no experience



If a Master's Degree teacher's first year of teaching was the year indicated, this chart identifies the annual (10 month) salary based on the Excellent Schools Act.

A teacher starting in 1996-97 will have an increase in pay of 34.9% as of 2000-01.

- **If starting in 1997-98, a 25.86% salary increase.**
- **If starting in 1998-99, a 15.3% salary increase.**

Conference Report on the Continuation, Capital, and Expansion Budget

Public Education

GENERAL FUND

	FY 99-2000		FY 2000-01	
Recommended Budget	$5,143,579,517		$5,195,842,820	
Legislative Changes				
ABC Program				
1 **ABC Bonus Awards 1999-2000** Provide funds to pay the projected ABC bonus awards for FY1999-2000.	$140,000,000	NR	$0	NR
Excellent Schools Act				
2 **Increase Teacher Salaries** Implement the third year of the new teacher salary schedule called for in the Excellent Schools Act. $239,870,258 in recurring funds are located in the Compensation Reserves for this purpose.				
3 **Teacher Longevity: 1999-2000 Salary Increases** Appropriate funds to teacher longevity increases associated with the FY1999-2000 salary increases that are a part of the Excellent Schools Act	$8,199,548	R	$5,000,000	R
4 **Mentor Teachers** Provide funds for mentor teachers.	$14,235,124	R	$14,235,124	R
Improving Student Success				
5 **Improving Student Accountability** Appropriates funds to local school systems to improve student performance in grades K-8. Funds are allocated to local school systems based on the numbers of students scoring at Level I and II on the end-of-grade test.	$20,582,412	R	$20,582,412	R
6 **Limited English Proficiency** Provide additional funds for students who are limited proficiency in English.	$5,000,000	R	$5,000,000	R
7 **Low Wealth Supplemental Funding** Provide additional Low Wealth Supplemental Funding.	$10,000,000	R	$10,000,000	R

	FY 99-2000		FY 2000-[illegible]	
8 Small School System Supplemental Funding Provide additional Small School System Supplemental funding.	$3,000,000	R	$3,000,000	R
9 ExplorNet Funding Provide additional funding for ExplorNet to assist in programs for public schools.	$2,000,000	R	$2,000,000	R
10 Student Information System Funds to continue implementation of a new student information system in the public schools. The new system supports the State Board of Education's goals under the ABC Program and previous information requirements of the General Assembly.	$0	R	$10,000,000	R
11 Teacher Cadet Program Provide funds for the North Carolina Teacher Cadet Program.	$100,000	R	$100,000	R
12 Programs to Assist Local School Systems Provide funds to the State Board of Education to assist local school systems in programs to improve student performance. Included are the TQE Program, Global Curriculum Program, and the North Carolina Geographic Alliance.	$600,000	R	$600,000	R
13 A+ Schools Provides funds to continue the A+ Schools Program.	$400,000	R	$400,000	R
14 Textbook Commission Expansion Funds to support additional members for the State Textbook Commission.	$50,000	R	$50,000	R
15 School Leadership Pilot Funds to the State Board of Education for the school leadership pilot project. The two school districts receiving the funds will participate in the nationwide program of the Center for Leadership in School Reform.	$240,000	NR		
16 School Breakfast Program Begin implementing a school breakfast program for all kindergarten students. The program would begin in January of 2000.	$1,100,000	R	$1,100,000	R

	FY 99-2000		FY 2000-01	
17 Funds for School Needs Appropriates funds to the Critical School Facility Needs Fund to assist local school administrative units in which one or more schools were damaged or destroyed.	$200,000	NR		
18 North Carolina Network Funds Appropriates funds to the State Board of Education for the North Carolina Network to provide training for school based management teams, and to improve the management capacity of local school administrative units.	$250,000	R	$250,000	R
19 Technology Funds Pilot Appropriates funds to the State Board of Education for Highland School of Technology Pilot Project. These funds will be used to help support an innovative public-private partnership in school technology through the Gaston County Educational Foundation Inc.	$1,000,000	NR		
Various Budget Adjustments				
20 Average Annual Salary Adjustment Annual adjustment in average salary of certified personnel to reflect actual experience through December 1998.	($14,227,946)	R	($14,417,981)	R
21 Additional Adjustments in Average Salary Projections Reanalysis of the 1998 certified payroll data by the Department of Public Instruction found that the availability of more current teacher certification data produced an additional change in the projected average salary for 1999-2001 fiscal biennium.	($10,352,000)	R	($10,500,000)	R
22 Revise Average Daily Membership Revise amounts budgeted for average membership increases to reflect current projections of average daily membership growth for FY1999-2001.	($16,319,791)	R	$1,905,473	R
23 Reduce Children's Trust Fund Balances Reduce balance in the Children's Trust Fund.	($1,300,000)	NR		
24 Reduce Literary Fund Balance Reduce the balance in the Literary Fund and reappropriate these funds to the public schools.	($2,500,000)	NR		
25 Unemployment Fund Reduce balance in the Unemployment Fund for federally funded positions.	($850,000)	NR		

	FY 99-2000		FY 2000-	
26 Prospective Teacher Scholarship Loan Program Reduce balance in the Prospective Teacher Scholarship Loan Program Fund. The reduction will have no impact on the number of scholarships available in FY1999-2001 fiscal biennium.	($500,000)	NR		
27 Textbook Fund Reduce unneeded balance in the textbook fund. The reduction in the balances in this fund will have no impact on the availability of textbooks to school students.	($500,000)	NR		
28 Teaching Fellows Program Reduce the balance in the Teaching Fellows Scholarship Loan Fund. The reduction will have no impact on the number of scholarships available in the 1999-2001 fiscal biennium.	($8,500,000)	NR		
29 School Bus Purchases			$18,532,943	R
Governor's recommended deferral of the purchase of 377 school buses in FY1999-2000.	($18,021,731)	NR		
30 School Bus Purchases Additional deferral of the purchase of school buses in FY1999-2000. With this deferral the State would still purchase $26.1 million in buses during the next fiscal year. In FY2000-2001 the funding is restored.	($14,337,457)	NR	$14,337,457	NR
31 State Funds for Unemployment Reduce the State funds appropriated for unemployment.	($500,000)	R	($500,000)	R
Total Legislative Changes	**$24,117,347**	R	**$67,337,971**	R
	$94,930,812	NR	**$14,337,457**	NR
Total Position Changes				
Revised Budget	**$5,262,627,676**		**$5,277,518,248**	

UNC System

	GENERAL FUND			
	FY 99-2000		FY 2000-01	
Recommended Budget	$1,589,402,360		$1,595,487,506	
Legislative Changes				
A. Various Campuses				
32 **Governor's Across-the-Board Reduction** Reduces General Fund support by 0.5% (except for financial aid programs) on a pro rata basis.	($7,233,554)	R	($7,233,554)	R
33 **Reserves for New Facilities** Reduction in reserves for new buildings are adjusted to account for delays in occupancy.	($1,841,288)	NR	$362,342	R
34 **Equipment** Adjust increases in equipment budgets	($1,000,000)	NR		
B. UNC Hospitals				
35 **UNC Hospitals Support** Eliminate first year's proposed increase in support	($2,544,383)	R	($2,544,383)	R
C. East Carolina University				
36 **Medicare Receipts** Increase budgeted receipts from Medicare Medical Education reimbursement for one year; transfer $2 million from trust fund balance for operations for one year. Receipts $3,000,000 General Fund ($3,000,000)	($3,000,000)	NR		
D. Related Educational Programs				
37 **Scholarship Fund Balances** Reduce appropriations for one year to spend down accumulated balances in scholarship trust funds for Nurse Scholars, Principal Fellows, Nurse Education Scholarship Loans, Social Work Education Loan Fund	($3,000,000)	NR		
38 **Aid to Private Medical Schools** Eliminate proposed increase to budget for actual experience over past three years	($455,000)	R	($455,000)	R

	FY 99-2000		FY 2000-'	
39 Aid to Students Attending Private Colleges Increases Legislative Tuition Grant for all fulltime students from $1,600 to $1,750. Increases need-based scholarship funding from $900 to $1,050 per fulltime equivalent student (FTE). Total increase is $300 per student.	$8,022,850	R	$8,022,850	R
40 Aid to Private Colleges: Students with Learning Disabilities Assistance to Louisburg College for development of a program to provide postsecondary educational opportunities and learning skills to students with learning difficulties.	$50,000	NR		

E. Schedule of Priorities

41 Enrollment Increases: Regular Term Fund projected on-campus enrollment for 1999-2000, an increase of approximately 1,494 Full-time equivalent (FTE) students over the 98-99 budgeted FTE.	$19,493,004 157.90	R	$19,493,004 157.90	R
42 Enrollment Increases: Distance Education Funds 70% of Board's request for expansion of off-campus degree programs for 1999-2000	$3,895,187 45.30	R	$3,895,187 45.30	R
43 UNC Focused Enrollment Growth Funds targeted at implementing the Board's plan for enrollment growth, focusing resources on campuses with underutilized capacity. Funds will be used for assessment of needs, better operating efficiencies through economies of scale, physical facilities management, faculty improvement, and development capacity.	$10,000,000	R	$10,000,000	R
44 New Degree Programs Funds to support newly authorized degree programs at six campuses (East Carolina, Elizabeth City State, NC A & T State, NC State, UNC-Charlotte, Winston-Salem State)	$1,340,000	R	$1,340,000	R
45 Transition of East Carolina to Doctoral II Status Funding for second phase of change in classification of East Carolina University to a Doctoral II university.	$1,500,000	R	$1,500,000	R
46 Financial Aid Additional need-based financial assistance for in-state students	$1,300,000	R	$1,300,000	R
47 Improve College Going Rate Funding for PATHWAYS initiative to increase the number of North Carolina students attending college	$1,000,000	R	$1,000,000	R

	FY 99-2000		FY 2000-01	
48 **Information Technology** Funding for software, hardware, and operating support	$10,000,000	R	$10,000,000	R
49 **Strategic Initiatives Reserve** Funds for rapid targeting of urgent issues and problems on campuses, enabling the University to explore new initiatives.	$3,000,000	R	$3,000,000	R
50 **Rewarding Excellence in Teaching** Funds for awarding additional salary increases to a portion of teaching faculty judged as excellent teachers.	$7,077,639	R	$7,077,639	R
51 **Graduate Student Tuition Remission** Provide funds for graduate tuition remission and resident graduate tuition awards on campuses not classified as Research I universities.	$3,500,000	R	$3,500,000	R
52 **Service to Public Schools: A. Reserve** Expansion funds for UNC Center for School Leadership for K-16 Matching Incentive Grants, Model Teacher Consortium, and High Performance Lighthouse Schools.	$1,000,000	R	$1,000,000	R
53 **Service to Public Schools: B. International Educator Exchange for K-12** Funding to provide program of international exchange for educators	$112,000	R	$112,000	R
54 **Service to Public Schools: C. Reading Together** Additional funding for elementary tutorial program in reading at UNC-Greensboro.	$300,000	R	$300,000	R
55 **Public Service: Aging** Expansion budget support for the Institute on Aging to expand outreach services to local service providers	$100,000	R	$100,000	R
56 **Public Service: Hispanic Initiative** Funds to assist service providers adjust to changing demographics and demands caused by Hispanic immigration	$100,000	R	$100,000	R
57 **Public Service: Agricultural Matching Funds** Funding for NC Agricultural and Technical State University to match federal funding for research and extension programs	$750,000	R	$750,000	R

Conference Report on the Continuation, Capital, and Expansion Budget	FY 99-2000		FY 2000-[illegible]	
58 Public Service: Manufacturing Extension Partnership Provide matching funds for engineering assistance to small manufacturers through NC State Industrial Extension Service	$900,000	R	$900,000	R
59 Public Service: Agricultural Research-Turf Grass Funds to continue research on turf grass by NC State University.	$150,000	NR		
60 Public Service: NC Arboretum Expanded operating funds for the Arboretum to provide services to an increasing number of visitors and to maintain recently developed areas.	$250,000	R	$250,000	R
61 Public Service: International Outreach-Cooperative Programs Matching funds for cooperative programs in science and technology between NC and Israel.	$250,000	NR		
62 Public Service: Biomedical/Biotechnology Research Institute Provides funds for equipment and program operations, including research staff, for research and training in cardiovascular diseases, drug abuse, and environmental toxicology.	$350,000 $1,150,000	R NR	$350,000	R
63 Tuition Increase The Board of Governors has approved a tuition increase of 4.9% for NC undergraduates, with similar dollar increases for non-residents. Graduate tuition will increase from 6.9% to 8.4% for in-state graduates.	($7,759,492)	R	($8,554,364[illegible]	
64 Reallocation of Funds for Priorities For the first year, the 16 campuses must reallocate $1,300,000 of previously required reversions to initiatives funded in the expansion priorities	($1,300,000)	NR		
F. Other				
65 Institute of Medicine Operating support for this research organization located at UNC-Chapel Hill.	$200,000	R	$200,000	R
F. Other Items				
66 Public Service: Outreach to the Public Schools Learn NC: Funds to continue technology initiative at UNC-Chapel Hill	$1,000,000	R	$1,000,000	R

	FY 99-2000		FY 2000-01	
67 **Center for Alcohol Studies** Provides additional funding for Center's endowment.	$500,000	R	$500,000	R
68 **Reserve for K-12 Initiative** Funding for "World View" program and "K-12 International Outreach" program at UNC-Chapel Hill	$260,000	R	$260,000	R
69 **Teacher Academy** Additional funds for staff development activities of the Academy	$250,000	R	$250,000	R
70 **PT-CAM** One-time operating support for the Piedmont Triad Center for Applied Manufacturing operated by NC A & T State as it approaches self-sufficiency from receipts.	$250,000	NR		
71 **Leadership NC** Funding to non-profit leadership training program.	$75,000	NR		
72 **Carbon Dioxide Dyeing Project** Funds to support purchase of prototype commercial textile dyeing equipment to test new process developed at NC State.	$500,000	NR		
73 **Allow Research Campuses to Retain Overhead Receipts** Funds to replace 5% of overhead receipts currently transferred by Research I campuses to UNC General Administration for operations.	$3,500,000	R	$3,500,000	R
74 **Diabetes Funding** Provide additional funding for the diabetes programs of the UNC-CH ($200,000) and East Carolina ($100,000) Schools of Medicine.	$300,000	NR		
75 **Endowed Chair** Funding for state match to create an endowed chair at UNC-CH School of Medicine for the study of anorexia and bulimia.	$400,000	NR		
76 **Program on Southern Politics, Media, and Public Life** Funding to support program at UNC-CH.	$50,000	NR		
77 **Agricultural Programs: Christmas Tree Research** Funds to support research in Christmas tree genetics at N. C. State University	$100,000	R	$100,000	R

	FY 99-2000		FY 2000-0	
	$61,808,251	R	$61,375,721	R
Total Legislative Changes	($6,966,288)	NR		
Total Position Changes	203.20		203.20	
Revised Budget	$1,644,244,323		$1,656,863,227	

Community Colleges

	GENERAL FUND			
	FY 99-2000		FY 2000-01	
Recommended Budget	$549,590,909		$549,428,729	
Legislative Changes				
78 **Enrollment Changes** Provides funds to cover the increased community college enrollment. FTE students are allocated on the previous year's actual enrollments.	$18,769,897	R	$18,769,897	R
79 **Need-Based Financial Aid** This creates the largest community college need-based financial aid program in North Carolina's history. A significant portion of the additional curriculum tuition receipts will be set aside for need-based financial aid for community college students. This anticipates offseting any tuition increase for those students who are not eligible for the Federal Hope and Lifetime Learning tax credits. These funds shall not revert.	$5,000,000	R	$5,000,000	R
80 **Management Information System Reserve** North Carolina's Community College System does not have a Management Information System. This will allow the State Board of Community Colleges to begin the development of a comprehensive MIS. These funds shall be put in a non-reverting reserve.	$8,000,000	R	$15,000,000	R
81 **Multi-Campus Funds** To provide additional funding for the operation of multi-campus colleges. The funds will be equally distributed to those sites.	$1,000,000	R	$1,000,000	R
82 **Information Tech.Training/AHS Certificate Funds for Central Piedmont CC** Non-recurring funds for Central Piedmont Community College to use for either its Regional Information Technology Training program or pilot Adult High School/Certification Initiative.	$200,000	NR		
83 **Hosiery Technology Center Funds** Additional one-time appropriation to support the Hosiery Technology Center operations.	$350,000	NR		

	FY 99-2000		FY 2000-[illegible]	
84 Fayetteville Tech Botanical Lab Funds A nonrecurring grant-in-aid to Fayetteville Tech to develop a regional botanical laboratory in partnership with the Cape Fear Botanical Garden.	$450,000	NR		
85 Regional Emergency Services Training Facility Provides a grant-in-aid for Central Carolina Community College to create a regional emergency services training facility.	$750,000	NR		
86 Start-Up and Transit. Funds for New Comm. Coll. Serving Anson/Union/Stanly Provides start-up funds for the creation of a new multi-county community college serving Anson and Union counties ($300,000). Also gives funds to Stanly Community College for its' loss in FTEs ($300,000).These funds may be carried forward and may be spent over the 1999-2001 biennium.	$600,000	NR		
87 Scotland County Satellite Funds Grant-in-aid to Richmond Community College for its Scotland county satellite.	$318,000	NR		
88 A-B Tech Small Business Center Funds Additional non-recurring funds for Asheville-Buncombe Technical Community College to use in its Small Business Center.	$200,000	NR		
Enhancement of Faculty Salaries				
89 Additional Faculty Salary Increase Funds Gives the community college system an additional 2% for faculty salary increases. This is in addition to the 3% across-the-board increase provided to all employees.	$7,144,082	R	$7,144,082	R
90 Instructional and Administrative Support By providing additional support positions, funds that community colleges have been transferring from the formula salary line can be significantly reduced. The State Board of Community Colleges shall ensure that at least one additional financial aid counselor is distributed to each college to actively promote financial assistance opportunities for students and to help maximize the benefits and understanding of the Federal tax credits in order for North Carolinians to fully utilize the Federal money that is available.	$8,000,000	R	$8,000,000	R

	FY 99-2000		FY 2000-01	
91 Increase "Other Cost" Funds By increasing the amount allocated under the funding formula for non-salary "other cost" items, colleges will free up existing salary line formula money to either enhance faculty salaries or reduce the dependence on part-time faculty.This is the first increase in "other cost" items since 1985 and more accurately reflects the colleges' actual expenditures.	$10,000,000	R	$10,000,000	R
Reductions				
92 Community Services Block Grant Ask Community Colleges to spend down institutional fund balances and offer hobby and leisure courses on a self-supporting basis for one year. This block grant would be eliminated for one year only. This does not affect the policy regarding senior citizens free tuition.	($1,821,797)	NR		
93 Shift Focused Industrial Training Prog. To WTTF Currently the Worker Training Trust Fund provides approximately half of the money for the Community Colleges Focused Industrial Training Program. This would shift an additional $300,000 of the program funding from the General Fund to the Worker Training Trust Fund for one year only.	($300,000)	NR		
94 Refund of Kodak NEIT Funds A non-recurring reduction can be made to offset the refund the New and Expanding Industry Training Program received from Kodak.	($1,020,225)	NR		
95 Human Resources Development Program Reduce the HRD program by $100,000. This program has been underspending its appropriation.	($100,000)	R	($100,000)	R
96 Special Allotment for Nursing Programs Eliminates the extra money that is allocated over and above the funding formula for nursing programs.	($410,000)	R	($410,000)	R
97 Unemployment Compensation Reduce the amount for unemployment compensation based on more recent estimates.	($100,000)	NR		
98 Eliminate Interest-Only Scholarship Reserve With the current low interest rates this reserve is not generating sufficient financial aid resources. The direct,recurring appropriation in this budget is a more effective method of providing community college need-based financial aid.	($4,000,000)	NR		

Conference Report on the Continuation, Capital, and Expansion Budget	FY 99-2000		FY 2000-[illegible]	
99 **Vacant Position Reductions** The Governor proposes eliminating two vacant positions in the Community Colleges System Office.	($67,015)	R	($67,015)	R
Tuition				
100 **Continuing Education Fee** The State Board shall create a sliding fee for continuing education classes that will reflect both the length of the class and the ability to absorb a fee increase. The fees shall be sufficient to generate the budgeted receipts for continuing education.	($4,750,000)	R	($4,750,000)	R
101 **Curriculum Tuition** Increase curriculum tuition rates by $95 per semester and a pro rata amount for summer term which will allow financially needy North Carolinians to access and maximize benefits of the Federal Pell Grants, Hope and Lifetime Learning Tax Credits. Those students not qualifying for these Federal benefits are anticipated to benefit from need-based financial aid funded in this budget. A significant portion of these receipts to the community college system can be received from these Federal programs.	($18,000,000)	R	($18,000,000)	R
Total Legislative Changes	**$34,586,964**	R	**$41,586,964**	R
	($4,374,022)	NR		
Total Position Changes				
Revised Budget	**$579,803,851**		**$591,015,693**	

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Wednesday, May 24, 2000

421, LOB

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	Public School Forum
Jennifer Bennett	NC-DPI
Elizabeth Grovenstein	OSBM
Sam Lee	OSBM
David Brown	OSBM
[illegible]	OSBM
Ann Hale	NC Center for Public Policy Research
[illegible]	NCASA
Shannon Goodrum	Coalition for Educational Access
Sandi Chapman	Coalition for Educational Access
Steve Scott	NCCCS

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Wednesday, May 24, 2000

421, LOB

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Kym Biggs	NCCCS
Ellen Russell	The Arc of NC 16 Rowan St Raleigh 27609
Seth Whitaker	House Appropriations Staff
Chris McClure	UNC-CH
Brad Matthews	student UNC-CH
Katherine Miller	NCASA
Jeff Davies	UNC

HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

June 6, 2000

Room 421 LOB

AGENDA

Welcome and Opening Remarks **Chair**

BILLS TO BE DISCUSSED

HB 1496 NCSU POULTRY FACULTY FUNDS – REP. MITCHELL
HB 1521 NC A&T COOPERATIVE EXTENSION FUNDS – REP. ADAMS
HB 1574 SUSPENDED STUDENT PLACEMENT PILOT – REP. MCCRARY
HB 1697 CLOSE ACADEMIC ACHIEVEMENT GAP/FUNDS – REP. OLDHAM
HB 1762 LEP STUDENT ASSISTANCE FUNDS
HB 1686 ALLOCATIONS FOR ADM GROWTH IN SCHOOLS

LOW WEALTH FUNDING PROGRAMS ALSO TO BE DISCUSSED.

ATTACHMENT 2

HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION
Committee Meeting Minutes

Tuesday, June 6, 2000
1:30p.m.

The House Appropriations Subcommittee on Education met on Tuesday, June 6, 2000, at 1:30p.m. in Room 421 of the Legislative Office Building with Rep. Flossie Boyd-McIntyre, Chair presiding. House members present were Rep.Boyd-McIntyre, Chair, Rep. Rogers, Chair and Rep. Oldham, Chair. Other House members present were Representatives Warner, Vice-Chair, Bonner, Gardner, Gillespie, Insko, Preston, Smith, Sossamon, Teague and Younge. Fiscal Staff present were Mona Moon, Jim Newlin, Phillip Price and Charlotte Todd. There were 34 vistors. The Visitor Registration Sheet is attached hereto and is incorporated into the minutes of this meeting. *(Attachment 1).*

Rep. Boyd-McIntyre called the meeting to order at 1:35p.m. The chairman welcomed all in attendance and outlined the agenda.*(Attachment 2)* She announced that the bills on the agenda would be heard but no vote would be taken. The bills on the agenda were HB 1496 sponsored by Rep. Mitchell; HB 1521, sponsored by Rep. Adams; HB 1574, sponsored by Rep. McCrary; HB 1697, sponsored by Rep. Oldham; HB 1762, sponsored by Rep. Insko and HB 1686, sponsored by Rep. Barefoot.

In the place of Rep. Mitchell, Rep. Preston was recognized to explain HB 1496, (Short Title: NCSU Poultry Faculty Funds) (*Attachment 3*). She explained that Rep. Mitchell had been asked by the poultry industry to expand the number of extension agents to three (3) additional field faculty positions at North Carolina State University.

Rep. Adams was recognized to present HB 1521, (Short Title: NC A & T Cooperative Extension Funds) *(Attachment 4)*. Rep. Adams explained that as a result of recent legislation passed by Congress concerning 1890 land grant institutions, NC A & T State University is entitled to the match of federal dollars by state funds. Rep. Adams noted that presently NC A & T receives a match of $1,000,000.00, for the Agricultural Research and Cooperatives Extension Program, which is 10% below the federal law requirement of 30%. Rep. Adams stated the bill she is proposing asks for $2,250,000.00 for the upcoming year to match federal funding. The federal requirement for next year will be 50% and with this bill she hopes to reach the 45% which is required at this present time. Rep. Adams went on to mention that without this funding NC A & T would stand to lose this program.

In the place of Rep. McCrary, Rep. Oldham was recognized by the Chair to present HB 1574, (Short Title: Suspended Student Placement Pilot) *(Attachment 5)*. Rep. Oldham explained that the bill addresses those students that have been suspended from school and oftentimes turned out into the streets. This bill would allow the establishment of pilot programs in four (4) counties. These programs would provide an array of alternative learning situations for suspended students. Rep. Oldham noted the provision of the bill which states 'The report shall include a recommendation as to whether the program should be instituted statewide, including any legislative recommendations'.

Rep. Bonner asked Rep. Oldham how the pilots were selected. Rep. Oldham, not able to respond precisely, asked if there was anyone present or any member of the Committee that could better respond to the question. No one responded. The Chair assured Rep. Bonner of the answer at a later time. Rep. Preston asked who would pay for these pilots and if they would be funded jointly? Rep. Oldham responded by indicating that the bill does not indicate a need for funding so therefore any funding would likely be the responsibility of the two entities involved : The Dept. of Instruction in cooperation with the Office of Juvenile Justice. Rep. Rogers asked if the Juvenile Justice System should be involved. Rep. Oldham responded by stating that the Dept. of Public Instruction would probably plan the program however it would be under the supervision of the Juvenile Justice System. Rep. Gardner wanted to know where the money was going to come from and why was it being deliberated upon in appropriations. Rep. Oldham believed its relevance was due to the influence such a program would have upon existing budgets which are directly influenced by the this committee. The Chair called for additional questions and upon hearing none, moved forward with the agenda.

Rep. Boyd-McIntyre, Chair announced that HB 1697, (Short Title: Close Academic Achievement Gap/Funds) *(Attachment 6)*, would be removed from the agenda at the request of the sponsor, Rep. Oldham.

Rep. Insko was recognized to present HB 1762, (Short Title: LEP Student Assistance Funds) *(Attachment 7)*. Rep. Insko presented her bill as an act to appropriate additional funds for the ESL program. She stated that currently that $10,000,000.00 is being spent on ESL service on a recurring basis however there is a need to appropriate an additional $10,000,000.00 to bring the total to $20,000,000.00. Rep. Insko noted that last year she proposed a similar bill for $28,000,000.00. That amount was needed in order to fund the program adequately at $1,000 per student for 28,000 students. However, this year there are 37,000 students in need of ESL Services in this state. Considering this amount she stated "we are just barely able to make a dent in the need". Rep. Insko reflected upon the hardships the school system faced in her own district of Orange County. She related that the school system there had to rely on local funding in order to reduce the teacher/pupil ratio. With these additional funds, the school system was able to add a teacher and a half. At a point the student to teacher ratio had climbed to 40 to 1. The Chair called for questions. There were none to be heard.

The Chair announced that the final bill on the agenda, HB 1686 sponsored by Rep. Barefoot would not be heard at that time due to procedural conflicts. However, once the conflicts were resolved the bill will be heard at a later date.

Rep. Younge was recognized by the Chair to present the guest speaker, Jim Causby, Superintendent of Johnston County Public Schools. Mr. Causby spoke to the committee about the status of the Leandro versus North Carolina lawsuit initially brought about by parents, school board members and students from five (5) low wealth counties in May of 1994 *(Attachment 8)*. In this lawsuit, parents, school board members and students from five (5) low wealth counties sued the State of North Carolina, stating that the method of public school funding was discriminatory to young people who lived within low wealth counties. The 5 low wealth counties are: Cumberland, Halifax, Hoke, Robeson, and Vance County. In addition to those counties, six (6) urban school systems also joined the suit as plaintiffs. The contention of those urban school systems was that they also had large numbers of students within their school systems and that the present formula of state funding did not adequately meet their needs. Those six urban school systems are: Asheville

City, Buncombe County, Charlotte/Mecklenburg, Wake County, Durham and Winston-Salem/Forsythe. After numerous and lengthy court proceedings, presently the suit is awaiting a final ruling by the Supreme Court of North Carolina. The Chair asked if there were any questions thus far on this portion of Mr. Causby's presentation. There were none.

Mr. Causby briefly described the low wealth fund. The low wealth fund was put in place in 1991 by the General Assembly. The fund provides additional resources to schools or counties that qualify as "low-wealth". Mr. Causby noted that the low-wealth program has never been fully funded, which would cost approximately $110,000,000.00 . Currently, over 55% of all students in North Carolina reside within what are classified as low wealth counties. Seventy-three (73) counties are presently designated as being low-wealth. Counties are defined as low wealth if it's local tax base and it's per capita income are below the states average for students. Mr. Causby closed by advocating for the complete funding of the low wealth program.

The Chair announced that the technical problems with HB 1686, had been rectified and would now be heard. The sponsor, Rep. Barefoot, was recognized to present HB 1686, (Short Title: Allocations for ADM Growth in Schools) (*Attachment 9*). Rep. Barefoot described his bill as being one that 'directs the State Board of Education to allocate additional resources to local school administrative units experiencing a loss of students to charter schools'. To better explain the bill in more depth, Rep. Barefoot presented a guest speaker, Dr. Martin Eaddy, Superintendent of the Lincoln County School System. Dr. Eaddy further explained the apparent problem and asked that the State Board of Education redirect these revenues lost as a result of heightened charter school enrollment, back into the local school administrative unit to remedy the problem.

There being no further business before the committee, the meeting was adjourned.

HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION
Committee Meeting Minutes

Tuesday, June 6, 2000

Respectfully submitted,

Mia D. Bailey

Mia D. Bailey, Committee Assistant

Rep. Flossie Boyd-McIntyre, Chair

Representative Flossie Boyd-McIntyre, Chair

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1496

Short Title: NCSU Poultry Faculty Funds. (Public)

Sponsors: Representatives Mitchell; Setzer and Warner.

Referred to: Appropriations.

May 10, 2000

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THREE ADDITIONAL COOPERATIVE EXTENSION SERVICE AREA SPECIALIZED FIELD FACULTY POSITIONS AT NORTH CAROLINA STATE UNIVERSITY.

Whereas, poultry farm families and poultry companies in North Carolina have been working together for a number of years promoting best management practices and good environmental stewardship; and

Whereas, poultry farmers have recently spent over 13,800 hours in voluntary educational workshop sessions on nutrient management, with the cost being borne by North Carolina's poultry industry; and

Whereas, over 3,450 poultry farmers have worked closely with officials at North Carolina State University, the North Carolina Cooperative Extension Service, and other industry advocates in providing further instruction on best management practices; and

Whereas, over 160 educational workshops have been conducted in key areas all across North Carolina by specially trained instructors with North Carolina State University and the North Carolina Cooperative Extension Service; and

Whereas, this proactive, voluntary action by North Carolina's poultry farm families has greatly benefited the entire State; and

Whereas, the State of North Carolina, therefore, needs to assist poultry farmers in the proper sampling of the soil and litter on their poultry farms, in cooperation with the Agronomics Division of the North Carolina Department of Agriculture and Consumer Services; and

ATTACHMENT 3

Whereas, there is a critical need for additional area specialized poultry field faculty to provide current and future assistance to North Carolina's poultry growers and poultry companies in the areas of nutrient management and enhanced environmental caretaking; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of one hundred eighty thousand dollars ($180,000) for the 2000-2001 fiscal year to be allocated to North Carolina State University to support three new area specialized poultry field faculty positions to cover the following three multicounty areas:

(1) Union, Stanly, Anson, and Cabarrus Counties.

(2) Bertie, Edgecombe, Halifax, Nash, Northampton, Hertford, and Gates Counties.

(3) Hoke, Robeson, Cumberland, Bladen, and Columbus Counties.

Section 2. This act becomes effective July 1, 2000.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1521*

Short Title: NC A&T Coop Ext. Funds. (Public)

Sponsors: Representatives Adams; Alexander and Jeffus.

Referred to: Appropriations.

May 15, 2000

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR NORTH CAROLINA AGRICULTURAL & TECHNICAL STATE UNIVERSITY TO MATCH FEDERAL FUNDS FOR AGRICULTURAL RESEARCH, COOPERATIVE EXTENSION, AND TEACHING ACTIVITIES.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of two million two hundred fifty thousand dollars ($2,250,000) for the 2000-2001 fiscal year for North Carolina Agricultural & Technical State University to match federal funds for agricultural research, cooperative extension, and teaching activities.

Section 2. This act becomes effective July 1, 2000.

ATTACHMENT 4

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1574*

Short Title: Suspended Student Placement Pilot. (Public)

Sponsors: Representatives McCrary; Baddour, Cansler, Dockham, Howard, Nesbitt, Sherrill, and Tolson.

Referred to: Appropriations.

May 17, 2000

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH PILOT PROGRAMS FOR THE USE OF ALTERNATIVE LEARNING PROGRAMS AND JUVENILE DAY REPORTING CENTERS AS A REQUIRED PLACEMENT FOR SUSPENDED STUDENTS.

The General Assembly of North Carolina enacts:

Section 1.(a) The Department of Public Instruction, in cooperation with the Office of Juvenile Justice, shall establish four pilot programs which place suspended students in supervised programs during the term of the suspension. The pilot programs shall be established in Buncombe, Davidson, Nash, and Wayne Counties.

The pilot programs shall place suspended juveniles in alternative learning programs, day reporting centers, or other similar supervised day programs for juveniles, during the term of the student's suspension.

Section 1.(b) The Department of Public Instruction and the Office of Juvenile Justice shall report to the Joint Legislative Education Oversight Committee by April 1, 2002, on the implementation of the pilot programs. The report shall include a recommendation as to whether the program should be instituted statewide, including any legislative recommendations. (PROVISION)

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

ATTACHMENT 5

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1697*

Short Title: Close Academic Achievement Gap/Funds. (Public)

Sponsors: Representatives Oldham; Alexander, Barefoot, Bonner, Earle, Ford, Fox, Goodwin, Hall, Insko, Luebke, McCallister, Melton, Michaux, Miller, Sossamon, Sutton, Tolson, Tucker, Wainwright, Warner, Warren, Weiss, Womble, and Yongue.

Referred to: Appropriations.

May 25, 2000

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO CLOSE THE ACADEMIC ACHIEVEMENT GAP THAT EXISTS IN THE PUBLIC SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of forty million nine hundred sixty-six thousand four hundred dollars ($40,966,400) for the 2000-2001 fiscal year. Of these funds:

(1) The sum of thirty-one million three hundred eighty-six thousand eight hundred dollars ($31,386,800) shall be used for activities and programs to close the academic achievement gap that exists between minority and at-risk students and other students in the public schools; and

(2) The sum of nine million five hundred seventy-nine thousand six hundred dollars ($9,579,600) shall be used to address the needs of students with limited english proficiency.

Section 2. This act becomes effective July 1, 2000.

ATTACHMENT 6

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1762

Short Title: LEP Student Assistance Funds. (Public)

Sponsors: Representatives Insko; Alexander, Blue, Hackney, Luebke, Miller, Sossamon, and Weiss.

Referred to: Appropriations.

May 25, 2000

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR STUDENTS WITH LIMITED ENGLISH PROFICIENCY.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of ten million dollars ($10,000,000) for the 2000-2001 fiscal year to increase the amount for providing services to students with limited proficiency in the English language.

Section 2. This act becomes effective July 1, 2000.

ATTACHMENT 7

Dr. Causby
Low wealth.

Status of Leandro versus North Carolina:

The case started in May of 1994, when 5 low wealth counties filed the first complaint, alleging that the state's system of funding schools is unconstitutional.

Six urban counties then intervened in the case, also as plaintiffs, also alleging the funding system is unconstitutional.

Before the case was even tried, it went to the NC Supreme Court to get a determination on the basic constitutional rights of children. Earlier court decisions had said that while the state must provide schools, there was no constitutional obligation for them to be good schools, there was no "qualitative" requirement. That issue had to be clarified before the case could continue.

The Court of Appeals upheld the earlier cases, but the Supreme Court reversed them and issued a landmark opinion, some have said the most important decision of the twentieth century concerning children. The court declared that every child, no matter where he or she lives, is entitled to a "sound basic education", and they defined what that means. The definition is a good one, requiring full preparation of children for modern life.

The Supreme Court also ruled that the case should proceed to trial. The Court sent the case back to Wake County Superior Court to determine if the constitutional right to a sound basic education is being denied to public school children in NC.

Superior Court Judge Howard Manning was assigned to the case. He and the parties agreed that the case would be split into two trials: one focusing on the low wealth issues, and one focusing on the urban issues. Hoke County was selected as the focus of the first phase of the trial,

representing the low wealth districts. The urban district has not been selected as of yet by the Court.

In February of last year, as the parties were preparing for the Hoke phase of the trial, the Court issued a ruling extending the rights defined by the Supreme Court in this case to pre-kindergarten-age children.

The Hoke phase of the trial started on September 15 of last year and concluded on December 17.

The Judge asked the parties to submit their proposed findings of fact and conclusions of law to him as soon as possible. There was a delay in the preparation of the transcript by the court reporter and the trial transcript was not available until April. The parties will submit their findings and conclusions next week.

On the basis of a massive body of evidence, we expect that the plaintiffs will urge the court to find that both the inputs into the low wealth school systems, and the outputs from them, prove that the students are being denied a sound basic education as defined and required by the NC Supreme Court.

