SELECTION CRITERIA: PROGRESS AND PLANS IN THE FOUR EDUCATION REFORM AREAS

(A) State Success Factors (125 total points)

(A)(1) Articulating State's education reform agenda and LEAs' participation in it *(65 points)*

The extent to which—

(i) The State has set forth a comprehensive and coherent reform agenda that clearly articulates its goals for implementing reforms in the four education areas described in the ARRA and improving student outcomes statewide, establishes a clear and credible path to achieving these goals, and is consistent with the specific reform plans that the State has proposed throughout its application; *(5 points)*

(ii) The participating LEAs (as defined in this notice) are strongly committed to the State's plans and to effective implementation of reform in the four education areas, as evidenced by Memoranda of Understanding (MOUs) (as set forth in Appendix D) or other binding agreements between the State and its participating LEAs (as defined in this notice) that include— *(45 points)*

    (a) Terms and conditions that reflect strong commitment by the participating LEAs to the State's plans;

    (b) Scope-of-work descriptions that require participating LEAs (as defined in this notice) to implement all or significant portions of the State's Race to the Top plans; and

    (c) Signatures from as many as possible of the LEA superintendent (or equivalent), the president of the local school board (or equivalent, if applicable), and the local teachers' union leader (if applicable) (one signature of which must be from an authorized LEA representative) demonstrating the extent of leadership support within participating LEAs (as defined in this notice); and

(iii) The LEAs that are participating in the State's Race to the Top plans (including considerations of the numbers and percentages of participating LEAs, schools, K-12 students, and students in poverty) will translate into broad statewide impact, allowing the State to reach its ambitious yet achievable goals, overall and by student subgroup, for—*(15 points)*

    (a) Increasing student achievement in (at a minimum) reading/language arts and mathematics, as reported by the NAEP and the assessments required under the ESEA;

    (b) Decreasing achievement gaps between subgroups in reading/language arts and mathematics, as reported by the NAEP and

the assessments required under the ESEA;

(c) Increasing high school graduation rates (as defined in this notice); and

(d) Increasing college enrollment (as defined in this notice) and increasing the number of students who complete at least a year's worth of college credit that is applicable to a degree within two years of enrollment in an institution of higher education.

In the text box below, the State shall describe its current status in meeting the criterion, as well as projected goals as described in (A)(1)(iii). The narrative or attachments shall also include, at a minimum, the evidence listed below, and how each piece of evidence demonstrates the State's success in meeting the criterion. The narrative and attachments may also include any additional information the State believes will be helpful to peer reviewers. For attachments included in the Appendix, note in the narrative the location where the attachments can be found.

Evidence for (A)(1)(ii):
- An example of the State's standard Participating LEA MOU, and description of variations used, if any.
- The completed summary table indicating which specific portions of the State's plan each LEA is committed to implementing, and relevant summary statistics (see Summary Table for (A)(1)(ii)(b), below).
- The completed summary table indicating which LEA leadership signatures have been obtained (see Summary Table for (A)(1)(ii)(c), below).

Evidence for (A)(1)(iii):
- The completed summary table indicating the numbers and percentages of participating LEAs, schools, K-12 students, and students in poverty (see Summary Table for (A)(1)(iii), below).
- Tables and graphs that show the State's goals, overall and by subgroup, requested in the criterion, together with the supporting narrative. In addition, describe what the goals would look like were the State not to receive an award under this program.

Evidence for (A)(1)(ii) and (A)(1)(iii):
- The completed detailed table, by LEA, that includes the information requested in the criterion (see Detailed Table for (A)(1), below).

Recommended maximum response length: Ten pages (excluding tables)

A.1. North Carolina's Education Reform Agenda and Partnership with LEAs

A.1.i The NC Reform Agenda

***Career and College: Ready, Set, Go!:* Continuing a Strong Tradition of Education Reform**

The race to provide the best education for all students is not a single sprint but a series of marathons. Only those who have a strong history of racing success and an ongoing commitment to meeting new challenges will be able to stay on track as conditions change and new finish lines are drawn.

In that spirit, Governor Beverly Perdue recently unveiled her *Career and College: Ready, Set, Go!* plan to guide the next leg of NC's continuous race to improve educational outcomes for all students. Based on education research and years of lessons learned from a history of statewide innovation, Governor Perdue's plan centers on strengthening and aligning the State's education system so that it meets the needs of all NC citizens "from the high chair to the rocking chair." The Governor's plan will drive NC to ensure that every student, from pre-kindergarten through graduate school:

- Comes to school prepared to progress successfully through PK-20 education;
- Meets clear, ambitious State standards for knowledge, skills, and abilities; and
- Receives guidance from excellent teachers and principals who are able to help the student achieve those standards.

The ultimate goal of the *Career and College: Ready, Set, Go!* plan is for every NC student to graduate from high school ready for a career, two- or four-year college, or technical training, and therefore be prepared to become a productive member of the workforce. To accomplish this ambitious goal, the plan requires NC to:

- Update NC's statewide PK-12 Standard Course of Study and school accountability system so that each reflects internationally benchmarked **standards and assessments** that prepare students for success in college and the workplace;
- Establish and increase the use of **robust data systems** that measure student success and inform teachers, principals, and policymakers about how they can improve delivery of educational services to students;

- Increase *teacher and principal effectiveness*, so that every student has a great teacher and every school has a great principal; and

- *Turn around our lowest-achieving schools*, so that all students get the support they need to be successful.

NC already is racing to accomplish these goals; with Race to the Top (RttT) funding, we will be able to move further and faster.

A Track Record of Major Initiatives

The RttT effort is not the State's first race, nor is it the final leg. Rather, the NC RttT plan capitalizes on NC policymakers' and educators' history of pioneering school innovation, and establishes sustainable statewide capacity that will enable NC to respond to future challenges. NC has demonstrated an ability to implement fundamental, statewide education reform in each of the past four decades, as NC leaders continually have propelled the State's public schools to higher levels of accomplishment.

In the wake of *A Nation at Risk (1983)*, NC established and funded significant curriculum standards and school improvement measures known collectively as the Basic Education Plan. This approach provided a comprehensive curriculum for all students; an emphasis on dropout prevention; and initiatives to equalize opportunities for students across the State. In 1996-97, with the leadership of then-Governor James B. Hunt, NC adopted the State's first comprehensive school accountability model, the ABCs of Public Education (ABCs). The ABCs built on a robust State end-of-grade testing program in grades 3 through 8 (instituted three years earlier) and on high school end-of-course tests (in place for core subjects since the 1980s). The ABCs focus on students' annual achievement growth provided the State with a balanced approach to assessing school performance. Once again looking to improve the system, in 2007 the NC State Board of Education (State Board) adopted the following goals, signaling that NC would continue its commitment to pursuing systemic changes to improve student outcomes (see Appendix 1 for the full list of the sub-goals):

1. NC public schools will produce globally competitive students.

2. NC public schools will be led by 21st century professionals.

3. NC public school students will be healthy and responsible.

4. Leadership will guide innovation in NC public schools.

5. NC public schools will be governed and supported by 21st century systems.

Governor Perdue's *Career and College: Ready, Set, Go!* agenda provides NC with an action plan for reaching these goals, as well as the framework for the RttT initiatives described in this proposal.

NC RttT Plan Context: NC Public Schools Landscape

NC has moved forward systematically and aggressively to address the State Board goals throughout all of the State's local education agencies (LEAs), which together contain approximately 2,500 traditional and charter schools, 191,000 staff, and a diverse population of over 1.4 million students (54.2% white, 31.2% black, 10.7% Hispanic, 2.5% Asian, and 1.4% American Indian), about half of whom – more than 700,000 – are classified as being from economically disadvantaged homes. NC LEAs are comprised of a few large urban school districts and many small districts. The two largest LEAs, Wake County and Charlotte-Mecklenburg, each serve more than 133,000 students. Each of the other 98 counties in NC also comprises an LEA, with 85 of these counties classified as rural. In addition, there are 15 towns that serve as their own LEAs, for a total of 115 LEAs statewide. According to the National Center for Education Statistics, NC contains 1,100 schools in rural areas and 354 schools in small towns. Many of these areas are economically distressed as a result of changes in their traditional agrarian and manufacturing economies. School reform in these communities involves different challenges and requires different strategies than reform in urban communities; the State Board of Education has even taken the step of intervening directly in one of the State's most challenged rural districts. As a result, while NC must grapple with the challenges of implementing reform in large urban districts, the State also is well-positioned to make significant contributions to the national discussion about improving rural schools.

Goals and Targets for the NC RttT Plan

The NC RttT plan is designed to set directions and build capacity that will result in sustainable, long-term improvements in NC public education. We will gauge the degree to which we are successful in that mission using the measureable goals listed in Table 1. Baseline data and targets through 2016-17 for each goal are provided in Table 1; detailed data and targets for various student populations are in Appendix 2.

Table 1: Goals, Measures, Baselines, and Final RttT Targets

GOAL	MEASURE		BASELINE 2009-2010	2010-2011	2011-2012	2012-2013	TARGET 2013-14	2014-2015	2015-2016	2016-2017
1. Student achievement	NAEP reading, grade 4		219 (2009)		223 (2011)		229 (2013)		233 (2015)	
	NAEP reading, grade 8		260 (2009)		264 (2011)		270 (2013)		274 (2015)	
	NAEP math, grade 4		244 (2009)		248 (2011)		254 (2013)		258 (2015)	
	NAEP math, grade 8		284 (2009)		288 (2011)		294 (2013)		298 (2015)	
2. Graduation rates	4-year rate		71.70%	74%	76%	79%	82%	84%	85%	86%
3. College readiness	Average SAT composite (% graduates taking)		1,006 (63%)	1,009 (65%)	1,014 (67%)	1,019 (69%)	1,025 (72%)	1,030 (74%)	1,033 (76%)	1,035 (78%)
	Graduates scoring 3 or above on one or more AP exams		17.3%	18%	19%	20%	21%	22%	23%	24%
	Proportion of freshmen enrolled in at least one remedial course	UNC	11% (2008)	9%	8%	7%	6%	5%	4%	3%
		Comm Coll*	64% (2008)	60%	56%	52%	48%	45%	42%	39%
4. College enrollment	Percentage of high school graduates who enroll in postsecondary programs		65.6% (2006, NCES)	66.00%	68%	70%	72%	74%	76%	78%

* NC Community Colleges have open enrollment; about 18% of high school graduates attend Community Colleges, and the cutoff placement cut scores vary by discipline and Community College.

We have not included State-administered test data in these targets because NC standards and assessments are undergoing significant revisions that will inhibit accurate comparisons across years. As each new State assessment is put into place, we will establish a baseline for it and track improvements, both overall and by student subgroup.

Our goals and targets build upon the significant progress we have already made in NC. For example, the NC average grade 4 math NAEP score improved from 212 in 1992 to 244 in 2009, and the average grade 8 math score improved from 250 to 284 during the same period – in both cases moving from below the national average to above it. The NC average math SAT score also has shows a strong pattern of improvement, increasing from 493 in 1999 to 511 in 2009, moving from 18 points below to just 4 points below the national average. NC reading scores have not shown improvement on either the NAEP or SAT; however, in recent years the State has intensified its efforts to improve reading through preschool programs, the Reading First program, and initiatives focused on improving reading for special education students and students with limited English proficiency (see Section A3). NC graduation rates have improved steadily, with the four-year cohort rate increasing from 68% in 2006 (when the current method for measuring the rate was first used) to 72% in 2009. Mortenson (2008), using National Center for Education Statistics data, reports that NC enrollment in a two-year or four-year college in the year following high school graduation rose from 48.3% in 1986 to 65.6% in 2006, the eighth-largest percentage gain in the nation. The number of NC students taking AP exams also has increased and is above the national average. Additional details about these gains are provided in Section A3.

While we have seen increases across all student subgroups on these measures, the achievement gaps among student groups have not been reduced significantly. Our RttT goals also include a reduction of at least 10% in the achievement gaps shown by ethnic- and language-minority students, students with disabilities, and low-income students on each of the measures in Table 1. (The available subgroup data relevant to each measure in Table 1 are provided in Appendix 2.) This goal reflects the planned focused effort on improving low-achieving schools, which serve disproportionate numbers of minority, low-income students and special needs students, as well as a rapidly-growing population of language-minority students.

