GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1542

ort Title: School Mission/Differentiated Pay. onsors: Representatives Barnes, Nesbitt, Diamont; Bowman and Redwine.	(Public)

June 3, 1992

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE MONEY FOR DIFFERENTIATED PAY, TO
CLARIFY A STATEWIDE MISSION FOR PUBLIC SCHOOLS, TO ENACT THE
PROVISIONS OF HOUSE BILL 828, TO CLARIFY PROCEDURES FOR

LOCAL SCHOOL IMPROVEMENT PLANS, AND TO CREATE SCHOOL

BUILDING REPORT CARDS.

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The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Public Education the sum of thirty-seven million nine hundred seventeen thousand six hundred thirty-four dollars (\$37,917,634) for the 1992-93 fiscal year for differentiated pay for public school employees. These funds shall be expended in accordance with the School Improvement and Accountability Act of 1989 as amended by this act.

Sec. 2. G.S. 115C-238.1 reads as rewritten:

"§ 115C-238.1. Performance-based Accountability Program; development and implementation by State Board.

The General Assembly believes that all children can learn. It is the intent of the General Assembly that the mission of the public school community is to challenge with high expectations each child to learn, to achieve, and to fulfill his or her potential. With that mission as its guide, the The State Board of Education shall develop and implement a Performance-based Accountability Program. The primary goal of the Program shall be to improve student performance. The State Board of Education shall adopt:

(1) Procedures and guidelines through which, beginning with the 1990-91 fiscal year, local school administrative units may participate in the Program;

- (2) Guidelines for developing local school improvement plans with three-to-five year student performance goals and annual milestones to measure progress in meeting those goals; and
 - (3) A set of student performance indicators for measuring and assessing student performance in the participating local school administrative units. These indicators may include attendance rates, dropout rates, test scores, parent involvement, and post-secondary outcomes."

Sec. 3. G.S. 115C-238.3 reads as rewritten:

"§ 115C-238.3. Elements of local plans: plans; plans subject to vote.

- (a) The board of education of a local school administrative unit that elects to participate in the Program shall submit a local school improvement plan to the State Superintendent of Public Instruction before April 15 of the fiscal year preceding the fiscal year in which participation is sought. If the unit develops a differentiated pay plan, it shall be a part of the local school improvement plan. The local board of education shall actively involve a substantial number of teachers, school administrators, and—other school staff—staff, and parents of children enrolled in the local school administrative unit, in developing the local school improvement plan, including the differentiated pay plan. It is the intent of the General Assembly that teachers have a major role in developing the local school improvement plan; therefore, at least half of the staff members involved in developing the local plan shall be teachers. The teachers at each school shall select the teachers from that school who are involved in developing the local plan.
- (b) The local school improvement plan shall set forth (i) the student performance goals established by the local board of education for the local school administrative unit and (ii) the unit's strategies and plans for attaining them.

The performance goals for the local school administrative unit shall address specific, measurable goals for all student performance indicators adopted by the State Board. Factors that determine gains in achievement vary from school to school; therefore, socioeconomic factors and previous student performance indicators shall be used as the basis of the local school improvement plan.

The strategies for attaining the local student performance goals shall be based on plans for each individual school in the local school administrative unit. The principal of each school and his staff shall develop a plan to address student performance goals appropriate to the school from those established by the local board of education.

- (c) The local school administrative unit shall consider a plan for differentiated pay. The local plan shall include a plan for differentiated pay, in accordance with G.S. 115C-238.4, unless the local school administrative unit elects not to participate in any differentiated pay plan.
- (d) The local plan may include a request for a waiver of State laws, regulations, or policies. The request for a waiver shall identify the State laws, regulations, or policies that inhibit the local unit's ability to reach its local accountability goals and shall explain how a waiver of those laws, regulations, or policies will permit the local unit to reach its local goals.

