

WE MUST CHART
A NEW COURSE
FOR SCHOOLS.
AT STAKE IS
NOTHING LESS
THAN THE FUTURE
OF OUR STATE.

STUDY GROUP IV

north carolina

SCHOOL REFORM

at a crossroads

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INTRODUCTION

WORLD-CLASS STANDARDS, WORLD-CLASS SCHOOLS

The driving proposition behind this report is that North Carolina's people should not rest until North Carolina's schools have reached standards that are "world-class." ❖ What does "world-class" mean? It means that young people leaving North Carolina's high schools should be on a par with graduates from any school in the world; it means that their schooling should have prepared them to successfully compete with graduates from any school in the world; it means that their schooling should have prepared them for a lifetime of learning, for a lifetime of contributing to the society in which they live. ❖ After seven months of asking "what has the school reform movement meant to North Carolina's young people?," the fourth Forum Study Group has concluded that much of what has occurred under the name of school reform offers little hope of translating into lasting improvements in North Carolina schools. ❖ That is the bad news. The good news is that the Study Group has concluded that the search for better schools has finally resulted in new directions and new answers that appear to hold the promise for genuine school reform; reform that is necessary if North Carolina's schools are to be the equal of schools world-wide. ❖ It must be pointed out that it is not misleading to say that North Carolina's schools are better today than they have ever been. Using traditional standards, more students graduate, more go on for advanced education, more can read and write than at any time in our State's history. But North Carolina's schools are learning the same lesson many of America's businesses have learned: In the nineties, old standards no longer count. The term "globally competitive" is not a cliché. Rather, it is a new standard, a new way of life. Only a few years ago, one could take comfort knowing that North Carolina was better than South Carolina or Georgia on SAT scores. Residents of one county could find satisfaction in knowing that their schools were better than those in a neighboring county. Today, those comparisons ring hollow. ❖ The challenge in North Carolina is more extreme than that facing the rest of the nation. The South has historically lagged behind in education, and North Carolina, along with the Southeast, is near the bottom of the nation's educational ladder in a nation which is near the bottom of the world's educational ladder.

THE DISTANCE TO GO IS FAR

While the goal of the reform movement in education has recently become reaching world-class standards, an objective assessment of reform efforts to date leads one to a sobering conclusion. After nearly a decade of effort, including a 34% real increase in state spending (after adjusting for inflation) that now annually accounts for \$3.2 billion of state tax dollars and dozens of laws and programs initiated under the banner of school reform, little appears to have changed.

- ❖ North Carolina's standing on the SAT was 48th in 1983. It was 49th in 1991.
- ❖ The results of the first assessment of mathematics by the National Assessment of Educational Progress found North Carolina 8th graders near the national basement in math ability, barely ahead of Louisiana and Washington DC in last place.

❖ Roughly 20% of the graduates of North Carolina high schools require remedial work in mathematics or English when they go on to a University of North Carolina institution.

Those numbers would be alarming if the educational challenge facing North Carolina were merely to see its schools improve in comparison to schools in other states. If, however, the goal of schooling is to reach “world-class” standards, the situation is far more

grave. ❖ The United States is at, or near, the bottom in comparisons with virtually every industrialized nation – nations which are now competing with us in the international marketplace. The United States, when compared to other nations, is slipping farther and farther behind. America’s schools, like many of its businesses, have lost their competitive edge.

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IT IS A NEW STANDARD.

THE SITUATION IN THE SOUTHEAST IS STARK

For the people of North Carolina and the Southeast, there is even more cause for concern. While the nation’s schools compare badly to other countries’ schools, schools in the Southeast compare unfavorably to those in the rest of the

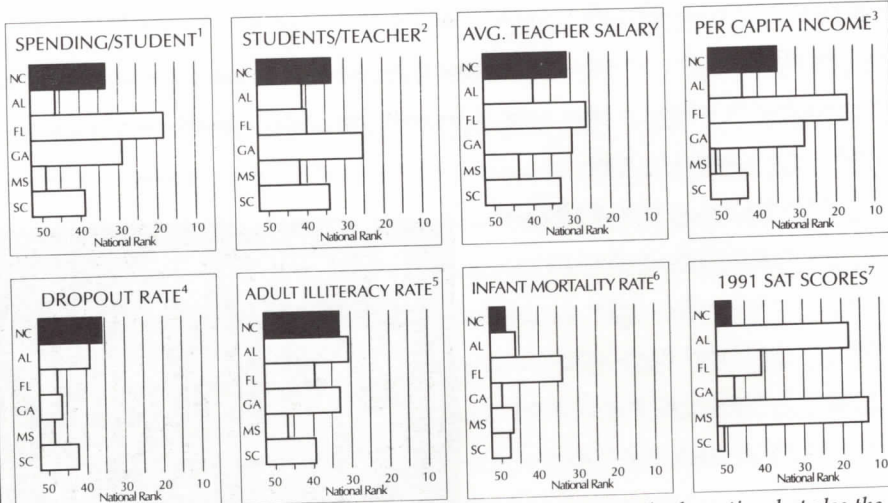
nation. Simply put, southern schools have much farther to go than schools in any other part of the United States before they can claim to be meeting world-class educational standards. The gap between schools in the Southeast and schools across the nation is large.

HOME/SCHOOL ISSUES ARE A FACTOR

Before one concludes from those comparisons that schools in the Southeast are failing abysmally, one must consider the societal issues at work that help explain the gap between the Southeast and the rest of the nation.

These factors are a major part of the challenge facing those who would raise North Carolina’s schools to world-class standards. ❖ There is a direct correlation between the income and educational level of parents and the performance of their students in school. Educators in the Southeast are confronted with millions of young people whose parents were not served well by their schools. Schools must now attempt to break a cycle of under-education and under-employment with the sons and daughters of parents who were not prepared to meet world-class standards.

COMPARING THE SOUTHEAST WITH THE NATION



In most categories, North Carolina ranks near the bottom of not only the nation, but also the Southeast. A ranking of 1 is optimum (most beneficial) for each category. See appendix B for further comparative data.

1 National Education Association, "Ranking of the States, 1991."
 2 National Education Association, "Ranking of the States, 1991."
 3 National Education Association, "Ranking of the States, 1991."
 4 Public High School Graduates, 1988-1989, Department of Education.
 5 Fall 1985, Source: U.S. Department of Health and Human Services, Centers for Disease Control.
 6 U.S. Department of Health and Human Services, Centers for Disease Control.
 7 U.S. Department of Education, Literacy Study, 1982.
 8 North Carolina Department of Public Instruction.

THE DILEMMA

There is little question that education is the surest investment the country can make as it attempts to regain lost ground. Yet each year that passes without fundamental changes in the nation's public schools sacrifices another class of young people who are now marked as the first generation which will have a lower standard of living than their parents. ❖ This study is issued in the hope that it will help to focus the people of North Carolina even more on education. It is issued in the hope that it can help galvanize educators and communities, parents and business leaders, and policy makers and taxpayers, as they work to forge a new philosophy of schooling and create a system of schools that is second to none.

PURPOSE

The Forum began this study with the simple premise that, while the school reform movement has been underway for nearly a decade, the momentum for reform is faltering just as it appears to be making headway on a number of problems. ❖ A combination of a sputtering national economy, few tangible results after a decade of efforts, and growing divisions over the direction of reform threatens to slow the movement to a halt at precisely the time it seems to be getting closer to answers that may make a difference. ❖ That premise, and the belief that the reform movement is too important to North Carolina for it to come to an end, led the Forum to undertake a study which would include the following.

- ❖ A cost/benefit analysis of NC reform initiatives begun since 1984.
- ❖ An assessment of whether NC's reform initiatives are aligned with what research and the best of current reform thinking say could make a difference in schools.
- ❖ An effort to identify the barriers to real school reform and strategies to overcome them.

Those three issues, when the study began, seemed very straightforward. In fact, they turned out to be anything but straightforward. Over the course of seven months, those questions led the Study Group to look at literally hundreds of issues. They also led to some sobering and discomfoting conclusions. ❖ In introducing the findings of the report, the Study Group members felt it was necessary to carefully put the recommendations and its conclusions in context. It would be too easy to take some of the conclusions which follow out of context, especially in an election year, and conclude that the reform movement has been a failure. The message of this report is that the reform movement has been a search for right answers and that the search appears to be leading to a direction for schooling that, if given an opportunity to flourish, could lead to a system of schools that is second to none. ❖ The

search, however, has been tortuous. Early school reform "answers" are perceived one decade later as part of the problem. Some of the "sacred cows" of the early eighties are proving to be barriers to change in the early nineties.

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CONSENSUS IS NOT NECESSARILY UNANIMITY

The Forum's Study Group process is based on inquiry, debate and, of necessity, compromise. With nearly eighty people representing diverse organizations, interests and points of view, it is impossible to expect that each member would embrace every recommendation with equal fervor – especially when the subject at hand is as emotional and controversial as school reform. ❖ The Study Group recommendations were made through a consensus process. When considering them, readers should be aware that they reflect the beliefs of the overwhelming majority of the Study Group. There are two issues, however, where differences remained sharp as the process concluded and, in fairness, those differences must be pointed out. ❖ Predictably, existing tenure policies evoked differences of opinion. Business leaders serving on the Study Group began the process committed to recommending an end to tenure not only for school administrators but for teachers as well. As tenure was examined, through consensus, the Study Group came to believe that if changes in existing tenure provisions for school administrators were altered, accountability would be achieved. Thus, the Study Group recommended altering today's tenure provisions for school administrators. Not surprisingly, the representative of the Tarheel Principals' Association is not in accord with that recommendation. School principals want policy makers to devise an alternative to today's Fair Employment & Dismissal Act procedures (commonly called "tenure") before they agree to support any changes. However, in the spirit of consensus the representative of the principals' association felt that the majority of the recommendations which emerged merited support. For this reason, that association was part of the final approval process. However, business representatives have lingering doubts about the wisdom of tenure for any school employee and are concerned that principals are not willing to support tenure changes until an alternative is devised. ❖ In like fashion, representatives of the State Superintendent of Public Instruction noted their disagreement with the recommendation that the Superintendent's position should be appointed rather than elected. Throughout the debate on that recommendation, they raised legitimate issues regarding the need to resolve other governance questions such as a strong or weak governor's model and the method through which members would be appointed to a reconstituted State Board of Education as well as the need to separate policy questions from administrative questions. The State Superintendent also does not support repealing the current class size law. ❖ Last, it must also be said that, as with past Study Group reports, there was not an attempt to prioritize the recommendations made in this document. The members of the Study Group believe that all of the recommendations are important and that all of them could make a contribution to the search for world-class schools. The members also recognize, however, that the economy, funding realities and other unmet governmental needs make it unlikely that each and every recommendation can be addressed at once. The Study Group offers these recommendations in the hope that they will spark further debate and contribute to sharpening the focus of school reform as North Carolina attempts to create a system of schooling that is second to none.