NC RttT Plan Priority: Great Teachers for Every Student, A Great Principal for Every School

While our NC RttT plan addresses thoroughly all four RttT reform areas, our emphasis is on strengthening the education workforce to ensure that every student has effective teachers and every school has effective leadership. Setting this as our highest priority is based on the following information:

- Research evidence that teacher quality is the largest determinant of student achievement gains that can be impacted by the school (Sanders *et al*., 1997; Rice, 2003);

- Evidence from the NC Teacher Working Conditions Survey (Hirsch & Emrick, 2007) and related research (*e.g.*, Ingersoll, 2001, Reiman *et al*., 2007) that effective leadership at the school level is essential for recruiting and retaining an effective teaching staff and for increasing student achievement;

- Data on the inequitable distribution of effective teachers and principals in NC, which highlight the need to strengthen the education workforce in low-performing schools and districts (see the Overview for Section D);

- Data on the retention rates and projections of the retirement rates of teachers and principals in NC, which point to potential critical shortages in the NC education workforce in the coming years (Reiman *et al*., 2007);

- Data documenting a shortage of qualified teachers of mathematics and the sciences and of teachers of students with disabilities and students with limited English proficiency (see the Overview for Section D); and

- Documentation of need in low-performing schools for increased numbers of effective teachers and strong leadership of turnaround processes that are responsive to the different challenges posed by specific urban or rural contexts (see Section E).

Overview of Proposed NC RttT Initiatives

Table 2 provides an overview of the major proposal initiatives and the major goals of each. Many of these initiatives are linked and mutually supportive in practice. For example, the professional development initiative in Section D5 provides the capacity to deliver professional development for both the transition to new standards and assessment described in Section B3, and use of the data systems to support instruction described in Section C. The professional development initiative also will support efforts to turn around the

lowest-achieving schools, as described in Section E. Table 2 table does not include related initiatives for which RttT funding is not requested, such as NC's ongoing work to develop updated summative assessments and to enhance the State longitudinal data system.

Table 2: Overview of NC RttT Initiatives

SECTION	INITIATIVES	GOALS
A. State Success Factors		
A2	Technology infrastructure and resources	• Establish PK-12 education technology "cloud" infrastructure to provide cost-effective and robust networking infrastructure for LEAs • Provide digital tools and resources to support all RttT initiatives • Prepare all educators to make effective use of online resources and tools (linked to D5: Prof. Devel.)
A2	Evaluation and policy analyses	• Provide ongoing evaluations to inform continuous improvement of RttT initiatives • Provide summative analyses to inform future program, policy, and funding decisions • Conduct analyses of NC policies to inform the removal of policy barriers and the development of policies that support reforms
B. Standards and Assessment		
B3	Transition to new standards and assessments	• Generate stakeholder support for transition • Ensure that all teachers understand the new standards and assessments • Ensure that stakeholders understand and use summative assessments effectively and appropriately
C. Data Systems to Support Instruction		
C2	State data use	• Ensure that NC data are accessible to all relevant stakeholders • Ensure that all relevant stakeholders are prepared to make effective and appropriate use of the data (linked to D5: Professional Development) • Ensure that data are used to support decision-making and continuous improvement processes
C3	Instructional Improvement System	• Increase the use of instructional improvement systems • Develop a statewide instructional improvement system to support curriculum-embedded assessments, diagnostic assessments, curriculum monitoring, and summative assessments to inform teacher planning and student placement decisions • Provide technology infrastructure to support effective use of the instructional improvement system • Prepare teachers to make effective use of the instructional improvement system (linked to D5) • Improve student achievement outcomes, especially for low-performing students
D. Great Teachers and Leaders		
D2	Teacher and principal evaluation processes	• Fully implement the new NC teacher and principal evaluation processes statewide, with student achievement growth data used as a significant component in the balanced evaluation
D2	Performance incentives for lowest-achieving schools	• Provide opportunities to earn incentives based on student performance • Transition to classroom-level incentives by 2012-13

SECTION	INITIATIVES	GOALS
D2	Teacher effectiveness evaluation planning	• Develop, with the engagement of all stakeholders, a state-level, equitable, reliable, and transparent system for integrating student achievement growth data into evaluations for all teachers and principals
D3	Regional Leadership Academies	• Increase the number of principals qualified to lead transformational change in low-performing schools in both rural and urban areas
D3	Expand teacher recruitment and licensure programs	• Teach for America – Increase the number of TFA teachers in low-performing schools; focus recruitment on specific needs of each LEA • NC Teacher Corps – Using a TFA-like approach, recruit and prepare NC college graduates to teach in low-performing schools that are not served by TFA • Induction Support Program for New Teachers – Provide comprehensive, three-year induction program for novice teachers in low-achieving schools
D3	Strategic staffing initiatives	• Support LEA development, implementation, and evaluation of programs to strengthen staffing in low-performing schools and high-needs subjects and specialties
D3	North Carolina Virtual Public School expansion	• Expand the availability and use of virtual courses in mathematics and science in low-performing schools and other schools in which curriculum offerings are limited and qualified teachers unavailable locally
D4	Research on effectiveness of teacher and principal preparation programs	• Use data and lessons learned to inform decisions about program improvements, expansion and closure
D5	Professional development	• Create, train, and support a cadre of teacher and principal professional development leaders to establish sustainable professional development capacity statewide • Develop resources (for workshops, professional learning communities, virtual courses, webinars, *etc.*) to support effective professional activities, with the capacity to create additional resources as needed • Align professional development with reform initiatives in the RttT plan. • Expand the online professional development infrastructure to provide accessible and high-quality online professional development for all educators throughout NC • Evaluate professional development activities to determine the impact on teaching practices and student achievement, to inform continuous improvement of professional development activities
E. Turning Around the Lowest-Achieving Schools		
E2	District and School Transformation support system	• Improve performance of all low-performing schools, with a specific target of moving all schools above the 60% performance level
E2	Science, Technology, Engineering, and Mathematics (STEM) thematic schools	• Develop four coordinated STEM anchor schools, each focused on a major area relevant to NC economic development • Use the anchor schools as centers for professional development, curriculum development, technology use, and innovation to impact networks of STEM schools throughout NC

Figure 1 summarizes NC's RttT initiatives. The graphic illustrates that student outcomes are at the center of our efforts and that the reform areas and initiatives comprise a coherent plan in which each component depends upon and reinforces the others. This graphic will appear throughout the proposal to indicate how the initiatives described in each section connect to the overarching vision and to each other.
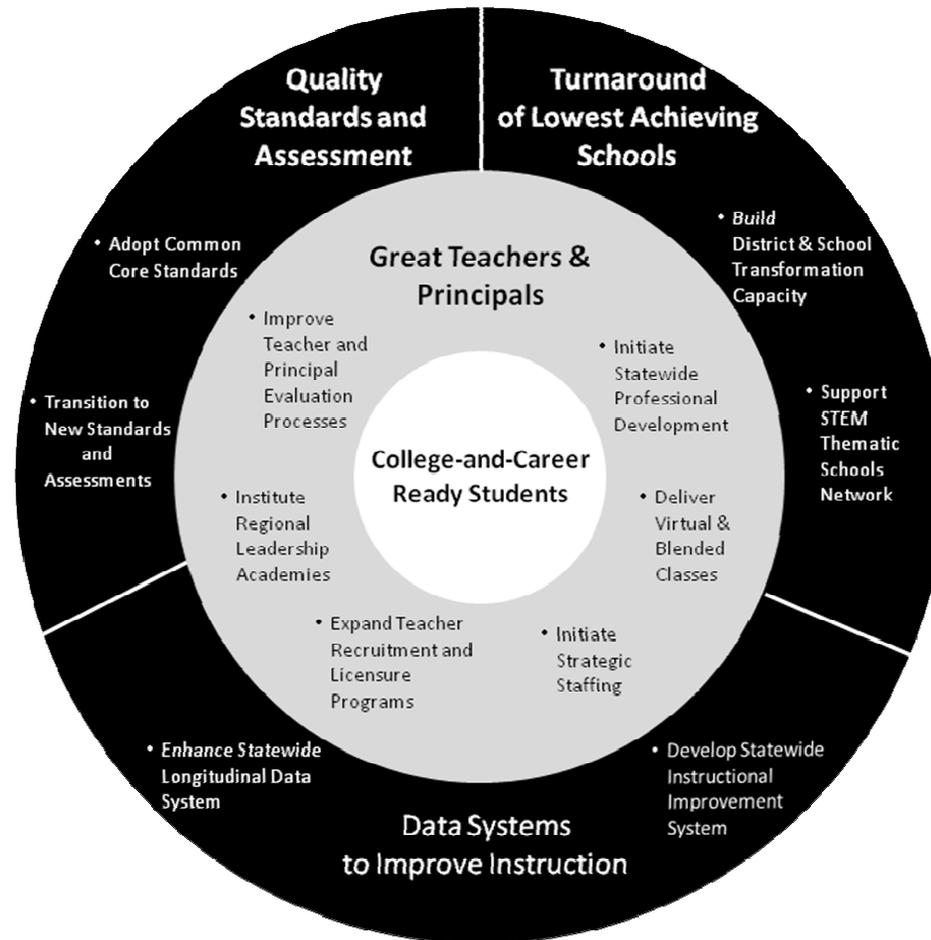
Figure 1: Ready, Set, Go – An Action Plan for North Carolina's Race to the Top

A.1.ii.and A.1.iii. LEA Participation and Statewide Impact

The NC RttT plan benefits from unanimous support and commitment from all 115 LEAs. This partnership will ensure broad statewide implementation and will heighten the likelihood that the State will reach its goals for student achievement, achievement gap closure, graduation, and career- and college-readiness.

All NC LEAs have committed to participate in the NC RttT initiatives. Superintendents of all 115 NC LEAs have signed the NC RttT Memorandum of Understanding (MOU), along with the Chairs of their local school boards and the local President of the NC Association of Educators, which is the state teachers' association affiliated with the National Education Association. As shown in the summary tables below, all LEAs have agreed to participate in all initiatives that are relevant to their schools, which include the initiatives addressed in Sections B, C and D of this proposal. Since 48 LEAs contain the lowest-achieving schools, as defined the criteria in Section E2, only those LEAs are eligible to participate in the initiative to support these schools; however, all other LEAs have agreed that should any of their schools reach lowest-achieving status, they also will participate in the turnaround initiatives described in Section E2. This commitment from all LEAs – as well as from teachers in every LEA – reflects the history of collaboration in NC, the engagement of all stakeholders in the RttT proposal development process, and the leadership provided by the Governor, State Superintendent, Chair of the State Board of Education, and leaders of the teachers, administrators, and school board associations.

Since all LEAs have agreed to participate, NC RttT will serve 100% of the overall student population, 100% of the students in poverty, and 100% of the schools that fall into the lowest-achieving category, as defined in Section E. See Appendix 3 for NC's Participating LEA MOU and the detailed table showing the list of LEAs, signatories, and initiatives in which they have agreed to participate.

Summary Table for A.1.ii.b

Elements of State Reform Plans	Number of LEAs Participating (#)	Percentage of Total Participating LEAs (%)
B. Standards and Assessments		
(B)(3) Supporting the transition to enhanced standards and high-quality assessments	115	100
C. Data Systems to Support Instruction		
(C)(3) Using data to improve instruction:		
(i) Use of local instructional improvement systems	115	100
(ii) Professional development on use of data	115	100
(iii) Availability and accessibility of data to researchers	115	100
D. Great Teachers and Leaders		
(D)(2) Improving teacher and principal effectiveness based on performance:		
(i) Measure student growth	115	100
(ii) Design and implement evaluation systems	115	100
(iii) Conduct annual evaluations	115	100
(iv)(a) Use evaluations to inform professional development	115	100
(iv)(b) Use evaluations to inform compensation, promotion and retention	115	100
(iv)(c) Use evaluations to inform tenure and/or full certification	115	100
(iv)(d) Use evaluations to inform removal	115	100
(D)(3) Ensuring equitable distribution of effective teachers and principals:		
(i) High-poverty and/or high-minority schools	115	100
(ii) Hard-to-staff subjects and specialty areas	115	100
(D)(5) Providing effective support to teachers and principals:		
(i) Quality professional development	115	100
(ii) Measure effectiveness of professional development	115	100
E. Turning Around the Lowest-Achieving Schools		
(E)(2) Turning around the lowest-achieving schools	115*	100*

*In 2009-2010, only 48 LEAs contained lowest-achieving schools eligible for the supports detailed in Section E2. All LEAs agree to participate, however, in the event that one or more of their schools becomes eligible in the future.

