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The New ABC's of Public Education:

Accountability
Curriculum **B**asics
Local **C**ontrol and Flexibility

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Reorganization Study
Department of Public Instruction

North Carolina
State Board of Education

May 1995

"I, for one, am not willing to accept that our state's schools continue to languish near the bottom of the nation's educational rankings. I believe it is time for us to take bold steps and move North Carolina public education toward respectability."

The Honorable Marc Basnight
President Pro Tempore
North Carolina State Senate
January 25, 1995

"We're going to let the school boards, the principals, the teachers, and the parents run the schools, with as little interference as possible from the bureaucrats in Raleigh. It's time to streamline the education bureaucracy. And, we're going to use the savings to put money into the classroom and to teach the basics--reading, writing, and arithmetic--that will make our children competitive with any in the world."

The Honorable Harold Brubaker
Speaker
North Carolina House of Representatives
January 25, 1995

**The New ABC's of Public Education:
Accountability
Curriculum Basics
Local Control and Flexibility**

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STATE BOARD OF EDUCATION**

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Message from the State Board of Education

The Honorable Harold Brubaker
Speaker, North Carolina House of Representatives
Legislative Building
Raleigh, North Carolina

The Honorable Marc Basnight
President Pro Tempore
North Carolina State Senate
Legislative Building
Raleigh, North Carolina

Gentlemen:

On behalf of the entire State Board of Education, I respectfully submit to you our plan for substantially restructuring the North Carolina Department of Public Instruction.

Our plan is submitted in compliance with your instructions to us as detailed in Senate Bill 16, which was ratified on March 9, 1995. As you directed, our plan proposes a dramatic shift of education authority away from the state and toward local flexibility, local control, and improved efficiency in the operation of schools.

Our plan also calls for a focus on making absolutely sure that students master the basics of reading, mathematics, and writing at high levels of performance. And, most importantly, the plan has a strong accountability component which will place responsibility for student performance at the local school.

It is clear that the General Assembly of North Carolina is serious about creating educational excellence in our public schools; if anyone doubts that commitment, we only need to look at the approximately \$4 billion in tax dollars appropriated to public education each year. Our legislators are also well aware of the fact that North Carolina must compete educationally and economically with countries such as Japan and Germany; they know that it is no longer satisfactory to measure ourselves against Mississippi, Louisiana, Virginia, or South Carolina.

In addition, legislators know that to achieve authentic education improvement, we must cut out the dense undergrowth of paperwork, regulation, mandates, and red tape which has grown like kudzu across our local schools for too many years. The result has been reduced opportunities for student learning and great frustration among teachers who have found their time stretched to the limit.

Legislators know that those working in schools must have the freedom to make important education decisions and the feeling of responsibility for seeing to it that students learn at high levels. They realize that while some important functions occur at the state level, the emphasis on improved teaching and learning must be at the local school level.

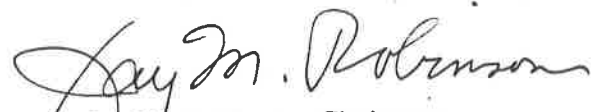
Requesting a plan from the State Board of Education on how to reduce the size and influence of the education bureaucracy clearly demonstrates lawmakers' determination to move away from "business as usual" and return more control to local schools and communities.

The State Board of Education has accepted this important assignment from the General Assembly with intensity and commitment. The Board has met every week for 10 weeks developing the plan we are proposing to you. We have had input from literally hundreds of North Carolinians. We have reviewed data from all divisions of the Department of Public Instruction in great detail. We believe that our plan reflects careful study, attention to the concerns of the public, and a focus on children.

We believe that this plan offers real hope for finally achieving the educational results that parents and other citizens expect to receive in exchange for their hard-earned tax dollars. We trust that you will give our plan serious consideration. To successfully implement our plan, we request that the General Assembly grant the State Board budget flexibility, which we believe will give us necessary tools to effectively and efficiently implement the proposed restructuring of the department. Should you need additional information, please do not hesitate to contact me or other members of our Board.

Finally, on behalf of more than one million students enrolled in our public education system, we sincerely thank you for the opportunity as we work together to move our North Carolina public schools to a place of prominence in America.

Cordially,


Jay M. Robinson, Chairman

EXECUTIVE SUMMARY

The 1995 General Assembly directed the State Board of Education to examine the administrative organization of the Department of Public Instruction and propose a plan for reducing and/or reorganizing the department.

To guide our work, a framework for restructuring public education and reorganizing the department was developed. The framework identifies four key principles:

- High Educational Standards
- Maximum Local Flexibility
- Focus on the Basics
- Strong Accountability

Our analysis of the department included input from education-related groups, detailed briefings from department staff, and a review of programmatic and financial information relating to the department's operations.

Key *recommendations* of our plan include:

- Reorganizing the Department of Public Instruction around core state-level education functions and consolidating the department into three service areas: Instructional/Accountability Services; Information/Technology Resource Services; and Finance/Personnel Services. The organization is designed to improve linkages between critical services and assure effective cross-functional operation of the department.
- Reducing the department's staffing from 788 positions to 485 positions by July 1, 1996. These changes, once fully implemented, will reduce the Department of Public Instruction budget by approximately \$20.9 million annually.
- Transferring responsibility and funding for the Technical Assistance Centers from the Department of Public Instruction to the Local School System and allowing the Local School Systems to form voluntary alliances to pool resources and share common services.
- Adopting a new Accountability Plan that focuses on performance of our 1,969 public schools with a system of clear rewards and consequences.
- Proposing changes in the Public School Laws that will assure effective implementation of the Board's plan.

Our proposed two-phased implementation strategy during fiscal year 1995-1996 will allow us to effectively implement the recommended changes in a sound manner.

QUICK FACTS ON THE DEPARTMENT OF PUBLIC INSTRUCTION DOWNSIZING

	1995-96	1996-97
Current State Funding for DPI	\$ 52,800,000	\$ 52,800,000
Proposed State Funding for DPI	\$ 44,200,000	\$ 31,900,000
Percent Reduction in DPI State Funds	16%	40%
Number of Budgeted Positions	788	788
Proposed Staffing for DPI	636	485
Percent Reduction in Positions	19%	38%
Total Transfers to LEAs & Other Agencies	\$9,000,000	\$14,000,000

I. INTRODUCTION

Legislative Charge to the Board (Senate Bill 16)

Senate Bill 16 was ratified on March 9, 1995. This legislation directed the State Board of Education to carry out the following assignments: (1) examine the administrative organization of the Department of Public Instruction with a view toward increased local flexibility and local control of education, and with the goal of promoting economy and efficiency in government in the interest of producing cost savings which can be used for textbooks, school supplies, and equipment, lowering class size, and improving student performance; and (2) propose a plan for reducing, eliminating, and/or reorganizing the Department of Public Instruction.

Project Goal

The ultimate goal of this project is to create an education system in North Carolina that will be customer driven, with local flexibility to achieve mastery of core skills with high levels of accountability in areas of student achievement.

Study Process

There were four aspects to the study process to ensure all views and issues were considered. The first aspect was to conduct a customer needs assessment through a combination of hearings, survey, and letters.

The Board heard public testimony from many groups and organizations. (See Appendix.) These presentations typically were followed by a question-and-answer period. All presentations were conducted in public session with detailed minutes kept; records of the meetings were shared with the press and others on request.

The testimony was extremely helpful and played a major role in enabling the Board to better understand the kinds of changes in the Department of Public Instruction that were needed by schools and communities across the state. Almost unanimously, constituents/consumers called for reduced regulation, less paperwork, fewer mandates, more local flexibility, and high educational standards.

As an additional strategy for obtaining comments from across the state, the Board mailed a questionnaire to many education-related groups asking for input. A number of these groups, in turn, mailed the questionnaire to their entire membership for feedback. Thus, the final responses we received represented a wide range of viewpoints.

In addition, many individuals wrote to us or called with their comments or questions. They had heard about our efforts, realized the historic nature of the project, and wanted to give us their thoughts.

We have considered all these comments as we developed our report, and we are extremely grateful to the parents, teachers, students, school administrators, business leaders, and many other citizens who took time to write or call to give us their comments. We were encouraged by the public's strong commitment to the public schools, and their desire to improve student performance.

The second aspect of the study process was to review the current mandates and structures that define how the schools and department operate. The North Carolina Constitution provides that the State Board of Education shall administer and supervise the public school system, and, that, to carry out this responsibility, the Board shall adopt rules and regulations subject to laws enacted by the General Assembly. Thus, the Board is constitutionally vested with the primary executive responsibility for operating the North Carolina public schools.

In addition, numerous public school statutes give the Board specific powers and duties consistent with its constitutional responsibilities. Examples of these duties include adopting textbooks, financial/budget oversight, administering testing programs, conducting education research, managing and coordinating federal education programs, establishing graduation standards, adopting a standard course of study, and making reports to the General Assembly.

Another key part of this project was the examination of the current structure and activities of the Department of Public Instruction. The Board collected a detailed inventory of documents from the Department of Public Instruction. These included the department's mission statement and a detailed inventory of roles and responsibilities of the staff. In addition, the Board collected and analyzed documentation of the current functions of the Department of Public Instruction.

The department staff provided detailed oral briefings to the Board explaining their major activities and responsibilities. The Board divided itself into two committees to focus on specific operations of the department, then had lengthy discussions over several days reviewing the Department of Public Instruction functions in detail.

The third aspect of the study process was the functional analysis; i.e., the review of departmental activities with respect to its overall mission. The initial presentations to the Board by the Department of Public Instruction generated questions which required certain staff to make additional presentations or prepare additional material. Board members questioned Department of Public Instruction staff about the necessity of certain activities. For other activities, the Board inquired about the possibility of transferring responsibilities to more appropriate governmental or private entities. These were lengthy discussions, and many options and possibilities were explored.

Eventually, all Department of Public Instruction activities were rated against the Board's mission statement ("To create an education system that will be customer driven, with local flexibility to achieve mastery of core skills with high levels of accountability in areas of student achievement") to see if they were consistent with this overall direction that the Board had established.

Finally, Board members were asked to complete a "Decision Matrix" form on which they made judgments about the continuation, revision, or elimination of current Department of Public Instruction activities and functions. This survey was done as objectively as possible without regard to the individuals employed in these areas. The focus was on whether the activity was needed to achieve student performance gains and other parts of the Board's mission for public education; merely having staff in a certain section who stayed busy did not justify the continuation of the section.

The final component of the study process was the organizational analysis. Using the results of the Decision Matrix where the activities of the Department of Public Instruction had been rated on need for continuation, the Board then considered several alternative organizational structure and staffing pattern scenarios. The resulting recommended organization reflects the Board's new mission and will be more effectively organized, requiring significantly fewer staff at the state level than the current Department of Public Instruction organization. The recommended organization and associated staffing requirements are presented in Chapter III, "A State-Level Organization Focused on Results."



