



**Central Carolina
Regional Educational Service Alliance**
Serving School Districts in the Heart of North Carolina

Meeting: Board of Directors
Date: Friday, March 2, 2018
Time: 9 a.m. – 1 p.m.
Location: Assembly Hall, 7208 Falls of Neuse

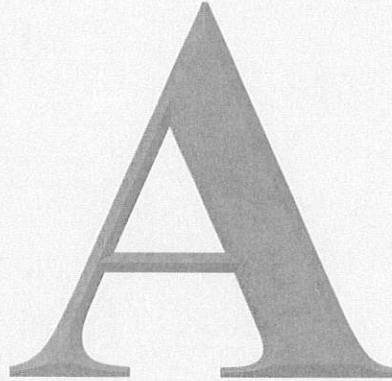
Agenda

| Time | Agenda Item | Presenter | Notes/Links |
|------|---|----------------|---|
| 8:30 | Refreshments available and opportunity to network | All | |
| 9:00 | Call to Order, Welcome, Introductions, Recognitions, and Announcements | Todd Wirt | |
| 9:10 | Approval of Minutes from December 13, 2017 | Todd Wirt | |
| 9:15 | Approval of Financial Reports | Ethan Lenker | |
| 9:20 | Strengthening Early Math and Literacy Instruction | Susan Gates | In May 2017, SAS began meeting with teachers, principals, superintendents and representatives from DPI, DHHS, and higher education to discuss ways in which early math and literacy instruction could be strengthened in North Carolina. These meetings have resulted in the participants identifying three areas -- licensure, professional development, examining the relationship of early childhood and early elementary content for pre-service teachers and principals -- in which work could be done to achieve that goal. Susan Gates is seeking input from superintendents regarding strengthening pre-school education. |
| 9:50 | Feedback on Legislative Breakfast, Opportunities for Follow-up, and Interest in Repeating Next Year | Patrick Miller | What worked at the Legislative Breakfast and what could be improved? Do you want to host a breakfast next year? If so, when and what would be the format? |

| | | | |
|-------|---|-----------------------------------|---|
| 10:10 | Approval of Executive Director's Contract | Todd Wirt | We recently realized that we do not have a current contract for the Ex. Director. Approval is requested for a contract consistent with the status quo. |
| 10:15 | Break | | |
| 10:30 | LATP Update and Plans for Next Year | Lisa Sonricker Tricia Hilliard | Update on this year's program and discussion of plans for participation next year. |
| 10:50 | Plans for Next Year: | Neil Pedersen | <ul style="list-style-type: none"> • Equity Report Card https://simbli.eboardsolutions.com/meetings/TempFolder/Meetings/License%20Audit%20Results%20PPT%20Presentation_120060jy0iblkkolp4iqldiki2kcf.pdf • Seeking feedback on your interest in foci for next year: <ul style="list-style-type: none"> • Equity, Diversity, Anti-racism • Problems of Practice v Professional Learning • More use of social media • Addressing attendance issues experienced this year. |
| 11:25 | Other Issues of Interest to Superintendents | Todd Wirt | <ul style="list-style-type: none"> • Discussion of HB90 |
| 12:00 | Lunch | Dana Stutzman | |
| 12:45 | Conclude Lunch | | |

Upcoming Meetings:

- CCRESA Board Meeting – April 13, 2018
- Superintendent Quarterly Meeting – April 18, 2018
- NCASA Conference in Concord – April 19-20, 2018
- CCRESA Board Meeting – May 11, 2018
- NCCSA and Summer Leadership Conference – June 24-26, 2018
- CCRESA Superintendent's Dinner in Asheville – June 24, 2018



Meeting Minutes from
December 13, 2018

Central Carolina RESA Board of Directors Meeting
7208 Falls of Neuse Rd., Raleigh, NC
December 13, 2017
9:15 a.m. – 11:30 a.m.
Minutes

Board of Directors

Pamela Baldwin (CHCCS), Pascal Mubenga (Durham), Rhonda Schuhler (Franklin), Alisa McLean (Granville), Patrick Miller (Greene), Dolores Gill (Johnston designee), Monica Smith-Woofter (Northampton), Rodney Peterson (Person), Ethan Lenker (Pitt), Dain Butler (Roanoke Rapids), Ray Spain (Warren), and Lane Mills (Wilson).

Affiliate Member Representatives

Barbria Bacon (NC School for Blind and Deaf), Art Rouse (ECU)

Special Guests

Jack Hoke (NCSSA)

Staff

Neil Pedersen, Dana Stutzman, Lisa Sonricker, and Patricia Hilliard.

Call to Order

Chair Elect Monica Smith-Woofter called the meeting to order at 9:15 am. She congratulated Rhonda Schuhler, Superintendent of Franklin County Schools, and Pascal Mubenga, Superintendent of Durham Public Schools, on their new positions. She also welcomed Jack Hoke, Executive Director of NCSSA who made brief remarks. The agenda for the meeting was modified to allow State Board member Amy White to meet with the Board from 9:30 – 10:00 a.m.

Discussion with Amy White

Amy White has served for the past 18 months on the State Board of Education and represents Region 3. She shared information about her background, that included graduating from Wake Forest University, serving as a high school social studies teacher, serving on the Wake County Schools Board of Education, and, more recently, leading the Community of Hope Ministries in Garner. She shared that some of the School Board's priorities are educating the whole child, ESSA, and aligning the strategic plan with funding sources. Superintendents shared some of their concerns over legislative issues such as class size mandates and the lack of communication from DPI and the State Superintendent's Office. Ms. White urged superintendents to contact her at any time at amy.white@cohmin.org or 919-201-1211 (c).

Approval of Minutes

Dr. Smith-Woofter asked members to review the minutes from the October 27th Board of Directors meeting. Patrick Miller moved and Pam Baldwin seconded approval of the minutes. The minutes were approved by a unanimous vote.

Approval of Financial Statements

Dr. Smith-Woofter reviewed the financial materials for CCRESA Treasurer Jim Merrill, who was unable to attend the meeting. All expenses are on target for the 2017-2018 fiscal year. Ethan Lenker moved and Rodney Peterson seconded approval of the Financial Reports. The reports were approved by a unanimous vote. In addition Rodney Peterson moved and Alisa McLean seconded a motion to move \$150,000 from the BB&T account to the CapitalOne Savings account in order to comply with the auditors' recommendation to reduce the balance at BB&T.

Appointment of New Secretary/Treasurer

Due to Jim Merrill's retirement effective February 1, 2018, it was necessary for the Board to select a replacement to serve out his term that ends June 30, 2018. Ethan Lenker was nominated by Patrick Miller to serve in this office. No one else was nominated. Patrick Miller moved and Lane Mills seconded to close nominations. Ethan Lenker's nomination was unanimously approved.

Preparation for Legislative Breakfast

Neil Pedersen reminded the Board that the Legislative Breakfast will be held on January 10th from 8:30-10:30 am at the Bridge Club in Raleigh. He stressed the importance of superintendents contacting their legislators, preferably by phone, to invite them to join them at the breakfast. Printed invitations were sent via U.S. Mail to the legislators' offices so that they would have the information in writing. The invitations asked legislators to respond to their superintendents. Neil asked for superintendents to confirm who will be attending before they leave for the Winter Break. The "drop dead" date is January 3, 2018. It was agreed that lobbyists and representatives from other professional organizations would not be invited.

Neil asked the Board for their ideas about how to conduct the meeting. It was agreed that it should have an informal tone. Patrick Miller will serve as the "MC" for the event.

Legislators, hopefully, will start going through the buffet line by 8:45 and finish breakfast by 9:15. Legislators will be provided the position papers that NCASA developed on its five priorities. Jack Hoke indicated that he could send out talking points. The following Board members agreed to offer a brief (3-5 minutes) story or example related to the following priorities:

- Ross Renfrow: Class Size Mandates
- Dain Butler: Pay-Plan for School Administrators
- Ethan Lenker: School Performance Grades and Accountability System
- Lane Mills: Central Office Budget Cuts

It was noted that legislators may have some meetings that morning, but they probably would not begin prior to 10 a.m. Under this plan, we should be able to complete the program by 10 a.m.; however, the breakfast can continue on to 10:30 for those who can remain or for late arrivals.

Update on LAMP

Neil Pedersen updated the Board on the LAMP's implementation and the implications of proposed policy changes pertaining to Educator Preparation Programs that the PEPSC is recommending to the State Board. LAMP falls under Policy TCED-010 pertaining to "Innovative/Experimental Programs." Our program has been approved for five years through 2022. Our teachers will have three years to pass the Praxis II and the Pearson math and reading tests if applicable. At this time it's unclear if lateral-entry teachers will be required to pass the edTPA. Neil shared that the program is experiencing some problems in preparing teachers for EC licensure. He also shared that the districts would like us to expand to licensing elementary teachers; however, Board members suggested that we be cautious about this, particularly because these teachers will be expected to pass the Pearson math and reading assessments.

Teacher Contracts

Superintendents shared their current thinking about developing a policy related to the issuance of teacher contracts of varying length. Most seem to be considering one-year contracts the first three years and then some type of rollover contract. Cabarrus County Schools has developed a new policy on teacher contracts. There was some discussion about the role that EVAAS results and ratings on NCEES should play.

The meeting adjourned at 11:30pm.

Respectfully submitted,

Jim Merrill
Treasurer/Secretary



B

Financial Reports



**Central Carolina
Regional Educational Service Alliance**
Serving School Districts in the Heart of North Carolina

To: CCRESA Board of Directors
From: Ethan Lenker
CCRESA Secretary/Treasurer
Date: 3/2/18
Re: Financial Report Memo

STATEMENT OF FINANCIAL POSITION

JANUARY

On January 31, 2018 the CCRESA's bank accounts totaled \$1, 045,729.96.

Outstanding Liabilities amounted to \$11,545.04. The balances in each of our bank accounts at the end of January were as follows:

| | |
|---------------------------------|--------------|
| BB&T Checking | \$720,313.41 |
| CapitalOne 360 Business Account | \$101,541.13 |
| First Internet Bank CD | \$207,198.84 |

The CCRESA is in the process of linking the BB&T Checking Account with the CapitalOne 350 Business Account in order to transfer \$150,000 as approved during the December 13th Board Meeting.

The \$8,000 in Accounts Receivable is for Halifax County Schools invoice for their participation in the LATP Program.

For the December 15th pay date there was an error processing Dr. Pedersen's payroll, specifically, his retirement contribution to the T. Rowe Price Account. This error is reflected under 250 Payroll Liabilities. A new line item, T. Rowe Price Retirement Plan, was created in order to insure he is able to contribute the maximum amount during the fiscal year. The line item, T. Rowe Price, accounts for the CCRESA's contributions to the employee retirement funds. We are currently showing a \$4,000 liability for the T. Rowe Price Retirement Plan line item. With the aid and approval of our accountant, \$2,000 will be reconciled with personal checks from Dr. Pedersen. The remaining \$2,000 will be reconciled in the following month due to T. Rowe Price withdrawing the January 31st payroll contributions in February, as is the same for the \$575.50 in the T. Rowe Price line item.

STATEMENT OF ACTIVITY

JANUARY

During the month of January the CCRESA spent \$22,146.53. The breakdown by class is as follows:

| | |
|------|-------------|
| DLC | \$0 |
| LATP | \$2,903.29 |
| RESA | \$19,243.24 |

The following programming was held:

- January 8th – C&I/Technology Council Meeting
- January 9th – LATP Cohort 1 Foundations 9 Class
- January 10th – Legislative Breakfast at The Bridge Club
- January 11th – LATP Cohorts 2 and 4 Foundations 9 Classes
- January 16th – LATP Cohorts 5 Foundations 9 Class
- January 18th – LATP Cohort 3 Foundations 9 Class
- January 23rd – LATP Cohort 1 Foundations 10 Class
- January 25th – LATP Cohorts 2 and 4 Foundations 10 Class

In January we earned \$298.05 through our CapitalOne 360 Business Account and our 36 Month CD with First Internet Bank.

