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Short Title: Local School Improvement.

(Public)

Sponsors:

Referred to:

April 16, 1991

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LAW REGARDING LOCAL SCHOOL  
IMPROVEMENT PLANS AND TO OTHERWISE IMPROVE THE OPERATION  
OF THE PUBLIC SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 116 of the General Statutes is amended by adding the following new section to read:

**"§ 116-11.2. Duties regarding programs in education administration.**

The Board of Governors shall direct the constituent institutions with programs in education administration to evaluate these programs and to take the necessary steps to ensure adequate management training for public school principals and administrators."

Sec. 2. The General Assembly urges private colleges and universities with programs in education administration to evaluate these programs and to take the necessary steps to ensure adequate management training for public school principals and administrators.

Sec. 3. G.S. 115C-238.2 reads as rewritten:

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

(a) Local school administrative units may, but are not required to, participate in the Performance-based Accountability Program.

1 (b) Local school administrative units that participate in the Performance-based  
2 Accountability Program:

3 (1) Are exempt from State requirements to submit reports and plans, other  
4 than local school improvement plans, to the Department of Public  
5 Education; they are not exempt from federal requirements to submit  
6 reports and plans to the Department.

7 (2) Are subject to the performance standards but not the opportunity  
8 standards or the staffing ratios of the State Accreditation Program. The  
9 performance standards in the State Accreditation Program, modified to  
10 reflect the results of end-of-course and end-of-grade tests, may serve  
11 as the basis for developing the student performance indicators adopted  
12 by the State Board of Education pursuant to G.S. 115C-238.1.

13 (3) May receive funds for differentiated pay for teachers and  
14 administrators, in accordance with G.S. 115C-238.4, if they elect to  
15 participate in a differentiated pay plan.

16 (4) May be allowed increased flexibility in the expenditure of State funds,  
17 in accordance with G.S. 115C-238.5.

18 (5) May be granted waivers of certain State laws, regulations, and policies  
19 that inhibit their ability to reach local accountability goals, in  
20 accordance with ~~G.S. 115C-238.6(a)~~. G.S. 115C-238.6(a) and G.S.  
21 115C-238.6(a1).

22 ~~(6) Shall continue to use the Teacher Performance Appraisal Instrument~~  
23 ~~(TPAI) for evaluating beginning teachers during the first three years of~~  
24 ~~their employment; they may, however, develop other evaluation~~  
25 ~~approaches for teachers who have attained career status.~~

26 ~~The Department of Public Instruction shall provide technical~~  
27 ~~assistance, including the provision of model evaluation processes and~~  
28 ~~instruments, to local school administrative units that elect to develop~~  
29 ~~dual personnel evaluation processes. A dual personnel evaluation~~  
30 ~~process includes (i) an evaluation designed to provide information to~~  
31 ~~guide teachers in their professional growth and development, and (ii)~~  
32 ~~an evaluation to provide information to make personnel decisions~~  
33 ~~pertaining to hiring, termination, promotion, and reassignment."~~

34 Sec. 4. G.S. 115C-238.3 reads as rewritten:

35 **"§ 115C-238.3. Elements of local plans.**

36 (a) The board of education of a local school administrative unit that elects to  
37 participate in the Program shall submit a local school improvement plan to the State  
38 Superintendent of Public Instruction before April 15 of the fiscal year preceding the  
39 fiscal year in which participation is sought. The local board of education shall actively  
40 involve a substantial number of teachers, school administrators, and other school staff in  
41 developing the local school improvement plan. It is the intent of the General Assembly  
42 that teachers have a major role in developing the local school improvement plan;  
43 therefore, at least half of the staff members involved in developing the local plan shall

1 be teachers. The teachers at each school shall select the teachers from that school who  
2 are involved in developing the local plan.

3 (b) The~~If~~ the local school administrative unit is not currently meeting the highest  
4 level for accreditation for ninety-five percent (95%) or more of the student performance  
5 indicators adopted by the State Board of Education, the local school improvement plan  
6 shall set forth (i) the student performance goals established by the local board of  
7 education for the local school administrative unit and (ii) the unit's strategies and plans  
8 for attaining them.

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

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

18 (b1) If the local school administrative unit is currently meeting the highest level of  
19 accreditation for ninety-five percent (95%) or more of the student performance  
20 indicators adopted by the State Board of Education, the local school improvement plan  
21 may continue to set forth the student performance goals established by the local board  
22 of education for the local school administrative unit, and the unit's strategies and plans  
23 for attaining them, in accordance with subsection (b) of this section. If the unit chooses  
24 to concentrate on locally designed accountability goals focused on such things as  
25 thinking and reasoning skills, improving the school climate, and improving parental or  
26 student satisfaction levels, the local school improvement plan may set forth the locally  
27 designed accountability goals, and the unit's strategies and plans for attaining them.