II. PRINCIPLES FOR RESTRUCTURING PUBLIC EDUCATION

Senate Bill 16 not only directs a change in size and mission of the Department of Public Instruction, it directs the State Board to study the public school system in its entirety. The ultimate goal is to achieve a standard of excellence. The State Board established five principles to guide this effort.

Principle: Establish a Framework for State-Level Administration of Public Education

To dramatically restructure public education, the State Board strongly believes we must clearly focus on fundamentals. The four key components of the Board's framework for the state-level administration of public education are:

- **Educational Standards:** The Board believes that the state must set high and clear student performance standards for individual schools and local school systems.
- **Maximum Local Flexibility:** The Board believes that local school systems should have high levels of administrative flexibility and degrees of freedom within which to operate their schools.
- **Focus on the Basics:** While schools must teach many things, the Board believes that schools must ensure that all students master the basics of reading, mathematics, and writing. Only through this mastery can students hope to perform well in other school subjects and participate fully as citizens in a democracy.
- **Strong Accountability:** The Board believes that accountability has been the missing link in public education reform. The failure to be held accountable has created a cynicism about school funding and about education reform in general. The Board believes one of the best ways to restore faith in and funding for the schools is to have a strong accountability model. In the end, accountability may be the educator's key to increased school funding. If educators can demonstrate that more dollars bring improved performance in the classroom, they are likely to receive a new responsiveness from the General Assembly and the taxpaying public.

Principle: Establish An Accountability Model that Works

Legislators, the business community, educators, and the public have lost patience with the performance of the public schools. Whether you look at survey data, SAT scores, time on tasks, incidents of violence, or other measures, the results are disappointing.

While our schools have made progress, they are not where they need to be to meet the increasing demands of the twenty-first century for highly educated citizens. Our students are not performing at the level that many people expected as a result of the millions of dollars and thousands of staff positions which have been added to the public schools in recent years. And, while our schools have made progress, many students have been left far behind, even if the “average” student made modest gains.

The Board believes that a central problem with public schools is the lack of accountability. While the education “buck” starts with the General Assembly, the accountability “buck” doesn’t stop anywhere--and the Board wants to change that.

The Board believes that the accountability “buck” should stop where the student learns or fails to learn: at the schoolhouse. Staff in each local school must take responsibility for the education of every student. They must know what level of student performance is expected by the state. And they must have a clear and fair method of knowing how their students are performing, particularly in the basic subjects.

In past years, educators could count on increased school funding based on the “faith” that it would produce results. Today, increased school funding is more likely to depend on a demonstrated record of “return on investment.” In other words, have we seen strong student performance gains from our last appropriation? And if we have not, why should we believe that additional appropriations will produce results? The Board’s Accountability Model Proposal follows.

State Board of Education's Accountability Proposal

Enhanced student performance is the centerpiece of the State Board of Education's Accountability Proposal.

This radically different accountability proposal shifts responsibility for meeting standards to the school level, reduces the state's micromanagement of local matters, eliminates confusion about standards, prevents recurring student underachievement year after year without consequences, and provides the motivation for site-based management at the local school.

This accountability model retains core components of the State Board of Education's current testing program. Student improvement will be routinely measured by the State Board of Education only in reading, writing, and mathematics at the elementary and middle school levels. High school students will be held accountable in the core subjects required for graduation from high school for which state tests have been developed: English I and II, Mathematics - Algebra I, Social Studies - U.S. History, Economics, Law, Politics, and Biology. Also, the recommendations of the North Carolina Standards and Accountability Commission regarding testing and standards will be considered for incorporation into this model when they are finalized.

The Board will set the annual performance standards for each of the 1,969 public schools in the state, rather than having school districts be held accountable to a single statewide standard. An individual school will be measured against itself, and will be held accountable for having students make reasonable progress based on year-to-year comparisons of test performance. This model will give schools realistic, attainable goals. This is a departure from the state's current approach of comparing a system's performance average to an identified state average--an approach that often camouflages success and failure of individual schools within a system. This new model will require a genuine commitment to site-based decision making and the school improvement planning process.

To help focus on student improvement, the Board proposes to provide bonus money for those schools that achieve at high levels. It is anticipated that these dollars might come from consolidating several current incentive programs, such as the differentiated pay option under the Performance-Based Accountability Program.

Schools that show expected progress may continue teaching their students in the way that works best for them.

Schools that fail to make satisfactory progress and which do not meet the standards set by the Board will be provided assistance immediately in the two-stage plan described below:

1. A small team of highly qualified, carefully selected individuals will be assigned to the school/schools in trouble in a local education agency. The team's role will be to work cooperatively with the school's existing staff to determine what is not working, recommend strategies for improvement, and determine needed training to help achieve improvements. A specific student achievement goal, based on incremental improvement, will be set for the school, and a specified timeline for accomplishment will be identified.

If the school fails to meet these goals, the State Board of Education will provide an interim leader who will have authority over the principal and school staff, free from interference from the local school board and superintendent. Tenure will be suspended for the principal and teaching staff. Once the school is making expected progress, tenure will be restored for the remaining faculty. At all times, school employees will continue to have existing due process protections.

2. In a local education agency where the majority of schools fail to meet their school goals, the State Board of Education will appoint a caretaker superintendent for the entire district. The current superintendent and school board's authority will be suspended. Tenure will also be suspended for all tenured school employees in the central office and in schools which have been designated low performing.

Once the local education agency schools are making expected progress in the basic skills and core subject areas, tenure will be restored to the remaining faculty and other district staff. At all times, school employees will continue to have existing due process protections.

The State Board of Education is committed to the involvement of parents, teachers, and site administrators in the design and implementation of the school improvement plan. The Board also recognizes the importance of full community support and participation in these plans.

Principle: Establish Core State-Level Education Functions

The General Assembly's directive to restructure the Department of Public Instruction required the State Board of Education to redefine the mission of the Department. The State Board of Education determined that the department should be customer driven, highly accountable, and focused on essential educational requirements. Anticipating a much smaller staff within the Department of Public Instruction, the State Board of Education next identified those functions that must be provided at the state level and that would meet the above criteria.

What follows is a list of functions adopted by the State Board of Education wherein the Department of Public Instruction must provide the leadership and involvement at the state level to ensure maximum accountability and statewide consistency. The departmental organization and the related staffing plans will be built around these functions. The six broad core state-level functions are as follows:

- **Curriculum Framework Function:** This consists of designing, enhancing, and maintaining the curricula for those programs that are considered essential for all students and coordinating with the people who will train teachers in the use of curricula and related resource materials and technology.
- **System Standards Function:** Several different types of standards are needed at the state-level, including establishing:
 - a. **Curriculum Standards:** Such as types, amount, and timing of testing; establishing course credit and graduation/advancement requirements; setting Exceptional Children Individualized Education Program requirements; developing various state plans; and setting criteria for textbook and teaching materials.
 - b. **Teacher Education Standards:** Including initial and continuing licensure requirements and standards for higher education teacher training programs.
 - c. **Facility Standards:** Recommended facility standards for schools.
 - d. **Business Standards:** Including Student Information Management System, Transportation Information Management System, and Uniform Education Reporting System data requirements; state accounting system standards; and compliance guidelines for federal and nonstate funds.

- **Quality Control/Assessment Function:** Consists of four key elements:
 - a. **Testing/Assessment Program:** Including purchasing commercial tests, developing customized tests, overseeing their distribution, administration and scoring; and reporting results of testing.
 - b. **Best Practices:** Including planning/directing research into best practices; disseminating/serving as a clearinghouse.
 - c. **Program Compliance:** Including compliance with instructional standards, federal and other special program requirements, etc.
 - d. **Coordination for School Improvement:** Including working with curriculum and teacher education staff.
- **Finance and Business Function:** This consists of both internal departmental business matters as well as those which support local education agencies, such as fiscal control, school business, state accounting, transportation, school insurance, child nutrition, internal agency purchasing and contracting, textbook services (adoption, purchasing, and distribution), and internal personnel and employee training functions.
- **Information Resource Function:** This includes such functions as network technology, systems application development, distance learning TV transmission and technology, communications services, and print shop.
- **State Board Policy and Legal Affairs Function:** This consists of such activities as conducting the Administrative Procedures Act hearings for the State Board of Education, responding to legal inquiries, assisting the Attorney General's Office with litigation, legislative relations, coordination of Board meetings, documentation of board policy, policy research, and policy development.

In an effort to be more customer driven, much of the technical assistance and staff development that has traditionally been a part of Department of Public Instruction's role is not included on the core functions list. It is proposed that those funds will be distributed, after one transitional year, to the local education agencies, who would then have the option to develop regional educational service alliances which are discussed in more detail later in this report. (If local education agencies decided to use their funds for other educational purposes, they would be free to do so.)

Principle: Establish Core Local-Level Education Functions

In modifying the mission of the central department, the local education roles will also change. The State Board of Education identified two functions of particular importance at the local level:

- **Operation within Statewide Curriculum Framework:** The Board is recommending that the state reduce the regulatory burden on local schools by establishing only broad frameworks in core curriculum areas. In the past, the state has been overly prescriptive. The Board believes that we must expect and empower teachers to use their professional judgment and training to make decisions about how to teach. And, using a very general, focused state framework of curriculum expectations, teachers should be able to tailor their instruction to the needs of their particular students.
- **Compliance with State and Local Quality/Accountability Standards:** As mentioned earlier in the State Board of Education accountability model, local schools will be expected to meet reasonable state standards in the basic skill areas. Schools which do not meet standards will be assisted in various ways so that students do not continue to be deprived of an appropriate education. Schools will be given great latitude in how they work to meet these basic skill goals, and approaches will vary greatly from school to school. The State Board of Education is concerned with all students achieving basic skill competence, not with having each school offer identical teaching styles.

Principle: Establish Regional Educational Service Alliances

To provide an efficient service delivery mechanism that will offer a comprehensive array of services designed to meet the specific needs of its constituents, the Local Education Agencies in the current Technical Assistance Center service regions are encouraged to consider forming Regional Educational Service Alliances. Through economies of scale, achieved by pooling of resources, Regional Educational Service Alliances will be able to provide a broad array of services that their individual Local Education Agencies could not otherwise afford. The Regional Educational Service Alliance concept will allow many of the functions currently offered by the Department of Public Instruction to be effectively decentralized to the regional level and thus controlled and managed under the direct authority of the Local Education Agencies. Finally, Regional Educational Service Alliances, if formed, will provide a service delivery mechanism that tracks customer needs and is more market driven than the current arrangement for providing Department of Public Instruction services. This mechanism will allow more flexibility to Local Education Agency administrators in the procurement of services from the Regional Educational Service Alliance (than they now have with Department of Public Instruction), in that the services will be locally defined and modified as demand dictates.

