



2018 SESSION WRAP-UP

NCSBA Legislative Webinar Series

July 2, 2018

LET'S BREAK
TO EDUCATE

WEBINAR SERIES

Legislative discussions
Mondays @ noon



2018-19 Budget

- Teacher Salaries
 - Avg salary increases of 6.5% from 2017-18.
 - Salary schedule funded in 1st year of the biennium budget.
 - Veteran teachers (25+) - \$700 salary increase instead of bonus.
- Teacher Bonuses
 - PERMANENT - Grades 4 & 5 teachers – Top 25% local/state reading growth scores (\$2,000 instead of \$2,100 max award).
 - PERMANENT – Grades 4-8 Math teachers – Top 25% local/state growth scores (\$2,000 instead of \$2,100 max award).
- 1% COLA for retirees (one-time)
- Noncertified/Central Office personnel
 - Across-the-board salary increase of 2% for permanent full-time school district personnel.
 - Pro rata increase for those who are not permanent full-time.
 - \$4,387,650 to local boards of education to increase the average rates of pay of their school bus drivers on an equitable basis.

2018-19 Budget

- Several changes to principal salary structure
- NCSBA had been working w/Sen. Tillman since November
 - Performance scores and placement guidelines seen on previous slide.
 - Placement based on 2 of last 3 yrs
 - Extend hold harmless 2018-19 (nobody sees salary drop below 2016-17 level).
 - Change to the definition of “demotion.”
 - Budget tech corrections has provision allowing principals who have break in service to still qualify.



School ADM	Base Salary		Salary if School Met Growth		Salary if School Exceeded Growth	
	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
0-400	\$61,751	\$66,010	\$67,926	\$72,611	\$74,101	\$79,212
401-700	\$64,839	\$69,311	\$71,322	\$76,242	\$77,806	\$83,173
701-1,000	\$67,926	\$72,611	\$74,719	\$79,872	\$81,511	\$87,133
1,001-1,300	\$71,014	\$75,912	\$78,115	\$83,503	\$85,216	\$91,094
1,301 +	\$74,101	\$79,212	\$81,511	\$87,133	\$88,921	\$95,054



**July 1, 2018-December 31, 2018
ADM from 2017-18 school year**

**January 1, 2019-June 30, 2019
ADM from 2018-19**



**July 1, 2018-Dec 31, 2018
Met 1x & Met/Exceed 1x
2014-15 2015-16 2016-17**

**Jan 1, 2019 – June 30, 2019
Met 1x & Met/Exceed 1x
2015-16 2016-17 2017-18**



**July, 1, 2018-Dec 31, 2018
Exceeded Growth 2x
2014-15 2015-16 2016-17**

**Jan 1, 2019 – June 30, 2019
Exceed 2x
2015-16 2016-17 2017-18**

Avg Salary Increase = 6.9%

2018-19 Budget

- NCSBA Requested That Changes be Made to Principal Bonus Program
- This is what they did:
 - 1 bonus program instead of 2.
 - Top 50th percentile bonus program retained.
 - Bonuses doubled if principal is in a D or F school.
 - 2nd bonus program eliminated (the program that gave bonuses to principals for moving from not met/met growth to exceed).

School's Schoolwide Growth Percentile 2017-18	Bonus for Principal
100 – 95 th Percentile	\$5,000
94 th – 90 th Percentile	\$4,000
89 th – 85 th Percentile	\$3,000
84 th – 80 th Percentile	\$2,000
79 th – 50 th Percentile	\$1,000

School's Schoolwide Growth Percentile 2018-19	Bonus for Principal
100 – 95 th Percentile	\$10,000
94 th – 90 th Percentile	\$7,500
89 th – 85 th Percentile	\$5,000
84 th – 80 th Percentile	\$2,500
79 th – 50 th Percentile	\$1,000

2018-19 Budget

- Assistant Principal salaries
 - 'A' teacher schedule + 19% (was, 'A' teacher schedule + 17% in 2017-18).
 - This was already scheduled/funded in the biennium budget.
 - Principals will be paid off this schedule if it is higher than what they will make on the principal schedule.

2018-19 Budget

- Remember.....\$61.4M for program enhancement teacher funding appropriated for 2018-19 by HB90.
 - Multi-year phase-in of the lowered K-3 class sizes
- ADM enrollment growth fully funded (accounts for estimated 3,503 more students than 2017-18).
- Textbooks/digital resources continues as a non-recurring appropriation now from the Indian Gaming Fund.
 - Per-pupil amount = same level as 2017-18.

2018-19 Budget

- Central Office
 - Keeps in place a \$4M cut that is scheduled for 2018-19.
 - Combined with \$7M cut in 2017-18 = \$11M in reductions across the biennium.
- Both virtual charter school pilots extended 4 years through 2022-23.
- Voucher program gets another \$10M increase (this is an automatic increase per statute so it doesn't appear in the budget).
 - UNC budget.
- Prohibition on any LEAs part of a regional school from withdrawing until GA establishes a process.