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

33 If at the end of any school year, the unit failed to meet the highest level for  
34 accreditation for ninety-five percent (95%) or more of the student performance  
35 indicators adopted by the State Board of Education, the local unit shall develop a new  
36 plan in accordance with subsection (b) of this section.

37 (c) The local school administrative unit shall consider a plan for differentiated  
38 pay. The local plan shall include a plan for differentiated pay, in accordance with G.S.  
39 115C-238.4, unless the local school administrative unit elects not to participate in any  
40 differentiated pay plan.

41 (d) The local plan may include a request for a waiver of State laws, regulations,  
42 or policies. The request for a waiver shall identify the State laws, regulations, or  
43 policies that inhibit the local unit's ability to reach its local accountability goals and

1 shall explain how a waiver of those laws, regulations, or policies will permit the local  
2 unit to reach its local goals.

3 (e) Support among affected staff members is essential to successful implementation  
4 of a local school improvement plan; therefore, a local board of education that decides to  
5 participate in the Program shall present a proposed local school improvement plan,  
6 including waiver requests, to its teachers and administrators for their review. Any  
7 modifications to an existing plan, including waiver requests, shall also be presented by  
8 the local board to its teachers and administrators for their review.

9 (f) At the end of the first year of implementation of a local school improvement  
10 plan or in December 1991, whichever is later, and every three years after the end of the  
11 first year of implementation, the teachers in the local school administrative unit shall be  
12 surveyed regarding their attitudes about the plan and educational reform in the local  
13 school administrative unit. The survey instrument shall be developed by the State  
14 Board of Education, after consultation with the Joint Legislative Education Oversight  
15 Committee. The State Board of Education shall report the results of the surveys to the  
16 Joint Legislative Education Oversight Committee and to the Joint Legislative  
17 Commission on Governmental Operations.

18 This subsection shall be implemented within funds available to the State Board of  
19 Education for aid to local school administrative units."

20 Sec. 5. G.S. 115C-238.4 reads as rewritten:

21 "**§ 115C-238.4. Differentiated pay.**

22 (a) Local school administrative units may include, but are not required to  
23 include, a differentiated pay plan for certified instructional staff, certified instructional  
24 support staff, and certified administrative staff as a part of their local school  
25 improvement plans. Units electing to include differentiated pay plans in their school  
26 improvement plans shall base their differentiated pay plans on:

- 27 (1) The Career Development Pilot Program, G.S. 115C-363 **et seq.**;
- 28 (2) The Lead Teacher Pilot Program, G.S. 115C-363.28 **et seq.**;
- 29 (3) A locally designed school-based performance program, subject to  
30 limitations and guidelines adopted by the State Board of Education;
- 31 (4) A differentiated pay plan that the State Board of Education finds has  
32 been successfully implemented in another state; ~~or~~
- 33 (5) A locally designed plan including any combination or modification of  
34 the foregoing ~~plans; plans; or~~
- 35 (6) A unique plan designed by their administrators and teachers.

36 (a1) A differentiated pay plan may authorize the use of up to one-third of all State  
37 differentiated pay funds for staff development and planning activities and for paying  
38 substitute teachers as is necessary to provide time for staff development and planning  
39 activities. A differentiated pay plan may also authorize extending the use of  
40 differentiated pay funds to include noncertified employees in the plan.

41 (b) Support among affected staff members is essential to successful  
42 implementation of a differentiated pay plan; therefore, a local board of education that  
43 decides that a differentiated pay plan should be included in its local school improvement  
44 plan shall present a proposed differentiated pay plan to affected staff members for their

1 review and vote. The vote shall be by secret ballot. The local board of education shall  
2 include the proposed differentiated pay plan in its local school improvement plan only if  
3 the proposed plan has the approval of a majority of the affected paid certificated  
4 instructional and instructional support staff and a majority of the affected certificated  
5 administrators.

6 Every three years after a differentiated pay plan receives such approval, the local  
7 board of education shall present a proposed plan to continue, discontinue, or modify that  
8 differentiated pay plan to affected staff members for their review and vote. The vote  
9 shall be by secret ballot. The local board of education shall include the proposed plan in  
10 its local school improvement plan only if the proposed plan has the approval of a  
11 majority of the affected paid certificated instructional and instructional support staff and  
12 a majority of the affected certificated administrators.

13 (c) Local school administrative units electing to participate in a differentiated pay  
14 plan shall receive State funds according to the terms of the plan but not to exceed:

- 15 (1) 1990-91: two percent (2%) of teacher and administrator salaries, and  
16 the employer's contributions for social security and retirement;
- 17 (2) 1991-92: three percent (3%) of teacher and administrator salaries, and  
18 the employer's contributions for social security and retirement;
- 19 (3) 1992-93: four percent (4%) of teacher and administrator salaries, and  
20 the employer's contributions for social security and retirement;
- 21 (4) 1993-94: five and one-half percent (5 1/2%) of teacher and  
22 administrator salaries, and the employer's contributions for social  
23 security and retirement; and
- 24 (5) 1994-95 and thereafter: seven percent (7%) of teacher and  
25 administrator salaries, and the employer's contributions for social  
26 security and retirement.