We can assure the committee that all sides have been well represented in the case, and that everyone involved, including Judge Manning, have worked extremely hard to deal with the mass of information and the complex set of issues presented by the case.

The Judge will review and consider the parties' proposed findings and conclusions before issuing his ruling. We do not know when the Judge will issue a ruling in this phase of this case, and we certainly can not speculate on what that opinion will be.

(9)

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1686

Short Title: Allocations for ADM Growth in Schools. (Public)

Sponsors: Representatives Barefoot; Goodwin, Wainwright, and Yongue.

Referred to: Rules, Calendar, and Operations of the House.

May 24, 2000

A BILL TO BE ENTITLED

AN ACT DIRECTING THE STATE BOARD OF EDUCATION TO ALLOCATE ADDITIONAL RESOURCES TO LOCAL SCHOOL ADMINISTRATIVE UNITS EXPERIENCING A LOSS OF STUDENTS TO CHARTER SCHOOLS BUT AN OVERALL INCREASE IN AVERAGE DAILY MEMBERSHIP IN NONCHARTER SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. The State Board of Education shall use funds from the Reserve for Increases in Average Daily Membership to allocate additional resources to local school administrative units experiencing a loss of students to charter schools but an overall increase in average daily membership in noncharter schools.

The State Board shall report to the Joint Legislative Education Oversight Committee on resources allocated pursuant to the provisions of this act.

Section 2. This act becomes effective July 1, 2000.

ATTACHMENT 9

VISITOR REGISTRATION SHEET

33.

Appropriations Subcommittee on Education — **June 6, 2000 – 1:30 pm**

Name of Committee — Date/Time

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Wadsley Lazo - Olendedeltm	NC Justice Center - 224 S. Dawson St, Raleigh
Martin Eaddy	Lincoln Co. Schools
Hal Miller	NCACCT
Ali Suber	NC community colleges
Jim Cahoon	NCAE
Audrey Galloway	NCAE
Bill Wilson	NCAE
Terry Anderson	Alpha Kappa Alpha Sorority
Sharon Williams	Alpha Kappa Alpha Sorority
Crystal Belfield	Alpha Kappa Alpha Sorority
Felecia Dixon	Alpha Kappa Alpha Sorority
Mary L. Canty	" " " " "
Joanne B. Holmes	Alpha Kappa Alpha Sorority
Ruby P. Greene	Alpha Kappa Alpha Sorority
Bessie L. Lewis	Alpha Kappa Alpha Sorority
Susan Williams	Sorority
Steven Schmidt	NC Justice Center
Sandy Salstrom	DPI
Aart Bertram	DPI
Jennifer Bennett	DPI
Susan Markham	EGHS
Jim Causey	Low Wealth Schools
Clifton B. Hedgepeth	NCDC GA
Johnny Jones	Public School Forum of NC
Ann McDowell	NCICU
Karen Gale	Governor's Office
Marc Sanders	Governor's Office

ATTACHMENT 1(a)

VISITOR REGISTRATION SHEET

Appropriations Subcommittee on Education — **June 6, 2000 – 1:30 pm**

Name of Committee — Date/Time

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Jim Angle	NCASA
Lloyd Thrower	NC PAPA
Stuart Albright	Lt. Gov.'s Office
Susan Harrison	WCPSS
Amber Perrell	PENC
Paul LeSieur	NC DPI
Delilah Donaldson	AKA Sorority, Inc.

ATTACHMENT 1(b)

HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

June 12, 2000

Presiding – Rep. Rogers

CALL TO ORDER **Chair**

AGENDA ***BUDGET REPORT & BUDGET SPECIAL PROVISIONS***

MINUTES
HOUSE APPROPRIATIONS/Subcommittee on Education

June 12, 2000
2:00 p.m.

The House Appropriations/Subcommittee on Education met Tuesday, June 12, 2000 at 2:00 p.m. in Room 421 of the Legislative Office Building with Rep Gene Rogers, Chair presiding. House members present were Rep. Rogers, Chair, Rep. Oldham, Chair, Rep. Boyd-McIntyre, Chair, Rep. Warner, Vice-Chair, Representatives Bonner, Gardner, Gillespie, Holmes, Insko, Michaux, Preston, Smith, Sossamon, Teague, Yongue, and Ex-Officio Members Speaker Pro Tem Hackney, Majority Leader Baddour, and Majority Whip Dedmon. Staff present were Mona Moon, Jim Newlin, Philip Price and Charlotte Todd. There were 43 visitors.

Rep. Rogers, Chair called the meeting to order and explained the ground rules to follow.

1) **Can't increase amount of money in the report or it will throw budget out of balance.**
2) **Can't spend reversions.**
3) **Can't leave with an unbalanced budget.**
4) **Can't add material or substitute language to any special provision.**
5) **Can't change from recurring to non-recurring or non-recurring to recurring.**

Rep. Rogers asked Philip Price, Staff, to explain the Public Schools portion of the Money Report. ***(Attachment 1, pages F1-F3)*** **Jim Newlin, Staff, explained the Special Provisions for Public Schools.** ***(Attachment 2, PART VIII, pages 31-47).*** **Discussion followed. Rep. Yongue and Rep. Gardner commended the Chairs on allocating money to low wealth funding and exceptional children funding. Rep. Warner proposed an amendment pertaining to teachers reporting to school on inclement weather days.** ***(Attachment 3).*** **The amendment would change the language allowing them the option of reporting to school and taking an annual leave day. Rep. Warner asked John Wilson, DPI to help him explain the amendment. It was discussed and put on hold while the staff looked at it further.**

Charlotte Todd, Staff was recognized to explain the University Systems Money Report. ***(Attachment 1 – F4-F5).*** **Questions and discussion followed. Ms. Todd was then asked to explain the University Systems Special Provisions.** ***(Attachment 2 PART X, pages 53-57).*** **Rep. Gardner had questions regarding the Principal Fellows program. Her concern was the lack of people applying to be principals. Rep. Rogers asked Dr. Cobel to expand on the Principal Fellows program. After some discussion, Rep. Rogers said this was something for the Education Oversight Committee to take up.**

MINUTES, June 12, 2000, 2:00 p.m.
House Appropriations/Subcommittee on Education

Rep. Rogers, Chair called on Mona Moon, Staff to cover the Community College segment of the Money Report, *(Attachment 1, pages F6-F8),* and Special Provisions Report, *(Attachment 2, PART IX, pages 47-53).* Rep. Smith questioned Ms. Moon about the use of funds for curriculum programs, if these funds could be used to increase salaries and who decided how the funds would be used. Ms. Moon explained that it is the individual colleges decision as to how the funds will be used. Rep. Preston said she commended the Chairs for the supplemental summer term funding. After a brief intermission the meeting resumed with more discussion and questions. Rep. Michaux raised the question regarding minority participation and The Chair called on Karen Garr to address Rep. Michaux's question.

Rep. Rogers asked Sarah Fuerst from bill drafting to explain the language on the special provision in the amendment put forth by Rep. Warner. Rep. Warner then offered a perfecting amendment regarding teachers attending school in inclement weather conditions. *(Attachment 4).* The amendment was discussed and questions addressed about types of teacher workdays and the options on teacher workdays. Darrell Powell with the Principal Executive Program spoke on the amendment, clarifying the question on who makes the decision on how the workday will be counted. Linda Suggs with the NC Association of School Administrators commented on the question of school calendar laws. She said the amendment could create further confusion of the law. A vote was taken on the special amendment and it was defeated. Rep. Smith moved to accept the Public Schools, Universities and Community Colleges Money Report. A vote was taken and the motion passed. Rep. Smith also moved to accept the Public Schools, Universities and Community Colleges Special Provisions Report. A vote was taken and the motion passed.

Rep. Rogers, Chair thanked the members of the Committee and adjourned the meeting.

Respectfully submitted,

Gene Rogers
Representative Gene Rogers
Chair

Sally Gillis
Sally Gillis
Committee Assistant

(Attachment 1)

House Appropriations Subcommittee
On
Education

Money Report

June 12, 2000

Public Education

GENERAL FUND

	FY 00-01
Total Budget Approved 1999 Session	**$5,277,518,248**

Budget Changes

Excellent Schools Act

1 **Increase Teacher Salaries**
Implement the fourth year of the teacher salary schedule called for in the Excellent Schools Act. $222,730,457 in recurring funds are included in the Reserve for Compensation increases for this purpose. (HB 1840, Sec. 8.10)

2 **Teacher Longevity: 2000-2001 Salary Increases** — $7,817,926 — R
Appropriate funds for teacher longevity increases associated with the FY 2000-01 salary increases that are part of the Excellent Schools Act

Improving Student Success

3 **Improving Student Accountability** — $8,000,000
Appropriate funds to local school systems to improve student performance in grades 3-12. Funds are allocated to local school systems based on the numbers of students scoring at Levels I and II on the end of grade tests. (HB 1840, Sec. 8)

4 **Limited English Proficiency** — $3,700,000 — R
Appropriates additional funds for serving students with limited proficiency in English. This brings total funding for this purpose to $17,066,386 for FY 2000-01 (prior to adjustments for legislated salary increases). (HB 1840, Sec. 8.3)

5 **Small County Supplemental Funding** — $2,000,000 — R
Includes additional funding for two additional counties (Ashe and Hertford) which become eligible under the existing formula.

6 **Exceptional Children** — $5,000,000 — R
Expansion funding increases the per child supplemental amount from $2,517.74 to $2,549.73 per pupil. The amount was $2,488.83 in 1999-00. (HB 1840, Sec. 8.2)

7 **Low Wealth Supplemental Funding** — $5,000,000 — R
Provide additional Low Wealth Supplemental Funding. (HB 1840, Sec. 8.15)

8	**School Breakfast Program** Funds to annualize free breakfast for kindergarten students begun in January, 2000.	$1,600,000	R
9	**School Leadership Pilot** Funds to the State Board of Education for the school leadership pilot project. The four school districts receiving the funds will participate in the nationwide program of the Center for Leadership in School Reform.(HB 1840, Sec. 8.19)	$240,000	NR
10	**Central Office Administration** Provides funding to assure that all local school districts receive the funds calculated by the State Board of Education formula for this category.(HB 1840, Sec. 8.17)	$3,355,175	R
11	**Average Daily Membership Contingency Reserve** Provide additional funds and authority to address transitional year funding for local school districts with new or rapidly growing charter schools.(HB 1840, Sec. 8.7)	$500,000	NR

Various Budget Adjustments

12	**Transportation: Increased Fuel Costs** Funds to adjust for recent increases in fuel costs experienced by school bus operations.	$7,000,000	NR
13	**Average Annual Salary Adjustment** Annual adjustment of average budgeted salary of certified personnel to reflect actual experience through December, 1999.	($42,363,546)	R
14	**Additional Adjustments in Average Salary Projections** Further analysis of the certified payroll data by the Department of Public Instruction determined that more current certification data produced an additional change in average projected salaries for fiscal year 2000-01.	($8,214,274)	R
15	**Substitute Teacher Pay** Revision of cost estimates to meet increased salary requirements.	($440,000)	R
16	**Revise Average Daily Membership** Revise the projected increase for 2000-01 school year downward by 972 students. The revised budget continues to provide for an increase of 19,686 more students in 2000-01.	($6,887,360)	R
17	**Revise Headcount of Exceptional Children** Adjust continuation budget to reflect actual April 1, 2000 headcount of exceptional children.	($2,104,833)	R

House Subcommittee on Education

18	**Employee Benefits Program Revisions** Worker's compensation, short-term disability, and annual leave requirements are adjusted to reflect recent experience.	($1,265,742)	R
19	**Teaching Fellows Program** Reduce funding for the Teaching Fellows Scholarship Loan Program Fund to use the fund balance. The reduction will not affect the number of scholarships available.	($2,500,000)	NR
20	**Prospective Teacher Scholarship Loan Program** Reduce funding for the Prospective Teacher Scholarship Loan Program Fund to use the fund balance. The reduction will not affect the number of scholarships available.	($750,000)	NR
21	**Payments for Vacation Days** Adjust funding to reflect recent expenditure experience.	($5,000,000)	R
22	**School Bus Purchases** Adjust recurring funding for school buses based on projected schedule for replacements.	($6,000,000) $6,000,000	R NR
	Budget Changes	**($35,802,654)**	
	Total Position Changes	**$10,490,000**	NR
	Revised Total Budget	**$5,252,205,594**	

	FY 00-01
Total Budget Approved 1999 Session	**$1,656,863,227**

Budget Changes

23	**Reserves for New Facilities** A one-time reduction in operating costs for new facilities due to construction delays.	($1,210,190)	NR
24	**Regular Term Enrollment** Funds the additional projected enrollment cost for regular term university system enrollment.	$21,081,793 201.00	R
25	**Off-Campus Enrollment Increase** Funds 70% of the Board of Governor's requested enrollment increase for off-campus programs.(Sec. 10.4)	$10,000,000 80.00	R
26	**Tuition Receipts** Additional tuition receipts due to the across-the-board inflationary increase adopted by the UNC Board of Governors for all campuses.	($3,345,338)	R
27	**Need-Based Financial Aid** Creates a new need-based financial aid program in addition to the other forms of financial aid:(Sec.10.1) New Financial Aid: *Campus specific financial aid: $5,611,340 *System Need-based Financial Aid : $5,000,000 *Enrollment-based Financial Aid: $ 46,000 *In-kind financial aid by funding off-: $10,000,000 campus programs to allow students to remain at home while taking courses TOTAL: $20,657,340 Less: -Campus-specific tuition $5,611,340 -Enrollment financial aid $ 46,000 -Off-campus enrollment $10,000,000 NET GENERAL FUND APPROPRIATION: $ 5,000,000	$5,000,000	R
28	**UNC Hospitals Inflationary Increase** Eliminates inflationary increases for FY 2000-01.	($2,691,748)	R

House Subcommittee on Education

29	**Model Teacher Consortium** Funds to restore the Model Teacher Consortium program to those 21 counties that were part of that program in 1998-99 and to add eight additional counties. (Sec.10.7)	$800,000 $500,000	R NR
30	**Aid to Students Attending Private Colleges** Increases the Legislative Tuition Grant (LTG) program by $50 per student bringing it to a total of $1,800. Also increases the State Contractual Scholarship Fund (SCSF) by $50 for each FTE student bringing the total to $1,100.(Sec. 10.3)	$3,257,457	R
31	**Transfer Center for Prevention of School Violence** Transfers the Center for the Prevention of School Violence from the University system to the Office of Juvenile Justice in accordance with the recommendation of the Governor.	($500,000) -7.00	R
32	**Achievement Gap Funds** Funds to support the Historically Minority College and University Initiative to Close the Achievement Gap.	$500,000	NR
33	**ECU Doctoral Status Funds** Provides the next phase of funding for East Carolina University in its transition to a Doctoral II institution.	$1,500,000	R
34	**PT-CAM** Funds the PT-CAM regional workforce training program in the Piedmont Triad area of the state.	$250,000	NR
35	**Chinqua-Penn Plantation** Accepts the Governor's recommendation on a non-recurring basis to provide funds for the Board of Governors to allocate to NC State for the operation of the Chinqua-Penn Plantation.	$100,000	NR
	Budget Changes	**$35,102,164** **$139,810**	R NR
	Total Position Changes	274.00	
	Revised Total Budget	**$1,692,105,201**	

Community Colleges

GENERAL FUND

	FY 00-01
Total Budget Approved 1999 Session	**$591,015,693**

Budget Changes

A. Community Colleges System Office

36	**Salary Adjustment Funds** Provide funds for position reclassifications approved by the State Personnel Commission and in-range equity adjustments approved by the President of the Community College System.	$225,000	R

B. State Aid - Community College Institutions

37	**Enrollment Adjustment** Provide funds for community college enrollment growth in accordance with the enrollment funding formula.	$20,480,910	R
38	**Supplement for Summer Term Curriculum Instruction** Provide funds for summer term curriculum instruction as a supplement to curriculum enrollment funding for the regular academic year. These funds shall be a separate line item in state aid fund code 1600 and shall not be included in the continuing budget concept for earned FTE enrollment funding. (HB 1840, Section 9.9).	$7,177,623	R
39	**Occupational Continuing Education** Increase funds for occupational extension and continuing education programs by adjusting the funding rate per full-time equivalent student in a continued effort to more closely align funding of continuing education programs with that of curriculum programs.	$3,000,000	R
40	**Eliminate Community Services Block Grant** Eliminate funding for the Community Services Block Grant. Colleges are encouraged to continue community service course offerings from available funds.	($1,817,738)	R
41	**Reduce New and Expanding Industry Training Funds** Reduce the appropriation for the New and Expanding Industry Training (NEIT) program for one year from $6,028,541 to $5,528,541. In addition to the program's general fund appropriation, funds are provided for the 2000-01 fiscal year through the Employment Security Commission Training and Employment Account.	($500,000)	NR

42 Reduce Educational Equipment Funds ($1,000,000) R
($1,020,225) NR

Reduce the appropriation for educational equipment from $17,319,732 to $15,299,507. In addition to the general fund equipment appropriation, funds are provided for the 2000-01 fiscal year through the Employment Security Commission Training and Employment Account.

C. Tuition and Fees

43 Adjustment for Over-realized Receipts ($1,000,000) R
($2,000,000) NR

Increase the budgeted amount of tuition and registration fees for the 2000-01 fiscal year to more accurately reflect anticipated receipts. This reduction also includes a one-time adjustment for over-realized receipts collected in the 1999-2000 fiscal year. (HB 1840, Section 9.4).

44 Increase Curriculum Tuition Charge ($2,035,908) R

Increase the in-state tuition charge per semester hour by $0.75, from $26.75 to $27.50. It is anticipated that for most students, this increase will be off-set by federal and state financial assistance programs.

45 Increase Semester Hours for Which Tuition is Charged ($2,010,798)

Increase the maximum number of semester hours for which tuition is charged from 14 semester hours to 16 semester hours. It is anticipated that for most students, this increase will be off-set by federal and state financial assistance programs.

D. Reserves and Other Funds

46 Eliminate Scholarship Reserve Fund Balance ($410,000) NR

Elminate the fund balance remaining in the Community College Scholarship Reserve. This fund balance is derived from accured interest earnings on the $4 million scholarship reserve principal eliminated by the General Assembly in 1999.

47 Reduce State Board Reserve ($100,000) NR

Reduce the appropriation to the State Board Reserve for one year from $1,150,000 to $1,050,000.

48 Reduce Need-Based Financial Aid Fund Balance ($1,000,000) NR

Reduce the fund balance in the reserve for need-based financial aid to retrieve unused funds from the $5 million appropriation for the 1999-2000 fiscal year.

49 Reduce Management Information System (MIS) Fund Balance ($2,000,000) NR

Reduce the fund balance in the reserve for development of a management information system (MIS) to retrieve unused funds from the $8 million appropriation for the 1999-2000 fiscal year.

Budget Changes	**$23,019,089**	**R**
	($7,030,225)	**NR**
Total Position Changes		
Revised Total Budget	**$607,004,557**	

EDUCATION PROVISIONS

PART VIII. PUBLIC SCHOOLS

CODE NO. 2000DPI-H002-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
EXPENDITURE OF FUNDS TO IMPROVE STUDENT ACCOUNTABILITY

Section 8. Section 8.17 of S.L. 1999-237 reads as rewritten:

"Section 8.17. (a) Funds appropriated for the ~~1999-2001 fiscal biennium~~ 2000-2001 fiscal year for Student Accountability Standards shall be used to assist students in performing at or above grade level in reading and mathematics in grades 3-8 as measured by the State's end-of-grade tests. The State Board of Education shall allocate these funds to local school administrative units based on the number of students who score at Level I or Level II on either reading or mathematics end-of-grade tests in grades 3-8. Funds in this allocation category shall be ~~spent only~~ used to improve the academic performance of ~~children~~ (i) students who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and ~~children~~ (ii) students who are performing at Level I or II on the writing tests in grades 4 and 7. These funds may also be used to improve the academic performance of students who are performing at Level I or II on the high school end-of-course tests. These funds shall not be transferred to other allocation categories or otherwise used for other purposes. Except as otherwise provided by law, local boards of education may transfer other funds available to them into this allocation category.

The principal of a school receiving these funds, in consultation with the faculty and the site-based management team, shall implement plans for expending these funds to improve the performance of students.

Continuation budget funds previously appropriated for NC Helps and for the middle school pilot project shall be transferred to this allocation category.

Local boards of education are encouraged to use federal funds such as Goals 2000 and Title I Comprehensive School Reform Development Funds and to examine the use of State funds to ensure that every student is performing at or above grade level in reading and mathematics.

The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly on the implementation of this section. The report may include recommendations regarding the transfer of other funds into this allocation category.

Section 8.17.(b) Funds appropriated for Student Accountability Standards shall not revert at the end of each fiscal year but shall remain available for expenditure until August 31 of the subsequent fiscal year."

CODE NO. 2000DPI-H004-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
USE OF STAFF DEVELOPMENT FUNDS MENTOR TRAINING

Section 8.1. G.S. 115C-105.27 reads as rewritten:

"**§ 115C-105.27. Development and approval of school improvement plans.**

In order to improve student performance, each school shall develop a school improvement plan that takes into consideration the annual performance goal for that school that is set by the State Board under G.S. 115C-105.35. The principal of each school, representatives of the assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building, and parents of children enrolled in the school shall constitute a school improvement team to develop a school improvement plan to improve student performance. Representatives of the assistant principals, instructional personnel, instructional support personnel, and teacher assistants shall be elected by their respective groups by secret ballot.

Unless the local board of education has adopted an election policy, parents shall be elected by parents of children enrolled in the school in an election conducted by the parent and teacher organization of the school or, if none exists, by the largest organization of parents formed for this purpose. Parents serving on school improvement teams shall reflect the racial and socioeconomic composition of the students enrolled in that school and shall not be members of the building-level staff. Parental involvement is a critical component of school success and positive student achievement; therefore, it is the intent of the General Assembly that parents, along with teachers, have a substantial role in developing school improvement plans. To this end, school improvement team meetings shall be held at a convenient time to assure substantial parent participation. The strategies for improving student ~~performance shall~~ performance:

(1) Shall include a plan for the use of staff development funds that may be made available to the school by the local board of education to implement the school improvement ~~plan and shall~~ plan. The plan may provide that a portion of these funds is used for mentor training and for release time and substitute teachers while mentors and teachers mentored are meeting;

(2) Shall include a plan to address school safety and discipline concerns in accordance with the safe school plan developed under Article 8C of this ~~Chapter. The strategies may~~ Chapter;

(3) May include a decision to use State funds in accordance with ~~G.S. 115C-105.25. The strategies for improving student performance shall~~ G.S. 115C-105.25;

(4) Shall include a plan that specifies the effective instructional practices and methods to be used to improve the academic performance of students identified as at risk of academic failure or at risk of dropping out of ~~school. The strategies may also~~ school;

(5) May include requests for waivers of State laws, rules, or policies for that school. A request for a waiver shall meet the requirements of G.S. 115C-105.26.

Support among affected staff members is essential to successful implementation of a school improvement plan to address improved student performance at that school. The principal of the school shall present the proposed school improvement plan to all of the principals, assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building for their review and vote. The vote shall be by secret ballot. The principal shall submit the school improvement plan to the local board of education only if the proposed school improvement plan has the approval of a majority of the staff who voted on the plan.

The local board of education shall accept or reject the school improvement plan. The local board shall not make any substantive changes in any school improvement plan that it accepts. If the local board rejects a school improvement plan, the local board shall state with specificity its reasons for rejecting the plan; the school improvement team may then prepare another plan, present it to the principals, assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building for a vote, and submit it to the local board to accept or reject. If no school improvement plan is accepted for a school within 60 days after its initial submission to the local board, the school or the local board may ask to use the process to resolve disagreements recommended in the guidelines developed by the State Board under G.S. 115C-105.20(b)(5). If this request is made, both the school and local board shall participate in the process to resolve disagreements. If there is no request to use that process, then the local board may develop a school improvement plan for the school. The General Assembly urges the

local board to utilize the school's proposed school improvement plan to the maximum extent possible when developing such a plan.

A school improvement plan shall remain in effect for no more than three years; however, the school improvement team may amend the plan as often as is necessary or appropriate. If, at any time, any part of a school improvement plan becomes unlawful or the local board finds that a school improvement plan is impeding student performance at a school, the local board may vacate the relevant portion of the plan and may direct the school to revise that portion. The procedures set out in this subsection shall apply to amendments and revisions to school improvement plans."

CODE NO. 2000DPI-H005-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
EXCEPTIONAL CHILDREN

Section 8.2. The funds appropriated for exceptional children for the 2000-2001 fiscal year shall be allocated as follows:

(1) Each local school administrative unit shall receive for academically or intellectually gifted children the sum of eight hundred forty-three dollars and fifty-nine cents ($843.59) per child for four percent (4%) of the 2000-2001 allocated average daily membership in the local school administrative unit, regardless of the number of children identified as academically or intellectually gifted in the local school administrative unit. The total number of children for which funds shall be allocated pursuant to this subdivision is 51,542 for the 2000-2001 school year.

(2) Each local school administrative unit shall receive for children with special needs the sum of two thousand five hundred forty-nine dollars and seventy-four cents ($2,549.74) per child for the lesser of (i) all children who are identified as children with special needs or (ii) twelve and five-tenths percent (12.5%) of the 2000-2001 allocated average daily membership in the local school administrative unit. The maximum number of children for which funds shall be allocated pursuant to this subdivision is 156,296 for the 2000-2001 school year.

The dollar amounts allocated under this section for exceptional children shall also increase in accordance with legislative salary increments for personnel who serve exceptional children.

CODE NO. 2000DPI-H006-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
LIMITED ENGLISH PROFICIENCY

Section 8.3. Section 8.10 of S.L. 1999-237 reads as rewritten:

"Section 8.10. The State Board of Education shall develop guidelines for identifying and providing services to students with limited proficiency in the English language.

The State Board shall allocate these funds to local school administrative units and to charter schools under a formula that takes into account the average percentage of students in the units or the charters over the past three years who have limited English proficiency. If data for the prior three years are not available, the State Board shall use the most recent reliable data. The State Board shall allocate funds to a unit or a charter school only if (i) average daily membership of the unit or the charter school includes at least 20 students with limited English proficiency or (ii) students with limited English proficiency comprise at least two and one-half percent (2 1/2%) of the average daily membership of the unit or charter school. ~~No unit or~~

~~charter school shall receive funds for more than~~ For the portion of the funds that is allocated on the basis of the number of identified students, the maximum number of identified students for whom a unit or charter school receives funds shall not exceed ten and six-tenths percent (10.6%) of its average daily membership.

Local school administrative units shall use funds allocated to them to pay for classroom teachers, teacher assistants, tutors, textbooks, classroom materials/instructional supplies/equipment, transportation costs, and staff development for students with limited English proficiency.

A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds."

CODE NO. 2000DPI-H007-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
EXCEPTIONAL CHILDREN HEAD COUNT

Section 8.4. The Commission on Children with Special Needs shall study the issue of when the head count of children with special needs should be performed and whether a single head count during a school year is adequate. The Commission shall report the results of its study to the 2001 General Assembly.

CODE NO. 2000DPI-H008A*
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
REDUCE IMPACT OF SIGNIFICANT REDUCTIONS IN ADM IN SMALL SCHOOLS SYSTEMS

Section 8.5. If a county school administrative unit with 3,000 or fewer students experiences a greater than four percent (4%) loss in projected average daily membership due to shifts of enrollment to charter schools located within the unit, the State Board of Education may use funds appropriated to State Aid to Local School Administrative Units for the 2000-2001 fiscal year to reduce the loss of funds to the unit's schools, other than charter schools, to a maximum of four percent (4%).

CODE NO. 2000DPI-H009-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
FUNDS FOR THE TESTING AND IMPLEMENTATION OF THE NEW STUDENT INFORMATION SYSTEM

Section 8.6. The State Board of Education may transfer up to one million dollars ($1,000,000) in funds appropriated for the Uniform Education Reporting System for the 2000-2001 fiscal year to the Department of Public Instruction to lease or purchase equipment necessary for the testing and implementation of NC WISE, the new student information system in the public schools.

CODE NO. 2000DPI-H010-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
USES OF THE ADM RESERVE

Section 8.7. If a local school administrative unit has inadequate resources due to (i) the establishment of a new charter school or (ii) authorization from the State Board of Education to increase the enrollment of an existing charter school by more than ten percent (10%), the State Board of Education may allocate additional funds to the unit from the Reserve for Average Daily Membership Adjustment. The State Board shall develop policies for the implementation of this section.

CODE NO. 2000DPI-H011-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

CLASS-SIZE COMPUTATION FOR K-2

Section 8.8. Local school administrative units shall use teacher positions allocated for kindergarten through second grade (i) to hire classroom teachers and reading teachers for children in kindergarten through second grade and (ii) to otherwise reduce the student-teacher ratio in kindergarten through second grade.

Notwithstanding the provisions of G.S. 115C-301(c), both the maximum average class size for the grade span kindergarten, first grade, and second grade, and the maximum size of an individual class within the grade span shall be 26 students.

CODE NO. 2000DPI-H013-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

LITIGATION RESERVE

Section 8.9.(a) Funds in the State Board of Education's Litigation Reserve that are not expended or encumbered on June 30, 2000, shall not revert on July 1, 2000, but shall remain available for expenditure until June 30, 2001.

Section 8.9.(b) Subsection (a) of this section becomes effective June 30, 2000.

Section 8.9.(c) The State Board of Education may expend up to five hundred thousand dollars ($500,000) for the 2000-2001 fiscal year from unexpended funds for certified employees' salaries to pay expenses related to pending litigation.

CODE NO. 2000DPI-H014A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

TEACHER SALARY SCHEDULES

Section 8.10.(a) Effective for the 2000-2001 school year, the Director of the Budget may transfer from the Reserve for Compensation Increase for the 2000-2001 fiscal year funds necessary to implement the teacher salary schedule set out in subsection (b) of this section, including funds for the employer's retirement and social security contributions and funds for annual longevity payments at one percent (1%) of base salary for 10 to 14 years of State service, one and one-half percent (1.5%) of base salary for 15 to 19 years of State service, two percent (2%) of base salary for 20 to 24 years of State service, and four and one-half percent (4.5%) of base salary for 25 or more years of State service, commencing July 1, 2000, for all teachers whose salaries are supported from the State's General Fund. These funds shall be allocated to individuals according to rules adopted by the State Board of Education. The longevity payment shall be paid in a lump sum once a year.

Section 8.10.(b) For the 2000-2001 school year, the following monthly salary schedules shall apply to certified personnel of the public schools who are classified as teachers. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

2000-2001 Monthly Salary Schedule
"A" Teachers

Years of Experience	"A" Teachers	NBPTS Certification
0	$2,500	N/A
1	$2,542	N/A
2	$2,585	N/A
3	$2,737	$3,065
4	$2,875	$3,220
5	$3,006	$3,366

6	$3,133	$3,508
7	$3,234	$3,622
8	$3,281	$3,674
9	$3,329	$3,728
10	$3,378	$3,783
11	$3,427	$3,838
12	$3,476	$3,893
13	$3,526	$3,949
14	$3,578	$4,007
15	$3,631	$4,066
16	$3,685	$4,127
17	$3,740	$4,188
18	$3,796	$4,251
19	$3,853	$4,315
20	$3,911	$4,380
21	$3,971	$4,447
22	$4,032	$4,515
23	$4,095	$4,586
24	$4,158	$4,656
25	$4,222	$4,728
26	$4,287	$4,801
27	$4,354	$4,876
28	$4,423	$4,953
29+	$4,493	$5,032

2000-2001 Monthly Salary Schedule
"G" Teachers

Years of Experience	"G" Teachers	NBPTS Certification
0	$2,750	N/A
1	$2,796	N/A
2	$2,844	N/A
3	$3,011	$3,372
4	$3,163	$3,542
5	$3,307	$3,703
6	$3,446	$3,859
7	$3,557	$3,983
8	$3,609	$4,042
9	$3,662	$4,101
10	$3,716	$4,161
11	$3,770	$4,222
12	$3,824	$4,282
13	$3,879	$4,344
14	$3,936	$4,408
15	$3,994	$4,473
16	$4,054	$4,540
17	$4,114	$4,607
18	$4,176	$4,677
19	$4,238	$4,746
20	$4,302	$4,818
21	$4,368	$4,892

22	$4,435	$4,967
23	$4,505	$5,045
24	$4,574	$5,122
25	$4,644	$5,201
26	$4,716	$5,281
27	$4,789	$5,363
28	$4,865	$5,448
29+	$4,942	$5,535

Section 8.10.(b1) Certified public school teachers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "G" teachers. Certified public school teachers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "G" teachers.

Section 8.10.(c) Effective for the 2000-2001 school year, the first step of the salary schedule for school psychologists shall be equivalent to Step 5, corresponding to five years of experience, on the salary schedule established in this section for certified personnel of the public schools who are classified as "G" teachers. Certified psychologists shall be placed on the salary schedule at an appropriate step based on their years of experience. Certified psychologists shall receive longevity payments based on years of State service in the same manner as teachers.

Certified psychologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified psychologists. Certified psychologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified psychologists.

Section 8.10.(d) Effective for the 2000-2001 school year, speech pathologists who are certified as speech pathologists at the masters degree level and audiologists who are certified as audiologists at the masters degree level and who are employed in the public schools as speech and language specialists and audiologists shall be paid on the school psychologist salary schedule.

Speech pathologists and audiologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for speech pathologists and audiologists. Speech pathologists and audiologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for speech pathologists and audiologists.

Section 8.10.(e) Certified school nurses who are employed in the public schools as nurses shall be paid on the "G" salary schedule.

CODE NO. 2000DPI-H015A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

SCHOOL-BASED ADMINISTRATOR SALARIES

Section 8.11.(a) Funds appropriated to the Reserve for Compensation Increase shall be used for the implementation of the salary schedule for school-based administrators as provided in this section. These funds shall be used for State-paid employees only.

Section 8.11.(b) The base salary schedule for school-based administrators shall apply only to principals and assistant principals. The base salary schedule for the 2000-2001 fiscal year, commencing July 1, 2000, is as follows:

2000-2001
Principal and Assistant Principal Salary Schedules

Classification

Yrs of Exp	Assistant Principal	Prin I (0-10)	Prin II (11-21)	Prin III (22-32)	Prin IV (33-43)
0-4	$3,195				
5	$3,340				
6	$3,480				
7	$3,593				
8	$3,645	$3,645			
9	$3,699	$3,699			
10	$3,753	$3,753	$3,808		
11	$3,808	$3,808	$3,862		
12	$3,862	$3,862	$3,918	$3,975	
13	$3,918	$3,918	$3,975	$4,034	$4,095
14	$3,975	$3,975	$4,034	$4,095	$4,155
15	$4,034	$4,034	$4,095	$4,155	$4,218
16	$4,095	$4,095	$4,155	$4,218	$4,280
17	$4,155	$4,155	$4,218	$4,280	$4,345
18	$4,218	$4,218	$4,280	$4,345	$4,412
19	$4,280	$4,280	$4,345	$4,412	$4,479
20	$4,345	$4,345	$4,412	$4,479	$4,550
21	$4,412	$4,412	$4,479	$4,550	$4,620
22	$4,479	$4,479	$4,550	$4,620	$4,690
23	$4,550	$4,550	$4,620	$4,690	$4,763
24	$4,620	$4,620	$4,690	$4,763	$4,837
25	$4,690	$4,690	$4,763	$4,837	$4,914
26	$4,763	$4,763	$4,837	$4,914	$4,991
27	$4,837	$4,837	$4,914	$4,991	$5,091
28	$4,914	$4,914	$4,991	$5,091	$5,193
29	$4,991	$4,991	$5,091	$5,193	$5,297
30	$5,091	$5,091	$5,193	$5,297	$5,403
31	$5,193	$5,193	$5,297	$5,403	$5,511
32		$5,297	$5,403	$5,511	$5,621
33			$5,511	$5,621	$5,733
34			$5,621	$5,733	$5,848
35				$5,848	$5,965
36				$5,965	$6,084
37					$6,206

2000-2001

Principal and Assistant Principal Salary Schedules

Classification

Yrs of Exp	Prin V (44-54)	Prin VI (55-65)	Prin VII (66-100)	Prin VIII (101+)
14	$4,218			
15	$4,280			
16	$4,345	$4,412		
17	$4,412	$4,479	$4,620	
18	$4,479	$4,550	$4,690	$4,763
19	$4,550	$4,620	$4,763	$4,837
20	$4,620	$4,690	$4,837	$4,914
21	$4,690	$4,763	$4,914	$4,991
22	$4,763	$4,837	$4,991	$5,091
23	$4,837	$4,914	$5,091	$5,193
24	$4,914	$4,991	$5,193	$5,297
25	$4,991	$5,091	$5,297	$5,403
26	$5,091	$5,193	$5,403	$5,511
27	$5,193	$5,297	$5,511	$5,621
28	$5,297	$5,403	$5,621	$5,733
29	$5,403	$5,511	$5,733	$5,848
30	$5,511	$5,621	$5,848	$5,965
31	$5,621	$5,733	$5,965	$6,084
32	$5,733	$5,848	$6,084	$6,206
33	$5,848	$5,965	$6,206	$6,330
34	$5,965	$6,084	$6,330	$6,457
35	$6,084	$6,206	$6,457	$6,586
36	$6,206	$6,330	$6,586	$6,718
37	$6,330	$6,457	$6,718	$6,852
38	$6,457	$6,586	$6,852	$6,989
39		$6,718	$6,989	$7,129
40		$6,852	$7,129	$7,272
41			$7,272	$7,417

Section 8.11.(c) The appropriate classification for placement of principals and assistant principals on the salary schedule, except for principals in alternative schools, shall be determined in accordance with the following schedule:

Classification	**Number of Teachers Supervised**
Assistant Principal	
Principal I	Fewer than 11 Teachers
Principal II	11-21 Teachers
Principal III	22-32 Teachers
Principal IV	33-43 Teachers
Principal V	44-54 Teachers
Principal VI	55-65 Teachers
Principal VII	66-100 Teachers
Principal VIII	More than 100 Teachers

The number of teachers supervised includes teachers and assistant principals paid from State funds only; it does not include teachers or assistant principals paid from non-State funds or the principal or teacher assistants.

