

EXECUTIVE SUMMARY

Title: 2008-09 Special Provisions

Type of Executive Summary:

- Action
- Action on First Reading
- Discussion
- Information

Policy Implications:

- Constitution _____
- General Statute #HB 2436, HB 2438, HB 1473, HB545 & GS115C-12(11)
- 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:

Fourteen special provisions in House Bills recently passed by the General Assembly state that the State Board of Education “may” proceed as indicated in the bill to redirect or use funds. General Statute 115C-12(11) of the State Public School Laws allows the SBE to use available funds for special school projects. These special provisions and one special project are being presented for the Board’s review. The State Board of Education must authorize the allowed actions. Also included are three provisions which are mandated but require the SBE to develop a plan or policies.

Resources:

State appropriation.

Input Process:

N/A

Stakeholders:

Those impacted by the provisions.

Timeline For Action:

This is an Action on First Reading item so the redirection of funds can begin immediately.

Recommendations:

It is recommended that the State Board approve the actions allowed in the special provisions and general statute.

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.



Public Schools of North Carolina
State Board of Education | Department of Public Instruction

Bill/Section	Special Provision Title and Description	Recommended Source of Funds	Expenditure History	Actual Appropriation (if any)
Special Provisions Authorizing the State Board of Education to Proceed with the Action if the Members Approve				
1 HB 1473 Section 7.13	Litigation Reserve "The State Board of Education may expend up to two hundred thousand dollars (\$200,000) for the 2008-2009 fiscal year from unexpended funds for certified employees' salaries to pay expenses related to pending litigation." (Special Provision began in 1998)	Classroom Teachers Lapsed Salaries	2008 \$ 43,462 2007 \$ 81,670 2006 \$ 174,984 2005 \$ 26,676 2004 \$ 196,644 2003 \$ 161,283	
2 HB 1473 Section 7.16(a)	Charter School Evaluation "The State Board of Education may spend up to \$50,000 from State Aid to Local School Administrative Units for the 2008-2009 fiscal year year to evaluate charter schools."	Classroom Teachers Lapsed Salaries	2008 \$ 32,500	
3 HB 1473 Section 7.39(a)	Funds for School Technology Pilot "Up to \$100,000 may be used to contract with an independent research organization to study the effectiveness of this pilot program on student achievement, to complete a cost-benefit analysis, to make recommendations for improvements in the program, and to made recommendations regarding the possible continuance of expansion of the program."	School Technology Pilot Funding	2009 2008 \$ 568,640 (unspent funds carryover to 2008-09)	\$1,500,000 nr \$3,000,000 nr
4 HB 2436 Section 7.3(b)	Funds to Implement the ABCs of Public Education "The State Board of Education may use funds appropriated to the State Public School Fund to implement the consolidated assistance program, as directed in Section 7.6(b) of S.L. 2006-66." (Special Provision began in 1997 supporting assistance teams)	To Be Determined	2008 \$ 7,924,118 2007 \$ 7,075,647 2006 \$ 4,979,387 2005 \$ 5,353,938 2004 \$ 5,040,978	\$ 3,861,625 \$ 3,077,036 \$ 2,864,985 \$ 2,726,140 \$ 2,726,140
5 HB 2436 Section 7.4(b)	North Carolina Virtual Public School "If the State Board of Education finds that it is appropriate to do so, the State Board of Education may use funds appropriated for NCVPS to create up to 15 full-time positions to support the continued implementation of NCVPS."	NCVPS	2008 \$ 7,246,883 2007 \$ 1,277,497 (unspent funds carryover to 2008-09)	\$ 2,783,284 \$ 2,894,504
6 HB 2436 Section 7.14 (j)	Reestablish Committee on Dropout Prevention "Of the funds appropriated for the dropout prevention grants, the Department of Public Instruction may use up to \$50,000 for its administrative assistance to the Committee and provide technical assistance under this section."	Dropout Prevention Funding	2008 \$ 24,872	\$ -