Summary Table for A.1.ii.c

Signatures acquired from participating LEAs:			
Number of Participating LEAs with all applicable signatures			
	Number of Signatures Obtained (#)	**Number of Signatures Applicable (#)**	**Percentage (%)** (Obtained / Applicable)
LEA Superintendent (or equivalent)	115	115	100
President of Local School Board (or equivalent, if applicable)	115	115	100
Local Teachers' Union Leader (if applicable)	115	115	100

Summary Table for A.1.iii

	Participating LEAs (#)	**Statewide (#)**	**Percentage of Total Statewide (%)** (Participating LEAs / statewide)
LEAs	115	115	100
Schools	2,399	2,399	100
K-12 Students	1,410,497	1,410,497	100
Students in poverty	700,038	700,038	100

(A)(2) Building strong statewide capacity to implement, scale up, and sustain proposed plans *(30 points)*

The extent to which the State has a high-quality overall plan to—

(i) Ensure that it has the capacity required to implement its proposed plans by— *(20 points)*

    (a) Providing strong leadership and dedicated teams to implement the statewide education reform plans the State has proposed;

    (b) Supporting participating LEAs (as defined in this notice) in successfully implementing the education reform plans the State has proposed, through such activities as identifying promising practices, evaluating these practices' effectiveness, ceasing ineffective practices, widely disseminating and replicating the effective practices statewide, holding participating LEAs (as defined in this notice) accountable for progress and performance, and intervening where necessary;

    (c) Providing effective and efficient operations and processes for implementing its Race to the Top grant in such areas as grant administration and oversight, budget reporting and monitoring, performance measure tracking and reporting, and fund disbursement;

    (d) Using the funds for this grant, as described in the State's budget and accompanying budget narrative, to accomplish the State's plans and meet its targets, including where feasible, by coordinating, reallocating, or repurposing education funds from other Federal, State, and local sources so that they align with the State's Race to the Top goals; and

    (e) Using the fiscal, political, and human capital resources of the State to continue, after the period of funding has ended, those reforms funded under the grant for which there is evidence of success; and

(ii) Use support from a broad group of stakeholders to better implement its plans, as evidenced by the strength of the statements or actions of support from— *(10 points)*

    (a) The State's teachers and principals, which include the State's teachers' unions or statewide teacher associations; and

    (b) Other critical stakeholders, such as the State's legislative leadership; charter school authorizers and State charter school membership associations (if applicable); other State and local leaders (*e.g.*, business, community, civil rights, and education association leaders); Tribal schools; parent, student, and community organizations (*e.g.*, parent-teacher

associations, nonprofit organizations, local education foundations, and community-based organizations); and institutions of higher education.

In the text box below, the State shall describe its current status in meeting the criterion. The narrative or attachments shall also include, at a minimum, the evidence listed below, and how each piece of evidence demonstrates the State's success in meeting the criterion. The narrative and attachments may also include any additional information the State believes will be helpful to peer reviewers. The State's response to (A)(2)(i)(d) will be addressed in the budget section (Section VIII of the application). Attachments, such as letters of support or commitment, should be summarized in the text box below and organized with a summary table in the Appendix. For attachments included in the Appendix, note in the narrative the location where the attachments can be found.

Evidence for (A)(2)(i)(d):
- The State's budget, as completed in Section VIII of the application. The narrative that accompanies and explains the budget and how it connects to the State's plan, as completed in Section VIII of the application.

Evidence for (A)(2)(ii):
- A summary in the narrative of the statements or actions and inclusion of key statements or actions in the Appendix.

Recommended maximum response length: Five pages (excluding budget and budget narrative)

A.2. Building strong statewide capacity to implement, intensify and sustain proposed plans

NC has the structural capacity, leadership, and stakeholder support to implement effectively its RttT proposal and extend the work beyond the life of the grant.

A.2.i. Capacity to Implement RttT Initiatives

A.2.i.a Strong Leadership and Dedicated Teams

The NC RttT plan is strengthened by the presence of a committed and experienced leadership team with the expertise to ensure that all reforms will be implemented successfully. In addition, to ensure sufficient resources are devoted to this unprecedented implementation challenge, NC will establish a dedicated NC RttT Project Management Office within NCDPI. This combination of existing and new capacity will give the NC RttT effort both grounding and continuity, as well as the ability to move more nimbly and efficiently to execute our ambitious plan.

NC recognizes that implementing NC's RttT plan successfully will be an enormous challenge. To meet this challenge, NC's RttT initiatives will have the advantages of strong State leadership, a foundation of ongoing related initiatives, a proven project management framework, and a capable management team already in place. In addition, NC will use RttT funds to establish a dedicated RttT Project Management Office, located within NCDPI, that will coordinate implementation. The following subsections describe the key elements of the NC RttT governance and management framework.

State Board of Education

The State Board, led by current Chairman, Dr. William Harrison, will be responsible for the *oversight* of NC's RttT initiatives. Per its statutory authority and responsibility, the State Board sets policy and provides centralized state infrastructure and oversight for the NC system of public schools through NCDPI. This work includes driving major education reform initiatives. NCDPI staff report monthly to the State Board regarding the status of these initiatives and progress toward achieving priority measurable objectives, which are reflected in the NCDPI Performance Navigator (see below). The State Board will employ this same well-established procedure to drive the NC RttT efforts.

On January 6, 2010, the State Board passed a resolution (see Appendix 4) endorsing our first-round RttT proposal and confirming the following:

1. NC will work in collaboration with other states on assessments based upon the Common Core standards, as described in Section B1;

2. NC is committed to using student achievement growth data as a significant part of teacher and principal evaluation, after undergoing a process engaging all stakeholders to determine a valid, fair, and reliable way to do so, as described in Section D2; and

3. The Regional Leadership Academies described in Section D3 are approved for certifying principals.

NC Department of Public Instruction (NCDPI)

NCDPI Chief Executive Officer, State Superintendent Dr. June Atkinson, will be responsible for managing the *implementation* of RttT initiatives, though she will delegate daily project management responsibilities to the NC RttT Lead Project Manager and Initiative Leaders, who will be members of her NCDPI senior management team (see below). NCDPI provides the statewide infrastructure to support LEAs and charter schools. Statewide support systems include budget and financial, student information, teacher and principal licensure, and content standards and aligned assessments. Against this backdrop, NCDPI also has recent experience managing large, complex reform initiatives. For example, NC has been focused on reforming standards and assessments through its ongoing Accountability & Curriculum Reform Effort (see Section B), developing a robust P-13 Statewide Longitudinal Data System (see Section C), implementing new statewide teacher and principal standards and aligned evaluation instruments (see Section D), and delivering support to NC's lowest-achieving districts and schools (see Section E). In several of these efforts, NCDPI has received strategy and planning assistance from the Boston Consulting Group, with support from the Bill & Melinda Gates Foundation. The capacities and team structures developed, as well as the lessons learned from these large projects, give the NCDPI a solid foundation upon which to build the NC RttT project governance and management plan.

Initiative Leaders

To capitalize on the experience of the NCDPI leaders who have driven (and/or continue to drive) the projects noted above, the NC RttT senior management team will be comprised of members of Dr. Atkinson's leadership team who already are responsible for the areas of work that correspond with each NC RttT initiative. These experienced and embedded "subject matter experts," will serve as RttT initiative leaders or "sponsors," ensuring that initiatives are properly scoped and inclusive of input from multiple stakeholders, and that deliverables are met effectively and on time. This work will not be additional to their existing duties; as NCDPI's has already organized itself to deliver on reforms that span the four RttT assurance areas and are part of the NC RttT plan, sponsoring RttT initiatives is simply a primary part of the NCDPI leaders' daily roles. The staff currently identified for leading the individual RttT initiatives are:

- Dr. Rebecca Garland, Chief Academic Officer;
- Angela Quick, Deputy Chief Academic Officer and Project Director for Assessment and Curriculum Reform;
- Adam Levinson, Director of Policy and Strategic Planning, and Project Director for the P-13 and P-20 Data System efforts;
- Dr. Patricia Ashley, Director, District and School Transformation Division; and
- Dr. Lynne Johnson, Director, Office of Educator Recruitment and Retention.

The initiative leads will also draw on the significant content and implementation expertise of other leaders in NCDPI, such as the directors of programs focused on delivering career and technical education, and those focused on meeting the needs of exceptional children, preschoolers, and children who have limited English proficiency. In addition, the NCDPI senior staff responsible for finance and contracting, IT, HR, and communications will be part of the NC RttT management team to ensure all necessary support service resources are available to assist the initiative leaders and RttT Project Management Office. Information about the credentials of each member of the NC RttT management team, and some of the other DPI leaders, is provided in Appendix 5.

Dedicated RttT Project Management Office

To assist the existing NCDPI leaders in managing this expanded work, the RttT funds will also support a dedicated RttT Project Management Office. The Project Management Office will be lead by a dedicated RttT-funded Lead Project Manager, who, assisted by other RttT-funded project management staff (see budget for Section A2), will oversee the following activities:

- Coordinating the overall effort by facilitating planning, communication, and collaboration across the initiatives;
- Managing collaborations with university, college, and non-profit partners (see below);
- Ensuring each initiative team has the management support and resources it needs to be successful;
- Initiating and monitoring detailed scope of work agreements with LEAs (see Section A.2.i.b);
- Managing the State procurement processes with subcontractors;
- Reporting to USED; and
- Other project-related administrative functions.

Finally, the Project Management Office also will ensure that each initiative lead has the dedicated project management assistance (*i.e.*, additional, RttT-dedicated personnel funded through RttT; see budget for Section A2) and additional NCDPI staff support needed to accomplish each set of RttT initiative objectives within the defined timelines.

Other Organizations[1]

While the NCDPI will be responsible for overall NC RttT management, other organizations will play key roles in much of the work. Anticipated partnerships include the following:

---

[1] Engagement of these partners and all others mentioned throughout the NC RttT proposal will be subject to State and Federal procurement regulations.

- The University of North Carolina (UNC) General Administration will lead the effort to reform teacher and principal preparation programs (see Section D4), and individual UNC Colleges of Education and research units will be involved in many of the RttT initiatives (such as those described in Sections D2, D3, and D4);

- MCNC, which manages the NC Research and Education Network and plays a central role in the School Connectivity Initiative, will lead development of the NC RttT technology support components (see Section A.2.i.b, below);

- The NC Professional Teaching Standards Commission will play a major role in the continued development of the teacher and administrator evaluation processes (described in Section D2);

- The professional development providers listed in Appendix 6 and others will be involved in the NC RttT professional development efforts (described in Section D5); and

- The NC New Schools Project and NC STEM Community Collaborative will support the development of additional STEM high schools (described in Section E).

These entities will have contractual roles and deliverables as part of the RttT plan. We anticipate that additional subcontractors will be engaged for designated parts of the RttT effort, using accelerated State procurement processes to move the RttT work forward quickly.

NC RttT Evaluation

Evaluation, designed to inform both continuous improvement of the initiatives and future policy and funding decisions, is critical to ensure that NC RttT initiatives have sustained impact on NC schools. The RttT guidelines request evaluations specifically in Section D4, to establish the relationship of preservice programs to student achievement, and in D5, on the effectiveness of professional development programs. Those specific evaluation plans are addressed further in those sections. In addition, we include a plan to evaluate all NC RttT initiatives. The evaluations will be designed to determine impact on the target goals of each initiative and on the overall NC RttT student goals described above. The evaluations will extract lessons learned about effective practices, recognizing that effective practices are often context-sensitive, which will enable NC RttT to share findings internally as well as with the broader

national education community. We will employ a rigorous, mixed-methods evaluation approach that integrates quantitative and qualitative data collection and analyses.