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- (e) Support among affected staff members is essential to successful implementation of a local school improvement plan; therefore, a local board of education that decides to participate in the Program shall present a proposed local school improvement plan, including any differentiated pay plan, to its affected staff for their review and vote as
 - **(1)** The plan shall be presented for a review and vote no later than February 1 of the fiscal year preceding the fiscal year in which participation is sought.
 - **(2)** The vote shall be by secret ballot. The local board of education shall submit the proposed local school improvement plan to the State Superintendent of Public Instruction only if the proposed plan has the approval of a majority of the affected staff voting on the plan.
 - If the school improvement plan is rejected by a majority of those (3) affected staff voting on the plan, then the local board may prepare and present another plan, including any differentiated pay plan, to the affected staff for a vote. The vote shall be by secret ballot. If no plan receives approval of a majority of those voting by March 15 of the fiscal year preceding the fiscal year in which participation in the Program is sought, the local school administrative unit may submit to the State Superintendent for approval the plan which received the highest number of votes.
 - Every three years after a local school improvement plan receives this (4) approval, but no later than February 1 of the fiscal year preceding the fiscal year in which renewed participation in the Program is sought, the local board of education shall present a proposed plan to continue, discontinue, or modify that local school administrative unit's local school improvement plan to its affected staff in accordance with this subsection.

For purposes of this subsection 'affected staff' means State-funded certificated State-funded instructional and instructional support staff and certificated administrators."

- Sec. 4. G.S. 115C-238.4(b) reads as rewritten:
- Support among affected staff members is essential to successful implementation of a differentiated pay plan; therefore, a local board of education that decides that a differentiated pay plan should be included in its local school improvement plan shall present a proposed differentiated pay plan to affected staff members for their review and vote. The vote shall be by secret ballot. The local board of education shall include the proposed differentiated pay plan in its local school improvement plan only if the proposed plan has the approval of a majority of the affected paid certificated instructional and instructional support staff and a majority of the affected certificated administrators.
- Every three years after a differentiated pay plan receives such approval, the local board of education shall present a proposed plan to continue, discontinue, or modify that differentiated pay plan to affected staff members for their review and vote. The vote

shall be by secret ballot. The local board of education shall include the proposed plan in its local school improvement plan only if the proposed plan has the approval of a majority of the affected paid certificated instructional and instructional support staff and a majority of the affected certificated administrators. Differentiated pay plans shall be subject to a vote by affected staff in accordance with G.S. 115C-238.3(e)."

Sec. 5. G.S. 115C-12(9) is amended by adding a new sub-subdivision to read:

- "(9) Miscellaneous Powers and Duties. All the powers and duties exercised by the State Board of Education shall be in conformity with the Constitution and subject to such laws as may be enacted from time to time by the General Assembly. Among such duties are:
 - a. To certify and regulate the grade and salary of teachers and other school employees.
 - b. To adopt and supply textbooks.
 - c. To adopt rules requiring all local boards of education to implement the Basic Education Program on an incremental basis within funds appropriated for that purpose by the General Assembly and by units of local government. Beginning with the 1991-92 school year, the rules shall require each local school administrative unit to implement fully the standard course of study in every school in the State in accordance with the Basic Education Program so that every student in the State shall have equal access to the curriculum as provided in the Basic Education Program and the standard course of study.

The Board shall establish benchmarks by which to measure the progress that each local board of education has made in implementing the Basic Education Program. The Board shall report to the Joint Legislative Education Oversight Committee and to the General Assembly by December 31, 1991, and by February 1 of each subsequent year on each local board's progress in implementing the Basic Education Program, including the use of State and local funds for the Basic Education Program.

The Board shall develop a State accreditation program that meets or exceeds the standards and requirements of the Basic Education Program. The Board shall require each local school administrative unit to comply with the State accreditation program to the extent that funds have been made available to the local school administrative unit for implementation of the Basic Education Program.

