

EXECUTIVE SUMMARY

On October 1, 2008, Evergreen Solutions, LLC contracted with the Program Evaluation Division of the North Carolina General Assembly to study the State Board of Education and Department of Public Instruction. The Request for Proposals (RFP) language was very specific as to the scope of services to be performed by the consultant; RFP requirements are contained in **Chapter 1** of the full report.

Evergreen's approach and methodology for conducting this study included the following components:

- conducting an Entrance Conference with the Department of Public Instruction;
- reviewing existing reports and data sources, including previous studies and audits;
- conducting diagnostic interviews with:
 - Legislators and Legislative Staff
 - Governor's Office Representatives
 - State Board of Education Members
 - Current and Former State Superintendents
 - Current and Former DPI Senior Managers
 - Leaders of Education Associations/Forums/Coalitions
 - Others
- conducting five meetings with a Technical Advisory Group (consisting of former state superintendents, state board staff, legislators, and policy research consultants);
- conducting the formal on-site review with a team of six consultants;
- facilitating an on-line questionnaire of local district superintendents;
- analyzing the management structure and governance in state education agencies in comparison states (These states are Georgia, California, Florida, Illinois, and Kentucky.);
- preparing the draft and final reports; and
- conducting an exit conference.

The final report for this study consists of the following chapters:

- Chapter 1.0: Introduction
- Chapter 2.0: Comparisons of Education Systems and Best Practices in Selected States
- Chapter 3.0: Agency Roles and Responsibilities, Governance, and External Accountability
- Chapter 4.0: Internal Analysis of the Department of Public Instruction
- Chapter 5.0: Fiscal Impact of Recommendations



The remainder of this executive summary focuses on major study findings, commendations, and recommendations.

Agency Roles and Responsibilities, Governance, and External Accountability

Governance

North Carolina is at a crossroads regarding the pathway to take to address its current governance structure for public education. The timing of this report coincides with the recent re-election of the State Superintendent of Education and the election of a Governor who has been the Lieutenant Governor of North Carolina and who has served as a State Board member.

The Office of Governor is perceived as the real power behind shaping education policy in North Carolina, mainly due to the power of appointment of State Board of Education members, and indirectly influencing the election of the Chairman of the State Board. In addition, the Governor chairs and sets the agenda of the Education Cabinet and Education Commission, requires that the Department of Public Instruction's proposed budget and budget enhancements are channeled through the Office of the Governor to the General Assembly instead of being directly submitted to the General Assembly by the Department of Public Instruction (DPI), and has veto power over a biennial budget. This formal influential role in education by the Governor may be statutorily and constitutionally more pronounced than in most other states. The fact that the Office of the Governor has significant power and authority for education is a recurring theme throughout this report.

The statutory creation of the Education Cabinet has positioned the State of North Carolina and Governor to address issues and establish systemic policies across the continuum of pre-K–20 education. The specific topics charged to the Cabinet and the formal reporting mechanism to the General Assembly are commendable and continue to address an important need. Evergreen emphasizes the importance of the Governor's role in serving actively as the Chair of the Education Cabinet. In addition, Evergreen recommends more frequent and meaningful Cabinet meetings creating an environment for substantive engagement and assistance with shaping as well as implementing policy for elementary, secondary, and higher education entities across the State.

In 1993, the General Assembly created the Education Commission. This legislation requires the State Board of Education to meet at least once a year with the Board of Community Colleges and the Board of Governors of the University of North Carolina System. The purpose of the Education Commission, as stated in the statute, is to have the education boards discuss matters of mutual interest as well as to make recommendations to the General Assembly as to how to improve public education at all levels. There is significant value for the governing boards of the three public education entities to meet on a regular, ongoing basis; however, there has not been substantive activity of the Education Commission over the past eight years. In fact, during interviews, most respondents were not aware of the existence of the Education Commission. Evergreen recommends amending the statute to require more joint activities of the State Board of Education, the State Board of Education of Community Colleges, and the Board of Governors of



the University of North Carolina, and providing written reports of activities to the General Assembly.

The composition of the State Board of Education—with statewide elected officials, at-large appointees, and appointees representing eight educational districts—provides balance and statewide representation. In addition, the General Assembly has created legislation authorizing a full range of stakeholders to hold advisory seats on the State Board of Education. The Chairman of the State Board of Education has created an effective subcommittee structure so that the Board members are engaged and focused on the Board's mission and goals.