The beginning classification for principals in alternative schools shall be the Principal III level. Principals in alternative schools who supervise 33 or more teachers shall be classified according to the number of teachers supervised.

Section 8.11.(d) A principal shall be placed on the step on the salary schedule that reflects total number of years of experience as a certificated employee of the public schools and an additional step for every three years of experience as a principal.

Section 8.11.(e) For the 2000-2001 fiscal year, a principal or assistant principal shall be placed on the appropriate step plus one percent (1%) if:

(1) The employee's school met or exceeded the projected levels of improvement in student performance for the 1997-98 fiscal year, in accordance with the ABCs of Public Education Program;

(2) The local board of education found in 1997-98 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school;

(3) The employee's school met or exceeded the projected levels of improvement in student performance for the 1998-99 fiscal year, in accordance with the ABCs of Public Education Program;

(4) The local board of education found in 1998-99 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school;

(5) The employee's school met or exceeded the projected levels of improvement in student performance for the 1999-2000 fiscal year, in accordance with the ABCs of Public Education Program; or

(6) The local board of education found in 1999-2000 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school.

The principal or assistant principal shall be placed on the appropriate step plus an additional one percent (1%) for meeting each additional condition set out in subdivisions (1) through (6). Under no circumstance shall placement of a principal or assistant principal be higher than six percent (6%) above the appropriate step on the salary schedule.

Section 8.11.(f) For the 2000-2001 fiscal year, a principal or assistant principal shall receive a lump-sum payment of:

(1) One percent (1%) of his or her State-paid salary if the employee's school meets or exceeds the projected levels of improvement in student performance for the 2000-2001 fiscal year, in accordance with the ABCs of Public Education Program.

(2) One percent (1%) of his or her State-paid salary if the local board of education finds that the employee's school has met the 2000-2001 goals of the local plan for maintaining a safe and orderly school.

The principal or assistant principal shall receive a lump-sum payment of two percent (2%) if the conditions set out in both subdivisions (1) and (2) are satisfied.

The lump sum shall be paid as determined by guidelines adopted by the State Board. Except as provided in subsection (l) of this section, placement on the salary schedule in the following year shall be based upon these increases.

Section 8.11.(g) Principals and assistant principals with certification based on academic preparation at the six-year degree level shall be paid a salary supplement of one hundred twenty-six dollars ($126.00) per month and at the doctoral degree level shall be paid a salary supplement of two hundred fifty-three dollars ($253.00) per month.

Section 8.11.(h) There shall be no State requirement that superintendents in each local school unit shall receive in State-paid salary at least one percent (1%) more than the highest paid principal receives in State salary in that school unit: Provided, however, the additional State-paid salary a superintendent who was employed by a local school administrative unit for the 1992-93 fiscal year received because of that requirement shall not be reduced because of this subsection for subsequent fiscal years that the superintendent is employed by that local school administrative unit so long as the superintendent is entitled to at least that amount of additional State-paid salary under the rules in effect for the 1992-93 fiscal year.

Section 8.11.(i) Longevity pay for principals and assistant principals shall be as provided for State employees under the State Personnel Act.

Section 8.11.(j)

(1) If a principal is reassigned to a higher job classification because the principal is transferred to a school within a local school administrative unit with a larger number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the higher job classification.

(2) If a principal is reassigned to a lower job classification because the principal is transferred to a school within a local school administrative unit with a smaller number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the lower job classification.

This subdivision applies to all transfers on or after the effective date of this section, except transfers in school systems that have been created, or will be created, by merging two or more school systems. Transfers in these merged systems are exempt from the provisions of this subdivision for one calendar year following the date of the merger.

Section 8.11.(k) Participants in an approved full-time masters in school administration program shall receive up to a 10-month stipend at the beginning salary of an assistant principal during the internship period of the masters program. Certification of eligible full-time interns shall be supplied to the Department of Public Instruction by the Principal's Fellow Program or a school of education where the intern participates in a full-time masters in school administration.

Section 8.11.(l) During the 2000-2001 fiscal year, the placement on the salary schedule of an administrator with a one-year provisional assistant principal's certificate shall be at the entry-level salary for an assistant principal or the appropriate step on the teacher salary schedule, whichever is higher. Lump-sum payments received pursuant to subsection (f) of this section shall not be considered in placing the employee on the salary schedule in subsequent years that the employee is employed under either a provisional or a full certificate.

CODE NO. 2000DPI-H016A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

SCHOOL CENTRAL OFFICE SALARIES

Section 8.12.(a) The following monthly salary ranges apply to assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers for the 2000-2001 fiscal year, beginning July 1, 2000:

School Administrator I	$2,932 - $5,254
School Administrator II	$3,112 - $5,576
School Administrator III	$3,303 - $5,918

School Administrator IV	$3,436 - $6,157
School Administrator V	$3,574 - $6,407
School Administrator VI	$3,792 - $6,799
School Administrator VII	$3,945 - $7,074

The local board of education shall determine the appropriate category and placement for each assistant superintendent, associate superintendent, director/coordinator, supervisor, or finance officer within the salary ranges and within funds appropriated by the General Assembly for central office administrators and superintendents. The category in which an employee is placed shall be included in the contract of any employee hired on or after July 1, 2000.

Section 8.12.(b) The following monthly salary ranges apply to public school superintendents for the 2000-2001 fiscal year, beginning July 1, 2000:

(1)	Superintendent I (Up to 2,500 ADM):	$4,187 - $7,508
(2)	Superintendent II (2,501 - 5,000 ADM):	$4,445 - $7,965
(3)	Superintendent III (5,001 - 10,000 ADM):	$4,716 - $8,453
(4)	Superintendent IV (10,001 - 25,000 ADM):	$5,005 - $8,970
(5)	Superintendent V (Over 25,000 ADM):	$5,312 - $9,520

The local board of education shall determine the appropriate category and placement for the superintendent based on the average daily membership of the local school administrative unit and within funds appropriated by the General Assembly for central office administrators and superintendents.

Notwithstanding the provisions of this subsection, a local board of education may pay an amount in excess of the applicable range to a superintendent who is entitled to receive the higher amount under Section @* of this act.

Section 8.12.(c) Longevity pay for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers shall be as provided for State employees under the State Personnel Act.

Section 8.12.(d) Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for pursuant to this section. Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for under this section.

Section 8.12.(e) The State Board shall not permit local school administrative units to transfer State funds from other funding categories for salaries for public school central office administrators.

Section 8.12.(f) The Director of the Budget shall transfer from the Reserve for Compensation Increase created in this act for fiscal year 2000-2001, beginning July 1, 2000, funds necessary to provide an average annual salary increase of five percent (5%), including funds for the employer's retirement and social security contributions, commencing July 1, 2000, for all permanent full-time personnel paid from the Central Office Allotment. The State Board of Education shall allocate these funds to local school administrative units. The local boards of education shall establish guidelines for providing their salary increases to these personnel.

CODE NO. 2000DPI-H017A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

NONCERTIFIED PERSONNEL SALARY FUNDS/TEACHER ASSISTANT SALARY FUNDS

Section 8.13.(a) The Director of the Budget may transfer from the Reserve for Compensation Increase created in this act for fiscal year 2000-2001, commencing July 1, 2000, funds necessary to provide a salary increase of five percent (5%), including funds for the employer's retirement and social security contributions, commencing July 1, 2000, for all noncertified public school employees whose salaries are supported from the State's General Fund.

Section 8.13.(b) Except as provided in subsection (c) of this section, local boards of education shall increase the rates of pay for all such employees who were employed for fiscal year 1999-2000 and who continue their employment for fiscal year 2000-2001 by at least five percent (5%), commencing July 1, 2000.

Section 8.13.(c) A local board of education may adopt a policy that provides for raises of less than five percent (5%) for all such employees who were employed for less than two-thirds of the employment period for fiscal year 1999-2000 and who continue their employment for fiscal year 2000-2001. A local board of education adopting such a policy shall increase the salaries of those employees in accordance with the local policy.

Section 8.13.(d) These funds shall not be used for any purpose other than for the salary increases and necessary employer contributions provided by this section.

Section 8.13.(e) The State Board of Education may adopt salary ranges for noncertified personnel to support increases of five percent (5%) for the 2000-2001 fiscal year.

CODE NO. 2000DPI-H022-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

FUNDS TO IMPLEMENT THE ABCs OF PUBLIC EDUCATION PROGRAM

Section 8.14. The State Board of Education shall use funds appropriated for State Aid to Local School Administrative Units for the 1999-2000 fiscal year and the 2000-2001 fiscal year to provide incentive funding for schools that met or exceeded the projected levels of improvement in student performance during the 1999-2000 school year, in accordance with the ABCs of Public Education Program. In accordance with State Board of Education policy:

(1) Incentive awards in schools that achieve higher than expected improvements may be up to:
   a. $1,500 for each teacher and for certified personnel; and
   b. $500.00 for each teacher assistant.

(2) Incentive awards in schools that meet the expected improvements may be up to:
   a. $750.00 for each teacher and for certified personnel; and
   b. $375.00 for each teacher assistant.

CODE NO. 2000DPI-H023-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

SUPPLEMENTAL FUNDING IN LOW-WEALTH COUNTIES

Section 8.15. Section 8.5(b) of S.L. 1999-237 reads as rewritten:

"Section 8.5.(b) Use of Funds for Supplemental Funding. -- All funds received pursuant to this section shall be used only (i) to provide instructional positions, instructional support positions, teacher assistant positions, clerical positions, <u>school computer technicians,</u> instructional supplies and equipment, staff development, and textbooks, and (ii) for salary supplements for instructional personnel and instructional support personnel.

Local boards of education are encouraged to use at least ~~twenty percent (20%)~~ twenty-five percent (25%) of the funds received pursuant to this section to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and children who are performing at Level I or II on the writing tests in grades 4 and 7. Local boards of education shall report to the State Board of Education on an annual basis on funds used for this purpose, and the State Board shall report this information to the Joint Legislative Education Oversight Committee."

CODE NO. 2000DPI-H024A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS CERTIFICATION

Section 8.16. Chapter 115C of the General Statutes is amended by adding a new section to read:

"**§ 115C-296.2. National Board for Professional Teaching Standards Certification.**

(a) State Policy. -- It is the goal of the State to provide opportunities and incentives for good teachers to become excellent teachers and to retain them in the teaching profession; to attain this goal, the State shall support the efforts of teachers to achieve national certification by providing approved paid leave time for teachers participating in the process, paying the participation fee, and paying a significant salary differential to teachers who attain national certification from the National Board for Professional Teaching Standards (NBPTS).

The National Board for Professional Teaching Standards (NBPTS) was established in 1987 as an independent, nonprofit organization to establish high standards for teachers' knowledge and performance and for development and operation of a national voluntary system to assess and certify teachers who meet those standards. Participation in the program gives teachers the time and the opportunity to analyze in a systematic way their professional development as teachers, successful teaching strategies, and the substantive areas in which they teach. Participation also gives teachers an opportunity to demonstrate superior ability and to be compensated as superior teachers. To receive NBPTS certification, a teacher must successfully (i) complete a year-long process of developing a portfolio of student work and videotapes of teaching and learning activities and (ii) participate in NBPTS assessment center simulation exercises, including performance-based activities and a content knowledge examination.

(b) Definitions. -- As used in this subsection:

(1) A 'North Carolina public school' is a school operated by a local board of education, the Department of Health and Human Services, the Department of Correction, or The University of North Carolina; a school affiliated with The University of North Carolina; or a charter school approved by the State Board of Education.

(2) A 'teacher' is a person who is:

a. Certified to teach in North Carolina;

b. A State-paid employee of a North Carolina public school;

c. Paid on the teacher salary schedule; and

d. Spends at least seventy percent (70%) of his or her work time in classroom instruction. The remainder of the teacher's time shall be spent in one or more of the following: other student instruction, mentoring teachers, doing demonstration lessons for teachers, writing curricula,

developing and leading staff development programs for teachers.

(c) Payment of the NBPTS Participation Fee; Paid Leave. -- The State shall pay the NBPTS participation fee and shall provide up to three days of approved paid leave to all teachers participating in the NBPTS program who:

(1) Have completed three years of teaching in a North Carolina public school; and

(2) Have (i) not previously received State funds for participating in any certification area in the NBPTS program, (ii) repaid any State funds previously received for the NBPTS certification process, or (iii) received a waiver of repayment from the State Board of Education.

Teachers participating in the program shall take paid leave only with the approval of their supervisors.

(d) Repayment by a Teacher Who Does Not Complete the Process. -- A teacher for whom the State pays the participation fee who does not complete the process shall repay the certification fee to the State.

Repayment is not required if a teacher does not complete the process due to the death or disability of the teacher. Upon the application of the teacher, the State Board of Education may waive the repayment requirement if the State Board finds that the teacher was unable to complete the process due to the illness of the teacher, the death or catastrophic illness of a member of the teacher's immediate family, parental leave to care for a newborn, or other extraordinary circumstances.

(e) Repayment by a Teacher Who Does Not Teach for a Year After Completing the Process. -- A teacher for whom the State pays the participation fee who does not teach for a year in a North Carolina public school after completing the process shall repay the certification fee to the State.

Repayment is not required if a teacher does not teach in a North Carolina public school for at least one year after completing the process due to the death or disability of the teacher. Upon the application of the teacher, the State Board of Education may extend the time before which a teacher must either teach for a year or repay the participation fee if the State Board finds that the teacher is unable to teach the next year due to the illness of the teacher, the death or catastrophic illness of a member of the teacher's immediate family, parental leave to care for a newborn, or other extraordinary circumstances.

(f) The State Board shall adopt policies and guidelines to implement this section."

CODE NO. 2000DPI-H025-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

ALLOCATION OF CENTRAL OFFICE ADMINISTRATION FUNDS

Section 8.17. Expansion budget funds appropriated to State Aid to Local School Administrative Units for the 2000-2001 fiscal year for Central Office Administration shall be used to ensure that every local school administrative unit receives the amount calculated under the State Board of Education's distribution formula used for allocation of these funds.

CODE NO. 2000DPI-H031-P

Requested by: Representatives Rogers, Oldham, Boyd-McIntyre, Easterling, Redwine, Nesbitt

REDUCTION OF PAPERWORK IN PUBLIC SCHOOLS

Section 8.18.(a) G.S. 115C-307(g) reads as rewritten:

"(g) To Make Required Reports. -- ~~Every teacher of a public school shall make such reports as are~~ A teacher shall make all reports required by the ~~boards of~~

~~education, and the~~ local board of education. The superintendent shall not approve the ~~vouchers for the pay of teachers~~ voucher for a teacher's pay until the required monthly and annual reports are ~~made: Provided, that the superintendents may require teachers~~ made.

The superintendent may require a teacher to make reports to the ~~principals.~~ principal.

A teacher shall be given access to the student information management system to expedite the process of preparing reports or otherwise providing information. A teacher shall not be required by the local board, the superintendent, or the principal to (i) provide information that is already available on the student information management system; (ii) provide the same information more than once during a school year; or (iii) complete forms regarding compliance with the federal Individuals with Disabilities Education Act (IDEA) that are not required by the United States Department of Education.

~~Provided further, that any~~ Any teacher who knowingly and willfully makes or procures another to make any false report or records, requisitions, or payrolls, respecting daily attendance of pupils in the public schools, payroll data sheets, or other reports required to be made to any board or officer in the performance of their duties, shall be guilty of a Class 1 misdemeanor and the certificate of such person to teach in the public schools of North Carolina shall be revoked by the Superintendent of Public Instruction."

Section 8.18.(b) G.S. 115C-47(18) reads as rewritten:

"(18) To Make Rules Concerning the Conduct and Duties of Personnel. -- Local boards of education, upon the recommendation of the superintendent, shall have full power to make all just and needful rules and regulations governing the conduct of teachers, principals, and supervisors, the kind of reports they shall make, and their duties in the care of school property.

Prior to the beginning of each school year, each local board of education shall identify all reports, including local school required reports, that are required at the local level for the school ~~year.~~ year and shall, to the maximum extent possible, eliminate any duplicate or obsolete reporting requirements. No additional reports shall be required at the local level after the beginning of the school year without the prior approval of the local board of education.

Each local board of education shall also establish a paperwork control committee to monitor all reports and other paperwork produced by or required by the central office."

Section 8.18.(c) The State Board of Education shall:

(1) Review requirements for reports from local school administrative units and, to the extent possible, eliminate any duplicate or obsolete reporting requirements;

(2) Develop a plan for the implementation of a paperless student information management system prior to the 2005-2006 school year and request funds necessary for the implementation of the system;

(3) Work with the United States Department of Education to standardize all forms required under the federal Individuals with Disabilities Education Act (IDEA);

(4) Study the amount of State and local funds expended to meet compliance standards established under IDEA and State law;

(5) Develop a plan to cut spending for compliance issues related to special education by fifty percent (50%) for the 2001-2002 fiscal

year and to direct the savings to direct services for children with special needs; and

(6) Develop a plan to fund compliance issues related to special education only with federal funds provided specifically for that purpose for the 2002-2003 fiscal year and to eliminate all State funding for compliance issues.

The State Board shall report to the Joint Legislative Education Oversight Committee prior to December 15, 2001, on its progress in implementing this section.

CODE NO. 2000DPI-H033-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
SCHOOL LEADERSHIP PILOT PROJECT

Section 8.19. Local school administrative units that participate in the School Leadership Pilot Project of the Center for Leadership in School Reform shall receive State funds for this purpose for no more than three fiscal years.

PART IX. COMMUNITY COLLEGES

CODE NO. 2000DOCC-H001-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
EXPAND FOCUSED INDUSTRIAL TRAINING PROGRAM

Section 9. The State Board of Community Colleges may expand the scope of the Focused Industrial Training (FIT) Program. The expanded program may provide customized training programs for manufacturing industries and for companies and industries involved in the design and programming of computers and telecommunications systems.

CODE NO. 2000DOCC-H006-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
STATE BOARD RESERVE ALLOCATIONS

Section 9.1. Section 9.6 of S.L. 1999-237 reads as rewritten:

"Section 9.6.(a) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for each fiscal year to assist small rural low-wealth community colleges with operation and maintenance of plant costs if they need to assist new or expanding industries in their service delivery areas.

Section 9.6.(b) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of forty thousand dollars ($40,000) for the 1999-2000 fiscal year to support the recruitment activities of the North Carolina Industries for Technical Education (NCITE). NCITE recruits students to community colleges with Heavy Equipment and Transportation Technology Programs in an effort to revitalize those programs.

Section 9.6.(c) The State Board of Community Colleges, in consultation with Cape Fear Community College, Brunswick Community College, and Southeastern Community College, shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for the 1999-2000 fiscal year for planning a Southeastern North Carolina Regional Fire Training Program and twenty thousand dollars ($20,000) for the 1999-2000 fiscal year for other fire training programs.

Section 9.6.(d) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of seventy-five thousand dollars ($75,000) for the 2000-2001 fiscal year for surveys, research, data collection, and analysis required to implement performance budgeting and improve accountability.

Section 9.6.(e) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for the 2000-2001 fiscal year to provide funds to the Community Colleges System Office to continue development of the virtual learning community."

CODE NO. 2000DOCC-H007-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
REPORT CARD ON TEACHER EDUCATION PROGRAMS/STUDY OF HIGH SCHOOL PROGRAMS

Section 9.2.(a) G.S. 115C-296(b1) reads as rewritten:

"(b1) The State Board of Education shall develop a plan to provide a focused review of teacher education programs and the current process of accrediting these programs in order to ensure that the programs produce graduates that are well prepared to teach. The plan shall include the development and implementation of a school of education performance report for each teacher education program in North Carolina. The performance report shall include at least the following elements: (i) quality of students entering the schools of education, including the average grade point average and average score on preprofessional skills tests that assess reading, writing, math and other competencies; (ii) graduation rates; (iii) time-to-graduation rates; (iv) average scores of graduates on professional and content area examination for the purpose of certification; (v) percentage of graduates receiving initial certification; (vi) percentage of graduates hired as teachers; (vii) percentage of graduates remaining in teaching for four years; (viii) graduate satisfaction based on a common survey; and (ix) employer satisfaction based on a common survey. The performance reports shall follow a common format. The performance reports shall be submitted ~~annually for the 1998-99, 1999-2000, and 2000-2001 school years. The performance reports shall be submitted biannually thereafter to coincide with the Board of Governors' biannual report institutional effectiveness.~~ annually. The State Board of Education shall develop a plan to be implemented beginning in the 1998-99 school year to reward and sanction approved teacher education programs and masters of education programs and to revoke approval of those programs based on the performance reports and other criteria established by the State Board of Education.

The State Board also shall develop and implement a plan for annual performance reports for all masters degree programs in education and school administration in North Carolina. To the extent it is appropriated, the performance report shall include similar indicators to those developed for the performance report for teacher education programs. The performance reports shall follow a common format.

Both plans for performance reports also shall include a method to provide the annual performance reports to the Board of Governors of The University of North Carolina, the State Board of Education, and the boards of trustees of the independent colleges. The State Board of Education shall review the schools of education performance reports and the performance reports for masters degree programs in education and school administration each year the performance reports are submitted. The State Board shall submit the performance reports to the Joint Legislative Education Oversight Committee on an annual basis by December 15 or by a date that coincides with the federal reporting date once it is adopted."

Section 9.2.(b) The General Assembly believes educational programs for high school students should provide student accountability, program accountability, access, and efficiency. Therefore, the Education Cabinet, created under G.S. 116C-1, shall study public school, community college, and university programs offered to high school students. These programs include the cooperative high school program, the adult high school diploma program, advanced placement courses, honors courses, and

university courses offered to high school students. The Cabinet shall do the following:

(1) Examine these programs for overlap.
(2) Consider which education entity is the most appropriate one to offer each program.
(3) Consider distance learning options.
(4) Examine whether there should be tuition waivers for high school students who take courses at community colleges or universities.
(5) Determine whether there should be a minimum age for participation in the adult high school program.
(6) Determine the feasibility, advantages and disadvantages, procedures, and costs for requiring students who participate in the adult high school program to take tests required of high school students taking the same courses.
(7) Evaluate the recent recommendations concerning the cooperative high school program that were made to the Joint Legislative Education Oversight Committee by the State Board of Education and the State Board of Community Colleges. In particular, the Cabinet shall determine whether students should receive weighted credit on their high school transcripts for college level courses taken at community colleges, universities, or colleges, and whether this program is an appropriate venue for developmental courses.

The Cabinet shall report its findings, including any recommendations, to the Joint Legislative Education Oversight Committee by November 15, 2000.

CODE NO. 2000DOCC-H008A-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
BUDGET REALIGNMENT TO IMPLEMENT REORGANIZATION AUTHORIZED

Section 9.3. Notwithstanding G.S. 143-23 or any other provision of law, the State Board of Community Colleges may transfer funds within the budget of the Community Colleges System Office to the extent necessary to implement the departmental reorganization plan recommended by the President of the North Carolina Community College System and adopted by the State Board in September 1999.

The State Board of Community Colleges shall report on its implementation of this section to the Joint Legislative Education Oversight Committee, the chairs of the Education Appropriations Subcommittees of the House of Representatives and the Senate, and the Fiscal Research Division within 30 days of completion of the budget realignment.

CODE NO. 2000DOCC-H009-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
USE OF 1999-2000 OVER-REALIZED RECEIPTS

Section 9.4.(a) Notwithstanding the provisions of G.S. 115D-31(e), over-realized receipts for the 1999-2000 fiscal year in the amount of two million dollars ($2,000,000) shall be used for the operations of the Community Colleges System Office for the 2000-2001 fiscal year. These funds are used in this act to offset a base budget reduction of an equal amount.

Section 9.4.(b) This section becomes effective June 30, 2000.

CODE NO. 2000DOCC-H012-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

ASHEVILLE-BUNCOMBE TECHNICAL COMMUNITY COLLEGE FUNDS DO NOT REVERT

Section 9.5.(a) Funds appropriated to Asheville-Buncombe Technical Community College in S.L. 1999-237 for its Small Business Center shall not revert at the end of the 1999-2000 fiscal year, but shall remain available for expenditure in the 2000-2001 fiscal year.

Section 9.5.(b) This section becomes effective June 30, 2000.

CODE NO. 2000DOCC-H013-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

STUDY DISTANCE LEARNING/EDUCATION PROGRAMS

Section 9.6. The State Board of Community Colleges shall contract with an independent consultant to study funding methods and delivery of distance learning and education programs. Distance learning and education shall include, but not be limited, to telecourses, two-way interactive video, Internet-based courses, and a combination of these technologies.

The study shall include:

(1) An analysis of tuition rates, registration fees, and other related charges for in-State and out-of-state students enrolling in distance course offerings;

(2) A survey of current distance course offerings, delivery systems, and sources of funding, including an assessment of the ability of individual colleges to provide and support distance learning now and in the future; and

(3) A plan for efficient and effective expansion of course offerings and delivery systems to (i) improve workforce education and training, (ii) avoid duplication within the Community College System and with distance learning programs offered by The University of North Carolina, and (iii) promote coordination of distance learning programs among the institutions of the Community College System and The University of North Carolina.

The consultant shall take into account two approaches to distance learning currently being considered by the Community College System. One model emphasizes a regional approach involving consolidation of equipment and staff at six regional operating centers across the State with all colleges having equal access to a designated center. The other model emphasizes a decentralized approach with a minimum level of distance programs supported at each of the 59 institutions.

The State Board of Community Colleges shall use funds from the State Board Reserve to implement this section.

The State Board of Community Colleges shall report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by January 15, 2001, on the results of the study and the recommendations of the consultant.

CODE NO. 2000DOCC-H014-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

PERFORMANCE BUDGETING/CLARIFICATIONS

Section 9.7. G.S. 115D-31.3 reads as rewritten:

"**§ 115D-31.3. Performance budgeting.**

(a) Creation of Accountability Measures and Performance Standards. -- The State Board of Community Colleges shall create new accountability measures and performance standards to be used for performance budgeting for the Community College System. ~~The results of a survey may~~ Survey results shall be used as a

performance standard only if the survey is statistically valid. The State Board of Community Colleges shall review annually the accountability measures and performance standards to ensure that they are appropriate for use in performance budgeting.

~~(b) Notwithstanding any other provision of law, the State Board shall authorize each institution meeting the new performance standards to carryforward funds remaining in its budget at the end of each fiscal year in an amount not to exceed two percent (2%) of the State funds allocated to the institution for that fiscal year. The funds carried forward shall be used for the purchase of equipment and initial program start-up costs excluding regular faculty salaries. These funds shall not be used for continuing salary increases or for other obligations beyond the fiscal year into which they were carried forward. These funds shall be encumbered within 12 months of the fiscal year into which they were carried forward.~~

~~(c) The five required performance measures are (i) progress of basic skills students, (ii) passing rate for licensure and certification examinations, (iii) goal completion of program completers, (iv) employment status of graduates, and (v) performance of students who transfer to the university system. Colleges may choose one other performance measure from the list contained in the State Board's Phase 4 Funding Formula Study, which was presented to the Joint Legislative Education Oversight Committee. Successful performance on each of the six performance measures shall allow a college to retain and carry forward up to one-third of one percent (1/3 of 1%) of its final fiscal year General Fund appropriations into the next fiscal year.~~

~~(d) Each college shall publish its performance on these six measures in its catalog each year beginning with the 2001 academic year.~~

(e) Mandatory Performance Measures. -- The State Board of Community Colleges shall evaluate each college on the following 12 performance standards:

(1) Progress of basic skills students,
(2) Passing rate for licensure and certification examinations,
(3) Goal completion of program completers and noncompleters,
(4) Employment status of graduates,
(5) Performance of students who transfer to the university system,
(6) Passing rates in developmental courses,
(7) Success rates of developmental students in subsequent college-level courses,
(8) The level of satisfaction of students who complete programs and those who do not complete programs,
(9) Curriculum student retention and graduation,
(10) Employer satisfaction with graduates,
(11) Client satisfaction with customized training, and
(12) Program enrollment.

(f) Publication of Performance Ratings. -- Each college shall publish its performance on the 12 measures set out in subsection (e) of this section (i) annually in its electronic catalog or on the Internet and (ii) in its printed catalog each time the catalog is reprinted.

The Community Colleges System Office shall publish the performance of all colleges on all 12 measures in its annual Critical Success Factors Report.

(g) Performance Budgeting; Recognition for Successful Performance. -- For the purpose of performance budgeting, the State Board of Community Colleges shall evaluate each college on six performance measures. These six shall be the five set out in subdivisions (1) through (5) of subsection (e) of this section and one selected by the college from the remainder set out in subdivisions (6) through (11). For each of these six performance measures on which a college performs successfully or attains

the standard of significant improvement, the college may retain and carry forward into the next fiscal year one-third of one percent (1/3 of 1%) of its final fiscal year General Fund appropriations.

(h) Performance Budgeting; Recognition for Superior Performance. -- Funds not allocated to colleges in accordance with subsection (g) of this section shall be used to reward superior performance. After all State aid budget obligations have been met, the State Board of Community Colleges shall distribute the remainder of these funds equally to colleges that perform successfully on at least five of the six performance measures.

(i) Permissible Uses of Funds. -- Funds retained by colleges or distributed to colleges pursuant to this section shall be used for the purchase of equipment, initial program start-up costs including faculty salaries for the first year of a program, and one-time faculty and staff bonuses. These funds shall not be used for continuing salary increases or for other obligations beyond the fiscal year into which they were carried forward. These funds shall be encumbered within 12 months of the fiscal year into which they were carried forward."

CODE NO. 2000DOCC-H015A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine, C. Wilson

COMMUNITY COLLEGE TUITION/LEGAL IMMIGRANTS

Section 9.8. G.S. 115D-39 reads as rewritten:

"**§ 115D-39. Student tuition and fees.**

The State Board of Community Colleges shall fix and regulate all tuition and fees charged to students for applying to or attending any institution pursuant to this Chapter.

The receipts from all student tuition and fees, other than student activity fees, shall be State funds and shall be deposited as provided by regulations of the State Board of Community Colleges.

The legal resident limitation with respect to tuition, set forth in G.S. 116-143.1 and G.S. 116-143.3, shall apply to students attending institutions operating pursuant to this Chapter; provided, however, that when an employer other than the armed services, as that term is defined in G.S. 116-143.3, pays tuition for an employee to attend an institution operating pursuant to this Chapter and when the employee works at a North Carolina business location, the employer shall be charged the in-State tuition rate; provided further, however, a community college may charge in-State tuition to up to one percent (1%) of its out-of-state students, rounded up to the next whole number, to accommodate the families transferred by business, the families transferred by industry, or the civilian families transferred by the military, consistent with the provisions of G.S. 116-143.3, into the State. Notwithstanding these requirements, a refugee who lawfully entered the United States and who is living in this State shall be deemed to qualify as a domiciliary of this State under G.S. 116-143.1(a)(1) and as a State resident for community college tuition purposes as defined in G.S. 116-143.1(a)(2). Also, a nonresident of the United States who has resided in North Carolina for a 12-month qualifying period and has filed an immigrant petition with the United States Immigration and Naturalization Service shall be considered a State resident for community college tuition purposes."

CODE NO. 2000DOCC-H016B-P

Requested by: Representatives Easterling, Redwine, Baddour

SUPPLEMENTAL FUNDING FOR SUMMER TERM CURRICULUM INSTRUCTION

Section 9.9.(a) Funds appropriated in this act for summer term curriculum instruction are provided as a supplement to curriculum enrollment

funding for the regular academic year. These funds are for direct instructional costs, including faculty salaries and benefits, and instructional supplies and materials ("other costs") and shall be budgeted as such by the community college institutions. These funds may be carried forward beyond the fiscal year in which they are appropriated, only for the purpose of fulfilling a contractual obligation for summer term curriculum instructional faculty.

Funding for summer term curriculum instruction shall be allocated from a separate line item in State aid fund code 1600 based on full-time equivalent student enrollment in summer term curriculum course offerings for the prior fiscal year. Funding for summer term curriculum instruction shall not be included in the continuing budget concept for full-time equivalent (FTE) enrollment funding as enacted in Section 10.4(b) of S.L. 1998-212.

It is the intent of the General Assembly to review annually the objectives, use of funds, and benefits of funding for summer term curriculum instruction to determine whether to provide increased funding for this purpose.

Nothing in this section shall be construed as intent of the General Assembly to provide additional funding for summer term curriculum enrollment increases or to increase the rate of funding per FTE for summer term enrollment.

The State Board of Community Colleges shall adopt a calendar for curriculum instruction, designating the dates on which the fall, spring, and summer terms shall begin and end. The calendar shall provide for flexibility among community college institutions for actual starting and ending dates within a range established by the State Board of Community Colleges. The session for the summer term shall not overlap either the fall or spring semesters in such a way as to allow summer term earned FTE to be counted as fall or spring earned FTE for the purposes of determining enrollment funding under the continuing budget concept.

Section 9.9.(b) The State Board of Community Colleges shall hold harmless, from monetary penalties, repayment of State resources, and reimbursement of uncollected tuition, any community college for which the Program Audit Services Section of the Community Colleges System Office notes an audit exception for membership hours reported on the Spring 1999 Curriculum Institution Class Report (ICR) for classes which began after the institution's published ending date for that term. This subsection shall only apply for curriculum membership hours reported for the Spring 1998 to Spring 1999 reporting period. This subsection applies to all final audit exceptions noted previously or in the future.

PART X. UNIVERSITIES

CODE NO. 2000UNC-H001A-P

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

REALIGN CENTER FOR SCHOOL LEADERSHIP DEVELOPMENT PROGRAMS

Section 10.(a) Effective October 1, 2000, the Principals Executive Program and all of its statutory authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations or other funds, including the functions of budgeting and purchasing, is transferred from the University of North Carolina at Chapel Hill to the Board of Governors of The University of North Carolina. The Board of Governors shall coordinate the program within the University of North Carolina Center for School Leadership Development.

Section 10.(b) Effective October 1, 2000, the University of North Carolina Mathematics and Science Education Network and all of its statutory authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations or other funds, including the functions of budgeting and

purchasing, is transferred from the University of North Carolina at Chapel Hill to the Board of Governors of The University of North Carolina. The Board of Governors shall coordinate the program within the University of North Carolina Center for School Leadership Development.

CODE NO. 2000UNC-H002B-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
UNC NEED-BASED STUDENT FINANCIAL AID PROGRAM

Section 10.1. Of the funds appropriated by this act to the Board of Governors of The University of North Carolina the sum of five million dollars ($5,000,000) in recurring funds shall be used to establish and begin the implementation of the new need-based student financial aid program for in-State students attending constituent institutions of The University of North Carolina. The program shall provide grants to needy North Carolina students who are seeking undergraduate degrees or masters degrees. Eligibility of a student for a program grant shall be based on a formula that offsets Pell grants and federal tax credits before determining eligibility to receive one of the new grants. In addition, to be eligible for a program grant, a student shall also be required to contribute a combination of personal savings, borrowed funds, institutional aid, and personal earnings, called self-help.

The new program shall be administered by the North Carolina State Education Assistance Authority. The North Carolina State Education Assistance Authority shall coordinate offers of institutional aid and program grants made to a student to ensure that the student does not receive more in grants and scholarships than the actual cost of attendance.

In the absence of full funding for the program, the North Carolina State Education Assistance Authority may modify the formula for distribution as needed to accommodate the reduced amount.

The program shall be established and implemented in accordance with the recommendations regarding its creation adopted by the Board of Governors in November 1999. The goals of the program shall be to make The University of North Carolina more affordable for low-income students and to reduce student indebtedness by setting a limit on the funds that needy students will be asked to borrow each year. This program will provide financial assistance to constituent institutions that enroll disproportionate numbers of low-income students, particularly at the seven institutions targeted for major enrollment growth.

CODE NO. 2000UNC-H003-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
UNC CHARLOTTE RETAIN LAND SALE PROCEEDS

Section 10.2. Notwithstanding any other provision of law, the University of North Carolina at Charlotte may retain the proceeds from the sale of the existing chancellor's residence. The University of North Carolina at Charlotte may use the proceeds from the sale of the existing chancellor's residence, and any other nonappropriated funds available, to construct a new chancellor's residence. Proceeds from the sale not used for that purpose shall revert.

CODE NO. 2000UNC-H004-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
AID TO STUDENTS ATTENDING PRIVATE COLLEGES PROCEDURE

Section 10.3. Section 10 of S.L. 1999-237 reads as rewritten:

"Section 10.(a) Funds appropriated in this act to the Board of Governors of The University of North Carolina for aid to private colleges shall be disbursed in accordance with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up to one thousand fifty dollars ($1,050) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1, 1999, for the 1999-2000 fiscal year and up to one thousand ~~fifty~~ one hundred dollars ~~($1,050)~~ ($1,100) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1, 2000, for the 2000-2001 fiscal year.

These funds shall be placed in a separate, identifiable account in each eligible institution's budget or chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year. Each student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be available for the tuition grant program as defined in subsection (b) of this section.

Section 10.(b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition to all other financial assistance made available to private educational institutions located within the State, or to students attending these institutions, there is granted to each full-time North Carolina undergraduate student attending an approved institution as defined in G.S. 116-22, a sum, not to exceed one thousand seven hundred fifty dollars ($1,750) for the 1999-2000 academic year and one thousand ~~seven hundred fifty~~ eight hundred dollars ~~($1,750)~~ ($1,800) for the 2000-2001 academic year, which shall be distributed to the student as hereinafter provided.

The tuition grants provided for in this section shall be administered by the State Education Assistance Authority pursuant to rules adopted by the State Education Assistance Authority not inconsistent with this section. The State Education Assistance Authority shall not approve any grant until it receives proper certification from an approved institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the State Education Assistance Authority shall remit at such times as it shall prescribe the grant to the approved institution on behalf, and to the credit, of the student.

