

EXECUTIVE SUMMARY

Title: 2009 – 2011 Biennial Budget Request

Type of Executive Summary:

- Action
- Action on First Reading
- Discussion
- Information

Policy Implications:

- Constitution _____
- General Statute #115C-12(1a)
- SBE Policy # _____
- SBE Policy Amendment
- SBE Policy (New)
- APA # _____
- APA Amendment
- APA (New)
- Other _____

Presenter(s): Mr. Philip Price (Associate Superintendent, Financial and Business Services) and Mrs. Becky McConkey (Director, Financial Services Division)

Description:

Expansion budget requests for the 2009-2011 Biennium are due to the Office of State Budget and Management on November 14, 2008. At the November SBE meeting, final discussion of the proposed requests will take place and it will be recommended that the State Board approve the final document. Materials will be provided at the meeting.

Resources:

Additional funding by the General Assembly during the 2009 session.

Input Process:

Input for new requests will be sought from State Board of Education members, DPI staff, superintendents, principals, teachers, general public, and education associations. In addition, recommendations from studies and commissions will be considered.

Stakeholders:

Everyone with an interest in North Carolina public schools.

Timeline For Action:

The Biennial Budget Request was discussed at the September and October State Board of Education meetings, and approval is requested at the November meeting.

Recommendations:

It is recommended that the State Board of Education approve the 2009-11 Expansion Budget Request for submission to the Governor by November 14, 2008.

Audiovisual equipment requested for the presentation:

- Data Projector/Video (Videotape/DVD and/or Computer Data, Internet, Presentations-PowerPoint preferred)

Specify: _____

- Audio Requirements (computer or other, except for PA system which is provided)

Specify: _____

Document Camera (for transparencies or paper documents – white paper preferred)

Motion By: _____ Seconded By: _____
Vote: Yes _____ No _____ Abstain _____
Approved _____ Disapproved _____ Postponed _____ Revised _____

*Person responsible for SBE agenda materials and SBE policy updates: Paula Creech 807-3612

EXECUTIVE SUMMARY

Title: Approval of Grant

Type of Executive Summary:

- Action
- Action on First Reading
- Discussion
- Information

Policy Implications:

- Constitution _____
- General Statute # _____
- SBE Policy # _____
- SBE Policy Amendment
- SBE Policy (New)
- APA # _____
- APA Amendment
- APA (New)
- Other Grant

Presenter(s): Mr. Philip Price (Associate Superintendent, Financial and Business Services) and Ms. Jackie Colbert (Director, Reading First)

Description:

The grant listed below is being submitted for approval. Please see attachment for description of grant.

- Attachment 1 – Reading First Supplemental Funding

Resources:

See attachment

Input Process:

See attachment

Stakeholders:

See attachment

Timeline For Action:

Action on First Reading is being recommended in order to allow funding to be distributed to school systems in a timely manner.

Recommendations:

It is recommended that the State Board of Education approve this grant.

Audiovisual equipment requested for the presentation:

- Data Projector/Video (Videotape/DVD and/or Computer Data, Internet, Presentations-PowerPoint preferred)

Specify: _____

- Audio Requirements (computer or other, except for PA system which is provided)

Specify: _____

- Document Camera (for transparencies or paper documents – white paper preferred)

Motion By: _____ Seconded By: _____

Vote: Yes _____ No _____ Abstain _____

Approved _____ Disapproved _____ Postponed _____ Revised _____

*Person responsible for SBE agenda materials and SBE policy updates: Jackie Colbert, 7-3916.

SUMMARY OF GRANT

Title: Reading First Supplemental Funding

Policy Implications:

- Constitution _____
- General Statute # _____
- SBE Policy # _____
- SBE Policy Amendment
- SBE Policy (New)
- APA # _____
- APA Amendment
- APA (New)
- Other _____

Presenter(s): Mr. Philip Price (Associate Superintendent, Financial and Business Services) and Ms. Jackie Colbert (Director, Reading First)

Description:

North Carolina recently received an additional \$1,431,484 for the Reading First initiative (K-3). These funds came to NC (and other states) as a result of an allotment for Puerto Rico which was not used. Eighty percent (80%) of the funds must be allotted to grant schools and are based on the most recent ADM figures. In addition, NC has an additional \$72,943 to redistribute due to the closing of a school. The total amount available for grant schools is \$1,206,665.00. Schools must encumber funds by September 30, 2009.

Resources:

Staff time

Input Process:

Required in the North Carolina Reading First grant as approved by USED

Stakeholders:

Students, principals, teachers, reading coaches, parents, central office administrators, and general public

Recommendations:

It is recommended that the SBE approve the grant at the November 2008 meeting.

Motion By: _____ Seconded By: _____
 Vote: Yes _____ No _____ Abstain _____
 Approved _____ Disapproved _____ Postponed _____ Revised _____

*Person responsible for SBE agenda materials and SBE policy updates: Jackie Colbert 7-3916.

