

(Revised 4/22/03)

**State Board of Education
State of North Carolina**

**Consolidated State Application
Accountability Workbook**

for State Grants under Title IX, Part C, Section 9302 of the Elementary and
Secondary Education Act (Public Law 107-110)

(Revised 4/22/03 to incorporate NC
responses to letter from Dr. Eugene W. Hickok)



**U. S. Department of Education
Office of Elementary and Secondary Education
Washington, D.C. 20202**

Instructions for Completing Consolidated State Application Accountability Workbook

By January 31, 2003, States must complete and submit to the Department this Consolidated State Application Accountability Workbook. We understand that some of the critical elements for the key principles may still be under consideration and may not yet be final State policy by the January 31 due date. States that do not have final approval for some of these elements or that have not finalized a decision on these elements by January 31 should, when completing the Workbook, indicate the status of each element which is not yet official State policy and provide the anticipated date by which the proposed policy will become effective. In each of these cases, States must include a timeline of steps to complete to ensure that such elements are in place by May 1, 2003, and implemented during the 2002-2003 school year. By no later than May 1, 2003, States must submit to the Department final information for all sections of the Consolidated State Application Accountability Workbook.

Transmittal Instructions

To expedite the receipt of this Consolidated State Application Accountability Workbook, please send your submission via the Internet as a .doc file, pdf file, rtf or .txt file or provide the URL for the site where your submission is posted on the Internet. Send electronic submissions to conapp@ed.gov.

A State that submits only a paper submission should mail the submission by express courier to:

Celia Sims
U.S. Department of Education
400 Maryland Ave., SW
Room 3W300
Washington, D.C. 20202-6400
(202) 401-0113

PART I: Summary of Required Elements for State Accountability Systems

Instructions

The following chart is an overview of States' implementation of the critical elements required for approval of their State accountability systems. States must provide detailed implementation information for each of these elements in Part II of this Consolidated State Application Accountability Workbook.

For each of the elements listed in the following chart, States should indicate the current implementation status in their State using the following legend:

- F:** State has a final policy, approved by all the required entities in the State (e.g., State Board of Education, State Legislature), for implementing this element in its accountability system.

- P:** State has a proposed policy for implementing this element in its accountability system, but must still receive approval by required entities in the State (e.g., State Board of Education, State Legislature).

- W:** State is still working on formulating a policy to implement this element in its accountability system.

**Summary of Implementation Status for Required Elements of
State Accountability Systems**

Status	State Accountability System Element
Principle 1: All Schools	
F	1.1 Accountability system includes <i>all schools and districts in the state</i> .
F	1.2 Accountability system holds <i>all schools to the same criteria</i> .
F	1.3 Accountability system incorporates the <i>academic achievement standards</i> .
W	1.4 Accountability system provides <i>information in a timely manner</i> .
F	1.5 Accountability system includes <i>report cards</i> .
F	1.6 Accountability system includes <i>rewards and sanctions</i> .
Principle 2: All Students	
F	2.1 The accountability system includes <i>all students</i>
F	2.2 The accountability system has a consistent definition of <i>full academic year</i> .
F	2.3 The accountability system properly includes <i>mobile students</i> .
Principle 3: Method of AYP Determinations	
F	3.1 Accountability system expects <i>all student subgroups, public schools, and LEAs to reach proficiency by 2013-14</i> .
F	3.2 Accountability system has a method for determining whether <i>student subgroups, public schools, and LEAs made adequate yearly progress</i> .
F	3.2a Accountability system establishes a <i>starting point</i> .
F	3.2b Accountability system establishes <i>statewide annual measurable objectives</i> .
F	3.2c Accountability system establishes <i>intermediate goals</i> .
Principle 4: Annual Decisions	
F	4.1 The accountability system <i>determines annually the progress</i> of schools and districts.

STATUS Legend:
F – Final state policy
P – Proposed policy, awaiting State approval
W – Working to formulate policy

Principle 5: Subgroup Accountability

F	5.1	The accountability system <i>includes all the required student subgroups</i> .
F	5.2	The accountability system holds <i>schools and LEAs accountable for the progress of student subgroups</i> .
F	5.3	The accountability system includes <i>students with disabilities</i> .
F	5.4	The accountability system includes <i>limited English proficient students</i> .
F	5.5	The State has determined the minimum number of students sufficient to yield statistically reliable information for each purpose for which disaggregated data are used.
F	5.6	The State has strategies to protect the privacy of individual students in reporting achievement results and in determining whether schools and LEAs are making adequate yearly progress on the basis of disaggregated subgroups.

Principle 6: Based on Academic Assessments

F	6.1	Accountability system is based <i>primarily on academic assessments</i> .
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Principle 7: Additional Indicators

W	7.1	Accountability system includes <i>graduation rate for high schools</i> .
F	7.2	Accountability system includes an <i>additional academic indicator for elementary and middle schools</i> .
F	7.3	Additional indicators are valid and reliable.

Principle 8: Separate Decisions for Reading/Language Arts and Mathematics

F	8.1	Accountability system holds students, schools and districts separately accountable for <i>reading/language arts and mathematics</i> .
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Principle 9: System Validity and Reliability

F	9.1	Accountability system produces <i>reliable decisions</i> .
W	9.2	Accountability system produces <i>valid decisions</i> .
F	9.3	State has a plan for addressing <i>changes in assessment and student population</i> .

Principle 10: Participation Rate

F	10.1	Accountability system has a means for calculating the <i>rate of participation</i> in the statewide assessment.
F	10.2	Accountability system has a means for <i>applying the 95% assessment criteria to student subgroups and small schools</i> .

STATUS Legend:

- F – Final policy
- P – Proposed Policy, awaiting State approval
- W– Working to formulate policy

PART II: State Response and Activities for Meeting State Accountability System Requirements

Instructions

In Part II of this Workbook, States are to provide detailed information for each of the critical elements required for State accountability systems. States should answer the questions asked about each of the critical elements in the State's accountability system. States that do not have final approval for any of these elements or that have not finalized a decision on these elements by January 31, 2003, should, when completing this section of the Workbook, indicate the status of each element that is not yet official State policy and provide the anticipated date by which the proposed policy will become effective. In each of these cases, States must include a timeline of steps to complete to ensure that such elements are in place by May 1, 2003, and implemented during the 2002-2003 school year. By no later than May 1, 2003, States must submit to the Department final information for all sections of the Consolidated State Application Accountability Workbook.

Official letter from Dr. Michael E. Ward, State Superintendent for Public Instruction, is included as Appendix B in response to Dr. Eugene W. Hickok's letter.

PRINCIPLE 1. A single statewide Accountability System applied to all public schools and LEAs.

CRITICAL ELEMENT	EXAMPLES FOR MEETING STATUTORY REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>1.1 How does the State Accountability System include every public school and LEA in the State?</p>	<p>Every public school and LEA is required to make adequate yearly progress and is included in the State Accountability System.</p> <p>State has a definition of “public school” and “LEA” for AYP accountability purposes.</p> <ul style="list-style-type: none"> • The State Accountability System produces AYP decisions for all public schools, including public schools with variant grade configurations (e.g., K-12), public schools that serve special populations (e.g., alternative public schools, juvenile institutions, state public schools for the blind) and public charter schools. It also holds accountable public schools with no grades assessed (e.g., K-2). 	<p>A public school or LEA is not required to make adequate yearly progress and is not included in the State Accountability System.</p> <p>State policy systematically excludes certain public schools and/or LEAs.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>North Carolina’s pre-existing School-Based Management and Accountability Program (called the ABCs) included every school and LEA in the state. Our implementation of AYP will also include every school and LEA in the state. School AYP also will serve as a “closing the achievement gap” component of the ABCs in compliance with N.C. General Statutes §115C-105.35. Additionally, incentive awards will be provided at state expense (pending legislative approval) for schools that make AYP. The State Board of Education incorporated AYP into the ABCs by action at its June, 2002 meeting.</p>		