In the event a student on whose behalf a grant has been paid is not enrolled and carrying a minimum academic load as of the tenth classroom day following the beginning of the school term for which the grant was paid, the institution shall refund the full amount of the grant to the State Education Assistance Authority. Each approved institution shall be subject to examination by the State Auditor for the purpose of determining whether the institution has properly certified eligibility and enrollment of students and credited grants paid on behalf of the students.

In the event there are not sufficient funds to provide each eligible student with a full grant:

(1) The Board of Governors of The University of North Carolina, with the approval of the Office of State Budget and Management, may transfer available funds to meet the needs of the programs provided by subsections (a) and (b) of this section; and

(2) Each eligible student shall receive a pro rata share of funds then available for the remainder of the academic year within the fiscal period covered by the current appropriation.

Any remaining funds shall revert to the General Fund.

Section 10.(c) Expenditures made pursuant to this section may be used only for secular educational purposes at nonprofit institutions of higher learning. Expenditures made pursuant to this section shall not be used for any student who:

(1) Is incarcerated in a State or federal correctional facility for committing a Class A, B, B1, or B2 felony; or

(2) Is incarcerated in a State or federal correctional facility for committing a Class C through I felony and is not eligible for parole or release within 10 years.

Section 10.(d) The State Education Assistance Authority shall document the number of full-time equivalent North Carolina undergraduate students that are enrolled in off-campus programs and the State funds collected by each institution pursuant to G.S. 116-19 for those students. The State Education Assistance Authority shall also document the number of scholarships and the amount of the scholarships that are awarded under G.S. 116-19 to students enrolled in off-campus programs. An 'off-campus program' is any program offered for degree credit away from the institution's main permanent campus.

The State Education Assistance Authority shall include in its annual report to the Joint Legislative Education Oversight Committee the information it has compiled and its findings regarding this program."

CODE NO. 2000UNC-H005B-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
UNC DISTANCE EDUCATION

Section 10.4. This act provides funding to the Board of Governors of The University of North Carolina for degree-related courses provided away from the campus sites of the constituent institutions. The intent of this commitment is to provide expanded opportunities for higher education to more North Carolina residents, including nontraditional students, and to increase the number of North Carolina residents who earn postsecondary degrees. The priority for the use of these funds is to fund courses needed to earn baccalaureate degrees, especially those baccalaureate completion programs offered at community college sites.

CODE NO. 2000UNC-H007B-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
HIGHER EDUCATION COMPENSATION

Section 10.5. The Joint Legislative Education Oversight Committee shall study the need for an "Excellent Universities and Community Colleges Act" that addresses the need and ability of The University of North Carolina and the State's community college system to attract and retain excellent faculty.

In its deliberations regarding university faculty, the Committee shall consider the study conducted by The University of North Carolina on compensation for the faculty at its constituent institutions, how compensation for similar faculty positions compares among the constituent institutions, and how compensation for faculty positions compares with that paid by other public universities for similar faculty positions.

In its deliberations regarding compensation for faculty in the State's community college system, the Committee shall consider any relevant studies on community college faculty compensation conducted by the community college system, how compensation for similar faculty positions compares among the community colleges, and how compensation for faculty positions compares with that paid by other public community college systems for similar faculty positions.

If the Committee determines in its study that there are critical issues regarding faculty compensation, then the Committee shall include in its recommendations and report whether a major, new legislative initiative is needed to address those issues. The Committee shall report its findings and recommendations to the 2001 General Assembly.

CODE NO. 2000UNC-H008A-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine
JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE STUDY GLOBAL EDUCATION PROGRAMS

Section 10.6. The Joint Legislative Education Oversight Committee may study the various international studies and global education programs offered within the State's university system. In its study the Committee shall consider the number of international studies or global education programs that are offered within the university system, the source of funds, the curriculum for each program, and the teaching methodology used in each of those programs. The Committee shall evaluate the programs and determine how the programs compare with regard to quality, curriculum, teaching methodology, and student enrollment and identify any duplication.

The Committee may report its findings and recommendations to the 2001 General Assembly.

CODE NO. 2000UNC-H010-P
Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine, Baddour
MODEL TEACHER CONSORTIUM

Section 10.7. Of the funds appropriated to the Board of Governors of The University of North Carolina for the 2000-2001 fiscal year the sum of one million three hundred thousand dollars ($1,300,000) is allocated to restore the model teacher consortium program to the 21 counties that were part of that program in 1998-99 and to add the following eight counties to the program: Bladen, Caswell, Camden, Wayne, Alamance, Beaufort, Washington, and Onslow Counties.

CODE NO. 2000DPI-H041

Requested by: Representative Warner

ADDITIONAL FLEXIBILITY IN THE TEACHERS' OPTION TO MAKE UP INCLEMENT WEATHER DAYS

Section @. G.S. 115C-302.1(c) reads as rewritten:

"(c) Vacation. -- Included within the 10-month term shall be annual vacation leave at the same rate provided for State employees, computed at one-twelfth of the annual rate for State employees for each month of employment. Local boards shall provide at least 10 days of annual vacation leave at a time when students are not scheduled to be in regular attendance. However, instructional personnel who do not require a substitute may use annual vacation leave on days that students are in attendance. Vocational and technical education teachers who are employed for 11 or 12 months may, with prior approval of the principal, work on annual vacation leave days designated in the school calendar and may use those annual vacation leave days during the eleventh or twelfth month of employment.

On a day that pupils are not required to attend school due to inclement weather, but employees are ~~required~~ given the option to report for a workday, a teacher may elect not to report due to hazardous travel conditions and to take an annual vacation day or to make up the day at a time agreed upon by the teacher and the teacher's immediate supervisor or principal. On a day that school is closed to employees and pupils due to inclement weather, a teacher shall work on the scheduled makeup day.

All vacation leave taken by the teacher will be upon the authorization of the teacher's immediate supervisor and under policies established by the local board of education. Annual vacation leave shall not be used to extend the term of employment.

Notwithstanding any provisions of this subsection to the contrary, no person shall be entitled to pay for any vacation day not earned by that person."

CODE NO. 2000DPI-H040

Requested by: Representative Warner

COMPUTATION OF REQUIRED INSTRUCTIONAL DAYS AND HOURS

Section @. G.S. 115C-84.2(a)(1) reads as rewritten:

"(a) School Calendar. -- Each local board of education shall adopt a school calendar consisting of 220 days all of which shall fall within the fiscal year. A school calendar shall include the following:

(1) A minimum of either 180 days ~~and~~ or 1,000 hours of instruction covering at least nine calendar months. The local board shall designate when the 180 instructional days shall occur. The number of instructional hours in an instructional day may vary according to local board policy and does not have to be uniform among the schools in the administrative unit. Local boards may approve school improvement plans that include days with varying amounts of instructional time. If school is closed early due to inclement weather, the day and the scheduled amount of instructional hours may count towards the required minimum to the extent allowed by State Board policy. The school calendar shall include a plan for making up ~~days and~~ instructional days, instructional ~~hours~~ hours, or both, missed when schools are not opened due to inclement weather.

One thousand hours shall be considered the equivalent to 180 days for the purpose of computing the minimum number of instructional days required by this subdivision and for the purpose of computing the number of instructional days worked by teachers."

CODE NO. 2000DPI-H041A

Requested by: Representative Warner

ADDITIONAL FLEXIBILITY IN THE TEACHERS' OPTION TO MAKE UP INCLEMENT WEATHER DAYS

Section @. G.S. 115C-302.1(c) reads as rewritten:

"(c) Vacation. -- Included within the 10-month term shall be annual vacation leave at the same rate provided for State employees, computed at one-twelfth of the annual rate for State employees for each month of employment. Local boards shall provide at least 10 days of annual vacation leave at a time when students are not scheduled to be in regular attendance. However, instructional personnel who do not require a substitute may use annual vacation leave on days that students are in attendance. Vocational and technical education teachers who are employed for 11 or 12 months may, with prior approval of the principal, work on annual vacation leave days designated in the school calendar and may use those annual vacation leave days during the eleventh or twelfth month of employment.

On a day that pupils are not required to attend school due to inclement weather, but employees are required <u>or given the option</u> to report for a workday, a teacher may elect not to report due to hazardous travel ~~conditions and~~ <u>conditions. If the teacher elects not to report, the teacher shall either</u> ~~to~~ take an annual vacation day or ~~to~~ make up the day at a time agreed upon by the teacher and the teacher's immediate supervisor or principal. On a day that school is closed to employees and pupils due to inclement weather, a teacher shall work on the scheduled makeup day.

All vacation leave taken by the teacher will be upon the authorization of the teacher's immediate supervisor and under policies established by the local board of education. Annual vacation leave shall not be used to extend the term of employment.

Notwithstanding any provisions of this subsection to the contrary, no person shall be entitled to pay for any vacation day not earned by that person."

VISITOR REGISTRATION SHEET

House Appr. Sub. Comm. on Ed. — June 12-2000

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
John Wilson	NCAE
Harriet Baker	NCAE
Audrey Galloway	NCAE
Suzanne Williams	NCCC
Bill Wilson	NCAE
Rosi Decker	Rural Prosperity Task Force
Lacy Morgan	NCCCS
Jim Langdon	NCCCS
John Rocker	NCYSA
Mark Fleming	NC State University
Evelyn Shuthorne	UNC Chapel Hill
Austin Bunch	East Carolina Univ.
Stuart Albright	Lt. Governor's office.
Carly O'Connor	Pres
Hal Miller	NCACCT
Jennifer Bennett	NC DPI
Hank Hurd	NC DPI
Mary Jo Atkley	NCCAT + UNCSXD
[illegible]	UNC GA
Charles [illegible]	UNC GA
Darryl Powell	Principals' Exec. Program
David Brown	OSBM
Sam Lee	OSBM
[illegible]	OSBM
Elizabeth Grossenstein	OSBM
[illegible] Carpenter	PCS
[illegible]	OSBM
Jeff Davis	UNC

VISITOR REGISTRATION SHEET

House Approp. SubComm on Education — June 12, 2000

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Susan Harrison	WCPSS
Karen Gaik	Governor's Office
Mark Sanders	Governor's Office
Ann Bellam	SBE
Sandy Salstrom	SBE
Sarah Fuerst	Legislative Staff
Jan Crutts	NCASA
Sandra Suggs	"
Ann H. Dowell	NCICU
Marty Lapp-Chadderton	NCJCDC
[illegible]	NCPTA
Fred Bartholomew	NC PASA
Tamara Wade	PENC
[illegible]	NCICU
Sara Singer	Governor's Office

2000

JOINT APPROPRIATIONS – EDUCATION/HIGHER EDUCATION

MINUTES

AGENDA

SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Thursday, June 15, 2000
Room 421 LOB

CALL TO ORDER **Presiding: Senator Lee, Co-Chair**

- Review of the Budget
- Development of Plans for Future Meetings

Senator Howard Lee, Co-Chair
Senator Walter Dalton, Co-Chair

MINUTES

SENATE APPROPRIATIONS EDUCATION/HIGHER EDUCATION SUBCOMMITTEE

Thursday, June 15, 2000
Room 421 LOB

The Senate Appropriations Education/Higher Education Subcommittee met on Thursday, June 15, 2000 at 8:30 A.M. in Room 421 of the Legislative Office Building. There were eight Senators present.

Senator Dalton presided and called the meeting to order and announced the Agenda for this meeting is the continuation of the review of the *House* Education Draft Budget Proposal.

UNIVERSITY SYSTEM

Senator Dalton recognized Charlotte Todd, Fiscal Staff, to present the changes to the University System. Ms. Todd detailed the changes to each line item and the Special Provisions pertinent to the University System. *(Please see Attachment 1, pp.'s F4-F5; and Attachment 2, PP's. 50-54).*

COMMUNITY COLLEGE SYSTEM

Senator Dalton recognized Ms. Mona Moon, Fiscal Staff, to present the changes to the Community College System. Ms. Moon presented a detailed report of the changes to each line item and the Special Provisions pertinent to the Community Colleges System. *(Please see Attachment 1, pp.'s F6-F7, and Attachment 2).*

PUBLIC SCHOOLS

Senator Dalton recognized Mr. Philip Price, Fiscal Staff, to present a comprehensive list of changes in the line items of the proposed budget for the Public Schools. *(Please see Attachment 1, PP's. F1- F2 & F3).*

Mr. Jim Newlin, Fiscal Staff, detailed the Special Provision changes for the proposed Public School budget. *(See Attachment 2).*

Each of the Fiscal Staff presenters responded to questions from the Committee.

Senator Dalton adjourned the meeting at 10:15 A.M.

Senator Walter Dalton, Co-Chair

Christina K. Minard, Education Committee Assistant

ATTACHMENT 1

HOUSE MONEY REPORT FOR EDUCATION

June 14, 2000

Public Education

GENERAL FUND

	FY 00-01
Total Budget Approved 1999 Session	**$5,277,518,248**

Budget Changes

Excellent Schools Act

1	**Increase Teacher Salaries** Implement the fourth year of the teacher salary schedule called for in the Excellent Schools Act. $222,730,457 in recurring funds are included in the Reserve for Compensation increases for this purpose. (HB 1840, Sec. 8.10)		
2	**Teacher Longevity: 2000-2001 Salary Increases** Appropriate funds for teacher longevity increases associated with the FY 2000-01 salary increases that are part of the Excellent Schools Act	$7,817,926	R

Improving Student Success

3	**Improving Student Accountability** Appropriate funds to local school systems to improve student performance in grades 3-12. Funds are allocated to local school systems based on the numbers of students scoring at Levels I and II on the end of grade tests. (HB 1840, Sec. 8)	$8,000,000	R
4	**Limited English Proficiency** Appropriates additional funds for serving students with limited proficiency in English. This brings total funding for this purpose to $17,066,386 for FY 2000-01 (prior to adjustments for legislated salary increases). (HB 1840, Sec. 8.3)	$3,700,000	R
5	**Small County Supplemental Funding** Includes additional funding for two additional counties (Ashe and Hertford) which become eligible under the existing formula.	$2,000,000	R
6	**Exceptional Children** Expansion funding increases the per child supplemental amount from $2,517.74 to $2,549.73 per pupil. The amount was $2,488.83 in 1999-00. (HB 1840, Sec. 8.2)	$5,000,000	R
7	**Low Wealth Supplemental Funding** Provide additional Low Wealth Supplemental Funding. (HB 1840, Sec. 8.15)	$5,000,000	R

House Subcommittee on Education

8	**School Breakfast Program** Funds to annualize free breakfast for kindergarten students begun in January, 2000.	$1,600,000	R
9	**School Leadership Pilot** Funds to the State Board of Education for the school leadership pilot project. The four school districts receiving the funds will participate in the nationwide program of the Center for Leadership in School Reform.(HB 1840, Sec. 8.19)	$240,000	NR
10	**Central Office Administration** Provides funding to assure that all local school districts receive the funds calculated by the State Board of Education formula for this category.(HB 1840, Sec. 8.17)	$3,355,175	R
11	**Average Daily Membership Contingency Reserve** Provide additional funds and authority to address transitional year funding for local school districts with new or rapidly growing charter schools.(HB 1840, Sec. 8.7)	$500,000	NR

Various Budget Adjustments

12	**Transportation: Increased Fuel Costs** Funds to adjust for recent increases in fuel costs experienced by school bus operations.	$7,000,000	NR
13	**Average Annual Salary Adjustment** Annual adjustment of average budgeted salary of certified personnel to reflect actual experience through December, 1999.	($42,363,546)	R
14	**Additional Adjustments in Average Salary Projections** Further analysis of the certified payroll data by the Department of Public Instruction determined that more current certification data produced an additional change in average projected salaries for fiscal year 2000-01.	($10,032,012)	R
15	**Substitute Teacher Pay** Revision of cost estimates to meet increased salary requirements.	($440,000)	R
16	**Revise Average Daily Membership** Revise the projected increase for 2000-01 school year downward by 972 students. The revised budget continues to provide for an increase of 19,686 more students in 2000-01.	($6,887,360)	R
17	**Revise Headcount of Exceptional Children** Adjust continuation budget to reflect actual April 1, 2000 headcount of exceptional children.	($2,104,833)	R

House Subcommittee on Education

18	**Employee Benefits Program Revisions** Worker's compensation, short-term disability, and annual leave requirements are adjusted to reflect recent experience.	($1,265,742)	R
19	**Teaching Fellows Program** Reduce funding for the Teaching Fellows Scholarship Loan Program Fund to use the fund balance. The reduction will not affect the number of scholarships available.	($2,500,000)	NR
20	**Prospective Teacher Scholarship Loan Program** Reduce funding for the Prospective Teacher Scholarship Loan Program Fund to use the fund balance. The reduction will not affect the number of scholarships available.	($750,000)	NR
21	**Payments for Vacation Days** Adjust funding to reflect recent expenditure experience.	($5,000,000)	R
22	**School Bus Purchases** Adjust recurring funding for school buses based on projected schedule for replacements.	($6,000,000) $6,000,000	R NR
	Budget Changes	**($37,620,392)** **$10,490,000**	**R** **NR**
	Total Position Changes		
	Revised Total Budget	**$5,250,387,856**	

	FY 00-01
Total Budget Approved 1999 Session	**$1,656,863,227**

Budget Changes

23	**Reserves for New Facilities** A one-time reduction in operating costs for new facilities due to construction delays.	($1,210,190)	NR
24	**Regular Term Enrollment** Funds the additional projected enrollment cost for regular term university system enrollment.	$21,081,793 201.00	R
25	**Off-Campus Enrollment Increase** Funds 70% of the Board of Governor's requested enrollment increase for off-campus programs.(HB 1840, Sec. 10.4)	$10,000,000 80.00	R
26	**Tuition Receipts** Additional tuition receipts due to the across-the-board inflationary increase adopted by the UNC Board of Governors for all campuses.	($3,345,338)	R
27	**Need-Based Financial Aid** Creates a new need-based financial aid program in addition to the other forms of financial aid: New Financial Aid: *Campus specific financial aid: $5,611,340 *System Need-based Financial Aid : $5,000,000 *Enrollment-based Financial Aid: $ 46,000 *In-kind financial aid by funding off-: $10,000,000 campus programs to allow students to remain at home while taking courses TOTAL: $20,657,340 Less: -Campus-specific tuition $5,611,340 -Enrollment financial aid $ 46,000 -Off-campus enrollment $10,000,000 NET GENERAL FUND APPROPRIATION: $ 5,000,000 (HB 1840, Sec. 10.1)	$5,000,000	R
28	**UNC Hospitals Inflationary Increase** Eliminates inflationary increases for FY 2000-01.	($2,691,748)	R

House Subcommittee on Education

29	**Model Teacher Consortium** Funds to restore the Model Teacher Consortium program to those 21 local education agencies (LEA's) that were part of that program in 1998-99 and to add eight additional ones. (HB 1840, Sec.10.7)	$800,000 $500,000	R NR
30	**Aid to Students Attending Private Colleges** Increases the Legislative Tuition Grant (LTG) program by $50 per student bringing it to a total of $1,800. Also increases the State Contractual Scholarship Fund (SCSF) by $50 for each FTE student bringing the total to $1,100.(HB 1840, Sec. 10.3)	$3,257,457	R
31	**Transfer Center for Prevention of School Violence** Transfers the Center for the Prevention of School Violence from the University system to the Office of Juvenile Justice in accordance with the recommendation of the Governor.	($500,000) -7.00	R
32	**Achievement Gap Funds** Funds to support the Historically Minority College and University Initiative to Close the Achievement Gap.	$500,000	NR
33	**ECU Doctoral Status Funds** Provides the next phase of funding for East Carolina University in its transition to a Doctoral II institution.	$1,500,000	R
34	**PT-CAM** Funds the PT-CAM regional workforce training program in the Piedmont Triad area of the state.	$250,000	NR
35	**Chinqua-Penn Plantation** Accepts the Governor's recommendation on a non-recurring basis to provide funds for the Board of Governors to allocate to NC State for the operation of the Chinqua-Penn Plantation.	$100,000	NR
	Budget Changes	**$35,102,164** **$139,810**	R NR
	Total Position Changes	274.00	
	Revised Total Budget	**$1,692,105,201**	

Community Colleges

GENERAL FUND

	FY 00-01
Total Budget Approved 1999 Session	**$591,015,693**

Budget Changes

A. Community Colleges System Office

36	**Salary Adjustment Funds** Provide funds for position reclassifications and range revisions approved by the State Personnel Commission and in-range equity adjustments approved by the President of the Community College System.	$225,000	R

B. State Aid - Community College Institutions

37	**Enrollment Adjustment** Provide funds for community college enrollment growth in accordance with the enrollment funding formula ($20,480,910). Also provide funds to hold harmless from enrollment declines those community colleges in eastern North Carolina counties hardest hit by Hurricane Floyd that experienced a total FTE loss of greater than 20 under the enrollment funding formula ($1,800,000).	$22,280,910	R
38	**Supplement for Summer Term Curriculum Instruction** Provide funds for summer term curriculum instruction as a supplement to curriculum enrollment funding for the regular academic year. These funds shall be a separate line item in state aid fund code 1600 and shall not be included in the continuing budget concept for earned FTE enrollment funding. (HB 1840, Section 9.9).	$7,177,623	R
39	**Occupational Continuing Education** Increase funds for occupational extension and continuing education programs by adjusting the funding rate per full-time equivalent student in a continued effort to more closely align funding of continuing education programs with that of curriculum programs.	$3,000,000	R
40	**Reduce New and Expanding Industry Training Funds** Reduce the appropriation for the New and Expanding Industry Training (NEIT) program for one year from $6,028,541 to $5,528,541. In addition to the program's general fund appropriation, funds are provided for the 2000-01 fiscal year through the Employment Security Commission Training and Employment Account.	($500,000)	NR

41 Reduce Educational Equipment Funds ($1,000,000) R
($1,020,225) NR

Reduce the appropriation for educational equipment from $17,319,732 to $15,299,507. In addition to the general fund equipment appropriation, funds are provided for the 2000-01 fiscal year through the Employment Security Commission Training and Employment Account.

C. Tuition and Fees

42 Adjustment for Over-realized Receipts ($2,800,000) R
($2,000,000) NR

Increase the budgeted amount of tuition and registration fees for the 2000-01 fiscal year to more accurately reflect anticipated receipts and to offset the impact of FTE enrollment declines due to Hurricane Floyd. This reduction also includes a one-time adjustment for over-realized receipts collected in the 1999-2000 fiscal year. (HB 1840, Section 9.4).

43 Increase Curriculum Tuition Charge ($2,035,908) R

Increase the in-state tuition charge per semester hour by $0.75, from $26.75 to $27.50. It is anticipated that for most students, this increase will be off-set by federal and state financial assistance programs.

44 Increase Semester Hours for Which Tuition is Charged ($2,010,798) R

Increase the maximum number of semester hours for which tuition is charged from 14 semester hours to 16 semester hours. It is anticipated that for most students, this increase will be off-set by federal and state financial assistance programs.

D. Reserves and Other Funds

45 Eliminate Scholarship Reserve Fund Balance ($410,000) NR

Elminate the fund balance remaining in the Community College Scholarship Reserve. This fund balance is derived from accured interest earnings on the $4 million scholarship reserve principal eliminated by the General Assembly in 1999.

46 Reduce State Board Reserve ($100,000) NR

Reduce the appropriation to the State Board Reserve for one year from $1,150,000 to $1,050,000.

47 Reduce Need-Based Financial Aid Fund Balance ($1,000,000) NR

Reduce the fund balance in the reserve for need-based financial aid to retrieve unused funds from the $5 million appropriation for the 1999-2000 fiscal year.

48 Reduce Management Information System (MIS) Fund Balance ($2,000,000) NR

Reduce the fund balance in the reserve for development of a management information system (MIS) to retrieve unused funds from the $8 million appropriation for the 1999-2000 fiscal year.

Budget Changes	**$24,836,827**	**R**
	($7,030,225)	**NR**
Total Position Changes		
Revised Total Budget	**$608,822,295**	

development only as a contractual agreement and whether a condition of the contract shall be that the non-State entity do the following:

(1) Reimburse the State for all State support of any invention, innovation, discovery, or process that is transferred or marketed for a profit by the non-State entity.

(2) Agree to provide to the State prospectively a share in the future profits generated by a State-supported scientific or technological development.

Section 7.3.(d) The Legislative Research Commission shall report its recommendations to the 2001 Session of the General Assembly.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

BUDGETING OF FUNDS TO IMPLEMENT THE ABCs OF PUBLIC EDUCATION PROGRAM

Section 7.4. The Director of the Budget shall include in the proposed continuation budget for the 2001-2003 fiscal biennium funds necessary to provide:

(1) Incentive funding for schools that meet or exceed the projected levels of improvement in student performance in accordance with the ABCs of Public Education Program; and

(2) Financial awards for personnel in schools that obtain the goals of the pilot program established in Section 8.36 of S.L. 1999-237. The purpose of this program is to test and evaluate a revised school accountability model for the ABCs of Public Education Program.

PART VIII. PUBLIC SCHOOLS

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

EXPENDITURE OF FUNDS TO IMPROVE STUDENT ACCOUNTABILITY

Section 8. Section 8.17 of S.L. 1999-237 reads as rewritten:

"Section 8.17. (a) Funds appropriated for the ~~1999-2001 fiscal biennium~~ 2000-2001 fiscal year for Student Accountability Standards shall be used to assist students in performing at or above grade level in reading and mathematics in grades 3-8 as measured by the State's end-of-grade tests. The State Board of Education shall allocate these funds to local school administrative units based on the number of students who score at Level I or Level II on either reading or mathematics end-of-grade tests in grades 3-8. Funds in this allocation category shall be ~~spent only~~ used to improve the academic performance of ~~children~~ (i) students who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and ~~children~~ (ii) students who are performing at Level I or II on the writing tests in grades 4 and 7. These funds may also be used to improve the academic performance of students who are performing at Level I or II on the high school end-of-course tests. These funds shall not be transferred to other allocation categories or otherwise used for other purposes. Except as otherwise provided by law, local boards of education may transfer other funds available to them into this allocation category.

The principal of a school receiving these funds, in consultation with the faculty and the site-based management team, shall implement plans for expending these funds to improve the performance of students.

Continuation budget funds previously appropriated for NC Helps and for the middle school pilot project shall be transferred to this allocation category.

Local boards of education are encouraged to use federal funds such as Goals 2000 and Title I Comprehensive School Reform Development Funds and to examine the

use of State funds to ensure that every student is performing at or above grade level in reading and mathematics.

The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly on the implementation of this section. The report may include recommendations regarding the transfer of other funds into this allocation category.

Section 8.17.(b) Funds appropriated for Student Accountability Standards shall not revert at the end of each fiscal year but shall remain available for expenditure until August 31 of the subsequent fiscal year."

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

USE OF STAFF DEVELOPMENT FUNDS MENTOR TRAINING

Section 8.1. G.S. 115C-105.27 reads as rewritten:

"§ 115C-105.27. Development and approval of school improvement plans.

In order to improve student performance, each school shall develop a school improvement plan that takes into consideration the annual performance goal for that school that is set by the State Board under G.S. 115C-105.35. The principal of each school, representatives of the assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building, and parents of children enrolled in the school shall constitute a school improvement team to develop a school improvement plan to improve student performance. Representatives of the assistant principals, instructional personnel, instructional support personnel, and teacher assistants shall be elected by their respective groups by secret ballot. Unless the local board of education has adopted an election policy, parents shall be elected by parents of children enrolled in the school in an election conducted by the parent and teacher organization of the school or, if none exists, by the largest organization of parents formed for this purpose. Parents serving on school improvement teams shall reflect the racial and socioeconomic composition of the students enrolled in that school and shall not be members of the building-level staff. Parental involvement is a critical component of school success and positive student achievement; therefore, it is the intent of the General Assembly that parents, along with teachers, have a substantial role in developing school improvement plans. To this end, school improvement team meetings shall be held at a convenient time to assure substantial parent participation. The strategies for improving student ~~performance shall~~ performance:

(1) Shall include a plan for the use of staff development funds that may be made available to the school by the local board of education to implement the school improvement ~~plan and shall~~ plan. The plan may provide that a portion of these funds is used for mentor training and for release time and substitute teachers while mentors and teachers mentored are meeting;

(2) Shall include a plan to address school safety and discipline concerns in accordance with the safe school plan developed under Article 8C of this ~~Chapter. The strategies may~~ Chapter;

(3) May include a decision to use State funds in accordance with ~~G.S. 115C-105.25. The strategies for improving student performance shall~~ G.S. 115C-105.25;

(4) Shall include a plan that specifies the effective instructional practices and methods to be used to improve the academic performance of students identified as at risk of academic failure or at risk of dropping out of ~~school. The strategies may also~~ school;

(5) May include requests for waivers of State laws, rules, or policies for that school. A request for a waiver shall meet the requirements of G.S. 115C-105.26.

Support among affected staff members is essential to successful implementation of a school improvement plan to address improved student performance at that school. The principal of the school shall present the proposed school improvement plan to all of the principals, assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building for their review and vote. The vote shall be by secret ballot. The principal shall submit the school improvement plan to the local board of education only if the proposed school improvement plan has the approval of a majority of the staff who voted on the plan.

The local board of education shall accept or reject the school improvement plan. The local board shall not make any substantive changes in any school improvement plan that it accepts. If the local board rejects a school improvement plan, the local board shall state with specificity its reasons for rejecting the plan; the school improvement team may then prepare another plan, present it to the principals, assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building for a vote, and submit it to the local board to accept or reject. If no school improvement plan is accepted for a school within 60 days after its initial submission to the local board, the school or the local board may ask to use the process to resolve disagreements recommended in the guidelines developed by the State Board under G.S. 115C-105.20(b)(5). If this request is made, both the school and local board shall participate in the process to resolve disagreements. If there is no request to use that process, then the local board may develop a school improvement plan for the school. The General Assembly urges the local board to utilize the school's proposed school improvement plan to the maximum extent possible when developing such a plan.

A school improvement plan shall remain in effect for no more than three years; however, the school improvement team may amend the plan as often as is necessary or appropriate. If, at any time, any part of a school improvement plan becomes unlawful or the local board finds that a school improvement plan is impeding student performance at a school, the local board may vacate the relevant portion of the plan and may direct the school to revise that portion. The procedures set out in this subsection shall apply to amendments and revisions to school improvement plans."

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

EXCEPTIONAL CHILDREN

Section 8.2. The funds appropriated for exceptional children for the 2000-2001 fiscal year shall be allocated as follows:

(1) Each local school administrative unit shall receive for academically or intellectually gifted children the sum of eight hundred forty-three dollars and fifty-nine cents ($843.59) per child for four percent (4%) of the 2000-2001 allocated average daily membership in the local school administrative unit, regardless of the number of children identified as academically or intellectually gifted in the local school administrative unit. The total number of children for which funds shall be allocated pursuant to this subdivision is 51,542 for the 2000-2001 school year.

(2) Each local school administrative unit shall receive for children with special needs the sum of two thousand five hundred forty-nine dollars and seventy-four cents ($2,549.74) per child for the lesser of (i) all children who are identified as children with special needs or (ii) twelve and five-tenths percent (12.5%) of the 2000-2001

allocated average daily membership in the local school administrative unit. The maximum number of children for which funds shall be allocated pursuant to this subdivision is 156,296 for the 2000-2001 school year.

The dollar amounts allocated under this section for exceptional children shall also increase in accordance with legislative salary increments for personnel who serve exceptional children.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

LIMITED ENGLISH PROFICIENCY

Section 8.3. Section 8.10 of S.L. 1999-237 reads as rewritten:

"Section 8.10. The State Board of Education shall develop guidelines for identifying and providing services to students with limited proficiency in the English language.

The State Board shall allocate these funds to local school administrative units and to charter schools under a formula that takes into account the average percentage of students in the units or the charters over the past three years who have limited English proficiency. If data for the prior three years are not available, the State Board shall use the most recent reliable data. The State Board shall allocate funds to a unit or a charter school only if (i) average daily membership of the unit or the charter school includes at least 20 students with limited English proficiency or (ii) students with limited English proficiency comprise at least two and one-half percent (2 1/2%) of the average daily membership of the unit or charter school. ~~No unit or charter school shall receive funds for more than~~ For the portion of the funds that is allocated on the basis of the number of identified students, the maximum number of identified students for whom a unit or charter school receives funds shall not exceed ten and six-tenths percent (10.6%) of its average daily membership.

Local school administrative units shall use funds allocated to them to pay for classroom teachers, teacher assistants, tutors, textbooks, classroom materials/instructional supplies/equipment, transportation costs, and staff development for students with limited English proficiency.

A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds."

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

EXCEPTIONAL CHILDREN HEAD COUNT

Section 8.4. The Commission on Children with Special Needs shall study the issue of when the head count of children with special needs should be performed and whether a single head count during a school year is adequate. The Commission shall report the results of its study to the 2001 General Assembly.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

REDUCE IMPACT OF SIGNIFICANT REDUCTIONS IN ADM IN SMALL SCHOOLS SYSTEMS

Section 8.5. If a county school administrative unit with 3,000 or fewer students experiences a greater than four percent (4%) loss in projected average daily membership due to shifts of enrollment to charter schools located within the unit, the State Board of Education may use funds appropriated to State Aid to Local School Administrative Units for the 2000-2001 fiscal year to reduce the loss of funds to the unit's schools, other than charter schools, to a maximum of four percent (4%).

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

FUNDS FOR THE TESTING AND IMPLEMENTATION OF THE NEW STUDENT INFORMATION SYSTEM

Section 8.6. The State Board of Education may transfer up to one million dollars ($1,000,000) in funds appropriated for the Uniform Education Reporting System for the 2000-2001 fiscal year to the Department of Public Instruction to lease or purchase equipment necessary for the testing and implementation of NC WISE, the new student information system in the public schools.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

USES OF THE ADM RESERVE

Section 8.7. If a local school administrative unit has inadequate resources due to (i) the establishment of a new charter school or (ii) authorization from the State Board of Education to increase the enrollment of an existing charter school by more than ten percent (10%), the State Board of Education may allocate additional funds to the unit from the Reserve for Average Daily Membership Adjustment. The State Board shall develop policies for the implementation of this section.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

CLASS-SIZE COMPUTATION FOR K-2

Section 8.8. Local school administrative units shall use teacher positions allocated for kindergarten through second grade (i) to hire classroom teachers and reading teachers for children in kindergarten through second grade and (ii) to otherwise reduce the student-teacher ratio in kindergarten through second grade.

Notwithstanding the provisions of G.S. 115C-301(c), both the maximum average class size for the grade span kindergarten, first grade, and second grade, and the maximum size of an individual class within the grade span shall be 26 students.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

LITIGATION RESERVE

Section 8.9.(a) Funds in the State Board of Education's Litigation Reserve that are not expended or encumbered on June 30, 2000, shall not revert on July 1, 2000, but shall remain available for expenditure until June 30, 2001.

Section 8.9.(b) Subsection (a) of this section becomes effective June 30, 2000.

Section 8.9.(c) The State Board of Education may expend up to five hundred thousand dollars ($500,000) for the 2000-2001 fiscal year from unexpended funds for certified employees' salaries to pay expenses related to pending litigation.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

TEACHER SALARY SCHEDULES

Section 8.10.(a) Effective for the 2000-2001 school year, the Director of the Budget may transfer from the Reserve for Compensation Increase for the 2000-2001 fiscal year funds necessary to implement the teacher salary schedule set out in subsection (b) of this section, including funds for the employer's retirement and social security contributions and funds for annual longevity payments at one and one-half percent (1.5%) of base salary for 10 to 14 years of State service, two and twenty-five hundredths percent (2.25%) of base salary for 15 to 19 years of State service, three and twenty-five hundredths percent (3.25%) of base salary for 20 to 24 years of State service, and four and one-half percent (4.5%) of base salary for 25 or more years of State service, commencing July 1, 2000, for all teachers whose salaries are supported from the State's General Fund. These funds shall be allocated to individuals

according to rules adopted by the State Board of Education. The longevity payment shall be paid in a lump sum once a year.

Section 8.10.(b) For the 2000-2001 school year, the following monthly salary schedules shall apply to certified personnel of the public schools who are classified as teachers. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

2000-2001 Monthly Salary Schedule
"A" Teachers

Years of Experience	"A" Teachers	NBPTS Certification
0	$2,500	N/A
1	$2,542	N/A
2	$2,585	N/A
3	$2,737	$3,065
4	$2,875	$3,220
5	$3,006	$3,366
6	$3,133	$3,508
7	$3,234	$3,622
8	$3,281	$3,674
9	$3,329	$3,728
10	$3,378	$3,783
11	$3,427	$3,838
12	$3,476	$3,893
13	$3,526	$3,949
14	$3,578	$4,007
15	$3,631	$4,066
16	$3,685	$4,127
17	$3,740	$4,188
18	$3,796	$4,251
19	$3,853	$4,315
20	$3,911	$4,380
21	$3,971	$4,447
22	$4,032	$4,515
23	$4,095	$4,586
24	$4,158	$4,656
25	$4,222	$4,728
26	$4,287	$4,801
27	$4,354	$4,876
28	$4,423	$4,953
29+	$4,493	$5,032

2000-2001 Monthly Salary Schedule
"G" Teachers

Years of Experience	"G" Teachers	NBPTS Certification
0	$2,750	N/A
1	$2,796	N/A
2	$2,844	N/A
3	$3,011	$3,372

4	$3,163	$3,542
5	$3,307	$3,703
6	$3,446	$3,859
7	$3,557	$3,983
8	$3,609	$4,042
9	$3,662	$4,101
10	$3,716	$4,161
11	$3,770	$4,222
12	$3,824	$4,282
13	$3,879	$4,344
14	$3,936	$4,408
15	$3,994	$4,473
16	$4,054	$4,540
17	$4,114	$4,607
18	$4,176	$4,677
19	$4,238	$4,746
20	$4,302	$4,818
21	$4,368	$4,892
22	$4,435	$4,967
23	$4,505	$5,045
24	$4,574	$5,122
25	$4,644	$5,201
26	$4,716	$5,281
27	$4,789	$5,363
28	$4,865	$5,448
29+	$4,942	$5,535

Section 8.10.(b1) Certified public school teachers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "G" teachers. Certified public school teachers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "G" teachers.