North Carolina is one of 11 states that have a governance model with a State Board of Education appointed by the Governor and an independently elected State Superintendent. However, North Carolina is the only state where the state constitution authorizes the State Board to actually administer and supervise the public education system. This is a critical distinction, and therefore is the controlling element regarding State Board governance and the role of the State Superintendent.

The job description of the Chairman of the State Board of Education is very comprehensive and carries with it broad authority. The Chairman has exercised the prerogative of his position to establish and maintain a highly visible profile within the Department of Public Instruction as well as throughout the State. When a comparison is made of the Chairman's job description to the responsibilities delegated to the State Superintendent, it becomes quite clear that the Chairman has far greater authority, influence, and responsibility. Evergreen consultants believe that the Chairman has executed the expansive responsibilities of the job description. Nonetheless, under the current diffused governance structure, the Chairman's presence in many arenas sends a diffused message of authority and responsibility.

A prevailing issue throughout this study is the tension among the roles of the elected State Superintendent, the appointed State Board of Education and its Chairman, and the Deputy Superintendent appointed by the State Board who reports directly to the Board. The one universal belief shared among all stakeholders was the lack of clarity about the authority of these educational leaders.

The readily apparent, diffused leadership of public education during the past 14 years has resulted in an education system of governance which stakeholders feel is dysfunctional, confusing, and in need of change. This mixed governance arrangement does not provide the focused and sustained leadership to advance pre-K–12 education in North Carolina. In order for a Department of Public Instruction to be effective in its role of administering the policies of the State Board, responding to requests and needs of the districts, implementing state statutes and federal laws, and administering and monitoring billions of dollars of state and federal funds, there is a need for clear leadership, an identified individual at the helm, and a consistency of expectations, delivery, feedback, and quality control.

The clear language in the Attorney General's advisory opinion of December 14, 1995, has served as the controlling force in defining the roles of State Board of Education and State Superintendent for the past 13 years. The intent of the General Assembly to subordinate the State Superintendent to the will and authority of the State Board of Education is beyond question. The General



Assembly made all of the statutorily designated duties and responsibilities of the State Superintendent "subject to the direction, control, and approval of the State Board of Education."

The State Board of Education has acted within its constitutional and statutory capacity to define the State Superintendent's role, responsibilities, duties, and authority. In the past five years, the State Board of Education has taken steps to limit the authority of the State Superintendent of Public Instruction, to eliminate the responsibility of the State Superintendent to administer and supervise the Department of Public Education, and to place the responsibility of management of the agency responsible for carrying out the Board's policies in the hands of a board-selected Deputy State Superintendent who reports directly to the State Board of Education and not to the State Superintendent.

Since the term of Bobby Etheridge as State Superintendent in 1995, the role and the authority of the State Superintendent, as determined by the State Board, has shifted back and forth from being limited and entrusting the management of DPI to a Deputy Superintendent and by-passing the State Superintendent to being an expanded role responsible for all aspects of the administration and supervision of DPI and public education during the term of Mike Ward. And, during the terms of Interim Superintendents Willoughby and Davis, and the current State Superintendent Atkinson, the role and authority has been strictly limited by the State Board of Education.

These actions have sent a mixed and confusing message to stakeholders throughout North Carolina. From the perspective of thoughtful and consistent public policy, this shifting every few years of authority and roles has been confusing, inconsistent and largely politically driven. Good public policy of governance demands a consistent application of a sustained governance model with assigned roles and authority, and not one constantly changing by being politically convenient or driven.

The local superintendents and other stakeholders, who expected to see the elected State Superintendent have authority to administer the Department of Public Instruction, witnessed in the past five years that the elected State Superintendent has no authority and little responsibility. The State Board of Education has the authority to identify and entrust the statewide elected State Superintendent to serve as the education leader of the State, administer and supervise the public education system on behalf of the Board, administer and manage on a day-to-day basis the Department of Public Instruction, and to be the primary point of contact with the Governor and the General Assembly on behalf of the Board and public education stakeholders. At any time, the State Board can amend Policy EEO-C-013 to expand the State Superintendent's authority and role, and also can amend the job description of the Chairman of the State Board to limit the Chairman's role so as to avoid conflict between the two positions and bring clarity regarding authority and responsibility in the eyes of the stakeholders. Of course, any responsibilities and roles to be afforded to and exercised by the State Superintendent, ultimately, are by the State Constitution subject to the "control, direction, and approval of the State Board of Education."