CRITICAL ELEMENT	EXAMPLES FOR MEETING STATUTORY REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>1.2 How are all public schools and LEAs held to the same criteria when making an AYP determination?</p>	<p>All public schools and LEAs are systematically judged on the basis of the same criteria when making an AYP determination.</p> <p>If applicable, the AYP definition is integrated into the State Accountability System.</p>	<p>Some public schools and LEAs are systematically judged on the basis of alternate criteria when making an AYP determination.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>AYP will be calculated in the same manner for all schools and LEAs in accordance with the requirements in NCLB and the Final Regulations. Based on State Board of Education action in June, 2002 AYP will be incorporated into the state’s accountability system, the ABCs, as a “closing the achievement gap” component pursuant to North Carolina General Statute §115C-105.35.</p> <p>The State Board of Education, however, will continue to calculate the growth component of the ABCs Accountability Program using the alternative schools model to designate which alternative schools have made the equivalent of expected growth or high growth. Note that all students in the alternative schools take the same state tests as those in the traditional public schools.</p> <p>Evidence: Revised APA Policy HSP-C-005, and http://sbepolicy.dpi.state.nc.us/; look for HSP-C-013</p>		

CRITICAL ELEMENT	EXAMPLES FOR MEETING STATUTORY REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>1.3 Does the State have, at a minimum, a definition of <i>basic</i>, <i>proficient</i> and <i>advanced</i> student achievement levels in reading/language arts and mathematics?</p>	<p>State has defined three levels of student achievement: <i>basic</i>, <i>proficient</i> and <i>advanced</i>.¹</p> <p>Student achievement levels of <i>proficient</i> and <i>advanced</i> determine how well students are mastering the materials in the State's academic content standards; and the <i>basic</i> level of achievement provides complete information about the progress of lower-achieving students toward mastering the <i>proficient</i> and <i>advanced</i> levels.</p>	<p>Standards do not meet the legislated requirements.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>Yes. The state has four achievement levels defined for its End-of-Grade tests (grades 3-8) in reading and mathematics and the North Carolina High School Comprehensive Test of Reading and Mathematics (grade 10). Levels III and IV indicate grade level proficiency or above. The achievement levels will be used in the calculation of AYP.</p> <p>Equating or linking studies are carried out whenever there is a transition in the curriculum and related tests to assure that the achievement level standards remain comparable across editions of assessments.</p> <p>Evidence: http://www.ncpublicschools.org/accountability/testing/briefs/archives/vol5no2.pdf</p>		

¹ System of State achievement standards will be reviewed by the Standards and Assessments Peer Review. The Accountability Peer Review will determine that achievement levels are used in determining AYP.

CRITICAL ELEMENT	EXAMPLES FOR MEETING STATUTORY REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>1.4 How does the State provide accountability and adequate yearly progress decisions and information in a timely manner?</p>	<p>State provides decisions about adequate yearly progress in time for LEAs to implement the required provisions before the beginning of the next academic year.</p> <p>State allows enough time to notify parents about public school choice or supplemental educational service options, time for parents to make an informed decision, and time to implement public school choice and supplemental educational services.</p>	<p>Timeline does not provide sufficient time for LEAs to fulfill their responsibilities before the beginning of the next academic year.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>In North Carolina, tests are scored locally within each LEA. The Department of Public Instruction provides software for scoring as well as for analysis. Existing software is being modified so that AYP calculations can be completed locally.</p> <p>NCDPI anticipates releasing software to the LEAs in June 2003 to enable them to generate AYP results for their respective schools. LEAs will be instructed to publicly announce AYP results for their schools before June 30 2003 (prior to the beginning of the next school year).</p> <p>In addition, all Title I schools that did not make AYP last year (total of 48 schools) were asked to send representatives to NCDPI for a meeting with Dr. Elsie Leak, Associate State Superintendent for Curriculum and School Reform, Mr. Bill McGrady, Section Chief for Compensatory Education and Mr. Gongshu Zhang, Title I Evaluation Consultant, to review their results from last year and discuss the steps needed to invoke NCLB sanctions if their school does not make AYP again this year.</p> <p>There may be an issue related to the second edition of EOG Reading Comprehension tests in 2002-03, which will affect timelines for reporting. We won't know for sure until Spring 2003 when additional analyses are completed.</p>		

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CRITICAL ELEMENT	EXAMPLES FOR MEETING STATUTORY REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>1.5 Does the State Accountability System produce an annual State Report Card?</p>	<p>The State Report Card includes all the required data elements [see Appendix A for the list of required data elements].</p> <p>The State Report Card is available to the public at the beginning of the academic year.</p> <p>The State Report Card is accessible in languages of major populations in the State, to the extent possible.</p> <p>Assessment results and other academic indicators (including graduation rates) are reported by student subgroups</p>	<p>The State Report Card does not include all the required data elements.</p> <p>The State Report Card is not available to the public.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		

Yes. It has been designed to accommodate the elements in Appendix A as well as a wealth of other information.

The disaggregations of state data are generally completed around October, which is typically within two months after the ABCs results are released. The 2002 NC Report Card is currently on schedule for release in February 2003. There exists a Report Card Committee that will continue working to find ways to release the report card earlier.

The *North Carolina School Report Cards* for 2002, including schools, LEAs and State are on the DPI website at: <http://www.ncreportcards.org/src/>. These reports are supported by additional grade level and disaggregation detail (e.g., two year trends in percent proficient in each subject and grade level), found at <http://www.ncpublicschools.org/vol2/rsds2002/index.html>, and by additional reporting in the First in America report published by the NC Education Research Council (NCERC) at <http://erc.northcarolina.edu/content.php/system/fia.htm> .

These reports do not currently address all of the specific requirements in NCLB because: 1) they were designed before DPI had complete details about the requirements; and 2) because the first year of implementation for NCLB has not yet concluded and thus all of the necessary data are not yet available. However, the NCDPI, the NCERC and the NC Governor's office have coordinated to produce a comprehensive reporting system that will accommodate NCLB requirements.

The 2002 release of School Report Cards demonstrates the flexibility of the report card design to accommodate NCLB requirements. The supplemental disaggregated reports at the second website reflect the framework of the underlying database to support the disaggregation required by NCLB. The school report card committee that produced the 2002 report is working now to incorporate the NCLB reporting requirements, as specified in the law, the regulations and the Accountability Workbook (Appendix A) submitted January 31, 2003.

CRITICAL ELEMENT	EXAMPLES FOR MEETING STATUTORY REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>1.6 How does the State Accountability System include rewards and sanctions for public schools and LEAs?²</p>	<p>State uses one or more types of rewards and sanctions, where the criteria are:</p> <ul style="list-style-type: none"> • Set by the State; • Based on adequate yearly progress decisions; and, • Applied uniformly across public schools and LEAs. 	<p>State does not implement rewards or sanctions for public schools and LEAs based on adequate yearly progress.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		

² The state must provide rewards and sanctions for all public schools and LEAs for making adequate yearly progress, except that the State is not required to hold schools and LEAs not receiving Title I funds to the requirements of section 1116 of NCLB [§200.12(b)(40)].

The State Board of Education revamped the incentive awards structure in June 2002 to include AYP as a basis for awards in addition to the usual ABCs criteria. Under the approved structure certified staff in public schools will receive up to \$600 each if their school makes expected growth in the ABCs, up to an additional \$600 if the school makes high growth, and \$600 each if the school makes AYP for a maximum possible award of \$1800 per certified staff if the schools makes all three goals. Teacher assistants can receive up to \$200 each for each component, up to a maximum of \$600.

SBE will seek legislative action in the spring of 2003 to allow budgetary allotments to support the proposed incentive awards.

Communication will play a major role in how the public views the accountability results from this school year. The NCDPI recently has been conducting “Media Briefings” across the state so that members of the media can have an opportunity to better understand NCLB. Part of the conversation involves the fact that the SBE will be making changes to the recognition categories to incorporate AYP starting with the 2003-2004 school year. The SBE (based on input from various advisory committees) wants to see data from the first year of NCLB implementation to better guide the final decisions about the changes in recognition categories. The SBE, whenever possible, avoids making major changes in the accountability program in the middle of the school year. Therefore, the public will be informed that this year’s categories reflect the school as a whole while the AYP results reflect subgroup performance as well.