BUDGET VS. ACTUALS

Below is a breakdown of where we stand at this point in the year for each of the three accounts that we maintain.

Traditional RESA Operations

Seven months into the fiscal year, the RESA has spent 50% of its operating budget (exclusive of DLC and LATP) for a total of \$164,711.58. The cost of the audit increased from the previous year and therefore the budget line item CPA Firm/Yearly Audit under 525 Professional Services is overspent by \$200. The Mileage Reimbursement line under 625 Professional Development is also overspent by \$220, due to more travel than initially anticipated. All other budget line items remain under budget.

Digital Learning Competencies Grant from DPI

The RESA did not incur any expenses associated with the DLC partnership with NCDPI. We currently have spent \$13,661.69, 30% of the overall budget. We will receive an additional \$21,994 by the end of the fiscal year to facilitate the remaining 3 sessions.

Local Alternative Teacher Preparation Program

We have received payment from 13 of the 14 participating districts. At this time LATP Grant funds have been used for all program expenditures, a total of \$124,918.41 except for printing expenses which total \$450.68. This leaves \$141,173.59 remaining in the fund balance. We will use \$59,560 to pay RTI the

remaining balance of their contract over the next 4 months. The 2nd Quarter invoice, totaling \$48,980.94, for the WCPSS On-Loan employees will also be covered by the grant. The majority of the remaining funds, 32,632.65 will be used to facilitate the Spring Symposium on March 9th & 10th at the McKimmon Center and the three week Summer Institute Sessions.

Central Carolina RESA

STATEMENT OF FINANCIAL POSITION

As of January 31, 2018

| | TOTAL |
|-----------------------------------|-----------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| 100 BB&T Checking | 720,313.41 |
| 110 BB&T Money Market | 0.00 |
| 120 Capital One 360 | 101,541.13 |
| 130 FIB CD | 207,198.84 |
| Total Bank Accounts | \$1,029,053.38 |
| Accounts Receivable | |
| Accounts Receivable (A/R) | 8,000.00 |
| Total Accounts Receivable | \$8,000.00 |
| Other Current Assets | |
| Prepaid dues - offset | 0.00 |
| Sales Tax Receivable | 2,222.58 |
| Undeposited Funds | 0.00 |
| Total Other Current Assets | \$2,222.58 |
| Total Current Assets | \$1,039,275.96 |
| Fixed Assets | |
| Accumulated Depreciation | -1,151.01 |
| Computer Equipment | 870.00 |
| Meeting Furniture | 870.00 |
| Office Furniture | 1,365.00 |
| Website | 4,500.00 |
| Total Fixed Assets | \$6,453.99 |
| TOTAL ASSETS | \$1,045,729.95 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| Accounts Payable (A/P) | 2,032.34 |
| Total Accounts Payable | \$2,032.34 |
| Credit Cards | |
| 200 Credit Card - DS | 3,720.42 |
| 210 Credit Card - NP | 0.00 |
| 230 Credit Card - PH | 0.00 |
| 231 Credit Card - LS | 341.17 |
| Total Credit Cards | \$4,061.59 |
| Other Current Liabilities | |
| 240 Prepaid Dues | 0.00 |
| 245 LATP Grant Money | 0.00 |
| 250 Payroll Liabilities | |
| Federal Taxes (941/944) | 2,316.20 |

| | TOTAL |
|--|-----------------------|
| NC Income Tax | 540.00 |
| NC Unemployment Tax | 0.00 |
| T. Rowe Price | 575.50 |
| T. Rowe Price Retirement Plan | 4,000.00 |
| Total 250 Payroll Liabilities | 7,431.70 |
| Benefits Payable | 3,500.00 |
| Direct Deposit Payable | 0.00 |
| Total Other Current Liabilities | \$10,931.70 |
| Total Current Liabilities | \$17,025.63 |
| Total Liabilities | \$17,025.63 |
| Equity | |
| Retained Earnings | 450,412.70 |
| Net Revenue | 578,291.62 |
| Total Equity | \$1,028,704.32 |
| TOTAL LIABILITIES AND EQUITY | \$1,045,729.95 |

Central Carolina RESA
STATEMENT OF ACTIVITY BY CLASS
January 2018

| | LATP | RESA | TOTAL |
|---|---------------|------------------|--------------------|
| Revenue | | | |
| 430 Interest Income | | 298.05 | \$298.05 |
| Total Revenue | \$0.00 | \$298.05 | \$298.05 |
| GROSS PROFIT | | | |
| | \$0.00 | \$298.05 | \$298.05 |
| Expenditures | | | |
| 500 Salary & Benefits | | | |
| 500 Salary & Benefits | | | \$0.00 |
| Employer Taxes | | 880.51 | \$880.51 |
| Executive Director Compensation | | 6,333.34 | \$6,333.34 |
| Executive Director Retirement Contribution | | 633.34 | \$633.34 |
| Office Manager Compensation | | 5,176.66 | \$5,176.66 |
| Office Manager Retirement Contribution | | 517.66 | \$517.66 |
| Total 500 Salary & Benefits | | 13,541.51 | \$13,541.51 |
| 525 Professional Services | | | |
| 525 Professional Services | | | \$0.00 |
| Insurance | | 43.83 | \$43.83 |
| Payroll & Accounting | | 60.99 | \$60.99 |
| Total 525 Professional Services | | 104.82 | \$104.82 |
| 550 Office Occupancy | | | |
| 550 Office Occupancy | | | \$0.00 |
| Custodial Services | | 140.00 | \$140.00 |
| Recycling | | 47.90 | \$47.90 |
| Rent | | 1,775.00 | \$1,775.00 |
| Total 550 Office Occupancy | | 1,962.90 | \$1,962.90 |
| 575 Communications | | | |
| 575 Communications | | | \$0.00 |
| Gmail/Website | | 20.02 | \$20.02 |
| Telephone/Internet | | 297.64 | \$297.64 |
| Total 575 Communications | | 317.66 | \$317.66 |
| 600 Office Supplies & Expenses | | | |
| 600 Office Supplies & Expenses | | | \$0.00 |
| Copier Lease | | 207.81 | \$207.81 |
| Printing | | 450.67 | \$450.67 |
| Supplies & Materials | | 524.00 | \$524.00 |
| Total 600 Office Supplies & Expenses | | 1,182.48 | \$1,182.48 |
| 625 Professional Development | | | |
| 625 Professional Development | | | \$0.00 |
| Food & Beverage | 64.25 | 1,317.61 | \$1,381.86 |
| Registration Fees | | 445.00 | \$445.00 |
| Room/Equipment Rental | | 250.00 | \$250.00 |
| Staff Travel | | 51.00 | \$51.00 |
| Total 625 Professional Development | 64.25 | 2,063.61 | \$2,127.86 |
| 700 Sales Tax Paid | 1.99 | 34.43 | \$36.42 |
| 910 LATP Programming | | | |
| 910 LATP Programming | | | \$0.00 |
| LATP - Printing | 450.68 | | \$450.68 |
| Total 910 LATP Programming | 450.68 | | \$450.68 |
| 915 LATP Grant Start-Up Expenses | | | |
| 915 LATP Grant Start-Up Expenses | | | \$0.00 |
| LATPS - Supplies | 146.85 | | \$146.85 |

| | LATP | RESA | TOTAL |
|---|-------------------|--------------------|--------------------|
| LATPS - Technology | 2,239.52 | | \$2,239.52 |
| Total 915 LATP Grant Start-Up Expenses | 2,386.37 | | \$2,386.37 |
| Bank Charges | | 35.83 | \$35.83 |
| Payroll Expenses | | 0.00 | \$0.00 |
| Total Expenditures | \$2,903.29 | \$19,243.24 | \$22,146.53 |
| NET OPERATING REVENUE | \$ -2,903.29 | \$ -18,945.19 | \$ -21,848.48 |
| NET REVENUE | \$ -2,903.29 | \$ -18,945.19 | \$ -21,848.48 |

Central Carolina RESA
Budget vs. Actuals: RESA FY17-18 - FY18 P&L Classes
 July 2017 - January 2018

| | Actual | Budget | Total over Budget | % of Budget |
|---|----------------------|----------------------|-----------------------|-----------------|
| Revenue | | | | |
| 400 Dues Income | 241,739.00 | 241,739.00 | 0.00 | 100.00% |
| 410 Donations (Holiday BOD) | 1,000.00 | | | |
| 430 Interest Income | 1,464.28 | 4,200.00 | -2,735.72 | 34.86% |
| 450 Sales Tax Reimbursement | 755.56 | 2,400.00 | -1,644.44 | 31.48% |
| 460 Rental Fees | 580.00 | 0.00 | 580.00 | |
| Total Revenue | \$ 245,538.84 | \$ 248,339.00 | -\$ 2,800.16 | 98.87% |
| Gross Profit | \$ 245,538.84 | \$ 248,339.00 | -\$ 2,800.16 | 98.87% |
| Expenditures | | | | |
| 500 Salary & Benefits | | | | |
| Employer Taxes | 6,163.60 | 11,700.00 | -5,536.40 | 52.68% |
| Executive Director Compensation | 44,333.38 | 76,000.00 | -31,666.62 | 58.33% |
| Executive Director Retirement Contribution | 4,433.37 | 7,600.00 | -3,166.63 | 58.33% |
| Office Manager Compensation | 36,236.62 | 62,120.00 | -25,883.38 | 58.33% |
| Office Manager Retirement Contribution | 3,623.62 | 6,212.00 | -2,588.38 | 58.33% |
| Total 500 Salary & Benefits | \$ 94,790.59 | \$ 163,632.00 | -\$ 68,841.41 | 57.93% |
| 525 Professional Services | | | | |
| | | | 0.00 | |
| Attorney Fees | | 1,000.00 | -1,000.00 | 0.00% |
| CPA Firm/Yearly Audit | 5,200.00 | 5,000.00 | 200.00 | 104.00% |
| Financial Management | 1,500.00 | 3,000.00 | -1,500.00 | 50.00% |
| Insurance | 1,194.49 | 2,032.00 | -837.51 | 58.78% |
| Payroll & Accounting | 338.99 | 875.00 | -536.01 | 38.74% |
| Total 525 Professional Services | \$ 8,233.48 | \$ 11,907.00 | -\$ 3,673.52 | 69.15% |
| 550 Office Occupancy | | | | |
| | | | 0.00 | |
| Custodial Services | 1,120.00 | 1,680.00 | -560.00 | 66.67% |
| Recycling | 378.20 | 550.00 | -171.80 | 68.76% |
| Rent | 14,200.00 | 21,300.00 | -7,100.00 | 66.67% |
| Total 550 Office Occupancy | \$ 15,698.20 | \$ 23,530.00 | -\$ 7,831.80 | 66.72% |
| 575 Communications | | | | |
| | | | 0.00 | |
| Gmail/Website | 173.24 | 1,520.00 | -1,346.76 | 11.40% |
| Telephone/Internet | 1,864.71 | 3,912.00 | -2,047.29 | 47.67% |
| Total 575 Communications | \$ 2,037.95 | \$ 5,432.00 | -\$ 3,394.05 | 37.52% |
| 600 Office Supplies & Expenses | | | | |
| | | | 0.00 | |
| Copier Lease | 1,266.85 | 2,300.00 | -1,033.15 | 55.08% |
| Printing | 740.65 | 1,000.00 | -259.35 | 74.07% |
| Supplies & Materials | 2,286.54 | 3,000.00 | -713.46 | 76.22% |
| Total 600 Office Supplies & Expenses | \$ 4,294.04 | \$ 6,300.00 | -\$ 2,005.96 | 68.16% |
| 625 Professional Development | | | | |
| | | | 0.00 | |
| Contracted Consultants | 17,735.47 | 60,438.00 | -42,702.53 | 29.34% |
| Food & Beverage | 12,299.35 | 25,000.00 | -12,700.65 | 49.20% |
| Mileage Reimbursement | 770.03 | 500.00 | 270.03 | 154.01% |
| Registration Fees | 958.11 | 1,500.00 | -541.89 | 63.87% |
| Room/Equipment Rental | 250.00 | 6,000.00 | -5,750.00 | 4.17% |
| Staff Travel | 857.61 | 5,000.00 | -4,142.39 | 17.15% |
| Supplies/Books/Materials | 3,118.46 | 8,000.00 | -4,881.54 | 38.98% |
| Total 625 Professional Development | \$ 35,989.03 | \$ 106,438.00 | -\$ 70,448.97 | 33.81% |
| 650 Capital Outlay | | | | |
| | | | 0.00 | |
| Furniture | 3,386.88 | 3,500.00 | -113.12 | 96.77% |
| Technology | 0.00 | 1,000.00 | -1,000.00 | 0.00% |
| Total 650 Capital Outlay | \$ 3,386.88 | \$ 4,500.00 | -\$ 1,113.12 | 75.26% |
| 700 Sales Tax Paid | 245.00 | 2,400.00 | -2,155.00 | 10.21% |
| Bank Charges | 36.41 | | 36.41 | |
| Total Expenditures | \$ 164,711.58 | \$ 324,139.00 | -\$ 159,427.42 | 50.82% |
| Net Operating Revenue | \$ 80,827.26 | -\$ 75,800.00 | \$ 156,627.26 | -106.63% |
| Net Revenue | \$ 80,827.26 | -\$ 75,800.00 | \$ 156,627.26 | -106.63% |

