Summary of Special Provisions- Senate Bill 402

Senate Appropriations Bill Special Provisions

Money report

Synopsis

1. Salaries and Benefits
   No salary increases for certified or non certified personnel

   **Section 35.15**
   Retirement rate 14.68% (fy2013 14.23%)

   **Health**
   July 1, 2013 $5,285
   July 1, 2014 $5,402

   **8.22 Phase out Certain Teachers Supplements**
   Beginning July 1 2014, no teachers or instructional support will be paid on the Master Schedule, or receive advanced pay or Phd. (Includes social workers, guidance counselors, speech language pathologists, psychologists, audiologists etc. does not include nurses.)

   **Excellent Public Schools Act-Merit Pay Section 9.6(h)**
   $500 in annual pay increase in FY 2014-15 for teachers to opt in to a 4 year contract per Section 9.6 of Special Provisions. $10,200,000 for 2014-15

2. LEA Adjustment Elimination

   LEA adjustment  359,738,508
   Lottery receipts  16,385,771
                    376,124,279
   a. Classroom teachers  (286,433,312)
   b. Instructional Supt  (6,919,008)
   c. Materials  (16,990,590)
   d. Appropriation  (65,781,369)
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a. Classroom teachers ratios
Reduce $286,433,312 by changing the ratios. (note that the class size maximums and teacher daily load maximums are deleted per special provision section 8.14)

<table>
<thead>
<tr>
<th></th>
<th>2012-13</th>
<th>2013-14</th>
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</thead>
<tbody>
<tr>
<td>1:18</td>
<td>1:19</td>
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<td>1:17</td>
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<td>1:22</td>
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<td>1:21</td>
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<td>1:24.5</td>
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<td>1:26.64</td>
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</tbody>
</table>

Approximately 5,200 classroom teacher reduction

b. Instructional Support Personnel
Reduce $16,990,590
Approximately 270 positions or 5% reduction

c. Instructional Materials
Per Continuation Budget $89,111,629
2012 non recurring cut (38,417,147)(1)
Addl Reduction ($6,919,008)
2013-14 appropriation 43,775,474

(1) Amount that was cut in the 2012-13 budget as a non recurring cut. This amount was not restored in the Governor’s or Senate Budget

3. Teacher Assistants
Reduction $142,329,582
2012-13 $1,182.69 per ADM in K-3
2013-14 $1,727.83 per ADM in K-1

Approximately 4,580 positions

4. Limited English Proficiency
Reduce $6,000,000
$3,000,000 due to a declining enrollment
$3,000,000 cut to the program

5. Transportation Budget: Driver Education
Reduce ($2,792,962)

Increase the optional driver education fee, from $45 to $65 per participating student. Per student appropriations are reduced from $200.94 to $184.94.
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6. Textbooks

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Per Continuation Budget</td>
<td>$100,106,166</td>
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<tr>
<td>2012 non recurring cut</td>
<td>(76,500,000&lt;sup&gt;(1)&lt;/sup&gt;)</td>
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<tr>
<td>Addl Reduction</td>
<td>($0             )</td>
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<tr>
<td>2013-14 appropriation</td>
<td>$23,606,166</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> Amount that was cut in the 2012-13 budget as a non recurring cut. This amount was not restored in the Governor’s or Senate Budget

7. Section 8.14 LEA Budgetary Flexibility

LEAs may transfer funds between categories, the following applies:

1a) EC and CTE transfers are limited by federal law and SBE policy
3) No funds shall be transferred in to central office allotment.
5a) Classroom teachers may be converted to international exchange teachers at the statewide average salary average.
5b) Classroom teachers and instructional support may be converted at the A-00 step
5c) Principals may be converted at the first step of PIII. Assistant principals at AP00
10) Funds to carry out the Excellent Public Schools Act shall not be transferred.

LEAs shall publish on their website by October 15 of each year in plain english,

- A description of each PRC and a summary of the prior year’s expenditure of state funds by PRC
- A description of each object code within a PRC and a summary of prior year’s expenditure of state funds by object code
- A description of each allotment transfer that increased or decreased the initial allotment amount by more than 5% and the educational priorities that necessitated the transfer.