On the other hand, should the Board continue with its policy that the Superintendent is to have this limited role and not manage the DPI, then Evergreen Solutions believes steps need to be taken to redefine the State Superintendent's and her staff's responsibilities as well as to officially invest the authority and responsibility into a single, identified position to be the leader of public



education in the State, “subject to the direction, control, and approval of the State Board of Education”. If the State Board of Education exercised its prerogative to empower the State Superintendent, then the recommendations contained in this report on governance would not be necessary.

Evergreen’s recommendations regarding the roles and authority of the State Board of Education and the State Superintendent, as follows in the report (and assuming that the State Board chooses to limit the authority of the State Superintendent) provide a pathway—short of a constitutional question of the elimination of a statewide elected official—to address the Constitutional powers and duties vested in the position of the State Superintendent, while satisfying the Constitutional authority for the State Board of Education to administer and supervise public education.

Evergreen’s recommendations provide a governance structure consistent with the intent of the North Carolina State Constitution and are similar to a common corporate model. Creating and implementing such a model places the State Board in its rightful position and authority of setting policy, and carrying out its administrative as well as supervisory role. Changing the title of the Chairman to include Chief Executive Officer and adding responsibilities of the administration and management of the DPI provides a governance structure like the common corporate model—an appointed or elected board and a Chief Executive Officer who may or may not also be the Chairman.

Under this proposed model, there would be a Governor-appointed Board member (confirmed by the General Assembly) and—by separate contract and term—as elected by the State Board of Education to serve as both the Chairman of the Board and Chief Executive Officer of the Department of Public Instruction. Policy decisions should continue to be made by the full State Board of Education and not by the Chairman/CEO. This firewall will allow for a division between policy and administration.

The process of the selection of a Chairman who would become the Chairman/Chief Executive Officer would be a transparent one. This notion of transparency was one of the key recommendations of those interviewed. This transparent action would also send a very strong signal regarding the vested responsibility in the new Chairman/Chief Executive Officer to assist with clarification of the existing diffused governance structure, and provide public education with its identified leader and advocate.

This proposed governance model does not require a change in the Constitution, nor does it take away from the electorate the vote for a statewide elected official. Should the recommendation be implemented, then the State Superintendent, by virtue of the Constitutional authority to be the Chief Administrative Officer (CAO) of the State Board of Education, should serve in that capacity as CAO by assuming the administrative duties of the position serving the State Board. The duties of the Executive Director to the Board should be assumed by the State Superintendent. The Assistant Executive Director, as well as the two clerical positions, should be replaced by the Superintendent’s appointees.

Throughout the past few decades, there have been ongoing considerations and attempts to change the role of the State Superintendent from elected to appointed. Clearly, such a change to an elected position of State Superintendent would require the present Constitution to be modified.



In 1993, the Senate passed Senate Bill 28 which was designed to change the elected position to an appointed State Superintendent, and for this change to be brought to a constitutional question. This proposal did not pass the House. There have not been any further efforts to do so, for many political and practical reasons. Evergreen consultants conclude that such an effort to change the Constitution to eliminate a statewide elected official, is unlikely to be initiated and passed by the General Assembly, and much less approved by the electorate.

Evergreen consultants also considered the once proposed legislative Commissioner of Education model. In 1985, the General Assembly addressed the creation of a position of “Commissioner of Public Schools” while amending the statute to make the Superintendent the non-voting Chairman of the State Board of Education. This position was to be created essentially to perform the duties of a de facto State Superintendent and educational leader of public education, while the State Superintendent remained, in title, in the position. When requested to review the draft legislation, the Attorney General opined that the creation of the position of Commissioner of Public Schools, to serve in the intended capacity, must “act through the Superintendent or under his direction.” The Attorney General concluded that the Commissioner would perform duties through the Superintendent rather than independent of the Superintendent. Since the very purpose of the legislation to separate the Commissioner from the Superintendent and to imbue the Commissioner with duties and authority independent of the Superintendent was deemed not advisable and illegal, it was determined that the effort and subsequent legislation must be abandoned.

Several other states, most notably Kentucky in 1990, have pursued a similar route to minimize the role of the elected State Superintendent and create an appointed position to fulfill the same duties. Although that legislative tactic was successful in Kentucky, that specific action had not been controlled by an Attorney General’s opinion, as is the case in North Carolina. In addition, Kentucky does not have its State Constitution placing the responsibility for the “administration and supervision of the public education system” in the hands of the State Board of Education.

