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SENATE BILL 2

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Short Title: School Improvement Act.

(Public)

Sponsors:

Referred to:

January 12, 1989

A BILL TO BE ENTITLED

AN ACT TO ENACT THE SCHOOL IMPROVEMENT AND ACCOUNTABILITY ACT OF 1989.

The General Assembly of North Carolina enacts:

Section 1. Title of Act. – This act may be referred to as the "School Improvement and Accountability Act of 1989".

Sec. 2. Legislative Intent. – It is the intent of the General Assembly that this act be implemented with a minimum of regulations necessary to accomplish the purposes set forth in this act.

Sec. 3. Performance-based Accountability Program. – Article 16 of Chapter 115C of the General Statutes is amended by adding a new Part to read:

"PART 4. PERFORMANCE-BASED ACCOUNTABILITY PROGRAM.
"§ 115C-238.1. Performance-based Accountability Program; adoption and implementation by State Board.

The State Board of Education shall develop and implement a Performance-based Accountability Program for the State. The primary goal of the Program shall be to improve student performance. The Program shall set forth the process and guidelines through which local school administrative units may participate in the program and indicators for measuring and assessing student performance in the participating units. The process and guidelines for developing local plans shall include three to five year

1 student performance goals, with annual milestones to determine progress in meeting
2 those goals.

3 **"§ 115C-238.2. Local participation in the Program voluntary; the effects of local**
4 **participation.**

5 (a) Participation in the Performance-based Accountability Program shall be at the
6 request of the local school administrative unit. Local school administrative units may
7 participate in the program beginning with 1990-91 fiscal year.

8 (b) Local school administrative units that elect to participate in the Performance-
9 based Accountability Program:

10 (1) Are exempt from requirements to submit most reports to the
11 Department of Public Education, as provided in G.S. 115C-238.3(a).

12 (2) Are subject to the performance standards in the State accreditation
13 program but are not subject to State accreditation opportunity
14 standards and staffing ratios established by the State Board pursuant to
15 G.S. 115C-12(9)c. The performance standards in the State
16 accreditation program, modified to reflect the end-of-course and end-
17 of-grade tests, may serve as the basis for developing the performance
18 indicators described in G.S. 115C-238.3(b).

19 (3) May receive funds for differentiated pay for teachers and
20 administrators, as provided in G.S. 115C-238.4.

21 (4) May be allowed increased flexibility in the expenditure of State funds,
22 as provided in G.S. 115C-238.5.

23 (5) May be granted waivers of State regulations, and policies that inhibit
24 their ability to reach local accountability goals, as provided in G.S.
25 115C-238.6(a).

26 **"§ 115C-238.3. Elements of local plans.**

27 (a) Any local school administrative unit that elects to participate in the Program
28 shall submit before April 15 each year a single plan to the State Superintendent of
29 Public Instruction for approval in June of each year. This single plan shall be in lieu of
30 all other plans that must be submitted to the Department of Public Education under State
31 law; it shall not be in lieu of other plans that must be submitted under federal law.

32 (b) The State Board of Education shall adopt a set of indicators of student
33 performance that shall be used in devising local school improvement plans. Suggested
34 indicators include attendance, dropout rates, test scores, parent involvement, and post-
35 secondary outcomes.

36 (c) The local school administrative unit shall actively involve a substantial
37 number of teachers, school administrators, and other school staff in developing a local
38 school improvement plan.

39 The local school administrative unit plan shall begin with performance goals set by
40 the local board of education and shall address specific, measurable goals for all
41 indicators adopted by the State Board, recognizing that not all indicators must be part of
42 each school building improvement plan; building plans should be tailored to address
43 priority student goals within each building. Factors that determine gains in achievement

1 vary from school to school; therefore, socioeconomic factors and previous student
2 performance indicators shall be used as the basis of the local school improvement plan.

3 Local principals and their staffs shall develop building level plans designed to meet
4 the goals set by the local board. The local plan shall be based on these building level
5 plans and shall set forth the student performance goals of the local school administrative
6 unit for the following school year and the strategies and plans for attaining them.

7 (d) The local plan shall include a plan for differentiated pay, as provided in G.S.
8 115C-238.4, unless the local school administrative unit elects not to participate in any
9 differentiated pay plan.

10 (e) Local school administrative units electing to participate in the Performance-
11 based Accountability Program shall continue to use the Teacher Performance Appraisal
12 Instrument (TPAI) for evaluating beginning teachers during the first three years of their
13 employment. Local units may also, however, develop other evaluation approaches for
14 teachers who have attained career status.