The NC RttT evaluation plan is designed to provide both formative and summative information for the individual initiatives as well as for the overall NC RttT effort. The evaluation effort in year 1 will focus on baseline student, teacher, classroom, school, and district measures across all initiatives. Year 2 will emphasize data collection around the implementation processes of initiatives. In years 3 and 4, evaluation efforts will focus on impact and effectiveness as well as on sustainability and cost-benefit analyses. Results will be shared on a regular basis with NC RttT leadership, as well as with the stakeholder communities. In addition, evaluation will be linked to policy analyses that consider how current policies facilitate or inhibit educational reforms and how NC policies might be revised to support RttT and other reform initiatives.

Using collaborative approaches and guided by NC RttT management, we anticipate that the RttT Evaluation Team will be comprised of staff from university-based teams like those that are already involved in evaluations of NC education initiatives and analyses of NC education policies. Such organizations include the SERVE Center at UNC-Greensboro (which operates the US Department of Education-funded Regional Educational Laboratory-Southeast and will coordinate the overall RttT evaluation effort), the Friday Institute for Educational Innovation at NC State University, and the Carolina Institute for Public Policy at UNC-Chapel Hill. The Evaluation Team also will conduct studies of overall, cross-initiative impacts, with an eye toward understanding variations in the implementation of combinations of strategies across the 115 LEAs and the relationship between these variations and improved student outcomes. Evaluation staff will plan and conduct studies annually to inform statewide progress in each of the five areas below. The focus will be on describing the extent to which key projected statewide RttT impacts occur and, where possible, understanding the factors that facilitate progress. At the end of the grant period, a final evaluation report will summarize studies conducted in the following areas:

1. *Enhancing LEA Capacity in ARRA areas and Overall Progress toward Measurable Goals:* Studies will examine relationships between the perceived utility of state support provided, the extent of LEA buy-in and implementation of initiatives (as described in

Sections B, C, D, and E), and the amount of progress made across all 115 LEAs toward the RttT Targets identified in Table 1 (Section A1) and Appendix 2;

2. ***Strengthening the Education Workforce***: Studies will describe data related to teacher and principal preparation, induction, working conditions, retention, and evaluation at both the LEA and State levels;

3. ***Improving the Lowest-Achieving Schools and Districts***: Studies will describe the achievement gains for all schools statewide that scored below the 50% composite performance level either at the start of the grant period or during that period;

4. ***Reducing Inequities Between High- and Low-Poverty LEAs (and Schools within LEAs):*** Studies will examine the relationship between policies and strategies used and progress made in alleviating the inequitable distribution of resources across LEAs, as well as within LEAs (such as distribution of effective teachers and leaders, distribution of shortage area teachers, *etc*.); and

5. ***Reducing the Achievement Gap:*** Studies will examine the extent of progress toward RttT targets (NAEP achievement in math and reading, high school graduation rates, college readiness/remediation, college enrollment) by subgroups of students (*e.g*., African-American, Hispanic, low income), where significant progress by subgroups is occurring, and what strategies are in place in those locations.

Appendix 7 contains more details about our planned approach to evaluation, as well as matrices that provide evaluation questions, quantitative and qualitative data sources, and timelines for evaluation of each major RttT initiative, as well as for the plan as a whole.

A.2.i.b. Supporting Participating LEAs

The NC Department of Public Instruction (NCDPI) maintains an extensive array of communications and support mechanisms that will be called upon to help LEAs to implement successfully the State's RttT plans. In addition, NC will develop a centralized PK-12 Education Technology Cloud infrastructure to provide access for all LEAs to the resources and tools necessary to support the reform agenda. NCDPI will build on existing State Board and Department strategic planning and budget allotment processes to plan jointly with LEAs and then hold them accountable for progress and performance on RttT initiatives.

NCDPI Statewide System of Support

As noted above, NCDPI has a long history of providing foundational support to all NC LEAs. In 2008, NCDPI redesigned its framework for providing comprehensive support services to better coordinate the intensive help needed in the lowest-capacity, lowest-achieving schools and districts. The resultant Statewide System of Support employs a regional model that works to coordinate all NCDPI services provided to a given district, school, region, or "affinity group" (such as large urban districts or high-poverty rural districts). NCDPI staff with expertise in major program areas (such as testing and accountability, exceptional children's services, curriculum and instruction, technology, school planning, and instructional management) operate in the field, helping school districts and schools assess their needs, identify and implement relevant evidence-based effective practices, and monitor effectiveness. These program areas coordinate their efforts through a monthly central "agency roundtable," in which staff share plans, lessons learned, and input and requests from the field. In addition the NCDPI provides information to all LEAs through established, centralized communication vehicles.

Statewide Technology Infrastructure and Resources: The K-12 Education Technology Cloud

Effective use of information and communications technologies is central to the NC plan to improve PK-12 education. These technologies are being used to enhance classroom teaching and learning; extend the educational resources available to every student and teacher; provide extended virtual learning opportunities for students, teachers, and administrators; improve the use of data in decision making at all levels; increase communications within the school community; and help prepare students for the technological world in which they live.

This commitment to effective educational use of technology is reflected in the NC School Connectivity Initiative, which has connected all of our public school districts to the NC Research and Education Network in order to provide reliable, high-bandwidth connectivity. Other technology initiatives include a series of IMPACT projects funded by Title IID that have created technology-enhanced classrooms and provided related professional development throughout NC, with documented, positive results on student achievement (Osborne *et al*., 2006). More recently, the NC Learning Technology Initiative has supported, with public and private funding, LEAs in planning and implementing "one-to-one" initiatives in which every teacher and student is provided with a computer or handheld networked device, wireless access is provided throughout the schools, and teachers receive content-based professional development on using technology to enhance learning. Currently, 46 of the 115 LEAs in NC are planning, piloting, or implementing 1:1 initiatives.

While a robust and reliable technology infrastructure is essential for 21st century schools, the current system of district-based acquisition and support of the full technology infrastructure is neither cost-efficient nor sustainable in small LEAs with limited resources. The alternative, frequently called a "cloud computing" approach, involves moving technology resources to centralized servers and then rapidly delivering what is needed, when it is needed, to individual devices, ranging from desktop computers to smart phones. This state-of-the-art approach is used by technology leaders such as Amazon, Google, and IBM to provide Internet-based services and software.

To directly support the RttT initiatives statewide, we propose to develop the NC PK-12 Education Technology Cloud (Education Cloud) to provide a highly reliable, cost-effective, server-based infrastructure that will support PK-12 education statewide. This development will involve transitioning statewide from individual, LEA-hosted server infrastructures to this centralized, cloud-hosted infrastructure as a service. The primary objective of the NC Education Cloud is to provide a world-class technology infrastructure as a foundational component of the NC education enterprise, along with:

- Reduced overall cost, with a significant savings once the transition to the Education Cloud is complete;

- Decreased technical support staffing requirements at the LEA level;

- Equity of access to computing and storage resources;

- Efficient scaling according to aggregate NC PK-12 usage requirements;

- Consistently high availability, reliability, and performance;

- A common infrastructure platform to support emerging data systems;

- Ability to provide statewide access to core technology applications;

- Improved security; and

- Sustainable and predictable operational cost.

Figure 2 on the following page illustrates how the proposed NC PK-12 Education Technology Cloud brings together key statewide information technology components that are discussed in other sections of this proposal.
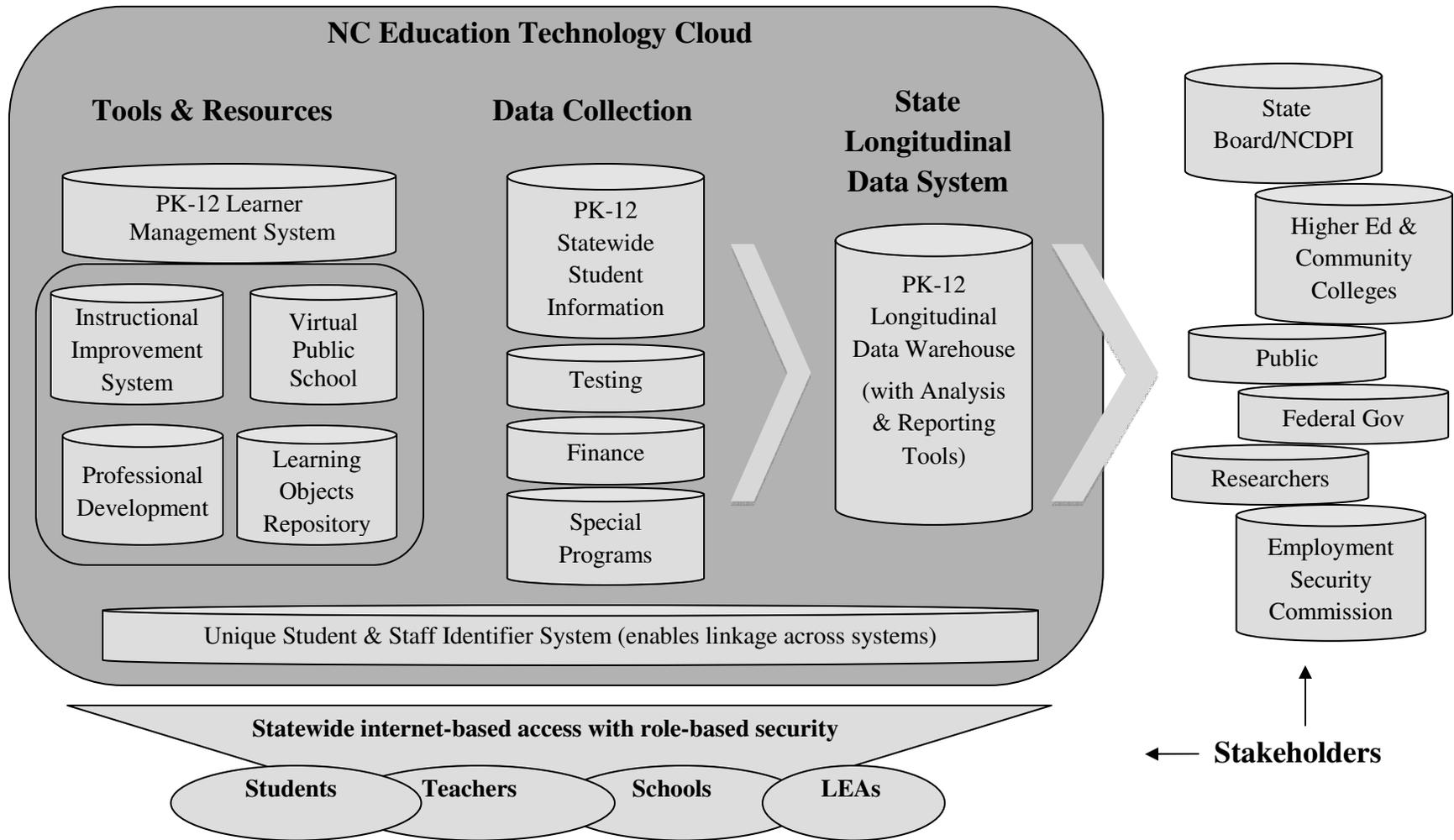
Figure 2: NC Education Technology Cloud

The K-12 Education Cloud strategy provides for coordinated procurement and support of server infrastructure and software platforms that support teaching and learning in NC public schools. NC is uniquely positioned to deploy Cloud services because the State has invested nearly $60 million in reliable, high-bandwidth connectivity to all NC schools since 2006. Once the transition to a K-12 Education Cloud is completed, during the RttT grant period, we expect that it will save districts an aggregate of $25 million per year and save NCDPI $5 million per year over current technology infrastructure costs, thereby providing sustainability of the technology infrastructure at a total cost savings.

The NC PK-12 Education Cloud will be used to deliver statewide access to the major digital resources and tools necessary to support RttT initiatives. For example, it will provide students and teachers with highly available and universally accessible Learning Management Systems offering the following functionality:

- Online courses for students and educators, and materials to support the integration of online resources into traditional courses;
- Web 2.0 tools, such as blogs, wikis, and social networking tools, in protected spaces appropriate for educational uses by students and teachers;
- Libraries of digital learning objects, such as educational videos that can be streamed into classrooms; and
- Online spaces for students and teachers to post and share their work, from text to video, and to engage in collaborative work.