OVERVIEW

When the reform movement began in 1983, America was sure it wanted “better” schools. It was not until the end of the eighties, however, that people began debating what “better” schools would, or should,

be. ❖ Across the country, and in North Carolina, the early reform initiatives reflected traditional educational establishment thinking.

- ❖ Salaries were raised in the belief that higher pay would lead to better teaching.
- ❖ Class sizes were lowered because that is what educators said would make the greatest difference.
- ❖ “More” was briefly a driving force – more staff, more technology, more course requirements, in short, more of almost everything that had been part of the traditional pattern of schooling.

At the same time, business thinking came into play with policy measures that were aimed at making the system tougher and more demanding.

- ❖ High school graduation requirements were raised.
- ❖ Certification standards were tightened.
- ❖ Merit pay was introduced.

In retrospect, no one was challenging whether the right things were being done in the first place. Instead, there was a widely held belief that if we just did more of what we always had been doing and were more demanding, the situation could be turned around quickly. That was not what happened, however, as the performance of students and schools alike failed to respond. ❖

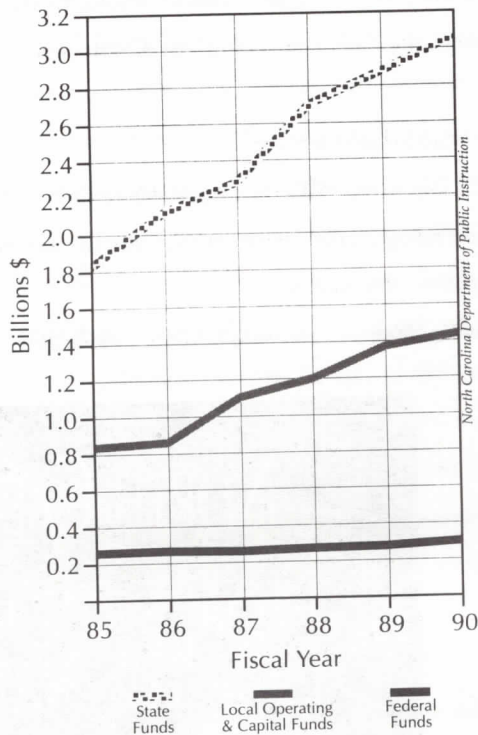
In the late eighties, the nation’s governors, large foundations and business leaders began questioning the “more is better” philosophy of reform and the school reform movement took a dramatic shift. As more and more people looked at the challenges facing schools, they began asking whether the problem wasn’t far more complicated. How could a school structure geared for an agrarian society serve an age of technology? How could teaching as we always had, even to

slightly smaller classes of students, develop thinking and reasoning students? ❖ With that, the second phase of reform embraced restructuring. It also embraced another word that has become the dominant and driving force in school reform – that word, of course, was accountability. As policy makers enacted more and more multi-year, expensive reform measures, they began to ask for evidence that something good would happen as a result. In fact, the National Governors Association, in the late eighties, issued a report called “Time for Results.”

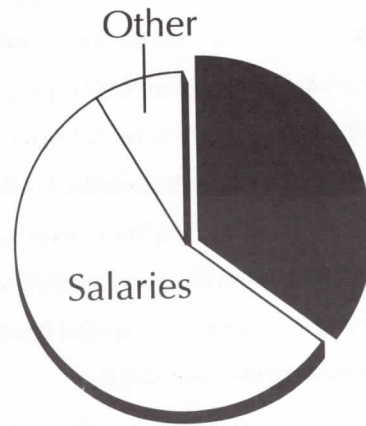
NORTH CAROLINA
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A LOOK AT A DECADE OF REFORM

NC FUNDING SOURCES



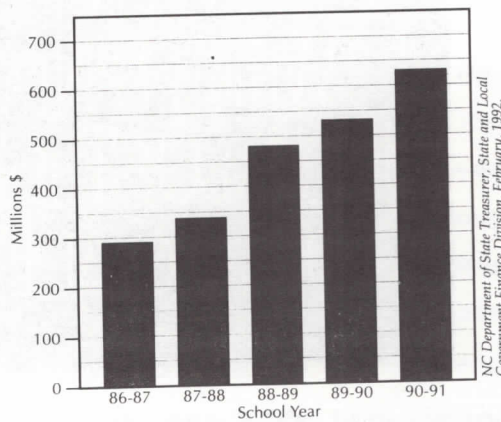
NEW STATE SPENDING SINCE 84/85



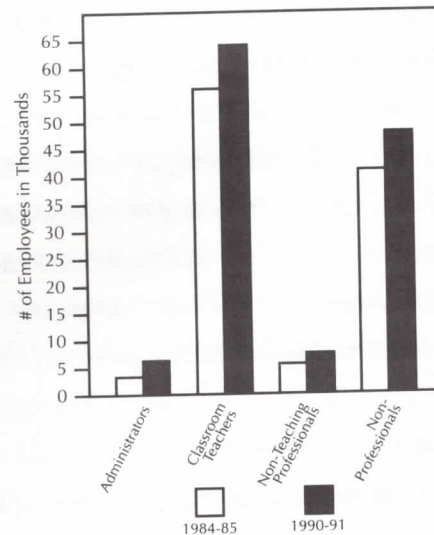
Government, on both a local and state level, has shown a continuing commitment to improving education through funding which has steadily risen since the beginning of the reform movement.

Even with this commitment, however, most of the new state spending has gone toward salary increases; only a little over one third of the money has gone toward reform efforts.

NC SCHOOL CONSTRUCTION COSTS



NC PUBLIC SCHOOL EMPLOYEES



During a decade of school reform there has been a vast investment in human resources and building improvement and expansion. Since 1984-85, the total number of school employees has increased by 16,576, a full 15.5% increase. The number of administrators has increased by 17.5%, classroom teachers by 14%, non-teaching professionals by 30% and non-professionals by 15%. See appendix C for further data on the increasing employee population.

Construction of new facilities has kept pace with the swelling numbers of school employees. Since 1986-87, there has been a 116% increase in school construction costs bringing the spending per student over a five-year period to \$2,101.00. Spending per student in 1986/87: \$275.14; in 1987/88: \$313.39 (a 15.1% annual increase); in 1988/89: \$432.32 (a 37.7% annual increase); in 1989/90: \$491.73 (a 13.3% annual increase); in 1990/91: \$587.96 (20.2% annual increase).

The increasing number of employees and buildings has yet to bring the hoped for benefits: better schools and better results.

WHAT DO WE WANT OF OUR SCHOOLS?

Ironically, it is the accountability movement that has led the reform movement to ask what, in retrospect, should have been the first question: "What do we want of our schools?" Because that question was not asked in the early eighties, state after state, including North Carolina, launched major reform initiatives based on the assumption that we were doing things right, we just needed more resources with which to do the same things better. ❖ Today, the focus of reform has turned to curriculum – what young people need to learn to be successful adults – and its delivery. Old answers, put under an accountability litmus test, frequently fail to satisfy the question: "Will it make a difference for students?" That shift in thinking, from "inputs" or resources, to "outputs" or results, has brought the reform movement closer to breaking new ground and finding new answers than any single thing that has happened in the decade-old reform movement. ❖ In the meantime, policy makers, attempting to meet the reform challenge by doing what the educational establishment said would work, are laboring under multi-year plans that have consumed the lion's share of new state revenue and forced states to put other needs on the "back burner." In North Carolina, the Basic Education Program (BEP) has been such a plan. ❖ In addition to the new state-funded expenses resulting from the BEP, the thousands of additional school employees exacerbated an already serious classroom and space shortage that has forced county after county into ambitious school expansion programs. Additional county dollars for schools have, of necessity, been flowing into brick and mortar at record levels.

WHAT HAS THE STUDY FOUND?

After months of deliberation and looking at what school reform efforts have accomplished since 1983, the Study Group has concluded that lasting reform of our schools has barely begun. The overwhelming majority of schools have not changed. Corporate America is busily restructuring itself to become globally competitive, but most schools still look and operate much as they have for more than a century.

THE MAJOR PROBLEM

Even though school reform has been underway for nearly a decade, there is still no coherent vision or goal for reform. No one has articulated a commonly held vision of what the State is attempting to accomplish. A dysfunctional school governance system and an increasingly partisan environment make it almost

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impossible for any one vision or goal to be broadly embraced. ❖ As a result, reform is subject to take wide swings and different roads every two to four years in a pattern that reminds one of the admonition in Lewis Carroll's *Alice in Wonderland*: "If you don't know where you are going, any road will take you there." And indeed, since 1983, North Carolina has taken many roads.

- ❖ In 1984, North Carolina launched a state-supported longer school year and school day pilot project. Today, the projects no longer exist.
- ❖ In 1985, the BEP was launched. In 1992, the effectiveness and cost of the BEP is certain to be a major election debate topic, and the program's future prospects, most would agree, are debatable.
- ❖ In 1985, North Carolina launched a Career Development Pilot Program. Statewide implementation never took place and the 16 systems which piloted the concept are now in the process of phasing out of the project.
- ❖ In 1989, North Carolina enacted a statewide reform initiative called the School Improvement and Accountability Act. School systems willing to frame accountability goals were promised sweeping flexibility and differentiated pay. In 1991, the differentiated pay was, for all practical purposes, abandoned for across-the-board pay raises, and the flexibility, especially in the area of money management, has only partly materialized.

