

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 6*

Short Title: School Flexibility/Accountability.

(Public)

Sponsors: Representatives Preston, Russell, Daughtry, Hayes, Brawley, Cummings, Gardner, Miner, Mitchell, Pate; Aldridge, Arnold, Baker, Barbee, Berry, Bowie, J. Brown, Buchanan, Cansler, Capps, Carpenter, Clary, Cocklereece, Creech, Culp, Davis, Decker, Dickson, Dockham, Eddins, Edwards, Esposito, Grady, Gray, Hiatt, Hill, Holmes, Howard, Ives, Justus, Kiser, Lemmond, McCombs, McMahan, K. Miller, Morgan, Neely, Nichols, Pulley, Rayfield, Reynolds, Robinson, Sexton, Sharpe, Sherrill, Shubert, Snowden, Tallent, Thompson, Weatherly, C. Wilson, G. Wilson, and Wood.

Referred to: Appropriations, Subcommittee on Education.

January 26, 1995

A BILL TO BE ENTITLED

AN ACT TO GRANT ADDITIONAL MANAGEMENT FLEXIBILITY TO LOCAL BOARDS OF EDUCATION, TO ENSURE THAT LOCAL BOARDS OF EDUCATION ARE HELD ACCOUNTABLE FOR THE USE OF THAT FLEXIBILITY, AND TO ASSESS THE RELATIONSHIP BETWEEN EXPENDITURES FOR PUBLIC SCHOOLS AND STUDENT PERFORMANCE.

The General Assembly of North Carolina enacts:

—LOCAL MANAGEMENT FLEXIBILITY

Section 1. (a) Effective July 1 1995, funding categories in the Public School Fund are combined as follows:

Old Funding Allotments

New Funding Allotments

- (1) Superintendents; School administrators; Central Office Finance officers;

Administrative Allotment –

- 1 Maintenance supervisors;
- 2 Child nutrition - super-
- 3 vision.
- 4 (2) Classroom Teachers - regular; Classroom Teachers
- 5 Math, Science, and
- 6 Computer Teachers;
- 7 Classroom teachers - Program
- 8 Enhancement.
- 9 (3) Exceptional Children - Exceptional Children
- 10 State Aid and Related
- 11 Services; Preschool
- 12 Handicapped.
- 13 (4) Summer School - Instruction, Remediation
- 14 Remediation Support, Trans-
- 15 portation; Dropout Prevention/
- 16 Students at Risk/In-School
- 17 Suspension.
- 18 (5) Child Nutrition - Staff Staff Development
- 19 Development; Staff development -
- 20 Finance Officers; Staff
- 21 Development - K-12.
- 22 (6) Teacher Assistants - Noninstructional
- 23 Regular; Clerical Support Personnel.
- 24 Assistants; Custodians.

25 (b) The State Board of Education shall adopt formulas for computing the new
 26 allotments. The formula for the new funding allotment for Administrative - Central
 27 Office shall provide for a dollar allotment and not a position allotment.

28 (c) Funds allotted for the new funding allotment for Remediation for the 1995-96
 29 fiscal year shall remain available for expenditure until September 1, 1996; funds allotted
 30 for the 1996-97 fiscal year and subsequent fiscal years shall become available for
 31 expenditure on September 1 of that fiscal year and shall remain available for expenditure
 32 until August 31 of the next fiscal year.

33 Sec. 2. G.S. 115C-301(b) reads as rewritten:

34 "(b) Allocation of Positions. – The State Board of Education is authorized to adopt
 35 rules to allot instructional personnel and teachers, within funds appropriated. These rules
 36 shall encourage local boards of education to use instructional support personnel funds for
 37 teacher positions to reduce class size at all grade levels. These rules shall also permit
 38 local boards of education to use noninstructional support personnel funds for teacher
 39 positions to reduce class size in kindergarten through the third grade."

40 Sec. 3. G.S. 115C-238.6(a) reads as rewritten:

41 "(a) Prior to June 30 each year, the State Superintendent shall review local school
 42 improvement plans submitted by the local school administrative units in accordance with
 43 policies and performance indicators adopted by the State Board of Education. If the State

1 Superintendent approves the plan for a local school administrative unit, that unit shall
2 participate in the Program for the next fiscal year.

