

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 670\*

Short Title: Differentiated Pay/All School Emp'ees.

(Public)

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Sponsors: Senators Cooper; Winner of Mecklenburg, Gulley, Ward, Walker, Gunter, Warren, Smith, Perdue, Richardson, and Kerr.

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Referred to: Education/Higher Education.

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April 1, 1993

A BILL TO BE ENTITLED

AN ACT TO MAKE DIFFERENTIATED PAY AVAILABLE FOR ALL STATE-PAID PUBLIC SCHOOL EMPLOYEES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-238.2(b) reads as rewritten:

"(b) Local school administrative units that participate in the Performance-based Accountability Program:

- (1) Are exempt from State requirements to submit reports and plans, other than local school improvement plans, to the Department of Public Education; they are not exempt from federal requirements to submit reports and plans to the Department.
- (2) Are subject to the performance standards but not the opportunity standards or the staffing ratios of the State Accreditation Program. The performance standards in the State Accreditation Program, modified to reflect the results of end-of-course and end-of-grade tests, may serve as the basis for developing the student performance indicators adopted by the State Board of Education pursuant to G.S. 115C-238.1.
- (3) May receive funds for differentiated pay for ~~teachers and administrators,~~ certain State-paid employees, in accordance with G.S. 115C-238.4, if they elect to participate in a differentiated pay plan.
- (4) May be allowed increased flexibility in the expenditure of State funds, in accordance with G.S. 115C-238.5.

- 1 (5) May be granted waivers of certain State laws, regulations, and policies  
2 that inhibit their ability to reach local accountability goals, in  
3 accordance with G.S. 115C-238.6(a).
- 4 (6) Shall continue to use the Teacher Performance Appraisal Instrument  
5 (TPAI) for evaluating beginning teachers during the first three years of  
6 their employment; they may, however, develop other evaluation  
7 approaches for teachers who have attained career status.

8 The Department of Public Instruction shall provide technical  
9 assistance, including the provision of model evaluation processes and  
10 instruments, to local school administrative units that elect to develop  
11 dual personnel evaluation processes. A dual personnel evaluation  
12 process includes (i) an evaluation designed to provide information to  
13 guide teachers in their professional growth and development, and (ii)  
14 an evaluation to provide information to make personnel decisions  
15 pertaining to hiring, termination, promotion, and reassignment."

16 Sec. 2. G.S. 115C-238.3(c) reads as rewritten:

17 "(c) Development by each school of a differentiated pay plan for that school;  
18 development by the local board of education of a differentiated pay plan for central  
19 office personnel. –

- 20 (1) The local school administrative unit shall consider a plan for  
21 differentiated pay. The local plan shall include a plan for differentiated  
22 pay, in accordance with G.S. 115C-238.4, unless the local school  
23 administrative unit elects not to participate in any differentiated pay  
24 plan.
- 25 (2) The principal of each school, representatives of the building-level  
26 staff, and parents of children enrolled in the school shall develop a  
27 building-level differentiated pay plan for the school when they develop  
28 their building-level plan to address student performance goals  
29 appropriate to the school.

30 Support among affected staff members is essential to successful  
31 implementation of a building-level differentiated pay plan; therefore,  
32 the principal of the school shall present the proposed building-level  
33 plan to all of the staff ~~eligible to receive differentiated pay, in accordance~~  
34 ~~with G.S. 115C-238.4(a), assigned to the school building~~ for their review  
35 and vote. The vote shall be by secret ballot. The principal may submit  
36 the building-level differentiated pay plan to the local board of  
37 education only if the proposed building-level differentiated pay plan  
38 has the approval of a majority of the staff who voted on the plan.

39 The local board of education shall accept or reject the building-  
40 level differentiated pay plan. The local board shall not make any  
41 substantive changes in any building-level plan that it accepts; the local  
42 board shall set out any building-level plan that it accepts in the  
43 systemwide differentiated pay plan. If the local board rejects a  
44 building-level plan, the local board shall state with specificity its

1 reasons for rejecting the plan; the principal of the school for which the  
 2 plan was rejected, representatives of the building-level staff, and  
 3 parents of children enrolled in the school may then prepare another  
 4 plan, present it to all of the staff eligible to receive differentiated pay,  
 5 in accordance with G.S. 115C-238.4(a), for a vote, and submit it to the  
 6 local board for inclusion in the systemwide plan. If no building-level  
 7 plan is accepted for a school before March 15 of the fiscal year  
 8 preceding the fiscal year in which participation is sought, the local  
 9 board may develop a plan for the school building for inclusion in the  
 10 systemwide plan; the General Assembly urges the local board to utilize  
 11 the proposed building-level plan to the maximum extent possible when  
 12 developing such a plan.