A large part of a Regional Educational Service Alliance's funding could be provided by state funds generated by pooling the funds currently budgeted for the services being provided by the Technical Assistance Centers. Block grants will be allocated to each constituent Local Education Agency based upon a formula composed of a base allocation component derived from the equivalent of the Local Education Agency's current share of its Technical Assistance Center budget, plus an Average Daily Membership component. The relative weights of the two components are suggested to be 80% base and 20% Average Daily Membership.

* * * * *

This chapter has outlined the principles that have guided the State Board's work. The next chapter presents our view of an organization that fits these principles.

III. A STATE-LEVEL ORGANIZATION FOCUSED ON RESULTS

The Recommended Organizational Structure

The recommended organizational structure is designed around the principles and core functions identified by the State Board as discussed in the previous chapter. The organization would consolidate Department of Public Instruction functions into three service areas: Instructional and Accountability Services; Information and Technology Resource Services; and Finance and Personnel Services. The organization is designed to improve the linkage between critical services and assure effective cross-functional operation of the department. The organization and its management structure are described below and depicted on the organization chart that follows on page 17.

- **The State Board of Education and Its Staff:** In general, the State Board and its staff would be involved in establishing policy and providing the leadership for public education in the state. In addition, staff to the State Board will collect data and information for Board members; maintain and interpret the Board policy manual; represent the Board at meetings with Congress, the General Assembly, and with the public; arrange Board meetings and planning sessions, and respond to inquiries from the public and school systems.
- **The Office of the State Superintendent:** The State Superintendent will function as the chief operating officer of the department under the direction of the Board, in the reconfigured Department of Public Instruction. The Superintendent will have direct day-to-day supervisory responsibility over the three Associate Superintendents who head the three service units. The Superintendent will have a staff that he can organize to assist with his duties. Certain functions from the current organization have been transferred to other parts of Department of Public Instruction where related services are being performed to streamline the delivery of services.

- **Instruction and Accountability Services Area:** There will be four divisions within this area, all of which will be geared toward instructional issues (curriculum design, standards, accountability, and performance). Staffing levels will ensure that the primary missions of each division are covered and will allow employees adequate time to work in a matrix-type organization with staff from the other divisions, and other service areas, where appropriate (i.e., in designing tests that correspond with curriculum). The divisions, and their respective missions, are:
 - a. **Instructional Services Division:** The primary mission of all units within this division will be the design, enhancement, and maintenance of the curriculum frameworks for core subjects, the enhancement subjects, and the instructional support services (e.g., guidance, counseling, health). Subject area specialists experienced in curriculum design will represent the various educational levels from Pre-Kindergarten through twelfth grade. Staffing levels will be set according to core subject (Language Arts, Mathematics, Science, and Social Studies) and enhancement subject (such as physical education, health, second languages, arts education, vocational subjects).
 - b. **School Improvement Division:** The mission of the units within this division will be to help schools achieve their performance goals. This will be done in three ways: by researching and/or directing research into best educational practices; by coordinating staff development between the Department of Public Instruction and the Local Education Agencies; and by assisting schools in applying best practices, such as site-based management and quality schools. In addition, this unit will be responsible for developing specific plans for low performing schools and making the arrangements to assume the leadership of schools that are not meeting their goals, as described in the proposed accountability model.
 - c. **Accountability Division:** This division will oversee the testing program for the state and provide the system of reporting for monitoring progress of individual students, classrooms, schools, school systems, and the state. The units within this division will perform similar functions to those they currently provide, with modifications as required to develop and implement the new accountability program.

- d. **Exceptional Children Division:** There will be no change in the functions of this division, that is responsible for ensuring that handicapped and academically gifted students are provided free and appropriate education and related services in the most appropriate environment. The procedures and regulations for these students are developed, administered, and monitored in this section.

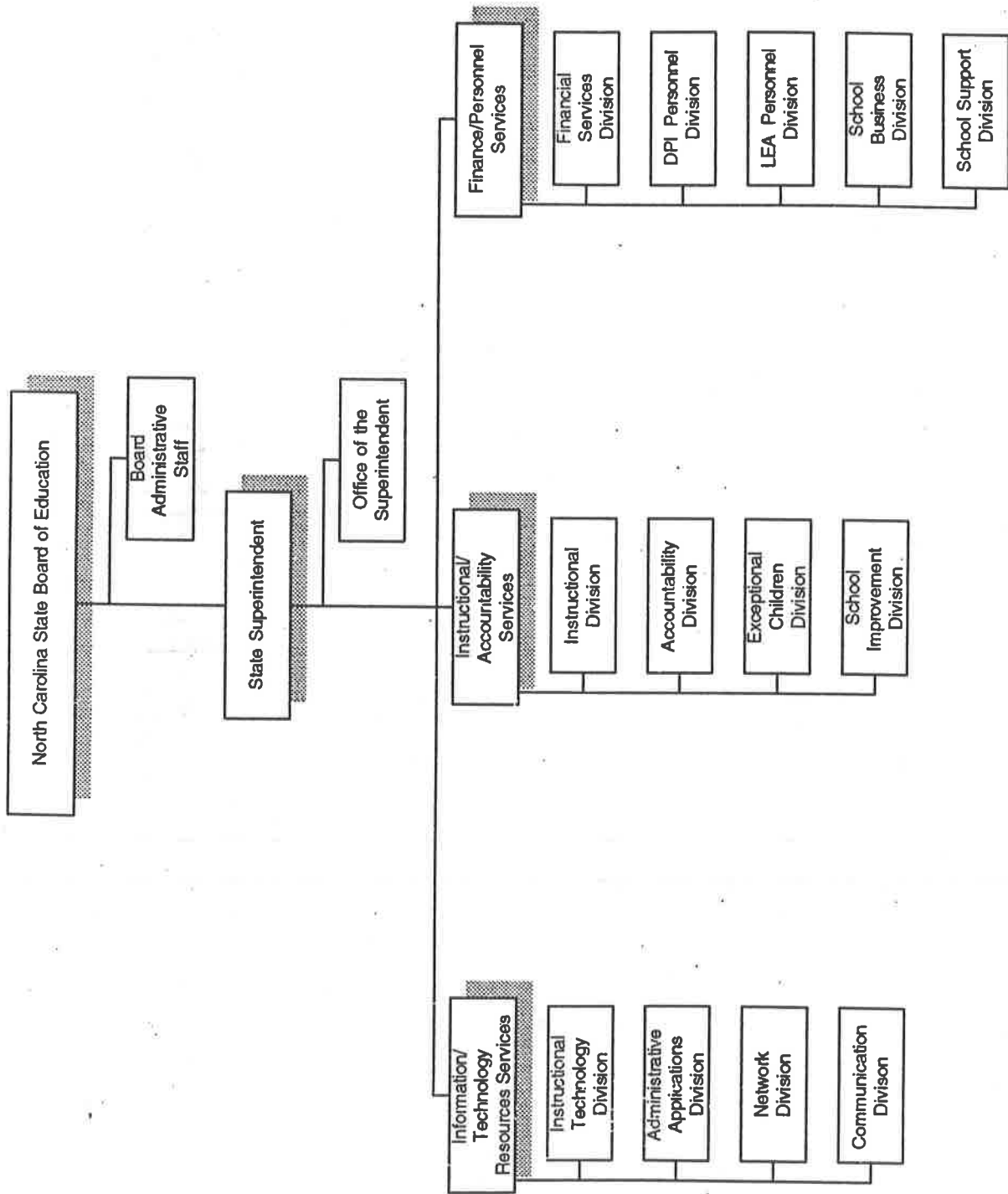
- **Information and Technology Resources Services Area:** The mission of the four divisions in this area will be to ensure optimal design and maximum coordination of technological resources between the Department of Public Instruction and the Local Education Agencies. The divisions include:
 - a. **Network Division:** Ensure that the internal and external (Local Education Agency) communication systems and infrastructure are planned and maintained to move instructional and administrative data most efficiently.

 - b. **Communication Division:** Coordinates the production of printed materials, graphics, media, as well as the public relations efforts for the State Board and Department of Public Instruction, and maintains the Info Web.

 - c. **Instructional Technology Division:** Ensure effective linkage between instructional goals and technology based resources.

 - d. **Administrative Applications Division:** Ensure effective management of the key administrative systems needed by both Local Education Agencies and Department of Public Instruction, including Student Information Management System, Transportation Information Management System, Uniform Education Reporting System, and Education Accountability and Student Information System.

- **Finance and Personnel Services Area:** This area will link the departmental and Local Education Agency finance and personnel areas under one management structure. There will be five divisions within the units, including:
 - a. **School Business Division:** Division responsibilities will include Budget: budget management and administration, preparation of budget reports, and preparation of continuation and expansion budget requests; School Finance: to consolidate state and federal funding functions, analyze and distribute state and federal allotments, process the federal budgets, monitor school records for compliance, interpret policies regarding funding, class size, etc., auditing year-end certified salaries, and reviewing the annual school system audit reports; Salary Administration: same as current functions; and, Federal Programs: fiscal monitoring and year end federal fiscal reports and cash reconciliations, etc.; and, Statistical Research and Data Collection.
 - b. **School Support Division:** Division responsibilities will include School Planning Unit; a Plant Operations Unit, to become receipts supported July 1, 1996; a School Insurance Unit (Note: a Request for Proposals will be issued for administrative services required to operate the Public School Insurance Fund. This unit will have the option to bid on the RFP, in addition to private insurance administrators); a Child Nutrition Section focused on performance reviews and training in local school systems in the program areas of the School Lunch Program, the School Breakfast Program, and a Special Milk program; a Textbook Services Section; and the Transportation Services Section.
 - c. **Financial Services Division:** Division responsibilities will include General Accounting (which was formerly the General Ledger Section); Cash Management; Accounts Payable; Purchasing; and Agency Operations which will dispose of surplus property, oversee Department of Public Instruction building maintenance, and provide internal Department of Public Instruction mail services.
 - d. **Local Education Agency Personnel Division:** Division responsibility will encompass the functions of Licensure, Teacher Education, and Local Education Agency Personnel Support.
 - e. **Department of Public Instruction Personnel Division:** This Division will operate as it currently does for employees of the Department of Public Instruction.