Central Carolina RESA
Budget vs. Actuals: LAMP FY17-18 - FY18 P&L Classes
 July 2017 - January 2018

| | Actual | Budget | Total over Budget | % of Budget |
|---|----------------------|----------------------|-----------------------|----------------|
| Revenue | | | | |
| 420 Grant Income | | | 0.00 | |
| LAMP Grant Funding | 266,092.00 | 266,092.00 | 0.00 | 100.00% |
| Total 420 Grant Income | \$ 266,092.00 | \$ 266,092.00 | \$ 0.00 | 100.00% |
| 440 LAMP Program Fees | | | 0.00 | |
| LAMP - District Fees | 261,000.00 | 300,000.00 | -39,000.00 | 87.00% |
| LAMP - Participant Fees | 87,000.00 | 100,000.00 | -13,000.00 | 87.00% |
| Total 440 LAMP Program Fees | \$ 348,000.00 | \$ 400,000.00 | -\$ 52,000.00 | 87.00% |
| Total Revenue | \$ 614,092.00 | \$ 666,092.00 | -\$ 52,000.00 | 92.19% |
| Gross Profit | \$ 614,092.00 | \$ 666,092.00 | -\$ 52,000.00 | 92.19% |
| Expenditures | | | | |
| 700 Sales Tax Paid | 122.36 | | 122.36 | |
| 910 LAMP Programming | | | | |
| LAMP - Contracted Services | 0.00 | 215,750.00 | -215,750.00 | 0.00% |
| LAMP - Food & Beverage | 0.00 | 40,000.00 | -40,000.00 | 0.00% |
| LAMP - Praxis II Materials & Fees | 0.00 | 22,000.00 | -22,000.00 | 0.00% |
| LAMP - Printing | 450.68 | 2,500.00 | -2,049.32 | 18.03% |
| LAMP - Room/Equipment Rental | 0.00 | 12,500.00 | -12,500.00 | 0.00% |
| LAMP - Supplies | 0.00 | 5,000.00 | -5,000.00 | 0.00% |
| LAMP - Travel/Mileage | 0.00 | 19,500.00 | -19,500.00 | 0.00% |
| Total 915 LAMP Grant Start-Up Expenses | \$ 450.68 | \$ 317,250.00 | -\$ 316,799.32 | 0.14% |
| 915 LAMP Grant Start-Up Expenses | | | 0.00 | |
| LATPS - Contracted Services | 104,847.25 | 224,092.00 | -119,244.75 | 46.79% |
| LATPS - Food & Beverage | 470.16 | 15,000.00 | -14,529.84 | 3.13% |
| LATPS - Room/Equipment Rental | 0.00 | 5,000.00 | -5,000.00 | 0.00% |
| LATPS - Furniture | 7,215.73 | 8,000.00 | -784.27 | 90.20% |
| LATPS - Supplies | 3,142.35 | 5,000.00 | -1,857.65 | 62.85% |
| LATPS - Technology | 6,645.17 | 5,000.00 | 1,645.17 | 132.90% |
| LATPS - Travel | 2,597.75 | 4,000.00 | -1,402.25 | 64.94% |
| Total 915 LAMP Grant Start-Up Expenses | \$ 124,918.41 | \$ 266,092.00 | -\$ 141,173.59 | 46.95% |
| Total Expenditures | \$ 125,040.77 | \$ 583,342.00 | -\$ 458,301.23 | 21.44% |
| Net Operating Revenue | \$ 489,051.23 | \$ 82,750.00 | \$ 406,301.23 | 591.00% |
| Net Revenue | \$ 489,051.23 | \$ 82,750.00 | \$ 406,301.23 | 591.00% |

Central Carolina RESA
Budget vs. Actuals: DLC FY17-18 - FY18 P&L Classes
 July 2017 - January 2018

| | Actual | Budget | Total over Budget | % of Budget |
|----------------------------------|---------------------|---------------------|----------------------|---------------|
| Revenue | | | | |
| 420 Grant Income | | | 0.00 | |
| DLC Grant Funding | 21,994.00 | 43,988.00 | -21,994.00 | 50.00% |
| Total 420 Grant Income | \$ 21,994.00 | \$ 43,988.00 | -\$ 21,994.00 | 50.00% |
| Total Revenue | \$ 21,994.00 | \$ 43,988.00 | -\$ 21,994.00 | 50.00% |
| Gross Profit | \$ 21,994.00 | \$ 43,988.00 | -\$ 21,994.00 | 50.00% |
| Expenditures | | | | |
| 700 Sales Tax Paid | 369.83 | | 369.83 | |
| 900 DPI Programming | | | | |
| DLC - Administrative Costs | 0.00 | 9,000.00 | -9,000.00 | |
| DLC - Food & Beverage | 6,324.26 | 18,788.00 | -12,463.74 | 33.66% |
| DLC - Room/Equipment Rental | 6,905.00 | 15,000.00 | -8,095.00 | 46.03% |
| DLC - Travel/Mileage | 62.60 | 1,200.00 | -1,137.40 | 5.22% |
| Total 900 DPI Programming | \$ 13,291.86 | \$ 43,988.00 | -\$ 30,696.14 | 30.22% |
| Total Expenditures | \$ 13,661.69 | \$ 43,988.00 | -\$ 30,326.31 | 31.06% |
| Net Operating Revenue | \$ 8,332.31 | \$ 0.00 | \$ 8,332.31 | |
| Net Revenue | \$ 8,332.31 | \$ 0.00 | \$ 8,332.31 | |




C

Strengthening Early Math and
Literacy Instruction


"Early Math and Literacy Instruction: Laying the Foundations for Success"

Central Carolina RESA
March 2, 2018




Engagement of the NC Business Community

NC companies support the need for increasing 3rd-grade reading proficiency




Industry Growth in North Carolina

- STEM-related jobs: **24% increase**
- Health care professional jobs: **27% increase**
- Finance and insurance jobs: **29% increase**




BRT Companies' Expected Future Degree Requirements

- **37% increase** in Bachelor's degrees
- **40% increase** in graduate degrees



Looking Beyond 2020


65% of jobs elementary school students will be doing in the future **do not yet exist**



3rd- Grade Reading Proficiency Drives College Enrollment

9th graders who read proficiently in 3rd grade are:


3 times more likely to go to college



Failing to Read Proficiently


Students not reading proficiently by end of 3rd grade are:

4 times more likely
to drop out of school.





Reading Proficiency of North Carolina Students

62% of North Carolina 4th graders are **not** reading proficiently




"Why Reading Matters"

A report by the Business Roundtable


Task Force of NC CEOs

| | | |
|------------------|------------------|--------------------|
| •AT&T | •Ingersoll | •PNC |
| •Bank of America | Rand | Financial Services |
| •BB&T | •Martin | •Red Hat |
| •Biltmore Farms | •Medical Mutual | •SAS |
| •Cone Health | •National Gypsum | |




North Carolina Policy Recommendations

- Implement a comprehensive 0-8 system
- Develop connected data systems
- Expand access to high-quality, full-day pre-K



Progress on Recommendations

- Creation of new Birth-through-3rd-Grade (B-3) Interagency Council
- Council will address data-driven improvements and outcomes
- Access increased to NC Pre-K:
 - 2017-18: 3,525 students
 - 2019-20: 3,000 students



One Additional Recommendation

- Strengthen **effectiveness** of educators from **pre-K through 3rd grade**
- Focus on **early math and literacy**

§sas

Why Early Math?

Research confirms early math skills are as good – or better – indicator of 3rd-grade reading proficiency

§sas

The Critical Role of Educators

Increasing reading proficiency requires an understanding of early childhood development and early academic content and pedagogy

§sas

Misconceptions about “Early Childhood”

- It is NOT just birth to age 5
- How a child learns evolves during their youngest years
- That evolution does not end when a child enters kindergarten

§sas

Knowledge/Skills Pre-K -3rd Grade Teachers Need

- Engage children in high-quality interactions
- Establish positive relationships with students
- Create effective learning environments
- Understand developmental science and learning domains
- Understand and implement play-based, evidence-based instruction
- Understand learning trajectories
- Work with diverse populations of children
- Connect with families
- Use assessment to inform instruction

§sas

Knowledge Elementary Principals Need

- Importance of early childhood development and early academic content
- Understanding of early math and literacy skills
- Understanding of play-based/evidence-based instruction
- Differing instruction between degree programs/licensure

§sas

Teacher Licenses: Out of Sync

- Licenses often designed to match educational divisions in the system
 - elementary, middle and high schools
- Licenses are not based on how a child learns

§sas

Divergent Tracks for Prospective Early Grade Teachers

| Early Childhood Preparation | Elementary Preparation |
|---|---|
| Child Development | Content Areas: <ul style="list-style-type: none"> • Math • Social studies • Science • ELA |
| Identification of children with special needs | Teaching methods-evidence-based instruction |
| Early literacy/early math | Classroom management |
| Social-emotional learning | |
| Play-based instruction | |

§sas

States Requiring Principal Preparation Programs to Include Early Child Development



§sas

Consequences When Staffing Elementary Schools

Principals:

- May lack understanding of how early childhood and elementary teacher preparation programs vary
- Often lack of experience as elementary teachers, especially in the early grades
- Move weak teachers to early elementary grades, placing stronger teachers in state-tested grades

§sas

Inherent Friction

- Principals need flexibility to fill teaching positions
 - prefer K-6 license to pre-K-3rd grade license
- School and district “report cards” based on testing from grade 3 on
 - forces emphasis on higher elementary grades
- Focus on content of instruction vs. manner of instruction
- Focus on memorization vs. conceptualization

§sas

Tackling the Problem

SAS is hosting convenings to discuss strengthening early math and literacy instruction in North Carolina

§sas

Who Is at the Table?

- Teachers
- Principals
- Superintendents
- DPI and DHHS representatives
- Higher education representatives

§sas

What Is the Focus?

Pre-K through 3rd Grade:

- Cross-pollination of early childhood development and early academic content/pedagogy in degree programs
- Licensure modification to move away from B-K and K-6 licenses
- Professional development enhancement to include early childhood development and early academic content/pedagogy

§sas

Questions and Insights?