Providing a common set of online resources and tools will ensure that every student and teacher has equitable access to technology resources. A focused set of digital tools and resources used across NC also will facilitate technical assistance; professional development; and the sharing of resources across classrooms, schools, and districts. More information about the plan for implementing these technology components in support of the RttT Initiatives is provided in the NC Education Cloud Feasibility Report located in Appendix 8; information about professional development and coaching for educators to help them access and utilize this and other technology tools is included in Section D5. The combination of the prior School Connectivity Initiative and the proposed NC PK-12 Education Cloud will provide an essential foundation for the each of the four main proposed RttT initiatives, as follows:

Standards and Assessments

In an effort to support LEAs further, NC is moving toward providing formative, diagnostic, and summative assessments online, making data collection and analysis more efficient, providing ready adaptations for students with special needs (*e.g*., enlarged displays or text-to-speech conversion for visually impaired students), and opening the possibility of branched (computer adaptive) tests to provide more accurate measurement of each student's achievement (see Section C3).

Data Systems to Support Instruction

NC's State longitudinal data system (see Sections C1 and C2) depends upon a statewide technology infrastructure for data collection, analysis, reporting, and use by stakeholders. The broadband access provided by the School Connectivity Initiative has been essential in providing every school with access to these data systems. The RttT Instructional Improvement System (Section C3) requires a sophisticated database structure and online access to provide targeted, timely assessments to inform instructional decisions.

Great Teachers and Leaders

The NC technology infrastructure is essential for most of the teacher- and leader-focused initiatives. It provides: an online system for recording teacher and principal evaluations (see Section D2); technology to provide virtual courses for students when effective teachers are not available locally (Section D3); and extensive use of online workshops and webinars, virtual learning communities, virtual classroom observations, online coaching, and other uses of technology to extend and enhance both preservice preparation and professional development programs for teachers and administrators (see Sections D4 and D5).

Turning Around the Lowest-Achieving Schools

All of the uses of technology described above are essential to improving the lowest-achieving schools (see Section E2). In addition, it is essential that students in these schools have equitable access to technology and to teachers with the expertise to use it well, to guarantee that they experience the full range of technology uses that their peers in high-achieving schools receive.

Holding LEAs Accountable for Progress and Performance

Prior to allotting any NC RttT funding to LEAs, NCDPI will secure from each one a detailed scope of work that indicates specific implementation goals, objectives, measurable targets aligned with the State targets listed in Section A1, and activities that align with RttT initiatives and State Board goals. Using these work plans, NCDPI will monitor periodically each sub-grantees progress toward achievement of their stated goals. Some measures will be annual, relying (for example) on summative test score data; other measures will track achievement of concrete intermediate deliverables, such as completion of professional development or creation and dissemination of materials. NCDPI will support LEAs in meeting their targets through the various channels of the Statewide System of Support (as described above) and will work with the sub-grantees to adjust their initially approved plans when needed. LEAs that cannot demonstrate satisfactory progress toward the targets they set in alignment with the State targets, or who do not implement their plan with fidelity, will not receive RttT funding in the subsequent fiscal year.

A.2.i.c and d

NC has well-established systems for grant administration and oversight, budget reporting and monitoring, performance measure tracking and reporting, and fund disbursement. These systems will help NCDPI, in implementing the NC RttT initiatives, to leverage, coordinate, and enhance current state-, Federally-, and locally-funded initiatives that parallel or support the NC RttT initiatives.

A.2.i.c. Effective and Efficient Administrative Operations and Processes

NCDPI will ensure effective and efficient administrative operations and processes for implementing NC RttT by integrating these important support functions within the RttT Project Management Office. The NCDPI has well-established grant administration, budget reporting and monitoring, and fund disbursement infrastructures. NC also has been among the leading states nationally in submitting complete data to the USED EDEN/EdFacts system. These capabilities have enabled the NCDPI to develop quickly the allocation and reporting mechanisms required to meet the mandates of the State Fiscal Stabilization Fund and will provide a strong framework through which to meet the allocation, reporting, and monitoring requirements of RttT.

A.2.i.d. Leveraging Existing State, Federal, and Local Funds (See NC RttT Budget)

As noted throughout this proposal, NC already is engaged in a number of major initiatives that address the RttT reform areas and that will be accelerated and enhanced with RttT funding. During the past two years, the NCDPI has focused on better coordination, reallocation, and repurposing of State and Federal funds that support the agency through such large-scale reform initiatives as those noted above. In fact, the NCDPI redesigned its organization in 2008, with the assistance of the Boston Consulting Group, to better align its work with a renewed focus on providing service and infrastructure for the LEAs and schools in ways that are consistent with the four RttT assurance areas. In addition, the NCDPI has instituted version 2.0 of its Performance Navigator, a management tool used to ensure that their activities are focused on achieving the State Board's core objectives and that specific deliverables and progress are transparent to all stakeholders. NC RttT also will leverage the significant State and Federal funding that is administered to LEAs for their discretionary use.

State Funding

As described further in Section F1, NC provides approximately 69% ($7.5 billion in FY 2009-10) of all LEA revenue for current expenditures. In addition to providing the basic funds needed to deliver the NC Standard Course of Study (first established in 1898), the NC allotments include several large supplemental allotments that LEAs can use largely at their discretion to develop programs that meet the needs of their students. Such allotments include funds for the following special purposes:

- Exceptional children ($685 million in FY 2009-10),
- Disadvantaged students ($77 million),
- Students at-risk of academic failure ($228.5 million),
- Students in low-wealth leas ($209.6 million),
- Students in small leas ($45.7 million),
- Career and technical education ($393.6 million), and
- Students with limited English proficiency ($77.6 million).

Combining these together with discretionary local dollars and Federal funds, many of which come in supplemental allotment categories similar to their NC counterparts, gives LEAs tremendous flexibility, allowing them to create the right mix of programs to meet the needs of their students and teachers. When implementing the NC RttT initiatives, NC will work with each LEA to find the best way to blend short-term RttT funding with existing recurring funding to achieve NC and LEA objectives, with a particular focus on developing long-term LEA capacity for sustaining professional growth and student achievement.

Federal Funding

The following major Federal grants align with and support the RttT goals, as do many smaller grants from the U.S. Department of Education and the National Science Foundation to universities and non-profit organizations in NC:

Table 3: Other Federal Grant Funds

Federal Grant Program	Annual Funding to NC
School Improvement Grant	$14,003,925
Carl Perkins Act	$35,752,471
IDEA	$324,688,845
Title I	$371,117,544
Title II	$66,185,445

A.2.i.e. Planning to Sustain Initiatives

The NC RttT plan focuses primarily on building capacity and establishing practices that are more cost-efficient. Some of the sustainability of the NC RttT agenda therefore will come from reduced costs. Since the State's legislature and extensive network of business and grantmaking supporters historically have provided funding for education innovation, particularly those initiatives that have demonstrated effectiveness, the State will also be able to secure redeployed and possibly limited additional funding to help extend its reform efforts beyond the original RttT grant period.

In the current NC fiscal climate, RttT funding will provide a critical boost that will enable NC to maintain momentum, accelerate, and deepen or broaden key education reforms. The current economic climate naturally raises concerns about sustaining the RttT-supported reforms after the grant period. While sustainment will be a challenge, we are already planning ways to address the issue in the following ways:

- RttT funds largely will be allocated to capacity-building activities, such as strengthening the education workforce, building a more effective professional development system, implementing a next-generation technology infrastructure for PK-12 schools, and increasing the internal and long-term capacities of districts to support school improvement. The ongoing cost to sustain these capacities will be less than the initial investments required to establish them. In addition, NC and the LEAs will have collaborated during the grant period to find the most efficient ways to blend existing, ongoing NC, local, and Federal funding to meet ongoing programmatic needs. Finally, the governor's *Ready, Set, Go!* plan requires the State Board and the State's education agencies to focus funding and program priorities to support the plan.

- Through the NC RttT initiatives and related fiscal and policy analyses, we anticipate identifying cost efficiencies and opportunities for reallocating existing NC and Federal funding. For example: successful RttT initiatives will reduce the remedial education costs at both the high school and college levels; technological advances will enable efficiencies in the use of digital resources in place of textbooks and paper tests; and virtual learning for students and teachers can provide cost efficiencies. Initial estimates show that the NC PK-12 Education Cloud Initiative (see Section A.2.i.b) will reduce technology infrastructure costs by $10 to $15 million annually statewide. The cost savings of increasing teacher retention rates also have been well documented (Rieman *et al*., 2007). A close examination of cost-effectiveness and potential savings will be included in the RttT evaluation and policy analyses.

- The planned comprehensive NC RttT evaluation will enable NC to document proven models for improving the lowest-achieving schools, increasing student achievement and the graduation rate, reducing achievement gaps, and strengthening the education workforce. NC has a long history of providing strong state support for public education, even in difficult economic times (see Section F1), and we are confident that, as the economy improves, the General Assembly will support innovations that have proven successful. By including plans to evaluate thoroughly each NC RttT initiative and demonstrate effective use of all available ongoing funds, we will be able to provide NC policymakers with the evidence they will need to make informed decisions about investing additional NC and local funding to sustain these models.

- NC business leaders recognize that successful education is cost-effective. Dr. Jim Goodnight, CEO of Cary, NC's SAS Institute, Inc. and a leading business proponent for updating and improving education in NC, describes the dropout rate and failure to educate many children as the "clear and present danger" of our time. He emphasizes the high societal and economic costs of failing to prepare young people to succeed in the modern workplace and to be productive members of society. We will leverage the support of the NC business community in sustaining RttT initiatives proven to be successful. The NC Network of Grantmakers, representing more than 80 private and corporate philanthropic foundations, also supported the development of this proposal and already is engaged in considering funding programs that will extend and sustain related initiatives.

- The NC JOBS (Joining Our Businesses and Schools) Commission, convened by NC Lieutenant Governor Walter Dalton, will make recommendations to the State Board and the General Assembly this year about how the work of the state's Early College High Schools (described in Section E2) can be more closely aligned to the economic development needs of the regions they serve. The Commission also has focused on enhancing STEM education. Its recommendations will be used to strengthen the NC RttT work (also described in Section E2).

- The newly-emerging NC STEM (Science, Technology, Engineering and Mathematics) Ventures Model, building upon the work on the Bill & Melinda Gates Foundation-funded NC STEM Community Collaborative, is developing a public-private approach to venture philanthropy to support innovation in education. The approach is designed to leverage public/private investment effectively, incentivize local sustainability, and increase accountability and human capital support of innovative education initiatives. If successful, this approach will further support sustaining RttT initiatives that are effective.

- As a result of the highly collaborative process that NC has employed in the development of the NC RttT proposal, the vision enjoys meaningful support from NC's key decision-makers. The project governance and management structure described above are designed to maintain collaboration and consensus-building during implementation, thereby extending the base of support for continued funding of successful RttT initiatives.

A.2.ii. Broad Stakeholder Support

Throughout the NC RttT development process, NC has benefited from unanimous support and ongoing participation from all constituencies.

NC has a strong track record of collaboration across all stakeholder groups to improve the education of its children, and this broad support continues for the NC RttT proposal. Governor Perdue, State Board of Education Chair William Harrison, State Superintendent June Atkinson, and Special Advisor to the Governor for Education and Innovation Myra Best have led the NC RttT stakeholder engagement activities that have resulted in letters of support from professional associations, legislative leaders, business leaders, civil rights leaders, local foundations, and community-based organizations. The NC Association of Educators, NC Association of School Administrators, NC School Boards Association, and NC Parent-Teacher Association have been actively involved in the NC RttT proposal development process, and representatives of these organizations will serve on the Governor's PK-12 Education Reform Commission. The teacher, principal, superintendent, and local board advisors to the State Board all have played key roles in the RttT stakeholder outreach effort, and the agreement of all 115 LEAs, and all NC professional education associations to participate in the NC RttT plan reflects the open process for developing this proposal that began during the summer of 2009. As a result of this broad support and involvement, the NC RttT plan meshes well with other existing and planned NC education improvement efforts. Table 4 lists the letters of support from government, business, and academic leaders; education associations, and other stakeholders; the full set of letters is provided in Appendix 9.