This language in the North Carolina State Constitution is what makes any effort improbable to circumvent the authority of the State Board of Education. Moreover, this constitutional language makes the issue of changing the role of the State Superintendent also more difficult to circumvent, except by Board action specifically to limit or expand the State Superintendent’s duties.

Accountability

One important aspect of the Board’s responsibilities delineated in statute is to establish, monitor, and report on the progress of the public education system.

For the most part, information to Board members, the General Assembly, and the public are one-dimensional reports. Annual test data are in a series of reports that consist of test information. Dropout statistics and graduation rates are reported as stand alone data. Sometimes annual reports are provided even when information is collected by DPI on a monthly or even daily basis. Such real-time data can be far more useful to the Board and to DPI in determining success than data in annual reports that arrive months after the end of the school year.



The Board needs to be provided with evidence and use regularly and actively measures of whether desired results are being accomplished, and also information that suggests where new policies, programs or strategies might be needed. “Balanced Scorecard” and “Dashboard” are names of contemporary information systems designed to monitor management’s accomplishments of an organization’s goals and objectives. Business, non-profit, and education institutions consider the dashboard to be one feature of a balanced scorecard—one that provides an on-line, real-time summary view of the status of accomplishing the various objectives and indicators relative to targets set for the agency.

At this time, the Department of Public Instruction does not have a balanced scorecard, and also does not have a fully developed dashboard to serve as the tool to monitor success of the state education agency by the State Board of Education or to intervene in those areas where success is lagging. Evergreen recommends that those vehicles be developed and the State Board actively use the system to exercise more effective oversight over the Department of Public Instruction and public education.

The measures of progress described in the Performance Management Tool being developed by the Department of Public Instruction on behalf of the State Board of Education represent a significant step in providing the State Board with information needed for the Board to effectively monitor its goals and indicators of progress toward achieving them. The Performance Management Tool contains some elements of a balanced scorecard. The draft Performance Management Tool can be improved if it is adapted to contain more components of a balanced scorecard—including goals, objectives, measures and annual targets. The draft Performance Management Tool should be expanded so that it organizes the data it presents in a format consistent with the design of a balanced scorecard and dashboard to provide on-line, real-time data.

Two valuable systems are being developed and implemented to produce better information about the education of students in North Carolina—NC WISE and NC CEDARS. Balanced scorecard and dashboard systems, with on-line and real-time data to be used for strategic and tactical planning purposes by the State Board of Education and the Superintendent, are dependent upon the full implementation of NC WISE and NC CEDARS. The new data systems will make accessible a wealth of information for monitoring the degree to which the Board’s goals are being accomplished.

The development of the performance management system that is underway, and expected to be fully operational in Spring 2009, is a major step in the direction of monitoring the status of the Board’s goals. However, there is a need to review and revise the goals, the indicators, and the data collection system to make the accountability initiative beneficial and robust. Identifying the correct performance measures that are meaningful, tracking against defined goals and performance targets, and communicating statewide performance in meaningful ways to North Carolina stakeholders help to improve policy decision making, program management, and efficiency and effectiveness. Appropriate information must get to the State Board in a manner to facilitate decision making as well as oversight, accountability, and policymaking.

With these new systems, the Board will have at its disposal information to determine immediate, strategic, and tactical interventions when the data indicate that some aspect of the system needs



attention. In addition, the Governor, General Assembly, and other stakeholders should find the dashboard useful. In fact, if the dashboard were available, this might eliminate or at least reduce the need for DPI to pull together ad hoc reports for legislators and other stakeholders who want to know the status of education initiatives.

Most importantly, Evergreen recommends a fully-developed balanced scorecard and an operational dashboard that will focus the State Board of Education on its strategic responsibilities and oversight of the public education system, and will hopefully position the State Board of Education not to be engaged in the tactical responsibilities of its administrative arm—the Department of Public Instruction.

Internal Analysis of the Department of Public Instruction

Evergreen consultants found significant and important initiatives underway at the Department of Public Instruction, including:

- a reorganization to better deploy resources to support low-performing schools;
- the development of councils and other processes to promote transparency, diffuse leadership, and enhance coordination and collaboration across the state education agency;
- the incorporation of business processes into its approach to serving schools with the development of a performance navigator;
- the development of NC CEDARS Data Warehouse which will greatly increase access to information; and
- multiple, effective management and technology strategies to reduce cost overruns and better implement NC WISE.