27 Any differentiated pay plan developed in accordance with this section shall be  
28 implemented within State and local funds available for differentiated pay.

29 (d) Attainment of the equivalent of Career Status I shall be rewarded through a  
30 new salary schedule that provides a salary differential when a certified educator  
31 successfully completes his probationary period.

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

37 Payments of bonuses or supplements shall be made no more frequently than once  
38 every calendar quarter: Provided, however, prior to the 1994-95 school year, payments  
39 in the career development pilot units may be made on a monthly basis.

40 (f) If a local school administrative unit bases its differentiated pay plan on a  
41 locally designed school-based performance program, pursuant to subdivision (a)(3) of  
42 this section, the plan shall provide that following the attainment of the local school  
43 goals, the local board of education shall make a determination of which certified staff  
44 members contributed to the attainment of those goals. Differentiated pay bonuses shall

1 then be distributed to those designated employees. The local board of education shall  
2 make the determination upon recommendation of (i) the superintendent and (ii) any  
3 other person or committee designated in the local differentiated pay plan. The other  
4 person or committee designated in the local differentiated pay plan may be the principal,  
5 a school-based committee, or any other person or local committee."

6 Sec. 6. G.S. 115C-238.6 reads as rewritten:

7 **"§ 115C-238.6. Approval of local school administrative unit plans by the State**  
8 **Superintendent; conditions for continued participation.**

9 (a) Prior to June 30 each year, the State Superintendent shall review local school  
10 improvement plans submitted by the local school administrative units in accordance  
11 with policies and performance indicators adopted by the State Board of Education. If  
12 the State Superintendent approves the plan for a local school administrative unit, that  
13 unit shall participate in the Program for the next fiscal year. Immediately following  
14 plan approval by the Superintendent, and for any plans previously approved, the State  
15 Board shall consider and may grant waivers of State laws, regulations and policies  
16 pertaining to the following to enable a local unit to reach its local accountability goals:

- 17 (1) Assignment, allocation, reduction, and use of positions for teacher  
18 assistants;
- 19 (2) Class size: Provided, however, local school administrative units shall  
20 report on class size as required by the State Board;
- 21 (3) Employee certification, so as to permit the use of noncertified  
22 personnel for teaching and administrative roles if their academic and  
23 professional backgrounds demonstrate potential: Provided, however,  
24 that the Department of Public Instruction shall assess the relevant work  
25 experience of any such noncertified employee and shall place any such  
26 noncertified employee on the teacher salary schedule: Provided,  
27 further, that units exercising flexibility in this area shall perform  
28 annual evaluations certifying that students are being well served, as  
29 evidenced by student achievement;
- 30 (4) Evaluation of career status teachers and administrators, so as to allow  
31 the development of an alternative procedure to be used in lieu of the  
32 Teacher Performance Appraisal Instrument: Provided, however, any  
33 such alternative procedure shall not be referred to as the Teacher  
34 Performance Appraisal Instrument or TPAI; and, provided further, the  
35 Department of Public Instruction shall provide technical assistance,  
36 including the provision of model evaluation processes and instruments,  
37 to local school administrative units that elect to develop dual personnel  
38 evaluation processes. A dual personnel evaluation process includes (i)  
39 an evaluation designed to provide information to guide teachers in  
40 their professional growth and development, and (ii) an evaluation to  
41 provide information to make personnel decisions pertaining to hiring,  
42 termination, promotion, and reassignment.
- 43 (5) The provision of driver education services so as to limit access to  
44 students who (i) are meeting reasonable local attendance standards, (ii)

1           are making progress toward high school graduation, and (iii) have not  
2           dropped out of school;

3           (6)   The use of staff development funds;

4           (7)   Traditional class units and the scheduling of end-of-course and end-of-  
5           grade testing so as to (i) enable students who can demonstrate mastery  
6           of a course to move into more demanding course work at a faster pace,  
7           (ii) enable slower students more than a traditional one-year course to  
8           master the course content required, and (iii) aid the transition to year-  
9           round schooling;

10          (8)   The obligation of offering summer school by authorizing the  
11          substitution of after-school or Saturday remedial or tutorial programs  
12          for at-risk students: Provided, however, students who fail to meet  
13          promotion standards for grades three, six, and eight shall be eligible  
14          for summer school;

15          (9)   The use of State-provided buses for field trips or for transporting  
16          parents and under-school-aged children if the transportation will  
17          enhance a local school administrative unit's educational program:  
18          Provided, however, that any additional insurance and operating costs  
19          for the buses shall be paid with non-State funds;

20          (10) The placement of additional students in individual classes of  
21          academically gifted programs if the programs for State-identified  
22          gifted children are not overenrolled;

23          (11) The system of calculating graduation requirements so as to enable  
24          schools to count advanced course work toward graduation regardless  
25          of the grade level at which the courses were taken, or whether the  
26          courses were taken through a cooperative program with a community  
27          college or a four-year college: Provided, however, this subdivision is  
28          not intended to reduce the requirement that all high school students  
29          shall take three units of mathematics during the high school years.