Class size
No class size maximums or teaching loads for K-12

8. Other Allotments

8.1 Funds for Children with Disabilities – dollars per child $3,743.48, cap 12.5%
8.2 Funds for Academically Gifted-$1,223.01 for maximum of 4%

8.3 Low Wealth
Changes the weighting of the formula for counties that have an Armed Forces base and have an ADM greater than 23,000. Affects Cumberland and Onslow counties only
[$14,945,402 reduced from Low wealth Supplemental Funding budget, does not affect the allotments to the individual LEAs]

8.4 Small County
No additional counties included
[$1,555,885 reduced from Small County budget, does not affect the allotments to the individual LEAs]
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8.9 NC Virtual Public Schools
Repeals the funding formula for NCVPS
Replaces with
SBE shall calculate no later than Feb 28, the actual instructional cost for each LEA and charter based on actual NCVPS enrollment as of that date.

8.11 Bus Replacement
SBE to adopt guidelines for the replacement of school buses at 250,000 miles or upon 20 years of service.
[reduce $28,425,435]

9. Excellent Public Schools Act $18,578,841

8.16 Excellent Public Schools Act
Funds appropriated for summer reading camps shall not revert at the end of the fiscal year.

9.1 State Employee Literacy Volunteer Leave Time
5 hours per month for employees to volunteer in a literacy program in a public school.

9.2 Maximize Instructional Time
No more than 2 days per year to take practice tests that do not have the primary purpose of assessing current student learning.
Restrictions on field tests.
Final exams shall be in the last 10 days if year long and last 5 days if semester long.

9.3 Teacher Licensure and Fees
Changes fees and other requirement

9.4 School Performance Grade
[appropriates $300,000 for EVAAS #15]

9.5 Pay for Excellence
On hold until a robust evaluation instrument and process accurately assesses and evaluates the effectiveness of a teachers.

9.6 Teacher Contracts
Changes to tenure.

10. Other

8.10 Closes NCCAT
[reduce $3,130,606 46.25 positions]

Teaching Fellows ($3,095,000) R (1,300,000) NR
Continues phase out that began in 2011
8.21 Teach For America  $5,100,000
Current state support is $900,000. State support to increase by $5,100,000 to establish a TFA program in the Triad region, grow in the southeastern region, targeted subject specific recruitment and the assumption of management responsibilities for the NC Teacher Corps beginning 2014-15.

8.12 Education Services for Children at certain Juvenile Facilities
Funds appropriated for education for children at certain juvenile facilities shall only be used to provide educational services for children who are residents of the facility. In 2014-15, the LEAs shall be responsible for the education of the students. [effective July 1, 2014 #18 appropriates $3.8min 2014-15]

8.17 Communities in Schools Learning Initiative
Students enrolled in the Harvard University Reads for Summer Learning Initiative shall be exempt from mandatory retention.

8.18 Instructional Improvement System
Optional portion of Home Base be receipt supported. SBE shall establish a cost of no more than $4 per ADM for the optional portion. Shortages may be made up with DPI funds.

8.19 Study of GPA and class rank calculations

5.4 Indian Gaming Education Revenue Fund
There is appropriated from the Indian Gaming Education Revenue Fund to the Department of Public Instruction, School Technology Fund, $3,000,000 for the 2013-2014 fiscal year $3,500,000 for the 2014-2015 fiscal year.

5.3 Civil Penalty and Forfeiture Fund
(a) Appropriations are made from the Civil Penalty and Forfeiture Fund for the fiscal biennium ending June 30, 2015, as follows:

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<tr>
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<tbody>
<tr>
<td>School Technology Fund</td>
<td>$18,000,000</td>
<td>$18,000,000</td>
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<tr>
<td>State Public School Fund</td>
<td>$146,313,464</td>
<td>$120,362,790</td>
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<td>Total Receipts(1)</td>
<td>$164,313,464</td>
<td>$138,362,790</td>
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(1) Total receipts that support the State Public School Fund in lieu of General Fund appropriation.