The Department of Public Instruction has begun a concerted effort to reorganize the state education agency to better serve educators across the State. In addition, DPI leaders have begun to restructure the organization to focus on core activities, and to be more service-oriented towards schools and school districts. However, Evergreen has determined that additional restructuring is needed, such as moving offices related to curriculum and instruction from directly reporting to the Deputy Superintendent to the Division of Curriculum, Instruction, Technology and Accountability Services, and moving offices that have been directly placed under the State Board of Education into the Department of Public Instruction. In conjunction with these changes, DPI should also develop explicit procedures and reporting requirements that clarify final authority for decisions and that ensure that all offices within DPI use the same accountability processes.

The North Carolina Department of Public Instruction has developed multiple mechanisms to encourage coordination and collaboration across divisions and offices within the agency, and it has effectively embedded business processes into its approach to serve the educational community. DPI has begun implementing its new reorganization plan and aligning agency



processes to further institutionalize service orientation, but has not taken those next steps that will embed accountability into its way of work. The state education agency has not yet developed procedures to capture DPI best practices operational in several offices/units to replicate them throughout the state education agency. DPI needs to develop procedures that ensure that the intended collaboration, communications, and accountability are woven throughout the agency's actions and decisions.

State department employees are generally funded in three ways: federal funds, state funds, and contract/special funds. With states facing budget constraints in recent years, a recent national trend is an increasing percentage of state department employees being paid from federal funds. This scenario may restrict the variety of programs and the types of assistance state departments offer to schools, as compared to in decades past. In fact, in many state departments, overall staff numbers have declined in recent years.

Data show DPI is not understaffed when compared to benchmark states. **Chapter 2** contains full-time staffing numbers, staff/student ratios, and staff/district ratios for North Carolina and five benchmark states. While the North Carolina DPI Web site cites 530 employees, a recent headcount shows that the DPI employs 781 full-time staff. North Carolina has a staff/student ratio of 1:1,814 which is the second lowest among the five benchmark states. North Carolina's staff/district ratio is 6.8:1 and stands as the second highest ratio among the five states.

Concerns about the ability of DPI to recruit and retain highly qualified employees have persisted for years. Although the agency has developed a number of processes to attempt to remediate the legitimate concerns, it neither has the flexibility nor authority to increase salaries to the point of comparability with other entities seeking similar candidates. Yet, the Department of Public Instruction has recently begun careful analysis and reduction of costly contracted positions.

DPI needs to expand current leadership development processes to ensure sufficient preparedness for succession planning. The components of a succession plan should include the identification of current promising employees for participation in a mentoring program and a possible cohort academy as part of a larger succession planning structure.

DPI lacks a current comprehensive employee handbook to serve as a basis for internal organization and efficiency. Interviews and surveys indicate a lack of responsiveness and organization in the department. Without internal efficiencies, it is difficult for DPI to adequately respond to the needs of LEAs. In addition, the state education agency does not have consistently up-to-date job descriptions tied to an effective performance assessment. The DPI should develop current comprehensive job descriptions, and tie job descriptions to the Employee Work Plan and Evaluation System with alignment to agency goals.

Significant gaps are evident between DPI senior managers and DPI staff regarding performance standards. DPI appears to be in the early stages in the development and implementation of performance standards. The agency needs to enhance the participation of internal stakeholders in the development of these performance standards. This inclusionary effort will improve the transparency of the process and garner more support and buy-in from stakeholders critical to the success of the organization. The expansion and implementation of performance measures throughout DPI should help provide the agency with a system of accountability to measure



outputs and ultimate outcomes consistent with the Governor's Result-based Budgeting Initiative and relevant to departmental operations.

Previously, professional development provided by DPI had taken a duplicative, shotgun approach with each division and office scheduling and conducting its own training and conferences. Although there is not yet a cohesive, comprehensive approach to consolidate and channel the best resources toward each office's strengths, several efforts are currently geared toward that end. DPI senior managers are commended for recognizing the need to better plan and coordinate professional development efforts and focus them on State Board goals.

Substantive impediments in meeting both DPI and LEA needs exist within the state statutory and regulatory systems and requirements. These impediments are costly to DPI and likely other agencies in terms of time, energy, and money. DPI testimony revealed that State ITS Office requirements may need to be streamlined to balance the need for accountability with each agency's ability to operate efficiently and effectively.