North Carolina Department of Public Instruction

Proposed Organization

(May 1995)

1994-1995

1996-1997

• Current Staffing Levels • Proposed Staffing Levels

	Staffing	Staffing
- State Board	3	- State Board 5
- Superintendent's Office	73(A)	- Superintendent's Office 5
- Instructional Services	368	- Instructional/Accountability Services 175
(Includes TACs : 135)		
- Accountability Services	110	- Information/Technology
- Auxiliary Services	92	Resources Services 101
- Finance/Personnel Services	142	- Finance/Personnel Services 199
Total	<u>788</u>	Total <u>485</u>

(A): Functions that reported directly to the Superintendent have been merged into the three service areas. Staff reductions are reflected in the new staffing levels

Note: Proposal includes the transfer of 152 positions to the Local Level/Other Agencies

Summary of Budget Changes

The previous section outlined the recommended organization for the Department of Public Instruction. In order to move towards this new organization, changes in staffing and budget will also need to be made. This section presents the summary of staffing level changes based on the new organization as well as a phased-in schedule for the 1995-96 continuation budget.

The proposed changes in the continuation budget for the Department of Public Instruction for the 1995-97 biennium are found in the Appendix of this report. The changes/reductions presented in the Appendix assume implementation July 1, 1995, and are used as a basis to determine the one-year phase in reductions proposed by the Board. The following "Summary of Reductions in DPI - One-Year Phase In" table presents the continuation budget for fiscal year 1995-1996 as well as the proposed one-year phase in budget reductions for fiscal years 1995-96 and the full budget reductions for 1996-97.

The budget reductions, or savings for personnel costs, were calculated using Department of Public Instruction position schedules when possible or by using average salaries related to specific functions. The nonpersonnel costs were calculated in most cases based upon the pro-rata reduction in personnel for a specific function. Where entire functions were eliminated, the savings were based upon the continuation budget.

The budget presented here represents our best estimate at this time of the funds that will be needed to implement the reductions contained in this report according to the recommended implementation schedule. Once a management team has been established, its first duty will involve confirmation of the new structure and the related resource requirements. In addition, the management team will have to develop the process and timetable necessary to implement the new organization. This development will involve the actual realignment of the existing organization and establishment of a schedule of staffing reductions. Until this process is complete, an exact determination of the implementation plan budget is not possible.

Summary of Reductions in DPI (One-Year Phase In)

Area	Budget			Reductions					
	'95 - '96		Total FTEs	'95 - '96		FTEs	'96 - '97		
	Requirements	State Funds		State Funds	Receipts		State Funds	Receipts	FTEs
Superintendent	\$6,420,424	\$4,508,441	76.00	\$0	\$0	0.00	\$1,751,212	\$78,030	27.75
Auxiliary Services	\$4,768,712	\$2,626,249	92.00	\$0	\$625,093	16.00	\$1,691,455	\$227,742	38.00
Financial	\$9,143,455	\$5,924,289	142.00	\$627,565	(\$627,565)	0.00	\$627,565	\$540,362	20.00
Accountability	\$17,212,296	\$15,722,620	109.50	\$1,601,175	\$0	0.00	\$2,749,559	\$97,081	15.00
Instructional	\$29,927,618	\$17,981,038	232.50	\$375,000	\$0	0.00	\$8,019,473	\$1,770,588	66.00
TACs	\$7,396,411	\$5,076,077	135.50	\$6,076,077	\$1,320,334	135.50	\$6,076,077	\$1,320,334	135.50
Total	\$74,868,916	\$52,838,714	787.50	\$8,679,817	\$1,317,862	151.5	\$20,915,341	\$4,034,137	302.25
Total minus Transfers				\$1,703,740	(\$627,565)	0	\$10,665,220	\$0	151

Transfers To:	'95 - '96			'96 - '97		
	State Funds	Receipts	FTEs	State Funds	Receipts	FTEs
LEAs (TACs)	\$6,076,077	\$1,320,334	135.50	\$6,076,077	\$1,320,334	135.50
LEAs (Accountability-PSAT Tests)	\$525,000	\$0	0.00	\$525,000	\$0	0.00
LEAs (Receipts)	\$0	\$0	0.00	\$0	\$2,088,710	0.00
LEAs Total Transfers	\$6,601,077	\$1,320,334	135.50	\$6,601,077	\$3,409,044	135.50
University System	\$375,000	\$0	0.00	\$3,649,044	\$0	0.00
DEHNR	\$0	\$625,093	16.00	\$0	\$625,093	16.00
Total Transfers	\$6,976,077	\$1,945,427	152	\$10,250,121	\$4,034,137	152

Vacant Positions	
	\$1,130,098
	\$700,817
	48

Notes:
 By including vacant positions, the first year savings to the General Fund will be approximately \$2.8 million in appropriations. Greater savings will accrue after January 1, 1996, as positions are eliminated from the budget according to the phase-in plan.

IV. A CLEAR AND CONCISE PUBLIC SCHOOL LAW

The State Board's proposed accountability model calls for a renewed emphasis on local flexibility, local accountability, high education standards, and a return to curriculum basics. The model, set out in detail above, cannot progress beyond the drawing board without serious examination of our current statutory framework for public schools. The State Board model embodies dramatic changes in the way our public schools will function and be evaluated. These changes cannot occur within the public school laws as they currently exist. Thus, as part of its report to the General Assembly, the State Board recommends the following:

Overview

Before implementation of the new accountability model can begin, several key statutes must be repealed or modified by the General Assembly during this 1995 Session. Additionally, legislation needs to be enacted that will give to the State Board the requisite authority to proceed with its new accountability plan. Subsequently, as the State Board develops and refines its model and as the state embarks upon this new and radically different direction in public school education, the General Statutes as a whole must be examined in order to encompass a new way of thinking about education and our schools. Statutory requirements must be deleted or modified to achieve the maximum flexibility for local school systems as they begin to experience true local control and accountability. Moreover, as the state-level bureaucracy downsizes, statutory changes must occur to reflect the shift in authority and responsibility to the local level. Finally, because Chapter 115C was codified almost 15 years ago and now contains numerous sections that are unnecessary, redundant, or outdated, the State Board recommends that the General Assembly appoint a commission to undertake the complete revision of the Public School Laws, not only to make them consistent with the new accountability model and the need for maximum flexibility on the part of local boards, but also to construct a statutory scheme that is clearly and concisely written.

With these concepts in mind, the State Board recommends that the review and revision of the General Statutes take place in three stages. The first stage would involve the immediate adoption, repeal, or modification of major statutes necessary to enable the State Board to begin as soon as possible to implement the contours of its new model. The second stage would begin after this legislative session and would entail serious scrutiny of all statutes affecting public schools with an eye toward eliminating or modifying those that pose an impediment to maximum local flexibility. Out of this study could also come the genesis for the complete overhaul of Chapter 115C, since Stage Two could begin to earmark statutes that are redundant, unnecessary, or outdated. Stage Two would culminate in a report to the General Assembly on March 1, 1996, as outlined in Senate Bill 16. Finally, the third stage would consist of the appointment of a commission to completely rewrite the Public School Laws.

Stage One

Stage One marks the beginning of implementation of the State Board's proposed accountability model and will necessitate the adoption, repeal, or modification of various statutes to enable the Board's plan to go forward. To determine the necessary changes, the Board has examined the statutes contained in Chapter 115C in light of the perceived requirements of the accountability model itself: flexibility, accountability, high standards, and emphasis on the basics. The plan calls for a return of authority to the local boards, less bureaucracy at the state level, the development of standards tailored to individual schools, rewards for successful schools, state-level assistance in the event of failure to meet standards, and state-level intervention in the event a school or school system continues to fail. With these plan highlights in mind, the State Board recommends that the General Assembly make the following modifications to Chapter 115C during its 1995 Regular Session:

1. **G.S. 115C-12. Powers and duties of the Board generally.**

Subsections (9) c., c1., c2., and c3. need to be rewritten to authorize the State Board to construct and implement its new accountability model, retaining core concepts contained in the Basic Education Program (BEP), the accreditation program, and the Report Card insofar as they coincide with or complement the new model. The new provisions should cross reference the appropriate statutory sections which outline the new model.

2. **G.S. 115C-47. Powers and duties generally.**

A subsection should be added giving the Local Education Agencies authority to enter into regional alliances (Regional Educational Service Alliances) pursuant to the new model.

3. **G.S. 115C-64.1 through 64.5. (Article 6A. State Assistance and Intervention in Low Performing School Units.)**

These sections should be repealed. Many of the central concepts (assistance and takeover) are embodied in the State Board's proposed accountability model and thus this "takeover" legislation is rendered unnecessary.

4. **G.S. 115C-81 through 81.1. (Basic Education Program.)**

The State Board wholeheartedly continues to endorse the philosophy and goals of the Basic Education Program as originally adopted by the General Assembly, and in particular supports adequate funding throughout the state of curriculum, programs, and staffing. In light of its proposed model of increased local flexibility, however, the State Board recommends that the highly prescriptive statutory scheme set forth in G.S. 115C-81 be amended to reflect only the ingredients set forth in subsection (b) of that section, plus any additional requirements deemed necessary by the State Board.

5. G.S. 115C-174.1 through 174.6. (Commission on Testing.)

Testing is an integral part of the State Board's proposed accountability model. The State Board should be given maximum latitude to develop, administer, and utilize testing programs as the Board deems necessary or desirable to further its new program.

These statutes should be repealed or revised.

6. G.S. 115C-174.10 through 115C-174.14. (Part 2, Statewide Testing Program.)

As set forth above, the testing is an integral part of the Board's new accountability plan for local schools and school systems. The State Board recommends to the General Assembly that the statutes afford the State Board the maximum flexibility to construct a testing system that fits the Board's new model.

This statute needs to be repealed or revised.

7. G.S. 115C-238.1 through 238.6. (Performance-Based Accountability Program.)

The State Board wholeheartedly endorses the underlying philosophy of the Performance-Based Accountability Program, but believes that its core concepts are embodied in the Board's proposed accountability model. Thus, the provisions of these sections are unnecessary and should be repealed and replaced with statutory provisions authorizing the new model.

8. G.S. 115C-238.7 through 238.8. (Task Force on Site-Based Management.)

The State Board wholeheartedly endorses the concept of site-based management and considers it an integral part of its proposed accountability model. The adoption by the Legislature of the new model will necessarily incorporate this concept and thus render these sections of Chapter 115C unnecessary.

9. G.S. 115C-271 through 278. (Article 18. Superintendent.)

Because the State Board's model provides that, at some point, the local Superintendent's powers may be suspended, the General Statutes, and the Superintendent's contract, should reflect this.

10. G.S. 115C-287.1. Method of employment of principals, assistant principals, supervisors, and directors.

Because the State Board's model provides that, at some point, the contractual rights of the principal and other administrators may be suspended, the General Statutes, as well as the administrator contracts, should reflect this and should provide any necessary due process protections.