§sas

SUMMARY
Nov. 9, 2017 SAS Convening –
Strengthening Early Math and Literacy Instruction
in North Carolina

Concrete Ideas/Working Session Themes Identified by Participants:

1. *Licensure*
2. *Professional Development*
3. *Cross Pollination*

Licensure

- Movement away from the concept of B-K and K-6 licenses, calling it something that addresses both early childhood development and early elementary education (for example, "early child education")
- Explore a B-8 license structure
 - Early care and education, early literacy, early math -- these things start at birth
 - Would not want to differentiate between regular and special education in early childhood (B-K is currently dual licensure)
- Need to be mindful of inequities in cost of getting a license (e.g., around special education); are there ways to reduce the costs?
- Focus on competencies
 - Instead of thinking in grade-level siloes, think about the competencies teachers need (i.e., what are they getting in an early childhood license, what are they getting in a K-6 license?)
 - Could consider competency-based badges for add-on (which could be earned during pre-service or in-service)
 - Think through ways to have competency replace testing, which would also save students money in seeking licensure
- For principal licensure (**Note:** This will be addressed during the next convening on Feb. 27):
 - Rethink principal licensure that is tied to a specific grade level band, as opposed to grades in a physical building (e.g., K-6 and 6-12) – concerns noted about compensation structure that creates elementary schools as “stepping stones” to middle and high schools
 - Consider early childhood knowledge – either as part of licensure or for ongoing professional development

In-Service Ongoing Professional Development

- Promote early childhood professional development so people better understand how it could enrich teachers (both elementary and younger ages)
- Focus on the principal first:
 - If the director/administrator does not understand, it does not matter what the teachers know -- it won't be implemented
 - Ensure principals understand the balance between socio-emotional and academic learning, along with “play learning”
- Create visits to NC demonstration kindergarten and pre-K classrooms for school leaders
- Ensure that professional development is conducted at quality settings
- Require internships for principals during their certification process (at all levels of education)
 - Guards against consequences from sectioning off K-5, 6-12. Do not want a high school softball coach to become the principal of a K-2 only school.

Cross-Pollination (early childhood + early elementary)

- Focus needs to be on early childhood development, as opposed to grade level
- Survey the landscape to see what is happening at programs/schools to ascertain the greatest impact by understanding “best practices.”
- Facilitate communication between teacher preparation and principal preparation programs
 - Discussion about how children learn is not consistent across these two groups
- Examine the impact on courses and other experiences if courses in higher education focused on pre-K-6 instead of K-6.
- Develop clinical experiences for teachers and principals, making sure quality settings are being used.
- Equip K-6 teachers with knowledge about research and rationale about best practice continuum so they can articulate to parents, principals, other teachers, etc.
- Develop/enhance connections with community colleges to support cross-pollination between early childhood and elementary programs
- Implement more statewide summits/leadership institutes (e.g., IHEs, LEAs, policy-makers)
 - Provides more opportunities for educational leaders to talk to each other
 - Example: UNCW hosts a university school partnership summit
- Create a regional/district consortium
 - Example: Charlotte area consortium between 13 districts gets together 4x a year
 - Encourages collaboration and a continued conversation between IHEs and LEAs

Summary of Presentations:

Update on Senate Bill 599: Professional Educator Preparation and Standard Commission

Catherine Truitt (see power point presentation attached)

***Q&A**

- With the new requirements of Senate Bill 599, will there be an impact on teachers already in the classroom?
 - No, existing teachers will be grandfathered in
 - No clear direction on how this will be phased in - perhaps a year phase-in starting in the 2018 school year?
- Regarding the Commission composition, will there be representation from the early childhood community?
 - Yes - there will be deans and professors who teach in the B-K licensure program

Perspectives from the Front Lines (Panel Discussion)

Mary Helen Sills

Paige Barnes

Jennifer Curtis

***Teacher Education vs. Reality in Practice**

- There is a big difference between the two
 - Better understanding of what happens day to day is achieved by being in the classroom and working under the guidance of a strong mentor/team member
- As time progresses, strategies change in terms of what is taught/how it's taught
- Access to quality curriculum materials in schools across NC differs; need to ensure there's equal access to quality materials
 - Teachers are taught with the same curriculum going in but, in reality, a different curriculum will be used in practice

- Opportunities for improvement in how teachers teach?
 - Teachers who are open to change/willing to learn
 - Ongoing professional development
 - Focus on *how* students learn (opposed to content-based focus)

*Is there a lack of early childhood development training in K-6 licensure? What type of training do educators currently receive?

- Teachers: Receive more content-based training. Conceptual methods are covered in more depth at the masters level
- Principals: There is very little training on childhood development. With a Masters in Administration, they focused more on leadership (opposed to management). Principals are dependent on their staff for knowledge around child development.
- There tends to be very little focus on early childhood development, unless the university decides to take it on

*In K-6 licensure specifically, is more emphasis placed on how to teach the older students versus the younger ones (K-2 or Pre-K-2)?

- The emphasis leans more toward grades 3-5 because of testing ("staffing to test")
- B-K licensed candidates could be strong assets in teaching "learn to play" methods. However, all other things equal, they may not be hired as often as a K-6 licensed candidate because the K-6 candidate can teach other grades besides pre-k or K.

*Q&A

- Is there a teaching standard around reading?
 - Some universities teach Foundations, Pillars, etc.
 - Some battle the use of phonics v. whole language
 - Bottom line -- there is no consistency
 - Universities will put support structures in place so that students can pass the Praxis tests. This is time where students could be learning more around reading/math education.
 - There is no consistency that the method teachers learn will be used in practice by the school
 - Disconnect between universities and the first years of education experience
- Can we tell if there is improvement among student teachers?
 - Minimal change seen but more student teachers are willing to ask "why" instead of doing exactly what the teacher does
- Do you believe there are differences among new teachers based on which university they attended?
 - Yes
 - Example: If teachers come through a certain university, there was a confidence that they would be a high-quality candidate in math or literacy. Administrators would have confidence the candidates would be well-rounded and ready to take on classroom challenges. Some candidates would not be interviewed based on the program they attended.
- How much weight do you give the current licensure requirements for early elementary teachers? For what do you believe candidates are accountable?
 - Example: One teacher failed the math portion but is a phenomenal teacher. Not much weight is placed on the test.
 - Example: After working extensively with the Pearson test that focuses on middle school/math pedagogy, the conclusion was formed that it holds back qualified teachers
 - More weight should be given to more supervised classroom hours, ongoing professional development

Overview of Issues & Other States' Efforts

Laura Bornfreund (see attached power point presentation)

*Q&A

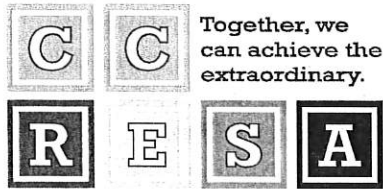
- Regarding certification changes, were there also school building/structural changes?
 - There is not a focus to align schools with certifications (e.g., K-6, pre-K-8)
 - There are many different grade ranges among schools
 - Do not know of any states that mandate what grade levels should be included in a specific school
- Are there any states that have integrated requirements for private Pre-K programs?
 - A lot of states have a mixed-delivery system that includes state funded and private Pre-K programs. State-funded pre-K is often delivered in both public schools and community-based child care programs.
 - Illinois and, recently, Missouri are the only states that make early childhood development a component of principal preparation
 - There is movement towards ongoing professional development for principals
 - Help principals understand the early childhood community, what good teaching/instruction looks like
 - Also connects them with other Pre-K/early childhood directors
 - Can foster relationships between public school and private school programs
- How have other higher education programs restructured due to state licensure changes?
 - Laura referenced some people in Pennsylvania that could provide more guidance around this question. The State of Pennsylvania did not provide a lot of guidance, which left a lot of higher education programs wondering what they needed to do to meet the new state licensure requirements
- Given there is not a lot of flexibility in teacher prep program coursework offerings (due to the many licensure requirements combined with the university accreditation requirements), are there any states that have found wiggle room to add more courses?

No. There may be some examples in states that are implementing the recommendations listed in the Institute of Medicine report.



D

Executive Director's Contract



Central Carolina Regional Educational Service Alliance

Serving School Districts in the Heart of North Carolina

March 2, 2018

This Agreement (hereinafter "Agreement") is made between Neil G. Pedersen (hereinafter "Employee") and the Central Carolina Regional Education Services Alliance, (hereinafter "CCRESA" or "Employer")

Responsibilities: The following services are to be provided by the Executive Director:

- Prepare agendas and materials for all meetings of the Board of Directors in consultation with the Board Chair and Vice-chair;
- Apply his own professional judgment in the performance of services provided to the Employer in compliance with the policies established by the CCRESA Board of Directors;
- Recommend an annual Plan of Action and an Operating Budget to the Board;
- Oversee the operation of all Councils and Professional Development programs;
- Oversee the operation of the Local Alternative Preparation Program;
- Oversee the management of all of the CCRESA's finances and cause all financial records to be maintained and reports to be filed as required by state or federal agencies;
- Evaluate the performance of the CCRESA Office Manager and any other CCRESA staff and recommend to the Board the employment and termination of CCRESA employees;
- Serve as a liaison between the Board and state and national agencies and organizations;
- Keep the CCRESA districts informed of all meetings, events, and services;
- Provide background information to member districts on educational issues of importance;
- Provide individual consultation to superintendents of member districts as requested and as time permits.

Salary: \$76,000.00 salary per annum in accordance with CCRESA's standard payroll policies and practices and subject to deductions and withholdings as required by law.

Reporting: Reports to CCRESA Board of Directors

- Benefits:** This position participates in the CCRESA's 403(b) retirement plan to which the CCRESA contributes 10% of the Executive Director's salary. The Employee will be reimbursed for travel to meetings and other expenses incurred in the performance of his duties subject to the approval of the Board Chair.
- Hours and Workplace:** Hours are not set, but rather are those required to carry out duties to the satisfaction of CCRESA and as necessitated to meet the needs of the organization. The position is exempt from the Fair Labor Standards Act; thus, there is no overtime payable with this position. The Employee may work at home or from other remote locations subject to his own discretion as long as all job responsibilities are fulfilled.
- Leave Time:** No leave time is earned or accrued nor are holidays designated in accordance with the provision above regarding hours. For payroll purposes, it will be reported that the Employee has worked 40 hours per week in order for him to be awarded his annual salary of \$76,000.
- Eligibility to work:** It is a condition of this offer that the Employee is eligible to work in the USA and that he has the appropriate qualifications for the role.
- At-Will Employment:** Employment with CCRESA is at-will and that no oral or written representations may be considered a contract for any specific time. The CCRESA may terminate this contract with 30 days notice for any or no reason that is not arbitrary, capricious, or discriminatory. The Employee will provide the Employer with at least 30 days notice should he choose to terminate this contract.

Agreed to and accepted by Employee on this the 2nd day of March, 2018.

By: Neil G. Pedersen

By: Todd Wirt, Chair CCRESA



E

LATP Update



TO: CCRESA Board of Directors
FROM: Lisa Sonricker
DATE: March 2, 2018
RE: Local Alternative Teacher Preparation Program Update

Celebrations!

We currently have 4 Beginning Teachers of the Year and a Diane Kent Parker Beginning Teacher of the Year finalist.

District Advisory Council Feedback for Support for Special Education Teachers

During the December Advisory Council meeting, district HR leaders expressed a strong need and interest for certified K-12 Exceptional Children teachers participation and coaching. As we continue to research and collaborate with DPI EC personnel and district experts, we will customize our LATP to accept Exceptional Children lateral entry teachers for the 2018-20 program.

Spring Symposium and Full-Day session

Friday, March 9: All-day conference for LATP teachers and LATP coaches focusing on Supporting English Learners in the Classroom. The LATP program is covering the cost of subs for all teachers. Concurrent sessions include:

- Practical Ways to Promote Academic Language of ELLs Across Content Areas
- Utilizing *Can-Do Descriptors* to Facilitate Instruction for ELLs
- Dos and Don'ts with ESL students!
- Using Technology to Develop Literacy and Demonstrate Content Area Knowledge

Saturday, March 10: All-day conference for LATP teachers focusing on Supporting EC students in the Classroom. Concurrent sessions include:

- Data Tracking and Prescriptive Instruction...Get your students involved!
- Lesson Planning: Focus on Students with Special Needs
- Classroom Management, Data Collection, and Co-Teaching
- Understanding the Nuts and Bolts of Special Education
- EC, the IEP, and Me: Understanding the Implication for General Education Classrooms

Pearson Math Subtest (MTEL) Prep Session: April 26 and 27 at NCSBA Assembly Hall

We are hosting a 2-day workshop facilitated by North Carolina Math Alliance Supporting Teachers (NCMAST) to effectively prepare EC and Elementary teachers for the required licensure test. The LATP program will cover the cost of LATP teacher tuition, and districts need to provide subs.