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Bill/Section		Special Provision Title and Description	Recommended Source of Funds	Expenditure History		Actual Appropriation (if any)
7	HB 2436 Section 7.6(a)	School Connectivity Initiative "Up to \$600,000 may be transferred annually through June 30, 2013, to the Friday Institute at North Carolina State University to evaluate the effectiveness of using technology and its impact on 21st Century Teaching and Learning outcomes approved by the State Board of Education."	School Connectivity	2009		\$ 22,000,000
		2008		\$ 9,510,821	\$ 12,000,000	
		2007		\$ 153,029	\$ 6,000,000	
				(unspent funds carryover to 2008-09)		
8	HB 2436 Section 7.6(b)	School Connectivity Initiative "Of the funds allocated for the School Connectivity Initiative, the sum of \$250,000 may be used to sustain the Education E-Learning Portal."				
Note:		DPI staff have been advised that the next two items pertaining to School Connectivity which were in last summer's HB 1473 are effective for 2008-09 as well.				
9	HB 1473 Section 7.28(f)	School Connectivity Initiative "Up to \$300,000 may be transferred to the Office of the Governor to establish NCVirtual within the Education Cabinet. These funds may be used for services to coordinate E-learning activities across all State educational agencies." (2008 Expenditures include \$284,555 spent for E-learning)				
10	HB 1473 Section 7.28(h)	School Connectivity Initiative "The State Board of Education may use up to \$1 million to establish up to eight regional positions or contract for services regionally to assist local school administrative units in implementing the Initiative." (6 of the 8 positions are established at a cost of \$562,977 but are not yet filled.)				
11	HB 2438 Section 3.4	Learn and Earn Planning Grants "The Department of Public Instruction may use up to \$430,000 in funds appropriated for Learn and Earn Online for 14 planning grants for Learn and Earn sites in the 2008-2009 fiscal year."	Learn & Earn Online	2009		\$ 20,128,008
		2008		\$ 13,878,072	\$ 15,160,447	
		2007		\$ 9,982,581	\$ 13,294,906	
				(This is Learn & Earn Budget. See Learn & Earn Online Budget at #16 below.)		



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Bill/Section	Special Provision Title and Description	Recommended Source of Funds	Expenditure History		Actual Appropriation (if any)
12 HB 2436 Section 7.16	Comprehensive Support for School Systems and Schools "If a local school administrative unit is designated by the State Board of Education as a targeted school district for comprehensive support, the State Board may: (1) Authorize additional flexibility with regard to State allotments to allow the State Board's assigned support team and the local school administrative unit's leadership to redirect State funding to address the identified reform requirements. This additional flexibility shall not increase overall State funding available to the unit. (2) Use funds already appropriated to the State Board of Education to allocate time-limited funds to implement strategies identified by the State Board's assigned support team and the school unit's leadership. The State Board shall adopt policies regarding (i) the strategies for which these time-limited funds may be used and (ii) the maximum time a unit may receive these funds."	To Be Determined			
13 HB 2436 Section 7.18(a)	Plant Operation Funding "Of the monies credited to the 'Public School Building Capital' Fund by the Secretary of Revenue pursuant to G.S. 115C-546.1(b), the State Board of Education may allocate up to \$1,000,000 each year to the Department of Public Instruction. These funds shall be used by the Plant Operation Section of the School Support Division to assist each local school administrative unit with effective energy and environmental management, effective water management, hazardous material management, clean air quality, and engineering support for safe, effective environmental practices."	Public School Building Capital Fund	2009		\$ 1,000,000
			<i>(prior year expenditures from receipts & # of LEAs contracting for services)</i>		
			2008	\$ 629,553	74
			2007	\$ 731,557	84
			2006	\$ 701,561	83
			2005	\$ 634,616	82
			2004	\$ 597,000	81
14 HB 545 Section 9.(a)	Realignment of Budgets to Organizational Structure This section extends HB 1473 Section 7.29 by extending the expiration date to June 30, 2009. HB 1473 Section 7.29 states ".....the Department of Public Instruction may reorganize in accordance with the plan adopted by the State Board of Education. The Department shall report to the Joint Legislative Commission on Governmental Operations on the reorganization."				