11. G.S. 115C-325. System of employment for public school teachers.

Because the State Board's model calls for a suspension of tenure and contract rights, this section must be amended to ensure that due process protections are afforded where required.

12. G.S. 115C-408 through 417. Financial Powers of the State Board of Education.

This article should be amended to reflect the State Board's authority, under its proposed model, to extend monetary rewards to schools/school systems which meet their specified goals.

13. G.S. 115C-521. Erection of School Buildings.

This section currently sets forth a number of requirements at odds with the State Board's new proposal for public education as well as the proposed reorganization of Department of Public Instruction. Thus, the State Board recommends that the General Assembly assign to it the discretion and authority to decide which services are needed by local school systems, and how best to deliver those services.

Stage Two

Stage Two will allow the State Board several months to engage in further development of its new model, together with an in-depth examination of the General Statutes to facilitate implementation of the model. Upon completion of Stage Two, the State Board will be in a position to recommend substantial changes to the Public School Laws that will enhance and ensure maximum local flexibility and accountability, together with adherence to high standards and curriculum basics.¹

During Stage Two, the State Board intends to study, and ultimately recommend, modifications as follows:

1. G.S. 115C-36. Designation of Board.

The General Assembly should consider adding language to broaden the authority of the local boards.

2. G.S. 115C-40. Board a body corporate.

The General Assembly should consider adding language to broaden the authority of the local boards.

¹ In addition to examining the statutes governing public education, the State Board will examine its own policies during Stage Two and recommend policy changes reflecting the new model's philosophy.)

3. G.S. 115C-47. Powers and duties generally.

a. (1) (To Provide an Adequate School System) The language here should reflect greater flexibility on the part of local boards.

b. (10) (To Assure Appropriate Class Size) This provision, and all others dealing with class size (e.g., G.S. 115C-301) should be examined and modified if necessary to reflect the philosophy of the new model.

c. (23) (Purchase Equipment and Supplies).

d. (28) (Enter Lease Purchase Contracts for Automobiles).

These and all other provisions governing a local board's purchasing authority (e.g., G.S. 115C-522) should be examined and rewritten to authorize flexibility to the extent feasible.

4. G.S. 115C-83. Observance of special days.

5. G.S. 115C-84. Length of school day, month, and term; Veterans Day.

The State Board is committed to a minimum school term of 180 days and a minimum instructional day of 5 1/2 hours. Nevertheless, the remaining provisions in these two sections should be examined and recommendations made for changes consistent with the State Board's new model.

6. G.S. 115C-102.5 through 102.8. Commission on School Technology.

These provisions should be repealed if the work of the Commission has been completed.

7. G.S. 115C-203 through 209. Community Schools Act.

These provisions should be examined to determine if changes should be made to reflect the philosophy of the State Board's new model.

8. G.S. 115C-327 through 329. Personnel Administration Commission for Public School Employees.

These provisions should be examined to determine if they should be repealed.

9. G.S. 115C-489.4. Commission on School Facility Needs.

These provisions should be repealed.

10. G.S. 115C-522. Provision of equipment for buildings.

These provisions, and all others governing the purchasing authority of local boards, should be examined and modified to cover maximum flexibility where feasible.

11. G.S. 115C-533 through 543. State Insurance of Public School Property.

These provisions should be examined in light of the new model and the reorganization plan for the Department of Public Instruction to determine what, if any, modifications are necessary.

Stage Three

A review of the Public School Laws reveals numerous statutes and sections of statutes that are outdated, unnecessary, or redundant. The State Board recommends that the study efforts and recommendations from Stage Two serve as a springboard for Stage Three, which would entail a complete overhaul of Chapter 115C. With the information and recommendations coming out of Stage Two, the State Board believes that a complete recodification of Chapter 115C could be achieved by the 1997 Session of the General Assembly, and therefore recommends to the General Assembly that it appoint a commission, as soon as is feasible, to begin work on this important project.

V. BUILDING FOR THE FUTURE: THE NEXT STEPS

Plans are helpful, but action gets results. Implementing the Board's plan for reorganizing and downsizing the education agency should have an immediate impact on the operation of our public school system. We believe that the public will see a renewed focus in school buildings--mastery of reading, mathematics, and writing for all students. We believe that the legislators will see an immediate and new responsiveness from the state education agency, and that local school systems will likewise find a welcome change in dealing with officials in Raleigh.

However, certain parts of our plan will need to be phased in, and it will take more time to see results. We are proposing that we maintain some functions (such as Technical Assistance Centers) for a year, to allow local school systems to prepare for making their own decisions on how to spend the funds which will be transferred to them.

We plan to put in place a "management team" to oversee the implementation of our plan, to ensure that changes occur as intended and that this new approach is not lost in the state bureaucracy.

We propose a Two-Phase Implementation Strategy during the 1995-1996 fiscal year:

Phase I: Transition Phase (July to December 1995)

- Eliminate vacant positions
- Establish management team
- Confirm new structure and resource requirements
- Develop process and timetable for implementing the new organization:
 - Realignment of the organization
 - Schedule for staffing reductions

Phase II: Full Implementation (January to June 1996)

- Implement the new organization
- Implement final staffing reductions

We also plan to take the upcoming months to do a further review of existing statutes so that we can recommend a more comprehensive list of statutory revisions that are needed in current education law. In addition, we will continue to look for the most efficient and cost effective ways to operate the education agency and the public school system, and we will keep the General Assembly advised on our findings.

The plan we have described in this report will have a significant impact on public education. However, in some ways, this plan is just the first step toward making North Carolina schools places where we consistently find excellent teaching and learning.

We must go further than this plan. For example, we must settle on the respective responsibilities for funding schools; what is the state's role and what is a local role? Until this issue is resolved, much energy will be wasted as each side argues its case. Likewise, county commissioners and local school boards need a better mechanism for coming to consensus about school funding needs; and, they need to explore the advisability of sharing services such as bus maintenance, building maintenance, and so forth. During Phase II of our study, the State Board will work with these organizations to develop a plan and strategy for increased collaboration and consolidation.

Regarding the future, the Board is looking forward to developing a new partnership with the General Assembly so that education law and policy can be closely coordinated whenever possible. Local school systems have often expressed the hope that the various officials in Raleigh would work more closely together to deliver a more cohesive package of laws and policies to the schools. The Board would be pleased to be a part of helping this to occur.

In addition, as required in Senate Bill 16, the Board will be involved for the next 11 months or so in a more thorough examination of the entire state public school system, looking for additional ways to prepare our schools well for the twenty-first century. Examples of some key issues which must be considered are:

- Full-Time Employment of Teachers
- A Longer School Year
- Protecting Teaching Time
- Adequate Funding
- School Technology
- Rigorous Standards for Teacher Training Programs and Teacher Licensure
- Making Schools Safer
- Better Ways to Involve All School Staff in Decisions
- Increased Parental Involvement

The Board looks forward to the challenge of addressing these items in the months ahead.

Finally, during the next year, we will make interim reports to the General Assembly throughout the implementation of the plan so that you will know what progress is being made.

In conclusion, we firmly believe that, in years to come, 1995 will mark the year when North Carolina took a new road leading to high student performance and cost-effective administration in its public schools. We will greatly appreciate the support of the General Assembly in this new and promising educational endeavor.

VI. APPENDIX

Special Acknowledgement

The State Board of Education wishes to thank all those who provided assistance during the course of this project.

We especially want to thank the State Controller's Office, the Attorney General's Office, and the Office of State Budget and Management for their outstanding help in leading the effort.

Both staffs were asked to assume this special project in addition to their other regular assignments, and the Board is most appreciative of their efforts. The Board was impressed with their ability to implement a workable study design and analyze large amounts of data in a short period. Their work and cooperation was truly outstanding.

We also want to thank the staff of the Department of Public Instruction and Superintendent Etheridge for their cooperation and efforts throughout this project. The Public Instruction staff provided extensive written material on very short notice and has always been available to answer questions and provide additional information on request.

And, finally, we wish to thank all the educators and other citizens of North Carolina who took time to write and call to give us their views on this project. They are to be commended for their willingness to be part of the democratic process.

GENERAL ASSEMBLY OF NORTH CAROLINA
1995 SESSION
RATIFIED BILL

CHAPTER 6
SENATE BILL 16

AN ACT DIRECTING THE STATE BOARD OF EDUCATION TO
RECOMMEND CHANGES IN THE PUBLIC SCHOOL SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. The State Board of Education shall examine the structure and functions of the State public school system with a view to improving student performance, increasing local flexibility and control, and promoting economy and efficiency, and shall recommend changes in the public school system to the General Assembly. In carrying out this examination, the State Board of Education shall consider ways to reorder priorities and place greater emphasis on the basics - reading, communication skills, and mathematics - in the areas of staff development, the State testing program, the State accreditation program, the use of remediation funds, the instructional program, and other components of the State public school system. The State Board of Education shall also consider the impact the changes it is considering will have on the mission of the Department of Public Instruction.

The State Board shall make a preliminary report to the General Assembly prior to May 1, 1995, and a final report prior to March 1, 1996, on the results of its examination of the State public school system. The report shall include any proposed legislation necessary to implement the State Board's recommendations.

Sec. 2. The State Board of Education shall also examine the administrative organization of the Department of Public Instruction with a view to (i) increasing local flexibility and local control of education, (ii) promoting economy and efficiency in government in the interest of producing cost savings that can be used to provide funds for textbooks, school supplies, and equipment, and for reducing class size, and (iii) improving student performance. The State Board of Education, as a result of these examinations, shall propose necessary changes in the mission of the Department of Public Instruction and methods of implementing those changes. The State Board of Education shall develop a plan for reducing, eliminating, and/or reorganizing the Department of Public Instruction. A reorganization may include the assignment or reassignment of the Department's duties and functions among divisions and other units, division heads, officers, and employees.

The proposed reduction, elimination, and/or reorganization of the Department shall have a goal of resulting in a decrease of at least fifty percent (50%) in the number of employee positions assigned to the Department and a decrease of at least fifty percent (50%) in the Department's budget by January 1, 1996.

The State Board of Education shall make a preliminary report to the General Assembly prior to March 31, 1995, and a final report prior to May 1, 1995, on the reduction, elimination, and/or reorganization plan it develops.

Sec. 3. The State Board of Education shall fully inform and consult with the Superintendent of Public Instruction and the chairs of the Education Committees

and the Education Appropriation Subcommittees of the Senate and the House of Representatives on a regular basis as the Board carries out its duties under this act.

Sec. 4. The Director of the Budget shall authorize the expenditure of up to one hundred thousand dollars (\$100,000) from existing funds by the State Board of Education to contract for outside consultants and assistance to assist the State Board in carrying out its duties under this act. The Office of State Budget and Management, the State Auditor, and other appropriate State agencies shall also provide consultation as requested by the chairman of the State Board of Education as needed to develop the plans set out in this act.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of March, 1995.