CCRESA LATP Participation, Retention

We began the year with 89 teachers, representing 12 of our CCRESA school districts. We currently teach and coach 83 teachers. Six teachers exited the program for the following reasons:

Left the teaching profession: 4 teachers

Withdrawal due to program expectations and time commitment: 1 teacher

Dismissal for failure to complete program requirements: 1 teacher

We asked our CCRESA Human Resource leaders to provide an estimate of participants in next year's cohort. The following are their anticipated numbers.

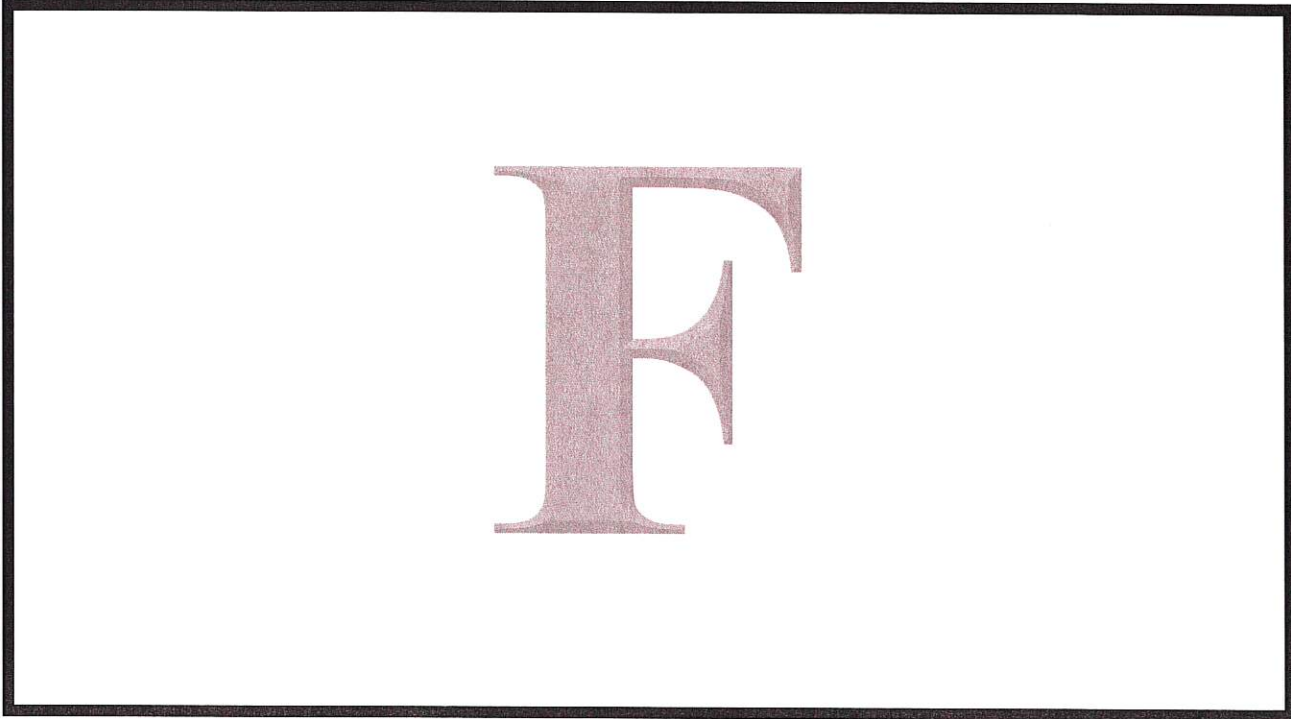
| CCRESA School District | 2017-19 Current L ATP Cohort Participants | 2018-20 Anticipated L ATP Cohort Participants | 2017-18 Total Number of Lateral Entry Teachers in District |
|---------------------------|---|---|--|
| Chapel Hill-Carrboro City | 0 | Unsure | |
| Durham | 23 | 25 | |
| Edgecombe | 0 | Unsure | |
| Franklin | 5 | 5 | 49 |
| Granville | 6 | 5-8 | 53 |
| Greene | 0 | Unsure | |
| Halifax | 2 | 20-25 | 49 |
| Johnston | 12 | 20 | 116 |
| Nash- Rocky Mount | 0 | Unsure | |
| Northampton | 1 | 3 | 39 |
| Orange | 0 | Unsure | |
| Person | 5 | 5 | 37 |
| Pitt | 6 | Unsure | |
| Roanoke Rapids | 2 | 2 | |
| Vance | 0 | Unsure | |
| Wake | 18 | 25 | 334 |
| Warren | 2 | 2-4 | 47 |
| Wilson | 1 | 8-10 | |
| Total | 83 | 120-132 | |

2018-20 L ATP Recruitment and Application Process:

L ATP recruiting materials and editable flyers were created for our CCRESA districts to distribute at job fairs and lateral entry teacher license information sessions. In addition, online applications were sent to all districts to streamline the application process.

Deadlines for selecting 2018-20 L ATP program participants:

- Districts select participants by August 10, 2018
- Districts select "late hires" by September 7, 2018



F

Plans for Next Year



Central Carolina
Regional Educational Service Alliance
Serving School Districts in the Heart of North Carolina

TO: Board of Directors

FROM: Neil Pedersen
Executive Director

SUBJ: Executive Director's Report

DATE: February 12, 2018

I'm writing this report earlier than usual because on Wednesday, February 14th, I'm leaving for an eco-tourism adventure in Costa Rica. I'll be returning to the office on Tuesday, February 27th. Since our Board meeting will be on Friday, March 2nd, I wanted to get things squared away before I left.

We welcome Del Burns back to the CCRESA while he serves as Interim Superintendent for WCPSS through the end of the school year.

Previewing the March 2nd Board Meeting

Along with this memo you will find a copy of the agenda for the March 2nd meeting. Below are some brief comments about the agenda:

- Susan Gates from SAS has convened a group of educators and other leaders across the state to discuss establishing a BK-6 teaching license and taking other steps that will draw a closer connection between BK and the elementary grades, and will strengthen early math and literacy instruction in BK-3. I'll send along notes from the last convening meeting that Susan held. She is eager to get superintendent input on support for possible changes. Todd, Pam, and Tony are participating in Susan's convening group.
- What feedback do you have about the Legislative Breakfast that we held in January? Was it a success? If so, how would you measure success? Is this something that you'd like to do again next year and, if so, when? The cost for this year's breakfast, along with parking, was approximately \$1900.
- I, recently, noticed that when we transitioned to a 501(c)3 three years ago, we apparently didn't formally create an employment contract for me. I remember well discussing with Patrick and Sean Bulson the provisions that would change as I switched from being a consultant to becoming the Executive Director and an employee of the CCRESA; however, we evidently didn't draft a contract. You will be asked to adopt a new contract for the Executive Director.

- Lisa Sonricker and Tricia Hilliard will give you an update on the Local Alternative Teacher Preparation program and preview participation next year. Initial feedback that we received from members of the HR Council indicated that participation for each district would not change much for most of our districts. We would very much like to see more of our non-participating districts come on board next year. What would it take to make this happen? **It would be helpful if superintendents touched base with their HR Directors prior to our Board meeting to discuss how the LAMP program is going from their perspectives and if you are interested in expanding participation next year.**
- As we begin to make plans for next year, I'd like to have a discussion with you about areas of emphasis and the type of services that we should provide. I go into more depth about this below.

Plans for 2018-19

I have a number of issues that I'd like to discuss with you at the Board meeting as we begin to make plans for next year. They include the following:

- We had a great turnout for the first meeting of our Equity Advisory Council on December 6th. Participants were very engaged and passionate in their comments and in sharing the work going on in their respective districts. There seemed to be a sincere interest in the CCRESA playing a role in coordinating discussions and, perhaps, bringing in resources to assist districts in their efforts. It was acknowledged that districts have different definitions of equity, are in different places along the journey, and have different populations of students and parents. Nevertheless, the Advisory Council would like for the CCRESA to consider taking on the issue of Equity if the superintendents would support such a step. It was suggested that the CCRESA might contract with a consulting firm and enlist the support of IHEs in our region. I would observe that many of our districts are doing good work in this area and have some very knowledgeable and talented staff involved in this effort. We, certainly, would want to take advantage of these "in-house" staff members. With all of this said, this is a sensitive issue for the CCRESA to address, and I wouldn't want to take it on if it could create problems in your LEAs or if superintendents were not strongly behind this.
- Somewhat related to this is an attendance problem that we're having with some of our programs this year, but particularly with Future-Focused Schools offered by Connie Kamm. This program is very well aligned with the Mission Critical program in which the CCRESA participated with the Friday Institute. Both programs are intended to promote more personalized, engaging, and relevant instruction, taking advantage of technology as appropriate. Future-Focused Learning has the added dimension of including a cohort of principals and helping them to focus on what it takes to provide leadership as they transform their schools into a future-focused, student-centered culture. We had excellent participation the first year with the Friday Institute, but then it dropped off the second year. We had strong attendance at Connie's first session this year (65-70 participants for each of the cohorts), but this declined in December and dropped to about 30-35 participants each day in February. Participants are very complimentary and thoughtful on their program evaluations, and I believe that Connie is doing a superb job and is very committed to working closely with our districts and, frequently, goes the extra mile. I'm at a loss for the decline in

participation, but it's disturbing because this is the centerpiece of our PD for this year, and I can't think of a more important focus for the CCRESA and your school districts. Some have suggested that we charge for the programs so that participants have some skin in the game and are less inclined to let other priorities bump this from their calendars. I'd rather not do this, but understand the reasoning. I realize that all these staff are pressed for time, but I wonder if they don't see this work as a priority or as fitting into the priorities of the district. I'd appreciate hearing your thoughts.

- Somewhat related to this issue, I wonder how much the RESA should be involved in offering Professional Development. Best practices would indicate that PD is best done when it is embedded in the schools as close to the classroom teacher as possible, supported by coaches, and followed up with reflective discussions and feedback. We can't do that at the RESA, we can only encourage it or hope that the PD that we offer will lead to some districts pursuing the work on their own with the consultants that we use. Although we have cut way back on PD since the RttT days, maybe we shouldn't attempt programs like Future-Focused Schools and instead identify "Problems of Practice" such as where we might be headed with the Equity and Professional Learning Advisory Councils. I think that we did this with some success last year when we held a conference on Student Discipline and the Role of the SRO. The LATP program is another example of moving away from the RESA being a deliverer of Professional Development. Is this the direction that we should be taking in future years? We would still be supporting the job-alike Councils that are a form of PD but that I characterize as promoting collaboration and problem solving among our districts. I'm happy to offer a high quality PD component, but it's not effective if attendance is low.
- Another step that we could take is to make more use of social media to share information and/or, possibly, to engage in some online collaborative work. Perhaps, distance and travel time are major impediments for staff to attend our programs. What do you think?

I really would appreciate it if you would give some thought in advance of our meeting as to how the CCRESA can best serve you and your districts. I would throw out that I'd still love to do some programming for superintendents, especially if you don't attend our normal PD offerings. If you're not participating in a couple of book studies with your staff or in a network in which you are involved, I think we should do a book study with you next year.

Thanks for reading this far. I hope the snow is a thing of the past for this year and that you can get back into the rhythm of the school year.