Section 8.10.(c) Effective for the 2000-2001 school year, the first step of the salary schedule for school psychologists shall be equivalent to Step 5, corresponding to five years of experience, on the salary schedule established in this section for certified personnel of the public schools who are classified as "G" teachers. Certified psychologists shall be placed on the salary schedule at an appropriate step based on their years of experience. Certified psychologists shall receive longevity payments based on years of State service in the same manner as teachers.

Certified psychologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified psychologists. Certified psychologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified psychologists.

Section 8.10.(d) Effective for the 2000-2001 school year, speech pathologists who are certified as speech pathologists at the masters degree level and audiologists who are certified as audiologists at the masters degree level and who are employed in the public schools as speech and language specialists and audiologists shall be paid on the school psychologist salary schedule.

Speech pathologists and audiologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for speech pathologists and audiologists. Speech pathologists and audiologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for speech pathologists and audiologists.

Section 8.10.(e) Certified school nurses who are employed in the public schools as nurses shall be paid on the "G" salary schedule.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

SCHOOL-BASED ADMINISTRATOR SALARIES

Section 8.11.(a) Funds appropriated to the Reserve for Compensation Increase shall be used for the implementation of the salary schedule for school-based administrators as provided in this section. These funds shall be used for State-paid employees only.

Section 8.11.(b) The base salary schedule for school-based administrators shall apply only to principals and assistant principals. The base salary schedule for the 2000-2001 fiscal year, commencing July 1, 2000, is as follows:

2000-2001
Principal and Assistant Principal Salary Schedules

		Classification			
Yrs of Exp	Assistant Principal	Prin I (0-10)	Prin II (11-21)	Prin III (22-32)	Prin IV (33-43)
0-4	$3,195				
5	$3,340				
6	$3,480				
7	$3,593				
8	$3,645	$3,645			
9	$3,699	$3,699			
10	$3,753	$3,753	$3,808		
11	$3,808	$3,808	$3,862		
12	$3,862	$3,862	$3,918	$3,975	
13	$3,918	$3,918	$3,975	$4,034	$4,095
14	$3,975	$3,975	$4,034	$4,095	$4,155
15	$4,034	$4,034	$4,095	$4,155	$4,218
16	$4,095	$4,095	$4,155	$4,218	$4,280
17	$4,155	$4,155	$4,218	$4,280	$4,345
18	$4,218	$4,218	$4,280	$4,345	$4,412
19	$4,280	$4,280	$4,345	$4,412	$4,479
20	$4,345	$4,345	$4,412	$4,479	$4,550
21	$4,412	$4,412	$4,479	$4,550	$4,620
22	$4,479	$4,479	$4,550	$4,620	$4,690

23	$4,550	$4,550	$4,620	$4,690	$4,763
24	$4,620	$4,620	$4,690	$4,763	$4,837
25	$4,690	$4,690	$4,763	$4,837	$4,914
26	$4,763	$4,763	$4,837	$4,914	$4,991
27	$4,837	$4,837	$4,914	$4,991	$5,091
28	$4,914	$4,914	$4,991	$5,091	$5,193
29	$4,991	$4,991	$5,091	$5,193	$5,297
30	$5,091	$5,091	$5,193	$5,297	$5,403
31	$5,193	$5,193	$5,297	$5,403	$5,511
32		$5,297	$5,403	$5,511	$5,621
33			$5,511	$5,621	$5,733
34			$5,621	$5,733	$5,848
35				$5,848	$5,965
36				$5,965	$6,084
37					$6,206

2000-2001
Principal and Assistant Principal Salary Schedules

Classification

Yrs of Exp	Prin V (44-54)	Prin VI (55-65)	Prin VII (66-100)	Prin VIII (101+)
14	$4,218			
15	$4,280			
16	$4,345	$4,412		
17	$4,412	$4,479	$4,620	
18	$4,479	$4,550	$4,690	$4,763
19	$4,550	$4,620	$4,763	$4,837
20	$4,620	$4,690	$4,837	$4,914
21	$4,690	$4,763	$4,914	$4,991
22	$4,763	$4,837	$4,991	$5,091
23	$4,837	$4,914	$5,091	$5,193
24	$4,914	$4,991	$5,193	$5,297
25	$4,991	$5,091	$5,297	$5,403
26	$5,091	$5,193	$5,403	$5,511
27	$5,193	$5,297	$5,511	$5,621
28	$5,297	$5,403	$5,621	$5,733
29	$5,403	$5,511	$5,733	$5,848
30	$5,511	$5,621	$5,848	$5,965
31	$5,621	$5,733	$5,965	$6,084
32	$5,733	$5,848	$6,084	$6,206
33	$5,848	$5,965	$6,206	$6,330
34	$5,965	$6,084	$6,330	$6,457
35	$6,084	$6,206	$6,457	$6,586
36	$6,206	$6,330	$6,586	$6,718
37	$6,330	$6,457	$6,718	$6,852
38	$6,457	$6,586	$6,852	$6,989
39		$6,718	$6,989	$7,129
40		$6,852	$7,129	$7,272
41			$7,272	$7,417

Section 8.11.(c) The appropriate classification for placement of principals and assistant principals on the salary schedule, except for principals in alternative schools, shall be determined in accordance with the following schedule:

Classification	Number of Teachers Supervised
Assistant Principal	
Principal I	Fewer than 11 Teachers
Principal II	11-21 Teachers
Principal III	22-32 Teachers
Principal IV	33-43 Teachers
Principal V	44-54 Teachers
Principal VI	55-65 Teachers
Principal VII	66-100 Teachers
Principal VIII	More than 100 Teachers

The number of teachers supervised includes teachers and assistant principals paid from State funds only; it does not include teachers or assistant principals paid from non-State funds or the principal or teacher assistants.

The beginning classification for principals in alternative schools shall be the Principal III level. Principals in alternative schools who supervise 33 or more teachers shall be classified according to the number of teachers supervised.

Section 8.11.(d) A principal shall be placed on the step on the salary schedule that reflects total number of years of experience as a certificated employee of the public schools and an additional step for every three years of experience as a principal.

Section 8.11.(e) For the 2000-2001 fiscal year, a principal or assistant principal shall be placed on the appropriate step plus one percent (1%) if:

(1) The employee's school met or exceeded the projected levels of improvement in student performance for the 1997-98 fiscal year, in accordance with the ABCs of Public Education Program;

(2) The local board of education found in 1997-98 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school;

(3) The employee's school met or exceeded the projected levels of improvement in student performance for the 1998-99 fiscal year, in accordance with the ABCs of Public Education Program;

(4) The local board of education found in 1998-99 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school;

(5) The employee's school met or exceeded the projected levels of improvement in student performance for the 1999-2000 fiscal year, in accordance with the ABCs of Public Education Program; or

(6) The local board of education found in 1999-2000 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school.

The principal or assistant principal shall be placed on the appropriate step plus an additional one percent (1%) for meeting each additional condition set out in subdivisions (1) through (6). Under no circumstance shall placement of a principal or assistant principal be higher than six percent (6%) above the appropriate step on the salary schedule.

Section 8.11.(f) For the 2000-2001 fiscal year, a principal or assistant principal shall receive a lump-sum payment of:

(1) One percent (1%) of his or her State-paid salary if the employee's school meets or exceeds the projected levels of improvement in

student performance for the 2000-2001 fiscal year, in accordance with the ABCs of Public Education Program.

(2) One percent (1%) of his or her State-paid salary if the local board of education finds that the employee's school has met the 2000-2001 goals of the local plan for maintaining a safe and orderly school.

The principal or assistant principal shall receive a lump-sum payment of two percent (2%) if the conditions set out in both subdivisions (1) and (2) are satisfied.

The lump sum shall be paid as determined by guidelines adopted by the State Board. Except as provided in subsection (l) of this section, placement on the salary schedule in the following year shall be based upon these increases.

Section 8.11.(g) Principals and assistant principals with certification based on academic preparation at the six-year degree level shall be paid a salary supplement of one hundred twenty-six dollars ($126.00) per month and at the doctoral degree level shall be paid a salary supplement of two hundred fifty-three dollars ($253.00) per month.

Section 8.11.(h) There shall be no State requirement that superintendents in each local school unit shall receive in State-paid salary at least one percent (1%) more than the highest paid principal receives in State salary in that school unit: Provided, however, the additional State-paid salary a superintendent who was employed by a local school administrative unit for the 1992-93 fiscal year received because of that requirement shall not be reduced because of this subsection for subsequent fiscal years that the superintendent is employed by that local school administrative unit so long as the superintendent is entitled to at least that amount of additional State-paid salary under the rules in effect for the 1992-93 fiscal year.

Section 8.11.(i) Longevity pay for principals and assistant principals shall be as provided for State employees under the State Personnel Act.

Section 8.11.(j)

(1) If a principal is reassigned to a higher job classification because the principal is transferred to a school within a local school administrative unit with a larger number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the higher job classification.

(2) If a principal is reassigned to a lower job classification because the principal is transferred to a school within a local school administrative unit with a smaller number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the lower job classification.

This subdivision applies to all transfers on or after the effective date of this section, except transfers in school systems that have been created, or will be created, by merging two or more school systems. Transfers in these merged systems are exempt from the provisions of this subdivision for one calendar year following the date of the merger.

Section 8.11.(k) Participants in an approved full-time masters in school administration program shall receive up to a 10-month stipend at the beginning salary of an assistant principal during the internship period of the masters program. Certification of eligible full-time interns shall be supplied to the Department of Public Instruction by the Principal's Fellow Program or a school of education where the intern participates in a full-time masters in school administration.

Section 8.11.(l) During the 2000-2001 fiscal year, the placement on the salary schedule of an administrator with a one-year provisional assistant principal's certificate shall be at the entry-level salary for an assistant principal or the appropriate step on the teacher salary schedule, whichever is higher. Lump-sum payments received pursuant to subsection (f) of this section shall not be considered in placing the employee on the salary schedule in subsequent years that the employee is employed under either a provisional or a full certificate.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

SCHOOL CENTRAL OFFICE SALARIES

Section 8.12.(a) The following monthly salary ranges apply to assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers for the 2000-2001 fiscal year, beginning July 1, 2000:

School Administrator I	$2,932 - $5,254
School Administrator II	$3,112 - $5,576
School Administrator III	$3,303 - $5,918
School Administrator IV	$3,436 - $6,157
School Administrator V	$3,574 - $6,407
School Administrator VI	$3,792 - $6,799
School Administrator VII	$3,945 - $7,074

The local board of education shall determine the appropriate category and placement for each assistant superintendent, associate superintendent, director/coordinator, supervisor, or finance officer within the salary ranges and within funds appropriated by the General Assembly for central office administrators and superintendents. The category in which an employee is placed shall be included in the contract of any employee hired on or after July 1, 2000.

Section 8.12.(b) The following monthly salary ranges apply to public school superintendents for the 2000-2001 fiscal year, beginning July 1, 2000:

(1)	Superintendent I (Up to 2,500 ADM):	$4,187 - $7,508
(2)	Superintendent II (2,501 - 5,000 ADM):	$4,445 - $7,965
(3)	Superintendent III (5,001 - 10,000 ADM):	$4,716 - $8,453
(4)	Superintendent IV (10,001 - 25,000 ADM):	$5,005 - $8,970
(5)	Superintendent V (Over 25,000 ADM):	$5,312 - $9,520

The local board of education shall determine the appropriate category and placement for the superintendent based on the average daily membership of the local school administrative unit and within funds appropriated by the General Assembly for central office administrators and superintendents.

Notwithstanding the provisions of this subsection, a local board of education may pay an amount in excess of the applicable range to a superintendent who is entitled to receive the higher amount under Section 8.11(h) of this act.

Section 8.12.(c) Longevity pay for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers shall be as provided for State employees under the State Personnel Act.

Section 8.12.(d) Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for pursuant to this section. Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three

dollars ($253.00) per month in addition to the compensation provided for under this section.

Section 8.12.(e) The State Board shall not permit local school administrative units to transfer State funds from other funding categories for salaries for public school central office administrators.

Section 8.12.(f) The Director of the Budget shall transfer from the Reserve for Compensation Increase created in this act for fiscal year 2000-2001, beginning July 1, 2000, funds necessary to provide an average annual salary increase of five percent (5%), including funds for the employer's retirement and social security contributions, commencing July 1, 2000, for all permanent full-time personnel paid from the Central Office Allotment. The State Board of Education shall allocate these funds to local school administrative units. The local boards of education shall establish guidelines for providing their salary increases to these personnel.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

NONCERTIFIED PERSONNEL SALARY FUNDS

Section 8.13.(a) The Director of the Budget may transfer from the Reserve for Compensation Increase created in this act for fiscal year 2000-2001, commencing July 1, 2000, funds necessary to provide a salary increase of five percent (5%), including funds for the employer's retirement and social security contributions, commencing July 1, 2000, for all noncertified public school employees, except for teacher assistants, whose salaries are supported from the State's General Fund.

Section 8.13.(b) Except as provided in subsection (c) of this section, local boards of education shall increase the rates of pay for all such employees who were employed for fiscal year 1999-2000 and who continue their employment for fiscal year 2000-2001 by at least five percent (5%), commencing July 1, 2000.

Section 8.13.(c) A local board of education may adopt a policy that provides for raises of less than five percent (5%) for all such employees who were employed for less than two-thirds of the employment period for fiscal year 1999-2000 and who continue their employment for fiscal year 2000-2001. A local board of education adopting such a policy shall increase the salaries of those employees in accordance with the local policy.

Section 8.13.(d) These funds shall not be used for any purpose other than for the salary increases and necessary employer contributions provided by this section.

Section 8.13.(e) The State Board of Education may adopt salary ranges for noncertified personnel to support increases of five percent (5%) for the 2000-2001 fiscal year.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine, Nesbitt, Bonner, Warner, Yongue

TEACHER ASSISTANT SALARY SCHEDULE

Section 8.13A.(a) The allotment formula for teacher assistants for the 2000-2001 fiscal year shall be a dollar allotment. Local boards of education shall use these funds in the following order of priority:

(1) To increase the rates of pay for teacher assistants who were employed for fiscal year 1999-2000 and who continue their employment for fiscal year 2000-2001. This increase shall be at least five percent (5%), commencing July 1, 2000, for all such teacher assistants unless a local board of education adopts a policy that provides for raises of less than five percent (5%) for all those teacher assistants who were employed for less than two-thirds of

the employment period for fiscal year 1999-2000 and who continue their employment for fiscal year 2000-2001. A local board of education adopting such a policy shall increase the salaries of those teacher assistants who were employed for less than two-thirds of the employment period for fiscal year 1999-2000 in accordance with the local policy; that local board shall increase the salaries of those teacher assistants who were employed for two-thirds or more of the employment period for fiscal year 1999-2000 by at least five percent (5%).

(2) To begin implementation of the base pay under the salary schedule set out in subdivision (b)(1) of this section.

(3) To provide salary increments to teacher assistants as provided in subdivision (b)(2) of this section.

Section 8.13A.(b) It is the intent of the General Assembly to adopt, fund, and implement a minimum salary schedule based on years of experience and level of certification. The minimum monthly salary of a teacher assistant under this salary schedule shall be one thousand three hundred eighty dollars ($1,380).

(1) To the extent that teacher assistant salary funds allotted for the 2000-2001 fiscal year are adequate for this purpose after implementation of the five percent (5%) increase, the following salary schedule for teacher assistants applies:

Years of Experience	Base Salary (Salary Without a Degree)
0	$13,800
1	$14,020
2	$14,240
3	$14,470
4	$14,700
5	$14,940
6	$15,180
7	$15,420
8	$15,670
9	$15,920
10	$16,170
11	$16,430
12	$16,690
13	$16,960
14	$17,230
15	$17,510
16	$17,790
17	$18,070
18	$18,360
19	$18,650
20	$18,950
21 +	$19,250

As used in this section 'years of experience' means years as a teacher or teacher assistant in North Carolina public schools; and

(2) To the extent that teacher assistant salary funds allotted for the 2000-2001 fiscal year are adequate for this purpose after the implementation of (i) the five percent (5%) increase and (ii) the

base salaries contained in this section, a teacher assistant shall receive a salary increment for meeting certification and degree standards as follows:

a. Teacher Assistant Certificate from a Community College (18 credit hours) -- 2%;
b. Teacher Assistant Diploma from a Community College (48 credit hours) -- 4%;
c. Associate Degree (60 credit hours) -- 6%; and
d. Bachelors Degree -- 8%.

No teacher assistant shall experience a decrease in salary as a result of placement on the schedule.

Section 8.13A.(c) Each local board of education shall verify to the State Board of Education that they are providing a five percent (5%) raise to all teacher assistants. They shall also report on the placement of teacher assistants on the salary schedule.

Section 8.13A.(d) Nothing in this section shall be construed to limit the authority of local school administrative units to transfer funds allocated for teacher assistants to teacher positions in accordance with G.S. 115C-105.25(b)(1).

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

FUNDS TO IMPLEMENT THE ABCs OF PUBLIC EDUCATION PROGRAM

Section 8.14. The State Board of Education shall use funds appropriated for State Aid to Local School Administrative Units for the 1999-2000 fiscal year and the 2000-2001 fiscal year to provide incentive funding for schools that met or exceeded the projected levels of improvement in student performance during the 1999-2000 school year, in accordance with the ABCs of Public Education Program. In accordance with State Board of Education policy:

(1) Incentive awards in schools that achieve higher than expected improvements may be up to:
   a. $1,500 for each teacher and for certified personnel; and
   b. $500.00 for each teacher assistant.
(2) Incentive awards in schools that meet the expected improvements may be up to:
   a. $750.00 for each teacher and for certified personnel; and
   b. $375.00 for each teacher assistant.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

SUPPLEMENTAL FUNDING IN LOW-WEALTH COUNTIES

Section 8.15. Section 8.5(b) of S.L. 1999-237 reads as rewritten:

"Section 8.5.(b) Use of Funds for Supplemental Funding. -- All funds received pursuant to this section shall be used only (i) to provide instructional positions, instructional support positions, teacher assistant positions, clerical positions, <u>school computer technicians,</u> instructional supplies and equipment, staff development, and textbooks, and (ii) for salary supplements for instructional personnel and instructional support personnel.

Local boards of education are encouraged to use at least ~~twenty percent (20%)~~ <u>twenty-five percent (25%)</u> of the funds received pursuant to this section to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and children who are performing at Level I or II on the writing tests in grades 4 and 7. Local boards of education shall report to the State Board of Education on an annual basis on funds used for this purpose, and the State Board shall report this information to the Joint Legislative Education Oversight Committee."

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS CERTIFICATION

Section 8.16. Chapter 115C of the General Statutes is amended by adding a new section to read:

"**§ 115C-296.2. National Board for Professional Teaching Standards Certification.**

(a) State Policy. -- It is the goal of the State to provide opportunities and incentives for good teachers to become excellent teachers and to retain them in the teaching profession; to attain this goal, the State shall support the efforts of teachers to achieve national certification by providing approved paid leave time for teachers participating in the process, paying the participation fee, and paying a significant salary differential to teachers who attain national certification from the National Board for Professional Teaching Standards (NBPTS).

The National Board for Professional Teaching Standards (NBPTS) was established in 1987 as an independent, nonprofit organization to establish high standards for teachers' knowledge and performance and for development and operation of a national voluntary system to assess and certify teachers who meet those standards. Participation in the program gives teachers the time and the opportunity to analyze in a systematic way their professional development as teachers, successful teaching strategies, and the substantive areas in which they teach. Participation also gives teachers an opportunity to demonstrate superior ability and to be compensated as superior teachers. To receive NBPTS certification, a teacher must successfully (i) complete a year-long process of developing a portfolio of student work and videotapes of teaching and learning activities and (ii) participate in NBPTS assessment center simulation exercises, including performance-based activities and a content knowledge examination.

(b) Definitions. -- As used in this subsection:

(1) A 'North Carolina public school' is a school operated by a local board of education, the Department of Health and Human Services, the Department of Correction, or The University of North Carolina; a school affiliated with The University of North Carolina; or a charter school approved by the State Board of Education.

(2) A 'teacher' is a person who:

a. Either:

1. Is certified to teach in North Carolina or

2. Holds a certificate or license issued by the State Board of Education that meets the professional license requirement for NBPTS certification;

b. Is a State-paid employee of a North Carolina public school;

c. Is paid on the teacher salary schedule; and

d. Spends at least seventy percent (70%) of his or her work time:

1. In classroom instruction, if the employee is employed as a teacher. The remainder of the teacher's time shall be spent in one or more of the following: mentoring teachers, doing demonstration lessons for teachers, writing curricula, developing and leading staff development programs for teachers; or

2. In work within the employee's area of certification or licensure, if the employee is employed in an area of NBPTS certification other than direct classroom instruction.

(c) Payment of the NBPTS Participation Fee; Paid Leave. -- The State shall pay the NBPTS participation fee and shall provide up to three days of approved paid leave to all teachers participating in the NBPTS program who:

(1) Have completed three years of teaching in a North Carolina public school; and

(2) Have (i) not previously received State funds for participating in any certification area in the NBPTS program, (ii) repaid any State funds previously received for the NBPTS certification process, or (iii) received a waiver of repayment from the State Board of Education.

Teachers participating in the program shall take paid leave only with the approval of their supervisors.

(d) Repayment by a Teacher Who Does Not Complete the Process. -- A teacher for whom the State pays the participation fee who does not complete the process shall repay the certification fee to the State.

Repayment is not required if a teacher does not complete the process due to the death or disability of the teacher. Upon the application of the teacher, the State Board of Education may waive the repayment requirement if the State Board finds that the teacher was unable to complete the process due to the illness of the teacher, the death or catastrophic illness of a member of the teacher's immediate family, parental leave to care for a newborn, or other extraordinary circumstances.

(e) Repayment by a Teacher Who Does Not Teach for a Year After Completing the Process. -- A teacher for whom the State pays the participation fee who does not teach for a year in a North Carolina public school after completing the process shall repay the certification fee to the State.

Repayment is not required if a teacher does not teach in a North Carolina public school for at least one year after completing the process due to the death or disability of the teacher. Upon the application of the teacher, the State Board of Education may extend the time before which a teacher must either teach for a year or repay the participation fee if the State Board finds that the teacher is unable to teach the next year due to the illness of the teacher, the death or catastrophic illness of a member of the teacher's immediate family, parental leave to care for a newborn, or other extraordinary circumstances.

(f) The State Board shall adopt policies and guidelines to implement this section."

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

ALLOCATION OF CENTRAL OFFICE ADMINISTRATION FUNDS

Section 8.17. Expansion budget funds appropriated to State Aid to Local School Administrative Units for the 2000-2001 fiscal year for Central Office Administration shall be used to ensure that every local school administrative unit receives the amount calculated under the State Board of Education's distribution formula used for allocation of these funds.

Requested by: Representatives Rogers, Oldham, Boyd-McIntyre, Easterling, Redwine, Nesbitt

REDUCTION OF PAPERWORK IN PUBLIC SCHOOLS

Section 8.18.(a) G.S. 115C-307(g) reads as rewritten:

"(g) To Make Required Reports. -- ~~Every teacher of a public school shall make such reports as are~~ A teacher shall make all reports required by the ~~boards of education, and the~~ local board of education. The superintendent shall not approve the ~~vouchers for the pay of teachers~~ voucher for a teacher's pay until the required monthly and annual reports are ~~made: Provided, that the superintendents may require teachers~~ made.

The superintendent may require a teacher to make reports to the ~~principals.~~ principal.

A teacher shall be given access to the student information management system to expedite the process of preparing reports or otherwise providing information. A teacher shall not be required by the local board, the superintendent, or the principal to (i) provide information that is already available on the student information management system; (ii) provide the same information more than once during a school year; or (iii) complete forms regarding compliance with the federal Individuals with Disabilities Education Act (IDEA) that are not required by the United States Department of Education.

~~Provided further, that any~~ Any teacher who knowingly and willfully makes or procures another to make any false report or records, requisitions, or payrolls, respecting daily attendance of pupils in the public schools, payroll data sheets, or other reports required to be made to any board or officer in the performance of their duties, shall be guilty of a Class 1 misdemeanor and the certificate of such person to teach in the public schools of North Carolina shall be revoked by the Superintendent of Public Instruction."

Section 8.18.(b) G.S. 115C-47(18) reads as rewritten:

"(18) To Make Rules Concerning the Conduct and Duties of Personnel. -- Local boards of education, upon the recommendation of the superintendent, shall have full power to make all just and needful rules and regulations governing the conduct of teachers, principals, and supervisors, the kind of reports they shall make, and their duties in the care of school property.

Prior to the beginning of each school year, each local board of education shall identify all reports, including local school required reports, that are required at the local level for the school ~~year.~~ year and shall, to the maximum extent possible, eliminate any duplicate or obsolete reporting requirements. No additional reports shall be required at the local level after the beginning of the school year without the prior approval of the local board of education.

Each local board of education shall also establish a paperwork control committee to monitor all reports and other paperwork produced by or required by the central office."

Section 8.18.(c) The State Board of Education shall:

(1) Review requirements for reports from local school administrative units and, to the extent possible, eliminate any duplicate or obsolete reporting requirements;

(2) Develop a plan for the implementation of a paperless student information management system prior to the 2005-2006 school year and request funds necessary for the implementation of the system;

(3) Work with the United States Department of Education to standardize all forms required under the federal Individuals with Disabilities Education Act (IDEA);

(4) Study the amount of State and local funds expended to meet compliance standards established under IDEA and State law;

(5) Develop a plan to cut spending for compliance issues related to special education by fifty percent (50%) for the 2001-2002 fiscal year and to direct the savings to direct services for children with special needs; and

(6) Develop a plan to fund compliance issues related to special education only with federal funds provided specifically for that

purpose for the 2002-2003 fiscal year and to eliminate all State funding for compliance issues.

The State Board shall report to the Joint Legislative Education Oversight Committee prior to December 15, 2001, on its progress in implementing this section.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

SCHOOL LEADERSHIP PILOT PROJECT

Section 8.19. Local school administrative units that participate in the School Leadership Pilot Project of the Center for Leadership in School Reform shall receive State funds for this purpose for no more than three fiscal years.

Requested by: Representative Redwine

AVERAGE SALARIES

Section 8.20. Funds appropriated in this act to the Department of Public Instruction reflect an average salary budget reduction of one million eight hundred seventeen thousand seven hundred thirty-eight dollars ($1,817,738) based on actual salary experience in instructional support and vocational education personnel.

PART IX. COMMUNITY COLLEGES

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

EXPAND FOCUSED INDUSTRIAL TRAINING PROGRAM

Section 9. The State Board of Community Colleges may expand the scope of the Focused Industrial Training (FIT) Program. The expanded program may provide customized training programs for manufacturing industries and for companies and industries involved in the design and programming of computers and telecommunications systems.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

STATE BOARD RESERVE ALLOCATIONS

Section 9.1. Section 9.6 of S.L. 1999-237 reads as rewritten:

"Section 9.6.(a) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for each fiscal year to assist small rural low-wealth community colleges with operation and maintenance of plant costs if they need to assist new or expanding industries in their service delivery areas.

Section 9.6.(b) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of forty thousand dollars ($40,000) for the 1999-2000 fiscal year to support the recruitment activities of the North Carolina Industries for Technical Education (NCITE). NCITE recruits students to community colleges with Heavy Equipment and Transportation Technology Programs in an effort to revitalize those programs.

Section 9.6.(c) The State Board of Community Colleges, in consultation with Cape Fear Community College, Brunswick Community College, and Southeastern Community College, shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for the 1999-2000 fiscal year for planning a Southeastern North Carolina Regional Fire Training Program and twenty thousand dollars ($20,000) for the 1999-2000 fiscal year for other fire training programs.

Section 9.6.(d) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of seventy-five thousand dollars ($75,000) for the 2000-2001 fiscal year for surveys, research, data collection, and analysis required to implement performance budgeting and improve accountability.

Section 9.6.(e) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for the 2000-2001 fiscal year to provide funds to the Community Colleges System Office to continue development of the virtual learning community."

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

REPORT CARD ON TEACHER EDUCATION PROGRAMS/STUDY OF HIGH SCHOOL PROGRAMS

Section 9.2.(a) G.S. 115C-296(b1) reads as rewritten:

"(b1) The State Board of Education shall develop a plan to provide a focused review of teacher education programs and the current process of accrediting these programs in order to ensure that the programs produce graduates that are well prepared to teach. The plan shall include the development and implementation of a school of education performance report for each teacher education program in North Carolina. The performance report shall include at least the following elements: (i) quality of students entering the schools of education, including the average grade point average and average score on preprofessional skills tests that assess reading, writing, math and other competencies; (ii) graduation rates; (iii) time-to-graduation rates; (iv) average scores of graduates on professional and content area examination for the purpose of certification; (v) percentage of graduates receiving initial certification; (vi) percentage of graduates hired as teachers; (vii) percentage of graduates remaining in teaching for four years; (viii) graduate satisfaction based on a common survey; and (ix) employer satisfaction based on a common survey. The performance reports shall follow a common format. The performance reports shall be submitted ~~annually for the 1998-99, 1999-2000, and 2000-2001 school years. The performance reports shall be submitted biannually thereafter to coincide with the Board of Governors' biannual report institutional effectiveness.~~ annually. The State Board of Education shall develop a plan to be implemented beginning in the 1998-99 school year to reward and sanction approved teacher education programs and masters of education programs and to revoke approval of those programs based on the performance reports and other criteria established by the State Board of Education.

The State Board also shall develop and implement a plan for annual performance reports for all masters degree programs in education and school administration in North Carolina. To the extent it is appropriated, the performance report shall include similar indicators to those developed for the performance report for teacher education programs. The performance reports shall follow a common format.

Both plans for performance reports also shall include a method to provide the annual performance reports to the Board of Governors of The University of North Carolina, the State Board of Education, and the boards of trustees of the independent colleges. The State Board of Education shall review the schools of education performance reports and the performance reports for masters degree programs in education and school administration each year the performance reports are submitted. The State Board shall submit the performance reports to the Joint Legislative Education Oversight Committee on an annual basis by December 15 or by a date that coincides with the federal reporting date once it is adopted."

Section 9.2.(b) The General Assembly believes educational programs for high school students should provide student accountability, program accountability, access, and efficiency. Therefore, the Education Cabinet, created under G.S. 116C-1, shall study public school, community college, and university programs offered to high school students. These programs include the cooperative high school program, the adult high school diploma program, advanced placement courses, honors courses, and university courses offered to high school students. The Cabinet shall do the following:

(1) Examine these programs for overlap.
(2) Consider which education entity is the most appropriate one to offer each program.
(3) Consider distance learning options.
(4) Examine whether there should be tuition waivers for high school students who take courses at community colleges or universities.
(5) Determine whether there should be a minimum age for participation in the adult high school program.
(6) Determine the feasibility, advantages and disadvantages, procedures, and costs for requiring students who participate in the adult high school program to take tests required of high school students taking the same courses.
(7) Evaluate the recent recommendations concerning the cooperative high school program that were made to the Joint Legislative Education Oversight Committee by the State Board of Education and the State Board of Community Colleges. In particular, the Cabinet shall determine whether students should receive weighted credit on their high school transcripts for college level courses taken at community colleges, universities, or colleges, and whether this program is an appropriate venue for developmental courses.

The Cabinet shall report its findings, including any recommendations, to the Joint Legislative Education Oversight Committee by November 15, 2000.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

BUDGET REALIGNMENT TO IMPLEMENT REORGANIZATION AUTHORIZED

Section 9.3. Notwithstanding G.S. 143-23 or any other provision of law, the State Board of Community Colleges may transfer funds within the budget of the Community Colleges System Office to the extent necessary to implement the departmental reorganization plan recommended by the President of the North Carolina Community College System and adopted by the State Board in September 1999.

The State Board of Community Colleges shall report on its implementation of this section to the Joint Legislative Education Oversight Committee, the chairs of the Education Appropriations Subcommittees of the House of Representatives and the Senate, and the Fiscal Research Division within 30 days of completion of the budget realignment.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

USE OF 1999-2000 OVER-REALIZED RECEIPTS

Section 9.4.(a) Notwithstanding the provisions of G.S. 115D-31(e), over-realized receipts for the 1999-2000 fiscal year in the amount of two million dollars ($2,000,000) shall be used for the operations of the Community Colleges System Office for the 2000-2001 fiscal year. These funds are used in this act to offset a base budget reduction of an equal amount.

Section 9.4.(b) This section becomes effective June 30, 2000.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

ASHEVILLE-BUNCOMBE TECHNICAL COMMUNITY COLLEGE FUNDS DO NOT REVERT

Section 9.5.(a) Funds appropriated to Asheville-Buncombe Technical Community College in S.L. 1999-237 for its Small Business Center shall not revert at the end of the 1999-2000 fiscal year, but shall remain available for expenditure in the 2000-2001 fiscal year.

Section 9.5.(b) This section becomes effective June 30, 2000.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

STUDY DISTANCE LEARNING/EDUCATION PROGRAMS

Section 9.6. The State Board of Community Colleges shall contract with an independent consultant to study funding methods and delivery of distance learning and education programs. Distance learning and education shall include, but not be limited, to telecourses, two-way interactive video, Internet-based courses, and a combination of these technologies.

The study shall include:

(1) An analysis of tuition rates, registration fees, and other related charges for in-State and out-of-state students enrolling in distance course offerings;

(2) A survey of current distance course offerings, delivery systems, and sources of funding, including an assessment of the ability of individual colleges to provide and support distance learning now and in the future; and

(3) A plan for efficient and effective expansion of course offerings and delivery systems to (i) improve workforce education and training, (ii) avoid duplication within the Community College System and with distance learning programs offered by The University of North Carolina, and (iii) promote coordination of distance learning programs among the institutions of the Community College System and The University of North Carolina.

The consultant shall take into account two approaches to distance learning currently being considered by the Community College System. One model emphasizes a regional approach involving consolidation of equipment and staff at six regional operating centers across the State with all colleges having equal access to a designated center. The other model emphasizes a decentralized approach with a minimum level of distance programs supported at each of the 59 institutions.

The State Board of Community Colleges shall use funds from the State Board Reserve to implement this section.

The State Board of Community Colleges shall report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by January 15, 2001, on the results of the study and the recommendations of the consultant.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

PERFORMANCE BUDGETING/CLARIFICATIONS

Section 9.7. G.S. 115D-31.3 reads as rewritten:

"**§ 115D-31.3. Performance budgeting.**

(a) Creation of Accountability Measures and Performance Standards. -- The State Board of Community Colleges shall create new accountability measures and performance standards to be used for performance budgeting for the Community College System. ~~The results of a survey may~~ Survey results shall be used as a performance standard only if the survey is statistically valid. The State Board of Community Colleges shall review annually the accountability measures and performance standards to ensure that they are appropriate for use in performance budgeting.

~~(b) Notwithstanding any other provision of law, the State Board shall authorize each institution meeting the new performance standards to carryforward funds remaining in its budget at the end of each fiscal year in an amount not to exceed two percent (2%) of the State funds allocated to the institution for that fiscal year. The~~

~~funds carried forward shall be used for the purchase of equipment and initial program start-up costs excluding regular faculty salaries. These funds shall not be used for continuing salary increases or for other obligations beyond the fiscal year into which they were carried forward. These funds shall be encumbered within 12 months of the fiscal year into which they were carried forward.~~

~~(c) The five required performance measures are (i) progress of basic skills students, (ii) passing rate for licensure and certification examinations, (iii) goal completion of program completers, (iv) employment status of graduates, and (v) performance of students who transfer to the university system. Colleges may choose one other performance measure from the list contained in the State Board's Phase 4 Funding Formula Study, which was presented to the Joint Legislative Education Oversight Committee. Successful performance on each of the six performance measures shall allow a college to retain and carry forward up to one-third of one percent (1/3 of 1%) of its final fiscal year General Fund appropriations into the next fiscal year.~~

~~(d) Each college shall publish its performance on these six measures in its catalog each year beginning with the 2001 academic year.~~

(e) Mandatory Performance Measures. -- The State Board of Community Colleges shall evaluate each college on the following 12 performance standards:

(1) Progress of basic skills students,
(2) Passing rate for licensure and certification examinations,
(3) Goal completion of program completers and noncompleters,
(4) Employment status of graduates,
(5) Performance of students who transfer to the university system,
(6) Passing rates in developmental courses,
(7) Success rates of developmental students in subsequent college-level courses,
(8) The level of satisfaction of students who complete programs and those who do not complete programs,
(9) Curriculum student retention and graduation,
(10) Employer satisfaction with graduates,
(11) Client satisfaction with customized training, and
(12) Program enrollment.

(f) Publication of Performance Ratings. -- Each college shall publish its performance on the 12 measures set out in subsection (e) of this section (i) annually in its electronic catalog or on the Internet and (ii) in its printed catalog each time the catalog is reprinted.

The Community Colleges System Office shall publish the performance of all colleges on all 12 measures in its annual Critical Success Factors Report.

(g) Performance Budgeting: Recognition for Successful Performance. -- For the purpose of performance budgeting, the State Board of Community Colleges shall evaluate each college on six performance measures. These six shall be the five set out in subdivisions (1) through (5) of subsection (e) of this section and one selected by the college from the remainder set out in subdivisions (6) through (11). For each of these six performance measures on which a college performs successfully or attains the standard of significant improvement, the college may retain and carry forward into the next fiscal year one-third of one percent (1/3 of 1%) of its final fiscal year General Fund appropriations.

(h) Performance Budgeting: Recognition for Superior Performance. -- Funds not allocated to colleges in accordance with subsection (g) of this section shall be used to reward superior performance. After all State aid budget obligations have been met, the State Board of Community Colleges shall distribute the remainder of these funds

equally to colleges that perform successfully on at least five of the six performance measures.