**Reading First Supplemental Funding
Funds Must be Encumbered by September 30, 2009**

Education District	LEA	School	Final ADM 2007-08	Supplemental Funding
6	Anson	Lilesville Elem	190	\$9,294
		Morven Elem	158	\$7,729
		Wadesboro Pri	425	\$20,790
1	Beaufort	Snowden	100	\$4,892
1	Bertie	Colerain	226	\$11,056
		West Bertie	270	\$13,208
		Windsor	289	\$14,137
4	Bladen	Bladen Lakes	276	\$13,501
		BT Washington	169	\$8,267
		East Arcadia	74	\$3,620
		Elizabethtown	441	\$21,573
4	Columbus	Cerro Gordo	178	\$8,707
		Williams Township	291	\$14,235
4	Cumberland	Manchester	235	\$11,496
		Margaret Willis	237	\$11,594
		Pauline Jones	124	\$6,066
		Sunnyside	224	\$10,958
2	Duplin	Warsaw	344	\$16,828
3	Durham	Fayetteville Street	195	\$9,539
		Glenn Elementary	540	\$26,416
		Lakewood Elementary	281	\$13,746
		RN Harris	277	\$13,550
3	Edgecombe	Coker-Wimberly	327	\$15,996
		Princeville	269	\$13,159
		Stocks	696	\$34,047
1	Pasquotank	PW Moore	283	\$13,844
		Pasquotank Elem	286	\$13,991
		Sheep Harney	175	\$8,561
3	Franklin	Franklinton	428	\$20,937
		Laurel Mill	198	\$9,686
		Louisburg	343	\$16,779
3	Halifax	Aurelian Springs	268	\$13,110
		Scotland Neck	183	\$8,952
1	Hertford	Bearfield	729	\$35,661
		Riverview	272	\$13,306
4	Hoke	McLauchlin	250	\$12,230
		Sandy Grove	488	\$23,872
		Scurlock	339	\$16,583
		South Hoke	332	\$16,241
1	Hyde	Mattamuskeet Elem	145	\$7,093
6	Kannapolis City	Shady Brook	249	\$12,181
4	Lee	Broadway	434	\$21,230
2	Lenoir	LaGrange Elem	391	\$19,127
1	Martin	East End	204	\$9,979

Education District	LEA	School	Final ADM 2007-08	Supplemental Funding
1	Martin	Edna Andrews	123	\$6,017
		Jamesville Elem	185	\$9,050
		Williamston/EJ Hayes	329	\$16,094
4	Montgomery	Candor	419	\$20,497
		Mt. Gilead	239	\$11,691
		Star-Biscoe	377	\$18,442
		Troy/Page Street	480	\$23,481
3	Nash-Rocky Mt	DS Johnson	307	\$15,018
		OR Pope	169	\$8,267
		Swift Creek	103	\$5,039
2	New Hanover	Freeman	345	\$16,877
		Snipes	317	\$15,507
3	Northampton	Rich Square-Creecy	170	\$8,316
		Squire	219	\$10,713
		Willis Hare	216	\$10,566
1	Pitt	Belvoir	379	\$18,540
		GR Whitfield	250	\$12,230
4	Robeson	Hargrave	206	\$10,077
		Rex-Rennert	300	\$14,675
		Southside/Ashpole	249	\$12,181
		WH Knuckles	247	\$12,083
2	Sampson	Charles E Perry	260	\$12,719
4	Scotland	Gardner/Scotland Acc	254	\$12,425
		IE Johnson	222	\$10,860
		North Laurinburg	202	\$9,881
		Wagram	381	\$18,638
5	Thomasville City	Thomasville/Liberty Dr	881	\$43,097
3	Vance	Aycock	372	\$18,198
		Clark Street	140	\$6,849
		New Hope	133	\$6,506
		Pinkston St	233	\$11,398
3	Warren	Mariam Boyd	237	\$11,594
		Northside	257	\$12,572
		South Warren	126	\$6,164
1	Washington	Creswell	98	\$4,794
		Pines	510	\$24,948
2	Wayne	Carver Heights	257	\$12,572
		School Street	182	\$8,903
3	Weldon City	Weldon Elem	321	\$15,703
3	Wilson	Margaret Hearne	321	\$15,703
		Vick Elem	217	\$10,615
3	Charter	Carter Community	80	\$3,913
3	Charter	Healthy Start Academy	168	\$8,218
3	Charter	Sallie B Howard	353	\$17,268
TOTAL				\$1,206,665

EXECUTIVE SUMMARY

Title: Halifax Repayment Schedule

Type of Executive Summary:

- Action
- Action on First Reading
- Discussion
- Information

Policy Implications:

- Constitution _____
- General Statute # _____
- SBE Policy # _____
- SBE Policy Amendment
- SBE Policy (New)
- APA # _____
- APA Amendment
- APA (New)
- Other N/A

Presenter(s): Mr. Philip Price (Associate Superintendent, Financial and Business Services), and Mr. Paul LeSieur, Director, (Division of School Business)

Description:

Halifax County Public Schools is requesting a waiver of \$205,262.70 in penalties incurred on outstanding over-spent programs and salary audit exceptions (totaling \$852,256.57) dating back to fiscal year (FY) 2005-06 and the 1% interest to be assessed during the repayment period. Halifax County has agreed to a 5-year repayment plan which will include a 1% interest assessed monthly to the remaining balance of the loan. The Department is willing to enter into such a financial agreement with Halifax County to repay audit exceptions in a manner that would not interrupt the school systems educational program.