Table 4: Letters of Support for NC RttT

	Signees	Title
Associations		
American Federation of Teachers/North Carolina (AFT/NC)	Dianne Jackson	President
North Carolina Association of Educators (NCAE)	Sheri Strickland	President
North Carolina Association of School Administrators (NCASA)	Larry E. Price Bill McNeal	President Executive Director
North Carolina Association of Teacher Assistants (NCATA)	Judy Barnes	President
North Carolina Community College System (NCCCS)	Scott Ralls	President
North Carolina Independent Colleges and Universities	Hope Williams	President
North Carolina PTA (NCPTA)	Kyle R Robertson	President
North Carolina Principals' & Assistant Principals' Association (NCPAPA)	Shirley Prince	Executive Director
North Carolina School Boards Association (NCSBA)	Edwin Dunlap, Jr,	Executive Director
Charter Schools Participating in Title I		
Francine Delany New School for Children	Buffy Fowler	Operations Coordinator
Forsyth Academy	Derrick Boone, Sr. Lori W. Hill	Board President Principal
Greensboro Academy	Rudy Binder Rudy Swofford	Board President Principal
PreEminent Charter School	Paulette Jones Leaven Michael Stack	Board President Principal
Queen's Grant Community School	Ted H. Biggers, Jr. Christy L. Morrin	Board President Principal
Research Triangle Charter Academy	Elizabeth Gnatek-Morey Terri L. Gullick	Board President Principal
Quality Education Academy	Simon S. Johnson	Chief Executive Officer
Clover Garden School	David Pugh	Director
Healthy Start Academy	James T. McCormick	Principal
Children's Village Academy	Lavinia Hall	Finance Officer
Gaston College Preparatory/KIPP Pride High	Susan Goertemiller	Administrator
Governmental Agencies		
North Carolina Lieutenant Governor's Office	Walter Dalton	Lieutenant Governor
North Carolina Senate	Marc Basnight	President Pro Tem
North Carolina House of Representatives	Joe Hackney	Speaker of the House

	Signees	Title
North Carolina Superior Court	Howard E. Manning	Judge, *Leandro* Case Custodian
North Carolina Chief Justice (*Retired*)	Burley Mitchell	Former Chief Justice; Chair, NC New Schools Project
Academia		
Duke University Medical Center & Health System (DUMC)	Victor J. Dzau, M.D.	Chancellor President and Chief Executive Officer
The University of North Carolina System	Erskine B. Bowles	President
Foundations/Non-Profit Organizations		
The Golden LEAF Foundation	Dan Gerlach Mark Sorrells	President Senior Vice President
James B. Hunt, Jr. Institute for Educational Leadership and Policy	James B. Hunt, Jr.	Foundation Chair; Chair, Institute for Emerging Issues; Former Governor 1977-1985 and 1993-2001
Businesses		
AT&T North Carolina	Cynthia Marshall	President
North Carolina Chamber of Commerce	Lewis Ebert	President and CEO
SAS Institute, Inc.	Jim Goodnight	Founder & President
Partnering Organizations		
Teach for America	Erin Oschwald Tim Hurley	NC Director, Northeast Region NC Director, Charlotte-Mecklenburg Region
New York City Leadership Academy	Pamela S. Ferner	Executive Vice-President
Educators		
Regional and State Teachers of the Year and Milken Educators	Cindi Rigsbee Jessica Garner Martha Anderson Paige Elliott Nicole Murray Trisha Muse Ruth Ann Parker Renee Peoples Janice Raper Sonya Rinehart Robert Turner Bernard Waugh Bryan Holley Cynthia Rudolph	08-09 North Carolina Teacher of the Year 09-10 North Carolina Teacher of the Year 09-10 Sandhills/S. Central Region Teacher of the Year 08-09 North Central Region Teacher of the Year 09-10 Southeast Regional Teacher of the Year 08-09 Sandhills/S. Central Region Teacher of the Year 08-09 Southeast Region Teacher of the Year 08-09 West Region Teacher of the Year 08-09 Northwest Region Teacher of the Year 08-09 Northeast Region Teacher of the Year 09-10 Northwest Region Teacher of the Year 08-09 Southwest Region Teacher of the Year 2008 Milken Educator 2009 Milken Educator

(A)(3) Demonstrating significant progress in raising achievement and closing gaps *(30 points)*

The extent to which the State has demonstrated its ability to—

(i) Make progress over the past several years in each of the four education reform areas, and used its ARRA and other Federal and State funding to pursue such reforms; *(5 points)*

(ii) Improve student outcomes overall and by student subgroup since at least 2003, and explain the connections between the data and the actions that have contributed to — *(25 points)*

      (a) Increasing student achievement in reading/language arts and mathematics, both on the NAEP and on the assessments required under the ESEA;

      (b) Decreasing achievement gaps between subgroups in reading/language arts and mathematics, both on the NAEP and on the assessments required under the ESEA; and

      (c) Increasing high school graduation rates.

In the text box below, the State shall describe its current status in meeting the criterion. The narrative or attachments shall also include, at a minimum, the evidence listed below, and how each piece of evidence demonstrates the State's success in meeting the criterion. The narrative and attachments may also include any additional information the State believes will be helpful to peer reviewers. For attachments included in the Appendix, note in the narrative the location where the attachments can be found.

Evidence for (A)(3)(ii):
- NAEP and ESEA results since at least 2003. Include in the Appendix all the data requested in the criterion as a resource for peer reviewers for each year in which a test was given or data was collected. Note that this data will be used for reference only and can be in raw format. In the narrative, provide the analysis of this data and any tables or graphs that best support the narrative.

Recommended maximum response length: Six pages

A.3. Demonstrating significant progress in raising achievement and closing gaps

A.3.i. Progress over the past several years in each of the four education reform areas

NC has been deeply engaged in each of the ARRA reform areas, as exemplified by the following recent and ongoing major State Board initiatives:
- Developing revised statewide essential standards and aligned assessments,
- Enhancing the statewide longitudinal data system,
- Creating and implementing statewide comprehensive teacher and principal evaluations, and
- Reforming and expanding the State's flagship program for transforming the lowest-achieving districts and schools.

NC's education goals, as described in Section A1, are consistent with the RttT reform areas, and NC long has been actively engaged in education reforms that are aligned with the RttT reform areas and criteria. In addition, NC has shown strong gains in student outcomes overall and within each student subgroup. We recognize, however, that NC still has many challenges to meet in providing effective education for all students and in closing the achievement gaps across student groups. NC RttT plans are designed to help us address those challenges. The major ongoing NC initiatives related to the RttT reform areas are described below, followed by a summary of the data on improvements in student outcomes.

Adopting Rigorous and Forward-Looking Standards and Assessments

In 2007, the State Board of Education convened a Blue Ribbon Commission on Testing and Accountability to review NC's assessments and accountability system. This group's work galvanized the State Board of Education to revise NC's standards, assessments, and accountability. The NC Department of Public Instruction (NCDPI) developed an ambitious plan to respond to the Commission's 27 recommendations and to create an integrated system of essential standards, coordinated assessments, and new-generation accountability for schools and districts. This two-phase initiative, the Accountability and Curriculum Reform Effort, began in the fall of 2008 and will be fully implemented by the fall of 2012. NC has further demonstrated commitment to improving the quality of its standards by joining the Common Core State Standards Initiative, as described further in Section B1. NC is currently engaged in a comprehensive review and revision of the *PK-12 Standard Course of Study* that will align NC standards in all content

areas with the goals of the Common Core Initiative, thereby establishing fewer, clearer, and higher standards that are aligned with college and workforce expectations and that are benchmarked against high-performing nations.

Data Systems to Support Instruction

NC continues to be a leader in the development and implementation of comprehensive data systems designed to improve instruction. The NC Window of Information on Student Education (NCWISE) system provides a statewide, web-based, centrally maintained system for capturing, accessing, and reporting a wide spectrum of student information. First introduced in 2004, NCWISE is now in use by all LEAs and charter schools in NC. The Common Education Data Analysis & Reporting System (CEDARS) is a longitudinal data system that, when completed later this year, will enable ready access to data about PK-12 students, staff, programs, and finances that allow educators, researchers, and policymakers to analyze trends and relationships among various educational factors and student performance over time. CEDARS is part of NC's Data Quality Initiative, the primary focus of which is to assess and improve the overall quality of agency data prior to making those data available for external use. In addition, while NC's Statewide Longitudinal Data System already meets all twelve elements described in the America COMPETES Act (see Section C1), NC is exploring ways to enhance functionality and automate connections between PK-12, university, community college, independent colleges, and workforce systems.

Supported by a direct appropriation from the NC General Assembly, NC has partnered with SAS Institute, Inc. to make its Educational Value-Added Assessment System (EVAAS) available to all public schools in the State (see Section C2). We have used Federal IDEA resources to develop and implement a statewide Comprehensive Exceptional Children Accountability System (CECAS) that supplies LEAs with tools to manage children's individual education plans. In addition, Federal funds were also used to help develop the Career and Technical Education (CTE) Instructional Management system, which allows detailed analysis of performance from the state to the classroom level.

Great Teachers and Leaders

NC has demonstrated a broad commitment to improving student achievement by strengthening the NC educator workforce, as evidenced by a broad array of initiatives ranging from incentives for college students who commit to teach in NC, to professional development for all teachers, to support for teachers who pursue National Board certification. Major initiatives include the following:

- *NC Teaching Fellows and Principal Fellows Programs.* The Fellows programs provide scholarships to outstanding NC high school seniors who agree to teach for four years in NC following graduation from college, as well as to aspiring administrators. Fellows are employed in all of NC's 100 counties. The NC Association of Educators also sponsors a structured and rigorous experience, the Teacher Cadet program, which encourages rising high school seniors to consider teaching as a career.

- *NC Educator Evaluation System.* The new, student achievement and teacher development-oriented NC Educator Evaluation System aligns with multiple State-level goals and values, reflecting the complexity of education in the 21st century by emphasizing the roles of leadership, teamwork and collaboration, higher-order thinking, authentic assessment, and technology-infused learning. More details about the NC Educator Evaluation System can be found in Section D2.

- *UNC System Teacher Preparation Program Revisions.* Teacher Preparation Programs at every UNC System school recently completed a review process to align their programs with not only NC's new standards for teacher education programs, but also the NC Educator Evaluation System. In addition, UNC established teacher production targets in high-need areas such as mathematics, science, and special education.

- *Teach for America.* North Carolina currently has 395 Teach for America teachers working in high need schools in the rural northeast counties and in the Durham and Charlotte urban districts.

- *Professional Development.* State-supported professional development opportunities include content and pedagogical opportunities offered by a host of providers such as: the NC Teacher Academy, NC Center for the Advancement of Teaching, and the online LEARN NC programs, which have reached thousands of teachers; the NC Mathematics and Science Education Network, the NC State University Science House, and the Kenan Fellows Program, which specialize in professional development in the STEM

content areas; and the NC New Schools Project, All Kinds of Minds, and the Hill Center, which provide targeted assistance for a variety of teaching and learning circumstances. More detail regarding how the State will leverage these resources as part of a comprehensive professional development initiative is provided in Section D5.

- *Teacher Working Conditions (TWC) Survey.* Administered biennially since 2002 and completed by nearly 90% of NC's educators, the TWC survey informs school improvement and the implementation of statewide teacher, principal, and superintendent standards and assessment processes. A new Student Learning Conditions Survey has been developed and validated to provide another data set to inform school improvement. NC was the first state to conduct such comprehensive surveys to gauge working and learning conditions in schools.

- *Educator Incentives.* NC supports multiple incentive programs tied to improvement of student achievement, including:

  1. Support to teachers who seek advanced certification through the National Board for Professional Teaching Standards (NC is has the largest number of National Board certified teachers in the nation; more than 10% of all teachers in the state are National Board Certified Teachers and receive a 12% salary supplement);

  2. Financial incentives for staff in schools that meet or exceed expected student achievement growth via the ABCs Program, which has been in place since 1996 (described in greater detail in Section D2); and

  3. A number of USED-funded Teacher Incentive Fund programs that collectively reach nearly one-quarter of all teachers in NC. Current program components include incentives for student performance, leadership, relocation to hard-to-staff schools, and other measures.