(i) Permissible Uses of Funds. -- Funds retained by colleges or distributed to colleges pursuant to this section shall be used for the purchase of equipment, initial program start-up costs including faculty salaries for the first year of a program, and one-time faculty and staff bonuses. These funds shall not be used for continuing salary increases or for other obligations beyond the fiscal year into which they were carried forward. These funds shall be encumbered within 12 months of the fiscal year into which they were carried forward."

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine, C. Wilson

COMMUNITY COLLEGE TUITION/LEGAL IMMIGRANTS

Section 9.8. G.S. 115D-39 reads as rewritten:

"§ 115D-39. Student tuition and fees.

The State Board of Community Colleges shall fix and regulate all tuition and fees charged to students for applying to or attending any institution pursuant to this Chapter.

The receipts from all student tuition and fees, other than student activity fees, shall be State funds and shall be deposited as provided by regulations of the State Board of Community Colleges.

The legal resident limitation with respect to tuition, set forth in G.S. 116-143.1 and G.S. 116-143.3, shall apply to students attending institutions operating pursuant to this Chapter; provided, however, that when an employer other than the armed services, as that term is defined in G.S. 116-143.3, pays tuition for an employee to attend an institution operating pursuant to this Chapter and when the employee works at a North Carolina business location, the employer shall be charged the in-State tuition rate; provided further, however, a community college may charge in-State tuition to up to one percent (1%) of its out-of-state students, rounded up to the next whole number, to accommodate the families transferred by business, the families transferred by industry, or the civilian families transferred by the military, consistent with the provisions of G.S. 116-143.3, into the State. Notwithstanding these requirements, a refugee who lawfully entered the United States and who is living in this State shall be deemed to qualify as a domiciliary of this State under G.S. 116-143.1(a)(1) and as a State resident for community college tuition purposes as defined in G.S. 116-143.1(a)(2). Also, a nonresident of the United States who has resided in North Carolina for a 12-month qualifying period and has filed an immigrant petition with the United States Immigration and Naturalization Service shall be considered a State resident for community college tuition purposes."

Requested by: Representatives Easterling, Redwine, Baddour

SUPPLEMENTAL FUNDING FOR SUMMER TERM CURRICULUM INSTRUCTION

Section 9.9.(a) Funds appropriated in this act for summer term curriculum instruction are provided as a supplement to curriculum enrollment funding for the regular academic year. These funds are for direct instructional costs, including faculty salaries and benefits, and instructional supplies and materials ("other costs") and shall be budgeted as such by the community college institutions. These funds may be carried forward beyond the fiscal year in which they are appropriated, only for the purpose of fulfilling a contractual obligation for summer term curriculum instructional faculty.

Funding for summer term curriculum instruction shall be allocated from a separate line item in State aid fund code 1600 based on full-time equivalent student enrollment in summer term curriculum course offerings for the prior fiscal year.

Funding for summer term curriculum instruction shall not be included in the continuing budget concept for full-time equivalent (FTE) enrollment funding as enacted in Section 10.4(b) of S.L. 1998-212.

It is the intent of the General Assembly to review annually the objectives, use of funds, and benefits of funding for summer term curriculum instruction to determine whether to provide increased funding for this purpose.

Nothing in this section shall be construed as intent of the General Assembly to provide additional funding for summer term curriculum enrollment increases or to increase the rate of funding per FTE for summer term enrollment.

The State Board of Community Colleges shall adopt a calendar for curriculum instruction, designating the dates on which the fall, spring, and summer terms shall begin and end. The calendar shall provide for flexibility among community college institutions for actual starting and ending dates within a range established by the State Board of Community Colleges. The session for the summer term shall not overlap either the fall or spring semesters in such a way as to allow summer term earned FTE to be counted as fall or spring earned FTE for the purposes of determining enrollment funding under the continuing budget concept.

Section 9.9.(b) The State Board of Community Colleges shall hold harmless, from monetary penalties, repayment of State resources, and reimbursement of uncollected tuition, any community college for which the Program Audit Services Section of the Community Colleges System Office notes an audit exception for membership hours reported on the Spring 1999 Curriculum Institution Class Report (ICR) for classes which began after the institution's published ending date for that term. This subsection shall only apply for curriculum membership hours reported for the Spring 1998 to Spring 1999 reporting period. This subsection applies to all final audit exceptions noted previously or in the future.

Requested by: Representative Redwine

COMMUNITY SERVICES BLOCK GRANT

Section 9.10. Of the funds appropriated in this act to the Community Colleges System Office for the 2000-2001 fiscal year the sum of one million eight hundred seventeen thousand seven hundred thirty-eight dollars ($1,817,738) shall be allocated to community college institutions to provide community services courses through the Community Services Block Grant Program.

PART X. UNIVERSITIES

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

REALIGN CENTER FOR SCHOOL LEADERSHIP DEVELOPMENT PROGRAMS

Section 10.(a) Effective October 1, 2000, the Principals Executive Program and all of its statutory authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations or other funds, including the functions of budgeting and purchasing, is transferred from the University of North Carolina at Chapel Hill to the Board of Governors of The University of North Carolina. The Board of Governors shall coordinate the program within the University of North Carolina Center for School Leadership Development.

Section 10.(b) Effective October 1, 2000, the University of North Carolina Mathematics and Science Education Network and all of its statutory authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations or other funds, including the functions of budgeting and purchasing, is transferred from the University of North Carolina at Chapel Hill to the Board of Governors of The University of North Carolina. The Board of Governors

shall coordinate the program within the University of North Carolina Center for School Leadership Development.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

UNC NEED-BASED STUDENT FINANCIAL AID PROGRAM

Section 10.1. Of the funds appropriated by this act to the Board of Governors of The University of North Carolina the sum of five million dollars ($5,000,000) in recurring funds shall be used to establish and begin the implementation of the new need-based student financial aid program for in-State students attending constituent institutions of The University of North Carolina. The program shall provide grants to needy North Carolina students who are seeking undergraduate degrees or masters degrees. Eligibility of a student for a program grant shall be based on a formula that offsets Pell grants and federal tax credits before determining eligibility to receive one of the new grants. In addition, to be eligible for a program grant, a student shall also be required to contribute a combination of personal savings, borrowed funds, institutional aid, and personal earnings, called self-help.

The new program shall be administered by the North Carolina State Education Assistance Authority. The North Carolina State Education Assistance Authority shall coordinate offers of institutional aid and program grants made to a student to ensure that the student does not receive more in grants and scholarships than the actual cost of attendance.

In the absence of full funding for the program, the North Carolina State Education Assistance Authority may modify the formula for distribution as needed to accommodate the reduced amount.

The program shall be established and implemented in accordance with the recommendations regarding its creation adopted by the Board of Governors in November 1999. The goals of the program shall be to make The University of North Carolina more affordable for low-income students and to reduce student indebtedness by setting a limit on the funds that needy students will be asked to borrow each year. This program will provide financial assistance to constituent institutions that enroll disproportionate numbers of low-income students, particularly at the seven institutions targeted for major enrollment growth.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

UNC CHARLOTTE RETAIN LAND SALE PROCEEDS

Section 10.2. Notwithstanding any other provision of law, the University of North Carolina at Charlotte may retain the proceeds from the sale of the existing chancellor's residence. The University of North Carolina at Charlotte may use the proceeds from the sale of the existing chancellor's residence, and any other nonappropriated funds available, to construct a new chancellor's residence. Proceeds from the sale not used for that purpose shall revert.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

AID TO STUDENTS ATTENDING PRIVATE COLLEGES PROCEDURE

Section 10.3. Section 10 of S.L. 1999-237 reads as rewritten:

"Section 10.(a) Funds appropriated in this act to the Board of Governors of The University of North Carolina for aid to private colleges shall be disbursed in accordance with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up to one thousand fifty dollars ($1,050) per full-time equivalent North

Carolina undergraduate student enrolled at a private institution as of October 1, 1999, for the 1999-2000 fiscal year and up to one thousand ~~fifty~~ one hundred dollars ~~($1,050)~~ ($1,100) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1, 2000, for the 2000-2001 fiscal year.

These funds shall be placed in a separate, identifiable account in each eligible institution's budget or chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year. Each student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be available for the tuition grant program as defined in subsection (b) of this section.

Section 10.(b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition to all other financial assistance made available to private educational institutions located within the State, or to students attending these institutions, there is granted to each full-time North Carolina undergraduate student attending an approved institution as defined in G.S. 116-22, a sum, not to exceed one thousand seven hundred fifty dollars ($1,750) for the 1999-2000 academic year and one thousand ~~seven hundred fifty~~ eight hundred dollars ~~($1,750)~~ ($1,800) for the 2000-2001 academic year, which shall be distributed to the student as hereinafter provided.

The tuition grants provided for in this section shall be administered by the State Education Assistance Authority pursuant to rules adopted by the State Education Assistance Authority not inconsistent with this section. The State Education Assistance Authority shall not approve any grant until it receives proper certification from an approved institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the State Education Assistance Authority shall remit at such times as it shall prescribe the grant to the approved institution on behalf, and to the credit, of the student.

In the event a student on whose behalf a grant has been paid is not enrolled and carrying a minimum academic load as of the tenth classroom day following the beginning of the school term for which the grant was paid, the institution shall refund the full amount of the grant to the State Education Assistance Authority. Each approved institution shall be subject to examination by the State Auditor for the purpose of determining whether the institution has properly certified eligibility and enrollment of students and credited grants paid on behalf of the students.

In the event there are not sufficient funds to provide each eligible student with a full grant:

(1) The Board of Governors of The University of North Carolina, with the approval of the Office of State Budget and Management, may transfer available funds to meet the needs of the programs provided by subsections (a) and (b) of this section; and

(2) Each eligible student shall receive a pro rata share of funds then available for the remainder of the academic year within the fiscal period covered by the current appropriation.

Any remaining funds shall revert to the General Fund.

Section 10.(c) Expenditures made pursuant to this section may be used only for secular educational purposes at nonprofit institutions of higher learning. Expenditures made pursuant to this section shall not be used for any student who:

(1) Is incarcerated in a State or federal correctional facility for committing a Class A, B, B1, or B2 felony; or

(2) Is incarcerated in a State or federal correctional facility for committing a Class C through I felony and is not eligible for parole or release within 10 years.

Section 10.(d) The State Education Assistance Authority shall document the number of full-time equivalent North Carolina undergraduate students that are

enrolled in off-campus programs and the State funds collected by each institution pursuant to G.S. 116-19 for those students. The State Education Assistance Authority shall also document the number of scholarships and the amount of the scholarships that are awarded under G.S. 116-19 to students enrolled in off-campus programs. An 'off-campus program' is any program offered for degree credit away from the institution's main permanent campus.

The State Education Assistance Authority shall include in its annual report to the Joint Legislative Education Oversight Committee the information it has compiled and its findings regarding this program."

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

UNC DISTANCE EDUCATION

Section 10.4. This act provides funding to the Board of Governors of The University of North Carolina for degree-related courses provided away from the campus sites of the constituent institutions. The intent of this commitment is to provide expanded opportunities for higher education to more North Carolina residents, including nontraditional students, and to increase the number of North Carolina residents who earn postsecondary degrees. The priority for the use of these funds is to fund courses needed to earn baccalaureate degrees, especially those baccalaureate completion programs offered at community college sites.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

HIGHER EDUCATION COMPENSATION

Section 10.5. The Joint Legislative Education Oversight Committee shall study the need for an "Excellent Universities and Community Colleges Act" that addresses the need and ability of The University of North Carolina and the State's community college system to attract and retain excellent faculty.

In its deliberations regarding university faculty, the Committee shall consider the study conducted by The University of North Carolina on compensation for the faculty at its constituent institutions, how compensation for similar faculty positions compares among the constituent institutions, and how compensation for faculty positions compares with that paid by other public universities for similar faculty positions.

In its deliberations regarding compensation for faculty in the State's community college system, the Committee shall consider any relevant studies on community college faculty compensation conducted by the community college system, how compensation for similar faculty positions compares among the community colleges, and how compensation for faculty positions compares with that paid by other public community college systems for similar faculty positions.

If the Committee determines in its study that there are critical issues regarding faculty compensation, then the Committee shall include in its recommendations and report whether a major, new legislative initiative is needed to address those issues. The Committee shall report its findings and recommendations to the 2001 General Assembly.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine

JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE STUDY GLOBAL EDUCATION PROGRAMS

Section 10.6. The Joint Legislative Education Oversight Committee may study the various international studies and global education programs offered within

the State's university system. In its study the Committee shall consider the number of international studies or global education programs that are offered within the university system, the source of funds, the curriculum for each program, and the teaching methodology used in each of those programs. The Committee shall evaluate the programs and determine how the programs compare with regard to quality, curriculum, teaching methodology, and student enrollment and identify any duplication.

The Committee may report its findings and recommendations to the 2001 General Assembly.

Requested by: Representatives Boyd-McIntyre, Oldham, Rogers, Easterling, Redwine, Baddour

MODEL TEACHER CONSORTIUM

Section 10.7. Of the funds appropriated to the Board of Governors of The University of North Carolina for the 2000-2001 fiscal year the sum of one million three hundred thousand dollars ($1,300,000) is allocated to restore the model teacher consortium program to the 21 counties that were part of that program in 1998-99 and to add the following eight counties to the program: Bladen, Caswell, Camden, Wayne, Alamance, Beaufort, Washington, and Onslow Counties.

Requested by: Representative Gardner

STUDY PRINCIPAL FELLOWS PROGRAM

Section 10.8. The Board of Governors of The University of North Carolina shall, in collaboration with the State Board of Education, convene a representative committee to study the policies and legislation creating the Principal Fellows Program and to make recommendations that would increase the flexibility necessary for the Program to attract a broader age, racial, and ethnic makeup of the applicant pool. The committee shall report to the Joint Legislative Education Oversight Committee by January 15, 2001.

PART XI. DEPARTMENT OF HEALTH AND HUMAN SERVICES

SUBPART 1. ADMINISTRATION

Requested by: Representatives Earle, Nye, Easterling, Redwine

STATE HEALTH STANDARDS

Section 11. Effective October 1, 2000, Article 1 of Chapter 130A of the General Statutes is amended by adding the following new section to read:

"**§ 130A-5.1. State health standards.**

(a) The Secretary shall adopt measurable standards and goals for community health against which the State's actions to improve the health status of its citizens will be measured. The Secretary shall report annually to the General Assembly upon its convening or reconvening and to the Governor on all of the following:

(1) How the State compares to national health measurements and established State goals for each standard. Comparisons shall be reported using disaggregated data for health standards.

(2) Steps taken by State and non-State entities to meet established goals.

(3) Additional steps proposed or planned to be taken to achieve established goals.

(b) The Secretary may coordinate and contract with other entities to assist in the establishment of standards and preparation of the report. The Secretary may use resources available to implement this section."

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

THURSDAY, JUNE 15, 2000
421 LOB

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Leanne Winner	NCSBA
Marc Sanders	Governor's Office
Karen Garr	Governor's Office
Clifton R. Metcalf	UNC GA
Jennifer Bennett	NC DPI
Ann Bellamy	SBE
[illegible]	NCICU
Gene Causby	NCSFSA
[illegible]	NCCC'S
Bill Wilson	NCAE
Sara Ford	Governor's Office

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

THURSDAY, JUNE 15, 2000
421 LOB

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Suzanne Williams	NCCCS
Evelyn Lawshorne	UNC-CH
Mark Fleming	NCSU
J Bryan Brooks	Davidson Co. Comm. College
Hal Miller	NCACCT
Susan Markham	EGHS

AGENDA

SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Tuesday, June 20, 2000
Room 414 LOB

CALL TO ORDER **Presiding: Senator Lee, Co-Chair**

AGENDA: **Senate Budget Bill and Provisions**

MINUTES

SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Tuesday, June 20, 2000
Room 421 LOB

The Senate Appropriations Subcommittee on Education/Higher Education met on Tuesday, June 20, 2000, at 8:30 A.M. in room 421 of the Legislative Office Building. There were seven Senators present.

Senator Lee presided and called the meeting to order. He introduced pages Cameron Barker, sponsored by Senator Cooper, and Jacob Amberger, sponsored by Senator Rand. Senator Lee stated the meeting would consist of a presentation of the proposed Senate education budget.

UNIVERSITY SYSTEM

Senator Lee recognized Ms. Charlotte Todd, Fiscal Staff to present the proposed budget for the University System. Ms. Todd detailed the line item and Special Provision changes to the proposed budget for the University System. *(See Attachment 1, PP's. F4, F5 & F6 and Attachment 2).*

COMMUNITY COLLEGE SYSTEM

Next, Senator Lee recognized Ms. Mona Moon to report the proposed budget and Special Provisions for the Community College System. Ms. Moon presented the proposed changes to the budget and the Special Provisions. *(See Attachment 1, PP's. F7 – F8 and Attachment 2).*

PUBLIC SCHOOLS

Senator Lee recognized Mr. Philip Price to brief the Committee on the proposed budget for the Public Schools. Mr. Price presented a detailed report of the proposed Senate Public School budget. *(See Attachment 1, PP's. F1-F2-F3; and Attachment 3).*

Mr. Jim Newlin presented the proposed Special Provision components of the Public School budget. *(See Attachment 2).*

Following the presentations, the Fiscal Staff and Co-Chairs responded to questions and comments from the Committee members.

Senator Dalton moved to give a favorable report to the proposed education budget. The Senate Appropriations Subcommittee on Education/Higher Education voted ***UNANAMIOUSLY A FAVORABLE REPORT FOR THE SENATE EDUCATION BUDGET.***

Senator Lee and Senator Dalton, Co-Chairs, thanked the members of the Committee and the Staff for their contributions during the 2000 Session.

Senator Lee adjourned the meeting at 10:00 A.M.

Senator Howard Lee, Co-Chair

Christina K. Minard

Christina K. Minard, Education Committee Assistant

ATTACHMENT 1

Senate Appropriations Committee
On
Education

Money Report

June 20, 2000

Public Education

GENERAL FUND

	FY 00-01
Total Budget Approved 1999 Session	**$5,277,518,248**

Budget Changes

Excellent Schools Act

1 **Increase Teacher Salaries**
Implement the fourth year of the teacher salary schedule called for in the Excellent Schools Act. $222,730,457 in recurring funds are included in the Reserve for Compensation increases for this purpose. (HB 1840, Sec. 8.10)

2 **Teacher Longevity: 2000-2001 Salary Increases** — $7,817,926 — R
Appropriate funds for teacher longevity increases associated with the FY 2000-01 salary increases that are part of the Excellent Schools Act

Improving Student Success

3 **Teacher Longevity: Increase in Rates** — $12,500,000 — R
Funding to increase the longevity payments for teachers to the same rates as other state employees. Changes in rates are:
10-14 years: 1% to 1.5%
15-19 years: 1.5% to 2.25%
20-24 years: 2% to 3.25%
25+ years: remains at 4.5%

4 **Improving Student Accountability** — $8,000,000 — R
Appropriate funds to local school systems to improve student performance in grades 3-12. Funds are allocated to local school systems based on the numbers of students scoring at Levels I and II on the end of grade tests. (HB 1840, Sec. 8)

5 **Limited English Proficiency** — $3,700,000 — R
Appropriates additional funds for serving students with limited proficiency in English. This brings total funding for this purpose to $17,066,386 for FY 2000-01 (prior to adjustments for legislated salary increases). (HB 1840, Sec. 8.3)

6 **Small County Supplemental Funding** — $5,000,000 — R
Includes additional funding for two additional counties (Ashe and Hertford) which become eligible, and add funds to increase the formula.

7 **Low Wealth Supplemental Funding** — $5,000,000 — R
Provide additional Low Wealth Supplemental Funding. (HB 1840, Sec. 8.15)

Senate Subcommittee on Education

8	**Exceptional Children** Expansion funding increases the per child supplemental amount from $2,517.74 to $2,549.73 per pupil. The amount was $2,488.83 in 1999-00. (HB 1840, Sec. 8.2)	$5,000,000	R
9	**School Breakfast Program** Funds to annualize free breakfast for kindergarten students begun in January, 2000.	$1,600,000	R
10	**School Leadership Pilot** Funds to the State Board of Education for the school leadership pilot project. The four school districts receiving the funds will participate in the nationwide program of the Center for Leadership in School Reform.(HB 1840, Sec. 8.19)	$240,000	NR
11	**Average Daily Membership Contingency Reserve** Provide additional funds and authority to address transitional year funding for local school districts with new or rapidly growing charter schools.(HB 1840, Sec. 8.7)	$500,000	NR
12	**North Carolina Network Funds** Additional funds to the State Board of Education for the North Carolina Network to provide training for school-based management teams, and to improve the management capacity of local school administrative units.	$100,000	R
13	**Teacher Cadet Program** Provides additional funds for the North Carolina Teacher Cadet Program.	$50,000	R

Various Budget Adjustments

14	**Transportation: Increased Fuel Costs** Funds to adjust for recent increases in fuel costs experienced by school bus operations.	$7,000,000	NR
15	**Average Annual Salary Adjustment** Annual adjustment of average budgeted salary of certified personnel to reflect actual experience through December, 1999.	($42,363,546)	R
16	**Additional Adjustments in Average Salary Projections** Further analysis of the certified payroll data by the Department of Public Instruction determined that more current certification data produced an additional change in average projected salaries for fiscal year 2000-01.	($10,032,012)	R
17	**Substitute Teacher Pay** Revision of cost estimates to meet increased salary requirements.	($440,000)	R
18	**Revise Average Daily Membership** Revise the projected increase for 2000-01 school year downward by 972 students. The revised budget continues to provide for an increase of 19,686 more students in 2000-01.	($6,887,360)	R

Senate Subcommittee on Education

19	**Revise Headcount of Exceptional Children** Adjust continuation budget to reflect actual April 1, 2000 headcount of exceptional children.	($2,104,833)	R
20	**Employee Benefits Program Revisions** Worker's compensation, short-term disability, and annual leave requirements are adjusted to reflect recent experience.	($1,265,742)	R
21	**Teaching Fellows Program** Reduce funding for the Teaching Fellows Scholarship Loan Program Fund to use the fund balance. The reduction will not affect the number of scholarships available.	($2,500,000)	NR
22	**Prospective Teacher Scholarship Loan Program** Reduce funding for the Prospective Teacher Scholarship Loan Program Fund to use the fund balance. The reduction will not affect the number of scholarships available.	($750,000)	NR
23	**Payments for Vacation Days** Adjust funding to reflect recent expenditure experience.	($5,000,000)	R
24	**School Bus Purchases** Adjust recurring funding for school buses based on projected schedule for replacements.	($6,000,000) $6,000,000	R NR
	Budget Changes	**($25,325,567)** **$10,490,000**	**R** **NR**
	Total Position Changes		
	Revised Total Budget	**$5,262,682,681**	

	FY 00-01
Total Budget Approved 1999 Session	**$1,656,863,227**

Budget Changes

25	**Reserves for New Facilities** A one-time reduction in operating costs for new facilities due to construction delays.	($1,210,190)	NR
26	**Regular Term Enrollment** Funds the additional projected enrollment cost for regular term university system enrollment.	$21,081,793 201.00	R
27	**Off-Campus Enrollment Increase** Funds 70% of the Board of Governor's requested enrollment increase for off-campus programs.(HB 1840, Sec. 10.4)	$10,000,000 80.00	R
28	**Tuition Receipts** Additional tuition receipts due to the across-the-board inflationary increase adopted by the UNC Board of Governors for all campuses.	($3,345,338)	R
29	**Need-Based Financial Aid** Creates a new need-based financial aid program in addition to the other forms of financial aid: New Financial Aid: *Campus specific financial aid: $5,611,340 *System Need-based Financial Aid : $5,000,000 *Enrollment-based Financial Aid: $ 46,000 *In-kind financial aid by funding off-: $10,000,000 campus programs to allow students to remain at home while taking courses TOTAL: $20,657,340 Less: -Campus-specific tuition $5,611,340 -Enrollment financial aid $ 46,000 -Off-campus enrollment $10,000,000 NET GENERAL FUND APPROPRIATION: $ 5,000,000 (HB 1840, Sec. 10.1)	$5,000,000	R
30	**Model Teacher Consortium** Additional funds for the Model Teacher Consortium.	$800,000 $200,000	R NR

31	**Aid to Students Attending Private Colleges** Increases the Legislative Tuition Grant (LTG) program by $50 per student bringing it to a total of $1,800. Also increases the State Contractual Scholarship Fund (SCSF) by $50 for each FTE student bringing the total to $1,100.(HB 1840, Sec. 10.3)	$3,257,457	R
32	**Transfer Center for Prevention of School Violence** Transfers the Center for the Prevention of School Violence from the University system to the Office of Juvenile Justice in accordance with the recommendation of the Governor.	($500,000) -7.00	R
33	**Achievement Gap Funds** Funds to support the Historically Minority College and University Initiative to Close the Achievement Gap.	$500,000	NR
34	**ECU Doctoral Status Funds** Provides the next phase of funding for East Carolina University in its transition to a Doctoral II institution.	$1,500,000	R
35	**PT-CAM** Funds the PT-CAM regional workforce training program in the Piedmont Triad area of the state.	$250,000	NR
36	**Chinqua-Penn Plantation** Accepts the Governor's recommendation on a non-recurring basis to provide funds for the Board of Governors to allocate to NC State for the operation of the Chinqua-Penn Plantation.	$100,000	NR
37	**Matching Funds for NC A&T State** Provides matching funds for Federal dollars for NC A&T State University's Agriculture Research and Cooperative Extension Programs.	$1,222,208	NR
38	**Education Cabinet Funds** Funds professional staff and support for the Education Cabinet.	$500,000	NR
39	**Institute for Outdoor Drama** Provides funds for the Institute for Outdoor Drama.	$60,000	R
40	**Blue Crab Research** Provides funds to the Sea Grant program for blue crab research.	$500,000	R
41	**NCSU Poultry Research Position Funds** Provides funds to NCSU to add three additional poultry research positions.	$150,000 3.00	R
42	**Teacher Academy Funds** Provides additional funds for the Teacher Academy.	$250,000	R
43	**NC Center for the Advancement of Teaching** Provides additional funds for the NC Center for the Advancement of Teaching.	$250,000	R

Senate Subcommittee on Education

44	**Institute for International Understanding** Provides additional funds for the Institute for International Understanding.	$218,573	R
Budget Changes		**$39,222,485**	R
		$1,562,018	NR
Total Position Changes		277.00	
Revised Total Budget		**$1,697,647,730**	

Community Colleges

GENERAL FUND

	FY 00-01
Total Budget Approved 1999 Session	**$591,015,693**

Budget Changes

A. Community Colleges System Office

45	**Salary Adjustment Funds** Provide funds for position reclassifications and range revisions approved by the State Personnel Commission and in-range equity adjustments approved by the President of the Community College System.	$225,000	R

B. State Aid - Community College Institutions

46	**Enrollment Adjustment** Provide funds for community college enrollment growth in accordance with the enrollment funding formula.	$20,480,910	R
47	**Supplement for Summer Term Curriculum Instruction** Provide funds for summer term curriculum instruction as a supplement to curriculum enrollment funding for the regular academic year. These funds shall be a separate line item in state aid fund code 1600 and shall not be included in the continuing budget concept for earned FTE enrollment funding. (HB 1840, Section 9.9).	$7,177,623	R
48	**Occupational Continuing Education** Increase funds for occupational extension and continuing education programs by adjusting the funding rate per full-time equivalent student in a continued effort to more closely align funding of continuing education programs with that of curriculum programs.	$3,000,000	R
49	**Reduce New and Expanding Industry Training Funds** Reduce the appropriation for the New and Expanding Industry Training (NEIT) program for one year from $6,028,541 to $5,528,541. In addition to the program's general fund appropriation, funds are provided for the 2000-01 fiscal year through the Employment Security Commission Training and Employment Account.	($500,000)	NR
50	**Reduce Educational Equipment Funds** Reduce the appropriation for educational equipment from $17,319,732 to $15,299,507. In addition to the general fund equipment appropriation, funds are provided for the 2000-01 fiscal year through the Employment Security Commission Training and Employment Account.	($1,000,000) ($1,020,225)	R NR

C. Tuition and Fees

51	**Adjustment for Over-realized Receipts** Increase the budgeted amount of tuition and registration fees for the 2000-01 fiscal year to more accurately reflect anticipated receipts. This reduction also includes a one-time adjustment for over-realized receipts collected in the 1999-2000 fiscal year. (HB 1840, Section 9.4).	($1,000,000) ($2,000,000)	R NR
52	**Increase Curriculum Tuition Charge** Increase the in-state tuition charge per semester hour by $0.75, from $26.75 to $27.50. It is anticipated that for most students, this increase will be off-set by federal and state financial assistance programs.	($2,035,908)	R
53	**Increase Semester Hours for Which Tuition is Charged** Increase the maximum number of semester hours for which tuition is charged from 14 semester hours to 16 semester hours. It is anticipated that for most students, this increase will be off-set by federal and state financial assistance programs.	($2,010,798)	R

D. Reserves and Other Funds

54	**Eliminate Scholarship Reserve Fund Balance** Elminate the fund balance remaining in the Community College Scholarship Reserve. This fund balance is derived from accured interest earnings on the $4 million scholarship reserve principal eliminated by the General Assembly in 1999.	($410,000)	NR
55	**Reduce State Board Reserve** Reduce the appropriation to the State Board Reserve for one year from $1,150,000 to $1,050,000.	($100,000)	NR
56	**Reduce Need-Based Financial Aid Fund Balance** Reduce the fund balance in the reserve for need-based financial aid to retrieve unused funds from the $5 million appropriation for the 1999-2000 fiscal year.	($1,000,000)	NR
57	**Reduce Management Information System (MIS) Fund Balance** Reduce the fund balance in the reserve for development of a management information system (MIS) to retrieve unused funds from the $8 million appropriation for the 1999-2000 fiscal year.	($2,000,000)	NR

Budget Changes	**$24,836,827** **($7,030,225)**	**R** **NR**
Total Position Changes		
Revised Total Budget	**$608,822,295**	

ATTACHMENT 2

Senate Appropriations Committee
On
Education

Special Provisions

June 20, 2000

PART VIII. PUBLIC SCHOOLS

CODE NO. 2000EDUC-H8 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
EXPENDITURE OF FUNDS TO IMPROVE STUDENT ACCOUNTABILITY

Section 8. Section 8.17 of S.L. 1999-237 reads as rewritten:

"Section 8.17. (a) Funds appropriated for the ~~1999-2001 fiscal biennium~~ 2000-2001 fiscal year for Student Accountability Standards shall be used to assist students in performing at or above grade level in reading and mathematics in grades 3-8 as measured by the State's end-of-grade tests. The State Board of Education shall allocate these funds to local school administrative units based on the number of students who score at Level I or Level II on either reading or mathematics end-of-grade tests in grades 3-8. Funds in this allocation category shall be ~~spent only~~ used to improve the academic performance of ~~children~~ (i) students who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and ~~children~~ (ii) students who are performing at Level I or II on the writing tests in grades 4 and 7. These funds may also be used to improve the academic performance of students who are performing at Level I or II on the high school end-of-course tests. These funds shall not be transferred to other allocation categories or otherwise used for other purposes. Except as otherwise provided by law, local boards of education may transfer other funds available to them into this allocation category.

The principal of a school receiving these funds, in consultation with the faculty and the site-based management team, shall implement plans for expending these funds to improve the performance of students.

Continuation budget funds previously appropriated for NC Helps and for the middle school pilot project shall be transferred to this allocation category.

Local boards of education are encouraged to use federal funds such as Goals 2000 and Title I Comprehensive School Reform Development Funds and to examine the use of State funds to ensure that every student is performing at or above grade level in reading and mathematics.

The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to the convening of the 2000 Regular Session of the General Assembly on the implementation of this section. The report may include recommendations regarding the transfer of other funds into this allocation category.

Section 8.17.(b) Funds appropriated for Student Accountability Standards shall not revert at the end of each fiscal year but shall remain available for expenditure until August 31 of the subsequent fiscal year."

CODE NO. 2000EDUC-H8.1 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
USE OF STAFF DEVELOPMENT FUNDS MENTOR TRAINING

Section 8.1. G.S. 115C-105.27 reads as rewritten:

"**§ 115C-105.27. Development and approval of school improvement plans.**

In order to improve student performance, each school shall develop a school improvement plan that takes into consideration the annual performance goal for that school that is set by the State Board under G.S. 115C-105.35. The principal of each school, representatives of the assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building, and parents of children enrolled in the school shall constitute a school improvement team to develop a school improvement plan to improve student performance. Representatives of the assistant principals, instructional personnel, instructional support personnel, and teacher assistants shall be elected by their respective groups by secret ballot. Unless the local board of education has adopted an election policy, parents shall be

elected by parents of children enrolled in the school in an election conducted by the parent and teacher organization of the school or, if none exists, by the largest organization of parents formed for this purpose. Parents serving on school improvement teams shall reflect the racial and socioeconomic composition of the students enrolled in that school and shall not be members of the building-level staff. Parental involvement is a critical component of school success and positive student achievement; therefore, it is the intent of the General Assembly that parents, along with teachers, have a substantial role in developing school improvement plans. To this end, school improvement team meetings shall be held at a convenient time to assure substantial parent participation. The strategies for improving student ~~performance shall~~ performance:

(1) Shall include a plan for the use of staff development funds that may be made available to the school by the local board of education to implement the school improvement ~~plan and shall~~ plan. The plan may provide that a portion of these funds is used for mentor training and for release time and substitute teachers while mentors and teachers mentored are meeting;

(2) Shall include a plan to address school safety and discipline concerns in accordance with the safe school plan developed under Article 8C of this ~~Chapter. The strategies may~~ Chapter;

(3) May include a decision to use State funds in accordance with ~~G.S. 115C-105.25. The strategies for improving student performance shall~~ G.S. 115C-105.25;

(4) Shall include a plan that specifies the effective instructional practices and methods to be used to improve the academic performance of students identified as at risk of academic failure or at risk of dropping out of ~~school. The strategies may also~~ school;

(5) May include requests for waivers of State laws, rules, or policies for that school. A request for a waiver shall meet the requirements of G.S. 115C-105.26.

Support among affected staff members is essential to successful implementation of a school improvement plan to address improved student performance at that school. The principal of the school shall present the proposed school improvement plan to all of the principals, assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building for their review and vote. The vote shall be by secret ballot. The principal shall submit the school improvement plan to the local board of education only if the proposed school improvement plan has the approval of a majority of the staff who voted on the plan.

The local board of education shall accept or reject the school improvement plan. The local board shall not make any substantive changes in any school improvement plan that it accepts. If the local board rejects a school improvement plan, the local board shall state with specificity its reasons for rejecting the plan; the school improvement team may then prepare another plan, present it to the principals, assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building for a vote, and submit it to the local board to accept or reject. If no school improvement plan is accepted for a school within 60 days after its initial submission to the local board, the school or the local board may ask to use the process to resolve disagreements recommended in the guidelines developed by the State Board under G.S. 115C-105.20(b)(5). If this request is made, both the school and local board shall participate in the process to resolve disagreements. If there is no request to use that process, then the local board may develop a school improvement plan for the school. The General Assembly urges the

local board to utilize the school's proposed school improvement plan to the maximum extent possible when developing such a plan.

A school improvement plan shall remain in effect for no more than three years; however, the school improvement team may amend the plan as often as is necessary or appropriate. If, at any time, any part of a school improvement plan becomes unlawful or the local board finds that a school improvement plan is impeding student performance at a school, the local board may vacate the relevant portion of the plan and may direct the school to revise that portion. The procedures set out in this subsection shall apply to amendments and revisions to school improvement plans."

CODE NO. 2000EDUC-H8.2 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
EXCEPTIONAL CHILDREN

Section 8.2. The funds appropriated for exceptional children for the 2000-2001 fiscal year shall be allocated as follows:

(1) Each local school administrative unit shall receive for academically or intellectually gifted children the sum of eight hundred forty-three dollars and fifty-nine cents ($843.59) per child for four percent (4%) of the 2000-2001 allocated average daily membership in the local school administrative unit, regardless of the number of children identified as academically or intellectually gifted in the local school administrative unit. The total number of children for which funds shall be allocated pursuant to this subdivision is 51,542 for the 2000-2001 school year.

(2) Each local school administrative unit shall receive for children with special needs the sum of two thousand five hundred forty-nine dollars and seventy-four cents ($2,549.74) per child for the lesser of (i) all children who are identified as children with special needs or (ii) twelve and five-tenths percent (12.5%) of the 2000-2001 allocated average daily membership in the local school administrative unit. The maximum number of children for which funds shall be allocated pursuant to this subdivision is 156,296 for the 2000-2001 school year.

The dollar amounts allocated under this section for exceptional children shall also increase in accordance with legislative salary increments for personnel who serve exceptional children.

CODE NO. 2000EDUC-H8.3 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
LIMITED ENGLISH PROFICIENCY

Section 8.3. Section 8.10 of S.L. 1999-237 reads as rewritten:

"Section 8.10. The State Board of Education shall develop guidelines for identifying and providing services to students with limited proficiency in the English language.

The State Board shall allocate these funds to local school administrative units and to charter schools under a formula that takes into account the average percentage of students in the units or the charters over the past three years who have limited English proficiency. If data for the prior three years are not available, the State Board shall use the most recent reliable data. The State Board shall allocate funds to a unit or a charter school only if (i) average daily membership of the unit or the charter school includes at least 20 students with limited English proficiency or (ii) students with limited English proficiency comprise at least two and one-half percent (2 1/2%) of the average daily membership of the unit or charter school. ~~No unit or~~

~~charter school shall receive funds for more than~~ For the portion of the funds that is allocated on the basis of the number of identified students, the maximum number of identified students for whom a unit or charter school receives funds shall not exceed ten and six-tenths percent (10.6%) of its average daily membership.