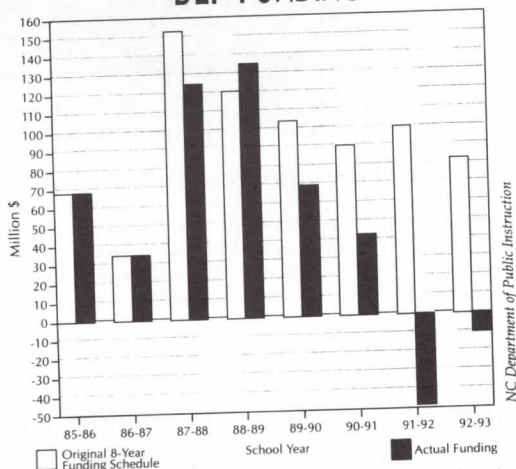
START & STOP REFORM

behind schedule (millions)

	84-85	85-86	86-87	87-88	88-89	89-90	90-91	91-92	92-93
The Basic Education Program (BEP) <i>Projected Cost: \$839.6 million; Status: Uncertain</i>		\$68.5	\$32.4	\$125.2	\$135.4	\$69.3	\$44.5	\$0	\$82.4
Career Development Program <i>Projected Cost: NA; Status: Pilots phasing-down</i>				28.2	13.4	47.9	94.2	243.3	336.0
School Facilities Finance Act (State portion) <i>Projected Cost: \$37.1 million annually; Status: On schedule</i>				177.3	79.1	55.8	31.1	10	10
Senate Bill 2 <i>Projected Cost: \$133.4 million; Status: Uncertain</i>						0	39.4	39.4	0
Teacher Salary Schedule <i>Projected Cost: \$374 million; Status: Incomplete</i>							242.6	\$22.0	86.8
							131.4		

NC Department of Public Instruction

BEP FUNDING



NC Department of Public Instruction

A look back at the funding history of the Basic Education Program (BEP) shows that after the first few years, funding fell increasingly short of that which was scheduled. Lack of results, disenchantment with the plan and a faltering economy all helped paint this picture.

OTHER FACTORS CONTRIBUTING TO THE PROBLEM: EDUCATORS & PARENTS

Many would contend that the worsening economic situation which has caused reform initiatives across the country to falter is the chief barrier to reform. After looking at the matter more closely, however, the Study Group has concluded that there are other, equally formidable, factors at work. ❖ Two major stakeholders in the debate about education appear to play conflicting roles in the drive to make North Carolina's schools world-class. Those groups, educational employees and parents, are key to bringing about the changes needed to make schools what they should be. As the nation and the State have looked more closely at what is needed in schools, more and more of the changes being proposed are very threatening to interest groups which have dominated school policy making for years. ❖ As reform moves toward "decentralization" and "flexibility," some groups within the educational establishment want flexibility for themselves, not flexibility that might result in their jobs being altered or in new standards of performance that judge groups on the basis of higher accountability standards.

❖ As more and more people call for an increased focus on academic rigor, some interest groups band together to ensure that existing course offerings remain much as they are.

❖ As some call for more increased instructional time for basic courses such as math, science and English, others band together to ensure there is no diminishment of courses in their areas.

❖ As policy makers and others demand more accountability for results, school principals band together to defend tenure.

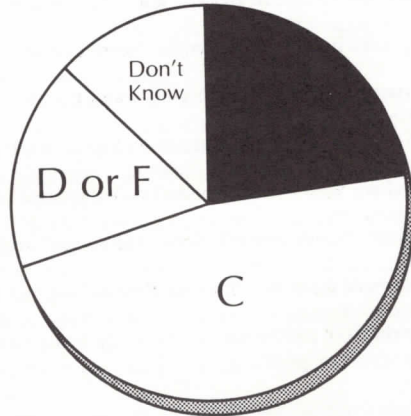
In short, at the very moment the school reform movement is beginning to focus on changes that have the potential to



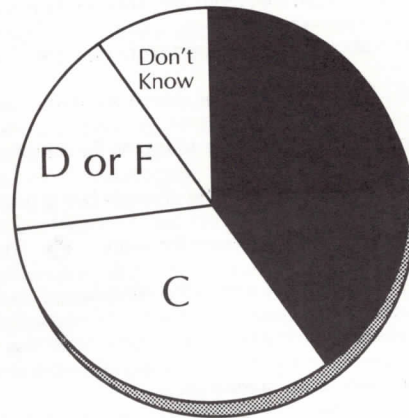
make profound differences in schooling, the educational establishment is becoming more resistant to fundamental changes that could disrupt the status quo. ❖ Turning to the second major stakeholder group, parents, or, more broadly, communities, remain largely satisfied with their own children's schools as they are. While policy makers and the nation's business community have come to grips with what "educational competitiveness" is and are calling for schools to aspire to be internationally competitive, the majority of the American people appear to remain satisfied with their schools and content to see things remain as they are. This phenomena, recorded annually in the Gallup Poll on Education, creates a major barrier to fundamentally changing schooling in America and in North Carolina. The recent public outcry sparked by a proposal to lengthen the school day is but one example of the resistance to change. Ironically, a large proportion of those who testified against that change were from within the educational community. ❖ It is clear that if the drive for world-class standards is to prevail, it will not be enough for policy makers and business leaders to be calling for higher aspirations. Parents and community leaders must embrace the drive for higher standards if the drive is to become a crusade in community after community across North Carolina.

THE GALLUP POLL "GRADES" PUBLIC SCHOOLS

NATIONALLY



LOCALLY



"Phi Delta Kappan", Sept. 1991, p. 54

When asked to grade public schools on the quality of education they are delivering, respondents showed more satisfaction with schools in their community but believed that nationwide, schools were not doing well. Considering the fact that parents can best help reform schools in their own community, the result may well be inaction.

AN URGENT CALL FOR COMMON SENSE

Any group issuing a set of recommendations aimed at reforming schools must ask, "What is it we hope will happen as a result of this report?" That question has been asked repeatedly by the Forum's Study Group IV, and it can be answered in very simple terms. The members of the Study Group hope that this report will add new fuel to the movement to dramatically improve the quality of schooling for North Carolina's young people. ❖ After nearly a decade of school reform initiatives, while little has changed, there appears to be a focus to the reform movement. The growing belief that the "bar must be raised," that the goal must be world-class standards is leading to a definition of goals. A decade-long evolution toward meaningful school improvement can not come to an end at the very moment the reform movement is taking on definition and direction.

EXECUTIVE SUMMARY

ISSUE: VISION & GOVERNANCE (see page 16)

After nearly ten years of school reform activity, there is yet to be a clearly articulated common "vision" for schooling in North Carolina. Subsequently, last year's educational solution can, and in some cases does, become the next year's problem. Until the State can clearly define its goals for schools and establish a direction that will stand the test of time, the reform movement will continue to be rudderless. ❖ At the moment, however, the governance structure of schools in North Carolina is such that it is difficult to see one person or governmental body that could articulate a direction for schools that would make a lasting impact. It is not that governmental officials lack vision; rather, it appears to be an "unwillingness to be governed" which stems from a dysfunctional governance structure and intense partisan divisions. ❖ Immediately following the 1992 election, the newly elected Governor, the General Assembly, the State Superintendent of Schools and the State Board of Education should first "come to the table," and then bring other stakeholders to the table with them to forge a world-class vision for schools and a direction for reform that could be articulated as early as the 1993 Session of the General Assembly. With that, the State must move toward an appointed State Superintendent who is chosen by a State Board of Education which is reconstituted in a way that recognizes the historic roles of the General Assembly, the Governor, and the people.

EACH YEAR THAT PASSES
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THAN THEIR PARENTS.

ISSUE: LEADERSHIP DEVELOPMENT (see page 18)

School boards, school administrators and teachers have been asked to make massive changes since 1983. However, they have not been provided the necessary training and planning time to enable them to make the changes. Recognizing the problem, the 1991 General Assembly mandated the State Board to submit a plan for upgrading the preparation of school administrators. The State needs to rethink the way school administrators are selected and trained, the way teachers are prepared and the means through which regular staff development and planning can be accommodated. ❖ The Study Group urges the General Assembly to authorize the State Board of Education's recommended plan, which, if approved, would lead to a task force of practicing school administrators, business trainers, schools of business, education and public administrators charged with redesigning North Carolina's administrative certification program. Further, the Study Group recommends that, as the task force works on this issue, it include a Study Group recommendation for a new system of identifying and developing future administrative leaders as part of its deliberation. ❖ Teacher training should become a five-year program with the first

focusing on a strong liberal arts and/or subject area preparation and the fifth year focusing on teacher training with a strong clinical supervision component. Funding for local staff development and training should be increased to a level equal to the industry and business standard of one percent of the funds annually appropriated for salaries and wages of public school employees.

ISSUE: ACCOUNTABILITY & ASSESSMENT (see page 20)

The recent movement to hold schools accountable on the basis of how well their student population learns, as opposed to how well they are complying with rules, must be accelerated. Further, the movement to assess students on mastery of subject area instead of their ability to answer standardized questions must accelerate.

❖ In addition, as the State Board, following the mandate of the 1991 General Assembly, reviews the BEP curriculum, the Study Group urges that it clarify what is basic and that it better align BEP staffing mandates, curriculum expectations and accountability standards. ❖ To further accountability, tenure for middle management school administrators should be replaced with policies that would substitute professional assessment and fair dismissal procedures. Finally, business leaders, educators and concerned citizens need to provide the local leadership to bring communities to set far higher standards and expectations for their schools.

ISSUE: FLEXIBILITY (see page 22)

Top-down, regulatory policies have not served North Carolina or the nation well. The initial steps toward loosening state regulations must advance beyond these steps, especially in the area of budgeting. The State should move toward collapsing funding line items, enabling local schools to focus their resources on their greatest needs. Care must be given, however, to holding schools accountable to student performance standards and goals.

ISSUE: TIME FOR INSTRUCTION (see page 23)

The average school year for other industrialized nations is over 197 days. The average Japanese youngster attends school 243 days per year. Regardless of changes made in our schools, it is preposterous to think that North Carolina's young people will be competitive with graduates from other nations when they are offered, on average, fifteen days less of schooling per year, or, in the case of Japan, when Japanese youngsters receive an extra sixty-plus days of schooling. ❖ Ideally, the school year should be lengthened immediately to at least 200 days. A more modest goal would be to add five days of instruction during each biennium between now and the year 2000 to ensure that North Carolina students have at least 200 days of instruction by the year 2000.

ISSUE: A YEAR-ROUND TEACHING PROFESSION (see page 25)

Many recent reform efforts have been complicated or stymied because teachers lack the time for planning and professional development that is necessary during times of change. Further, today's calls for more sophisticated teaching and assessment strategies dictate that teachers should have more time for research and individualized time with students. ❖ For schools to genuinely change, teaching will have to become a

year-round profession. As with more time for instruction, ideally that change would occur immediately; at a minimum, the length of teachers' contracts should be gradually increased as instructional time increases from today's 180 days to a 200 days, with the goal of making teaching a year-round profession by the year 2000.