Federal, state, local, and private foundation grant funds are used to support the wide range of teacher and principal initiatives in NC. These funds include a $66 million Teacher Quality Grant, Troops to Teachers program funding, IDEA funds, and state funding, along with funding from the Gates Foundation, Burroughs Wellcome Foundation, Golden LEAF foundation, and others for many of the programs listed above.

**Turning Around the Lowest-Achieving Schools**

NCDPI houses a District and School Transformation (Transformation) Division, created to provide support for all NC schools and districts to increase student achievement and reduce dropouts. Overall, student performance in Transformation Division-assisted schools and districts has increased dramatically, *e.g.*, almost half of the 66 participating high schools have already improved rapidly enough to exit "turnaround status." The Transformation Division is funded by coordinated use of State and Federal ARRA and ESEA funding. More details of NC's turnaround efforts and successes are provided in Section E2.

A.3.ii. Improving Student Outcomes Overall and by Student Subgroup

A.3.ii.a. Increasing student achievement in reading/language arts and mathematics, on both the NAEP and the assessments required under the ESEA

NC students have shown steady progress in mathematics for many years, moving from well below to above the national average. Reading achievement in NC, however, has not shown the same improvement, though it hovers very close to the national average. Since NC has revised its standards and assessments to make them more rigorous, state ESEA tests are not reliable indicators of long-term patterns of change, but recent data show some evidence of increased student achievement. (See Appendix 10 for detailed achievement data.)

NC National Assessment of Educational Progress (NAEP) math score trends demonstrate consistent progress, with NC's average scores on the grade 4 and 8 tests moving from below the national average in the early 1990s to consistently above the national average, which also has be rising, since 2000 (see Figure 3). The average score reflects a steady increase in the numbers of NC students who score at the advanced level (growing from 1% to 8% at grade 4 and 1% to 9% at grade 8) and at or above the proficient level (13% to 43% at grade 4 and 9% to 36% at grade 8) during the time period shown in Figure 3.These gains can be attributed to multiple factors, including higher standards and more rigorous assessments, a focus on recruiting and preparing mathematics teachers, increased attention to mathematics in the elementary grades, and the strong NC focus on STEM education (see Section P2).

NAEP Math Scores, 1990-2009
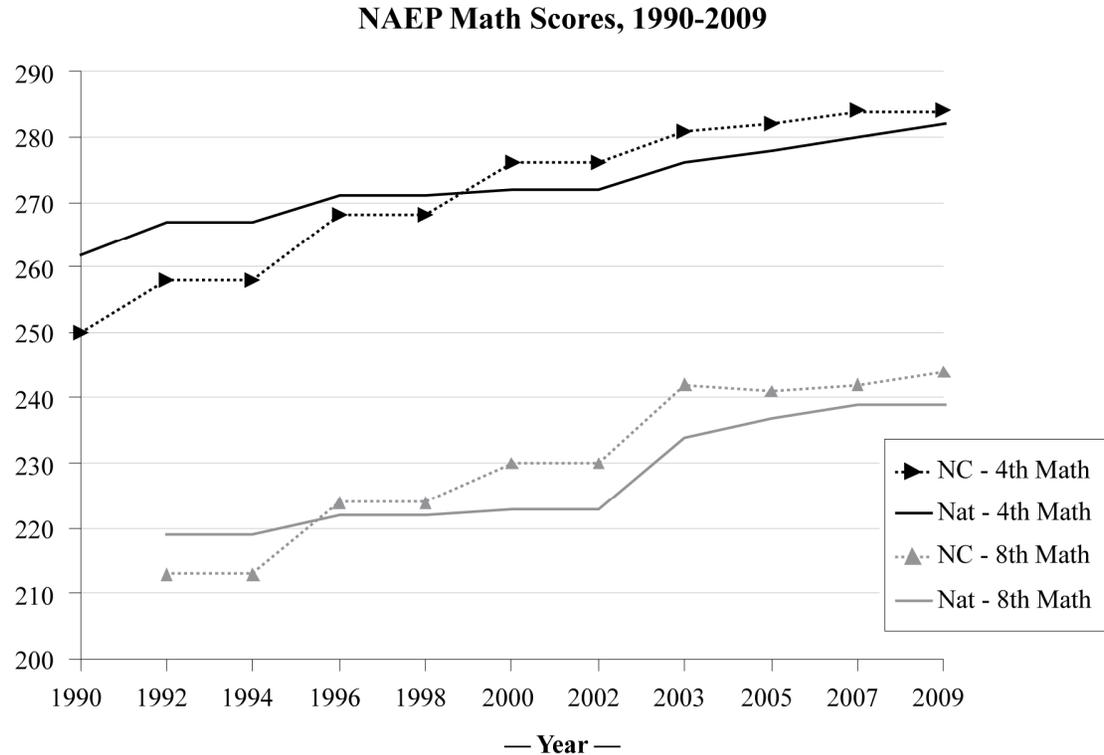

Figure 3: NAEP Math Scores, NC and Nation

Unfortunately, NC students have not shown the same level of progress in their NAEP reading scores, which in most years have closely tracked the national average, which also has shown little growth, at both grades 4 and 8 (Figure 4). The NAEP reading data are disappointing, both in NC and at the national level, since many efforts – such as the national Reading First program and statewide Literacy Coaches in NC – have been targeted at improving reading achievement, with no discernible impact on NAEP scores.
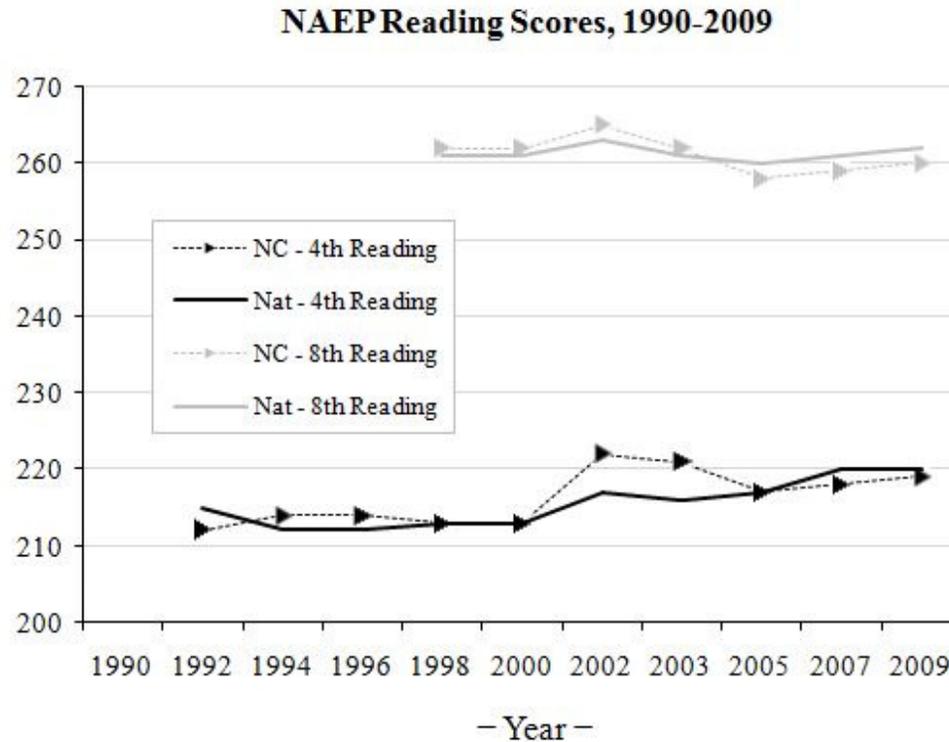
Figure 4: NAEP Reading Scores, NC and Nation

Preliminary indicators of the renewed progress NC expects to make in these areas are recent trends on the State's end-of-grade tests, which have been consistently positive since the implementation of more rigorous standards and assessments in both mathematics (2005-06) and reading (2007-08). The recent changes in assessments limit our ability to make comparisons across many prior years,

but the data show that (a) the new assessments are clearly more challenging than the prior ones; and (b) performance is improving during the one year and three years, respectively, that the new reading and math assessments have been in place (Figure 5).
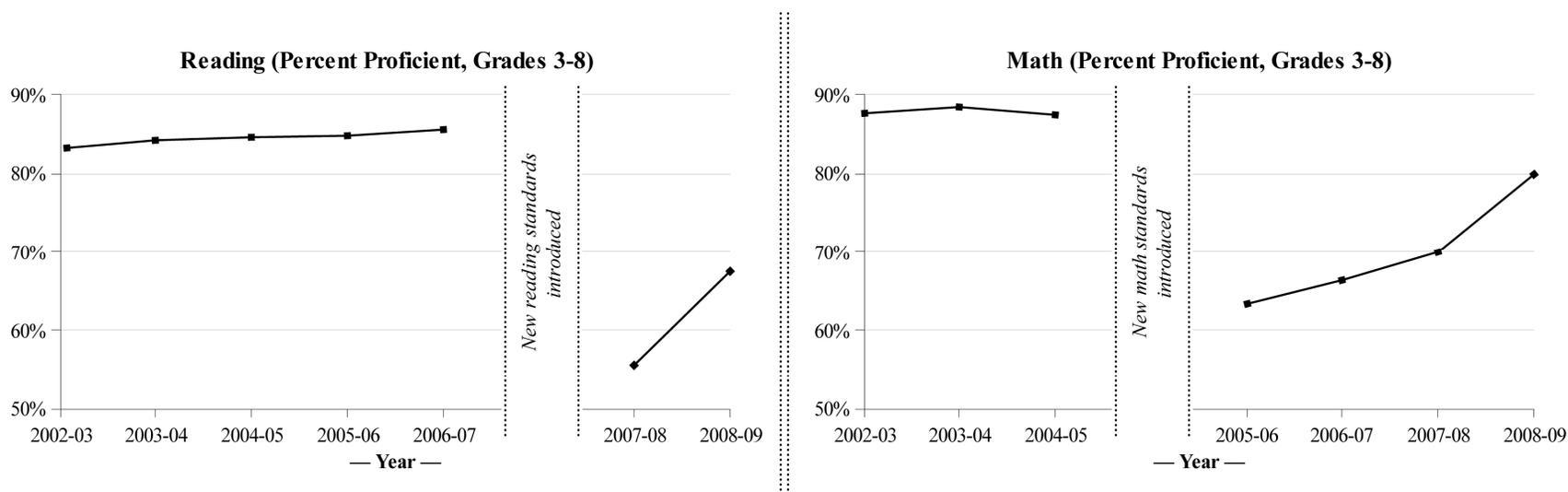
Figure 5: Rapid Responses to Increases in Rigor of NC Math and Reading Standards

On the SAT exams, NC students have exhibited steady gains for many years, reducing the gap between the state's overall scores and the national average from 30 points in 1999 to only 10 points in 2009. Though NC scores have remained steady since 2005, they have not dropped as precipitously as have the national figures (Figure 6). As expected from the NAEP data, NC shows a significant increase in SAT math scores, with the NC average increasing from 493 to 511 in the past decade (1999-2009), while the national average showed a much smaller gain from 511 to 515. These gains are encouraging, since during this time period both the number and diversity of SAT test-takers in the state increased beyond national averages (Public School Forum of NC, 2009). As with the NAEP data, SAT reading scores do not show progress in either NC (moving from 493 to 495 during 1999-2009) or in the nation overall (moving down from 505 to 501 during the same time period).