The following proposed timeline is presented for SBE changes to the recognition categories (it will be done sooner if data analyses are completed earlier than expected).

- June/July 2003 – Local Education Agencies (LEAs) report AYP results for their respective schools (prior to the beginning of the next school year); LEAs submit data to NCDPI for additional quality control and to do ABCs analyses and verify LEA AYP decisions
- September 2003 – SBE approves ABCs results and verifies AYP results reported by the LEAs).
- October 2003 – Compliance Commission for Accountability and other advisory committees review options for changes in recognition categories
- November 2003 – SBE discusses recommendations from various committees
- December 2003 – SBE approves recommendation for changes to recognition categories

The State will not hold non-Title I schools to the requirements of section 1116 of NCLB [§200.12(b)(40)]; non-Title I schools that do not make AYP for two consecutive years will be required to amend their school improvement plan to the address the situation.

PRINCIPLE 2. All students are included in the State Accountability System.

CRITICAL ELEMENT	EXAMPLES FOR MEETING STATUTORY REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>2.1 How does the State Accountability System include all students in the State?</p>	<p>All students in the State are included in the State Accountability System.</p> <p>The definitions of "public school" and "LEA" account for all students enrolled in the public school district, regardless of program or type of public school.</p>	<p>Public school students exist in the State for whom the State Accountability System makes no provision.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>Every public school in the state is assigned a six-digit LEA/SCHOOL code. Each school maintains a student information management system (SIMS) for purposes of recording membership, attendance, grades and other information about each student. When statewide tests are administered, schools are required to submit an answer sheet for every student in membership. Data collected for accountability purposes are submitted to numerous quality control checks to ensure that they are complete, accurate and consistent with the SIMS records. Operational procedures are spelled out in a variety of documents distributed to LEA Testing Coordinators who are trained through a system of Regional Accountability Coordinators who assist local personnel in maintaining and reporting their data according to agency requirements.</p> <p>A full spectrum of assessment alternatives is offered ranging from multiple-choice tests to performance assessments and alternative assessments to allow every student to be tested in an appropriate manner.</p> <p>Students who are absent may impact schools' ABCs outcomes by causing them to fail to meet testing requirements to test at least 95% of all students without any exclusions of any kind. The 95% requirement for NCLB will also be administered as part of AYP starting in 2002-03.</p>		

CRITICAL ELEMENT	EXAMPLES FOR MEETING STATUTORY REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>2.2 How does the State define “full academic year” for identifying students in AYP decisions?</p>	<p>The State has a definition of “full academic year” for determining which students are to be included in decisions about AYP.</p> <p>The definition of full academic year is consistent and applied statewide.</p>	<p>LEAs have varying definitions of “full academic year.”</p> <p>The State’s definition excludes students who must transfer from one district to another as they advance to the next grade.</p> <p>The definition of full academic year is not applied consistently.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>By action in November 2002, the SBE defines FAY as 140 days in membership as of the first day of EOG testing (which occurs during the final three weeks of school.)</p> <p>Evidence: http://www.ncpublicschools.org/sbehighlights/nov02highlights.html</p>		

CRITICAL ELEMENT	EXAMPLES FOR MEETING STATUTORY REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>2.3 How does the State Accountability System determine which students have attended the same public school and/or LEA for a full academic year?</p>	<p>State holds public schools accountable for students who were enrolled at the same public school for a full academic year.</p> <p>State holds LEAs accountable for students who transfer during the full academic year from one public school within the district to another public school within the district.</p>	<p>State definition requires students to attend the same public school for more than a full academic year to be included in public school accountability.</p> <p>State definition requires students to attend school in the same district for more than a full academic year to be included in district accountability.</p> <p>State holds public schools accountable for students who have not attended the same public school for a full academic year.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>Membership information from SIMS is contained in the master accountability files collected from each school. These files indicate the number of days in membership in the current school. Unfortunately the SIMS does not contain information about membership at previously attended schools whenever students transfer from one school to another. North Carolina plans to add a process for the Spring 2003 data collection that will require schools to code in the master accountability files whether the students who have not satisfied FAY in the current school have been in other schools in the LEA during the current year for a total of 140 days.</p> <p>All students will be counted in the calculation of state AYP irrespective of the amount of time that they have attended schools in the state during the current year since there is no reliable method currently available to track the information statewide. The state is implementing a new student information system called NCWISE that can handle these data but it will be several years before it is installed in all schools.</p>		

PRINCIPLE 3. State definition of AYP is based on expectations for growth in student achievement that is continuous and substantial, such that all students are proficient in reading/language arts and mathematics no later than 2013-2014.

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>3.1 How does the State's definition of adequate yearly progress require all students to be proficient in reading/language arts and mathematics by the 2013-2014 academic year?</p>	<p>The State has a timeline for ensuring that all students will meet or exceed the State's proficient level of academic achievement in reading/language arts³ and mathematics, not later than 2013-2014.</p>	<p>State definition does not require all students to achieve proficiency by 2013-2014.</p> <p>State extends the timeline past the 2013-2014 academic year.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>The state's AYP timeline requires that all students reach proficiency no later than 2013-2014. See 3.2c.</p>		

³ If the state has separate assessments to cover its language arts standards (e.g., reading and writing), the State must create a method to include scores from all the relevant assessments.

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CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>3.2 How does the State Accountability System determine whether each student subgroup, public school and LEA makes AYP?</p>	<p>For a public school and LEA to make adequate yearly progress, each student subgroup must meet or exceed the State annual measurable objectives, each student subgroup must have at least a 95% participation rate in the statewide assessments, and the school must meet the State's requirement for other academic indicators.</p> <p>However, if in any particular year the student subgroup does not meet those annual measurable objectives, the public school or LEA may be considered to have made AYP, if the percentage of students in that group who did not meet or exceed the proficient level of academic achievement on the State assessments for that year decreased by 10% of that percentage from the preceding public school year; that group made progress on one or more of the State's academic indicators; and that group had at least 95% participation rate on the statewide assessment.</p>	<p>State uses different method for calculating how public schools and LEAs make AYP.</p>

STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS

For a public school and LEA to make adequate yearly progress, each student subgroup must meet or exceed the State’s annual measurable objectives, each student subgroup must have at least a 95% participation rate in the statewide assessments, and the school must meet the State’s requirement for graduation rate or attendance. (Graduation rate is the other academic indicator in schools that have a twelfth grade and graduate seniors. Attendance is the other academic indicator in schools that do not have a twelfth grade and/or do not graduate seniors.)

However, if in any particular year a student subgroup does not meet those annual measurable objectives, the public school or LEA will be considered to have made AYP, if the percentage of students in that group who did not meet or exceed the proficient level of academic achievement on the State assessments for that year decreased by 10% of that percentage from the preceding public school year; that group made progress on the applicable academic indicator; and that group had at least 95% participation rate on the statewide assessment. (We refer to this as the “safe harbor” provision.)

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>3.2a What is the State's starting point for calculating Adequate Yearly Progress?</p>	<p>Using data from the 2001-2002 school year, the State established separate starting points in reading/language arts and mathematics for measuring the percentage of students meeting or exceeding the State's proficient level of academic achievement.</p> <p>Each starting point is based, at a minimum, on the higher of the following percentages of students at the proficient level: (1) the percentage in the State of proficient students in the lowest-achieving student subgroup; or, (2) the percentage of proficient students in a public school at the 20th percentile of the State's total enrollment among all schools ranked by the percentage of students at the proficient level.</p> <p>A State may use these procedures to establish separate starting points by grade span; however, the starting point must be the same for all like schools (e.g., one same starting point for all elementary schools, one same starting point for all middle schools...).</p>	<p>The State Accountability System uses a different method for calculating the starting point (or baseline data).</p>

STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS

Using the data from the 2001-02, 2000-01 and the 1999-2000 school years for EOG (grades 3-8), and averaging the results for the three years, the State established separate starting points in reading/language arts and mathematics for measuring the percentage of students meeting or exceeding the State's proficient level of academic achievement in grades 3-8. Using the data from the 2000-01, 1999-2000 and 1998-99 school years for the NC High School Comprehensive Test of Reading and Mathematics (grade 10), and averaging the results for the three years, the State established separate starting points in reading/language arts and mathematics for measuring the percentage of students meeting or exceeding the State's proficient level of academic achievement in grade 10. (Note – the North Carolina High School Comprehensive Test was administered in 2001-2002 only in the high schools serving Title I students in grades 10-12.)