30          (a1) If a local plan contains a request for ~~a waiver~~ additional waivers of State laws,  
31          regulations, or policies, in accordance with ~~G.S. 115C-238.3(e)~~, G.S. 115C-238.3(d), the  
32          State Superintendent shall determine whether and to what extent the identified laws,  
33          regulations, or policies should be waived. The State Superintendent shall present that  
34          plan and his determination to the State Board of Education. If the State Board of  
35          Education deems it necessary to do so to enable a local unit to reach its local  
36          accountability goals, the State Board, only upon the recommendation of the State  
37          Superintendent, may grant waivers of:

38               (1)   State laws pertaining to ~~class size, teacher certification, assignment of~~  
39               ~~teacher assistants,~~ the use of State-adopted textbooks, and the purposes  
40               for which State funds for the public schools may be used, and

41               (2)   All State regulations and policies, except those pertaining to State  
42               salary schedules and employee benefits for school employees, the  
43               instructional program that must be offered under the Basic Education  
44               Program, the system of employment for public school teachers and

1 administrators set out in G.S. 115C-325, health and safety codes,  
2 compulsory school attendance, the minimum lengths of the school day  
3 and year, and the Uniform Education Reporting System.

4 The State Board shall either grant or deny each waiver within 90 days after it is  
5 requested. The State Board shall provide a written explanation of why a waiver is  
6 denied.

7 If twenty-five percent (25%) of the local school administrative units in the State  
8 request a waiver of the same policy or regulation, the State Board shall assess whether  
9 the policy or regulation should be modified or deleted.

10 (b) Local school administrative units shall continue to participate in the Program  
11 and receive funds for differentiated pay, if their local plans call for differentiated pay, so  
12 long as (i) they demonstrate satisfactory progress toward student performance goals set  
13 out in their local school improvement plans; or (ii) once their local goals are met, they  
14 continue to achieve their local goals and they otherwise demonstrate satisfactory  
15 performance, as determined by the State Superintendent in accordance with guidelines  
16 set by the State Board of Education.

17 If the local school administrative units do not achieve their goals after two years, the  
18 Department of Public Instruction shall provide them with technical assistance to help  
19 them meet their goals. If after one additional year they do not achieve their goals, the  
20 State Board of Education shall decide what steps shall be taken to improve the  
21 education of students in the unit."

22 Sec. 7. G.S. 115C-264 reads as rewritten:

23 **"§ 115C-264. Operation.**

24 In the operation of their public school food programs, the public schools shall  
25 participate in the National School Lunch Program established by the federal  
26 government. The program shall be under the jurisdiction of the Division of School Food  
27 Services of the Department of Public Instruction and in accordance with federal  
28 guidelines as established by the Child Nutrition Division of the United States  
29 Department of Agriculture.

30 Each school may, with the approval of the local board of education, sell soft drinks  
31 to students so long as soft drinks are not sold (i) during the lunch period, (ii) at  
32 elementary schools, or (iii) contrary to the requirements of the National School Lunch  
33 Program.

34 All school food services shall be operated on a nonprofit basis, and any earnings  
35 therefrom over and above the cost of operation as defined herein shall be used to reduce  
36 the cost of food, to serve better food, or to provide free or reduced-price lunches to  
37 indigent children and for no other purpose. The term 'cost of operation' shall be defined  
38 as actual cost incurred in the purchase and preparation of food, the salaries of all  
39 personnel directly engaged in providing food services, and the cost of nonfood supplies  
40 as outlined under standards adopted by the State Board of Education. 'Personnel' shall  
41 be defined as food service supervisors or directors, bookkeepers directly engaged in  
42 food service record keeping and those persons directly involved in preparing and  
43 serving food: Provided, that food service personnel shall be paid from the funds of food  
44 services only for services rendered in behalf of lunchroom services. Any cost incurred



1 in the provisions and maintenance of school food services over and beyond the cost of  
2 operation shall be included in the budget request filed annually by local boards of  
3 education with boards of county commissioners. It shall not be mandatory that the  
4 provisions of G.S. 115C-522(a) and 143-129 be complied with in the purchase of  
5 supplies and food for such school food services."

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