DENNIS A. WICKER

Dennis A. Wicker
President of the Senate

HAROLD J. BRUBAKER

Harold J. Brubaker
Speaker of the House of Representatives

**Local Superintendents Invited to Attend the State Board of Education Meeting on
Thursday, February 16, 1995**

Max Walser, Davidson County

Bill Steed, Davie County

Owen Phillips, Durham

Jesse Register, Iredell/Statesville

Ann Denlinger, Wilson County

Ronnie Bugnar, Person County

Joe Peel, Pasquotank

Bill Church, Albemarle City

Leon Holleman, Dare

L.S. Guy, Duplin County

Russ Cotton, Pamlico County

Ray Brayboy, Wayne County

Lonnie Crawford, Macon County

Karen Campbell, Haywood County

Frank Yaeger, Buncombe County

Gene Riddle, Moore County

Ed Tyson, Kannapolis City

Partial List of Organizations Making Presentations

Public School Forum

Tarheel Association of Principals and Assistant Principals

N. C. School Boards Association

Professional Educators of N. C.

N. C. Association of Educators

N. C. Association of School Administrators

U. N. C. General Administration

U. N. C. School of Education

Office of State Construction

N. C. Association of County Commissioners

Council Chairs: N. C. School Superintendents

National Association of State Boards of Education

Partial List of Individuals and Organizations Surveyed

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NC Association of Educators
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NC Vocational Association
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Raleigh, N. C. 27611

Mr. Robert H. Caldwell
United Forces for Education
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Greensboro, N. C. 27534

Ms. Augie Beasley
NC Assoc. School Librarians
E. Mecklenburg High School
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Dr. Robert A. Berlam
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Dr. Jeanette R. Beckwith
NC League Mid. Lev. Schools
Leesville Middle School
8405 Leesville Middle School
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Ms Mary Blackley
NC Association of EOP
Granville County Schools
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Ms. Mamie L. Davis
NC School Social Workers Assoc
West Columbus High School
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Cerro Cordo, N. C. 28430

Mr. John Doman Public School Forum of NC 3739 National Drive Suite 210 Koger Center Cumberland Bldg. Raleigh, N. C. 27612	Mr. Wayne Figart Foreign Language Assoc of N.C. 204 North Sixteenth Street Wilmington, N. C. 28401-3821	Dr. Dudley E. Flood NC Association of School Admin. P. O. Box 1629 Raleigh, N. C. 27602
Ms. Wanda Fox NC PTA 3501 Glenwood Avenue Raleigh, N. C. 27612-4934	Ms. Joy Gottshall NC School Psychology Assoc. Guilford County Schools P.O. Box 880 Greensboro, N. C. 27402	Ms. Ricki Grantmyre 1308 Bloomingdale Drive Cary, N. C. 27511
Ms. Adele J. Gray NC Assoc. of Gifted & Talented 1012 Treemont Road Wilson, N. C. 27896	Ms. Martha Guttu School Nurses Assoc. of N. C. Route 4, Box 342 B Edenton, N. C. 27932	Mr. Wyatt Harper NC PTA 1551 Rock Quarry Road Raleigh, N. C. 27610
Ms. Jan Holt NC School Food Service Assoc. Camp Lejeune Dependents Midway Park Whse Bldg 4021 Midway Park, N. C. 28544	Ms Dorothy P. Kirby NC School Food Service Assoc. P. O. Box 1336 Smithfield, N. C. 27577	Ms. Joy Latta NC Assoc Educ Commun & Tech Rockingham Co. Consolida Schol 511 Harrington Highway Eden, N. C. 27288
Ms Roxie Mack NC Public Schools' Maint Assoc. Route 2, Box 548 State Road, N. C. 28676	Mr. Gregory C. Malhoit NC Legal Services Resource Ct. 224 S. Dawson Street Raleigh, N. C. 27601	Ms. Ellan Maynard NC Assoc of Teacher Assistants 401 Transylvania Avenue Raleigh, N. C. 27609
Mr. Peyton Maynard NC Speech/Hearing/Langu Assoc P. O. Box 28359 Raleigh, N. C. 27611-8359	Mr. Patric Mullen The Mullen Company 1542 Hermitage Court Durham, N. C. 27707	Ms. Barbara Potts NC School Counselor Assoc. 410 College Road Greensboro, N. C. 27410
Ms. Janis Ramquist 2208 Oxford Hill Drive Raleigh, N. C. 27608	Ms. Rhonda Raney NC Ed Law P. O. Box 27343 Raleigh, N. C. 27611	Ms. Brenda Rogers NC Assoc School Bus Officials 321 SMAW Road Washington, N. C. 27889
Ms. Sarah Stewart Federation of Teachers/NC Yarnell-Hoffer 1700 Legion Road, Suite 200 Chapel Hill, N. C. 27514	Mr. F. Carlyle Teague Cooperative Council of NC P. O. Box 10426 1306 Annapolis Drive Raleigh, N. C. 27604	Mr. Stephen M. Teague NC Middle School Assoc. 333 Critcher Drive Lexington, N. C. 27292
Mr. W. Lloyd Thrower Tarhell Assoc. Princ/Asst Princ 333 Wade Avenue Raleigh, N. C. 27605	Ms. Amy Van Ostrum Professional Educators of N. C. 5022A New Hope Road Raleigh, N. C. 27604	Mr. Michael F. Williams NC Assoc. School Admin/Dos Roanoke Rapids City Schools 526 Hamilton Street Roanoke Rapids, N. C. 27870

Education Organizations and Associations

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Executive Director
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Teachers
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Special Education
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NC Christian School Assoc.
The Rev. Barry Shearer
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College Foundation, Inc.
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2100 Yonkers Road
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NC Assoc. of Colleges & Univ.
Dr. James B. Hemby
President, Barton College
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NC Assoc. for Community
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NC Alliance for Health, Phys.
Ed. Recreation and Dance
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P. O. Box 1300
Newland, N. C. 28657-1300

NC Branch of Orton Dyslexia
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Retirement System of N. C.
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NC School Counselor Assoc.
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Summary of Budget Changes

Superintendent's Office

	<u>1995-96</u>	<u>1996-97</u>
1. Office of Deputy Superintendent		
The recommended structure of the Department of Public Instruction includes the Office of the Superintendent and three divisions: Instructional/Accountability Services; Information/Technology Resource Services; and Finance/Personnel Services. This new structure does not include an Office of Deputy Superintendent. It is recommended that the Deputy Superintendent and two administrative support positions be eliminated to align with the new structure.		
Number of Positions	\$ (352,475) (3.00)	\$ (352,475) (3.00)
2. Planning/Budget/Program Review		
The primary purpose of this unit is to provide increased accountability, efficiency, and effectiveness in the department's operation through promotion of departmental planning efforts, initiation of internal program reviews, oversight of all Department of Public Instruction contracts, and management of federal Chapter 2 funds maintained at the state level. The unit currently includes four positions. It is recommended that one position be eliminated and the remaining three positions be transferred to the Finance/Personnel Services area.		
Number of Positions	(72,133) (1.00)	(72,133) (1.00)

	<u>1995-96</u>	<u>1996-97</u>
3. Communication Services		
This division is comprised of Communications, Graphics and Technological Services, Community Schools, and the Statistical Research and Data Center. The Communications Section is made up of media relations and publications. The section currently has 20.2 positions. It is recommended that 1.75 administrative positions plus six additional positions be eliminated. The remaining 8.45 positions will be transferred to the Information/Technology Resource Services area. Four positions currently in the Statistical Data Center will be transferred to the Finance/Personnel Services area.		
The Graphics and Technological Services section serves the entire agency for typesetting, graphics preparation, publication pre-press production, production of training films, TV productions, public service announcements, video materials for staff and schools. This section currently has 6.8 positions. It is recommended that two positions be eliminated and the remaining 4.8 positions be transferred to the Information/Technology Resource Services division.		
Number of Positions	\$ (459,112) (9.75)	\$ (459,112) (9.75)
4. Governmental Relations		
This division acts as liaison between Department of Public Instruction and the General Assembly, other state agencies, and professional associations, monitors federal education activities and initiatives, and serves as the department's liaison with the U.S. Congress. It is recommended that two positions, to include one support position, be transferred to the staff of the State Board of Education. The remaining three positions are recommended for elimination.		
Requirements	\$ (218,011)	\$ (218,011)
Receipts	<u>(78,030)</u>	<u>(78,030)</u>
Appropriation	\$ (139,981)	\$ (139,981)
Number of Positions	(3.00)	(3.00)

5. **Internal Operations**

This division is the administrative support services function for the department, responsible for personnel, equal opportunity, managing property leases for the Technical Assistance Centers, contracting, purchasing, mail, building support, and related functions. Personnel Management, Agency Services, Citizen/Legal Affairs are parts of the Internal Operations division. Of the five positions in Internal Operations administration, it is recommended that four positions be eliminated at a savings of \$427,585. The fifth position, an attorney, will be moved to the Finance/Personnel Services area.

It is recommended that the departmental Personnel Management section and Agency Services be reduced in size consistent with the downsizing of the department. The Personnel Management Section currently has nine positions, two of which will be eliminated at a cost reduction of \$87,411. Agency Services includes functions such as the mail room and purchasing, and currently has 11 positions, three of which will be eliminated at a cost reduction of \$99,685. Agency Services and Personnel Management will be moved from the Superintendent's area to the Finance/Personnel Services area.

It is also recommended that the two positions responsible for the administration of the North Carolina Education Fund be eliminated at a cost reduction of \$112,830. The function of this section is to provide unencumbered funds to local schools for timely implementation of innovative prototype programs. The recommended reduction in funds does not reflect any reduction in the fund itself, only in support for its administration.

Number of Positions

\$	(727,511)	\$	(727,511)
	(11.00)		(11.00)

	<u>1995-96</u>	<u>1996-97</u>
Total		
Superintendent's Office		
Requirements	\$ (1,829,242)	\$ (1,829,242)
Receipts	<u>(78,030)</u>	<u>(78,030)</u>
Appropriation	\$ (1,751,212)	\$ (1,751,212)
Number of Positions	(27.75)	(27.75)

Auxiliary Services

1. **Division of Auxiliary Services Administration**

The Division of Auxiliary Services consists of School Planning, Plant Operations, School Transportation, Public School Insurance, and Child Nutrition. In the proposed reorganization, these functions will either be reduced and transferred to other divisions within the Department of Public Instruction, or eliminated. With the proposed changes, the administrative positions in the division will no longer be required. It is recommended that six positions be eliminated. Services retained will be transferred to the Finance/Personnel Services area.