Each starting point calculation is based on the higher of the following percentages of students at the proficient level: (1) the percentage in the State of proficient students in the lowest-achieving student subgroup; or, (2) the percentage of proficient students in a public school at the 20th percentile of the State's total enrollment among all schools ranked by the percentage of students at the proficient level.

The starting points so established are the same for all like schools (e.g., schools containing any of the grades 3-8 or schools containing grade 10.) Schools containing grades from both grade ranges will be required to meet the intermediate goals and annual measurable objectives for both grade ranges.

The starting points are as follows for n=40:

Grade Ranges
Reading
Mathematics

3-8

68.896550615986
(Rounded to 68.9)

74.6495245710527
(Rounded 74.6)

10

52.0114667940755
(Rounded to 52.0)
54.8777467227979
(Rounded to 54.9)

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CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>3.2b What are the State's annual measurable objectives for determining adequate yearly progress?</p>	<p>State has annual measurable objectives that are consistent with a state's intermediate goals and that identify for each year a minimum percentage of students who must meet or exceed the proficient level of academic achievement on the State's academic assessments.</p> <p>The State's annual measurable objectives ensure that all students meet or exceed the State's proficient level of academic achievement within the timeline.</p> <p>The State's annual measurable objectives are the same throughout the State for each public school, each LEA, and each subgroup of students.</p>	<p>The State Accountability System uses another method for calculating annual measurable objectives.</p> <p>The State Accountability System does not include annual measurable objectives.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p><input type="checkbox"/> Annual measurable objectives are set consistent with the starting points and intermediate goals established by the SBE. See 3.2c.</p>		

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CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>3.2c What are the State's intermediate goals for determining adequate yearly progress?</p>	<p>State has established intermediate goals that increase in equal increments over the period covered by the State timeline.</p> <ul style="list-style-type: none"> • The first incremental increase takes effect not later than the 2004-2005 academic year. • Each following incremental increase occurs within three years. 	<p>The State uses another method for calculating intermediate goals.</p> <p>The State does not include intermediate goals in its definition of adequate yearly progress.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		

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CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
	<p>The SBE established in January 2003 that intermediate goals shall change in three-year increments. The first incremental increase will take effect in 2004-05; the second incremental increase will take effect in 2007-08; the third in 2010-11 and the last in 2013-14.</p> <p style="text-align: center;">Starting Points and Intermediate Goals</p> <p style="text-align: center;">January 30, 2003</p> <p style="text-align: center;">Year Grades 3-8 (%) Grade 10 (%)</p> <p style="text-align: center;">Reading Mathematics Reading Mathematics</p> <p style="text-align: center;">Starting Points (2001-02)</p> <p style="text-align: center;">68.9 74.6 52.0 54.9</p> <p style="text-align: center;">2002-03</p> <p style="text-align: center;">68.9 74.6 52.0 54.9</p> <p style="text-align: center;">2003-04</p> <p style="text-align: center;">68.9 74.6 52.0 54.9</p> <p style="text-align: center;">2004-05</p> <p style="text-align: center;">76.7 81.0 64.0 66.2 26</p> <p style="text-align: center;">2005-06</p> <p style="text-align: center;">76.7 81.0 64.0</p>	<p style="text-align: right;">1/29/03 (Revised 4/22/03)</p>

PRINCIPLE 4. State makes annual decisions about the achievement of all public schools and LEAs.

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
4.1 How does the State Accountability System make an annual determination of whether each public school and LEA in the State made AYP?	AYP decisions for each public school and LEA are made annually. ⁴	AYP decisions for public schools and LEAs are not made annually.
STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS		
<p>LEAs will make preliminary determinations of AYP for schools and LEAs each year following the annual state testing based on data for that year. AYP decisions for public schools, LEAs and the state will be confirmed and reported by the state annually as part of the ABCs and NC State Report Card after data are collected from the LEAs.</p>		

⁴ Decisions may be based upon several years of data and data may be averaged across grades within a public school [§1111(b)(2)(J)].

PRINCIPLE 5. All public schools and LEAs are held accountable for the achievement of individual subgroups.

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>5.1 How does the definition of adequate yearly progress include all the required student subgroups?</p>	<p>Identifies subgroups for defining adequate yearly progress: economically disadvantaged, major racial and ethnic groups, students with disabilities, and students with limited English proficiency.</p> <p>Provides definition and data source of subgroups for adequate yearly progress.</p>	<p>State does not disaggregate data by each required student subgroup.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>North Carolina master accountability files contain data for identifying the subgroups to be used for AYP. They are:</p> <ul style="list-style-type: none"> • The school as a whole • Asian • American Indian • Black • Hispanic • Multi-racial • White • Economically disadvantaged • LEP • Students with Disabilities 		

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>5.2 How are public schools and LEAs held accountable for the progress of student subgroups in the determination of adequate yearly progress?</p>	<p>Public schools and LEAs are held accountable for student subgroup achievement: economically disadvantaged, major ethnic and racial groups, students with disabilities, and limited English proficient students.</p>	<p>State does not include student subgroups in its State Accountability System.</p>
STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS		
<p>Each identified subgroup must attain AYP annual measurable objectives. Some may do so using the “safe harbor” provisions.</p>		

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>5.3 How are students with disabilities included in the State's definition of adequate yearly progress?</p>	<p>All students with disabilities participate in statewide assessments: general assessments with or without accommodations or an alternate assessment based on grade level standards for the grade in which students are enrolled.</p> <p>State demonstrates that students with disabilities are fully included in the State Accountability System.</p>	<p>The State Accountability System or State policy excludes students with disabilities from participating in the statewide assessments.</p> <p>State cannot demonstrate that alternate assessments measure grade-level standards for the grade in which students are enrolled.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
	<p>All students with disabilities must be assessed either with the state’s multiple choice reading and mathematics tests administered under standard conditions, or with accommodations, or take one of the state’s alternate assessments (NCAAAI or NCAAP) as indicated in the student’s IEP. Results from students taking these assessments are included in the AYP calculations for reading and mathematics.</p> <p>The state also computes and reports the numbers and percentages of students with disabilities participating in the assessments.</p> <p>The North Carolina State SBE has approved the use of the North Carolina Alternate Assessment Portfolio (NCAAP) as the instrument that an IEP team can designate for students with serious cognitive disabilities. The NCAAP uses alternate achievement standards for these students that are aligned with North Carolina’s academic content standards and reflect professional judgment of the highest learning standards possible for these students. Moreover, the percentage of students held to these alternate achievement standards (through the NCAAP) at the district and State levels will not exceed 1.0 percent of all students in the grades assessed. The results from students taking the NCAAP will be used to determine AYP since the portfolio will generate a reading score and a mathematics score for these students.</p> <p>Evidence: Revised APA Policy HSP-C-005</p>	

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>5.4 How are students with limited English proficiency included in the State's definition of adequate yearly progress?</p>	<p>All LEP student participate in statewide assessments: general assessments with or without accommodations or a native language version of the general assessment based on grade level standards.</p> <p>State demonstrates that LEP students are fully included in the State Accountability System.</p>	<p>LEP students are not fully included in the State Accountability System.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>All LEP students must be assessed either with the state's multiple choice reading and mathematics tests administered under standard conditions, or with accommodations, or take the state's NCAAAI assessment for LEP students. The NCAAAI is based on grade level standards and is not the assessment instrument used for students with serious cognitive deficits.</p> <p>The state calculates and reports the numbers of LEP students participating in the state's assessments. For purposes of reporting LEP students as a subgroup in a school or district the state only will include the scores of students currently classified as LEP in the tested grades.</p> <p>Evidence: Revised APA Policy HSP-C-005</p>		

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CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF <i>NOT</i> MEETING REQUIREMENTS
<p>5.5 What is the State's definition of the minimum number of students in a subgroup required for reporting purposes? For accountability purposes?</p>	<p>State defines the number of students required in a subgroup for reporting and accountability purposes, and applies this definition consistently across the State.⁵</p> <p>Definition of subgroup will result in data that are statistically reliable.</p>	<p>State does not define the required number of students in a subgroup for reporting and accountability purposes.</p> <p>Definition is not applied consistently across the State.</p> <p>Definition does not result in data that are statistically reliable.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		

⁵ The minimum number is not required to be the same for reporting and accountability.