ISSUE: COMMUNITIES & SCHOOLS (see page 26)

New societal forces, ranging from watching TV to taking drugs, from divorce to violence, make it clear that North Carolina will not achieve the goal of schools that are second to none without addressing home/school

issues that have an impact on student learning and without enlisting communities into a campaign for educational excellence. Groups like the World Class-Schools, Everybody's Business Coalition and the recently launched North Carolina 2000 effort should redouble their efforts to work cooperatively with the State Department of Public Instruction and other stakeholders in an effort to educate community leaders, parents and taxpayers about the need for establishing much higher expectations for student performance. ❖ Additionally, the Study Group calls on

the General Assembly and the SDPI to assess the success of Kentucky's newly created family resource centers and promising programs such as Cities In Schools in an effort to determine if all or some of the more successful elements of both programs could be adapted to North Carolina. ❖ Also, the Study Group calls on the Governor's Office, the State Board of Education and SDPI to create an inter-agency task force to examine all existing state-funded programs having an impact on children in an

attempt to maximize intergovernmental cooperation to bring all of state government's resources to bear on the issue. ❖ Finally, educational associations, the business community, the Forum and the PTA should work together to create resource guides and training programs for parents.

ISSUE: CURRICULUM & TECHNOLOGY (see page 27)

A longer school year will fall short of its potential to dramatically raise student performance unless what students are expected to learn and how that learning takes place are transformed. An outcome-based curriculum and greater and more effective use of technology offer new and, largely, untapped sources of innovation to schools attempting to prepare young people for the next century.

A DYSFUNCTIONAL
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ISSUE: VISION & GOVERNANCE

As the Study Group work progressed, two related issues emerged as major stumbling blocks to lasting school reform. One was the lack of a driving "vision," or direction, for schooling in North Carolina. The other was the governance system for schools which, in recent years, more and more observers have concluded is a system that must be changed if there is to be a clear direction for schooling in North Carolina. ❖ Why were the issues considered together? As the Study Group committees wrestled with the issue of a driving vision or direction for schools, the logical next step was to consider what person or what official body could take the initiative to frame a direction for school reform that could serve as the basis for a long-term reform program. In recent years, partisan divisions between the Governor and the General Assembly, and the State Superintendent and State Board of Education have made consensus difficult, if not impossible. In 1991, the Governor convened an educational summit in an effort to arrive at consensus. Within weeks, the General Assembly convened an educational summit of its own. The result was summity stalemate. In 1991, the State Board of Education and State Superintendent of Schools are in court in an effort to determine what the lines of authority are between the two. ❖ Regardless of party affiliation or divisions over lines of authority, the four entities that must come to an agreement on a long-term direction for schools, include the Governor's Office, the leadership of the General Assembly, the State Superintendent of Public Instruction and the State Board of Education. Beyond those four entities, there is a broader circle of educational stakeholders, including the PTA, business groups, and educational associations, that ideally would be part of a consensus-building process.

THE VISION

The Study Group strongly recommends that, immediately following the 1992 elections, the newly-elected Governor and the leadership of the General Assembly convene a summit, with the aim of forging a consensus around a vision of schools that can drive at least the next four years of school reform efforts and a blueprint by which to measure results. Without such a vision, the effort to improve North Carolina's schools will remain subject to stops and starts, to abrupt changes in philosophy and direction. ❖ As the Study Group considered the question of vision, it wrestled with elements that could serve as a starting point for subsequent discussions of a direction for schooling in North Carolina. A number of elements quickly emerged. Ideally, a long-term vision or direction for school reform in North Carolina would be predicated upon concepts such as the following:

- ❖ All children can learn at significantly higher levels than those expected of them today.
- ❖ The standards set for North Carolina schools must be standards that, if met, would make graduates competitive with graduates of any schools in the world.
- ❖ Schools, in partnership with parents, community organizations, and business and elected officials, must work to ensure that all young people come to school prepared to learn.
- ❖ In a world that continues to change more rapidly than anyone might have imagined, North Carolina's schools must prepare young people to cope with change, guard their democratic form of government and advance basic values that are the foundation for a strong and caring nation.

- ❖ North Carolina's schools must prepare young people for a lifetime of learning.
- ❖ Schools must be fully accountable to the young people they serve, to parents, to taxpayers, to employers, and to the State.
- ❖ North Carolina's process of schooling must be rooted in partnership, whether that partnership is with parents, governmental agencies, or the business community.
- ❖ The quality of North Carolina's schools will be no better than the quality of the educational team which works with its 1.1 million young people. A foundation of future schooling must be built upon quality college preparation and regular staff development programs for educators.
- ❖ Finally, North Carolina's schools should strive to excel at all that they do.

Components such as those, however, will mean nothing more than words on paper if, once adopted, there is not broad-based consensus and support for a vision or direction for schooling in North Carolina in policy making circles, the educational community and with the public at large.

GOVERNANCE

Beyond the issue of vision, the governance of schools issue must be resolved, and it is difficult to see a resolution to the problem that does not rest with a constitutional amendment. The Study Group recommends that the General Assembly put up for a vote of the people a proposal that would make the office of State

Superintendent an appointed position and that would create a new method for selecting State Board of Education members. ❖ In making this recommendation the Study

Group is very mindful that the issue of governance is more complicated than the question of whether the Superintendent should be appointed or elected. For the current governance situation to be improved, how the members of the State Board are selected is equally

important. ❖ At the heart of the issue is finding a process through which the stature and credibility of the State Superintendent and State Board of Education can be maximized and the potential for divisions over lines of authority or partisanship can be minimized.

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ISSUE: LEADERSHIP DEVELOPMENT

It has been noted earlier that the question of a vision for schooling and a governance structure that would serve the State came in and out of all discussions of the Study Group. Second only to those issues in terms of discussion and importance was the question of leadership development for schools.

ADMINISTRATIVE PREPARATION

Heading the list of leadership development concerns was the issue of administrative preparation, more specifically the issue of principals' certification which is the "gate keeper" process through which the overwhelming majority of school administrators enter the profession. The Study Group believes that the surest long-term solution to creating a generation of school leaders capable of moving the State toward a world-class system of schooling is to dramatically overhaul the current administrative certification program. ❖ While the nature of the school "business" has changed dramatically and while the demands placed on school administrators is changing as well, the process by which school administrators become certified to practice has remained relatively stagnant. Further, the process through which people enter school administration is largely a process of self-selection. Educators with the motivation to enroll in certification programs can do so with very few requirements beyond a college diploma. Entrance standards, when compared to other professions, are low. There is neither an entrance screen nor an exit examination. ❖ The Study Group, recognizing that the quality of school leadership may well be the single-most important component for meaningful school reform, believes that both the requirements of candidates for school leadership and the programs that prepare would-be school leaders are in need of a drastic overhaul. Fortunately, the Study Group is not alone in this belief. The General Assembly recently directed the State Board of Education to assess the preparation of school principals; the State Board of Education has been devising a plan aimed at overhauling administrative training. The Study Group commends the General Assembly for initiating this action and offers the following suggestions to the State Board of Education as it considers leadership development for school administrators.

- ❖ The State Board of Education should assemble a task force which brings together management trainers from the private sector, representatives of education departments, representatives of other professional schools at the university level, practicing school administrators, and educators to jointly over-haul the required administrators' certification program and to rethink the entrance requirements for those who would enter administration.
- ❖ Once that working group has proposed the content for a new principals' training program, it should be piloted at one site.
- ❖ The State should develop a Teaching Fellows-like program for identifying and training potential school leaders.
- ❖ School systems should be asked to identify promising non-administrative educators, and those nominees should be screened in an intensive assessment process designed to measure leadership potential.
- ❖ Candidates selected for the pilot program should be provided release time for one full year of graduate work and they would pilot the new leaders' curriculum.
- ❖ Following a residential year of academic preparation, those chosen would undergo a year-long internship

during which they would work in virtually all major areas of a school system (e.g., an elementary, middle and high school, curriculum, personnel and budget office, etc.).

- ❖ On completion of the program, candidates would receive administrative certification and would be obligated to work in a North Carolina school for at least four years to repay the State for the cost of the training.
- ❖ If, after one or two piloting cycles, the program appears to have potential, it would be extended to other locations.

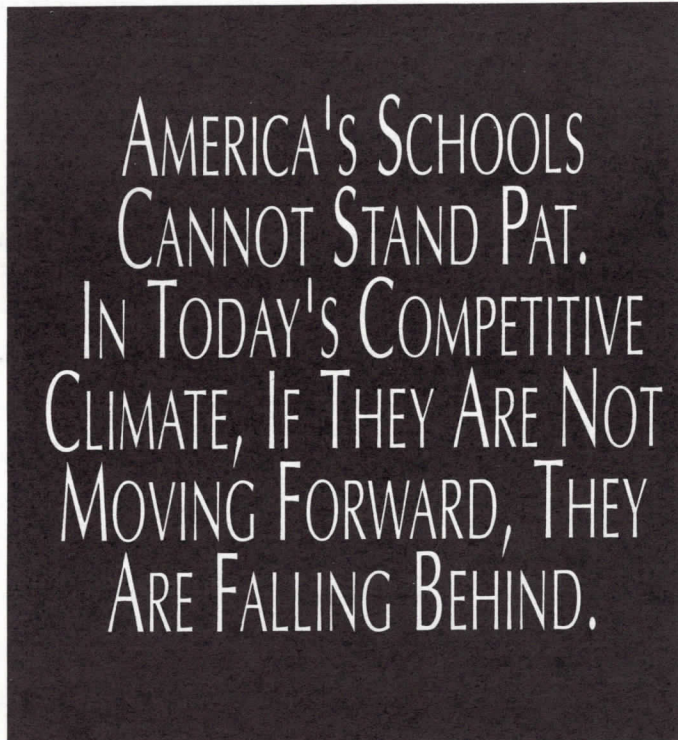
CLASSROOM TEACHER PREPARATION

While the Study Group believes that the principals' training program is critical, it cannot stress enough its belief that strengthening both the preparation of classroom teachers and the quality of staff development for existing teachers is of equal importance. Toward that end, the Study Group recommends the following.

- ❖ Existing teacher preparation programs should be consolidated. Currently, forty-five colleges prepare teachers. The Study Group believes that reducing the number and attempting to have fewer, higher quality programs would benefit the State. Such a consolidation, however, should be premised upon new teacher training approaches with updated curriculum and methodologies to match a system of outcome-based schooling which can prepare teachers who could create world-class schools. Further, such a consolidation should bring existing teacher training institutions into joint arrangements that would draw on the strengths of all existing teacher training institutions.
- ❖ Further, the Study Group recommends that teacher preparation programs become a fifth-year, post-undergraduate program leading to a Masters in Education.

The intent of this recommendation would be to enable students to have a stronger grounding in their academic field of concentration and receive teacher preparation training after earning the equivalent of a Bachelors' Degree.