2018-19 Budget

- Restrictions on Allotment Transfers
- Started in 2017-18 and will continue
 - No transfers out of LEP.
 - No transfers out of Special Ed.
- New for 2018-19
 - No transfers out of AIG (already scheduled).
 - No transfers out of Textbooks/Digital Resources (already scheduled).
 - No transfers out of Driver Ed (new provision added by this year's budget).

2018-19 Budget

- DPI must take already scheduled \$4.1M cut (budget does not change or reduce this scheduled cut).
 - Combined with \$3.2M cuts taken in 2017-18 = \$7.3M cut across the biennium (only Tier I counties until 2020-21).

- School Capital
 - Lottery-based Needs-Based grants for school construction increased from \$75M to over \$117M.
 - LEAs who receive Needs-Based grant may use grant funds for lease agreements within certain limitations.

2018-19 Budget

A banner with a blue and purple background featuring a blurred image of a school building. The text "School Safety" is written in a bold, yellow, sans-serif font.

School Safety

- School Safety - \$28M in new ONE TIME funds:
 - \$5M – student threat reporting application.
 - \$10M – grants for personnel to assist mental health needs of students (nurses/counselors etc.).
 - \$3M – training for school mental health personnel.
 - \$2M – community partners to provide grants for students in crisis.
 - \$3M – school safety equipment grants.
 - \$5M – new funding for SRO elementary/middle school grant program (this is recurring).
 - Potentially an additional \$30-\$90 million in federal funding through Medicaid reimbursements.

2018-19 Budget – LOTS OF Earmarking

- Eastern NC Stem = \$400K
- Muddy Sneakers = \$400K
- School That Lead Pilot = \$350K
- BEGINNINGS for Parents of Children who are Deaf or Hard of Hearing = \$300K
- Cabarrus Co. Ed Foundation = \$250K
- Johnston Co. School Security Experiment = \$250K
- Henderson Co. schools Leader in Me pilot = \$200K
- DonorsChoose.org = \$200K (eliminated by budget tech corrections)
- Tri-County Early College = \$200K
- Transylvania Co. schools Stop the Bleed program = \$126,950
- Gaston Co. school handicapped-accessible playground at Webb St school = \$100K
- Avery Co. High School improvements and renovations = \$100K
- United Way of Alamance = \$75K
- Franklin Co. Ed Foundation = \$60K

2018-19 Budget – LOTS OF EARMARKING

- Gaston Co. (4 schools) = \$50K
- Town of Holly Springs for various initiatives for various school programs = \$50K
- REAL School Gardens' Carolinas Region for experimental outdoor teaching methods = \$50K
- Pitt Co. school safety efforts = \$50K
- Communities in Schools of Cape Fear New Hanover = \$45K
- Wayne Co. Communities Supporting Schools program = \$30K
- School construction at New Dimensions charter school = \$25K
 - Budget tech correction makes this money for current ops only
- Cary chamber classroom supply program = \$25K
- Clay Middle School guardrail construction = \$15K
- Columbus Career and College Academy = \$10K
- Robeson Co. classroom equipment at the county career center = \$10K
- Robeson Early College High = \$7.5K

2018-19 Budget Teacher Assistant Tuition Reimbursement Program NEW LEAs

- 19 LEAs already receive
- 19 more LEAs will receive:
 - Alleghany
 - Ashe
 - Bladen
 - Cherokee
 - Clay
 - Columbus
 - Davidson
 - Graham
 - Greene
 - Jackson
 - Jones
 - Lenoir
 - Macon
 - McDowell
 - Mitchell
 - Robeson
 - Swain
 - Yadkin
 - Yancey

2018-19 Budget

Teacher Assistant Tuition Reimbursement Program

NEW LEAs

- 19 LEAs that are already in the program:
 - Alamance-Burlington
 - Anson
 - Beaufort
 - Bertie
 - Duplin
 - Edenton-Chowan
 - Edgecombe
 - Franklin
 - Guilford
 - Halifax
 - Moore
 - Nash-Rocky Mount
 - Northampton
 - Randolph
 - Richmond
 - Scotland
 - Tyrrell
 - Vance
 - Washington

Budget Tech Corrections - SB335

- Language eliminating protection for LEAs in their request to cities for reimbursements for road improvements.
 - Repealed by HB374.
- Eliminate the school construction grant to the New Dimensions charter school and requires it go to operational funding.
- Eliminate the grant to DonorsChoose.org.
- Protects the Office of Charter Schools from the \$4.1M cuts required to be taken by DPI.
- Principal pay tech correction for those that took leave of absence.

MUNICIPAL CHARTER BILL - House Bill 514

- Allows SPECIFIC cities TO APPLY FOR AND operate “municipal charter schools.”
 - Matthews
 - Mint Hill
 - Cornelius
 - Huntersville
- Passed House in 2017 to only apply to Matthews and Mint Hill.
- Senate added Cornelius and Huntersville.
- House concurred in changes.
- Since it is a local bill the Governor could not veto.