Public Schools of North Carolina
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Bill/Section	Special Provision Title and Description	Recommended Source of Funds	Expenditure History		Actual Appropriation (if any)
Special Provisions Mandating the State Board of Education Proceed with the Action					
15 HB 2436 Section 7.8	Allotment for Mentoring Services "The State Board of Education shall allot funds for mentoring services to local school administrative units based on the highest number of employees in the preceding three school years who (i) are paid with State, federal, or local funds and (ii) are either teachers paid on the first or second steps of the teacher salary schedule or instructional support personnel paid on the first step of the instructional support personnel salary schedule. Local school administrative units shall use these funds to provide mentoring support to eligible employees in accordance with a <u>plan approved by the State Board of Education</u> . The plan shall include information on how all mentors in the local school administrative unit will be adequately trained to provide mentoring support."	Mentor Pay	2009 2008 2007 2006 2005 2004	\$ \$ \$ \$ \$ \$	\$ 11,100,140 \$ 8,100,140 \$ 8,100,140 \$ 8,100,140 \$ 8,100,140 \$ 8,100,140
16 HB 2436 Section 7.15	Use of Learn and Earn Online for Hybrid Courses "Local school administrative units may use funds appropriated for Learn and Earn Online for college-level courses taught by university instructors at public schools. Instruction for these courses shall be partially delivered online. Payments related to the textbooks and the prorated cost of the instructor shall be paid to the university supplying the instruction. <u>The State Board of Education shall adopt policies to establish guidelines and reimbursement procedures.</u> "	Learn & Earn Online	2009 2008	\$ \$	\$ 1,500,000 \$ 11,100,000
17 HB 2436 Section 7.20	Allotments of Teachers for Small Schools "The State Board of Education shall modify its policy on the allotment of funds for small schools by: (1) Defining small schools to include schools of fewer than 110 students; and (2) Giving consideration to small, geographically isolated schools over other qualifying programs and schools."	Classroom Teachers <i>(See attached Allotment Policy revision)</i>	2008 2007 2006 2005 2004	53.25 positions 55.25 positions 58.25 positions 57.75 positions 57.25 positions	65 positions 65 positions 65 positions 65 positions 65 positions
Actions Authorized in the State Public School Laws					
18 GS 115C-12 (11)	Power to Conduct Education Research "The Board is authorized to sponsor or conduct education research and special school projects considered important by the Board for improving the public schools of the State....The Board may use any available funds for such purposes." It is requested that the State Board approve the use of up to \$1.5 million of staff development funds for the implementation of the Executive and Teacher Evaluation Tools, a special school project projected to improve public schools of the State."	Staff Development			

ALLOTMENTS OF TEACHERS FOR SMALL SCHOOLS

SECTION 7.20. The State Board of Education shall modify its policy on the allotment of funds for small schools by:

- (1) Defining small schools to include schools of fewer than 110 students; and
- (2) Giving consideration to small, geographically isolated schools over other qualifying programs and schools.

Board Policy (per Allotment Policy Manual):

SMALL SCHOOLS

STATUTORY REFERENCE:

Additional classroom teachers may be allotted within available funds based on the following provisions and upon request by the superintendent to the **Division of School Business:**

a. Qualifying Programs Schools

- Regional Programs: Special allotments may be made for assignment to regional programs serving public school students with disabilities. These programs must serve students from more than one LEA.
- Hospitals, Special Programs, and Institutions: Special allotments may be made for assignment to hospitals which offer an educational component to students under their treatment.
- Small Schools: Special allotments may be made for assignment to small schools of less than ~~400~~ **110** ADM, when consolidation is not feasible due to geographic isolation.