The SBE has adopted 40 students' scores as the minimum number of scores to be statistically reliable and valid for AYP purposes. This number is based on the students that meet the definition of a full academic year. In the ABCs, the minimum 'n' = 30 requirement applies to the ABCs growth composite scores. Those scores are a weighted average of grade and subject level growth components, across all grades and subjects in the school. In the growth composites, reading and mathematics growth results are combined, and one overall index is created for the entire school. The ABCs components are combined in a compensatory manner to produce the overall composite. There are no subgroup growth composites.

The ABCs growth composites benefit from the averaging and weighting that takes place. The averaging helps reduce the volatility that would be more inherent in having multiple summary statistics. The weighting (each component is weighted proportional to the number of scores involved) helps reduce the impact of the volatility associated with smaller groups of students in some grades or subjects. The compensatory nature of the growth composites allows excellent growth in one grade or subject to compensate for a lesser growth in another subject or grade.

In contrast, with AYP, reading and mathematics analyses are separated and multiple summary statistics are created (i.e., a percentage for each subject/subgroup combination). AYP calculations are combined in a conjunctive manner to arrive at an AYP designation. So one subgroup performance in one grade cannot compensate for poor performance by another subgroup or grade in determining the school's overall status.

It seems appropriate to have a more stringent criterion for minimum 'n' for AYP calculations than for ABCs growth because: 1) AYP requires multiple summary statistics for each school to make an AYP designation (ABCs uses only one growth composite to make a determination of whether a school made expected growth); 2) AYP is a conjunctive standard (ABCs growth uses a compensatory one); and, 3) AYP represents even higher stakes than the ABCs.

The agency will continue to report scores for groups of five (5) or more students.

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF <i>NOT</i> MEETING REQUIREMENTS
5.6 How does the State Accountability System protect the privacy of students when reporting results and when determining AYP?	Definition does not reveal personally identifiable information. ⁶	Definition reveals personally identifiable information.

STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS

AYP:

For schools in the state with less than 40 students assessed in the tested grades (other than K-2 schools, special education schools, hospital schools and vocational and career centers where a feeder pattern is used to determine AYP), the North Carolina Department of Public Instruction (NCDPI) will use whatever state test data are available to make an AYP determination for the school, regardless of the numbers of students below 40, although the results for the school will be flagged as “results based on less than 40 students.”

Reporting:

Aggregate results will not be reported when based on fewer than five scores. Instead, the report will show “*” (or other symbol) with an appropriate explanation.

As suggested by the USED, whenever all students in a subgroup in a school, LEA or the state score in the same achievement level, NC will report the results as “>95%” of the students score in the respective category. A consequence of complying with this privacy protection requirement may be that the underlying score summary information will not be completely verifiable to the schools, LEAs or the general public and reported summary information may not appear to aggregate accurately in such cases. This is an unavoidable consequence of compliance.

⁶ The Family Education Rights and Privacy Act (FERPA) prohibits an LEA that receives Federal funds from releasing, without the prior written consent of a student’s parents, any personally identifiable information contained in a student’s education record.

PRINCIPLE 6. State definition of AYP is based primarily on the State’s academic assessments.

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>6.1 How is the State’s definition of adequate yearly progress based primarily on academic assessments?</p>	<p>Formula for AYP shows that decisions are based primarily on assessments.⁷</p> <p>Plan clearly identifies which assessments are included in accountability.</p>	<p>Formula for AYP shows that decisions are based primarily on non-academic indicators or indicators other than the State assessments.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>For North Carolina, AYP will be based on the End-of-Grade Reading Comprehension and Mathematics tests administered annually in grades 3-8; and on the NC High School Comprehensive Test of Reading and Mathematics administered annually in grade 10. In addition the results for students who take the NC Alternate Assessment Portfolio (NCAAP) or the NC Alternate Assessment Academic Inventory (NCAAAI) administered in grades 3-8 and 10 are included. Finally, AYP also includes performance on the other academic indicators of attendance and graduation rates at the school as a whole level.</p>		

⁷ State Assessment System will be reviewed by the Standards and Assessments Peer Review Team.

PRINCIPLE 7. State definition of AYP includes graduation rates for public High schools and an additional indicator selected by the State for public Middle and public Elementary schools (such as attendance rates).

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF <i>NOT</i> MEETING REQUIREMENTS
<p>7.1 What is the State definition for the public high school graduation rate?</p>	<p>State definition of graduation rate:</p> <ul style="list-style-type: none"> • Calculates the percentage of students, measured from the beginning of the school year, who graduate from public high school with a regular diploma (not including a GED or any other diploma not fully aligned with the state's academic standards) in the standard number of years; or, • Uses another more accurate definition that has been approved by the Secretary; and • Must avoid counting a dropout as a transfer. <p>Graduation rate is included (in the aggregate) for AYP, and disaggregated (as necessary) for use when applying the exception clause⁸ to make AYP.</p>	<p>State definition of public high school graduation rate does not meet these criteria.</p>

⁸ See USC 6311(b)(2)(I)(i), and 34 C.F.R. 200.20(b)

STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS

The state proposes to start with a “simple” definition of graduation rates based on the actual definition contained in the NCLB legislation. The state acknowledges the new definition contained in the final regulations and will migrate to a more desirable cohort definition over the next four years. The current plan is as follows:

“Simple” Definition

To be within DPI implementation capabilities for 2002-03, the proposed definition would be based on the wording provided in the NCLB legislation.

In that framework, we propose that the North Carolina “graduation rate for public high schools” be initially defined as “The percentage of students who graduate from high school with a regular diploma in the standard number of years.” According to final regulations, “diploma” does not include “an alternative degree that is not fully aligned with the State’s academic standards, such as a certificate or a GED.” SBE Policy HSP-N-004 describes the requirements for a North Carolina diploma and provides evidence that North Carolina issues only one diploma to all students, regardless of which Course of Study they successfully complete. See <http://sbepolicy.dpi.state.nc.us/> for a copy of this policy. The “standard number of years” will be defined as four years or less.

Data source for 2002-03: The 2002-03 ABCs masterbuild files will be coded to reflect diploma recipients. The same files will indicate the date when students took End-of-Grade (EOG) tests in 8th grade. Calculating the elapsed time between 8th grade EOG tests and diploma receipt will ascertain the number of years. Schools will be given the capability to manually record the necessary information for students that do not have 8th grade EOG data (e.g., students who moved into the state after the 8th grade or who previously attended private schools).

Timeline for Moving to a Cohort Definition of Graduation Rate

For the longer term, we propose a prospective (forward) on-time graduation rate. The first step would be to establish a baseline for membership in ninth grade during the 2002-03 school year. Current student information management systems in North Carolina do not have the capability to track students over a four-year period anywhere in the state. Therefore, LEAs would be asked to generate student rosters for ninth graders in 2002-03 and retain them for future reference. LEAs and/or schools would record the transition outcomes for each student on the roster over the next four years and maintain that information so that it could be matched with the diploma recipient information collected through the 2005-06 masterbuild files (or other data collection that may be more appropriate at that time). Thus the first year in which a cohort based graduation rate could be calculated would be the 2005-06 school year, and the first year in which “progress” could be ascertained using a cohort definition for two successive graduation rates would be 2006-07.

The calculations will avoid counting a dropout as a transfer. The graduation rate will be used for AYP for the school as a whole and to invoke the exception clause (“safe harbor”) as appropriate for determining AYP for groups in a school. The graduation rate will be the other academic indicator for schools that have a twelfth grade and graduate seniors. Progress will be defined as at least 0.1 percentage point increase from one year to the next (up to a threshold of 90%. Any fluctuations above 90% for the graduation rate will meet the requirement for progress.