3 If a local plan contains a request for a waiver of State laws, regulations, or policies, in
4 accordance with G.S. 115C-238.3(b1) or (b2), the State Superintendent shall
5 determine whether and to what extent the identified laws, regulations, or policies should
6 be waived. The State Superintendent shall present that plan and his determination to the
7 State Board of Education. If the State Board of Education deems it necessary to do so to
8 enable a local unit to reach its local accountability goals, the State Board, only upon the
9 recommendation of the State Superintendent, may grant waivers of:

10 (1) State laws pertaining to class size, size other than kindergarten class
11 size, teacher certification, assignment of teacher assistants, the use of
12 funds for noninstructional support personnel so that these funds may be
13 used for teacher positions to reduce class size in grades four and five,
14 the use of State-adopted textbooks, and the purposes for which State
15 funds for the public schools, except for funds for school health coordinators,
16 schools may be used: Provided, however, the State Board of Education
17 shall not permit the use of funds for teachers for expanded programs
18 under the Basic Education Program for any other purpose; administrator,
19 instructional support personnel, or noninstructional support personnel
20 positions.

21 (2) All State regulations and policies, except those pertaining to State salary
22 schedules and schedules, school employee benefits for school employees,
23 benefits, the instructional program that must be offered under the Basic
24 Education Instructional Program, the system of employment system
25 for public school teachers and administrators set out in G.S. 115C-325,
26 health and safety codes, compulsory school attendance, the minimum
27 lengths of the school day and year, and the Uniform Education
28 Reporting System.

29 The provisions of G.S. 115C-12(16)b. regarding the placement of State-allotted office
30 support personnel, teacher assistants, and custodial personnel on the salary schedule
31 adopted by the State Board shall not be waived.

32 Except for waivers requested by the local board in accordance with G.S. 115C-
33 238.3(b2) for central office staff, waivers shall be granted only for the specific schools
34 for which they are requested in building-level plans and shall be used only under the
35 specific circumstances for which they are requested.

36 The State Board shall review all waivers granted and shall determine whether the
37 State Board should consider repealing the rules waived and whether the State Board
38 should consider recommending to the General Assembly the repeal of laws waived."

39 Sec. 4. Notwithstanding Section 19.17(1) of Chapter 769 of the 1993 Session
40 Laws, the funds allocated in that section for school psychologists, social workers, and
41 guidance counselors for kindergarten through the eighth grade in accordance with the
42 Basic Education Program may be used for teachers to reduce class size at all grade levels

1 and local boards of education are encouraged to use these funds for teachers to reduce
2 class size.

3 Notwithstanding Section 19.17(1) of Chapter 769 of the 1993 Session Laws,
4 local school administrative units are not required to comply with the staffing
5 requirements of the Basic Education Program regarding school psychologists, social
6 workers, and guidance counselors for kindergarten through the eighth grade.

7 **—FISCAL ACCOUNTABILITY**

8 Sec. 5. The General Assembly finds that the additional management flexibility
9 with regard to the operation of the public schools and to the expenditure of State funds
10 for the public schools given to local boards of education in this act make it imperative
11 that the State have the ability to ensure the proper use of that flexibility; therefore, the
12 State Board of Education shall develop a plan for modifying or expanding the Uniform
13 Education Reporting System to provide information on the use of funds at the school
14 level. The plan shall provide information that will enable the General Assembly to
15 determine how much each school in the State spends for classroom teachers, instructional
16 support personnel, noninstructional support personnel, administration, textbooks,
17 educational supplies and equipment, and other purposes.

18 The State Board shall report to the General Assembly prior to May 1, 1995, on
19 the plan it develops. The report shall set out any legislation or additional funds necessary
20 to implement the plan.

21 **—ASSESSMENT OF STUDENT PERFORMANCE**

22 Sec. 6. The State Board shall consider changes in the student performance
23 assessment system so that the system emphasizes the basics - reading, writing, and
24 mathematics. The State Board shall also examine methods of relating expenditures for
25 the public schools to improvements in student performance.

26 The State Board shall report to the General Assembly prior to May 1, 1995, on
27 the results of its study. The report shall set out any legislation or additional funds
28 necessary to implement the State Board's recommendations.

29 Sec. 7. G.S. 115C-12 is amended by adding a new subdivision to read:

30 "(1a) To Submit a Budget Request to the Director of the Budget. – The Board
31 shall submit a budget request to the Director of the Budget in
32 accordance with G.S. 143-6. In addition to the information requested by
33 the Director of the Budget, the Board shall provide an analysis relating
34 each of its requests for funds to anticipated improvements in student
35 performance."

36 **—EFFECTIVE DATES**

37 Sec. 8. Sections 1, 2, and 4 of this act become effective July 1, 1995. The
38 remainder of this act is effective upon ratification.