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b. Qualifying Conditions:

Consideration will be given to small, geographically isolated schools over other qualifying programs and schools.

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- The LEA must show a need for funding not already included in the regular ADM teacher allotment or children with disabilities programs.
- The special small school allotment must not take the place of local efforts or result in a duplication of positions or funds allotted under the regular ADM teacher allotment or children with disabilities programs.
- All regular positions earned on ADM at those sites must be used to directly serve the program for which the allotment is requested.
- Proper assignment of regular ADM and children with disabilities funds must be documented before a special small school allotment can be approved.

c. Continuation of Allotments: Special allotments are made on a year-by-year basis; however, special allotments will be continued for institutions and hospitals unless the following occurs:

- The program has been discontinued.
- A reduction in the number of students has occurred in the program which makes the allotment unnecessary.
- State funding is not appropriated for this purpose.

d. Allotment Appeals Process: The approval/denial of a request for a special small school allotment will be made initially by the School Allotments Section, Division of

Deleted: 2

School Business. LEAs wishing to appeal a denial of their request may do so in writing to the Office of the Deputy Superintendent of Public Instruction. A final appeal for consideration may be made to the State Board of Education.

e. Employment of Allotted Personnel: Special small school allotments go to the requesting LEA, not to the institution or hospital where the teacher is assigned. Therefore, teachers allotted through a special small school allotment are employees of and should be supervised by the receiving LEA.

f. Assigned Duties of Allotted Personnel: Teachers employed through the special small school allotment may not be assigned duties unrelated to the purpose for which their position was allotted or duties which enhance the profitability of the institution or hospital to which they are assigned.

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

Policy Identification

Priority: Effective and Efficient Operations

Category: Allotments

Policy ID Number: EEO-M-003

Policy Title: Policy regarding NC Public Schools Allotment Policy Manual

Current Policy Date: 06/05/2008

Other Historical Information: Previous board dates: 08/03/1995, 10/05/1995, 01/04/1996, 02/01/1996, 04/02/1996, 07/11/1996, 05/01/97, 07/10/1997, 06/04/1998, 07/09/1998, 11/05/1998, 07/01/1999, 07/13/2000, 12/07/2000, 06/07/2001, 08/02/2001, 03/07/2002, 06/06/2002, 06/05/2003, 01/08/2004, 06/03/2004,06/30/2005

Statutory Reference:

Administrative Procedures Act (APA) Reference Number and Category:

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

Policy Identification

Priority: Effective and Efficient Operations

Category: Allotments

Policy ID Number: EEO-M-003

Policy Title: Policy regarding NC Public Schools Allotment Policy Manual

Current Policy Date: 05/01/2007

Other Historical Information: Previous board dates: 08/03/1995, 10/05/1995, 01/04/1996, 02/01/1996, 04/02/1996, 07/11/1996, 05/01/1997, 07/10/1997, 06/04/1998, 07/09/1998, 11/05/1998, 07/01/1999, 07/13/2000, 12/07/2000, 06/07/2001, 08/02/2001, 03/07/2002, 06/06/2002, 06/05/2003;01/08/2004, 06/29/2005, 08/01/2006

Statutory Reference:

Administrative Procedures Act (APA) Reference Number and Category:

Please refer to the insert **NC Public School Allotment Policy Manual**. This Manual is available only online through the NC Department of Public Instruction's website to the Local Education Agencies of North Carolina (LEAs) and the general public.

Questions regarding the **NC Public School Allotment Policy Manual** should be directed to the:

NC Department of Public Instruction
Division of School Business
School Allotments Section
6334 Mail Service Center
Raleigh, NC 27699-6334
(919) 807-3739

The **NC Public School Allotment Policy Manual** is available from the following link:
<http://www.ncpublicschools.org/docs/fbs/allotments/general/>