15 **"§ 115C-238.4. Differentiated pay.**

16 (a) Local school administrative units may include, but are not required to
17 include, a differentiated pay plan for certified instructional staff, certified instructional
18 support staff, or certified administrative staff as a part of their local school improvement
19 plans. Units electing to include differentiated pay plans in their school improvement
20 plans, shall base their plans on:

21 (1) The Career Development Pilot Program, G.S. 115C-363 et seq.;

22 (2) The Lead Teacher Pilot Program, G.S. 115C-363.28 et seq.;

23 (3) A locally designed building-based performance program, subject to
24 limitations and guidelines adopted by the State Board of Education;

25 (4) A differentiated pay plan successfully implemented in another state; or

26 (5) A locally designed plan including any combination or modification of
27 the foregoing plans.

28 (b) Support among affected staff members is essential to successful
29 implementation of a differentiated pay plan; therefore, a local board of education which
30 decides that a differentiated pay plan should be included in its local school improvement
31 plan shall present a proposed differentiated pay plan to the affected personnel for their
32 review and vote. The vote shall be by secret ballot and the results of the vote shall be
33 tabulated separately for (1) certificated instructional and instructional support personnel
34 and for (2) certificated administrators. The local board of education shall include the
35 proposed differentiated pay plan in its local school improvement plan only if the
36 proposed plan has the approval of a majority of the voting members of the (1)
37 certificated instructional and instructional support personnel and (2) certificated
38 administrators. In the event that less than 75% of the members of either of the (1)
39 certificated instructional and instructional support personnel, or (2) certificated
40 administrators vote on the differentiated pay plan, the local board of education may
41 consider that an insufficient number (less than 75%) of the particular group voted and
42 disregard the votes of that group.

43 (c) At least every three years after a differentiated pay plan goes into effect, the
44 local board of education shall propose a vote by secret ballot of the above mentioned

1 groups to either continue, discontinue, or modify the differentiated pay plan being used.
2 If a majority of either the (1) certificated instructional and instructional support
3 personnel or (2) certificated administrators vote to discontinue or modify the plan, the
4 local board of education shall either discontinue the plan or propose modifications to the
5 plan. In the event of proposed modifications of the plan by the local board, then the
6 modifications shall be submitted to the above mentioned groups for their approval. If a
7 local differentiated pay plan is discontinued, then any differentiated pay being received
8 by the affected personnel shall be terminated.

9 (d) Local school administrative units electing to participate in the Career
10 Development Program or in a locally-devised differentiated pay plan shall receive funds
11 for differentiated pay for teachers and administrators according to the terms of the plan,
12 but not to exceed:

- 13 (1) 1990-91: two percent (2%) of teacher and administrator salaries;
- 14 (2) 1991-92: three percent (3%) of teacher and administrator salaries;
- 15 (3) 1992-93: four percent (4%) of teacher and administrator salaries; and
- 16 (4) 1993-94 and thereafter: seven percent (7%) of teacher and
17 administrator salaries.

18 Local school administrative units electing to participate in the Career Development
19 Program shall adjust compensation differentials and school-based incentive awards to
20 conform with the level of funding provided. Attainment of the equivalent of Career
21 Status I shall be rewarded through a new salary schedule that provides a salary
22 differential when a certified educator successfully completes his probationary period.

23 (e) Any additional compensation received by an employee as a result of the unit's
24 participation in the Program shall be paid as a bonus or supplement to the employee's
25 regular salary. If an employee in a participating unit does not receive additional
26 compensation, such failure to receive additional compensation shall not be construed as
27 a demotion, as that term is used in G.S. 115C-325.

28 **"§ 115C-238.5. Flexible funding categories.**

29 For fiscal years beginning with the 1990-91 fiscal year, the State Board of
30 Education, only upon the recommendation of the State Superintendent, shall increase
31 flexibility in State funding of schools and shall reduce the number of existing categories
32 of State funding to no more than 10 categories; only local school administrative units
33 electing to participate in the Performance-based Accountability Program shall be
34 eligible to receive this flexible funding.

35 Local boards of education shall provide maximum flexibility to individual schools to
36 enable them to accomplish their building level goals.

37 **"§ 115C-238.6. Approval of local school administrative unit plans by the State**
38 **Superintendent; conditions for continued participation.**

39 (a) The State Superintendent shall consider and approve, on an annual basis, the
40 local school improvement plans in accordance with policies and performance indicators
41 adopted by the State Board of Education.

42 If a local plan identifies State regulations, or policies that inhibit the local unit's
43 ability to reach its local accountability goals, the State Superintendent shall present that
44 plan to the State Board of Education, with his recommendation as to whether and to

1 what extent the identified regulations, or policies should be waived. The State Board of
2 Education may grant such waivers as it deems necessary and appropriate to enable the
3 local unit to reach its local accountability goals.