Evergreen finds that the North Carolina's internal testing program and timeliness of providing results to LEAs and state audiences are both cost effective and efficient. Within the next year and a half, the transfer of accountability data systems to ITS will potentially become very costly to the State as well as even more time-consuming for DPI staff, making them less responsive to school districts. Additionally, current ITS constraints place the state in an untenable position with respect to meeting federal reporting requirements in a timely manner.

Cost overruns and delays in the implementation of the North Carolina Window of Information on Student Education (WISE) have been extensive. Recently, the Associate Superintendent for Technology Services has implemented multiple, effective management strategies, and caused a reduction in cost overruns relating to NC WISE.

With the severity of the effect of slow processing of educator licenses on the ability of local school districts to maintain a corps of highly-qualified teachers as well as the lengthy time it takes to navigate technology purchases through ITS, the State should move immediately to enter the process of automating licensure applications.

The internal auditing function in the Department of Public Instruction is not in compliance with the requirements of the 2007 State Internal Audit Act. DPI should review the requirements of the 2007 State Internal Audit Act and ensure compliance with the standards set forth in the law. DPI should establish roles and responsibilities for employees, develop and approve an internal auditing charter, document procedures and work flow, and evaluate internal controls once the system is established.

The Evergreen Team was asked to look at best practices in state departments of education. This comparison study of North Carolina and five benchmark states has revealed some cutting-edge practices that have the potential to advance state educational systems, public accountability, and student achievement. **Chapter 2** provides an overview of several important categories of state policies and practices that may be informative to North Carolina policymakers and practitioners.



In Conclusion

Evergreen Solutions identifies sound and effective practices in North Carolina’s pre-K–20 educational system—23 commendations cite these best practices. In addition, Evergreen Solutions finds many areas needing attention and offers a total of 43 recommendations, some of which suggest expediting existing important work already planned or being undertaken by DPI. If the recommendations that have a fiscal impact were implemented, there would be a savings of about \$400,000 annually or at minimum in the first year with a similar amount (not adjusted for salary and benefit increases) in each following year.

Evergreen consultants believe that changing and demanding times call for a structure of leadership to ensure the coherence of policy and its implementation, and the agile but crisp administration at all levels. In order to achieve the goal of establishing unified leadership for the State to make educational improvements and for alignment or coherence among entities entrusted for policy setting, as well as for the effective administration and supervision of public education, then the current situation of diffused governance needs to be addressed and resolved. The current hybrid situation does not work. Evergreen consultants conclude that there is a need to put this matter of unclear leadership to rest so that both the perceived and very real redundancies, within the current diffused authority for governance and related concerns, can be resolved.

Commendations

A list of the study commendations follows.

- The State Board of Education structure, by virtue of its members being appointed by the Governor and confirmed by the General Assembly for eight-year terms, establishes stability and continuity in the governance of public education in North Carolina.
- The General Assembly has provided for a wide range of stakeholders to serve in an advisory role to the State Board of Education.
- The Chairman of the State Board of Education is commended for the effective subcommittee structure that he created so that the Board members will be engaged and focused on the Board’s mission and goals.
- The Board meeting agendas are well constructed and ensure that the State Board of Education addresses the responsibilities entrusted to it by statute and Constitution.
- The Chairman of the State Board of Education has carried out his duties according to his job description in a very active and comprehensive manner. He has exercised the prerogative of his position to establish and maintain a highly visible profile within the Department of Public Instruction as well as throughout the State.
- The statutory creation of the Education Cabinet positioned the State of North Carolina and Governor to address issues and establish systemic policies across the continuum



of pre-K–20 education. The specific topics charged to the Cabinet and the formal reporting mechanism to the General Assembly are commendable and continue to address an important need.

