GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2007

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HOUSE DRH30197-LE-154A (2/27)

Short Title: Amend Comm. Coll. Performance Measures.

Sponsors:	Representative Tolson.
Referred to:	

1	A BILL TO BE ENTITLED
2	AN ACT AMENDING THE LAW RELATING TO COMMUNITY COLLEGE
3	PERFORMANCE MEASURES.
4	The General Assembly of North Carolina enacts:
5	SECTION 1. G.S. 115D-31.3 reads as rewritten:
6	"§ 115D-31.3. Performance budgeting.Institutional performance accountability.
7	(a) Creation of Accountability Measures and Performance Standards. – The State
8	Board of Community Colleges shall create new accountability measures and
9	performance standards to be used for performance budgeting for the Community
10	College System. Survey results shall be used as a performance standard only if the
11	survey is statistically valid. The State Board of Community Colleges shall review
12	annually the accountability measures and performance standards to ensure that they are
13	appropriate for use in performance budgeting.recognition of successful institutional
14	performance.
15	(b) through (d) Repealed by Session Laws 2000-67, s. 9.7, effective July 1, 2000.
16	(e) Mandatory Performance Measures. – The State Board of Community
17	Colleges shall evaluate each college on the following 12 eight performance standards:
18	(1) Progress of basic skills students,
19	(2) Passing rate for licensure and certification examinations,
20	(3) The proportion of those who complete their goal,
21	(4) Employment status of graduates,
22	(5)(3) Performance of students who transfer to the university system, a
23	four-year institution,
24	(6)(4) Passing rates in developmental courses,
25	(7)(5) Success rates of developmental students in subsequent college-level
26	courses,

(Public)

1	(8)(6) The level of satisfaction of students who complete programs and those
2	who do not complete programs,
3	(9)(7) Curriculum student retention and graduation, and
4	(10) Employer satisfaction with graduates,
5	(11)(8) Client satisfaction with customized training, and training.
6	(12) Program enrollment.
7	The State Board may also evaluate each college on additional performance measures.
8	(f) Publication of Performance Ratings. – Each college shall publish its
9	performance on the <u>12 eight</u> measures set out in subsection (e) of this section (i)
10	annually in its electronic catalog or on the Internet and (ii) in its printed catalog each
11	time the catalog is reprinted.
12	The Community Colleges System Office shall publish the performance of all
13	colleges on all 12 measures in its annual Critical Success Factors Report.eight measures.
14	(g) Performance Budgeting; Recognition for Successful Institutional
15	Performance. – For the purpose of For the purpose of performance
16	budgeting, recognition for successful institutional performance, the State Board of
17	Community Colleges shall evaluate each college on six performance measures. These
18	six shall be the five set out in subdivisions (1) through (5) of subsection (e) of this
19	section and one selected by the college from the remainder set out in subdivisions (6)
20	through (11).the eight performance measures. For each of these six eight performance
21	measures on which a college performs successfully, successfully or attains the standard
22	of significant improvement, the college may retain and carry forward into the next fiscal
23	year one third of one percent (1/3 of 1%)one-fourth of one percent (1/4 of 1%) of its
24	final fiscal year General Fund appropriations. If a college demonstrates significant
25	improvement on a measure that has been in use for three years or less, the college may
26	also carry forward one-fourth of one percent (1/4 of 1%) of its final fiscal year General
27	Fund appropriations for that measure.
28	(h) Performance Budgeting; Recognition for Superior Exceptional Institutional
29	Performance. – Funds not allocated to colleges in accordance with subsection (g) of this
30	section shall be used to reward superior exceptional institutional performance. After all
31	State aid budget obligations have been met, the State Board of Community Colleges
32	shall distribute the remainder of these funds equally to colleges that perform
33	successfully on at least five of the sixeight performance measures.measures and meet
34 25	the following criteria:
35 36	(1) The passing rate on all reported licensure and certification
30 37	examinations must meet or exceed seventy percent (70%) for first-time
37 38	$\frac{\text{test takers; and}}{\text{The percentage of college transfer students with a grade point average}}$
38 39	(2) <u>The percentage of college transfer students with a grade point average</u> of at least 2.0 after two semesters at a four-year institution must equal
40	or exceed the performance of students who began college at that
40 41	four-year institution.
41	<u>The State Board may withhold the portion of funds for which a college may qualify as</u>
43	an exceptional institution while the college is under investigation by a State or federal
44	agency or if its performance does not meet the standards established by the Southern
	agency of it its performance does not meet the standards established by the Southern

General Assembly of North Carolina

1 Association of Colleges and Schools, the State Auditor's Office, or the State Board of

<u>Community Colleges. The State Board may release the funds at such time as the</u>
 investigations are complete and the issues are resolved.

4 (i) Permissible Uses of Funds. – Funds retained by colleges or distributed to 5 colleges pursuant to this section shall be used for the purchase of equipment, initial 6 program start-up costs including faculty salaries for the first year of a program, and 7 one-time faculty and staff bonuses. These funds shall not be used for continuing salary 8 increases or for other obligations beyond the fiscal year into which they were carried 9 forward. These funds shall be encumbered within 12 months of the fiscal year into 10 which they were carried forward.

(j) Use of funds in low-wealth counties. – Funds retained by colleges or distributed to colleges pursuant to this section may be used to supplement local funding for maintenance of plant if the college does not receive maintenance of plant funds pursuant to G.S. 115D-31.2, and if the county in which the main campus of the community college is located:

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- (1) Is designated as a Tier 1 or Tier 2 county in accordance with G.S. 105-129.3;
- (2) Had an unemployment rate of at least two percent (2%) above the State average or greater than seven percent (7%), whichever is higher, in the prior calendar year; and
- (3) Is a county whose wealth, as calculated under the formula for
 distributing supplemental funding for schools in low-wealth counties,
 is eighty percent (80%) or less of the State average.

Funds may be used for this purpose only after all local funds appropriated for maintenance of plant have been expended."

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SECTION 2. This act is effective when it becomes law.