4 (b) Local school administrative units electing to participate in the Performance-
5 based Accountability Program shall remain in the Program and receive differential
6 salary funding, if their local plans call for differential salary funding, so long as they
7 demonstrate satisfactory progress toward approved goals or, once goals are met,
8 satisfactory performance, as determined by the State Superintendent in accordance with
9 guidelines set by the State Board of Education; Provided, however, to demonstrate
10 satisfactory performance a local unit shall, at a minimum, continue to achieve the goals
11 approved for it. If the local school administrative units do not achieve their goals after
12 two years, the Department of Public Instruction shall provide them with technical
13 assistance to help them meet their goals. If after one additional year they do not achieve
14 their goals, the State Board of Education shall decide what steps shall be taken to
15 improve the education of students in the unit."

16 Sec. 4. End-of-course and end-of-grade tests. – Article 10A of Chapter 115C
17 of the General Statutes is amended by adding a new Part to read:

18 **“PART 3. END-OF-COURSE AND END-OF-GRADE TESTS.**

19 **“§ 115C-174.18. End-of-course and end-of-grade tests.**

20 The State Board of Education shall adopt a system of end-of-course and end-of-
21 grade tests for grades three through twelve. These tests shall be designed to measure
22 progress toward selected competencies, especially core academic competencies,
23 described in the Standard Course of Study for appropriate grade levels. With regard to
24 individual students who are identified as not demonstrating satisfactory academic
25 progress, end-of-course and end-of-grade test results shall be used in developing
26 strategies and plans for assisting those students in demonstrating satisfactory academic
27 progress. Testing necessary to allow comparisons with national indicators of student
28 achievement shall be conducted with the smallest size sample of students necessary to
29 assure valid comparisons with other states."

30 Sec. 5. Annual Report Cards for Schools. – G.S. 115C-12(9) reads as
31 rewritten:

32 "(9) Miscellaneous Powers and Duties. – All the powers and duties
33 exercised by the State Board of Education shall be in conformity with
34 the Constitution and subject to such laws as may be enacted from time
35 to time by the General Assembly. Among such duties are:

- 36 a. To certify and regulate the grade and salary of teachers and
37 other school employees.
- 38 b. To adopt and supply textbooks.
- 39 c. To adopt rules requiring all local boards of education to
40 implement the Basic Education Program on an incremental
41 basis within funds appropriated for that purpose by the General
42 Assembly and by units of local government.

43 The Board shall develop a State accreditation program that
44 meets or exceeds the standards and requirements of the Basic

1 Education Program. The Board shall require each local school
2 administrative unit to comply with the State accreditation
3 program to the extent that funds have been made available to
4 the local school administrative unit for implementation of the
5 Basic Education Program.

6 The Board shall use the State accreditation program to
7 monitor the implementation of the Basic Education Program.

8 c1. To issue an annual 'report card' for the State and for each local
9 school administrative unit, assessing each unit's efforts to
10 improve student performance and taking into account progress
11 over the previous years' level of performance and the State's
12 performance in comparison with other states. This assessment
13 shall take into account demographic, economic, and other
14 factors that have been shown to affect student performance.

15 d. To formulate rules and regulations for the enforcement of the
16 compulsory attendance law.

17 e. To manage and operate a system of insurance for public school
18 property, as provided in Article 38 of this Chapter.

19 In making substantial policy changes in administration, curriculum, or programs the
20 Board should conduct hearings throughout the regions of the State, whenever feasible,
21 in order that the public may be heard regarding these matters."

22 Sec. 6. Existing Career Development Pilot Programs. – Notwithstanding the
23 provisions of Article 24B of Chapter 115C of the General Statutes, Article 24D of
24 Chapter 115C of the General Statutes, or any other provision of law, funding for the
25 career ladder pilot projects and the lead teacher pilot projects shall continue through
26 1989-90: Provided, however, that further funding of these projects shall depend on the
27 pilot units successfully submitting improvement plans, pursuant to the Performance-
28 based Accountability Program, during the 1989-90 school year. If they submit plans
29 that are approved by the State Superintendent, funding for their pilot programs shall
30 continue through the 1992-93 fiscal year. By the 1993-94 fiscal year, State funds for
31 the career development pilot units and lead teacher pilot units shall be limited to the
32 amount of funds available through the School Improvement and Accountability Act of
33 1989.

34 Sec. 7. Nothing in this act shall be construed to obligate the General
35 Assembly to appropriate any funds to implement the provisions of this act.

36 Sec. 8. This act is effective upon ratification.