Waivers requested by Halifax County:

- ◆ Penalties accrued to date \$205,262.70 (DPI recommends to approve waiver request)
- ◆ 1% interest of monthly loan balance (DPI recommends not to approve waiver request)
- ◆ Repay position allotment exceptions at the lowest salary in that PRC. (DPI recommends not to approve waiver request)

Resources:

N/A

Input Process:

Halifax County's and DPI's staffs' time and effort preparing, reviewing, and responding to documents submitted.

Stakeholders:

Halifax County Public Schools and DPI personnel.

Timeline For Action:

This item is being presented for Action on First Reading at the November 2008 SBE meeting.

Recommendations:

It is recommended that the SBE approve the waiver of penalties assessed through September 30, 2008, in the amount of \$205,262.70.

Audiovisual equipment requested for the presentation:

- Data Projector/Video (Videotape/DVD and/or Computer Data, Internet, Presentations-PowerPoint preferred)
Specify: _____
- Audio Requirements (computer or other, except for PA system which is provided)
Specify: _____
- Document Camera (for transparencies or paper documents – white paper preferred)

 Motion By: _____ Seconded By: _____
 Vote: Yes _____ No _____ Abstain _____
 Approved _____ Disapproved _____ Postponed _____ Revised _____

*Person responsible for SBE agenda materials and SBE policy updates: Doris K. McCain 807-3700.

Halifax County Repayment Schedule- Over Expend Programs and Salary Audit Exceptions For FY 2005-06 - FY 2006-07

Current Due (October 1, 2008)

Exceptions	\$	852,256.57
Accrued 1% Penalty	\$	-
Total	\$	852,256.57

5 year plan

Assumes accrued penalty is waived and 1% interest assessed starting with the payment plan

Repayment Assumptions

Principal	\$	852,256.57		
Interest		12%	annual	1% Monthly
Payment		60	months	
Due at end of the month				

Period	Principal	1%	Total	Balance
1	\$10,435.41	\$8,522.57	\$18,957.98	\$841,821.16
2	10,539.77	8,418.21	18,957.98	831,281.39
3	10,645.16	8,312.81	18,957.98	820,636.23
4	10,751.61	8,206.36	18,957.98	809,884.62
5	10,859.13	8,098.85	18,957.98	799,025.49
6	10,967.72	7,990.25	18,957.98	788,057.76
7	11,077.40	7,880.58	18,957.98	776,980.37
8	11,188.17	7,769.80	18,957.98	765,792.19
9	11,300.05	7,657.92	18,957.98	754,492.14
10	11,413.06	7,544.92	18,957.98	743,079.08
11	11,527.19	7,430.79	18,957.98	731,551.90
12	11,642.46	7,315.52	18,957.98	719,909.44
13	11,758.88	7,199.09	18,957.98	708,150.56
14	11,876.47	7,081.51	18,957.98	696,274.09
15	11,995.24	6,962.74	18,957.98	684,278.85
16	12,115.19	6,842.79	18,957.98	672,163.66
17	12,236.34	6,721.64	18,957.98	659,927.32
18	12,358.70	6,599.27	18,957.98	647,568.62
19	12,482.29	6,475.69	18,957.98	635,086.33
20	12,607.11	6,350.86	18,957.98	622,479.21
21	12,733.18	6,224.79	18,957.98	609,746.03
22	12,860.52	6,097.46	18,957.98	596,885.51
23	12,989.12	5,968.86	18,957.98	583,896.39
24	13,119.01	5,838.96	18,957.98	570,777.38
25	13,250.20	5,707.77	18,957.98	557,527.18
26	13,382.70	5,575.27	18,957.98	544,144.47
27	13,516.53	5,441.44	18,957.98	530,627.94
28	13,651.70	5,306.28	18,957.98	516,976.24
29	13,788.21	5,169.76	18,957.98	503,188.03
30	13,926.10	5,031.88	18,957.98	489,261.93
31	14,065.36	4,892.62	18,957.98	475,196.57
32	14,206.01	4,751.97	18,957.98	460,990.56

Halifax County Repayment Schedule- Over Expend Programs and Salary Audit Exceptions For FY 2005-06 - FY 2006-07