G

House Bill 90



NORTH CAROLINA GENERAL ASSEMBLY

Rep. Tim Moore
Speaker of the House

Sen. Phil Berger
President Pro Tempore

FOR IMMEDIATE RELEASE

Thursday – February 8, 2018

Contact: Shelly Carver (Berger)

Joseph Kyzer (Moore)

Lawmakers Announce Plan to Phase In Smaller K-3 Class Sizes, Fund Special Subject Area Teachers, End Pre-K Waiting List

Raleigh, N.C. – Republican state lawmakers on Thursday unveiled an aggressive effort to improve student outcomes in the early grades by phasing in smaller class sizes and lower student-to-teacher ratios in kindergarten through third grade classrooms, providing millions of additional state dollars to fund special subject area teachers and eliminating the state's Pre-K waiting list. The co-chairs of the House and Senate education committees worked closely with school superintendents, while listening to parents and teachers, to develop a plan that doubles down on the legislature's years-long effort to improve academic outcomes for students by the end of third grade.

For years, Republican lawmakers have supported smaller class sizes in core academic subjects in the early grades – since research has shown this leads to improved academic outcomes for students – and have already given schools about \$222 million in additional tax dollars toward that purpose. Laws to reduce class sizes have been on the books for years and were slated to go into full effect next school year, but some local school administrators flagged what they said could be unintended consequences – including that they could no longer spend state dollars intended to reduce class sizes on enhancement teachers in non-core subject areas like art, music, drama and P.E.

The plan addresses those concerns by phasing in implementation of class size reductions over the next four school years – with no changes to the status quo in the first year – giving school administrators ample time to plan and take the necessary steps to meet those requirements. Under the proposal, school systems across the state will continue to receive about \$70 million each year to cover the expense of hiring additional K-3 teachers needed to meet the class size requirements. But schools will only be required to gradually lower their student-to-teacher ratios until the 2021-2022 school year, as follows:

| | FY 2017-18 | | FY 2018-19 | | FY 2019-20 | | FY 2020-21 | | FY 2021-22 | |
|---|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|
| | Teacher Allotment | Class Size Avg. | Teacher Allotment | Class Size Avg. | Teacher Allotment | Class Size Avg. | Teacher Allotment | Class Size Avg. | Teacher Allotment | Class Size Avg. |
| K | 1:18 | 1:20 | 1:18 | 1:20 | 1:18 | 1:19 | 1:18 | 1:18 | 1:18 | 1:18 |
| 1 | 1:16 | 1:20 | 1:16 | 1:20 | 1:16 | 1:19 | 1:16 | 1:18 | 1:16 | 1:16 |
| 2 | 1:17 | 1:20 | 1:17 | 1:20 | 1:17 | 1:19 | 1:17 | 1:18 | 1:17 | 1:17 |
| 3 | 1:17 | 1:20 | 1:17 | 1:20 | 1:17 | 1:19 | 1:17 | 1:18 | 1:17 | 1:17 |

The plan also fulfills lawmakers' earlier promise to reinstate a dedicated funding stream for enhancement teachers that was eliminated by former state Sen. Roy Cooper and former Gov. Jim Hunt in the 1990s. It will immediately set aside more than \$60 million to be used for the 2018-19 school year, and will increase that amount each year based on what data shows is actually required to meet students' needs. Based on current calculations and needs outlined in data provided by local school systems, schools across the state will receive nearly \$250 million in additional recurring state dollars to fund special subject area teachers by the 2021-2022 school year.

The bill will also eliminate the state's Pre-K waiting list, adding close to 3,000 slots for low-income children to the program.

The proposal is supported by the N.C. Association of School Administrators.

“From parents to educators to lawmakers to Gov. Cooper, nearly everyone agrees that lowering class sizes is an important priority that will have a real positive impact on academic outcomes for our students,” said Sen. Chad Barefoot (R-Wake.) **“After months of work reviewing the data and hearing from stakeholders, I believe we’ve arrived at a data-driven solution that will achieve the smaller classes that we all support and that taxpayers have paid for, with a timeline and framework that our local schools should be able to implement successfully.”**

“Lower class sizes are an important part of North Carolina’s innovative education reforms that provided teacher pay raises, hundreds of millions of dollars in additional funding and education options for low-income students,” said Rep. Craig Horn (R-Union.) **“These are the priorities of parents and families – improving performance and offering high-quality learning environments that create the best opportunity for student success.”**

“Our youngest students will benefit from smaller class sizes and Pre-K programs that we know lead to better outcomes, and our school districts will benefit from dedicated enhancement teacher funding and a longer implementation timeline,” said N.C. Superintendent of Public Instruction Mark Johnson. **“My hope is that we can now shelve the partisan wedges and put the focus back where it needs to be: on making sure every student can read proficiently by the end of third grade.”**

###

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H

D

HOUSE BILL 90
Committee Substitute Favorable 3/21/17
Senate Education/Higher Education Committee Substitute Adopted 6/20/17
Proposed Conference Committee Substitute H90-PCCS40670-TC-5

Short Title: Changes to Education and Election Laws.

(Public)

Sponsors:

Referred to:

February 15, 2017

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE ADDITIONAL FUNDS TO SCHOOLS LOCATED IN COUNTIES
3 THROUGH WHICH THE ATLANTIC COAST PIPELINE RUNS; TO PHASE IN
4 CLASS SIZE REQUIREMENTS OVER FOUR YEARS; TO CREATE AN
5 ALLOTMENT FOR PROGRAM ENHANCEMENT TEACHERS; TO MODIFY
6 TRANSFER REQUIREMENTS FOR THE CLASSROOM TEACHER AND PROGRAM
7 ENHANCEMENT TEACHER ALLOTMENTS; TO PHASE IN FUNDING OF
8 PROGRAM ENHANCEMENT TEACHERS STARTING IN 2018-2019; TO MAKE
9 CHANGES TO PERSONAL EDUCATION SAVINGS ACCOUNTS; TO APPROPRIATE
10 FUNDS FOR THE NC PRE-K PROGRAM IN FUTURE YEARS; AND TO
11 IMPLEMENT THE NORTH CAROLINA SUPREME COURT'S HOLDING IN *COOPER*
12 *V. BERGER* BY GIVING THE GOVERNOR INCREASED CONTROL OVER THE
13 BIPARTISAN STATE BOARD OF ELECTIONS AND ETHICS ENFORCEMENT.

14 The General Assembly of North Carolina enacts:

15
16 **PART I. ACP/MOU/ADDITIONAL FUNDING FOR PUBLIC SCHOOLS**

17 **SECTION 1.(a)** Purpose. – The purpose of this section is to ensure that the local
18 school administrative units (school units) located, in whole or in part, in the counties directly
19 impacted by placement of the Atlantic Coast Pipeline (ACP) within their respective
20 jurisdictions shall receive the benefit of any funds provided or gifted for the benefit of the State
21 or the people of the State as a result of the ACP. In addition, the General Assembly finds that
22 compensatory mitigation payments for proposed impacts to streams, buffers, and wetlands in
23 those areas were assessed under the 401 Certification issued by the Department of
24 Environmental Quality to the Atlantic Coast Pipeline, LLC, on January 26, 2018.

25 **SECTION 1.(b)** Memorandum of Understanding. – The Mitigation Project
26 Memorandum of Understanding by and between Roy Cooper, Governor of North Carolina, in
27 his Official Capacity and Atlantic Coast Pipeline, LLC, dated January 25, 2018, (MOU)
28 purports to provide funding in the form of a gift, voluntary contribution, or otherwise (funds) to
29 be used for (i) mitigation for the unavoidable effects of the ACP on the interior forest habitats,
30 open-space lands, waterbodies, and natural resources of the communities along the ACP's
31 route; (ii) support and funding for economic development in the counties that would be
32 impacted by the ACP; and (iii) extension of renewable energy projects into certain local
33 communities which may stand to be affected by the ACP's operation. Notwithstanding the
34 terms of the MOU, the allocation of funds to State and local entities, officers, or officials falls



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1 within the purview of the General Assembly; and, therefore, the General Assembly authorizes
2 the acceptance of these funds only if the requirements of this section are met.

3 **SECTION 1.(c)** Required School Unit Allocation. – Notwithstanding any other
4 provision of law, a state or local entity, officer, or official acting within an official capacity
5 may accept, direct the use of, or otherwise participate in directing the disbursement of the funds
6 received pursuant to the MOU, or any successive contract or document evidencing an intent to
7 agree that funds be used for the benefit of the State or the people of the State for effects of the
8 ACP, only if the school units located, in whole or in part, in counties through which the ACP
9 runs are the sole recipients of these funds. Of the funds received, one-half shall be allocated
10 among the school units based on the allotted average daily membership for the 2017-2018
11 fiscal year as determined and certified by the State Board of Education (ADM) as follows: the
12 ADM allocation to a school unit is equal to one-half of the total amount of the funds multiplied
13 by a fraction, the numerator of which is the ADM of the school unit located in the county
14 through which the ACP runs and the denominator of which is the ADM of all school units
15 located in all counties through which the ACP in the State runs. The remaining funds shall be
16 allocated among the school units based on linear ACP miles as follows: the linear ACP miles
17 allocation to a school unit is equal to the remainder of the total amount of the funds multiplied
18 by a fraction, the numerator of which is the linear miles of the ACP in the county in which the
19 school unit is located and the denominator of which is the total linear miles of the ACP in the
20 State. If more than one school unit is located in a county through which the ACP runs, the
21 linear ACP miles allocation for that county shall be allocated among the school units pro rata
22 based on ADM.

23 **SECTION 1.(d)** Reports. – Each school unit receiving funds pursuant to subsection
24 (c) of this section shall report to the Department of Public Instruction on funds received within
25 10 days of receipt of the funds. The Department of Public Instruction shall collate all reports
26 required by this section and remit the collated information to the Joint Legislative Commission
27 on Governmental Operations quarterly. The first submission of collated information shall be
28 remitted no later than September 1, 2018, and the school units shall continue to report, and the
29 Department shall continue to remit the collated information until the Department certifies that
30 all funds governed by the MOU have been received by the school units.

31 **SECTION 1.(e)** No Conflict. – The legislative power of the State is vested in the
32 General Assembly of the State of North Carolina. The Legislature must declare the policy of
33 the law, fix legal principles which are to control in given cases, and provide standards for
34 guidance in executing the law. The Governor shall take care that the laws be faithfully
35 executed. Therefore, nothing in this section shall be construed, or is intended, to (i) be in
36 conflict with the rights of any person or any mandatory provision of federal law or to infringe
37 on the constitutional powers of the Governor to execute the laws of this State or (ii) preclude or
38 supersede any mitigation agreement entered into under applicable State or federal law.

39 **SECTION 1.(f)** Effective date. – This section becomes effective January 25, 2018.
40

41 PART II. CLASS SIZE PHASE IN

42 **SECTION 2.(a)** Section 1(b) of S.L. 2017-9 reads as rewritten:

43 "**SECTION 1.(b)** Notwithstanding G.S. 115C-301, as amended by this act and any other
44 provision of law, for the 2017-2018 and 2018-2019 school year, years, the average class size for
45 kindergarten through third grade in a local school administrative unit shall not exceed one
46 teacher per 20 students. At the end of the second school month and for the remainder of the
47 school year, the size of an individual class in kindergarten through third grade shall not exceed
48 one teacher per 23 students. ~~The class size requirements set forth in G.S. 115C-301, as~~
49 ~~amended by this act, shall apply beginning with the 2018-2019 school year."~~

50 **SECTION 2.(b)** Notwithstanding G.S. 115C-301, as amended by this act, and any
51 other provision of law, for the 2019-2020 school year, the average class size for kindergarten

1 through third grade in a local school administrative unit shall not exceed one teacher per 19
2 students. At the end of the second school month and for the remainder of the school year, the
3 size of an individual class in kindergarten through third grade shall not exceed one teacher per
4 22 students.

5 **SECTION 2.(c)** Notwithstanding G.S. 115C-301, as amended by this act, and any
6 other provision of law, for the 2020-2021 school year, the average class size for kindergarten
7 through third grade in a local school administrative unit shall not exceed one teacher per 18
8 students. At the end of the second school month and for the remainder of the school year, the
9 size of an individual class in kindergarten through third grade shall not exceed one teacher per
10 21 students.

11 **SECTION 2.(d)** The class size requirements set forth in G.S. 115C-301, as
12 amended by this act, shall apply beginning with the 2021-2022 school year.