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>7.2 What is the State's additional academic indicator for public elementary schools for the definition of AYP? For public middle schools for the definition of AYP?</p>	<p>State defines the additional academic indicators, e.g., additional State or locally administered assessments not included in the State assessment system, grade-to-grade retention rates or attendance rates.⁹</p> <p>An additional academic indicator is included (in the aggregate) for AYP, and disaggregated (as necessary) for use when applying the exception clause to make AYP.</p>	<p>State has not defined an additional academic indicator for elementary and middle schools.</p>
STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS		
<p>Attendance rates will be used for elementary and middle schools for the other academic indicator. It will be included (in the aggregate) to determine AYP and will be disaggregated (as necessary) for applying the exception clause (“safe harbor”) to groups within the school.</p> <p>Progress on attendance will be defined as at least 0.1 percentage point increase from one year to the next up to a threshold of 90%. Any fluctuations above 90% for attendance will meet the requirement for progress.</p>		
<p>7.3 Are the State's academic</p>	<p>State has defined academic</p>	<p>State has an academic indicator</p>

⁹ NCLB only lists these indicators as examples.

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CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF <i>NOT</i> MEETING REQUIREMENTS
indicators valid and reliable?	indicators that are valid and reliable. State has defined academic indicators that are consistent with nationally recognized standards, if any.	that is not valid and reliable. State has an academic indicator that is not consistent with nationally recognized standards. State has an academic indicator that is not consistent within grade levels.

STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS

Yes, they were required or recommended by the NCLB Act of 2001.

PRINCIPLE 8. AYP is based on reading/language arts and mathematics achievement objectives.

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF <i>NOT</i> MEETING REQUIREMENTS
8.1 Does the state measure achievement in reading/language arts and mathematics separately for determining AYP?	State AYP determination for student subgroups, public schools and LEAs separately measures reading/language arts and mathematics. ¹⁰ AYP is a separate calculation for reading/language arts and mathematics for each group, public school, and LEA.	State AYP determination for student subgroups, public schools and LEAs averages or combines achievement across reading/language arts and mathematics.
STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS		
Yes.		

¹⁰ If the state has more than one assessment to cover its language arts standards, the State must create a method for including scores from all the relevant assessments.

PRINCIPLE 9. State Accountability System is statistically valid and reliable.

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>9.1 How do AYP determinations meet the State's standard for acceptable reliability?</p>	<p>State has defined a method for determining an acceptable level of reliability (decision consistency) for AYP decisions.</p> <p>State provides evidence that decision consistency is (1) within the range deemed acceptable to the State, and (2) meets professional standards and practice.</p> <p>State publicly reports the estimate of decision consistency, and incorporates it appropriately into accountability decisions.</p> <p>State updates analysis and reporting of decision consistency at appropriate intervals.</p>	<p>State does not have an acceptable method for determining reliability (decision consistency) of accountability decisions, e.g., it reports only reliability coefficients for its assessments.</p> <p>State has parameters for acceptable reliability; however, the actual reliability (decision consistency) falls outside those parameters.</p> <p>State's evidence regarding accountability reliability (decision consistency) is not updated.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
	<p>The state will monitor the AYP outcomes yearly and examine their characteristics, including consistency across years and in relation to other indicators of progress. The Compliance Commission for Accountability and the Division of Accountability Services Technical Advisory Committee will be consulted for advice regarding how “decision consistency” can be defined in the context of AYP and NCLB.</p> <p>North Carolina has a history of giving great attention to the reliability and validity of its assessments and accountability system. All assessments are developed to meet or exceed industry standards for psychometric validity and reliability. The ABCs system was originally developed empirically using replication and cross-validation procedures. For example, the growth standards were based on data for three years (two successive, independent, two-wave longitudinal cohorts.) Similarly, End of Course (EOC) prediction formulas (for high school growth standards) were checked with cross-validation samples during the developmental years and by replication of the models in subsequent years. All models for setting growth standards have been monitored annually to verify that they continue to operate according to their respective designs, in an equitable and consistent manner. In addition, each year all data collection and analysis procedures are subject to numerous quality control checks and are subjected to verification at the school, LEA, and state levels.</p> <p>The NCDPI will adopt a similar attitude with respect to the system for calculating AYP. The system and the results will be monitored annually. The processes for data collection and analysis will be monitored to ensure that they continue to comply with existing quality standards. Additional quality control standards will be developed as necessary to address specific requirements related to NCLB. Verification will be required at the school, LEA and state levels.</p> <p>The validity and reliability of the system will be studied and monitored. The NCDPI plans to consider and use, whenever appropriate, ideas suggested in the papers referenced in the <i>Peer Review Guidance</i> document issued by USED—specifically, the references:</p> <ul style="list-style-type: none"> – Marion, S.F., White, C., Carlson, D., Erpenbach, W.J., Rabinowitz, S, Sheinker, J. (2002). Making valid and reliable decisions in the determination of adequate yearly progress: A Paper in the Series: <i>Implementing The State Accountability System Requirements Under The No Child Left Behind Act of 2001</i>. Washington, D.C.: Council of Chief State School Officers. – Hill, R., & DePascale, C. (2002). Determining the reliability of school scores. National Center for the Improvement of Educational Assessment. – Baker, E. & Linn, R.L. (2002). Validity issues for accountability systems. CRESST/CSE Technical Report #585. – Baker, E., Linn, R.L., Herman, J., & Koretz, D. (2002, Winter). Standards for educational accountability systems. CRESST Policy Brief 5. <p>Validity and reliability of accountability systems is a fairly new concept, as evidenced by the uniformly recent publication dates of the suggested papers. NCDPI will monitor the literature in this area and refine its efforts in this regard as the field evolves over the next few years to address this important concern.</p>	

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
9.2 What is the State's process for making valid AYP determinations?	State has established a process for public schools and LEAs to appeal an accountability decision.	State does not have a system for handling appeals of accountability decisions.

STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS

The state already has an appeals process related to growth standards. The Compliance Commission for Accountability serves as the appeals committee and advises the SBE in matters related to appeals. However, for AYP determinations, the LEAs will be required to establish an appeals process for their respective schools.

Before identifying a school for school improvement, corrective action, or restructuring, an LEA must provide the school with an opportunity to review the school-level data, including academic assessment data, on which the proposed identification is based. The SBE has designated the Title I Committee of Practitioners as the review body for an LEA and authorizes the State Superintendent to make a final determination for the LEA.

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>9.3 How has the State planned for incorporating into its definition of AYP anticipated changes in assessments?</p>	<p>State has a plan to maintain continuity in AYP decisions necessary for validity through planned assessment changes, and other changes necessary to comply fully with NCLB.¹¹</p> <p>State has a plan for including new public schools in the State Accountability System.</p> <p>State has a plan for periodically reviewing its State Accountability System, so that unforeseen changes can be quickly addressed.</p>	<p>State's transition plan interrupts annual determination of AYP.</p> <p>State does not have a plan for handling changes: e.g., to its assessment system, or the addition of new public schools.</p>
<p>STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS</p>		
<p>The state transitioned to a new mathematics assessment two years ago and will experience a change in Reading Comprehension tests in 2002-03. Each year the Division of Accountability Services does analyses to monitor the stability of the current accountability model. These analyses will continue under the new system. Equating, linking and comparability studies are used as necessary to ensure that transitions can be made appropriately. These issues will be discussed with the state's Technical Advisory Committee. We also are planning for additional components (e.g., science) to be added to our program as required by NCLB.</p>		

¹¹ Several events may occur which necessitate such a plan. For example, (1) the State may need to include additional assessments in grades 3-8 by 2005-2006; (2) the State may revise content and/or academic achievement standards; (3) the State may need to recalculate the starting point with the addition of new assessments; or (4) the State may need to incorporate the graduation rate or other indicators into its State Accountability System. These events may require new calculations of validity and reliability.

PRINCIPLE 10. In order for a public school or LEA to make AYP, the State ensures that it assessed at least 95% of the students enrolled in each subgroup.

CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
<p>10.1 What is the State's method for calculating participation rates in the State assessments for use in AYP determinations?</p>	<p>State has a procedure to determine the number of absent or untested students (by subgroup and aggregate).</p> <p>State has a procedure to determine the denominator (total enrollment) for the 95% calculation (by subgroup and aggregate).</p> <p>Public schools and LEAs are held accountable for reaching the 95% assessed goal.</p>	<p>The state does not have a procedure for determining the rate of students participating in statewide assessments.</p> <p>Public schools and LEAs are not held accountable for testing at least 95% of their students.</p>
STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS		
<p>Schools are required to submit an answer sheet for every student in membership, even if they were absent the day of testing. We have implemented testing requirements for several years in which we determine violations of percent tested rules. The accountability system may deny incentive awards if schools do not test the required percentage. Data are crosschecked with other membership reports to ascertain accuracy.</p>		

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CRITICAL ELEMENT	EXAMPLES FOR MEETING REQUIREMENTS	EXAMPLES OF NOT MEETING REQUIREMENTS
10.2 What is the State's policy for determining when the 95% assessed requirement should be applied?	State has a policy that implements the regulation regarding the use of 95% allowance when the group is statistically significant according to State rules.	State does not have a procedure for making this determination.
STATE RESPONSE AND STATE ACTIVITIES FOR MEETING REQUIREMENTS		
<p>The 95% rule will apply whenever the number of students in membership in a group is at least 40.</p>		

Appendix A

Required Data Elements for State Report Card

1111(h)(1)(C)

1. Information, in the aggregate, on student achievement at each proficiency level on the State academic assessments (disaggregated by race, ethnicity, gender, disability status, migrant status, English proficiency, and status as economically disadvantaged, except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.
2. Information that provides a comparison between the actual achievement levels of each student subgroup and the State's annual measurable objectives for each such group of students on each of the academic assessments.
3. The percentage of students not tested (disaggregated by the student subgroups), except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.
4. The most recent 2-year trend in student achievement in each subject area, and for each grade level, for the required assessments.
5. Aggregate information on any other indicators used by the State to determine the adequate yearly progress of students in achieving State academic achievement standards disaggregated by student subgroups.
6. Graduation rates for secondary school students disaggregated by student subgroups.
7. Information on the performance of local educational agencies in the State regarding making adequate yearly progress, including the number and names of each school identified for school improvement under section 1116.
8. The professional qualifications of teachers in the State, the percentage of such teachers teaching with emergency or provisional credentials, and the percentage of classes in the State not taught by highly qualified teachers, in the aggregate and disaggregated by high-poverty compared to low-poverty schools which (for this purpose) means schools in the top quartile of poverty and the bottom quartile of poverty in the State.



Public Schools of North Carolina

State Board of Education
Phillip J. Kirk, Jr., Chairman

Department of Public Instruction
Michael E. Ward, State Superintendent

www.ncpublicschools.org

Appendix B

April 21, 2003

Dr. Eugene W. Hickok
The Under Secretary
United States Department of Education
400 Maryland Avenue, S.W.
Washington, D.C. 20202

Dear Dr. Hickok:

The information presented below is in response to the faxed letter I received from you on Thursday, April 17, 2003 pertaining to the review of our State Accountability System.

Please note that our responses (in **bold**) will be discussed with the North Carolina State Board of Education (SBE), and hopefully approved, at its meeting on May 1, 2003. The Accountability Workbook will be revised to be consistent with the information in this letter and it will be sent to you by Wednesday, April 23, 2003.

Alignment with the Statute and Regulations

- Standards for students with disabilities.

USED:

Please provide additional information explaining how the results from the alternate assessment will be included in adequate yearly progress (AYP) determinations when you advise us of your preferred course of action.

NC Response:

The North Carolina State SBE has approved the use of the North Carolina Alternate Assessment Portfolio (NCAAP) as the instrument that an IEP team can designate for students with serious cognitive disabilities. The NCAAP uses alternate achievement standards for these students that are aligned with North Carolina's academic content standards and reflect professional judgment of the highest learning standards possible for these students. Moreover, the percentage of students held to these alternate achievement standards (through the NCAAP) at the district and State levels will not exceed 1.0 percent of all students in the grades assessed. The results from students taking the NCAAP will be used to determine AYP since the portfolio will generate a reading score and a mathematics score for these students.

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Telephone (919) 807-3430

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- Inclusion of all schools in AYP.

USED:

Please provide information explaining how small schools—i.e., those in which the number of students assessed is less than 40, the State’s minimum number for statistical reliability—will be included in accountability decisions.

NC Response:

For schools in the state with less than 40 students assessed in the tested grades (other than K-2 schools, special education schools, hospital schools and vocational and career centers where a feeder pattern is used to determine AYP), the North Carolina Department of Public Instruction (NCDPI) will use whatever state test data are available to make an AYP determination for the school, regardless of the numbers of students below 40, although the results for the school will be flagged as “results based on less than 40 students.”

- Classification of LEP students.

USED:

Please explain how North Carolina’s proposal to track students who no longer receive language proficiency services is consistent with the definition of LEP students in section 9101(25) of the ESEA.

NC Response:

North Carolina no longer proposes to include students in the LEP category (for determining AYP) for up to two years after a student exits the LEP program. Only students currently in the LEP program at the tested grades will be used for the LEP subgroup in the school, district and state.

- “Safe harbor.”

USED:

During the peer review, North Carolina Department of Public Instruction staff outlined alternatives when data are not available for “safe harbor.” Please provide information about which alternative North Carolina will use.

NC Response:

North Carolina acknowledges that “safe harbor” may not be available for all schools or subgroups to access. Therefore, we will remove the language from our workbook that dropped a subgroup for AYP if the subgroup needed to access safe harbor but did not have at least 40 students in the subgroup for the prior year.

- Report cards.

USED:

Section 1111(h) of Title I requires each State and LEA to prepare and disseminate annually a report card that contains specific information. North Carolina's current school report card contains much, but not all, of the information required under section 1111(h). Please provide a "sample" report card for the State and LEAs that indicates how North Carolina will include all of the required information.

NC Response:

The *North Carolina School Report Cards* for 2002, including schools, LEAs and State are on the DPI website at: <http://www.ncreportcards.org/src/>. These reports are supported by additional grade level and disaggregation detail (e.g., two year trends in percent proficient in each subject and grade level), found at <http://www.ncpublicschools.org/vol2/rsds2002/index.html>, and by additional reporting in the First in America report published by the NC Education Research Council (NCERC) at <http://erc.northcarolina.edu/content.php/system/fia.htm> .

These reports do not currently address all of the specific requirements in NCLB because: 1) they were designed before DPI had complete details about the requirements; and 2) because the first year of implementation for NCLB has not yet concluded and thus all of the necessary data are not yet available. However, the NCDPI, the NCERC and the NC Governor's office have coordinated to produce a comprehensive reporting system that will accommodate NCLB requirements.

The 2002 release of School Report Cards demonstrates the flexibility of the report card design to accommodate NCLB requirements. The supplemental disaggregated reports at the second website reflect the framework of the underlying database to support the disaggregation required by NCLB. The school report card committee that produced the 2002 report is working now to incorporate the NCLB reporting requirements, as specified in the law, the regulations and the Accountability Workbook (Appendix A) submitted January 31, 2003.

Issues Requiring Greater Clarification.

- Minimum ‘n’ of 40.

USED:

North Carolina has proposed to use a minimum ‘n’ of 40 for purposes of determining AYP. North Carolina, however, uses a minimum ‘n’ of 30 for determining accountability under its ABCs system. Please explain in the Workbook why North Carolina believes it is appropriate to use a larger minimum ‘n’ for determining AYP.

NC Response:

In the ABCs, the minimum ‘n’ = 30 requirement applies to the ABCs growth composite scores. Those scores are a weighted average of grade and subject level growth components, across all grades and subjects in the school. In the growth composites, reading and mathematics growth results are combined, and one overall index is created for the entire school. The ABCs components are combined in a compensatory manner to produce the overall composite. There are no subgroup growth composites.