Local school administrative units shall use funds allocated to them to pay for classroom teachers, teacher assistants, tutors, textbooks, classroom materials/instructional supplies/equipment, transportation costs, and staff development for students with limited English proficiency.

A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds."

CODE NO. 2000EDUC-H8.4 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
EXCEPTIONAL CHILDREN HEAD COUNT

Section 8.4. The Commission on Children with Special Needs shall study the issue of when the head count of children with special needs should be performed and whether a single head count during a school year is adequate. The Commission shall report the results of its study to the 2001 General Assembly.

CODE NO. 2000EDUC-H8.5 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
REDUCE IMPACT OF SIGNIFICANT REDUCTIONS IN ADM IN SMALL SCHOOLS SYSTEMS

Section 8.5. If a county school administrative unit with 3,000 or fewer students experiences a greater than four percent (4%) loss in projected average daily membership due to shifts of enrollment to charter schools located within the unit, the State Board of Education may use funds appropriated to State Aid to Local School Administrative Units for the 2000-2001 fiscal year to reduce the loss of funds to the unit's schools, other than charter schools, to a maximum of four percent (4%).

CODE NO. 2000EDUC-H8.6 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
FUNDS FOR THE TESTING AND IMPLEMENTATION OF THE NEW STUDENT INFORMATION SYSTEM

Section 8.6. The State Board of Education may transfer up to one million dollars ($1,000,000) in funds appropriated for the Uniform Education Reporting System for the 2000-2001 fiscal year to the Department of Public Instruction to lease or purchase equipment necessary for the testing and implementation of NC WISE, the new student information system in the public schools.

CODE NO. 2000EDUC-H8.7 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
USES OF THE ADM RESERVE

Section 8.7. If a local school administrative unit has inadequate resources due to (i) the establishment of a new charter school or (ii) authorization from the State Board of Education to increase the enrollment of an existing charter school by more than ten percent (10%), the State Board of Education may allocate additional funds to the unit from the Reserve for Average Daily Membership Adjustment. The State Board shall develop policies for the implementation of this section.

CODE NO. 2000EDUC-H8.8 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

CLASS-SIZE COMPUTATION FOR K-2

Section 8.8. Local school administrative units shall use teacher positions allocated for kindergarten through second grade (i) to hire classroom teachers and reading teachers for children in kindergarten through second grade and (ii) to otherwise reduce the student-teacher ratio in kindergarten through second grade.

Notwithstanding the provisions of G.S. 115C-301(c), both the maximum average class size for the grade span kindergarten, first grade, and second grade, and the maximum size of an individual class within the grade span shall be 26 students.

CODE NO. 2000EDUC-H8.9 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

LITIGATION RESERVE

Section 8.9.(a) Funds in the State Board of Education's Litigation Reserve that are not expended or encumbered on June 30, 2000, shall not revert on July 1, 2000, but shall remain available for expenditure until June 30, 2001.

Section 8.9.(b) Subsection (a) of this section becomes effective June 30, 2000.

Section 8.9.(c) The State Board of Education may expend up to five hundred thousand dollars ($500,000) for the 2000-2001 fiscal year from unexpended funds for certified employees' salaries to pay expenses related to pending litigation.

CODE NO. 2000EDUC-H8.10/S8.10

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

TEACHER SALARY SCHEDULES

Section 8.10.(a) Effective for the 2000-2001 school year, the Director of the Budget may transfer from the Reserve for Compensation Increase for the 2000-2001 fiscal year funds necessary to implement the teacher salary schedule set out in subsection (b) of this section, including funds for the employer's retirement and social security contributions and funds for annual longevity payments at one and one-half percent (1.5%) of base salary for 10 to 14 years of State service, two and twenty-five hundredths percent (2.25%) of base salary for 15 to 19 years of State service, three and twenty-five hundredths percent (3.25%) of base salary for 20 to 24 years of State service, and four and one-half percent (4.5%) of base salary for 25 or more years of State service, commencing July 1, 2000, for all teachers whose salaries are supported from the State's General Fund. These funds shall be allocated to individuals according to rules adopted by the State Board of Education. The longevity payment shall be paid in a lump sum once a year.

Section 8.10.(b) For the 2000-2001 school year, the following monthly salary schedules shall apply to certified personnel of the public schools who are classified as teachers. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

2000-2001 Monthly Salary Schedule
"A" Teachers

Years of Experience	"A" Teachers	NBPTS Certification
0	$2,500	N/A
1	$2,542	N/A
2	$2,585	N/A
3	$2,737	$3,065
4	$2,875	$3,220

1	5	$3,006	$3,366
2	6	$3,133	$3,508
3	7	$3,234	$3,622
4	8	$3,281	$3,674
5	9	$3,329	$3,728
6	10	$3,378	$3,783
7	11	$3,427	$3,838
8	12	$3,476	$3,893
9	13	$3,526	$3,949
10	14	$3,578	$4,007
11	15	$3,631	$4,066
12	16	$3,685	$4,127
13	17	$3,740	$4,188
14	18	$3,796	$4,251
15	19	$3,853	$4,315
16	20	$3,911	$4,380
17	21	$3,971	$4,447
18	22	$4,032	$4,515
19	23	$4,095	$4,586
20	24	$4,158	$4,656
21	25	$4,222	$4,728
22	26	$4,287	$4,801
23	27	$4,354	$4,876
24	28	$4,423	$4,953
25	29+	$4,493	$5,032
26			

27 2000-2001 Monthly Salary Schedule
28 "M" Teachers
29

	Years of Experience	"M" Teachers	NBPTS Certification
32			
33	0	$2,750	N/A
34	1	$2,796	N/A
35	2	$2,844	N/A
36	3	$3,011	$3,372
37	4	$3,163	$3,542
38	5	$3,307	$3,703
39	6	$3,446	$3,859
40	7	$3,557	$3,983
41	8	$3,609	$4,042
42	9	$3,662	$4,101
43	10	$3,716	$4,161
44	11	$3,770	$4,222
45	12	$3,824	$4,282
46	13	$3,879	$4,344
47	14	$3,936	$4,408
48	15	$3,994	$4,473
49	16	$4,054	$4,540
50	17	$4,114	$4,607
51	18	$4,176	$4,677
52	19	$4,238	$4,746
53	20	$4,302	$4,818

21	$4,368	$4,892
22	$4,435	$4,967
23	$4,505	$5,045
24	$4,574	$5,122
25	$4,644	$5,201
26	$4,716	$5,281
27	$4,789	$5,363
28	$4,865	$5,448
29+	$4,942	$5,535

Section 8.10.(b1) Certified public school teachers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "M" teachers. Certified public school teachers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified personnel of the public schools who are classified as "M" teachers.

Section 8.10.(c) Effective for the 2000-2001 school year, the first step of the salary schedule for school psychologists shall be equivalent to Step 5, corresponding to five years of experience, on the salary schedule established in this section for certified personnel of the public schools who are classified as "M" teachers. Certified psychologists shall be placed on the salary schedule at an appropriate step based on their years of experience. Certified psychologists shall receive longevity payments based on years of State service in the same manner as teachers.

Certified psychologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for certified psychologists. Certified psychologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for certified psychologists.

Section 8.10.(d) Effective for the 2000-2001 school year, speech pathologists who are certified as speech pathologists at the masters degree level and audiologists who are certified as audiologists at the masters degree level and who are employed in the public schools as speech and language specialists and audiologists shall be paid on the school psychologist salary schedule.

Speech pathologists and audiologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for speech pathologists and audiologists. Speech pathologists and audiologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for speech pathologists and audiologists.

Section 8.10.(e) Certified school nurses who are employed in the public schools as nurses shall be paid on the "M" salary schedule.

CODE NO. 2000EDUC-H8.11 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

SCHOOL-BASED ADMINISTRATOR SALARIES

Section 8.11.(a) Funds appropriated to the Reserve for Compensation Increase shall be used for the implementation of the salary schedule for school-based administrators as provided in this section. These funds shall be used for State-paid employees only.

Section 8.11.(b) The base salary schedule for school-based administrators shall apply only to principals and assistant principals. The base salary schedule for the 2000-2001 fiscal year, commencing July 1, 2000, is as follows:

2000-2001
Principal and Assistant Principal Salary Schedules

Classification

Yrs of Exp	Assistant Principal	Prin I (0-10)	Prin II (11-21)	Prin III (22-32)	Prin IV (33-43)
0-4	$3,195				
5	$3,340				
6	$3,480				
7	$3,593				
8	$3,645	$3,645			
9	$3,699	$3,699			
10	$3,753	$3,753	$3,808		
11	$3,808	$3,808	$3,862		
12	$3,862	$3,862	$3,918	$3,975	
13	$3,918	$3,918	$3,975	$4,034	$4,095
14	$3,975	$3,975	$4,034	$4,095	$4,155
15	$4,034	$4,034	$4,095	$4,155	$4,218
16	$4,095	$4,095	$4,155	$4,218	$4,280
17	$4,155	$4,155	$4,218	$4,280	$4,345
18	$4,218	$4,218	$4,280	$4,345	$4,412
19	$4,280	$4,280	$4,345	$4,412	$4,479
20	$4,345	$4,345	$4,412	$4,479	$4,550
21	$4,412	$4,412	$4,479	$4,550	$4,620
22	$4,479	$4,479	$4,550	$4,620	$4,690
23	$4,550	$4,550	$4,620	$4,690	$4,763
24	$4,620	$4,620	$4,690	$4,763	$4,837
25	$4,690	$4,690	$4,763	$4,837	$4,914
26	$4,763	$4,763	$4,837	$4,914	$4,991
27	$4,837	$4,837	$4,914	$4,991	$5,091
28	$4,914	$4,914	$4,991	$5,091	$5,193
29	$4,991	$4,991	$5,091	$5,193	$5,297
30	$5,091	$5,091	$5,193	$5,297	$5,403
31	$5,193	$5,193	$5,297	$5,403	$5,511
32		$5,297	$5,403	$5,511	$5,621
33			$5,511	$5,621	$5,733
34			$5,621	$5,733	$5,848
35				$5,848	$5,965
36				$5,965	$6,084
37					$6,206

2000-2001

Principal and Assistant Principal Salary Schedules

Classification

Yrs of Exp	Prin V (44-54)	Prin VI (55-65)	Prin VII (66-100)	Prin VIII (101+)
14	$4,218			
15	$4,280			
16	$4,345	$4,412		
17	$4,412	$4,479	$4,620	
18	$4,479	$4,550	$4,690	$4,763
19	$4,550	$4,620	$4,763	$4,837
20	$4,620	$4,690	$4,837	$4,914
21	$4,690	$4,763	$4,914	$4,991
22	$4,763	$4,837	$4,991	$5,091
23	$4,837	$4,914	$5,091	$5,193
24	$4,914	$4,991	$5,193	$5,297
25	$4,991	$5,091	$5,297	$5,403
26	$5,091	$5,193	$5,403	$5,511
27	$5,193	$5,297	$5,511	$5,621
28	$5,297	$5,403	$5,621	$5,733
29	$5,403	$5,511	$5,733	$5,848
30	$5,511	$5,621	$5,848	$5,965
31	$5,621	$5,733	$5,965	$6,084
32	$5,733	$5,848	$6,084	$6,206
33	$5,848	$5,965	$6,206	$6,330
34	$5,965	$6,084	$6,330	$6,457
35	$6,084	$6,206	$6,457	$6,586
36	$6,206	$6,330	$6,586	$6,718
37	$6,330	$6,457	$6,718	$6,852
38	$6,457	$6,586	$6,852	$6,989
39		$6,718	$6,989	$7,129
40		$6,852	$7,129	$7,272
41			$7,272	$7,417

Section 8.11.(c) The appropriate classification for placement of principals and assistant principals on the salary schedule, except for principals in alternative schools, shall be determined in accordance with the following schedule:

Classification	**Number of Teachers Supervised**
Assistant Principal	
Principal I	Fewer than 11 Teachers
Principal II	11-21 Teachers
Principal III	22-32 Teachers
Principal IV	33-43 Teachers
Principal V	44-54 Teachers
Principal VI	55-65 Teachers
Principal VII	66-100 Teachers
Principal VIII	More than 100 Teachers

The number of teachers supervised includes teachers and assistant principals paid from State funds only; it does not include teachers or assistant principals paid from non-State funds or the principal or teacher assistants.

The beginning classification for principals in alternative schools shall be the Principal III level. Principals in alternative schools who supervise 33 or more teachers shall be classified according to the number of teachers supervised.

Section 8.11.(d) A principal shall be placed on the step on the salary schedule that reflects total number of years of experience as a certificated employee of the public schools and an additional step for every three years of experience as a principal.

Section 8.11.(e) For the 2000-2001 fiscal year, a principal or assistant principal shall be placed on the appropriate step plus one percent (1%) if:

(1) The employee's school met or exceeded the projected levels of improvement in student performance for the 1997-98 fiscal year, in accordance with the ABCs of Public Education Program;

(2) The local board of education found in 1997-98 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school;

(3) The employee's school met or exceeded the projected levels of improvement in student performance for the 1998-99 fiscal year, in accordance with the ABCs of Public Education Program;

(4) The local board of education found in 1998-99 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school;

(5) The employee's school met or exceeded the projected levels of improvement in student performance for the 1999-2000 fiscal year, in accordance with the ABCs of Public Education Program; or

(6) The local board of education found in 1999-2000 that the employee's school met objectively measurable goals set by the local board of education for maintaining a safe and orderly school.

The principal or assistant principal shall be placed on the appropriate step plus an additional one percent (1%) for meeting each additional condition set out in subdivisions (1) through (6). Under no circumstance shall placement of a principal or assistant principal be higher than six percent (6%) above the appropriate step on the salary schedule.

Section 8.11.(f) For the 2000-2001 fiscal year, a principal or assistant principal shall receive a lump-sum payment of:

(1) One percent (1%) of his or her State-paid salary if the employee's school meets or exceeds the projected levels of improvement in student performance for the 2000-2001 fiscal year, in accordance with the ABCs of Public Education Program.

(2) One percent (1%) of his or her State-paid salary if the local board of education finds that the employee's school has met the 2000-2001 goals of the local plan for maintaining a safe and orderly school.

The principal or assistant principal shall receive a lump-sum payment of two percent (2%) if the conditions set out in both subdivisions (1) and (2) are satisfied.

The lump sum shall be paid as determined by guidelines adopted by the State Board. Except as provided in subsection (l) of this section, placement on the salary schedule in the following year shall be based upon these increases.

Section 8.11.(g) Principals and assistant principals with certification based on academic preparation at the six-year degree level shall be paid a salary supplement of one hundred twenty-six dollars ($126.00) per month and at the doctoral degree level shall be paid a salary supplement of two hundred fifty-three dollars ($253.00) per month.

Section 8.11.(h) There shall be no State requirement that superintendents in each local school unit shall receive in State-paid salary at least one percent (1%) more than the highest paid principal receives in State salary in that school unit: Provided, however, the additional State-paid salary a superintendent who was employed by a local school administrative unit for the 1992-93 fiscal year received because of that requirement shall not be reduced because of this subsection for subsequent fiscal years that the superintendent is employed by that local school administrative unit so long as the superintendent is entitled to at least that amount of additional State-paid salary under the rules in effect for the 1992-93 fiscal year.

Section 8.11.(i) Longevity pay for principals and assistant principals shall be as provided for State employees under the State Personnel Act.

Section 8.11.(j)

(1) If a principal is reassigned to a higher job classification because the principal is transferred to a school within a local school administrative unit with a larger number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the higher job classification.

(2) If a principal is reassigned to a lower job classification because the principal is transferred to a school within a local school administrative unit with a smaller number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the lower job classification.

This subdivision applies to all transfers on or after the effective date of this section, except transfers in school systems that have been created, or will be created, by merging two or more school systems. Transfers in these merged systems are exempt from the provisions of this subdivision for one calendar year following the date of the merger.

Section 8.11.(k) Participants in an approved full-time masters in school administration program shall receive up to a 10-month stipend at the beginning salary of an assistant principal during the internship period of the masters program. Certification of eligible full-time interns shall be supplied to the Department of Public Instruction by the Principal's Fellow Program or a school of education where the intern participates in a full-time masters in school administration.

Section 8.11.(l) During the 2000-2001 fiscal year, the placement on the salary schedule of an administrator with a one-year provisional assistant principal's certificate shall be at the entry-level salary for an assistant principal or the appropriate step on the teacher salary schedule, whichever is higher. Lump-sum payments received pursuant to subsection (f) of this section shall not be considered in placing the employee on the salary schedule in subsequent years that the employee is employed under either a provisional or a full certificate.

CODE NO. 2000EDUC-H8.12 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

SCHOOL CENTRAL OFFICE SALARIES

Section 8.12.(a) The following monthly salary ranges apply to assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers for the 2000-2001 fiscal year, beginning July 1, 2000:

School Administrator I	$
School Administrator II	$
School Administrator III	$

School Administrator IV $
School Administrator V $
School Administrator VI $
School Administrator VII $

The local board of education shall determine the appropriate category and placement for each assistant superintendent, associate superintendent, director/coordinator, supervisor, or finance officer within the salary ranges and within funds appropriated by the General Assembly for central office administrators and superintendents. The category in which an employee is placed shall be included in the contract of any employee hired on or after July 1, 2000.

Section 8.12.(b) The following monthly salary ranges apply to public school superintendents for the 2000-2001 fiscal year, beginning July 1, 2000:

(1) Superintendent I (Up to 2,500 ADM): $
(2) Superintendent II (2,501 - 5,000 ADM): $
(3) Superintendent III (5,001 - 10,000 ADM): $
(4) Superintendent IV (10,001 - 25,000 ADM): $
(5) Superintendent V (Over 25,000 ADM): $

The local board of education shall determine the appropriate category and placement for the superintendent based on the average daily membership of the local school administrative unit and within funds appropriated by the General Assembly for central office administrators and superintendents.

Notwithstanding the provisions of this subsection, a local board of education may pay an amount in excess of the applicable range to a superintendent who is entitled to receive the higher amount under Section 8.11(h) of this act.

Section 8.12.(c) Longevity pay for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers shall be as provided for State employees under the State Personnel Act.

Section 8.12.(d) Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars ($126.00) per month in addition to the compensation provided for pursuant to this section. Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars ($253.00) per month in addition to the compensation provided for under this section.

Section 8.12.(e) The State Board shall not permit local school administrative units to transfer State funds from other funding categories for salaries for public school central office administrators.

Section 8.12.(f) The Director of the Budget shall transfer from the Reserve for Compensation Increase created in this act for fiscal year 2000-2001, beginning July 1, 2000, funds necessary to provide an average annual salary increase of _____ percent (____%), including funds for the employer's retirement and social security contributions, commencing July 1, 2000, for all permanent full-time personnel paid from the Central Office Allotment. The State Board of Education shall allocate these funds to local school administrative units. The local boards of education shall establish guidelines for providing their salary increases to these personnel.

CODE NO. 2000EDUC-H8.13 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

NONCERTIFIED PERSONNEL SALARY FUNDS

Section 8.13.(a) The Director of the Budget may transfer from the Reserve for Compensation Increase created in this act for fiscal year 2000-2001, commencing July 1, 2000, funds necessary to provide a salary increase of _____ percent (____%), including funds for the employer's retirement and social security contributions, commencing July 1, 2000, for all noncertified public school employees, except for teacher assistants, whose salaries are supported from the State's General Fund.

Section 8.13.(b) Except as provided in subsection (c) of this section, local boards of education shall increase the rates of pay for all such employees who were employed for fiscal year 1999-2000 and who continue their employment for fiscal year 2000-2001 by at least _____ percent (____%), commencing July 1, 2000.

Section 8.13.(c) A local board of education may adopt a policy that provides for raises of less than _____ percent (____%) for all such employees who were employed for less than two-thirds of the employment period for fiscal year 1999-2000 and who continue their employment for fiscal year 2000-2001. A local board of education adopting such a policy shall increase the salaries of those employees in accordance with the local policy.

Section 8.13.(d) These funds shall not be used for any purpose other than for the salary increases and necessary employer contributions provided by this section.

Section 8.13.(e) The State Board of Education may adopt salary ranges for noncertified personnel to support increases of _____ percent (____%) for the 2000-2001 fiscal year.

CODE NO. 2000EDUC-H8.13A/S8.13A

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

TEACHER ASSISTANT SALARY SCHEDULE

Section 8.13A. (a) The allotment formula for teacher assistants for the 2000-2001 fiscal year shall be a dollar allotment. Local boards of education shall use these funds to increase the rates of pay for teacher assistants who were employed for fiscal year 1999-2000 and who continue their employment for fiscal year 2000-2001. This increase shall be at least _____ percent (____%), commencing July 1, 2000, for all such teacher assistants unless a local board of education adopts a policy that provides for raises of less than _____ percent (____%) for all those teacher assistants who were employed for less than two-thirds of the employment period for fiscal year 1999-2000 and who continue their employment for fiscal year 2000-2001. A local board of education adopting such a policy shall increase the salaries of those teacher assistants who were employed for less than two-thirds of the employment period for fiscal year 1999-2000 in accordance with the local policy; that local board shall increase the salaries of those teacher assistants who were employed for two-thirds or more of the employment period for fiscal year 1999-2000 by at least _____ percent (____%).

(b) Prior to the adoption and implementation of a minimum experienced-based salary schedule for teacher assistants, the General Assembly is committed to determining the cost of implementing such a schedule. The salary schedule should also include incremental increases for teacher assistants for educational certification and degree standards. The Joint Education Oversight

Committee shall obtain the experience and education levels of all teacher assistants and report to the 2001 General Assembly on its recommendations regarding the salary schedule and the cost of implementation.

CODE NO. 2000EDUC-H8.14 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
FUNDS TO IMPLEMENT THE ABCs OF PUBLIC EDUCATION PROGRAM

Section 8.14. The State Board of Education shall use funds appropriated for State Aid to Local School Administrative Units for the 1999-2000 fiscal year and the 2000-2001 fiscal year to provide incentive funding for schools that met or exceeded the projected levels of improvement in student performance during the 1999-2000 school year, in accordance with the ABCs of Public Education Program. In accordance with State Board of Education policy:

(1) Incentive awards in schools that achieve higher than expected improvements may be up to:
   a. $1,500 for each teacher and for certified personnel; and
   b. $500.00 for each teacher assistant.

(2) Incentive awards in schools that meet the expected improvements may be up to:
   a. $750.00 for each teacher and for certified personnel; and
   b. $375.00 for each teacher assistant.

CODE NO. 2000EDUC-H8.15 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
SUPPLEMENTAL FUNDING IN LOW-WEALTH COUNTIES

Section 8.15. Section 8.5(b) of S.L. 1999-237 reads as rewritten:

"Section 8.5.(b) Use of Funds for Supplemental Funding. -- All funds received pursuant to this section shall be used only (i) to provide instructional positions, instructional support positions, teacher assistant positions, clerical positions, <u>school computer technicians,</u> instructional supplies and equipment, staff development, and textbooks, and (ii) for salary supplements for instructional personnel and instructional support personnel.

Local boards of education are encouraged to use at least ~~twenty percent (20%)~~ <u>twenty-five percent (25%)</u> of the funds received pursuant to this section to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades 3-8 and children who are performing at Level I or II on the writing tests in grades 4 and 7. Local boards of education shall report to the State Board of Education on an annual basis on funds used for this purpose, and the State Board shall report this information to the Joint Legislative Education Oversight Committee."

CODE NO. 2000EDUC-H8.16/S8.16
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS CERTIFICATION

Section 8.16. Chapter 115C of the General Statutes is amended by adding a new section to read:

"<u>**§ 115C-296.2. National Board for Professional Teaching Standards Certification.**</u>

<u>(a) State Policy. -- It is the goal of the State to provide opportunities and incentives for good teachers to become excellent teachers and to retain them in the teaching profession; to attain this goal, the State shall support the efforts of teachers to achieve national certification by providing approved paid leave time for teachers</u>

participating in the process, paying the participation fee, and paying a significant salary differential to teachers who attain national certification from the National Board for Professional Teaching Standards (NBPTS).

The National Board for Professional Teaching Standards (NBPTS) was established in 1987 as an independent, nonprofit organization to establish high standards for teachers' knowledge and performance and for development and operation of a national voluntary system to assess and certify teachers who meet those standards. Participation in the program gives teachers the time and the opportunity to analyze in a systematic way their professional development as teachers, successful teaching strategies, and the substantive areas in which they teach. Participation also gives teachers an opportunity to demonstrate superior ability and to be compensated as superior teachers. To receive NBPTS certification, a teacher must successfully (i) complete a year-long process of developing a portfolio of student work and videotapes of teaching and learning activities and (ii) participate in NBPTS assessment center simulation exercises, including performance-based activities and a content knowledge examination.

(b) Definitions. -- As used in this subsection:

(1) A 'North Carolina public school' is a school operated by a local board of education, the Department of Health and Human Services, the Department of Correction, or The University of North Carolina; a school affiliated with The University of North Carolina; or a charter school approved by the State Board of Education.

(2) A 'teacher' is a person who:

a. Either:

1. Is certified to teach in North Carolina or

2. Holds a certificate or license issued by the State Board of Education that meets the professional license requirement for NBPTS certification;

b. Is a State-paid employee of a North Carolina public school;

c. Is paid on the teacher salary schedule; and

d. Spends at least seventy percent (70%) of his or her work time:

1. In classroom instruction, if the employee is employed as a teacher. The remainder of the teacher's time shall be spent in one or more of the following: mentoring teachers, doing demonstration lessons for teachers, writing curricula, developing and leading staff development programs for teachers; or

2. In work within the employee's area of certification or licensure, if the employee is employed in an area of NBPTS certification other than direct classroom instruction.

(c) Payment of the NBPTS Participation Fee; Paid Leave. -- The State shall pay the NBPTS participation fee and shall provide up to three days of approved paid leave to all teachers participating in the NBPTS program who:

(1) Have completed three years of teaching in a North Carolina public school; and

(2) Have (i) not previously received State funds for participating in any certification area in the NBPTS program, (ii) repaid any State funds previously received for the NBPTS certification process, or (iii) received a waiver of repayment from the State Board of Education.

Teachers participating in the program shall take paid leave only with the approval of their supervisors.

(d) Repayment by a Teacher Who Does Not Complete the Process. -- A teacher for whom the State pays the participation fee who does not complete the process shall repay the certification fee to the State.

Repayment is not required if a teacher does not complete the process due to the death or disability of the teacher. Upon the application of the teacher, the State Board of Education may waive the repayment requirement if the State Board finds that the teacher was unable to complete the process due to the illness of the teacher, the death or catastrophic illness of a member of the teacher's immediate family, parental leave to care for a newborn, or other extraordinary circumstances.

(e) Repayment by a Teacher Who Does Not Teach for a Year After Completing the Process. -- A teacher for whom the State pays the participation fee who does not teach for a year in a North Carolina public school after completing the process shall repay the certification fee to the State.

Repayment is not required if a teacher does not teach in a North Carolina public school for at least one year after completing the process due to the death or disability of the teacher. Upon the application of the teacher, the State Board of Education may extend the time before which a teacher must either teach for a year or repay the participation fee if the State Board finds that the teacher is unable to teach the next year due to the illness of the teacher, the death or catastrophic illness of a member of the teacher's immediate family, parental leave to care for a newborn, or other extraordinary circumstances.

(f) Salary differential for teachers with NBPTS certification who changes employment. -- If a teacher who attained NBPTS certification as a classroom teacher moves to an instructional support position, the teacher shall continue to receive the NBPTS salary differential for two years in the new position. If a teacher who attained NBPTS certification in an instructional support position moves to a position in a different instructional support position or to a position as a classroom teacher, the teacher shall continue to receive the NBPTS salary differential for two years in the new position.

(g) Rules. -- The State Board shall adopt policies and guidelines to implement this section."

CODE NO. 2000EDUC-H8.18/S8.18

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

REDUCTION OF PAPERWORK IN PUBLIC SCHOOLS

Section 8.18.(a) G.S. 115C-307(g) reads as rewritten:

"(g) To Make Required Reports. -- ~~Every teacher of a public school shall make such reports as are~~ A teacher shall make all reports required by the ~~boards of education, and the~~ local board of education. The superintendent shall not approve the ~~vouchers for the pay of teachers~~ voucher for a teacher's pay until the required monthly and annual reports are ~~made: Provided, that the superintendents may require teachers~~ made.

The superintendent may require a teacher to make reports to the ~~principals.~~ principal.

A teacher shall be given access to the information in the student information management system to expedite the process of preparing reports or otherwise providing information. A teacher shall not be required by the local board, the superintendent, or the principal to (i) provide information that is already available on the student information management system; (ii) provide the same written information more than once during a school year unless the information has changed during the ensuing period; or (iii) complete forms that are not necessary to ensure

compliance with the federal Individuals with Disabilities Education Act (IDEA). Notwithstanding the forgoing, a local board may require information available on its Student Information Management system or require the same information twice if the local board can demonstrate a compelling need and can demonstrate there is not a more expeditious manner of getting the information.

~~Provided further, that any~~ Any teacher who knowingly and willfully makes or procures another to make any false report or records, requisitions, or payrolls, respecting daily attendance of pupils in the public schools, payroll data sheets, or other reports required to be made to any board or officer in the performance of their duties, shall be guilty of a Class 1 misdemeanor and the certificate of such person to teach in the public schools of North Carolina shall be revoked by the Superintendent of Public Instruction."

Section 8.18.(b) G.S. 115C-47(18) reads as rewritten:

"(18) To Make Rules Concerning the Conduct and Duties of Personnel. -- Local boards of education, upon the recommendation of the superintendent, shall have full power to make all just and needful rules and regulations governing the conduct of teachers, principals, and supervisors, the kind of reports they shall make, and their duties in the care of school property.

Prior to the beginning of each school year, each local board of education shall identify all reports, including local school required reports, that are required at the local level for the school ~~year.~~ year and shall, to the maximum extent possible, eliminate any duplicate or obsolete reporting requirements. No additional reports shall be required at the local level after the beginning of the school year without the prior approval of the local board of education.

Each local board of education shall appoint a person or establish a paperwork control committee to monitor all reports and other paperwork produced by or required by the central office, as requested by the committee or appointed person."

Section 8.18.(c) The State Board of Education shall:

(1) Review requirements for reports from local school administrative units and, to the extent possible, eliminate any duplicate or obsolete reporting requirements;

(2) Develop a plan for the implementation of a paperless student information management system prior to the 2005-2006 school year and request funds necessary for the implementation of the system;

(3) Work with the United States Department of Education to standardize all forms required under the federal Individuals with Disabilities Education Act (IDEA);

(4) Study the amount of State and local funds expended to meet compliance standards established under IDEA and State law;

(5) Develop a plan to cut spending for compliance issues related to special education by fifty percent (50%) for the 2001-2002 fiscal year and to direct the savings to direct services for children with special needs; and

(6) Develop a plan to fund compliance issues related to special education only with federal funds provided specifically for that purpose for the 2002-2003 fiscal year and to eliminate all State funding for compliance issues.

The State Board shall report to the Joint Legislative Education Oversight Committee prior to December 15, 2001, on its and the school systems' progress with implementing this section.

CODE NO. 2000EDUC-H8.19 =
Requested by: Senators Lee, Dalton, Metcalf, Carter, Soles, Plyler, Perdue, Odom
SCHOOL LEADERSHIP PILOT PROJECT

Section 8.19. Local school administrative units that participate in the School Leadership Pilot Project of the Center for Leadership in School Reform shall receive State funds for this purpose for no more than three fiscal years.

CODE NO. 2000EDUC-S8.21
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
HIGH SCHOOL EXIT EXAMS

Section 8.21. Of the funds appropriated to State Aid to Local School Administrative Units, the State Board of Education may use up to three million dollars ($3,000,000) for the 2000-2001 fiscal year to:

(1) Continue to develop a high school exit examination;
(2) Develop the computer skills test;
(3) Purchase equipment for scoring tests and for ABCs reporting; and
(4) Retest for standards and assessments and for revisions to the science and English language arts tests.

CODE NO. 2000EDUC-S8.23
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
GUIDELINES FOR CHARTER SCHOOL EXPANDED ENROLLMENT

Section 8.23. G.S. 115C-238.29D(d) reads as rewritten:

"(d) The State Board of Education may grant the initial charter for a period not to exceed five years and may renew the charter upon the request of the chartering entity for subsequent periods not to exceed five years each. A material revision of the provisions of a charter application shall be made only upon the approval of the State Board of Education. Beginning with the charter school's second year of operation and annually thereafter, the State Board shall allow a charter school to increase its enrollment by ten percent (10%) of the school's previous year's enrollment or as is otherwise provided in the charter. This enrollment growth shall not be considered a material revision of the charter application and shall not require the prior approval of the State Board.

<u>An enrollment growth of greater than ten percent (10%) shall be considered a material revision of the charter application. The State Board may approve an enrollment growth of greater than ten percent (10%) only if the State Board finds that:</u>

<u>(1) The actual enrollment of the charter school is within ten percent (10%) of its maximum authorized enrollment;</u>
<u>(2) The charter school has commitments for ninety percent (90%) of the requested maximum growth;</u>
<u>(3) The board of education of the local school administrative unit in which the charter school is located has had an opportunity to be heard by the State Board of Education on any adverse impact the proposed growth would have on the unit's ability to provide a sound basic education to its students;</u>
<u>(4) The charter school is not currently identified as low-performing;</u>
<u>(5) The charter school meets generally accepted standards of fiscal management; and</u>

(6) It is otherwise appropriate to approve the enrollment growth."

CODE NO. 2000EDUC-S8.24
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
ENCOURAGE RETIRED TEACHERS TO RETURN TO THE CLASSROOM

Section 8.24. G.S. 135-3(8)c. reads as rewritten:

"c. **(Effective until July 1, 2003)** Should a beneficiary who retired on an early or service retirement allowance under this Chapter be reemployed, or otherwise engaged to perform services, by an employer participating in the Retirement System on a part-time, temporary, interim, or on a fee-for-service basis, whether contractual or otherwise, and if such beneficiary earns an amount in any calendar year which exceeds fifty percent (50%) of the reported compensation, excluding terminal payments, during the 12 months of service preceding the effective date of retirement, or twenty thousand dollars ($20,000), whichever is greater, as hereinafter indexed, then the retirement allowance shall be suspended as of the first day of the month following the month in which the reemployment earnings exceed the amount above, for the balance of the calendar year. The retirement allowance of the beneficiary shall be reinstated as of January 1 of each year following suspension. The amount that may be earned before suspension shall be increased on January 1 of each year by the ratio of the Consumer Price Index to the Index one year earlier, calculated to the nearest tenth of a percent (1/10 of 1%).

The computation of postretirement earnings of a beneficiary under this sub-subdivision, G.S 135-3(8)c., who has been retired at least 12 months and has not been employed in any capacity, except as a substitute teacher, with a public school for at least 12 ~~months,~~ months immediately preceding the effective date of reemployment, shall not include earnings ~~while:~~

~~1. The beneficiary is employed to teach on a substitute or interim basis, and not on a permanent basis, in a public school;~~

~~2. The beneficiary is employed to teach in the teacher's area of certification in a low-performing school. As used in this sub-subdivision, a low-performing school is a public elementary or middle school at which forty-eight percent (48%) or more of the students were below grade level during either of the prior two school years or a public high school identified by the State Board of Education as low-performing. If the designation of low-performing is removed while the beneficiary is employed to teach at the school, the provisions of this sub-subdivision apply for the next two school years after the designation is removed; or~~

~~3. The beneficiary is employed to teach in a public school in the teacher's area of certification in a geographical area in which the State Board of Education determines that there is a shortage of teachers in the beneficiary's area of certification.~~

while the beneficiary is employed to teach on a substitute, interim, or permanent basis in a public school. The Department of Public Instruction shall certify to the Retirement System that a beneficiary is employed to teach by a local school administrative unit under the provisions of this sub-subdivision and as a retired teacher as the term is defined under the provisions of G.S. 115C-325(a)(5a).

Beneficiaries employed under this sub-subdivision are not entitled to any benefits otherwise provided under this Chapter as a result of this period of employment."

CODE NO. 2000EDUC-S8.25
SMALL SCHOOL SYSTEM SUPPLEMENTAL FUNDING
Senators Lee, Dalton, Plyler, Perdue, Odom

Section 8.25. Section 8.6 of S.L. 1999-237 reads as rewritten:

"Section 8.6.(a) Funds for Small School Systems. -- Except as provided in subsection (b) of this section, the State Board of Education shall allocate funds appropriated for small school system supplemental funding (i) to each county school administrative unit with an average daily membership of fewer than 3,150 students and (ii) to each county school administrative unit with an average daily membership of from 3,150 to 4,000 students if the county in which the local school administrative unit is located has a county-adjusted property tax base per student that is below the State-adjusted property tax base per student and if the total average daily membership of all local school administrative units located within the county is from 3,150 to 4,000 students. The allocation formula shall:

(1) Round all fractions of positions to the next whole position.
(2) Provide five and one-half additional regular classroom teachers in counties in which the average daily membership per square mile is greater than four, and seven additional regular classroom teachers in counties in which the average daily membership per square mile is four or fewer.
(3) Provide additional program enhancement teachers adequate to offer the standard course of study.
(4) Change the duty-free period allocation to one teacher assistant per 400 average daily membership.
(5) Provide a base for the consolidated funds allotment of at least ~~three hundred fifty-five thousand dollars ($355,000),~~ four hundred sixty-six thousand dollars ($466,000) excluding textbooks.
(6) Allot vocational education funds for grade 6 as well as for grades 7-12.

If funds appropriated for each fiscal year for small school system supplemental funding are not adequate to fund fully the program, the State Board of Education shall reduce the amount allocated to each county school administrative unit on a pro rata basis. This formula is solely a basis for distribution of supplemental funding for certain county school administrative units and is not intended to reflect any measure of the adequacy of the educational program or funding for public schools. The formula is also not intended to reflect any

commitment by the General Assembly to appropriate any additional supplemental funds for such county administrative units."