14 PART III. PROGRAM ENHANCEMENT TEACHER ALLOTMENT

15 **SECTION 3.(a)** Effective July 1, 2018, G.S. 115C-301 is amended by adding a
16 new subsection to read:

17 "(a1) Teacher Position Allotments. – Funds for classroom teachers in the State Public
18 School Fund shall consist of the following position allotments:

19 (1) Classroom teachers for kindergarten through twelfth grade, which shall
20 include funds for program enhancement teachers, self-contained exceptional
21 children teachers, math, science, and computer teachers, and matching
22 benefits.

23 (2) Program enhancement teachers for kindergarten through fifth grade."

24 **SECTION 3.(b)** Effective July 1, 2021, G.S. 115C-301(a1), as enacted by
25 subsection (a) of this section, reads as rewritten:

26 "(a1) Teacher Position Allotments. – Funds for classroom teachers in the State Public
27 School Fund shall consist of the following position allotments:

28 (1) Classroom teachers for kindergarten through twelfth grade, which shall
29 include funds for program enhancement ~~teachers,~~ teachers for sixth through
30 twelfth grade, self-contained exceptional children teachers, math, science,
31 and computer teachers, and matching benefits.

32 (2) Program enhancement teachers for kindergarten through fifth grade."

33 **SECTION 3.(c)** G.S. 115C-301(c1) reads as rewritten:

34 "(c1) Class Size Exceptions for Kindergarten Through Third Grade. – Class size
35 requirements for kindergarten through third grade provided in subsection (c) of this section
36 shall not apply to ~~dual~~ the following classes:

37 (1) Dual language immersion classes. For the purposes of this subsection, dual
38 language immersion classes are classes in which (i) at least one-third of the
39 students' dominant language is English and (ii) instruction involves both
40 English and a target foreign language with a minimum of fifty percent (50%)
41 of core content taught in the target foreign language in order to promote dual
42 language proficiency for all students.

43 (2) Program enhancement classes."

44 **SECTION 3.(d)** G.S. 115C-301 is amended by adding a new subsection to read:

45 "(c2) Program Enhancement Teacher Allotment for Kindergarten Through Fifth Grade. –

46 (1) Definitions. – For the purposes of this section, "program enhancement"
47 refers to any of the following:

48 a. Arts disciplines, including dance, music, theater, and the visual arts.

49 b. Physical education and health programs.

50 c. World languages.

1 d. Other supplemental classes as defined by the State Board of
2 Education.

3 (2) Allotment ratio calculation. – The allotment ratio for kindergarten through
4 fifth grade program enhancement teachers shall be one teacher per 191
5 students."

6 **SECTION 3.(e)** G.S. 115C-301(f)(2)a. reads as rewritten:

7 "a. The number of program enhancement teachers. ~~For the purposes of~~
8 ~~this subdivision, program enhancement teachers are teachers who~~
9 ~~teach any of the following:~~

- 10 1. ~~Arts disciplines, including dance, music, theater, and the~~
11 ~~visual arts.~~
12 2. ~~Physical education and health programs.~~
13 3. ~~World languages."~~

14 **SECTION 3.(f)** Effective July 1, 2018, Section 1(a)(2) of S.L. 1995-450 is
15 repealed.

17 **PART IV. ALLOTMENT TRANSFER RESTRICTIONS**

18 **SECTION 4.(a)** Effective July 1, 2018, G.S. 115C-105.25(b) is amended by
19 adding a new subdivision to read:

20 "(5d) No positions shall be transferred out of the allocation for program
21 enhancement teachers for kindergarten through fifth grade except as
22 provided in this subdivision. Positions allocated for program enhancement
23 teachers for kindergarten through fifth grade may be converted into positions
24 allocated for classroom teachers for kindergarten through twelfth grade. For
25 the purposes of this subdivision, the term "program enhancement" is as
26 defined in G.S. 115C-301(c2)."

27 **SECTION 4.(b)** Effective July 1, 2021, G.S. 115C-105.25(b), as amended by
28 subsection (a) of this section, reads as rewritten:

29 "(b) Subject to the following limitations, local boards of education may transfer and may
30 approve transfers of funds between funding allotment categories:

31 ...
32 (5a) No positions shall be transferred out of the allocation for classroom teachers
33 for kindergarten through twelfth grade, except as provided in this
34 subdivision. Positions allocated for classroom teachers may be converted to
35 dollar equivalents to contract for visiting international exchange teachers
36 through a visiting international exchange teacher program approved by the
37 State. These positions shall be converted at the statewide average salary for
38 classroom teachers, including benefits. The converted funds shall be used
39 only to provide visiting international exchange teachers with salaries
40 commensurate with their experience levels, to provide any State-approved
41 bonuses, and to cover the costs associated with supporting visiting
42 international exchange teachers within the local school administrative unit,
43 including programming and related activities, background checks, medical
44 coverage, and other program administration services in accordance with the
45 federal regulations for the Exchange Visitor Program, 22 C.F.R. Part 62.

46 (5b) ~~Except as provided in subdivision (5a) of this subsection, positions~~
47 ~~allocated for classroom teachers and instructional support personnel may be~~
48 ~~converted to dollar equivalents for any purpose authorized by the policies of~~
49 ~~the State Board of Education. These positions shall be converted at the~~
50 ~~salary on the first step of the "A" Teachers Salary Schedule. Certified~~

1 position allotments shall not be transferred to dollars to hire the same type of
 2 position.
 3"
 4

5 **PART V. APPROPRIATIONS FOR PROGRAM ENHANCEMENT TEACHERS**

6 **SECTION 5.(a)** Notwithstanding G.S. 143C-5-2, for the 2018-2019 fiscal year,
 7 there is appropriated from the unappropriated fund balance of the General Fund to the
 8 Department of Public Instruction the sum of sixty-one million three hundred fifty-nine
 9 thousand two hundred twenty-five dollars (\$61,359,225) in recurring funds for a position
 10 allotment for program enhancement teachers for kindergarten through fifth grade.

11 **SECTION 5.(b)** Section 2.1 of S.L. 2017-57 reads as rewritten:

12 "SECTION 2.1. Appropriations from the General Fund of the State for the maintenance of
 13 the State departments, institutions, and agencies, and for other purposes as enumerated, are
 14 made for the fiscal biennium ending June 30, 2019, according to the following schedule:
 15

| 16 Current Operations – General Fund | 17 FY 2017-2018 | 18 FY 2018-2019 |
|---|---------------------------------|---------------------------|
| 19 EDUCATION | | |
| 20 ... | | |
| 21 Department of Public Instruction | 22 ... 9,425,109,426 | 23 9,486,468,651 |
| 24 ... | | |
| 25 | | |
| 26 TOTAL CURRENT OPERATIONS – | | |
| 27 GENERAL FUND | 28 ... \$ 23,650,253,958 | 29 23,711,613,183" |

30 **SECTION 5.(c)** Section 2.2(a) of S.L. 2017-57 reads as rewritten:

31 "SECTION 2.2.(a) The General Fund availability used in developing the 2017-2019 fiscal
 32 biennial budget is shown below:
 33

| | 34 FY 2017-2018 | 35 FY 2018-2019 |
|---|--------------------------|--------------------------|
| 36 Unappropriated Balance | 37 \$ 208,607,416 | 38 \$ 499,303,328 |
| 39 Disaster Recovery Appropriations (S.L. 2016-124) | 40 (200,928,370) | 41 0 |
| 42 Transfer From Savings Reserve | 43 100,928,370 | 44 0 |
| 45 Revised Unappropriated Balance | 46 108,607,416 | 47 499,303,328 |
| 48 Over Collections FY 2016-17 | 49 580,600,000 | 50 0 |
| 51 Reversions FY 2016-17 | 271,000,000 | 0 |
| Replenish Savings Reserve (S.L. 2016-124) | (100,928,370) | 0 |
| Earmarkings of Year End Fund Balance: | | |
| Savings Reserve | (263,000,000) | 0 |
| Repairs and Renovations | (125,000,000) | 0 |
| 44 Beginning Unreserved Fund Balance | 45 471,279,046 | 46 499,303,328 |
| 47 Revenues Based on Existing Tax Structure | 48 22,303,700,000 | 49 23,299,200,000 |
| 50 Non-tax Revenues | | |
| 51 Investment Income | 60,100,000 | 60,600,000 |
| Judicial Fees | 240,900,000 | 240,500,000 |
| Disproportionate Share | 164,700,000 | 149,600,000 |

| | | | |
|----|---|--------------------------|------------------------------------|
| 1 | Insurance | 75,500,000 | 75,500,000 |
| 2 | Master Settlement Agreement (MSA) | 127,200,000 | 127,200,000 |
| 3 | Other Non-Tax Revenues | 180,600,000 | 182,900,000 |
| 4 | Subtotal Non-tax Revenues | 849,000,000 | 836,300,000 |
| 5 | | | |
| 6 | Total General Fund Availability | 23,623,979,046 | 24,634,803,328 |
| 7 | | | |
| 8 | Adjustments to Availability: 2017 Session | | |
| 9 | Tax Law Changes | (6,900,000) | (521,800,000) |
| 10 | Transfer of Taxes From Short-Term Lease | | |
| 11 | or Rental of Motor Vehicles to Highway Fund | (10,000,000) | (10,000,000) |
| 12 | Transfer to Savings Reserve (S.L. 2017-5) | 0 | (72,090,000) |
| 13 | Transfer Additional MSA funds to Golden L.E.A.F. | (7,500,000) | (7,500,000) |
| 14 | Transfer to Medicaid Transformation Fund | (75,000,000) | 0 |
| 15 | Transfer from Contingency and Emergency Fund | 7,000,000 | 0 |
| 16 | Transfer from Department of Insurance | 3,655,405 | 4,026,728 |
| 17 | Transfer from the Department of the State Treasurer | (5,453,230) | (5,434,773) |
| 18 | | | |
| 19 | Subtotal Adjustments to Availability: 2017 Session | (94,197,825) | (612,798,045) |
| 20 | | | |
| 21 | Revised General Fund Availability | \$ 23,529,781,221 | \$ 24,022,005,283 |
| 22 | | | |
| 23 | Less General Fund Net Appropriations | (23,030,477,893) | (23,652,171,951) |
| 24 | | | |
| 25 | Unappropriated Balance | | |
| 26 | Remaining | \$ 499,303,328 | \$ 369,833,332,308,474,107" |

SECTION 5.(d) G.S. 115C-301(c2), as enacted by Section 3(d) of this act, is amended by adding a new subdivision to read:

"(3) Appropriation. – Beginning with the 2019-2020 fiscal year, there is appropriated from the General Fund to the Department of Public Instruction for the allotment for program enhancement teachers for kindergarten through fifth grade an amount equal to the percentage of the total funds required to allot program enhancement teacher positions for kindergarten through fifth grade on a basis of one teacher per 191 students for each fiscal year as follows:

| <u>Fiscal Year</u> | <u>Appropriation</u> |
|---|----------------------|
| <u>2019-2020</u> | <u>50%</u> |
| <u>2020-2021</u> | <u>75%</u> |
| <u>2021-2022 and each subsequent fiscal year thereafter</u> | <u>100%.</u> |

When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year specified in this subdivision, the Director of the Budget shall include the appropriated amount for that fiscal year."

PART VI. CHANGES TO PERSONAL EDUCATION SAVINGS ACCOUNTS

SECTION 6.(a) G.S. 115C-591(3) reads as rewritten:

"(3) Eligible student. – A student residing in North Carolina who has not yet received a high school diploma and who meets all of the following requirements:

- a. Meets one of the following criteria: Is eligible to attend a North Carolina public school pursuant to G.S. 115C-366.