Period	Principal	1%	Total	Balance
33	\$14,348.07	\$ 4,609.91	\$18,957.98	\$ 446,642.49
34	14,491.55	4,466.42	18,957.98	432,150.94
35	14,636.47	4,321.51	18,957.98	417,514.47
36	14,782.83	4,175.14	18,957.98	402,731.64
37	14,930.66	4,027.32	18,957.98	387,800.98
38	15,079.97	3,878.01	18,957.98	372,721.01
39	15,230.77	3,727.21	18,957.98	357,490.25
40	15,383.07	3,574.90	18,957.98	342,107.17
41	15,536.90	3,421.07	18,957.98	326,570.27
42	15,692.27	3,265.70	18,957.98	310,877.99
43	15,849.20	3,108.78	18,957.98	295,028.80
44	16,007.69	2,950.29	18,957.98	279,021.11
45	16,167.77	2,790.21	18,957.98	262,853.34
46	16,329.44	2,628.53	18,957.98	246,523.90
47	16,492.74	2,465.24	18,957.98	230,031.16
48	16,657.67	2,300.31	18,957.98	213,373.50
49	16,824.24	2,133.73	18,957.98	196,549.25
50	16,992.48	1,965.49	18,957.98	179,556.77
51	17,162.41	1,795.57	18,957.98	162,394.36
52	17,334.03	1,623.94	18,957.98	145,060.33
53	17,507.37	1,450.60	18,957.98	127,552.96
54	17,682.45	1,275.53	18,957.98	109,870.51
55	17,859.27	1,098.71	18,957.98	92,011.24
56	18,037.86	920.11	18,957.98	73,973.37
57	18,218.24	739.73	18,957.98	55,755.13
58	18,400.43	557.55	18,957.98	37,354.70
59	18,584.43	373.55	18,957.98	18,770.27
60	18,770.27	187.70	18,957.98	0.00
	\$852,256.57	\$285,222.03	\$1,137,478.60	

EXECUTIVE SUMMARY

Title: Requests for Waiver of the Repayment Obligation of the National Board Certification Participation Fee

Type of Executive Summary:

- Action
- Action on First Reading
- Discussion
- Information

Policy Implications:

- Constitution _____
- General Statute #GS 115C-296.2
- SBE Policy #QP-F-001
- SBE Policy Amendment
- SBE Policy (New)
- APA # _____
- APA Amendment
- APA (New)
- Other _____

Presenter(s): Mr. Philip Price (Associate Superintendent, Financial and Business Services) and Mr. Danny Holloman (Section Chief, NC Center for Recruitment and Retention)

Description:

A teacher for whom the State pays the participation fee for National Board Certification who withdraws from the process or does not teach in a North Carolina public school for at least one year after completing the process is required to repay the participation fee to the State. In compliance with GS 115C-296.2, the State Board of Education established an appeals process through which individuals could request waiver of the repayment obligation. The appeals of 46 teachers who withdrew from the process or did not teach the year following were considered by an appeals panel. Action on First Reading is requested.

Resources:

N/A

Input Process:

The requests for waiver of the repayment obligation were considered by an appeals panel. Individuals requesting the waivers were provided the opportunity to meet with the panel.

Stakeholders:

Individuals requesting waivers of National Board Certification participation fee repayment obligations.

Timeline For Action:

This item is being presented as Action on First Reading.

Recommendations:

It is recommended that the Board approve the recommendations of the appeals panel.

Audiovisual equipment requested for the presentation:

- Data Projector/Video (Videotape/DVD and/or Computer Data, Internet, Presentations-PowerPoint preferred)
Specify: _____
- Audio Requirements (computer or other, except for PA system which is provided)
Specify: _____
- Document Camera (for transparencies or paper documents – white paper preferred)

Motion By: _____

Seconded By: _____

Vote: Yes _____ No _____ Abstain _____
Approved _____ Disapproved _____ Postponed _____ Revised _____

*Person responsible for SBE agenda materials and SBE policy updates: Linda Jones, 807-3355.

Appeals Process for National Board Certification Participation Fee Repayment

In February 2000, in compliance with Session Law 1999-237, Section 8.7. (a) and (b) [subsequently codified as GS 115C-296.2], the Board approved an appeals process for the repayment of the National Board Certification participation fee. An appeals panel was approved. The panel was to meet on an as-needed basis to consider appeals.

An appeals panel was convened October 13, 2008, to consider appeals from 46 teachers who withdrew from the process or did not teach the year following. Panel members were:

- Mr. Danny Holloman, Section Chief, NC Center for Recruitment and Retention, Panel Chair
- Ms. Katie Cornetto, Legal Specialist to the State Board of Education
- Ms. Wendy Miller, 2005-06 NC Teacher of the Year, Craven County Schools, NBCT
- Ms. Adriane Mingo, Southwest Region Teacher-on-Loan, Charlotte/Mecklenburg Schools, NBCT
- Ms. Paige Elliott, 2007-08 North Central Region Teacher of the Year, NBCT, Wake County Schools

Ms. Laura Crumpler, Attorney General's Office, and Ms. Jeanne Washburn, Program Assistant for National Board Certification, were present at the panel meeting.