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

c1. To issue an annual 'report card' for the State and for each local school administrative unit, assessing each unit's efforts to

- improve student performance and taking into account progress over the previous years' level of performance and the State's performance in comparison with other states. This assessment shall take into account demographic, economic, and other factors that have been shown to affect student performance.
- c2. To develop management accountability indicators to measure the efficiency and appropriate use of staff in each school and at the administrative office. Staff development for school administrators shall be a high priority of the Department of Public Instruction.
- To develop and implement a system to issue report cards for c3. each school building. The purpose of school building report cards is to measure improvement in student performance from year to year, not to compare school buildings. The Board may consider for inclusion in the building report card the following criteria: test scores, the success of graduating students in postsecondary institutions, attendance, graduation and dropout rates, the numbers of children enrolled in free lunch or Chapter 1 programs, the education level of the parents of children enrolled in the school, the teaching experience of the school staff, and whether the building has been successful in meeting the goals of the systemwide plan developed in accordance with G.S. 115C-238.1 through G.S. 115C-238.6. Building report cards shall be developed so that they may be produced and disseminated by local school administrative units based on data for the 1993-94 school year no later than March 15, 1995.
- d. To formulate rules and regulations for the enforcement of the compulsory attendance law.
- e. To manage and operate a system of insurance for public school property, as provided in Article 38 of this Chapter.

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

- Sec. 6. G.S. 115C-47 is amended by adding a new subdivision to read:
 - "(35) To produce and disseminate building report cards. Each administrative unit shall produce and disseminate building report cards for each school building in the local school administrative unit. Each building report card shall be disseminated to the school community, including the State Board of Education, the Superintendent of Public Instruction, teachers, students, parents of children enrolled in the school, and other interested persons in the community. The State Board of Education, in accordance with G.S. 115C-12(9)c3. shall generate in automated format a model building

report card which shall be used by the local school administrative unit. Building report cards shall be produced and disseminated based on data for the 1993-94 school year no later than March 15, 1995. Subsequent building report cards shall be produced and disseminated annually and no later than the January following the school year which is being reported."

Sec. 7. The State Board of Education shall make progress reports on the development and implementation of the system for building report cards as requested to the General Assembly and the Joint Legislative Education Oversight Committee.

Sec. 8. G.S. 115C-81(a) reads as rewritten:

"(a) The General Assembly believes that all children can learn. It is the intent of the General Assembly that the mission of the public school community is to challenge with high expectations each child to learn, to achieve, and to fulfill his or her potential. With that mission as its guide, the The-State Board of Education shall adopt a Basic Education Program for the public schools of the State. Before it adopts or revises the Basic Education Program, the State Board shall consult with an Advisory Committee, including at least eight members of local boards of education, that the State Board appoints from a list of nominees submitted by the North Carolina School Boards Association. The State Board shall report annually to the General Assembly on any changes it has made in the program in the preceding 12 months and any changes it is considering for the next 12 months.

The State Board of Education shall review the Basic Education Program in an effort to (i) simplify the Basic Education Program, especially the standard course of study and the core curriculum for all students, and (ii) assure that the Program adopted by the State Board and implemented by the local boards of education carries out the intent of the General Assembly to provide every student in the State equal access to a Basic Education Program. The State Board shall report the results of its review to the Joint Legislative Education Oversight Committee and to the General Assembly prior to March 15, 1992.

The State Board shall implement the Basic Education Program within funds appropriated for that purpose by the General Assembly and by units of local government. It is the intent of the General Assembly that until the Basic Education Program is fully funded, the implementation of the Basic Education Program shall be the focus of State educational funding. It is the goal of the General Assembly that the Basic Education Program be fully funded and completely operational in each local school administrative unit by July 1, 1995.

It is further a goal of the General Assembly to provide supplemental funds to low-wealth counties to allow those counties to enhance the instructional program and student achievement."

Sec. 9. G.S. 115C-238.13(a) reads as rewritten:

"(a) The General Assembly believes that all children can learn. It is the intent of the General Assembly that the mission of the public school community is to challenge with high expectations each child to learn, to achieve, and to fulfill his or her potential. With that mission as its guide, the The—State Board of Education shall develop and

 implement an outcome-based education program. The State Board of Education shall select four sites to participate in the program for five fiscal years beginning with the 1992-93 fiscal year. The first year of the project shall be a year for the sites to plan their projects. The remaining four years shall be to implement the projects and to demonstrate their effectiveness."

Sec. 10. This act is effective upon ratification. Sections 3 and 4 of this act apply to all local school improvement plans developed for school years beginning with the 1993-94 school year.