- State Board of Education members have met annually with other boards, including higher education boards, to fulfill the statutory requirements of 116C/GS-115C-11(b1).
- The adoption of goals for the 21st Century and related objectives represents an important step in deciding for what accomplishments the Board will hold the DPI accountable. DPI is called upon to address five goals that the State Board of Education considers important.
- The NC CEDARS Data Warehouse, with NC WISE and 21 other data files related to education in North Carolina, will greatly increase the information easily accessible to Board members, DPI staff, and educators across the State.
- The measures of progress described in the Performance Management Tool being developed by the Department of Public Instruction on behalf of the State Board of Education represent a significant step in providing the State Board with information needed for the Board to effectively monitor its goals and indicators with some of the features of a balanced scorecard.
- The Department of Public Instruction has begun a concerted effort to reorganize the state education agency to better serve educators across the State.
- The Division of Business and Finance is commended for identifying a void in agency needs and creatively addressing the need for a research and evaluation function in the Department of Public Instruction.
- The North Carolina Department of Public Instruction has developed multiple processes to encourage coordination and collaboration across divisions and offices within the agency, and especially within the Division of Academic Services and Instructional Support.
- The Department of Public Instruction has effectively embedded business processes into its approach in serving the North Carolina educational community.
- The DPI leadership is commended for recognizing the need to better plan and coordinate professional development efforts and to focus professional development on State Board goals.
- North Carolina’s internal testing program and timeliness of providing results to LEAs and state audiences are both cost effective and efficient.
- The Associate Superintendent for Technology Services has implemented multiple, effective management strategies, and caused a reduction in cost overruns relating to NC WISE.



- The Department of Public Instruction operates an efficient and cost-effective textbook warehouse that saves both the State and school districts money, and disseminates books quickly to LEAs.
- The North Carolina Department of Public Instruction has recently begun careful analysis and reduction of costly contracted positions.
- The State of North Carolina has made an intensive effort to broaden access of high school students to a diversity of on-line and postsecondary educational opportunities.
- The State of North Carolina has identified a pressing need that requires collaboration beyond DPI, conducting research on best practices. and convening a broad group to develop a unified approach.
- North Carolina has effectively used State Improvement Grant funds to move the achievement of exceptional children more rapidly towards meeting proficiency expectations for *No Child Left Behind*.
- The Department of Public Instruction’s approach to supporting districts and schools has expanded the set of resources available, has recruited staff with proven experience in turning schools around, and is showing promising results.

Recommendations

A list of recommendations by chapter follows:

Chapter 3 - Agency Roles and Responsibilities, Governance, and External Accountability

- 3-1: Delegate the duties of the Executive Director of the State Board to the Chief Administrative Officer (CAO) of the State Board (i.e., the State Superintendent), and eliminate the staff positions of Executive Director to the State Board, Assistant Executive Director to the State Board, and two support positions in the State Board Office. Replace these individuals with the three staff positions who currently report to the State Superintendent.
- 3-2: Amend Statute 115C-21 (shown in Exhibit 3-4) which designates the administrative and secretarial duties of the State Superintendent “subject to the direction, control, and approval of the State Board of Education” to specifically articulate the administrative duties as Chief Administrative Officer of the Board aligned with the current duties of the Executive Director of the State Board of Education.
- 3-3: Amend the statute to ensure that all appointments to the State Board of Education are brought to the General Assembly for confirmation.
- 3-4: Enact legislation that defines the expectations for attendance and other responsibilities of State Board members, and the process by which Board members may be removed.



- 3-5: Amend the job description of the Chairman of the State Board of Education to include the title of Chief Executive Officer.
- 3-6: Appoint a State Board of Education member, subject to confirmation by the General Assembly (in accordance with the Constitution), who possesses the qualifications to serve as the Chairman of the State Board of Education and Chief Executive Officer of the Department of Public Instruction—who is capable of leading, administering, and supervising the public education system of North Carolina—subject to the direction, control, and approval of the State Board of Education.
- 3-7: Emphasize the importance of the Governor’s role in serving as the Chair of the Education Cabinet.
- 3-8: Amend Statute 116C-1 to require the Governor to appoint an official designee to chair Cabinet meetings, and set agendas when the Governor is unable to chair the meeting.
- 3-9: Amend Statutes 116C-3 and 116C-4 to require that the Education Cabinet meet at least three times per year, set specific tasks for the Cabinet, and provide a written summary to the General Assembly within two weeks after each meeting.
- 3-10: Abolish the Education Commission.
- 3-11: Amend Statutes 116C and GS-115C-11(b1) to require that more frequent meetings are conducted of the State Board of Education, the State Board of Education of Community Colleges, and the Board of Governors of the University of North Carolina, and that written reports—including the agenda, minutes, and recommendations—be sent to the General Assembly.
- 3-12: Address and resolve the current governance structure which diffuses responsibility and hinders accountability by implementing the recommendations articulated in Section 3.1.
- 3-13: Develop a balanced scorecard and complete the development of a dashboard that facilitate the Board’s ability to exercise effective oversight over the Department of Public Instruction.
- 3-14: Review “Future-Ready Students for the 21st Century” and revise the objectives to ensure clarity of meaning. Determine the measures or indicators of accomplishment for which DPI will be held accountable, and set annual or more frequent targets that indicate how much change the state education agency is expected to accomplish.
- 3-15: Advise the Department of Public Instruction on information that the State Board needs to receive for monitoring the state agency’s effectiveness.
- 3-16: Expedite the development and implementation of the North Carolina Window of Information on Student Education (NC WISE) and the North Carolina Common Education Data Analysis and Reporting System (NC CEDARS).