Specifically, G.S. 115C-296.2 provides the following:

(d) A teacher who does not complete the process **shall repay** the certification fee to the State. Repayment is **not required if a teacher does not complete the process due to the death or disability of the teacher**. The SBE may waive the repayment requirement if it finds that the teacher was **unable to complete** the process due to:

1. **The illness of the teacher;**
2. **The death or catastrophic illness of a member of the teacher's immediate family;**
3. **The parental leave to care for a newborn or newly adopted child; or**
4. **Other extraordinary circumstances.**

(e) A teacher who does not teach for a year in a North Carolina public school after completing the process **shall repay** the certification fee to the State. Repayment is **not required if a teacher does not teach in a North Carolina public school for at least one year after completing the process due to the death or disability of the teacher**. The SBE may extend the time before which a teacher must either teach for a year or repay the participation fee if it finds that the teacher is **unable to teach** the next school year due to:

1. **The illness of the teacher,**
 2. **The death or catastrophic illness of a member of the teacher's immediate family**
 3. **Parental leave to care for a newborn or newly adopted child, or**
 4. **Other extraordinary circumstances.**
-
-

For purposes of this Appeals Panel, waiver requests were reviewed from candidates who withdrew from the process or did not teach the year following.

At its October 13, 2008, session, the Panel reviewed 46 requests for waivers. Of the 46 requests, the Panel is recommending to the TCS Subcommittee/State Board of Education the approval of (4) requests, an extension of time to complete the teaching requirement for (5) requests, and the denial of (37) requests. A list of specific recommendations is included in this report.

FIRST NAME	LAST NAME	REASON FOR REQUEST	WAIVER REQUEST AMOUNT	PANEL RECOMMENDATION
Catherine	Anderson	Did not teach the year following	\$2500.00	Extension of time to complete Teaching Requirement
Wanda	Anderson	Withdrawal	\$500.00	Denial of Waiver Request
Judah	Barlow	Withdrawal	\$500.00	Denial of Waiver Request
Stacy	Byrd	Did not teach the year following	\$2500.00	Extension of time to complete Teaching Requirement
Amy	Campbell	Did not teach the year following	\$2500.00	Denial of Waiver Request
Lori	Chandler	Withdrawal	\$500.00	Denial of Waiver Request
Nancy	Cole	Withdrawal	\$500.00	Denial of Waiver Request
Allan	Coyle	Did not teach the year following	\$2500.00	Denial of Waiver Request
Donna	Donovan	Withdrawal	\$500.00	Denial of Waiver Request
Jamie	Dunleavy	Withdrawal	\$500.00	Approval of Waiver Request
Suellen	Epps	Withdrawal	\$500.00	Denial of Waiver Request
Jennifer	Forsythe	Withdrawal	\$500.00	Denial of Waiver Request
Ronald	Goodall	Withdrawal	\$500.00	Denial of Waiver Request
Lyndsey	Gresehover	Withdrawal	\$500.00	Denial of Waiver Request
Kimberly	Haffa	Did not teach the year following	\$2500.00	Denial of Waiver Request
Julia	Hendricks	Withdrawal	\$500.00	Approval of Waiver Request
Christopher	Holtzclaw	Withdrawal	\$500.00	Denial of Waiver Request
Thomas	Hunt	Withdrawal	\$500.00	Denial of Waiver Request
Yulonda	Johnson	Withdrawal	\$500.00	Denial of Waiver Request
Marlene	Kemble	Withdrawal	\$500.00	Denial of Waiver Request
Tracy	Kuykendall	Withdrawal	\$500.00	Approval of Waiver Request
Amy	Kwiek	Withdrawal	\$500.00	Denial of Waiver Request
Patricia	Lankpoop	Withdrawal	\$500.00	Denial of Waiver Request
Brenda	Mceachin	Withdrawal	\$500.00	Approval of Waiver Request
Rhonda	McGoogan	Did not teach the year following	\$2500.00	Denial of Waiver Request
Rebecca	McLaughlin	Did not teach the year following	\$2500.00	Denial of Waiver Request
Julia	Mercabi	Withdrawal	\$500.00	Denial of Waiver Request
Susan	Morrow	Withdrawal	\$500.00	Denial of Waiver Request
Dana	Mumaw	Did not teach the year following	\$2500.00	Denial of Waiver Request
Deborah	Peele	Withdrawal	\$500.00	Denial of Waiver Request
Christina	Petratis	Did not teach the year following	\$2500.00	Extension of time to complete Teaching Requirement
Angela	Petros	Did not teach the year following	\$2500.00	Denial of Waiver Request
Tracey	Phillips	Withdrawal	\$500.00	Denial of Waiver Request
Rebecca	Rackley	Did not teach the year following	\$2500.00	Extension of time to complete Teaching Requirement
Michelle	Rodriguez	Withdrawal	\$500.00	Denial of Waiver Request
Jennifer	Satinsky	Did not teach the year following	\$2500.00	Denial of Waiver Request
Leigh	Shore	Did not teach the year following	\$2500.00	Denial of Waiver Request
Si	Simmons	Withdrawal	\$500.00	Denial of Waiver Request
John	Snow	Withdrawal	\$500.00	Denial of Waiver Request
Julie	Speer	Withdrawal	\$500.00	Denial of Waiver Request
Nathan	Stancil	Did not teach the year following	\$2500.00	Denial of Waiver Request
Daniel	Strain	Withdrawal	\$500.00	Denial of Waiver Request
Jane	West	Withdrawal	\$500.00	Denial of Waiver Request
Samuel	Whitley	Withdrawal	\$500.00	Denial of Waiver Request
Susan	Williams	Withdrawal	\$500.00	Denial of Waiver Request
Carrie	Vann	Did not teach the year following	\$2500.00	Extension of time to complete Teaching Requirement