13 (3) The local board of education shall develop a plan for differentiated pay  
 14 for all ~~central office personnel eligible to receive differentiated pay, in~~  
 15 ~~accordance with G.S. 115C-238.4(a),~~ classes of personnel assigned to the  
 16 central office that the local board determines are participants in the  
 17 development or implementation of the local school improvement plan,  
 18 and shall include the plan in the systemwide differentiated pay plan.

19 (4) A systemwide differentiated pay plan shall remain in effect for no  
 20 more than three years. At the end of three years, a plan to continue,  
 21 discontinue, or modify that differentiated pay plan shall be developed  
 22 in accordance with subdivisions (2) and (3) of this subsection."

23 Sec. 3. G.S. 115C-238.4 reads as rewritten:

24 "**§ 115C-238.4. Differentiated pay.**

25 (a) Local school administrative units may include, but are not required to ~~include,~~  
 26 include as a part of their local school improvement plans, a systemwide differentiated  
 27 pay plan for ~~certified instructional staff, certified instructional support staff, and certified~~  
 28 ~~administrative staff~~ all of the staff assigned to school buildings and all classes of staff  
 29 assigned to the central office that the local boards determine are participants in the  
 30 development or implementation of the local school improvement plans. ~~as a part of their~~  
 31 ~~local school improvement plans.~~ Units electing to include differentiated pay plans in their  
 32 school improvement plans shall base their differentiated pay plans on:

- 33 (1) A career development pilot program;
- 34 (2) A lead teacher pilot program;
- 35 (3) A locally designed school-based performance program, subject to  
 36 limitations and guidelines adopted by the State Board of Education;
- 37 (4) A differentiated pay plan that the State Board of Education finds has  
 38 been successfully implemented in another state; or
- 39 (5) A locally designed plan including any combination or modification of  
 40 the foregoing plans.

41 A differentiated pay plan may also authorize the use of State differentiated pay funds  
 42 for staff development and planning activities and for paying substitute teachers as is  
 43 necessary to provide time for staff development and planning activities.

1 (b) Differentiated pay plans shall be developed and voted on in accordance with  
2 G.S. 115C-238.3(c).

3 Any differentiated pay plan developed in accordance with this section shall be  
4 implemented within State and local funds available for differentiated pay. State funds  
5 shall not be used to implement a differentiated pay plan for employees who are not paid  
6 with State funds; State funds shall be used to implement a differentiated pay plan for  
7 employees who are paid in part with State funds only to the extent of the proportionate  
8 part of the salaries of those employees that is paid with State funds.

9 (e) Any additional compensation received by an employee as a result of the unit's  
10 participation in the Program shall be paid as a bonus or supplement to the employee's  
11 regular salary. If an employee in a participating unit does not receive additional  
12 compensation, such failure to receive additional compensation shall not be construed as  
13 a demotion, as that term is used in G.S. 115C-325.

14 Payments of bonuses or supplements shall be made no more frequently than once  
15 every calendar quarter: Provided, however, prior to the 1994-95 school year, payments  
16 in the career development pilot units may be made on a monthly basis.

17 (f) If a local school administrative unit bases its differentiated pay plan on a  
18 locally designed school-based performance program, pursuant to subdivision (a)(3) of  
19 this section, the plan shall provide that following the attainment of the local school  
20 goals, the local board of education shall make a determination of which ~~certified~~-staff  
21 members contributed to the attainment of those goals. Differentiated pay bonuses shall  
22 then be distributed to those designated employees. The local board of education shall  
23 make the determination upon recommendation of (i) the superintendent and (ii) any  
24 other person or committee designated in the local differentiated pay plan. The other  
25 person or committee designated in the local differentiated pay plan may be the principal,  
26 a school-based committee, or any other person or local committee."

27 Sec. 4. This act is effective upon ratification and applies to all differentiated  
28 pay plans in effect after July 1, 1994.