- ❖ For teachers already on the job, the SDPI in conjunction with institutions of higher education should make available a package of high-quality in-service training programs focusing on key areas of school improvement. Also, SDPI should, on request, review locally-designed training programs, and should convene an annual conference of teams from local school systems to insure dissemination of effective training practices.
- ❖ The amount of funding for staff development should be increased to at least 1% of the public school payroll, an investment in line with private sector staff development expenditures.



SCHOOL BOARD TRAINING

Finally, education training typically focuses on faculty members. A key component of school reform, however, is the quality of school board members. The Study Group recommends that individual and group training for school board members be provided before and during their tenure as elected officials. Such training should focus on school reform issues.

ISSUE: ACCOUNTABILITY & ASSESSMENT

The Study Group would be remiss if it did not introduce this discussion of accountability and assessment by commending the State Department of Public Instruction, the Task Force on Excellence in Secondary Education, and the General Assembly for the major strides made in the area of accountability and assessment in a remarkably short period of time. While there may still be a need for fine tuning of the annual report card system, the North Carolina School Improvement and Accountability Act's provisions requiring local goals and annual report cards have dramatically shifted public attention to student results. Also, the State is making great progress in the development of new end-of-course and grade tests that are being designed to measure attributes that go far beyond rote memorization.

ASSESSMENT

The Study Group encourages the SDPI and the State Board of Education to continue to move as rapidly as possible toward an outcome-based assessment program that would focus on thinking and reasoning skills. ❖ Also, the Study Group urges the State Board, as it revisits the curriculum expectations of the Basic Education Program, to insure that the primary emphasis is placed on student performance standards in science, mathematics, English and social studies and that school systems be given wide flexibility to meet curriculum expectations in other areas. ❖ With that, the Study Group urges the State Board to reassess the requirements for academic progress and graduation in light of the needs for student knowledge and participation in the 21st century, with a special focus on the assumption that all students will need to "think for a living" in future years as job training and retraining become the norm, not the exception. As the State Board of Education reassesses its curriculum expectations and assessment programs, the Study Group recommends that the current Carnegie Unit requirements for graduation be included in that reassessment. It appears unlikely that the State can move, on one hand, toward outcome-based or mastery education, while, on the other, increasing the number of traditional Carnegie units, or traditional courses. As called for in the legislation authorizing the outcome-based education pilot program, the State university system and other institutions of higher education should be involved in developing student entrance requirements that are compatible with outcome-based education. ❖ Finally, the Study Group encourages the State Board of Education to begin issuing a state report card as called for in the School Accountability and Improvement Act of 1989. Just as the local report cards have increased public awareness about student performance, so, too, would a state report card increase public awareness of the urgency involved in school reform if it would be possible not only to compare North Carolina's young people's level of performance with students across the United States, but with students in other nations.

EMPLOYEE ACCOUNTABILITY

Beyond testing and accountability procedures, there is the question of employee accountability. One of the single most contentious educational policy debates in recent years has centered around the question of administrative accountability and today's tenure provisions for principals and other school administrators.

❖ A wide variety of groups, ranging from the North Carolina School Boards Association to school superintendents to North Carolina Citizens for Business & Industry, have come out in opposition to today's existing policies. Opposing those groups have been some teacher and administrators' associations. Efforts to change the existing law have been unsuccessful. ❖ The arguments for and against tenure are complicated.

The genesis of tenure provisions for school employees across the nation can be traced to reasons as diverse as political patronage abuses, arbitrary dismissal procedures, and racial discrimination. Tenure provisions came into being long before today's body of legal precedents and civil service regulations that have eliminated most of those excesses.

❖ Those favoring tenure cite previous excesses and, correctly, argue that without some procedural guarantees in place there could be a return to past abuses. They also cite the alarming turnover rates for school superintendents in North Carolina and raise the specter of equally high turnover rates for school principals and administrators if tenure were taken away. ❖ Those calling for an end to tenure, cite the absence of such guarantees in other sectors of

employment, especially for managers, and they cite the need to hold people accountable on the basis of performance, not on the basis of time on the job. ❖ Missing in most of

the discussions are two key factors. First, those who argue that continuity in the principalship is important, overlook what the current system has accomplished in terms of North Carolina's standing on student performance indicators. One might argue that in light of North Carolina's current educational standing, there would be little to lose by altering the *status quo*. Second, on a less speculative note, the factor

that is totally missing is a discussion of reasonable contractual and procedural guarantees that could be substituted for school administrators if tenure were removed. ❖ The Study Group believes that today's

tenure provisions for school administrators should be eliminated and replaced with policies that would prevent a return to former personnel policy abuses and that would substitute professional assessment and fair dismissal procedures for school administrators. ❖ Along with that recommendation, the Study Group recommends that

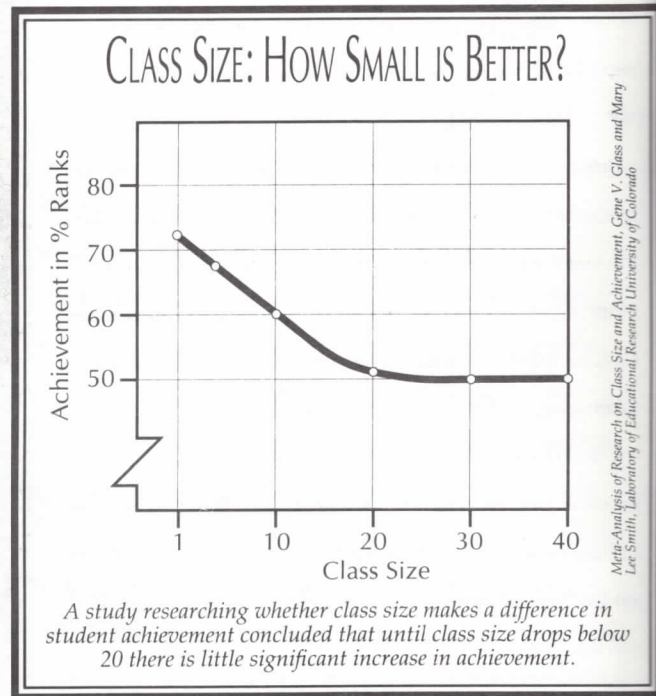
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the General Assembly and State Board of Education devise a professional licensing and standards board for educators. Just as other professions have established their own policies and procedures for policing their own ranks, setting entrance standards and making decisions regarding members of the profession who have violated their professions' code of ethics, educators should assume more responsibility for making teaching a true profession. Such a board should be composed of a majority of practicing educators and be granted wide latitude in establishing entrance requirements, setting professional codes of ethics, and making judgments on professionals charged with violating professional norms or not meeting professional standards. Such a board should be appointed by the Governor, the Senate and the House of Representatives. It should be independently staffed and report directly to the Joint Legislative Education Oversight Committee.

ISSUE: FLEXIBILITY

Research on effective schools finds that where there are clear expectations regarding student performance goals and where school principals and faculties have wide latitude to accomplish the goals; results tend to be better than those in schools which operate in a top-down, centralized fashion. That concept of local flexibility is at the heart of the North Carolina School Accountability and Improvement Act of 1989. It is also at the heart of school reform thinking across the nation. ♦ Having said that, the State must be willing to go far beyond the limited flexibility

boundaries that have been established in recent years if it is going to be able to test the theory that policy makers should establish goals, grant professionals latitude to reach the goals, and hold educators accountable for outcomes. ♦ Given that over 95% of state dollars spent on schools are spent on personnel, real flexibility will not be in place until the State grants schools more flexibility in the use of personnel. The Study Group recommends that the General Assembly move to collapse existing budgetary line items as a first step toward true accountability. Further, the Study Group recommends that the State provide funding to an average class size of 26 in all grades, but not mandate minimums or maximums. Remaining class size funds in the Basic Education Plan should be allocated flexibly to enable schools to enhance instruction and meet their performance goals.



ISSUE: TIME FOR INSTRUCTION

One of the clearest and least disputed research findings in education is the unsurprising conclusion that the more time that is spent on instruction the more students are likely to learn. While that research finding has been available to educators and policy makers for years, there has been surprisingly little done to address the fact that America's young people have one of the shortest instructional years of any young people in industrialized nations.

A LONGER SCHOOL YEAR

Why is the American school year so short? The answer to that question is testament to the degree to which schools have been slow to adapt to changing times. When public schooling began in the United States fully 85% of the population was directly or indirectly involved in agriculture. Summer months were peak farm production months and all hands, including those of young people, were needed for harvesting and production. Today, when less than two percent of the nation's population and less than four percent of North Carolina's population are involved in agriculture and when machines have taken over most of the tasks once performed by people, there is no logical reason to cling to the tradition of closing schools during the summer months. ❖ In the opinion of the Study Group, one of the most dramatic steps that could be taken for schools would be to lengthen the school year. That move alone, based on effective school research, could lead to major instructional gains. Additionally, by lengthening the

school year, schools would be far more able to deal with demands that go beyond "teaching the basics." In that regard, it is interesting to note that Japanese schools, largely because of the length of their school year but also because of their belief that education should provide a comprehensive program, include quality programs in areas like the arts and incorporate very extensive extracurricular activities into the school year. ❖ In an ideal setting, the Study Group would recommend that the State move immediately from the 180 days instructional year to an instructional year of 200 days. While that move would merely bring North Carolina's instructional year to the average of most industrialized nations, it would be an 11% increase in the time available for learning. A more modest, and perhaps more achievable, goal would be to add five instructional days per biennium beginning in 1993 and continuing until the year 2000. Were that done, North Carolina's young people would be offered 200 instructional days by the year 2000. ❖ The pros and cons of a

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phased-in implementation schedule are obvious. Presuming that research findings are accurate and that more time on instruction could make a significant difference for young people, delaying implementation of a 200-day year until the year 2000 deprives nearly a generation of children instruction that could make them more competitive. ❖ On the plus side, phasing in such a change would make the transition far more affordable. Second, as the recent round of hearings on a longer school day indicate, there is considerable opposition to extending the school day or year. Phasing the change in one week at a time in each of the next four bienniums should minimize opposition to a longer school year. ❖ To those who contend that better using time within the 180, five and one-half hour instructional days now available could result in the same gains, it is worth noting that even if the length of the Japanese school day were the same five and one-half hours that it is in North Carolina, Japanese children would still receive 235 hours more instruction per year than a child in North Carolina. Presuming that, at best, a more efficient use of the existing school day could lead to one-half hour more per day focusing on education, that would be a gain of only 90 hours per year, leaving a net deficit of 145 hours when school systems are compared.