Requirements	\$ (419,008)	\$ (419,008)
Receipts	<u>(37,891)</u>	<u>(37,891)</u>
Appropriation	\$ (381,117)	\$ (381,117)
Number of Positions	(6.0)	(6.0)

2. **School Planning**

It is recommended that the School Planning section be reduced by 12 positions, and that the remaining six positions be transferred to the Finance/Personnel Services area. The remaining positions will provide technical support in facility planning to local school administrative units.

Number of Positions	(756,352)	(756,352)
	(12.0)	(12.0)

3. **Plant Operations**

The Plant Operations section currently provides engineering and consulting services in the areas of plant operation and maintenance to public schools. It is recommended that local school administrative units have the option of purchasing these services, effective 1996-97. Fiscal year 1995-96 will be a transition year for the change from an appropriated function to a receipt-supported function. The nine positions currently in Plant Operations will be transferred to the Finance/Personnel Services area.

1995-96 1996-97

Requirements	\$ -	\$ -
Receipts	-	<u>553,986</u>
Appropriation	\$ -	\$ (553,986)

4. **Child Nutrition Services**

Child Nutrition Services currently include the administration of the federal child nutrition programs and leadership in developing and improving child nutrition programs. It is recommended that 16 positions and \$625,093 in receipts be transferred to the Maternal and Child Health section of the Department of Environment, Health, and Natural Resources. These positions have responsibility in the areas of the Child and Adult Food Program and the Summer Food Program. Four of the remaining positions will be eliminated at a savings of \$156,635 in receipts, and 16 positions will be transferred to the Finance/Personnel Services area.

Requirements	\$ (781,728)	\$ (781,728)
Receipts	<u>(781,728)</u>	<u>(781,728)</u>
Appropriation	\$ -	\$ -
Number of Positions	(20.0)	(20.0)

Total Recommended Reductions - Auxiliary Services

Requirements	\$ (1,919,197)	\$ (1,919,197)
Receipts	<u>(781,728)</u>	<u>(227,742)</u>
Appropriation	\$ (1,137,469)	\$ (1,691,455)
Number of Positions	(38.0)	(38.0)

	<u>1995-96</u>	<u>1996-97</u>
Transfer to Department of Environment, Health, and Natural Resources		
Receipts	\$ 625,093	\$ 625,093
Number of Positions	16.0	16.0

Instructional Services

1. Assistant Superintendent's Office

The Office of Instructional Services is made up of three interdisciplinary teams, three support teams, and six technical assistance centers under the leadership of an assistant superintendent. It is recommended that this office be reduced by three positions and operating costs.

Number of Positions	\$ (209,609)	\$ (209,609)
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(3.0)	(3.0)
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2. Interdisciplinary Teams

Interdisciplinary Teams are currently established for Elementary School, Middle School, and High School for the purpose of curriculum design and maintenance, technical assistance in implementing, test design activities and federal program review and compliance. A reorganized unit with a modified set of functions is proposed and will be called the Instruction Division. Reductions include the elimination of 25 positions and support expenses. It is also recommended that six federally funded positions be assigned to the newly formed School Improvement Division in Instructional/Accountability Services.

Requirements	\$ (2,648,007)	\$ (2,648,007)
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Receipts	<u>(887,256)</u>	<u>(887,256)</u>
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Appropriation	\$ (1,760,751)	\$ (1,760,751)
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Number of Positions	(25.0)	(25.0)
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1995-96

1996-97

3. **Exceptional Children**

The Exceptional Children section provides support for the handicapped and academically gifted programs to allow these students to develop as much as possible through education and related services. It is recommended that this section retain its independent section status and be transferred to Instructional/Accountability Services. It is further recommended that all core functions remain centralized, and that staff and operating costs be reduced accordingly.

Requirements	\$ (440,340)	\$ (440,340)
Receipts	<u>(343,002)</u>	<u>(343,002)</u>
Appropriation	\$ (97,338)	\$ (97,338)
Number of Positions	(6.0)	(6.0)

4. **Media and Technology**

This section includes the education information center and the library media program. In addition to other duties, one person in this area also functions as a staff person to the Textbook Adoption Commission. It is recommended that the computer and library curriculum functions remain in Instructional/Accountability Services and that the media and technology functions be transferred to Information/Technology Resource Services, with the exception of seven positions which are eliminated from media and technology.

Requirements	\$ (1,043,465)	\$ (1,043,465)
Receipts	<u>(59,864)</u>	<u>(59,864)</u>
Appropriation	\$ (983,601)	\$ (983,601)
Number of Positions	(7.0)	(7.0)

	<u>1995-96</u>	<u>1996-97</u>
5. Vocational and Technical Education		
It is recommended that the Vocational and Technical Education Section be combined with the newly formed Instruction Division in Instructional/Accountability Services and be reduced by 20 positions and operating support.		
Requirements	\$ (1,384,479)	\$ (1,384,479)
Receipts	<u>(480,466)</u>	<u>(480,466)</u>
Appropriation	\$ (904,013)	\$ (904,013)
Number of Positions	(20.0)	(20.0)
 6. Teacher Academy/Site Based Management/Staff Development		
The Teacher Academy provides four one-week training sessions per year at 10 sites across the state. It is recommended that effective September 1, 1995, the Teacher Academy be transferred to the University of North Carolina system and the three positions within the Department of Public Instruction be eliminated. The amount of the reduction related to the elimination of the positions is \$125,797 in 1995-96 and \$150,956 in 1996-97. Funds in the amount of \$375,000 are transferred to UNC in 1995-96 and \$3,649,044 in 1996-97 for the training sessions.		
It is recommended that the Raleigh-based staff for site-based management be eliminated in 1996-97 for a reduction of \$300,000. This staff currently serves the task force on site-based management, monitoring the implementation of the School Improvement and Accountability Act of 1989.		
Staff development responsibilities will be reconfigured with an emphasis on assistance to schools. Two clerical positions will be reallocated to two professional positions to accomplish this reconfiguration at a cost of \$35,839. Six positions will be transferred within Instructional/Accountability Services from interdisciplinary teams to a newly created school improvement division.		
Number of Positions	\$ (464,455) (3.0)	\$ (4,064,161) (5.0)

7. **Technical Assistance Centers**

Six Technical Assistance Centers are located across the state to provide direct help to local schools. It is recommended that the funding for the Technical Assistance Centers be allocated to the Local Education Agencies in a block grant based on a formula composed of a base allocation derived from the Local Education Agencies' current share of its Technical Assistance Center budget, plus average daily membership. The relative weights of the two components are suggested to be 80% base and 20% ADM. The Local Education Agencies will use part or all of the allocation to support the Regional Educational Service Alliances referred to elsewhere in this report. To accomplish a good transition from the existing Technical Assistance Centers to the Regional Educational Service Alliance concept, the initial services may be built around the core services currently provided. Starting in 1996-97, funding for the Regional Educational Service Alliances may be from funds allocated to each Local Education Agency, who may then determine their level of participation in the Regional Educational Service Alliance.

	<u>1995-96</u>	<u>1996-97</u>
Requirements	\$ (7,396,411)	\$ (7,396,411)
Receipts	<u>(1,320,334)</u>	<u>(1,320,334)</u>
Appropriation	\$ (6,076,077)	\$ (6,076,077)
Number of Positions	(135.5)	(135.5)
 Total Recommended Reductions - Instructional Services		
Requirements	\$ (13,586,766)	\$ (17,156,472)
Receipts	<u>(3,090,922)</u>	<u>(3,090,922)</u>
Appropriation	\$ (10,495,844)	\$ (14,095,550)
Number of Positions	(199.5)	(201.5)
 Transfer to University of North Carolina		
Appropriation	\$ 375,000	\$ 3,649,044
 Transfer to Regional Educational Service Alliances/ Local Education Agencies		
Receipts	<u>\$ 1,320,334</u>	<u>\$ 1,320,334</u>
Appropriation	\$ 6,076,077	\$ 6,076,077

Accountability Services

	1995-96	1996-97
1. Testing Services		
Currently, the state testing program includes North Carolina End-of-Grade Tests (grades 3-8) in five academic subject areas, North Carolina End-of-Course Tests (grades 9-12) in 11 subject areas, Minimum Skills Diagnostic Tests, North Carolina Competency Tests, National Assessment of Educational Progress, Preliminary Scholastic Aptitude Test, and Scholastic Aptitude Test. It is recommended that the number and scope of tests in the state testing program be reduced, and focus given to a basic core of state tests and a core of tests to be given by Local Education Agencies at their option and cost. A total of three positions (one supervisory, one professional, and one clerical) will be eliminated at the state level, and additional nonpersonnel and contract costs will be eliminated.		
Requirements	\$ (1,755,271)	\$ (2,222,407)
Receipts	<u>(47,136)</u>	<u>(47,136)</u>
Appropriation	\$ (1,708,135)	\$ (2,175,271)
Number of Positions	(3.0)	(3.0)
Transfer to Regional Educational Service Alliance/ Local Education Agencies		
Appropriation	\$ 525,000	\$ 525,000

1995-96

1996-97

2. **Information Resources Management (IRM)**

Services provided by IRM focus on coordinating the installation of hardware, software, and communication components that support the following areas: the Uniform Education Reporting System; the Student Information Management System; the Human Resources Management System; professional certification, salary certification and verification, and allotment management systems; state, federal, and internal accounting systems; state vehicle fleet management and Transportation Information Systems; and local payroll and general accounting systems.

In addition to serving these areas, IRM provides technical assistance to school systems that need help selecting and operating office automation, networking, and communications hardware and software.

Reductions in this area include elimination of 11 state-funded positions and one receipt-supported position.