EXECUTIVE SUMMARY

Title: North Carolina Virtual Public School (NCVPS) Funding Formula

Type of Executive Summary:

- Action
- Action on First Reading
- Discussion
- Information

Policy Implications:

- Constitution _____
- General Statute # _____
- SBE Policy # _____
- SBE Policy Amendment
- SBE Policy (New)
- APA # _____
- APA Amendment
- APA (New)
- Other _____

Presenter(s): Mr. Philip Price (Associate Superintendent, Financial and Business Services), Mr. Paul LeSieur (Director, School Business Division), and Dr. Bryan Setzer (Director, North Carolina Virtual Public School)

Description:

The North Carolina General Assembly requires the State Board of Education to develop a funding formula for the North Carolina Virtual Public School (NCVPS). Attached are two documents outlining various possible formulas and a specific description of one option.

Resources:

N/A

Input Process:

Discussed with Finance Officers at their organization’s retreat on September 24, 2008. Reviewed/discussed with the NCVPS Advisory Board on September 30, 2008. Utilizing a sounding board of finance officers to assure continuous feedback.

Stakeholders:

Local Education Agencies, students, parents, and school staff.

Timeline For Action:

This item is being presented for discussion at the November meeting and will be presented for action at the December meeting.

Recommendations:

It is recommended that the State Board of Education review and provide comments on the proposed funding formula options.

Audiovisual equipment requested for the presentation:

- Data Projector/Video (Videotape/DVD and/or Computer Data, Internet, Presentations-PowerPoint preferred)
Specify: _____
- Audio Requirements (computer or other, except for PA system which is provided)
Specify: _____
- Document Camera (for transparencies or paper documents – white paper preferred)

Motion By: _____

Seconded By: _____

Vote: Yes _____ No _____ Abstain _____
Approved _____ Disapproved _____ Postponed _____ Revised _____

*Person responsible for SBE agenda materials and SBE policy updates: Teresa Matthews, 807-3600.

Development of a Formula for North Carolina Virtual Public School

Legislation Requiring the Development of a Funding Formula

Section 7.4 of Session Law 2008-107

The State Board of Education shall implement an allotment formula developed pursuant to Section 7.16(d) of S.L. 2006-66, for funding e-learning, effective in the 2009-2010 fiscal year. NCVPS shall be available at no cost to all students in North Carolina who are enrolled in North Carolina's public schools, Department of Defense schools, and schools operated by the Bureau of Indian Affairs. The Department of Public Instruction shall communicate to local school administrative units all applicable guidelines regarding the enrollment of nonpublic school students in these courses. The State Board of Education shall report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by December 15, 2008, on its implementation of this section.

Section 7.16(d) of Session Law 2006-66

SECTION 7.16.(d) The State Board of Education shall develop an allotment formula for funding

- (1) The number of students in average daily membership (ADM) projected to enroll in e-learning,
- (2) The projected cost of fees for e-learning courses,
- (3) The extent to which projected enrollment in learning courses affects funding required for other allotments that are based on ADM.

Possible Options for a Funding Formula

- 1 - Request and obtain full funding from General Assembly.
Cost should level off around \$30 million in a couple of years.
- 2 - Charge a fee per course. Could allow LEAs the flexibility to convert teacher positions to dollars to cover the cost of courses (allowing the LEAs to utilize the savings from not having to employ a teacher).
Would require funding to be transferred to cover operational costs.
- 3 - Develop a formula where NCVPS is treated like an LEA with its own ADM (an example of how this formula might work is included).
Would sustain the program from current appropriations. Would adjust ADM (discounted) based on projected participation. Adjustment would be based on actual savings from on-line course.
- 4 - A combination of the above.
Maintain the current funding level of \$2.7 million and implement #2 or #3.

Process to Obtain Comments and Feedback

- a) The NCVPS Advisory Board has discussed formula options on several occasions.
- b) Paul LeSieur and Philip Price met with Finance Officers in Asheville to review formula options.
- c) A group of Finance Officers are serving as a sounding board group during the development of formula options.

NCVPS Formula Option

Tuesday, September 30, 2008

State Total Information:	FY 2007-08	FY 2008-09 Proj
Number of Students Taking Courses	15,099	15,929
Total Cost Teachers	5,318,748	6,668,787
Total Cost Other	4,186,097	4,755,571 *
Total Expended	9,504,845	11,424,358
Cost per Participant per Course	\$629.50	\$717.20

State avg appro. per Student (\$5,223):	\$870.50	\$870.50 est. per period
<i>Participant cost per course compared to st. avg.</i>	72.31%	82.39%

* Includes \$2.2 million in Carryover (not usual) annual estimate of operations should be \$3.2 mil

Example of Formula:

Allotted ADM	LEA 1	LEA 2	LEA 3	LEA 4
8th	235	1,360	4,067	10,327
9th	267	1,765	4,785	11,845
10th	256	1,252	4,305	10,240
11th	217	1,145	3,856	8,694
12th	221	1,022	3,417	8,479
Total	1,196	6,544	20,430	49,585

NCVPS Courses/Students	LEA 1	LEA 2	LEA 3	LEA 4
Number of Students taking Courses:				
8th	0	2	0	20
9th	2	18	0	50
10th	15	40	100	72
11th	5	40	75	84
12th	25	40	100	86
Total	47	140	275	312

Conversion to FTE (total by 6)	8	23	46	52
Apply appropriate % adjustment (note)	6	17	35	39

Adjustment for NCVPS ADM/Funding	LEA 1	LEA 2	LEA 3	LEA 4
8th	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
9th	<u>0</u>	<u>2</u>	<u>0</u>	<u>6</u>
10th	<u>2</u>	<u>5</u>	<u>13</u>	<u>9</u>
11th	<u>1</u>	<u>5</u>	<u>9</u>	<u>11</u>
12th	<u>3</u>	<u>5</u>	<u>13</u>	<u>11</u>
Total	6	17	35	39

Note: The calculated ADM FTE is discounted based on the cost differential for an on-line course and a course in the traditional classroom. For this analysis, we estimated the discount @ 25% (adjust ADM for on-line courses to reflect 75% of calculated FTE). We are currently calculating the appropriate discount.

EXECUTIVE SUMMARY

Title: Replacement of Compliance Commission Members

Type of Executive Summary:

- Action
- Action on First Reading
- Discussion
- Information

Policy Implications:

- Constitution _____
- General Statute # _____
- SBE Policy # EEO-B-000
- SBE Policy Amendment
- SBE Policy (New)
- APA # _____
- APA Amendment
- APA (New)
- Other _____

Presenter(s): Mr. Philip Price (Associate Superintendent, Financial and Business Services) and Dr. Louis M. Fabrizio (Director of Accountability Policy & Communications)

Description:

The State Board of Education established the Compliance Commission for Accountability in July 1996. This Commission was charged with making recommendations to the North Carolina Department of Public Instruction and State Board of Education related to ABCs issues. Several members are up for reappointment or replacement because their terms of office will expire on December 31, 2008. Attached is the current list of Commission members. The names and resumes of the proposed new members will be provided at the November meeting, if not earlier.

Resources:

DPI staff time and time commitments of the Compliance Commission for Accountability

Input Process:

Recommendations of the State Board of Education and agency leadership

Stakeholders:

Staff of the public schools of North Carolina and the general public

Timeline For Action:

This item is being presented for Discussion at the November meeting and will be presented for Action at the December meeting.

Recommendations:

It is recommended that the State Board of Education approve the recommendations for reappointments and for the new members of the Compliance Commission for Accountability.

Audiovisual equipment requested for the presentation:

- Data Projector/Video (Videotape/DVD and/or Computer Data, Internet, Presentations-PowerPoint preferred)
Specify: _____
- Audio Requirements (computer or other, except for PA system which is provided)
Specify: _____
- Document Camera (for transparencies or paper documents – white paper preferred)

Motion By: _____ Seconded By: _____
Vote: Yes _____ No _____ Abstain _____
Approved _____ Disapproved _____ Postponed _____ Revised _____

*Person responsible for SBE agenda materials and SBE policy updates: Lucy Medlin, (919)807-3771.

**NORTH CAROLINA STATE BOARD OF EDUCATION
Policy Manual**

Policy Identification

Priority: Effective and Efficient Operations

Category: Advisory Committees

Policy ID Number: EEO-B-000

Policy Title: Policy delineating the purpose and composition of the State Board of Education's Compliance Commission for Accountability

Current Policy Date: 10/07/2004

Other Historical Information: Previous board dates: 07/10/1997, 07/11/2002, 03/06/2003

Statutory Reference:

Administrative Procedures Act (APA) Reference Number and Category:

- (a) The purpose of the Commission shall be to advise and to make recommendations to the State Board of Education through the North Carolina Department of Public Instruction on testing issues and other issues related to school accountability and improvement.

The State Board, after discussing issues related to testing and accountability as presented by the Department of Public Instruction, may request that the Compliance Commission further discuss such issues and make recommendations to the Board.

Issues to be considered:

- (1) proposed changes to the state's accountability program
 - (2) the testing code of ethics
 - (3) test security and administration
 - (4) auditing procedures to ensure integrity of the testing and accountability program
 - (5) the relationship of testing to other aspects of schooling, and
 - (6) other issues related to testing and accountability as deemed appropriate by the State Board of Education.
- (b) The Commission shall also be designated as:
- (1) the Appeals Committee of the ABCs Accountability Program. The Commission in this capacity will hear and make recommendations to the State Board of Education on schools appealing the growth standards of the ABCs Accountability Program.
 - (2) The Commission shall also be designated to consider requests from schools that desire to be exempt from participating in field test(s) and shall make a recommendation to the State Board of Education on such a request. (Effective July 1, 2003).