- 3-17: Revise the Performance Management Tool so that it organizes the data it presents in a format consistent with the design of a balanced scorecard and dashboard that is on-line, and contains real-time data.
- 3-18: Reevaluate the current data and future needs for data and reporting processes by the State Board, to ensure that the Performance Management Tool meets these needs while assuring linkage and accessibility to supporting data and reports.

Chapter 4 - Internal Analysis of the Department of Public Instruction

- 4-1: Move offices related to curriculum and instruction from directly reporting to the Deputy Superintendent to the Division of Curriculum, Instruction, Technology and Accountability Services.
- 4-2: Move all offices that have been directly placed under the State Board of Education into the Department of Public Instruction.
- 4-3: Establish clear, unequivocal and non-negotiable expectations that decisions made by DPI leaders are supported by the State Board of Education and the General Assembly, when necessary.
- 4-4: Develop procedures that ensure that the intended collaboration, communications, and accountability are woven throughout DPI actions and decisions.
- 4-5: Create an interagency Task Force to address the time, energy, efficiency, and financial costs of the approval processes required in the State Office of Budget, Information Technology Services, and the State Office of Personnel in order to refine and streamline realistic procedures, limits and timelines to balance the need for accountability with each agency's ability to function efficiently and effectively.
- 4-6: Examine the implications of NCLB requirements and the movement of accountability data systems to ITS on DPI staff in the Divisions of Accountability Services and Technology Services.
- 4-7: Extend the use of comparability of salaries within the State, and use it as a basis to revise policies, practices, and funding to facilitate recruitment of exceptional candidates for DPI positions.
- 4-8: Conduct a cost-benefit analysis in terms of costs, time involved, impact on other data requirements (such as NCLB timelines), and effect on AYP on the Office of Accountability before changing state deadlines or reconsidering state decisions.
- 4-9: Expedite plans to automate licensure.
- 4-10: Use data collected in the waiver study to guide legislative action and State Board of Education policy development to replicate and institutionalize effective processes across the State.



- 4-11: Schedule regular, ongoing meetings among DPI, community college, and university leaders centered on the topic of student access.
- 4-12: Assert a more influential position on integration of the *Responsiveness to Instruction* (RTI) across the State of North Carolina.
- 4-13: Continue purposefully expanding training in Positive Behavior Support (PSB) to all schools in North Carolina.
- 4-14: Develop a communications strategy to inform leaders and admissions staff in community colleges of the legal requirements of providing access to dual enrollment to all students, regardless of disability.
- 4-15: Expand concerted communications channels with administrators in the field.
- 4-16: Develop and implement a DPI retention policy and plan.
- 4-17: Expand current leadership development processes to ensure sufficient preparedness for succession planning.
- 4-18: Involve representatives of LEAs in purposefully cross-functional identification of processes that could be merged to minimize duplicative requests made of LEAs.
- 4-19: Examine the potential of increasing partnerships with North Carolina RESAs and consortia.
- 4-20: Update and communicate organization charts.
- 4-21: Create a comprehensive employee handbook for the Department of Public Instruction and place the handbook on-line.
- 4-22: Develop current comprehensive job descriptions, and tie job descriptions to the Employee Work Plan and Evaluation System with alignment to DPI goals.
- 4-23: Enhance the participation of internal stakeholders in the development of performance standards, and consider the implementation of activity-based costing.
- 4-24: Expand and implement program and service performance measures to more effectively respond to the Governor's Results-based Budgeting Initiative.
- 4-25: Comply with the 2007 State Internal Audit Act, and conduct efficiency and effectiveness reviews of the Department of Public Instruction.