House Bill 514 – NCSBA Concerns

- Budget provision allows cities to use revenues to support public schools including “municipal charters.”
 - Enter into leasing agreements for real property or mobile classroom units for use as school facilities for public schools.
- Currently, cities are not authorized to use property tax revenue for schools.
- HB514 combined with this budget provision would create a significant policy shift in operation and funding of NC public schools.
- Would set a precedent that impacts students, districts, and communities across the state.
- It has been the policy of this state to bar governmental entities from appropriating taxpayer dollars for capital for charter schools.
- Too many potential risks and unintended consequences.

Unchartered Territory

A new kind of charter school could shake up the battle over school choice and segregation.



By Seth Cline, Staff Writer June 4, 2018, at 7:00 a.m.



Charlotte has long been at the forefront of conflicts over diversity in public schools. GETTY IMAGES/ISTOCKPHOTO

Ameritrade
OPEN AND FUND AN IRA
AND GET UP TO \$600.

athenahealth

Controversial NC town charter schools are closer to reality. And impact is 'monumental'

BY JIM MORRILL AND ANN DOSS HELMS
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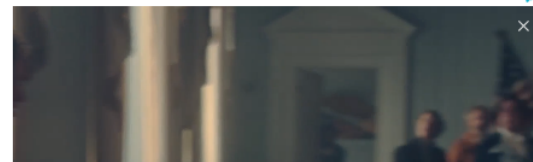
May 29, 2018 11:38 AM
Updated May 29, 2018 05:53 PM

North Carolina's proposed budget includes a provision that not only makes it easier for Mecklenburg County towns to create their own charter schools but allows cities across the state to use tax money for public schools.

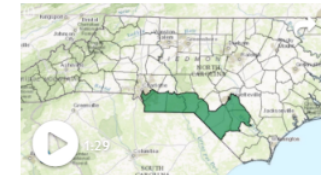
The provision is an effort to fix what was described as a flaw in a bill that would allow Matthews and Mint Hill to create their own charter schools. But it could have far-reaching effects, since generally only the state and counties currently fund schools.

"This is a monumental policy change in North Carolina that is receiving very little vetting," said Scott Mooneyham, director of public affairs for the N.C. League of Municipalities. "Constitutionally the state has a duty to operate and fund schools. ... Sometime down the road does this result in a statutory shift of some of that responsibility?"

ADVERTISING



VIDEOS



Why some are saying North Carolina's District 9 could be a toss up



I'm not apologizing: Congressman defends decision to show gun during meeting

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Local Education Funding Disputes - HB 1031

- Eliminates option for local school board to file lawsuits challenging local education funds from county commissioners.
- Keeps mediation.
- Creates default funding formula to be followed if county commissioners and local school board do not reach agreement on current expense in mediation.
 - Amount appropriated per student previous school year
 - X
 - 1+ Employment Cost Index (ECI) for primary and secondary education
 - X
 - ADM for upcoming year.
- 3% additional assessment for county after year 3 of no agreement.
- Does not impact existing local funding formula agreements.

Local Education Funding Disputes – HB1031

- Concerns w/ capital funding.

- Working group established featuring reps from NCSBA, NCACC, UNC School of Government will study:

- School board fund balances
 - Minimum and maximum fund balances, with a focus on unencumbered funds.
 - Appropriate uses of fund balances.
 - Annual reporting requirements for fund balances.
 - Process for factoring fund balances into annual local education budgets.
 - Role of boards of county commissioners, if any, in determining the use of fund balances.

- Capital outlay funds
 - A mechanism for calculation by formula or other means to resolve disputes related to capital outlay as alternatives to litigation.

Threat of Mass Violence- School Property - HB670

- Makes it a Class H Felony to threaten mass violence on educational property.
- Was already a Class H felony to make a false threat concerning mass violence on educational property.

Superintendents' Spouse Employment - HB611

- Legalizes employment relationships between local school boards and spouses of superintendents.

- Must be approved in open session.

Various Education Law Changes - HB986

- SBE/DPI must report annually on LEAs implementing cursive writing and multiplication tables curriculum requirements.
- Students scoring 5 on Math tests in grades 3+ must be placed in advanced math class following year.
- SBE provide information from annual performance reports for educator preparation providers in a user-friendly format that allows comparability of data.
- Superintendent of Public Instruction to study and make recommendations on ways to reduce testing not otherwise required by State or federal law.
- SBE to repeal mental health policy and develop new policy that creates 1 training program covering mental health and suicide awareness.
 - Recommendations to ed oversight by October 15.
- “Renewal School System” model that authorizes Rowan-Salisbury to operate its schools with charter-like exemptions from certain laws and policies.

Constitutional Amendment – SB75

- Constitutional Amendment lowering the tax cap
- 10% \longrightarrow 7%
- Current rate = 5.49%
- Will be placed on November 2018 ballot.

NCSBA Legislative Agenda 2019-20

- NCSBA Legislative Committee meeting Aug 15 to consider questions for the legislative survey of school board members.
- Be ready to fill out the survey when it is made available!