- (c) The Commission shall be empowered to approve or deny appeals of schools that want to be exempted from participation in specific field testing for a particular school year.
- (d) Upon recommendation by the State Superintendent of Public Instruction, the State Board of Education shall approve appointments to the Compliance Commission consisting of 22 members in accordance with the procedures stated in SBE Policy EEO-B-002 (Advisory Committees to the State Board of Education), who shall represent the following categories effective:
 - (1)
 - Four shall be teachers
 - Five shall be principals representing elementary, middle and high schools.
 - Four shall be from central office staffs, (at least one must represent Exceptional Children),
 - Two shall represent local boards of education
 - One shall represent NC Charter Schools
 - Two shall be members of the business community
 - One shall be a parent representative
 - One shall represent higher education, and
 - Two shall be at-large

To the extent possible, members will be appointed from the eight education districts (as defined in G.S. 115C-65) to keep the Commission balanced geographically and professionally.

- (2) Terms of membership shall be for four years, be staggered, and shall run through December 31. Members may be reappointed by the SBE for one additional term.
- (3) As Commission members are replaced, the SBE shall, to the extent possible, recommend and approve replacements to keep the Commission balanced geographically and professionally.
- (4) A member of the State Board of Education as designated by the State Board membership shall sit on the Commission as a non-voting ex-officio member.
- (e) The State Board of Education shall appoint a chair from the membership of the Commission. The Chair shall serve for two years.
- (f) The Commission shall elect a Vice-Chair from its membership.
- (g) The Commission shall meet at least quarterly. The State Board of Education shall be notified of the meeting schedule of the Commission, as well as any changes in the schedule that may occur. The State Board of Education may call additional meetings of the Commission as it deems necessary.
- (h) The Department of Public Instruction, Division of Accountability Services, shall staff the Commission and shall develop the agendas for the scheduled meetings in conjunction with the Commission's Chair. Draft minutes of the Commission meetings shall be

provided to the State Board of Education within one month following each meeting, with official approved minutes being shared with the SBE following approval by the Commission.

- (i) Three consecutive absences from regularly scheduled meetings/conference calls or failure to attend at least 70% of the regularly scheduled meetings/conference calls during a year shall constitute a member's resignation.

COMPLIANCE COMMISSION FOR ACCOUNTABILITY
2008 MEMBERSHIP

<u>ED DISTRICT</u>	<u>CURRENT MEMBERS</u>	<u>AFFILIATION</u>	<u>TERM ENDS</u>	<u>REPLACE</u>	<u>NEW APPOINTMENTS</u>
1	Aydlett, Michelle	Teacher, Perquimans County (2 nd term)	12/31/08	REPLACE	
1	Jenkins, David	Central Office, Career & Technical Ed Director, Martin County	12/31/10		
2	Jackson, Emma	Central Office Rep, Title I Director, New Hanover County	12/31/08		REAPPOINT
2	Hooks, Michael	Teacher, North Brunswick High School, Brunswick County (2 nd term)	12/31/10		
3	Peace, Leonard	Local School Board Representative, Granville County (2 nd term)	12/31/08	REPLACE	
3	Denning, Kirk	Principal, Princeton HS, Johnston County (2 nd term)	12/31/10		
4	Eason, Teresa	Central Office EC Representative, Director, Programs for Exceptional Children, Harnett County	12/31/08		REAPPOINT
4	Goodman, Cindy	Principal, Laurel Hill Elementary, Scotland County (2 nd term)	12/31/10		
5	Bailey, Sallie	Teacher, Holmes Middle School, Rockingham County	12/31/08	REPLACE	
5	Pugh Jr., David	Charter School Rep., Alamance County	12/31/10		
6	Wimberley, Lloyd	Central Office Rep., Mecklenburg County – Retiree (2 nd term)	12/31/08	REPLACE with Principal	
6	Lowder, Carolyn	Local School Board Rep., Union County	12/31/10		
7	Burleson, David (Chairman)	Central Office Representative, Superintendent, Burke County (2 nd term)	12/31/10		
7	Howerton, Vanessa	Principal, Grandview Middle School, Hickory City Schools	12/31/08		REAPPOINT
8	Von Dohlen, Heidi	ESL Teacher, AC Reynolds Middle School, Buncombe County (2 nd term)	12/31/10		
8	Wilkins, Robert	Principal, Hendersonville High School, Henderson County (2 nd term)	12/31/08	REPLACE	
AT-LARGE	Bunch, Wanda	Business Representative (2 nd term)	12/31/10		
AT-LARGE	Gaynor, Virginia	Parent Representative, Pitt County (2 nd term)	12/31/10		
AT-LARGE	Brady, Kevin	Higher Education Representative, Assistant Professor, NCSU	12/31/08		REAPPOINT
AT-LARGE	Eckel, Albert	Business Representative (2 nd term)	12/31/10		
AT-LARGE	Hobbs Jr., Stewart	Central Office Representative, Superintendent, Stokes County	12/31/08		REAPPOINT
AT-LARGE	Max Walser	Business Representative (2 nd term)	12/31/10		

Taft, Kathy (Serves at Discretion of SBE)