**Increase in NC SAT Scores and
Reduction in NC-National SAT Score Gap**
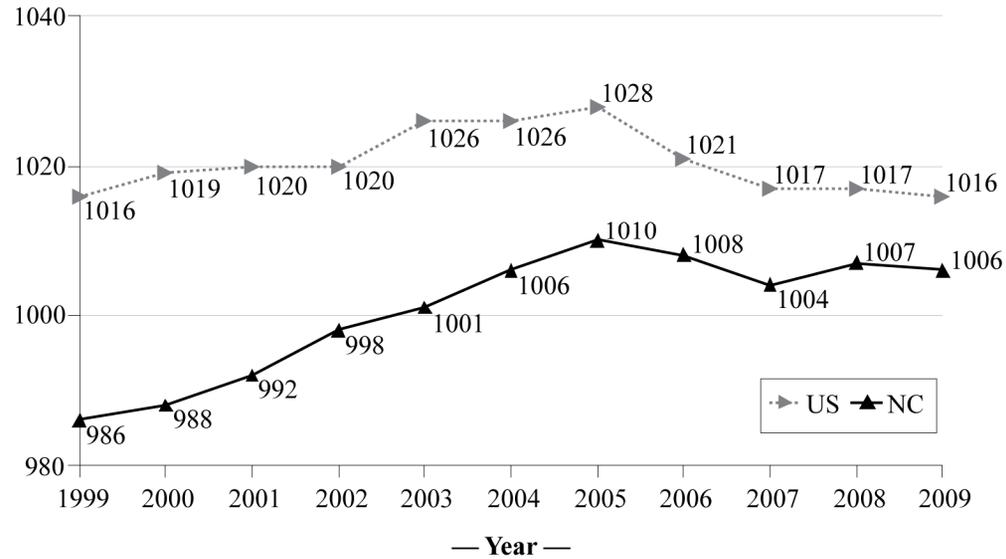
Figure 6: Increase in NC SAT Scores and Reduction in NC-National SAT Score Gap

Further evidence of the positive trend in mathematics is the NC Advanced Placement Exam and STEM SAT data. More than 1 in 6 NC high school graduates (17.3%) earned a 3 or higher on at least one AP exam in 2008 (compared to a national average of about 15%), and NC students outperform the nation on many STEM SAT subject tests, as shown in Table 5.

Table 5: Average Subject Test Scores in STEM Subjects, NC and US

SUBJECT AREA	NC MEAN SCORE	NATIONAL MEAN SCORE	DIFFERENCE (NC v. US)
Math Level 1	597	590	**+7**
Math Level 2	681	636	**+45**
Biology-E	629	596	**+33**
Biology-M	669	643	**+26**
Chemistry	658	625	**+33**
Physics	685	641	**+44**

The message from the NC data is clear: We need to continue to accelerate the achievement gains of our students in mathematics, and we need much more effective efforts to improve their reading achievement. Both of these needs are addressed throughout our RttT plan.

A.3.ii.b. Decreasing achievement gaps between subgroups in reading/language arts and mathematics, on both the NAEP and the assessments required under the ESEA

NC continues to exhibit substantial achievement gaps, and most prior efforts have not succeeding in reducing them. Several recent initiatives have shown positive results, however, and are being spread throughout the State. The RttT teacher and principal initiatives (Section D2 through D4) and the school turnaround efforts (Section E2) will contribute significantly to closing NC's achievement gaps.

The NC data on achievement gaps among subgroups of students is extremely disappointing. On both NAEP and statewide assessments, the achievement gaps for black and Hispanic students, as compared to white students, are large in both reading and mathematics and have not shown significant improvement over the past decade. Low-income students also show a large and

unchanging achievement gap when compared to other students. English Language-Learning students and students with disabilities also continue to lag behind their peers in achievement. More detailed NAEP data are provided in Appendix 10, but the message is crystal clear: We need to develop and support far more effective approaches to closing achievement gaps among groups of student in NC.

Fortunately, NC has several relatively new programs that are showing a positive impact on achievement gaps and that will be taken to scale through RttT and State funds. One promising example is the Early College High Schools, designed to provide better options for at-risk students (described in more detail in Section E2). A Federally-funded randomized-control study of NC's Early Colleges shows that the model has eliminated the white/minority course-taking gap in Algebra I. By the end of grade 9, 75.5% of underrepresented minority students and 74.8% of white students in the Early Colleges had successfully completed Algebra I, compared to 54.9% of underrepresented minority students and 61.2% of white students in a control group (Edmunds *et al*., 2010). Our RttT proposal includes an initiative to further extend the types of opportunities offered by these schools (see Section E2).

In addition, the State has begun to see reductions in achievement gaps as a result of programs targeted at specific student sub-groups, such as English Language Learners, students with disabilities, and preschool students identified as being at risk, with special emphases placed on narrowing gaps in reading and math for these groups.

Special Education

North Carolina has worked to eliminate achievement gaps for students with disabilities through its Federally-funded State Improvement Projects (SIP I, 2000-2005; SIP II, 2005-2010; SIP III, pending). SIPs are not yet in operation in every LEA, but in the LEAs where they have been implemented, encouraging results suggest that the gap is indeed closing, and that NC's ongoing effort to bring this reliable model to scale statewide is a promising solution to addressing the achievement gap for this group of students.

Performance by students with disabilities on State End-of-Grade reading tests in each of the past three school years indicate that students with disabilities who are served in schools in which SIP has been implemented consistently outperform their peers in other

schools. Even in a year when State reading standards changed and all scores temporarily dropped (2006-07), students with disabilities in SIP schools experienced a less severe drop than both non-SIP students with disabilities and students without disabilities. Performance improvements for students with disabilities served by SIP schools followed similar trends in math (Table 6).

Table 6. Closing the Gap for Students with Disabilities through SIP

	Improvement in Proportion Performing At or Above Grade Level: Reading		
	2005-06 to 2006-07	**2006-07 to 2007-08[*]**	**2007-08 to 2008-09**
Students in SIP Schools	**+11**	-15	**+15**
Non-SIP Students with Disabilities	+2	-31	+11
All Other Students	+1	-30	+12

|	**Improvement in Proportion Performing At or Above Grade Level: Math**		
	2005-06 to 2006-07	**2006-07 to 2007-08**	**2007-08 to 2008-09**
Students in SIP Schools	**+13**	**+28**	**+18**
Non-SIP Students with Disabilities	+4	+2	+12
All Other Students	+3	+4	+10

[*]State reading standards changed between 2006-07 and 2007-08, which led to temporary drops in scores on state-administered tests for all students.

English Language Learners

North Carolina is addressing achievement gaps for English Language Learners in several new ways. In addition to statewide *English as a Second Language* programs, 16 LEAs now have dual-language emersion programs in seven different languages. In addition, nearly 1,000 educators have been trained in the Sheltered Instruction Observation Protocol (SIOP), a program in which ESL and English teachers work side-by-side to simultaneously adapt grade-level content and encourage English language development.

Positive signs are emerging in LEAs that have introduced these reform programs. For example, in a study of the first six LEAs to adopt the Dual-Language approach, students who transitioned out of ELL status score similarly to their non-ELL language minority and Native English speaking peers on 3rd through 8th grade EOG reading tests. Current ELL students who have not yet exited ELL

status perform well below before completing the program. Overall, ELL students served by the Dual Language program out-perform non-Dual Language ELL students in other LEAs consistently across all EOG grades (Figure 7).
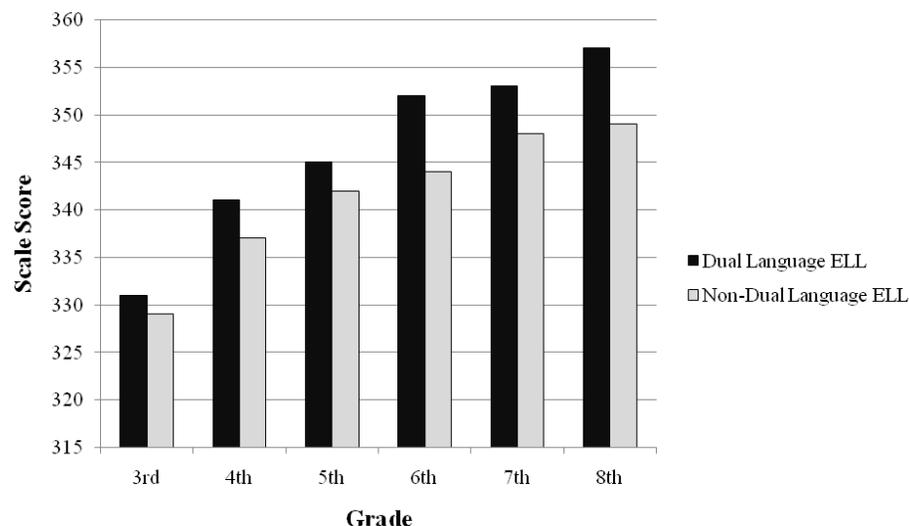
Figure 7: ELL Student Performance, NC End-of-Grade Reading

Pre-School Students At Risk of Future Academic Failure

Over the past decade, NC has expanded already-significant investments in statewide early childhood education programs in an effort to address potential gaps at the earliest possible age. Evaluations of NC's More at Four Pre-kindergarten Program (which serves four year-olds at risk of academic failure; see Section F3) have examined children's outcomes across all domains of learning related to school readiness (including language and literacy skills). For each cohort, these evaluations consistently have found that children who participate in More at Four exhibit significant growth throughout the pre-k and kindergarten years in these domains – with progression at an even greater rate than would be expected for normal developmental growth. These growth trajectories continue – and in some cases accelerate – as children enter school. The results suggest further that not only does participation in More at Four have a positive

impact on children's language and literacy development during pre-k, but that the foundational skills they achieve in pre-k help prepare them to develop more advanced reading skills in kindergarten and beyond. One recent analysis of grade 3 End-of-Grade reading test scores, comparing children served in More at Four to similar children not served in the program, found that More at Four participants scored significantly higher in reading at grade 3 than those who did not participate in the program (Peisner-Feinberg and Schaaf, 2008). Furthermore, the evaluation findings indicate that children at the greatest risk (those with greater cumulative risk or lower levels of English proficiency) benefit the most from More at Four.

Going Forward

NC will apply for another SIP grant (2010-2015; SIP III), but even if unsuccessful, the State is committed to continuing to scale up efforts to reach all LEAs. Also, the State plans to continue to scale up successful ELL programs such as SIOP, training for which is on schedule to be offered to all LEAs during Phase II of its rollout. Finally, the State is already expanding upon the success of More at Four by creating an Office of Early Learning focused on alignment of standards, assessment, and professional development programs for PK-grade 3; and by partnering with UNC-Chapel Hill's Frank Porter Graham Child Development Institute and the Kellogg Foundation on a groundbreaking FirstSchool (PK-grade 3) initiative. These efforts will be coordinated with the RttT initiatives for preparing teachers and principals and for turning around the lowest-achieving schools (described in Sections D and E2).

A.3.ii.c. Increasing high school graduation rates

Graduation rates continue to climb in NC, and in many cases, improvements in rates for minorities have outpaced improvements among white students. With the help of RttT funding, the state will be able to dedicate additional resources to accelerating improvements in graduation rates, particularly for African-American students and for English Language-Learning students, the fastest-growing population in the state.

Perhaps the most telling results of the many reforms NC has undertaken over the past several years are the steady increases in graduation rates overall and across almost all student group sub-groups. While there is much work still to be done, the trends evident in Table 7 suggest that the many NC and local efforts are having a positive impact across all student groups, with the exception of

students with limited English proficiency. Worth noting, however, is that the number of English Language-Learning students is growing quickly in NC, so the decrease in the graduation rate for this group reflects both the changing population and the need for additional efforts in this area. The RttT initiatives, especially the turnaround schools efforts (Section E2) and the equitable distribution of teachers and principals initiatives (Section D3), will increase graduation rates for all groups of students.

Table 7: Four-Year Graduation Rate

GRADUATION YEAR	NC Mean Score	White	Black	Hispanic	Asian	Native American	Multi-Racial	Economically Disadvantaged	Limited English Proficient	Stuents With Disabilities
2006	68.3%	73.5%	60.4%	52.3%	75.2%	51.1%	66.0%	55.6%	55.0%	50.0%
2007	69.5%	75.0%	61.4%	53.7%	78.9%	55.6%	65.4%	66.0%	52.1%	49.5%
2008	70.3%	75.7%	62.7%	56.4%	81.0%	53.8%	68.4%	59.2%	49.9%	56.6%
2009	71.7%	77.7%	63.2%	58.9%	83.6%	60.0%	71.5%	61.8%	52.1%	56.8%
Total change	+3.4	+4.2	+2.8	+6.6	+8.4	+8.9	+5.5	+6.2	-2.9	+6.8