YEAR-ROUND SCHOOLING EXPERIMENTS

Moving beyond the issue of extending the school year, the Study Group believes that current year-round schooling experiments which are taking place in school systems as diverse as Mooresville City Schools and Wake County Schools merit much closer examination. The Mooresville City Schools program, as an example, not only has shifted to a four-quarter system with vacation time between quarters, but it now provides remedial and accelerated course

work for students between quarters.

As a result, students are retaining more because they do not have a summer-long gap between course work. Also, students who are having difficulty keeping up with their peers have extra help available between quarters and have a far better chance of succeeding in their school work. The Study Group recommends that local school officials study carefully the results of the Mooresville City Schools experiment and consider the feasibility of implementing models that more creatively use time and that hold the potential to more effectively educate students within the bounds of existing resources.

TIME FOR INSTRUCTION: IS 180 DAYS ENOUGH?

	School Days per Year	Days Ahead of U.S.	Years Ahead of U.S.
Japan	243	756	4.2
West Germany	240	720	4.0
South Korea	220	480	2.7
Israel	216	432	2.4
Luxemburg	216	432	2.4
Soviet Union	211	372	2.1
Netherlands	200	240	1.3
Scotland	200	240	1.3
Thailand	200	240	1.3
Hong Kong	195	180	1.0
England/Wales	192	144	0.8
Hungary	192	144	0.8
Swaziland	191	132	0.7
Finland	190	120	0.7
New Zealand	190	120	0.7
Nigeria	190	120	0.7
British Columbia	185	60	0.3
France	185	60	0.3
Ontario	185	60	0.3
Ireland	184	48	0.3
New Brunswick	182	24	0.1
Quebec	180	0	0.0
Spain	180	0	0.0
Sweden	180	0	0.0
UNITED STATES	180	0	0.0
Average	197.1	222.0	1.2

NC Department of Instruction

The shorter school year and day in the U.S. is putting our students behind. After twelve years, students in Japan, for example, have received four more full years of school than their U.S. counterparts. In an age when international trade and commerce is the norm rather than the exception, this is putting our students at a clear disadvantage.

ISSUE: A YEAR-ROUND TEACHING PROFESSION

In looking at issues related to time, currently available teacher planning and training time was second only to the amount of time devoted to instruction. The Study Group strongly recommends that the State begin moving as quickly as possible to converting teaching from a ten-month position to a year-round profession.

❖ The reasons for this recommendation are varied. Few would dispute the fact that teachers are being asked to dramatically alter their teaching approaches and to become accountable in a much different way than they have been in the past. Of necessity, those new demands are accompanied with needs for staff development and for staff planning. ❖ Other reasons for this recommendation fall into the area of public perceptions of teaching as a career and into the economics of teacher salaries. If teaching were a year-round job, presumably salaries would be increased roughly 20%, as the amount of work was extended from ten to twelve months. That change would mean that most teachers, with the possible exception of those working in systems that have no local salary supplements, would move to an average salary level in the mid-\$30,000 range. Such a change would make teaching as a career far more competitive and attractive than it is today. ❖ Ironically, North Carolina was once a nationwide leader in providing time for teacher training and planning. In the seventies, North Carolina became the only state in the nation to lengthen the contract year for teachers by 20 days beyond the student instruction year. Those additional days are commonly known as teacher work days. The effect of that legislation was to extend the length of teacher contracts to 200 days per year while students were required to attend only 180 days per year. The intent of the change was to provide teachers on-the-job time for training and planning. ❖ Subsequent legislative action which also placed North Carolina in a leadership position effectively took away the potential benefit of the extended work days. In 1984, the General Assembly provided vacation leave benefits to teachers on the same basis they provided vacation to state employees. An unintended consequence of this new fringe benefit provision was to reduce the days available for training and planning from 20 to roughly seven because of a clause in the law which permits teachers to take their vacation days only on teacher work days, not on instructional days, when children are present. ❖ In looking at the issue of time, the Study Group once again believes the change to a full-time professional contract would be a major benefit and should be done as rapidly as possible. Given the cost factors required to make such a move, however, extending the teacher contract could be phased-in as the State moves toward a longer instructional year. There are at least two possible ways the State could begin such a move in a systematic and affordable manner. ❖ First, if the State were to work toward 200 instructional days for students by the year 2000, it could, at the same time, work toward phasing-in additional teacher work days each biennium, with the goal of making

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TO BECOME A
YEAR-ROUND PROFESSION.

teaching a year-round job by the year 2000. ❖ Second, if the State were to set as a goal re-establishing its former policy of 20 teacher work days it could: enable teachers to take a limited number of vacation days on instructional days, thus reestablishing more days when all teachers could be involved in planning and training; it could institute a "buy back" policy for all, or a portion of, earned vacation days, accomplishing the same increase in work days; or it could institute an incentive plan which would allow teachers to convert earned vacation days into retirement credit on a one to a one and one-half basis. ❖ The intent of any of these options is the same. Each would increase the amount of time available for teacher training and planning and would work toward a year-round job paid at a competitively professional level.

ISSUE: COMMUNITIES & SCHOOLS

Regardless of the quality of laws passed, training provided and vision embraced for schooling in North Carolina, it is more and more evident that true school reform cannot take place in the State's or nation's capital. Real reform must take place community by community, school building by school building, classroom by classroom. ❖ The Study Group is calling on a variety of organizations and coalitions to redouble their efforts to bring more and more citizens into the campaign to improve North Carolina's schools. The recently created World Class Schools: Everybody's Business Coalition and the North Carolina 2000 effort may be providing a road map by which groups like local Chambers of Commerce, school boards and PTAs can undertake a massive education job aimed at motivating communities to set world-class standards for local schools. ❖ In addition to working for higher educational standards, community coalitions must also focus on parents and parent training in an effort to strengthen

COMPARING 13-YEAR-OLDS WORLDWIDE IN MATH & SCIENCE

Nations in the Survey	Math Rank	% of Test Items Correct	Science Rank	% of Test Items Correct	% With More Than 4 hours Math Homework per Week	% Watching More than 5 Hours of TV per Day
Korea	1	73	1	78	33	11
Taiwan	2	73	2	76	24	10
Switzerland	3	71	3	74	15	7
Soviet Union	4	70	5	73	33	17
Hungary	5	68	4	71	11	13
France	6	64	10	70	17	5
Italy	7	64	7	70	27	5
Israel	8	63	8	70	17	20
Canada	9	62	9	69	15	14
Scotland	10	61	11	69	4	24
Ireland	11	61	14	68	17	9
Slovenia	12	57	6	68	15	4
Spain	13	55	12	67	22	10
UNITED STATES	14	55	13	63	15	20
Jordan	15	40	15	57	14	7

U.S. students trailed far behind most countries in math and science according to a study of 1990/91 scores. As the data indicate, the greater number of hours U.S. students spend viewing TV per day seems to have an adverse effect on their performance. The smaller number of hours spent on math homework seems to have an equally adverse effect on performance.

U.S. Department of Education, National Center for Education Statistics, "Learning Mathematics" and "Learning Science," International Assessment of Educational Progress, prepared by Educational Testing Services, February, 1992.

home/school ties and to make parents full partners in a campaign focused on making all students successful learners and successful citizens. ❖ Beyond that, there are innovative and promising programs taking place elsewhere that could be adapted to North Carolina. The Study Group recommends that SDPI formally assess the effectiveness and adaptability of initiatives like Kentucky's newly created family resource centers and the Cities In Schools Program with an eye toward making recommendations on accelerating the implementation of innovations that could better serve all young people and more effectively bring parents into the process. ❖ Also, the Study Group recommends that the Governor's Office and SDPI jointly create an inter-agency task force to examine all existing programs serving the needs of young people in an effort to make recommendations on dramatically increasing intergovernmental cooperation to effectively use resources serving the State's young people.

ISSUE: CURRICULUM & TECHNOLOGY

A longer school year will fall short of its potential to dramatically raise student performance unless what students are expected to learn and how that learning takes place are transformed. An outcome-based curriculum and greater and more effective use of technology offer new and largely untapped sources of innovation to schools attempting to prepare young people for the 21st century. ❖ With few exceptions, schools are "computer generations" behind private industry and business in the use of technology to improve productivity. The State should do a feasibility study of the cost of networking schools and sponsor a pilot project with a rigorous evaluation component. Furthermore, each school district should be encouraged to adopt long-range technology planning goals that build upon the best private sector thinking and exemplary practices in the State and the nation. ❖ Whenever possible, the State should accelerate the development of outcome-based education curriculum and assessment. The pilot projects that were funded by the 1991 General Assembly have the potential to become a major breakthrough in this area, and the Study Group strongly supports their continued funding.

THE SHIFT IN
THINKING FROM
RESOURCES TO RESULTS,
MORE THAN ANY
ONE THING,
HAS BROUGHT THE
REFORM MOVEMENT
CLOSER TO FINDING
NEW ANSWERS.

REFORM IN THE SHORT SESSION

The elections of 1992 will signal a change of government for North Carolina as the Governor's office, the Lieutenant Governor's office and the leadership of the Senate all are slated to change hands. Hence, the bulk of these recommendations are aimed at 1993 and beyond in the hope that candidates running for office and those who successfully compete for office will reflect on these recommendations and incorporate them into their thinking about schools. ❖ It is impossible, however, to ignore what remains to be done in the Short Session of 1992. The fate of the Basic Education Program, differentiated pay, Senate Bill 2, the teachers' salary schedule and school equalization funding hang in the balance as legislators continue to work with the additional pressure of a slumping economy, a contentious election year and serious divisions about the best directions for North Carolina's schools. Recognizing the importance of this Short Session, the Study Group makes the following recommendations to members of the General Assembly.

TEACHER SALARY SCHEDULE

A teacher salary schedule, probably somewhat lower than that originally envisioned in 1989, should be completed in the Short Session. With a completed schedule, the State's annual longevity obligation to teachers would be only two percent per year, giving the State more options for salary enhancement in the future. Also, in light of last year's salary freeze, there is a need to address morale issues, and finishing the schedule should restore confidence in the General Assembly's intent to finish multi-year initiatives.

DIFFERENTIATED PAY

The history of differentiated or merit pay in education is a history of false starts and abrupt stops. North Carolina last experimented with merit pay in the 1960's school reform movement; since 1980, the State began a much-touted Career Development Pilot Program only to stop short of statewide implementation. In 1989, Senate Bill 2 included a differentiated pay component that was, for all practical purposes, at least temporarily converted to across-the-board raises before it could be implemented. ❖ If the State does not restore differentiated pay in the Short Session, history would indicate that North Carolina will go back to rewarding teachers only for longevity and degrees earned. It will be another ten to twenty years until the State again considers paying educators more for better performance or for performing additional duties. To allow differentiated pay to once again move to the "back burner" of reform is too large a sacrifice to make before even one year under the new system has been attempted. The Short Session should keep the door open for sustained effort in this area after a new salary schedule is in place.