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1. ~~Was a full time student (i) assigned to and attending a public school pursuant to G.S. 115C 366 or (ii) enrolled in a Department of Defense Elementary and Secondary School, established pursuant to 10 U.S.C. § 2164 and located in North Carolina, during the previous semester.~~
 2. ~~Received scholarship funds for a personal education savings account during the previous school year.~~
 3. ~~Is entering either kindergarten or the first grade.~~
 4. ~~Is a child in foster care, as defined in G.S. 131D-10.2(9).~~
 5. ~~Is a child whose adoption decree was entered not more than one year prior to submission of the scholarship application.~~
 6. ~~Is a child whose parent or legal guardian is on full time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to 10 U.S.C. § 12301, et seq., and 10 U.S.C. § 12401, et seq.~~
 7. ~~Is a child enrolled part time in a public school and part time in a nonpublic school that exclusively provides services for children with disabilities.~~
- b. Has not enrolled in a postsecondary institution in a matriculated status eligible for enrollment for 12 hours of academic credit.
- c. Is a child with a disability, as defined in G.S. 115C-106.3(1), including, for example, intellectual disability, hearing impairment, speech or language impairment, visual impairment, serious emotional disturbance, orthopedic impairment, autism, traumatic brain injury, other health impairments, specific learning disability, or disability as may be required to be included under IDEA.
- d. Has not been placed in a nonpublic school or facility by a public agency at public expense."

30 **SECTION 6.(b)** G.S. 115C-591 is amended by adding a new subdivision to read:

31 "(5a) Part-time student. – A child enrolled part time in a public school and part
32 time in a nonpublic school that exclusively provides services for children
33 with disabilities."

34 **SECTION 6.(c)** G.S. 115C-592(b) reads as rewritten:

35 "(b) Scholarship Awards. – Scholarships shall be awarded each year for an amount not to
36 exceed nine thousand dollars (\$9,000) per eligible student for the fiscal year in which the
37 application is ~~received~~ received, except for eligible part-time students, who shall be awarded
38 scholarships each year for an amount not to exceed four thousand five hundred dollars (\$4,500)
39 per eligible student for the fiscal year in which the application is received. Recipients shall
40 receive scholarship funds deposited in equal amounts to a PESA in each quarter of the fiscal
41 year. The first deposit of funds to a PESA shall be subject to the execution of the parental
42 agreement required by G.S. 115C-595. The parent shall then receive a debit card with the
43 prepaid funds loaded on the card at the beginning of the fiscal year. After the initial
44 disbursement of funds, each subsequent, quarterly disbursement of funds shall be subject to the
45 submission by the parent of an expense report. The expense report shall be submitted
46 electronically and shall include documentation that the student received an education, as
47 described in G.S. 115C-595(a)(1), for no less than 35 days of the applicable quarter. The debit
48 card shall be renewed upon the receipt of the parental agreement under G.S. 115C-595 for
49 recipients awarded scholarship funds in subsequent fiscal years. Any funds remaining on the
50 card at the end of the fiscal year may be carried forward to the next fiscal year if the card is

1 renewed. Any funds remaining on the card if an agreement is not renewed shall be returned to
 2 the Authority."

3 **SECTION 6.(d)** G.S. 115C-595(a)(2) reads as rewritten:

4 "(2) Unless the student is ~~an eligible student pursuant to G.S. 115C-591(3)a.7., a~~
 5 part-time eligible student, release a local education agency in which the
 6 student is eligible to attend under G.S. 115C-366 of all obligations to
 7 educate the eligible student while the eligible student is receiving
 8 scholarship funds under this Article. A parent of a student, ~~other than a~~
 9 ~~student who is an eligible student pursuant to G.S. 115C-591(3)a.7., other~~
 10 than a part-time eligible student, who decides to enroll the student into the
 11 local education agency or other North Carolina public school during the term
 12 of the agreement shall notify the Authority to request a release from the
 13 agreement and shall return any unexpended funds to the Authority."

14 **SECTION 6.(e)** Notwithstanding G.S. 115C-592(a), for the 2018-2019 school year
 15 only, the State Education Assistance Authority shall give priority in award of scholarships to
 16 applicants with one or more of the following disabilities:

- 17 (1) Autism.
- 18 (2) Developmental disability.
- 19 (3) Hearing impairment.
- 20 (4) Moderate or severe intellectual disability.
- 21 (5) Multiple, permanent orthopedic impairments.
- 22 (6) Visual impairment.

23
 24 **PART VII. NC PRE-K STATUTORY APPROPRIATION**

25 **SECTION 7.** Chapter 143B of the General Statutes is amended by adding a new
 26 section to read:

27 **"§ 143B-168.10B. NC Prekindergarten Program Funds.**

28 The General Assembly finds that due to the continued growth and ongoing need in this
 29 State to provide early childhood services and education to North Carolina children from birth to
 30 five years, it is imperative that the State provide an increase in funds to the General Fund for
 31 two fiscal years for the NC Prekindergarten (NC Pre-K) program. To that end, there is
 32 appropriated from the General Fund to the Department of Health and Human Services, Division
 33 of Child Development and Early Education, the following amounts each fiscal year to provide
 34 funds for NC Pre-K slots for the NC Pre-K program:

| <u>Fiscal Year</u> | <u>Appropriation</u> |
|--|----------------------|
| 2019-2020 | \$82,001,394 |
| 2020-2021 and each subsequent fiscal year thereafter | \$91,351,394 |

35
 36
 37
 38 When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year
 39 specified in this section, the Director of the Budget shall include the appropriated amount
 40 specified in this section for that fiscal year."

41
 42 **PART VIII. IMPLEMENT THE NORTH CAROLINA SUPREME COURT'S**
 43 **HOLDING IN COOPER V. BERGER BY GIVING THE GOVERNOR INCREASED**
 44 **CONTROL OVER THE BIPARTISAN STATE BOARD OF ELECTIONS AND**
 45 **ETHICS ENFORCEMENT**

46 **SECTION 8.(a)** The General Assembly finds that the legislative intent in the
 47 enactment of S.L. 2017-6 and establishment of the Bipartisan State Board of Elections and
 48 Ethics Enforcement was to continue the practice of having an independent, quasi-judicial body
 49 for elections and ethics enforcement for the State and consolidate those bodies under a single
 50 entity. The General Assembly finds that the entity enforcing these laws must have sufficient
 51 distance from political interference due to the potential for abuse of oversight of elections and

1 ethics investigations for partisan purposes. The General Assembly further finds that
2 appointment of a State Board member who is not affiliated with the two largest political parties
3 will foster nonpartisan decision-making by the State Board. As such, by amending the section
4 of the General Statutes establishing the membership of the State Board enacted in S.L. 2017-6,
5 the purpose of this legislation is to implement the decision of the North Carolina Supreme
6 Court on January 26, 2018, in *Cooper V. Berger* (No. 52PA17-2) to give the Governor
7 executive control over the Bipartisan State Board of Elections and Ethics Enforcement and to
8 provide for representation on the State Board by unaffiliated and third-party voters.

9 **SECTION 8.(b)** G.S. 163A-2 reads as rewritten:

10 **"§ 163A-2. Membership.**

11 (a) The State Board shall consist of ~~eight~~nine individuals registered to vote in North
12 Carolina, appointed by the Governor, as follows:

13 (1) ~~four of whom shall be of~~Four individuals registered with the political party
14 with the highest number of registered affiliates~~affiliates in the State, from a~~
15 list of six nominees submitted by the State party chairs of that party.

16 (2) ~~and four of whom shall be of~~Four individuals registered with the political
17 party with the second highest number of registered affiliates~~affiliates in the~~
18 State, from a list of six nominees submitted by the State party chairs of that
19 party.

20 (3) One individual not registered with either the political party with the largest
21 number of registered affiliates in the State or of the political party with the
22 second-largest number of registered affiliates in the State, from a list of two
23 nominees selected by the other eight members of the State Board.

24 The number of registered affiliates shall be as reflected by the latest registration statistics
25 published by the State Board. The Governor shall appoint four members each from a list of six
26 nominees submitted by the State party chairs of the two political parties with the highest
27 number of registered affiliates, as reflected by the latest registration statistics published by the
28 State Board. The Governor shall make all appointments promptly upon receipt of the list of
29 nominees from each nominating entity and in no instance shall appoint later than 30 days after
30 receipt of the list.

31 (a1) Within 14 days of appointment by the Governor of the eight members appointed
32 under subdivisions (1) and (2) of subsection (a) of this section, the eight members shall hold an
33 initial appointment selection meeting for the sole purpose of selecting two nominees who meet
34 the qualifications for appointment under subdivision (3) of subsection (a) of this section and
35 shall promptly submit those names to the Governor. No additional actions, other than the oath
36 of office, shall be taken by the eight members appointed under subdivisions (1) and (2) of
37 subsection (a) of this section at the appointment selection meeting.

38 ...
39 (c) ~~Members shall be removed by the Governor from the State Board only for~~
40 ~~misfeasance, malfeasance, or nonfeasance. Violation of G.S. 163A 3(d) shall be considered~~
41 ~~nonfeasance.~~Members may be removed from the State Board by the Governor, acting in the
42 Governor's discretion. Vacancies created on the State Board by removal from office by the
43 Governor shall be filled in accordance with subsection (d) of this section.

44 (d) Any vacancy occurring on the State Board shall be filled by an individual ~~affiliated~~
45 ~~with the same political party of~~meeting the same appointment criteria under subsection (a) of
46 this section as the vacating member. Any vacancy occurring in the State Board shall be filled
47 by the Governor, and the person so appointed shall fill the unexpired term. The Governor shall
48 fill vacancies as follows:

49 (1) For a vacancy for an appointment under subdivision (1) or (2) of subsection
50 (a) of this section, The the Governor shall fill the vacancy from a list of two
51 names submitted by the State party chair of the political party with which the

1 vacating member was affiliated if that list is submitted within 30 days of the
2 occurrence of the vacancy.

3 (2) For a vacancy for an appointment under subdivision (3) of subsection (a) of
4 this section, the Governor shall fill the vacancy from a list of two names
5 submitted by the remaining members of the State Board if that list is
6 submitted within 30 days of the occurrence of the vacancy. The State Board
7 shall hold a meeting within 21 days of the occurrence of the vacancy for the
8 purpose of selecting two nominees for submission to the Governor to fill the
9 vacancy.

10 (e) At the first meeting held after any new appointments are made, the members of the
11 State Board shall take the following oath:

12 "I, _____, do solemnly swear (or affirm) that I will support the Constitution of the United
13 States; that I will be faithful and bear true allegiance to the State of North Carolina and to the
14 constitutional powers and authorities which are or may be established for the government
15 thereof; that I will endeavor to support, maintain, and defend the Constitution of said State; and
16 that I will well and truly execute the duties of the office of member of the Bipartisan State
17 Board of Elections and Ethics Enforcement according to the best of my knowledge and ability,
18 according to law, so help me God."

19 (f) At the first meeting ~~in May~~, held after the appointment of the member under
20 subdivision (3) of subsection (a) of this section, the State Board shall organize by electing one
21 of its members chair and one of its members vice-chair, each to serve a two-year term as such.
22 In 2017 and every four years thereafter, the chair shall be a member of the political party with
23 the highest number of registered affiliates, as reflected by the latest registration statistics
24 published by the State Board, and the vice-chair a member of the political party with the second
25 highest number of registered affiliates. In 2019 and every four years thereafter, the chair shall
26 be a member of the political party with the second highest number of registered affiliates, as
27 reflected by the latest registration statistics published by the State Board, and the vice-chair a
28 member of the political party with the highest number of registered affiliates.

29 (g) At the first meeting held ~~after new appointments are made after taking the oath,~~
30 ~~after the appointment under subdivision (3) of subsection (a) of this section,~~ the State Board
31 shall elect one of its members secretary, to serve a two-year term as such.

32 "

33 **SECTION 8.(c)** Notwithstanding G.S. 163A-2, members appointed to the
34 Bipartisan State Board of Elections and Ethics Enforcement in 2018 shall serve a term of office
35 beginning March 1, 2018, and expiring April 30, 2019, and the State Board shall hold its first
36 meeting in March 2018.

37

38 **PART IX. EFFECTIVE DATE**

39 **SECTION 9.** Except as otherwise provided herein, this act is effective when it
40 becomes law.