The ABCs growth composites benefit from the averaging and weighting that takes place. The averaging helps reduce the volatility that would be more inherent in having multiple summary statistics. The weighting (each component is weighted proportional to the number of scores involved) helps reduce the impact of the volatility associated with smaller groups of students in some grades or subjects. The compensatory nature of the growth composites allows excellent growth in one grade or subject to compensate for a lesser growth in another subject or grade.

In contrast, with AYP, reading and mathematics analyses are separated and multiple summary statistics are created (i.e., a percentage for each subject/subgroup combination). AYP calculations are combined in a conjunctive manner to arrive at an AYP designation. So one subgroup performance in one grade cannot compensate for poor performance by another subgroup or grade in determining the school’s overall status.

It seems appropriate to have a more stringent criterion for minimum ‘n’ for AYP calculations than for ABCs growth because: 1) AYP requires multiple summary statistics for each school to make an AYP designation (ABCs uses only one growth composite to make a determination of whether a school made expected growth); 2) AYP is a conjunctive standard (ABCs growth uses a compensatory one); and, 3) AYP represents even higher stakes than the ABCs.

This explanation will be added to our Accountability Workbook.

- Integration of AYP into state accountability system.

USED:

North Carolina is integrating AYP along with its current state accountability system, ABCs, to produce school achievement decisions. North Carolina's simulations based on 2001-02 results predict that approximately 16.4% of schools of Excellence and 43.1% of schools of Distinction under the ABCs system would fail to make AYP. Please explain how North Carolina will ensure that this outcome does not undermine the validity and/or credibility of its accountability system, particularly with regard to the public's understanding of a school's designation. What is the timing of recognition under ABCs compared to LEAs' determinations of AYP? In addition, please provide additional detail on North Carolina's plans to review the interplay of the recognition categories under ABCs and AYP after the 2003 assessment results are available to address this concern.

NC Response:

Communication will play a major role in how the public views the accountability results from this school year. The NCDPI recently has been conducting "Media Briefings" across the state so that members of the media can have an opportunity to better understand NCLB. Part of the conversation involves the fact that the SBE will be making changes to the recognition categories to incorporate AYP starting with the 2003-2004 school year. The SBE (based on input from various advisory committees) wants to see data from the first year of NCLB implementation to better guide the final decisions about the changes in recognition categories. The SBE, whenever possible, avoids making major changes in the accountability program in the middle of the school year. Therefore, the public will be informed that this year's categories reflect the school as a whole while the AYP results reflect subgroup performance as well.

The following proposed timeline is presented for SBE changes to the recognition categories (it will be done sooner if data analyses are completed earlier than expected).

- **June/July 2003 – Local Education Agencies (LEAs) report AYP results for their respective schools (prior to the beginning of the next school year); LEAs submit data to NCDPI for additional quality control and to do ABCs analyses and verify LEA AYP decisions**
- **September 2003 – SBE approves ABCs results and verifies AYP results reported by the LEAs).**
- **October 2003 – Compliance Commission for Accountability and other advisory committees review options for changes in recognition categories**
- **November 2003 – SBE discusses recommendations from various committees**
- **December 2003 – SBE approves recommendation for changes to recognition categories**

- Protection of students' privacy.

USED:

North Carolina has indicated that it does not report groups with fewer than five members to protect the privacy of individual students. A privacy concern is also raised if all students in a subgroup, irrespective of the number, perform at the same achievement level. Please explain how North Carolina will ensure that student s' privacy is also protected in this situation.

NC Response:

As suggested by the USED, whenever all students in a subgroup in a school, LEA or the state score in the same achievement level, NC will report the results as ">95%" of the students score in the respective category. A consequence of complying with this privacy protection requirement may be that the underlying score summary information will not be completely verifiable to the schools, LEAs or the general public and reported summary information may not appear to aggregate accurately in such cases. This is an unavoidable consequence of compliance.

- Results in a timely manner.

USED:

Schools and LEAs must be notified of identification for improvement before the beginning of the school year following the year in which the State administered the assessments that resulted in not making AYP for a second consecutive year [(§200.32(a)(2)]. Please provide additional information about your policy and timeline that will allow for the identification of schools and LEAs in a timely manner.

NC Response:

NCDPI anticipates releasing software to the LEAs in June 2003 to enable them to generate AYP results for their respective schools. LEAs will be instructed to publicly announce school AYP results before June 30 2003 (prior to the beginning of the next school year).

In addition, all Title I schools that did not make AYP last year (total of 48 schools) were asked to send representatives to NCDPI for a meeting with Dr. Elsie Leak, Associate State Superintendent for Curriculum and School Reform, Mr. Bill McGrady, Section Chief for Compensatory Education and Mr. Gongshu Zhang, Title I Evaluation Consultant, to review their results from last year and discuss the steps needed to invoke NCLB sanctions if their school does not make AYP again this year.

- Graduation rate.

USED:

As requested in recent telephone conversations, please revise the Workbook language regarding the Occupational Course of Study and provide evidence that North Carolina issues only one diploma to all students, regardless of which Course of Study they take.

NC Response:

The Workbook will be revised to reference SBE Policy HSP-N-004 that describes the requirements for a North Carolina diploma and provides evidence that North Carolina issues only one diploma to all students, regardless of which Course of Study they successfully complete. See <http://sbepolicy.dpi.state.nc.us/> for a copy of this policy. The Workbook also will be revised to designate 90% as the threshold for the graduation rate.

- Validity and reliability of the system.

USED:

We encourage North Carolina to ensure that its accountability system is valid and reliable. Please provide additional information about your plan for addressing these issues in the years ahead.

NC Response:

North Carolina has a history of giving great attention to the reliability and validity of its assessments and accountability system. All assessments are developed to meet or exceed industry standards for psychometric validity and reliability. The ABCs system was originally developed empirically using replication and cross-validation procedures. For example, the growth standards were based on data for three years (two successive, independent, two-wave longitudinal cohorts.) Similarly, End of Course (EOC) prediction formulas (for high school growth standards) were checked with cross-validation samples during the developmental years and by replication of the models in subsequent years. All models for setting growth standards have been monitored annually to verify that they continue to operate according to their respective designs, in an equitable and consistent manner. In addition, each year all data collection and analysis procedures are subject to numerous quality control checks and are subjected to verification at the school, LEA, and state levels.

The NCDPI will adopt a similar attitude with respect to the system for calculating AYP. The system and the results will be monitored annually. The processes for data collection and analysis will be monitored to ensure that they continue to comply with existing quality standards. Additional quality control standards will be developed as

necessary to address specific requirements related to NCLB. Verification will be required at the school, LEA and state levels.

The validity and reliability of the system will be studied and monitored. The NCDPI plans to consider and use, whenever appropriate, ideas suggested in the papers referenced in the *Peer Review Guidance* document issued by USED—specifically, the references:

- Marion, S.F., White, C., Carlson, D., Erpenbach, W.J., Rabinowitz, S, Sheinker, J. (2002). Making valid and reliable decisions in the determination of adequate yearly progress: A Paper in the Series: *Implementing The State Accountability System Requirements Under The No Child Left Behind Act of 2001*. Washington, D.C.: Council of Chief State School Officers.
- Hill, R., & DePascale, C. (2002). Determining the reliability of school scores. National Center for the Improvement of Educational Assessment.
- Baker, E. & Linn, R.L. (2002). Validity issues for accountability systems. CRESST/CSE Technical Report #585.
- Baker, E., Linn, R.L., Herman, J., & Koretz, D. (2002, Winter). Standards for educational accountability systems. CRESST Policy Brief 5.

Validity and reliability of accountability systems is a fairly new concept, as evidenced by the uniformly recent publication dates of the suggested papers. NCDPI will monitor the literature in this area and refine its efforts in this regard as the field evolves over the next few years to address this important concern.

Please let me know if you have any questions about our responses to your questions. We look forward to receiving approval of our accountability system.

Sincerely,

Michael E. Ward

MEW:lmf

C: Governor Michael Easley
Member of the SBE
Bob Bellamy
Lou Fabrizio
Bill McGrady
Kay Williams