EQUALIZATION OF RESOURCES

The historic first step toward equalizing resources for small and rural schools that was taken by the 1991 Session must not be a last step. It should come as no surprise to anyone that 19 of the 20 systems in jeopardy under the State's new accountability system are among those that would be entitled to large amounts of funding under the proposed equalization funding formula. That formula factors in the inability of needy counties to offer school programs that are the equal of their wealthier neighbors. ❖ All North Carolina counties were not created equal, and just as the State is sliding into a dual economy of "haves and have nots," so are the State's schools threatened with similar divisions. For all children to have access to a more equal

educational opportunity, this first step toward equalizing resources in schools must be followed by a second step if the State is to see its children in small and low-wealth counties have higher hopes for educational excellence. ❖ Any solution to this dilemma should not adopt what has been called a "Robin Hood" approach – taking from the rich and giving to the poor. Even spending in North Carolina's wealthiest counties is only slightly above the national average, and we cannot afford to diminish our commitment to children in any community or school. ❖ Further, there is a legitimate concern that additional money given to low-wealth or small schools not simply be earmarked for expenditures which research would say are unlikely to better the schools. While not removing the ability of these schools to focus on their greatest needs, policy makers may want to consider provisions that would earmark additional equalization dollars for expenditures that could reap the biggest dividends. Such expenditures could include items such as: advanced course work in basic areas; additional technology; long-distance learning equipment; early education; day care; and remedial evening, weekend and summer programs. At a minimum, policy makers should require small and low-wealth schools to modify their school improvement plans to reflect how additional equalization funding would enable them to better meet their student performance goals.

OUR SCHOOLS CAN
BE SECOND TO NONE.
WE KNOW WHAT
NEEDS TO BE DONE.
ALL THAT REMAINS
IS TO DO IT.

SHIFTING THE FOCUS OF BEP

The Basic Education Program was enacted during a time when educators and policy makers across the nation believed that more of what had always been done would solve the problems of the nation's schools. Since that time, the focus of school reform has shifted. It is time to shift the focus of the BEP, as well. ❖ While the BEP has succeeded in bringing badly needed resources to low-wealth counties, it presumed that staffing formulas devised in Raleigh would serve all schools well; they have not. The formulas invested heavily in class size reductions that research would now say will make little difference in student performance. ❖ The program funding formulas of the BEP excluded areas like advanced math and science but mandated programs some would willingly trade for offerings like Calculus. Finally, in enacting Senate Bill 2, the General Assembly announced its intention to shift away from holding schools accountable for complying with rigid, top-down rules, regulations and staffing formulas; by clinging to expectations that the BEP must be complied with, the State is sending schools a mixed message. ❖ Is compliance with rules and regulations or student performance the best measure of schools? Should resources be allocated based on state-generated formulas, or based on the educational needs of 100 very different counties? The intent of the BEP needs to be revisited, with an eye to aligning it with the intent of accountability. Any additional BEP funding should be accompanied with greater local flexibility, as called for in House Bill 828, introduced during the 1991 Session.

Localities that determine BEP funds could better be spent on staff training, technology, or advanced mathematics and science courses should have the flexibility to invest it in that way.

SCHOOL GOVERNANCE

Under consideration for the 1992 legislative session is a bill which would make the State Superintendent the Chair of the State Board of Education. While the Study Group lauds the General Assembly for recognizing that the current governance structure desperately needs an overhaul, it urges extreme caution before this legislation is enacted into law. ❖ As long as the State Board of Education is appointed, it is difficult to envision that an elected State Superintendent of one party will be any more effective as Superintendent and non-voting Chair of the Board if the majority of the Board is appointed by the other major party. In a worst case scenario, it could exacerbate the tensions which exist today. ❖ As stated earlier in the report, the Study Group feels the governance issue is of paramount importance and asks the General Assembly to consider putting before the people a constitutional amendment that would lead to a reconstituted State Board of Education which would appoint the State Superintendent.

A LAST WORD ON ACCOUNTABILITY, REPORT CARDS & TAKE-OVERS

When the School Improvement & Accountability Act of 1989 was enacted, accountability became the new rule of the educational landscape. However, there was an implicit understanding that in exchange for accountability, local schools could count on three things:

- ❖ BEP funding would be completed before performance standards were fully enforced.
- ❖ Schools would be granted wide latitude to make decisions enabling them to meet their educational goals.
- ❖ Differentiated pay would be available as an incentive to schools that met their accountability goals.

In 1991, 20 of the State's 131 school systems were placed on an "alert" or "warning" status because they are in jeopardy of not meeting educational standards. These systems could fall prey to the new State take-over legislation. As yet, however:

- ❖ The BEP is not fully funded and, in fact, previously funded BEP programs were cut back in the '91 session.
- ❖ The wide latitude that was anticipated through the flexibility provisions of the School Improvement & Accountability Act has not materialized, especially in the area of budgeting.
- ❖ Differentiated pay was, for all practical purposes, converted to across-the-board pay hikes before incentive pay could be tested. There is no money for differentiated pay slated in the 1992 budget.

It should not be surprising that educators, many of whom were skeptical of the accountability movement when it began, are even more skeptical today. Educators are, however, left with an accountability standard far more taxing than ever before and now are faced with potential local take-overs because they have failed to meet their student performance goals.

A CANDID REASSESSMENT & PLAIN TALK

A reassessment and plain talk are needed in 1992. While this report focuses its attention on issues facing a newly constituted government in 1993, the decisions made in 1992 may well frame the future direction of school reform through the nineties. ❖ Because of frequently courageous legislative action in the eighties and early nineties, much of the foundation for major school reform is built – built, that is, if budget-driven actions do not take key building blocks out of the foundation before improvements can be placed on top of it. ❖ If nothing else is clear after one decade of school reform, it is that quality schools cannot be mandated by well-intentioned legislation. School reform will finally take place community by community, school by school and classroom by classroom. There is a limit to the endurance and belief levels of the educators who are charged with carrying out reform. Stop and start reform and abrupt changes in the direction of reform have eroded the people base needed to make real change. ❖ If the 1992 session can do nothing more than demonstrate that there is a long-term commitment to school improvement and that the reform measures enacted in the past were serious expressions of intent, it would do more to sustain reform than any other action. Conversely, if the only action taken is the enactment of a salary schedule, the real or imagined signal being sent to educators may doom subsequent efforts to accelerate school improvement in the nineties. ❖ The upcoming 1992 legislative session is a watershed year for school reform. Regardless of the level of commitment the new leaders of government have in 1993, the actions taken in this session will be the foundation they will have to build upon, or repair, in subsequent years. With the national economic slump bringing school reform efforts to their knees in states across the nation, it is clear what could happen to reform in North Carolina if the actions taken are not carefully thought out in the context of the long-term, not the short-term.

A CALL TO ACTION

Research tells us that the more we expect of students the more we are likely to get from students. It is a matter of high expectations and high goals. There may be a profound moral in that research finding. Is it unfair to say that the more a state expects of its schools the more it is likely to get from the schools? That also may be a matter of high expectations and high goals. ❖ At the moment, North Carolina is not getting what it must get from its schools. Consider the following.

- ❖ Nearly three out of ten young people turn their backs on schools and drop out before graduation.
- ❖ Of those graduating, one out of five need remedial work in mathematics or language if they go on to college.
- ❖ We languish near the bottom in SAT scores and national standings on mathematics.
- ❖ Our work force is hobbled because one out of six adults is not literate.

Roughly 80,000 young people enter school for the first time each year. Each year that passes without the State finding a new and better way to make North Carolina's schools world-class sees yet another class of young people graduate without being able to compete with the graduates of schools across the world. For all of the well-intentioned initiatives that have been started in the last decade there is a long way to go until North Carolina's young people have the schools they must have if the State is to remain vibrant.

A FINAL CAUTION

Just as the report began with a caution to readers, so it will end with another caution: There is no time to spare in this drive to make North Carolina schools the equal of any in the world. The drive must continue. The drive must intensify. The drive must succeed. ❖ Thankfully, if one accepts the premise that it will take the equivalent of a crusade involving taxpayers, parents, business people, educators and policy makers to improve the schools, the public appears to recognize that something must be done. A poll just conducted for the *Raleigh News & Observer*, the *Winston-Salem Journal* and WRAL-TV, underscores the gravity with which the average North Carolinian views the subject of school reform. When over half of the general public believes schools are worse today than they were previously, it should be possible to spark an effort which unites the will of the people to create world-class schools. ❖ Toward that end, the Study Group calls on the following groups to band together in an effort to create a system of schooling which is second to none.

NORTH CAROLINIANS SAY SCHOOLS ARE GETTING WORSE

"Do you think NC public schools provide a better, worse or about the same education as when you were in school?"

	Democrat	Republican	White	Black
Better	34.0	20.3	23.7	47.9
Worse	51.5	60.5	58.3	42.0
Same	9.7	12.9	12.0	6.7
Not sure	4.8	6.3	5.9	3.4

A poll recently conducted by the Raleigh News & Observer and WRAL-TV, indicated that a majority of North Carolinians think schools are worse – not better – than when they were in school.

- ❖ Parents of school-aged children must become partners in the drive to improve schools. That partnership can begin at home with changes as simple as rules on viewing TV, with time set aside for discussion and reading with children, with curbs on the number of hours young people can work per week. It must go farther and include time in the schools, conferences with teachers, and joining with other concerned parents to insure that the schools have high standards and expectations.
- ❖ The business community must redouble its efforts to create a broad-based awareness of the economic imperatives that make world-class schools a necessity, not a luxury. Also, as with parents, school reform should begin at home with businesses focusing on its employees and providing parent training, time for involvement in schools and information about how employees can give of their time to strengthen local schools.
- ❖ Educators must embrace the imperative for change and suspend their disbelief that policy makers and the public somehow don't mean it when they say they want better schools. Further, they must ask more of all students. They must set world-class standards for all students. They must embrace new teaching strategies that maximize the chance that all students will succeed in schools.
- ❖ Policy makers must remain constant in being catalysts for change, in prodding schools to be more accountable, in loosening control in an effort to spur innovation, in providing the dollars needed to break new

ground. Further, policy makers must have the courage to call for changes unlike any made before, in raising the public's expectations to the point that anything less than world-class is unacceptable.