Requirements	\$ (624,233)	\$ (624,233)
Receipts	<u>(49,945)</u>	<u>(49,945)</u>
Appropriation	\$ (574,288)	\$ (574,288)
Number of Positions	(12.0)	(12.0)

Total Recommended Reductions
Accountability Services

Requirements	\$ (2,379,504)	\$ (2,846,640)
Receipts	<u>(97,081)</u>	<u>(97,081)</u>
Appropriation	\$ (2,282,423)	\$ (2,749,559)
Number of Positions	(15.0)	(15.0)

Transfer to Regional Educational Service Alliance/ Local Education Agencies

Appropriation	\$ 525,000	\$ 525,000
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Finance/Personnel Services

	<u>1995-96</u>	<u>1996-97</u>
1. Teacher Licensure		
Teachers pay a processing fee when submitting an application to become certified; the fee is used to offset the cost of the teacher licensure function. Since 1987, the amount of the processing fee has been \$30. Effective December 1, 1994, the State Board of Education implemented a three-level fee structure with fees ranging from \$30 to \$65 to more closely align the fee with the cost per request. It is recommended that the resulting receipts be budgeted to make the licensure function totally receipt supported.		
Requirements	\$ -	\$ -
Receipts	<u>627,565</u>	<u>627,565</u>
Appropriation	\$ (627,565)	\$ (627,565)
2. Finance/Personnel Services		
Prior to the recommended reorganization of the department, the Division of Finance/Personnel Services had 94.5 positions. It is recommended that 20 additional positions and supporting expenses be eliminated from the division to reflect the reduced level of the department and the related reduction in workload.		
Requirements	\$ (1,167,927)	\$ (1,167,927)
Receipts	<u>(1,167,927)</u>	<u>(1,167,927)</u>
Appropriation	\$ -	\$ -
Number of Positions	(20.0)	(20.0)
Total Recommended Reductions		
Finance/Personnel Services		
Requirements	\$ (1,167,927)	\$ (1,167,927)
Receipts	<u>(540,362)</u>	<u>(540,362)</u>
Appropriation	\$ (627,565)	\$ (627,565)
Number of Positions	(20.0)	(20.0)

Summary of Reductions in DPI

Area	Budget				Reductions				
	'95 - '96		'95 - '96		'96 - '97		'96 - '97		
	Requirements	State Funds	Total FTEs	State Funds	Receipts	FTEs	State Funds	Receipts	FTEs
Superintendent	\$6,420,424	\$4,508,441	76.00	\$1,751,212	\$78,030	27.75	\$1,751,212	\$78,030	27.75
Auxiliary Services	\$4,768,712	\$2,626,249	92.00	\$1,137,469	\$781,728	38.00	\$1,691,455	\$227,742	38.00
Financial	\$9,143,455	\$5,924,289	142.00	\$627,565	\$540,362	20.00	\$627,565	\$540,362	20.00
Accountability	\$17,212,296	\$15,722,620	109.50	\$2,282,423	\$97,081	15.00	\$2,749,559	\$97,081	15.00
Instructional	\$29,927,618	\$17,981,038	232.50	\$4,419,767	\$1,770,588	64.00	\$8,019,473	\$1,770,588	66.00
TACs	\$7,396,411	\$5,076,077	135.50	\$6,076,077	\$1,320,334	135.50	\$6,076,077	\$1,320,334	135.50
Total	\$74,868,916	\$52,838,714	787.50	\$16,294,513	\$4,588,123	300.25	\$20,915,341	\$4,034,137	302.25
Total minus Transfers				\$9,318,436	\$0	148.75	\$10,665,220	\$0	150.75

Transfers To:	'95 - '96			'96 - '97		
	State Funds	Receipts	FTEs	State Funds	Receipts	FTEs
LEAs (TACs)	\$6,076,077	\$1,320,334	135.50	\$6,076,077	\$1,320,334	135.50
LEAs (Accountability-PSAT Tests)	\$525,000	\$0	0.00	\$525,000	\$0	0.00
LEAs (Receipts)	\$0	\$2,642,696	0.00	\$0	\$2,088,710	0.00
LEAs Total Transfers	\$6,601,077	\$3,963,030	135.50	\$6,601,077	\$3,409,044	135.50
University System	\$375,000	\$0	0.00	\$3,649,044	\$0	0.00
DEHNR	\$0	\$625,093	16.00	\$0	\$625,093	16.00
Total Transfers	\$6,976,077	\$4,588,123	151.50	\$10,250,121	\$4,034,137	151.50

LEGISLATIVE LIBRARY

The New ABCs and DPI Staff

The New ABCs of Public Education propose a dramatic shift of education authority away from the state and toward local flexibility, local control, and improved efficiency in the operation of public schools in North Carolina. While many important functions occur at the state level, the primary responsibility for improving teaching and learning rests at the local school level.

The New ABCs of Public Education...

- Ensure that those closest to students be involved in planning and making decisions that will improve student performance.
- Set annual performance standards to hold individual schools accountable for making reasonable progress on year-to-year performance.
- Provide a means of measuring demonstrated student competency of basic skills and progress through the use of end-of-year tests.
- Offer rewards for schools achieving at high levels.
- Provide technical support for schools needing assistance to achieve performance standards.
- Ensure improved linkages between critical service areas within the Department of Public Instruction.
- Provide for streamlining delivery of services to internal and external publics.

How Staff Members Can Help...

- Focus on supporting schools to ensure that students master the basics of reading, mathematics, and writing at high levels of performance.
- Develop and support the new customer-driven organization.
- Promote economy and efficiency in state operations in the interest of quality education for all students.
- Help schools and school systems set high and clear student performance standards.
- Provide leadership to ensure maximum accountability and statewide consistency.
- Consider schools your customers as you deliver services that are flexible and designed to meet their local needs.

Questions and Comments About The New ABCs of Public Education

I have the following question/comment about The New ABCs.

Please return this section to: Public Schools of North Carolina
Communications and Information Division
301 North Wilmington Street, Raleigh, NC 27601

Your name and address (if response needed) _____

The New ABCs of Public Education

What It Means To You

The New ABCs of Public Education is a comprehensive plan to reorganize public schools in North Carolina.

The New ABCs focus on

- strong accountability;
- a strong emphasis on the basics and on high educational standards; and
- maximum local control.

Over the past decade, public schools have faced several rounds of school reform efforts including the Basic Education Program and Performance Based Accountability. These reforms have helped North Carolina make progress, but progress needs to be made more quickly if North Carolinians want to be competitive.

Teachers and principals have worked hard to make changes and to accommodate new education programs. Nevertheless, many state and local education and business leaders feel that schools have not made the significant changes needed to meet the demands of the 21st century workplace and society. To give public schools a real chance to succeed, however, the General Assembly recognized in its 1995 session that local teachers and principals needed authority to make more significant and sweeping changes. Also, they needed to be held accountable for student achievement at the school level. The New ABCs is the result of 1995 legislation directing the State Board of Education to draft a plan to reorganize public schools in North Carolina.

"If parents, employers and businesses do not have confidence in our schools, then North Carolina cannot become a place 'where the weak grow strong, and the strong grow great.' Good schools represent the last, best opportunity for that promise to become reality for each North Carolinian. The New ABCs of Public Education will build good schools."

Jay Robinson, Chairman,
State Board of Education

School improvement efforts of the past have focused on resources or on input.

The State Board of Education is focusing on results in its plan to reorganize public education.

For the first time, the entire framework of public education is undergoing comprehensive change from state education laws to local school organization. The plan gives local schools flexibility to do what teachers, principals and parents believe is best for the students in each school. In return, the plan holds schools accountable for improving and meeting performance standards.

What The ABCs Mean for Your Local School

- renewed emphasis on reading, writing and mathematics, especially in the early grades (beginning in 1995-96)
- less state-required testing (beginning in 1995-96)
- more freedom for successful local schools (beginning in 1995-96)
- bonus funding for schools achieving at high levels (pilot sites, 1995-96)
- achievement measured school-by-school, not school district by school district or against a state average (beginning 1996-97)
- targeted technical assistance for schools that need it most (pilot sites, 1995-96)

Strong Accountability

One of the best ways to restore faith in public education is to instill strong accountability. Under the New ABCs of Public Education, individual schools are held accountable for students' performance, and staff in each school must take responsibility for the education of each student. The new accountability plan retains core pieces of the current testing program — while cutting the amount of required statewide testing in half. Starting in 1995-96, students will be tested and held accountable for core subjects.

Annual performance standards will be set for each individual school each year by the State Board of Education. Schools will be accountable for making reasonable progress based on year-to-year performance. This gives schools goals and places the focus on school-wide responsibility and achievement.

Schools that make expected progress may continue teaching students in the way that works best for them. A two-stage plan is in place for schools that do not make satisfactory progress. Small, select teams of educators will be assigned by the state to these schools to help them achieve their goals. If a school does not meet its goals, an interim leader will be provided and tenure will be suspended for the principal and teaching staff until the school is making expected progress.

In a school system where most of the schools do not meet their goals, the State Board of Education will appoint a caretaker superintendent. Tenure will be suspended for employees in the central office and in low-performing schools. These measures will end when the schools in question are making expected progress.

Schools in the following school systems are piloting the accountability measures this year: Albemarle, Alleghany, Asheville, Elizabeth City/Pasquotank, Duplin, Halifax, Lexington, McDowell, Bladen, and Lincoln.

The Basics and High Standards

High standards for student achievement are at the center of the New ABCs. Progress will be measured through end-of-year tests in comparison with students' performance on the previous year's test, or in the case of third graders, with their performance on a special pre-test.

To encourage a strong emphasis on basic academics, the state testing program will be targeted only at the basic skills which all students should master. In the elementary and middle grades (K-8), the focus will be on reading, writing and mathematics. Eighth graders also take the state computer skills test. At the high school level, students will take the end-of-course tests in the following subjects: English I and II; Mathematics - Algebra I; Biology; and Social Studies - U.S. History, Economics, Law and Politics.

"Our joint goal is to preserve and improve public schools in North Carolina. At the state level, we can help that process, but it is still a responsibility that primarily rests with local citizens. It is up to local citizens to take ownership of their schools."

Bob Etheridge,
State Superintendent
Department of Public Instruction

Local Control and Flexibility

The State Board of Education believes that principals and teachers should be given more control over the schools in which they work and the flexibility to make their own decisions. Parents should be included as partners in those decisions.

No particular method for improving student achievement and learning will be imposed from the state level to local schools. The Department of Public Instruction will continue to provide information about "best practices," curriculum and accountability standards, technology for learning and finance/personnel services.

To more fully provide local control, some state laws will need to be changed or modified. The State Board recommends that an appointed commission completely rewrite the Public School Laws by 1997.

Local school boards and communities will be even more involved in decision making.

"To build better schools and a better future for our children, it's going to take a commitment from all of us — principals, teachers and parents, as well as government, business and community leaders. Together, we must focus on raising standards, getting back to basics and giving local schools more flexibility so our public schools can prepare North Carolina's graduates to compete and succeed in the modern economy. If we do these things, there's no limit to what our public schools — and our students — can achieve."

Governor James B. Hunt Jr.

What Can You Do?

- Attend school-based meetings (PTAs, etc.) to learn more. Contact Public Schools of North Carolina for more information:
301 N. Wilmington St.
Raleigh, NC
27601-2825.
- Encourage your school system to give local school-based teachers and principals flexibility from local restrictions.
- Support high educational standards and high expectations for students.
- Contact your legislators and urge them to support revisions in the Public School Laws.

Public Schools of North Carolina
State Board of Education
Department of Public Instruction
301 N. Wilmington St.
Raleigh, NC 27601-2825

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Public Education**

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Jay M. Robinson, Chairman
State Board of Education
Bob Etheridge, State Superintendent
Department of Public Instruction
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