CODE NO. 2000EDUC-S8.26
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
PROSPECTIVE TEACHER SCHOLARSHIP LOAN PROGRAM

Section 8.26. Of the funds appropriated for State Aid to Local School Administrative Units, the State Board of Education may use up to five hundred thousand dollars ($500,000) for the 2000-2001 fiscal year to assure that all scholarships awarded under the Prospective Teacher Scholarship Loan Program prior to June 15, 2000, are funded.

PART IX. COMMUNITY COLLEGES

CODE NO. 2000EDUC-H9 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
EXPAND FOCUSED INDUSTRIAL TRAINING PROGRAM

Section 9. The State Board of Community Colleges may expand the scope of the Focused Industrial Training (FIT) Program. The expanded program may provide customized training programs for manufacturing industries and for companies and industries involved in the design and programming of computers and telecommunications systems.

CODE NO. 2000EDUC-H9.1 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
STATE BOARD RESERVE ALLOCATIONS

Section 9.1. Section 9.6 of S.L. 1999-237 reads as rewritten:

"Section 9.6.(a) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for each fiscal year to assist small rural low-wealth community colleges with operation and maintenance of plant costs if they need to assist new or expanding industries in their service delivery areas.

Section 9.6.(b) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of forty thousand dollars ($40,000) for the 1999-2000 fiscal year to support the recruitment activities of the North Carolina Industries for Technical Education (NCITE). NCITE recruits students to community colleges with Heavy Equipment and Transportation Technology Programs in an effort to revitalize those programs.

Section 9.6.(c) The State Board of Community Colleges, in consultation with Cape Fear Community College, Brunswick Community College, and Southeastern Community College, shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for the 1999-2000 fiscal year for planning a Southeastern North Carolina Regional Fire Training Program and twenty thousand dollars ($20,000) for the 1999-2000 fiscal year for other fire training programs.

Section 9.6.(d) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of seventy-five thousand dollars ($75,000) for the 2000-2001 fiscal year for surveys, research, data collection, and analysis required to implement performance budgeting and improve accountability.

Section 9.6.(e) The State Board of Community Colleges shall use funds from the State Board Reserve in the amount of one hundred thousand dollars ($100,000) for the 2000-2001 fiscal year to provide funds to the Community Colleges System Office to continue development of the virtual learning community."

CODE NO. 2000EDUC-H9.2/S9.2
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
REPORT CARD ON TEACHER EDUCATION PROGRAMS/STUDY OF HIGH SCHOOL PROGRAMS

Section 9.2.(a) G.S. 115C-296(b1) reads as rewritten:

"(b1) The State Board of Education shall develop a plan to provide a focused review of teacher education programs and the current process of accrediting these programs in order to ensure that the programs produce graduates that are well prepared to teach. The plan shall include the development and implementation of a school of education performance report for each teacher education program in North Carolina. The performance report shall include at least the following elements: (i) quality of students entering the schools of education, including the average grade point average and average score on preprofessional skills tests that assess reading, writing, math and other competencies; (ii) graduation rates; (iii) time-to-graduation rates; (iv) average scores of graduates on professional and content area examination for the purpose of certification; (v) percentage of graduates receiving initial certification; (vi) percentage of graduates hired as teachers; (vii) percentage of graduates remaining in teaching for four years; (viii) graduate satisfaction based on a common survey; and (ix) employer satisfaction based on a common survey. The performance reports shall follow a common format. The performance reports shall be submitted ~~annually for the 1998-99, 1999-2000, and 2000-2001 school years. The performance reports shall be submitted biannually thereafter to coincide with the Board of Governors' biannual report institutional effectiveness.~~ annually. The State Board of Education shall develop a plan to be implemented beginning in the 1998-99 school year to reward and sanction approved teacher education programs and masters of education programs and to revoke approval of those programs based on the performance reports and other criteria established by the State Board of Education.

The State Board also shall develop and implement a plan for annual performance reports for all masters degree programs in education and school administration in North Carolina. To the extent it is appropriated, the performance report shall include similar indicators to those developed for the performance report for teacher education programs. The performance reports shall follow a common format.

Both plans for performance reports also shall include a method to provide the annual performance reports to the Board of Governors of The University of North Carolina, the State Board of Education, and the boards of trustees of the independent colleges. The State Board of Education shall review the schools of education performance reports and the performance reports for masters degree programs in education and school administration each year the performance reports are submitted. The State Board shall submit the performance report for the 1999-2000 school year to the Joint Legislative Education Oversight Committee by December 15, 2000. Subsequent performance reports shall be submitted to the Joint Legislative Education Oversight Committee on an annual basis by October 1."

Section 9.2.(b) The General Assembly believes educational programs for high school students should provide student accountability, program accountability, access, and efficiency. Therefore, the Education Cabinet, created under G.S. 116C-1, shall study public school, community college, and university programs offered to high school students. These programs include the cooperative high school program, the adult high school diploma program, advanced placement courses, honors courses, and university courses offered to high school students. The Cabinet shall do the following:

(1) Examine these programs for overlap.
(2) Consider which education entity is the most appropriate one to offer each program.

(3) Consider distance learning options.

(4) Examine whether there should be tuition waivers for high school students who take courses at community colleges or universities.

(5) Determine whether there should be a minimum age for participation in the adult high school program.

(6) Determine the feasibility, advantages and disadvantages, procedures, and costs for requiring students who participate in the adult high school program to take tests required of high school students taking the same courses.

(7) Evaluate the recent recommendations concerning the cooperative high school program that were made to the Joint Legislative Education Oversight Committee by the State Board of Education and the State Board of Community Colleges. In particular, the Cabinet shall determine whether students should receive weighted credit on their high school transcripts for college level courses taken at community colleges, universities, or colleges, and whether this program is an appropriate venue for developmental courses.

The Cabinet shall report its findings, including any recommendations, to the Joint Legislative Education Oversight Committee by January 16, 2001.

Section 9.2.(c) This section is effective when it becomes law.

CODE NO. 2000EDUC-H9.3 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

BUDGET REALIGNMENT TO IMPLEMENT REORGANIZATION AUTHORIZED

Section 9.3. Notwithstanding G.S. 143-23 or any other provision of law, the State Board of Community Colleges may transfer funds within the budget of the Community Colleges System Office to the extent necessary to implement the departmental reorganization plan recommended by the President of the North Carolina Community College System and adopted by the State Board in September 1999.

The State Board of Community Colleges shall report on its implementation of this section to the Joint Legislative Education Oversight Committee, the chairs of the Education Appropriations Subcommittees of the House of Representatives and the Senate, and the Fiscal Research Division within 30 days of completion of the budget realignment.

CODE NO. 2000EDUC-H9.4 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

USE OF 1999-2000 OVER-REALIZED RECEIPTS

Section 9.4.(a) Notwithstanding the provisions of G.S. 115D-31(e), over-realized receipts for the 1999-2000 fiscal year in the amount of two million dollars ($2,000,000) shall be used for the operations of the Community Colleges System Office for the 2000-2001 fiscal year. These funds are used in this act to offset a base budget reduction of an equal amount.

Section 9.4.(b) This section becomes effective June 30, 2000.

CODE NO. 2000EDUC-H9.5 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom, Metcalf, Carter

ASHEVILLE-BUNCOMBE TECHNICAL COMMUNITY COLLEGE FUNDS DO NOT REVERT

Section 9.5.(a) Funds appropriated to Asheville-Buncombe Technical Community College in S.L. 1999-237 for its Small Business Center shall not revert at

the end of the 1999-2000 fiscal year, but shall remain available for expenditure in the 2000-2001 fiscal year.

Section 9.5.(b) This section becomes effective June 30, 2000.

CODE NO. 2000EDUC-H9.6 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

STUDY DISTANCE LEARNING/EDUCATION PROGRAMS

Section 9.6. The State Board of Community Colleges shall contract with an independent consultant to study funding methods and delivery of distance learning and education programs. Distance learning and education shall include, but not be limited, to telecourses, two-way interactive video, Internet-based courses, and a combination of these technologies.

The study shall include:

(1) An analysis of tuition rates, registration fees, and other related charges for in-State and out-of-state students enrolling in distance course offerings;

(2) A survey of current distance course offerings, delivery systems, and sources of funding, including an assessment of the ability of individual colleges to provide and support distance learning now and in the future; and

(3) A plan for efficient and effective expansion of course offerings and delivery systems to (i) improve workforce education and training, (ii) avoid duplication within the Community College System and with distance learning programs offered by The University of North Carolina, and (iii) promote coordination of distance learning programs among the institutions of the Community College System and The University of North Carolina.

The consultant shall take into account two approaches to distance learning currently being considered by the Community College System. One model emphasizes a regional approach involving consolidation of equipment and staff at six regional operating centers across the State with all colleges having equal access to a designated center. The other model emphasizes a decentralized approach with a minimum level of distance programs supported at each of the 59 institutions.

The State Board of Community Colleges shall use funds from the State Board Reserve to implement this section.

The State Board of Community Colleges shall report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by January 15, 2001, on the results of the study and the recommendations of the consultant.

CODE NO. 2000EDUC-H9.7 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

PERFORMANCE BUDGETING/CLARIFICATIONS

Section 9.7. G.S. 115D-31.3 reads as rewritten:

"**§ 115D-31.3. Performance budgeting.**

(a) Creation of Accountability Measures and Performance Standards. -- The State Board of Community Colleges shall create new accountability measures and performance standards to be used for performance budgeting for the Community College System. ~~The results of a survey may~~ Survey results shall be used as a performance standard only if the survey is statistically valid. The State Board of Community Colleges shall review annually the accountability measures and performance standards to ensure that they are appropriate for use in performance budgeting.

~~(b) Notwithstanding any other provision of law, the State Board shall authorize each institution meeting the new performance standards to carryforward funds remaining in its budget at the end of each fiscal year in an amount not to exceed two percent (2%) of the State funds allocated to the institution for that fiscal year. The funds carried forward shall be used for the purchase of equipment and initial program start-up costs excluding regular faculty salaries. These funds shall not be used for continuing salary increases or for other obligations beyond the fiscal year into which they were carried forward. These funds shall be encumbered within 12 months of the fiscal year into which they were carried forward.~~

~~(c) The five required performance measures are (i) progress of basic skills students, (ii) passing rate for licensure and certification examinations, (iii) goal completion of program completers, (iv) employment status of graduates, and (v) performance of students who transfer to the university system. Colleges may choose one other performance measure from the list contained in the State Board's Phase 4 Funding Formula Study, which was presented to the Joint Legislative Education Oversight Committee. Successful performance on each of the six performance measures shall allow a college to retain and carry forward up to one-third of one percent (1/3 of 1%) of its final fiscal year General Fund appropriations into the next fiscal year.~~

~~(d) Each college shall publish its performance on these six measures in its catalog each year beginning with the 2001 academic year.~~

(e) Mandatory Performance Measures. -- The State Board of Community Colleges shall evaluate each college on the following 12 performance standards:

(1) Progress of basic skills students,
(2) Passing rate for licensure and certification examinations,
(3) Goal completion of program completers and noncompleters,
(4) Employment status of graduates,
(5) Performance of students who transfer to the university system,
(6) Passing rates in developmental courses,
(7) Success rates of developmental students in subsequent college-level courses,
(8) The level of satisfaction of students who complete programs and those who do not complete programs,
(9) Curriculum student retention and graduation,
(10) Employer satisfaction with graduates,
(11) Client satisfaction with customized training, and
(12) Program enrollment.

(f) Publication of Performance Ratings. -- Each college shall publish its performance on the 12 measures set out in subsection (e) of this section (i) annually in its electronic catalog or on the Internet and (ii) in its printed catalog each time the catalog is reprinted.

The Community Colleges System Office shall publish the performance of all colleges on all 12 measures in its annual Critical Success Factors Report.

(g) Performance Budgeting; Recognition for Successful Performance. -- For the purpose of performance budgeting, the State Board of Community Colleges shall evaluate each college on six performance measures. These six shall be the five set out in subdivisions (1) through (5) of subsection (e) of this section and one selected by the college from the remainder set out in subdivisions (6) through (11). For each of these six performance measures on which a college performs successfully or attains the standard of significant improvement, the college may retain and carry forward into the next fiscal year one-third of one percent (1/3 of 1%) of its final fiscal year General Fund appropriations.

(h) Performance Budgeting; Recognition for Superior Performance. -- Funds not allocated to colleges in accordance with subsection (g) of this section shall be used to reward superior performance. After all State aid budget obligations have been met, the State Board of Community Colleges shall distribute the remainder of these funds equally to colleges that perform successfully on at least five of the six performance measures.

(i) Permissible Uses of Funds. -- Funds retained by colleges or distributed to colleges pursuant to this section shall be used for the purchase of equipment, initial program start-up costs including faculty salaries for the first year of a program, and one-time faculty and staff bonuses. These funds shall not be used for continuing salary increases or for other obligations beyond the fiscal year into which they were carried forward. These funds shall be encumbered within 12 months of the fiscal year into which they were carried forward."

CODE NO. 2000EDUC-H9.8 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
COMMUNITY COLLEGE TUITION/LEGAL IMMIGRANTS

Section 9.8. G.S. 115D-39 reads as rewritten:

"§ 115D-39. Student tuition and fees.

The State Board of Community Colleges shall fix and regulate all tuition and fees charged to students for applying to or attending any institution pursuant to this Chapter.

The receipts from all student tuition and fees, other than student activity fees, shall be State funds and shall be deposited as provided by regulations of the State Board of Community Colleges.

The legal resident limitation with respect to tuition, set forth in G.S. 116-143.1 and G.S. 116-143.3, shall apply to students attending institutions operating pursuant to this Chapter; provided, however, that when an employer other than the armed services, as that term is defined in G.S. 116-143.3, pays tuition for an employee to attend an institution operating pursuant to this Chapter and when the employee works at a North Carolina business location, the employer shall be charged the in-State tuition rate; provided further, however, a community college may charge in-State tuition to up to one percent (1%) of its out-of-state students, rounded up to the next whole number, to accommodate the families transferred by business, the families transferred by industry, or the civilian families transferred by the military, consistent with the provisions of G.S. 116-143.3, into the State. Notwithstanding these requirements, a refugee who lawfully entered the United States and who is living in this State shall be deemed to qualify as a domiciliary of this State under G.S. 116-143.1(a)(1) and as a State resident for community college tuition purposes as defined in G.S. 116-143.1(a)(2). Also, a nonresident of the United States who has resided in North Carolina for a 12-month qualifying period and has filed an immigrant petition with the United States Immigration and Naturalization Service shall be considered a State resident for community college tuition purposes."

CODE NO. 2000EDUC-H9.9/S9.9
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
SUPPLEMENTAL FUNDING FOR SUMMER TERM CURRICULUM INSTRUCTION

Section 9.9.(a) Funds appropriated in this act for summer term curriculum instruction are provided as a supplement to curriculum enrollment funding for the regular academic year. These funds are for direct instructional costs, including faculty salaries and benefits, and instructional supplies and materials ("other costs") and shall be budgeted as such by the community college institutions. These funds may be carried forward beyond the fiscal year in which they are

appropriated, only for the purpose of fulfilling a contractual obligation for summer term curriculum instructional faculty.

Funding for summer term curriculum instruction shall be allocated from a separate line item in State aid fund code 1600 based on full-time equivalent student enrollment in summer term curriculum course offerings for the prior fiscal year. Funding for summer term curriculum instruction shall not be included in the continuing budget concept for full-time equivalent (FTE) enrollment funding as enacted in Section 10.4(b) of S.L. 1998-212.

It is the intent of the General Assembly to review annually the objectives, use of funds, and benefits of funding for summer term curriculum instruction to determine whether to provide increased funding for this purpose.

Nothing in this section shall be construed as intent of the General Assembly to provide additional funding for summer term curriculum enrollment increases or to increase the rate of funding per FTE for summer term enrollment.

The State Board of Community Colleges shall adopt a calendar for curriculum instruction, designating the dates on which the fall, spring, and summer terms shall begin and end. The calendar shall provide for flexibility among community college institutions for actual starting and ending dates within a range established by the State Board of Community Colleges. The session for the summer term shall not overlap either the fall or spring semesters in such a way as to allow summer term earned FTE to be counted as fall or spring earned FTE for the purposes of determining enrollment funding under the continuing budget concept.

Section 9.9.(b) The State Board of Community Colleges shall hold harmless, from monetary penalties, repayment of State resources, and reimbursement of uncollected tuition, any community college for which the Program Audit Services Section of the Community Colleges System Office notes an audit exception for membership hours reported on the Spring 1999 Curriculum Institution Class Report (ICR) for classes which began after the institution's published ending date for that term. This subsection shall only apply for curriculum membership hours reported for the Spring 1998 to Spring 1999 reporting period. This subsection applies to all final audit exceptions noted previously or in the future.

Section 9.9.(c) The State Board of Community Colleges shall report on the implementation of this section to the Joint Legislative Education Oversight Committee by Nov 1, 2000. The report shall include the calendar adopted by the State Board, a summary of anticipated summer term course offerings by institution, and an explanation of the planned use of funds provided as a supplement for summer term curriculum instruction by institution.

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom**CODE NO. 2000DOCC-H9.11/S9.11**

FUNDS FOR REGIONAL AND COOPERATIVE INITIATIVES

Section 9.11. Section 9.11(a) of S.L. 1999-237 read, as rewritten by Section 7 of S.L. 1999-321, reads as rewritten:

"(a) There is appropriated from the Employment Security Commission Training and Employment Account created in G.S. 96-6.1 to the Community Colleges System Office the sum of eighteen million dollars ($18,000,000) for the 1999-2000 fiscal year and the sum of forty-eight million five hundred thousand dollars ($48,500,000) for the 2000-2001 fiscal year. These funds shall be used as follows:

	1999-2000	2000-2001
1. Nonreverting Equipment, Technology, and MIS Reserve	$10,000,000	$38,000,000

2. Nonreverting Start-Up Fund for Regional and Cooperative Initiatives	$ 3,000,000	$ 3,000,000
3. New and Expanding Industry Training Program	$ 4,000,000	$5,500,000
4. Enhanced Focused Industrial Training Programs	$ 1,000,000	$ 2,000,000
TOTAL:	$18,000,000	$48,500,000

Funds allocated for the Nonreverting Start-Up Fund for Regional and Cooperative Initiatives shall be used for community college projects that foster regional cooperation among community colleges, between public schools and community colleges, and between universities and community colleges. In considering funding requests for this Fund, the Board may take into account significant job losses and other indicators of economic distress in the county or region served by the community college applicant.

Funds allocated for the Nonreverting Start-Up Fund for Regional and Cooperative Initiatives shall be used only for the nonrecurring costs of starting new programs, expanding existing regional and cooperative programs, or both. Nonrecurring costs include but are not limited to the costs of equipment, program development, and instructional development. Funds for regional and cooperative initiatives shall not be used for construction, renovation or other capital related costs.

CODE NO. 2000EDUC-S9.12

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

ENCOURAGE TRAINING PROGRAMS IN BOAT-BUILDING

Section 9.12. The General Assembly recognizes and acknowledges the important role North Carolina Community Colleges are playing in the development of the boat-building industry through such means as its New and Expanding Industry Training Program, enhanced Focused Industrial Training, and Continuing Education and Curriculum programs. Many of North Carolina's boat-builders are significantly expanding their operations and North Carolina Community Colleges are supporting this growth through customized training and by retraining through the new Manufacturing Certification Program. The General Assembly encourages the North Carolina Community College System to continue to develop and provide specialized programs to support this important industry.

CODE NO. 2000EDUC-S9.13

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

REGULATION OF PROPRIETARY SCHOOLS/STUDY

Section 9.13. The Legislative Research Commission shall study current State programs governing the licensure and regulation of proprietary schools under Article 8 of Chapter 115D of the General Statutes. In the course of the study, the Commission shall consider:

(1) The appropriate state agency to license and regulate proprietary schools,

(2) The level of personnel required to to license and regulate the schools,

(3) The level of funding required to license and regulate the schools,

(4) The proportion of required funding that should be supported by license fees,

(5) An appropriate fee schedule for proprietary schools; and

(6) A plan for effective enforcement of the provisions of the current law regarding the licensing and regulation of proprietary schools.

The Commission shall report the results of this study to the 2001 General Assembly.

PART X. UNIVERSITIES

CODE NO. 2000EDUC-H10 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

REALIGN CENTER FOR SCHOOL LEADERSHIP DEVELOPMENT PROGRAMS

Section 10.(a) Effective October 1, 2000, the Principals Executive Program and all of its statutory authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations or other funds, including the functions of budgeting and purchasing, is transferred from the University of North Carolina at Chapel Hill to the Board of Governors of The University of North Carolina. The Board of Governors shall coordinate the program within the University of North Carolina Center for School Leadership Development.

Section 10.(b) Effective October 1, 2000, the University of North Carolina Mathematics and Science Education Network and all of its statutory authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations or other funds, including the functions of budgeting and purchasing, is transferred from the University of North Carolina at Chapel Hill to the Board of Governors of The University of North Carolina. The Board of Governors shall coordinate the program within the University of North Carolina Center for School Leadership Development.

CODE NO. 2000EDUC-H10.1 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

UNC NEED-BASED STUDENT FINANCIAL AID PROGRAM

Section 10.1. Of the funds appropriated by this act to the Board of Governors of The University of North Carolina the sum of five million dollars ($5,000,000) in recurring funds shall be used to establish and begin the implementation of the new need-based student financial aid program for in-State

students attending constituent institutions of The University of North Carolina. The program shall provide grants to needy North Carolina students who are seeking undergraduate degrees or masters degrees. Eligibility of a student for a program grant shall be based on a formula that offsets Pell grants and federal tax credits before determining eligibility to receive one of the new grants. In addition, to be eligible for a program grant, a student shall also be required to contribute a combination of personal savings, borrowed funds, institutional aid, and personal earnings, called self-help.

The new program shall be administered by the North Carolina State Education Assistance Authority. The North Carolina State Education Assistance Authority shall coordinate offers of institutional aid and program grants made to a student to ensure that the student does not receive more in grants and scholarships than the actual cost of attendance.

In the absence of full funding for the program, the North Carolina State Education Assistance Authority may modify the formula for distribution as needed to accommodate the reduced amount.

The program shall be established and implemented in accordance with the recommendations regarding its creation adopted by the Board of Governors in November 1999. The goals of the program shall be to make The University of North Carolina more affordable for low-income students and to reduce student indebtedness by setting a limit on the funds that needy students will be asked to borrow each year. This program will provide financial assistance to constituent institutions that enroll disproportionate numbers of low-income students, particularly at the seven institutions targeted for major enrollment growth.

CODE NO. 2000EDUC-H10.2 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom, Dannelly, Clodfelter

UNC CHARLOTTE RETAIN LAND SALE PROCEEDS

Section 10.2. Notwithstanding any other provision of law, the University of North Carolina at Charlotte may retain the proceeds from the sale of the existing chancellor's residence. The University of North Carolina at Charlotte may use the proceeds from the sale of the existing chancellor's residence, and any other nonappropriated funds available, to construct a new chancellor's residence. Proceeds from the sale not used for that purpose shall revert.

CODE NO. 2000EDUC-H10.3 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

AID TO STUDENTS ATTENDING PRIVATE COLLEGES PROCEDURE

Section 10.3. Section 10 of S.L. 1999-237 reads as rewritten:

"Section 10.(a) Funds appropriated in this act to the Board of Governors of The University of North Carolina for aid to private colleges shall be disbursed in accordance with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up to one thousand fifty dollars ($1,050) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1,

1999, for the 1999-2000 fiscal year and up to one thousand ~~fifty~~ one hundred dollars ~~($1,050)~~ ($1,100) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1, 2000, for the 2000-2001 fiscal year.

These funds shall be placed in a separate, identifiable account in each eligible institution's budget or chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year. Each student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be available for the tuition grant program as defined in subsection (b) of this section.

Section 10.(b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition to all other financial assistance made available to private educational institutions located within the State, or to students attending these institutions, there is granted to each full-time North Carolina undergraduate student attending an approved institution as defined in G.S. 116-22, a sum, not to exceed one thousand seven hundred fifty dollars ($1,750) for the 1999-2000 academic year and one thousand ~~seven hundred fifty~~ eight hundred dollars ~~($1,750)~~ ($1,800) for the 2000-2001 academic year, which shall be distributed to the student as hereinafter provided.

The tuition grants provided for in this section shall be administered by the State Education Assistance Authority pursuant to rules adopted by the State Education Assistance Authority not inconsistent with this section. The State Education Assistance Authority shall not approve any grant until it receives proper certification from an approved institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the State Education Assistance Authority shall remit at such times as it shall prescribe the grant to the approved institution on behalf, and to the credit, of the student.

In the event a student on whose behalf a grant has been paid is not enrolled and carrying a minimum academic load as of the tenth classroom day following the beginning of the school term for which the grant was paid, the institution shall refund the full amount of the grant to the State Education Assistance Authority. Each approved institution shall be subject to examination by the State Auditor for the purpose of determining whether the institution has properly certified eligibility and enrollment of students and credited grants paid on behalf of the students.

In the event there are not sufficient funds to provide each eligible student with a full grant:

(1) The Board of Governors of The University of North Carolina, with the approval of the Office of State Budget and Management, may transfer available funds to meet the needs of the programs provided by subsections (a) and (b) of this section; and

(2) Each eligible student shall receive a pro rata share of funds then available for the remainder of the academic year within the fiscal period covered by the current appropriation.

Any remaining funds shall revert to the General Fund.

Section 10.(c) Expenditures made pursuant to this section may be used only for secular educational purposes at nonprofit institutions of higher learning. Expenditures made pursuant to this section shall not be used for any student who:

(1) Is incarcerated in a State or federal correctional facility for committing a Class A, B, B1, or B2 felony; or

(2) Is incarcerated in a State or federal correctional facility for committing a Class C through I felony and is not eligible for parole or release within 10 years.

Section 10.(d) The State Education Assistance Authority shall document the number of full-time equivalent North Carolina undergraduate students that are enrolled in off-campus programs and the State funds collected by each institution pursuant to G.S. 116-19 for those students. The State Education Assistance Authority shall also document the number of scholarships and the amount of the scholarships that are awarded under G.S. 116-19 to students enrolled in off-campus programs. An 'off-campus program' is any program offered for degree credit away from the institution's main permanent campus.

The State Education Assistance Authority shall include in its annual report to the Joint Legislative Education Oversight Committee the information it has compiled and its findings regarding this program."

CODE NO. 2000EDUC-H10.4/S10.4
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
UNC DISTANCE EDUCATION

Section 10.4. This act provides funding to the Board of Governors of The University of North Carolina for degree-related courses provided away from the campus sites of the constituent institutions. The intent of this commitment is to provide expanded opportunities for higher education to more North Carolina residents, including nontraditional students, and to increase the number of North Carolina residents who earn postsecondary degrees.

CODE NO. 2000EDUC-H10.5 =
Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom
HIGHER EDUCATION COMPENSATION

Section 10.5. The Joint Legislative Education Oversight Committee shall study the need for an "Excellent Universities and Community Colleges Act" that addresses the need and ability of The University of North Carolina and the State's community college system to attract and retain excellent faculty.

In its deliberations regarding university faculty, the Committee shall consider the study conducted by The University of North Carolina on compensation for the faculty at its constituent institutions, how compensation for similar faculty positions compares among the constituent institutions, and how compensation for faculty positions compares with that paid by other public universities for similar faculty positions.

In its deliberations regarding compensation for faculty in the State's community college system, the Committee shall consider any relevant studies on community college faculty compensation conducted by the community college system, how compensation for similar faculty positions compares among the community colleges, and how compensation for faculty positions compares with that paid by other public community college systems for similar faculty positions.

If the Committee determines in its study that there are critical issues regarding faculty compensation, then the Committee shall include in its recommendations and report whether a major, new legislative initiative is needed to address those issues. The Committee shall report its findings and recommendations to the 2001 General Assembly.

CODE NO. 2000EDUC-H10.6 =

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE STUDY GLOBAL EDUCATION PROGRAMS

Section 10.6. The Joint Legislative Education Oversight Committee may study the various international studies and global education programs offered within the State's university system. In its study the Committee shall consider the number of international studies or global education programs that are offered within the university system, the source of funds, the curriculum for each program, and the teaching methodology used in each of those programs. The Committee shall evaluate the programs and determine how the programs compare with regard to quality, curriculum, teaching methodology, and student enrollment and identify any duplication.

The Committee may report its findings and recommendations to the 2001 General Assembly.

CODE NO. 2000EDUC-S10.9

Requested by: Senators Lee, Dalton, Plyler, Perdue, Odom

STATE PURCHASING SYSTEM AVAILABLE TO PRIVATE UNIVERSITIES

Section 10.9.(a) G.S. 143-49(6) reads as rewritten:

"§ 143-49. Powers and duties of Secretary.

The Secretary of Administration shall have power and authority, and it shall be his duty, subject to the provisions of this Article:

. . .

(6) To make available to nonprofit corporations operating charitable hospitals, to local nonprofit community sheltered workshops or centers that meet standards established by the Division of Vocational Rehabilitation of the Department of Health and Human Services, to private nonprofit agencies licensed or approved by the Department of Health and Human Services as child placing agencies, residential child-care facilities, private nonprofit rural, community, and migrant health centers designated by the Office of

Rural Health and Resource Development, to private higher education institutions that are defined as 'institutions' in G.S. 116-22(1), and to counties, cities, towns, governmental entities and other subdivisions of the State and public agencies thereof in the expenditure of public funds, the services of the Department of Administration in the purchase of materials, supplies and equipment under such rules, regulations and procedures as the Secretary of Administration may adopt. In adopting rules and regulations any or all provisions of this Article may be made applicable to such purchases and contracts made through the Department of Administration, and in addition the rules and regulations shall contain a requirement that payment for all such purchases be made in accordance with the terms of the contract. Prior to adopting rules and regulations under this subdivision, the Secretary of Administration may consult with the Advisory Budget Commission.

. . . ."

Section 10.9.(b) The Secretary of Administration may adopt temporary rules in accordance with Chapter 150B of the General Statutes to implement G.S. 143-49(6), as rewritten by subsection (a) of this section.

CODE NO. 2000UNC-S004

Requested by: Senators Dalton, Lee, Plyler, Perdue, Odom

TRANSFER CENTER FOR ERGONOMICS FUNDS TO NCSU

Section 10.10. The Office of State Budget and Management shall transfer the sum of five hundred thousand dollars ($500,000) from the Department of Labor to the Board of Governor's of The University of North Carolina. These funds shall be allocated to North Carolina State University as part of the continuation budget for North Carolina State University for the 2001-2003 fiscal biennium for the Center for Ergonomics.

Requested by: Senators Dalton, Lee, Plyler, Perdue, Odom

ACCOUNTABILITY FOR SCHOOL LEADERSHIP DEVELOPMENT PROGRAMS

Section 10.11. The Board of Governors of The University of North Carolina shall review the programs under the UNC Center for School Leadership Development. In the course of this review, the Board of Governors of The University of North Carolina shall study and recommend to the Joint Legislative Education Oversight Committee, by March 1, 2001:

(1) A proposal for implementing specific and validated accountability and performance measures that clearly demonstrate the strengths, weaknesses, and costs of each program under the Center; and

(2) Any recommendations for improving program coordination and efficiencies.

Teacher Salaries for Selected Years-of-Experience

An Example LEA

Teacher with a Bachelor's Degree

Years of Experience	State Ten Month Salary FY 2000-01 (Without benefits)	Local Supplement of 5.00%	If Teacher Serves as a Mentor Up to 1,100	ABCs Incentive Awards		Longevity	Total Assuming Teacher is a Mentor		
				Meet Expectations	Exceed Expectations		No ABCs	Meet ABCs	Exceed ABCs
0	$25,000	$1,250	n/a	$750	$1,500	n/a	$26,250	$27,000	$27,750
29	44,930	2,247	1,100	750	1,500	2,123	50,400	51,150	51,900

Teacher with a Bachelor's Degree and National Board Certification (NBPTS)

Years of Experience	State Ten Month Salary FY 2000-01 (Without benefits)	Local Supplement of 5.00%	If Teacher Serves as a Mentor Up to 1,100	ABCs Incentive Awards		Longevity	Total Assuming Teacher is a Mentor		
				Meet Expectations	Exceed Expectations		No ABCs	Meet ABCs	Exceed ABCs
0	$25,000	$1,250	n/a	$750	$1,500	n/a	$26,250	$27,000	$27,750
29	50,320	2,516	1,100	750	1,500	2,378	56,314	57,064	57,814

Teacher with a Master's Degree

Years of Experience	State Ten Month Salary FY 2000-01 (Without benefits)	Local Supplement of 5.00%	If Teacher Serves as a Mentor Up to 1,100	ABCs Incentive Awards		Longevity	Total Assuming Teacher is a Mentor		
				Meet Expectations	Exceed Expectations		No ABCs	Meet ABCs	Exceed ABCs
0	$27,500	$1,375	n/a	$750	$1,500	n/a	$28,875	$29,625	$30,375
29	49,420	2,471	1,100	750	1,500	2,335	55,326	56,076	56,826

Teacher with a Master's Degree and National Board Certification (NBPTS)

Years of Experience	State Ten Month Salary FY 2000-01 (Without benefits)	Local Supplement of 5.00%	If Teacher Serves as a Mentor Up to 1,100	ABCs Incentive Awards		Longevity	Total Assuming Teacher is a Mentor		
				Meet Expectations	Exceed Expectations		No ABCs	Meet ABCs	Exceed ABCs
0	$27,500	$1,375	n/a	$750	$1,500	n/a	$28,875	$29,625	$30,375
29	55,350	2,768	1,100	750	1,500	2,615	61,833	62,583	63,333

ATTACHMENT 3

Teacher Salaries for Selected Years-of-Experience

An Example LEA

Teacher with a Master's Degree and an Advanced Degree

Years of Experience	State Ten Month Salary FY 2000-01 (Without benefits)	Local Supplement of 5.00%	If Teacher Serves as a Mentor Up to 1,100	ABCs Incentive Awards		Longevity	Total Assuming Teacher is a Mentor		
				Meet Expectations	Exceed Expectations		No ABCs	Meet ABCs	Exceed ABCs
0	$28,760	$1,438	n/a	$750	$1,500	n/a	$30,198	$30,948	$31,698
29	50,680	2,534	1,100	750	1,500	2,395	56,709	57,459	58,209

Teacher with a Master's Degree, an Advanced Degree, and National Board Certification (NBPTS)

Years of Experience	State Ten Month Salary FY 2000-01 (Without benefits)	Local Supplement of 5.00%	If Teacher Serves as a Mentor Up to 1,100	ABCs Incentive Awards		Longevity	Total Assuming Teacher is a Mentor		
				Meet Expectations	Exceed Expectations		No ABCs	Meet ABCs	Exceed ABCs
0	$28,760	$1,438	n/a	$750	$1,500	n/a	$30,198	$30,948	$31,698
29	56,610	2,831	1,100	750	1,500	2,675	63,216	63,966	64,716

Teacher with a Master's Degree, an Advanced Degree, and a Doctorate Degree

Years of Experience	State Ten Month Salary FY 2000-01 (Without benefits)	Local Supplement of 5.00%	If Teacher Serves as a Mentor Up to 1,100	ABCs Incentive Awards		Longevity	Total Assuming Teacher is a Mentor		
				Meet Expectations	Exceed Expectations		No ABCs	Meet ABCs	Exceed ABCs
0	$30,030	$1,502	n/a	$750	$1,500	n/a	$31,532	$32,282	$33,032
29	51,950	2,598	1,100	750	1,500	2,455	58,103	58,853	59,603

Teacher with a Master's Degree, an Advanced Degree, a Doctorate Degree, and NBPTS

Years of Experience	State Ten Month Salary FY 2000-01 (Without benefits)	Local Supplement of 5.00%	If Teacher Serves as a Mentor Up to 1,100	ABCs Incentive Awards		Longevity	Total Assuming Teacher is a Mentor		
				Meet Expectations	Exceed Expectations		No ABCs	Meet ABCs	Exceed ABCs
0	$30,030	$1,502	n/a	$750	$1,500	n/a	$31,532	$32,282	$33,032
29	57,880	2,894	1,100	750	1,500	2,735	64,609	65,359	66,109

VISITOR REGISTRATION SHEET

SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Tuesday, June 20, 2000
8:30 A.M.
421 LOB

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
John W. Wilson	NCAE
[illegible]	Public School Forum
Marc Sanders	Governor's Office
[illegible]	NCCCS
Robert Allen	CLA
Mark Fleming	NCSU
Karen Gaul	Governor's Office
Stuart Russell	Governor's Office
JB Milliken	UNC
Judy Davis	UNC
David Brown	OSBM

VISITOR REGISTRATION SHEET

SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Tuesday, June 20, 2000
8:30 A.M.
421 LOB

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Sam Lee	OSBM
Ginger Jones	OSBM
Elizabeth Greenstein	OSBM
Lee Adams	"
Susan Harrison	WCPSS
[illegible]	NCICU
Jo Ann Norris	PSF
Ann Bellam	SBE
Sandy Salstrom	SBE
Jennifer Bennett	DPI
[illegible]	[illegible]
Gene Causby	NCSFSA

VISITOR REGISTRATION SHEET

SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Tuesday, June 20, 2000
8:30 A.M.
421 LOB

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Greg Malhoit	NC Justice CTR
Matty Lazo-Chaddleton	NC Justice Center
Henry Jones	Attorney Raleigh
Jim Johnson	FRD STAFF
Susan Markham	EQHS
Matt Williams	NCNN

VISITOR REGISTRATION SHEET

SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION/HIGHER EDUCATION

Tuesday, June 20, 2000
8:30 A.M.
421 LOB

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Suzanne Williams	NCCCS
Bill Wilson	NCAE
John Wilson	NCAE
Stuart Albright	Lt. Governor's Office
Steve Scott	NCCCS
Hal Miller	NCACCT
Austin Bunch	East Carolina University
Evelyn Hawthorne	UNC-Chapel Hill