IN CLOSING: A SECOND – & PERHAPS FINAL – WAKE-UP CALL

Was it coincidence that the current school reform movement began as the nation was climbing out of its deepest recession since the Second World War? We think not. For many Americans, the severity of that downturn was a “wake-up call” to get serious about saving our public schools. ❖ Today, having weathered another – albeit less severe – recession, the nation and North Carolina have gotten a second, and perhaps final, wake-up call. Unlike 1983, however, America today finds itself in a fundamentally changed position. ❖ As before, business failures, plant closings, and lay-offs have taken their toll, but unlike previous recessions, many US firms, citing the need to become globally competitive, have sharply and permanently reduced their work forces. Many lay-offs have been announced; more are pending. A combination of factors – making greater use of technology, shifting operations overseas, and demanding more from employees still on the job – has made these cut-backs possible. ❖ Of these developments, the most disturbing is the loss of jobs to other nations. Japan, for example, is poised to challenge America's leadership in computers, and in March of 1992, *Fortune* magazine reported that “Zenith, the only remaining American maker of [television] sets, will soon build all of them in Mexico.” Firms in other industries are doing likewise, and the harsh reality is that jobs that have “gone south” or migrated overseas will not soon return. ❖ What does this mean for schools? It is no coincidence that, as the pace of economic and technological change quickens, the need to strengthen public schools has never been greater. In what one economist is calling the emerging new economy, the success of American workers competing in the global marketplace will hinge upon their ability to “think for a living,” to work in teams, to anticipate rather than react to trends in science and technology, to conceive and develop new products and services, to meet and surpass “world-class” standards. ❖ Despite commendable progress in public education this century, “better than ever” is no longer good enough. America's schools cannot stand pat. In today's competitive climate, if they are not moving forward, they are falling behind. In making a case for fundamental change, the Study Group has cited a litany of statistics about the condition of public schools. Some are familiar; others, such as the dismal performance of US students in international comparisons of mathematics and science achievement, may not be. What must not be lost, however, is the grim reality behind these statistics – the human cost in jobs and living standard that cuts far deeper than mere numbers can indicate. ❖ North Carolina has reached the 11th hour of school reform. We must chart a new course for schools – one that is based on lessons of the past and the best thinking of the present. At stake is nothing less than the economic future of our state and the well-being of all North Carolinians. There is little time to lose.

APPENDIX

APPENDIX A

DOLLARS & SENSE

As noted earlier, the members of the Study Group recognize that the economy, pinched state revenues and unmet needs in other areas of government make it unlikely that each and every recommendation contained in this document can be addressed in short order. The Study Group, however, did not attempt to prioritize the recommendations in the belief that at some point if North Carolina is to have a system of schools that is second to none, all of the recommendations will need to be addressed.

Having said that, the Study Group believes that it is imperative that recommendations be made with cost projections and that policy makers and the public have "open eyes" to the potential impact of the recommendations.

Changes of the magnitude envisioned in this report will not come easily. Nor, in some cases, will they come cheaply. The Study Group is mindful, however, that much of what is being proposed, such as creating community coalitions or establishing family resource centers, can be done at little or no additional expense. Whenever possible, the redirection of existing resources can and must be used to defray costs for new initiatives.

ESTIMATED INCREMENTAL COSTS & FUNDING SCHEDULE

	1993-95 Biennium	1995-97 Biennium	1997-99 Biennium	1999-01 Biennium	Annual Total at End of Eight Years
1. Vision and Governance (p. 16)					
None	0	0	0	0	0
2. Time for Instruction (p. 23)					
Moving from 180-day school year to 200-day school year	86,111,111	86,111,111	86,111,111	86,111,111	344,444,444
3. Year-Round Teaching Profession (p. 25)	0	60,277,778	60,277,778	60,277,778	180,833,333
4. Accountability & Assessment (p. 20)					
Test and assessment development*	7,142,040	0	0	0	7,142,040
Revise and develop curriculum	0	0	0	0	0
5. Flexibility (p. 22)					
Administrator training	375,000	4,459,750	0	0	4,834,750
6. Leadership Development (p. 18)					
Study Commission	40,000	(40,000)	0	0	0
Training institute for local school boards	100,000	0	0	0	100,000
Staff development	22,020,000	0	0	0	22,020,000
7. Communities & Schools (p. 26)					
Community coalitions	0	0	0	0	0
Family Resource Centers	0	0	0	0	0
8. Differentiated Pay - Senate Bill 2 (p. 28)	38,121,950	39,273,233	20,029,349	0	97,424,532
9. Equity Funding for Small Counties (p. 28)	9,900,000	0	0	0	9,900,000
10. Equity Funding for Low Wealth Counties (p. 28)	38,000,000	38,000,000	38,000,000	38,000,000	152,000,000
Total for Each Two-Year Biennium	\$201,810,101	\$228,081,872	\$204,418,238	\$184,388,889	\$818,699,099

*The \$7,14 million reflect the additional funding requested for the 1992-93 school year. Future requests will vary.

NOTES TO ESTIMATED COSTS

All expenses on the chart shown to the right are in current (1992) dollars. Each biennium represents the two-year budgeting cycle used by the North Carolina General Assembly. The amount shown for each biennium represents a spending increase over the prior budgeting period. Thus, by the end of the eight-year phase-in, the 200-day school year will cost about \$344.4 million (in current dollars) annually. The total estimated increase in annual spending is \$818.7 million. Figures reflect state costs only.

Time for Learning (item 2 on chart) calls for increasing the instructional year from 180 days to 200 days. The increase will occur in increments of five days per biennium, ie, from 180 days to 185 days to 190 days to 195 days to 200 days by the 2000-01 school year. Moving to a 200-day school year will require an 11.1% increase in State spending.

Many counties have a long-range goal of air conditioning all schools, but there is little information available on statewide costs. Local expenses to install air conditioning in all schools and to cool and light schools have not been included in the estimate.

The calculation of costs for **Year-Round Teaching Profession (item 3 on chart)** are similar to those for Time for Learning except that non-certified staff such as teaching assistants and bus drivers have been factored out. Teachers would be employed for 240 working days each year and would, in effect, have 12-month contracts.

The estimated cost for administrative training under the **Flexibility (item 5 on chart)** recommendations include the expense of establishing a center within the UNC system and, in subsequent years, of stipends for 100 prospective principals selected to participate in the program.

Three of the recommendations for **Leadership Development (item 6 on chart)** have cost implications. The study commission will require a one-time expenditure for travel and meeting costs. The estimated expenses for the training institute for local school boards would enable existing organizations to develop new approaches and methods, with travel and related expenses paid by local school units. The recommendation for staff development is based on a private industry standard of one percent of salaries and wages.

The recommendation for **Differentiated Pay (item 8 on chart)** would provide the equivalent of a five percent bonus for state-funded, certified staff. The recommended funding level is below the seven percent funding called for by Senate Bill 2, and reflects the Study Group's belief that, considering the State's fiscal condition, five percent would be an effective incentive for school-based certified staff.

Equity Funding for Small Counties (item 9 on chart) would provide full funding for all eligible counties under the legislation enacted by the General Assembly during the 1991 Session.

Equity Funding for Low-Wealth Counties (item 10 on chart) would provide full funding for all eligible counties under the formula adopted by the General Assembly during the 1991 Session. As called for in the enacting legislation, funds could only be spent to support instructional activities at the school level.

APPENDIX B

DATA ON SOUTHEAST STATES AS COMPARED TO NATION

(Note: A rank of 1 is optimum for each category.)

Spending per Student (1991): Alabama, \$3,648; Florida, 5,154; Georgia, \$4,860; Mississippi, \$3,322; North Carolina, \$4,802; South Carolina \$4,327. The US average spending per student is \$5,261. (Source: National Education Association, "Ranking of the States, 1991")

Students per Teacher (1991): Alabama, 17; Florida, 16.5; Georgia, 15.3; Mississippi, 17.1; North Carolina, 15.8; South Carolina, 15.9. The US average number of students per teacher is 15.9. (Source: National Education Association, "Ranking of the States, 1991")

Infant Mortality Rate (1990): Alabama, 10.01; Florida, 9.76; Georgia, 10.82; Mississippi, 11.40; North Carolina, 10.99; South Carolina, 11.48. The US average infant mortality rate is 10.0. (Source: US Department of Health and Human Services, Centers for Disease Control, National Center for Health Statistics)

Per Capita Income (1991): Alabama, \$13,625; Florida, \$17,647; Georgia, \$16,053; Mississippi, \$11,724; North Carolina, \$15,198; South Carolina, \$13,634. The US average per capita income is \$17,596. (Source: National Education Association, "Ranking of the States, 1991")

Drop-Outs As A Percentage of Ninth Grade Enrollment (high school graduates, 1988/89 as compared with ninth grade enrollment in Fall of 1985): Alabama, 32.3%; Florida, 38.5%; Georgia, 37.9%; Mississippi, 39.9%; North Carolina, 30.6%; South Carolina 35.0%. The US average drop-outs as a percentage of ninth grade enrollments is 28.5%.
(Source: US Department of Education)

Adult Illiteracy Rate (1982): Alabama, 13%; Florida, 15%; Georgia, 14%; Mississippi, 16%; North Carolina, 14%; South Carolina, 15%. The US average adult illiteracy rate is 13%.
(Source: US Department of Education, Literacy Study, 1982)

SAT Scores (1991): Alabama, 991 (8% taking test); Florida, 882 (48% taking test); Georgia, 844 (62% taking test); Mississippi, 997 (4% taking test); North Carolina, 844 (57% taking test); South Carolina, 832 (58% taking test). The US average SAT score for 1991 was 896. National rankings are: Alabama, 18 (43 after adjusting for % taking test); Florida, 41 (40 after adjusting for % taking test); Georgia, 48 (47 after adjusting for % taking test); Mississippi, 13 (51 after adjusting for % taking test); North Carolina, 49 (remains 49 after adjusting for % taking test); South Carolina, 51 (50 after adjusting for % taking test).
(Source: North Carolina Department of Public Instruction)

APPENDIX C

SCHOOL EMPLOYEE POPULATION IN 1984/85 AND 1990/91

In response to the reform movement, the number of public school employees has increased dramatically. In 1984, classroom teachers numbered 56,084; in 1990/91 they number 63,852. Non-teaching professionals numbers went from 5,842 to 7,583 while school administrators went from 4,403 to 5,177. Non-professionals working in schools increased from 41,573 to 47,866. Total increases since 1984/85 include 7,768 more classroom teachers, a 13.9% increase. Non-teaching professionals have added a total of 1,741 to their ranks, an increase of 29.8% and the number of school administrators has risen by 774, a 17.6% increase. The total number of non-professionals has increased by 6,293, or 15.1%.

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