

# 2017 Legislative Summary & 2018 Looming Issues

*Katherine W. Joyce, Executive Director*

[www.ncasa.net](http://www.ncasa.net) | 919-828-1426 | [kjoyce@ncasa.net](mailto:kjoyce@ncasa.net)



# 2017-2018 Session Landscape

## House

- 74 Republicans
- 46 Democrats
- Speaker of the House:  
Rep. Tim Moore (R-Cleveland)

## Senate

- 35 Republicans
- 15 Democrats
- President Pro Tem:  
Sen. Phil Berger  
(R-Rockingham)



# Principal Pay Increase

- **Creates new salary schedule for principals.**
  - \$24 million additional for principals; 8.6% average increase
  - Moves average principal pay from \$64,416 to \$71,748
  - Geared toward growth measures
  - Takes ADM into account
  - Eliminates longevity & degree supplements
  - Contains “hold harmless” language so that a principal cannot earn less in 2017-18 than in 2016-17 (including with longevity)
  - Opportunity to earn 1 or 2 bonuses totaling up to \$15,000 to be paid by 10/31/17

# Principal Pay Schedule

ADM	Base	Met Growth	Exceeded Growth
0-400	\$61,751	\$67,926	\$74,101
401-700	\$64,839	\$71,322	\$77,806
701-1,000	\$67,926	\$74,719	\$81,511
1,001-1,300	\$71,014	\$78,115	\$85,216
1,301+	\$74,101	\$81,511	\$88,921

- A principal is paid **“Exceeded Growth”** if school growth scores show the school exceeded expected growth in at least 2 of last 3 three years (starting with 2014-15).
- A principal is paid **“Met Growth”** if either of following apply:
  - The school met expected growth in at least 2 of last 3 years
  - The school met expected growth in at least 1 of last 3 school years and exceeded expected growth in 1 of last 3 years.
- A principal is paid at **“Base”** level if neither of these situations apply, including new principals with less than 2 years on job.
- **Principals of alternative schools** and others whose schools lack traditional growth measures are paid at **“Met Growth”** level.

# Principal Bonuses

- **Opportunity 1** – Bonus in 2017-18 to principal who supervised a school as a principal for majority of previous school year if that school was in top 50% of school growth as follows:
  - Top 5% = \$5,000
  - Top 10% = \$4,000
  - Top 15% = \$3,000
  - Top 20% = \$2,000
  - Top 50% = \$1,000
  
- **Opportunity 2** – Bonus in 2017-18 to principal who supervised same school majority of 2015-16 and 2016-17 if that school exceeded growth in 2016-17 and did not exceed growth (either met or did not meet) in 2015-16. Greater of following:
  - \$10,000 if school was “D” or “F” during 2015-16
  - \$5,000 for all others

# Assistant Principal Pay

- For the 2017-2018 fiscal year, assistant principals will receive a monthly salary based on **“A” teacher salary schedule plus 17%**.
  - \$11 million in new funding for AP pay; a 13.4% average increase
  - Years of experience based on years as teacher, AP or both
  - Retain degree supplements
  - Eliminates longevity
  - Contains hold harmless provision
  - Intent language to pay APs on Teacher “A” schedule plus 19% in 2018-2019.

# Strengths of New Pay Plans

- Adds significant new funding for SBA compensation
- Provides a base-salary approach for principals rather than a block allotment approach
- Maintains recognition of school size
- Reconnects assistant principals to the teacher salary schedule
- Approximately 75% of principals could be rewarded in their base pay for meeting or exceeding growth and 50% will receive an additional bonus
- Significantly favors early to mid-career principals who have been the most underpaid
- Both principals and assistant principals “held harmless”

# Most Commonly Expressed Concerns

- Most veteran principals receive small or no increase
- “Hold harmless” guaranteed for only one year
- Loss of longevity for both principals and assistant principals
- Loss of degree supplements for principals
- Many principals will earn less per month than APs with same years of experience (Paid on AP or Teacher schedules)
- Experienced principals on same scale as new principals with same ADM
- Inconsistent and unpredictable pay from year to year
- In smaller schools, especially small high schools, one teacher can dramatically change the growth outcome
- Principals’ salaries based on growth when teachers’ salaries are not
- Principals hired for struggling schools may be at disadvantage



# Principal Pay Correction

- Expect legislative action in 10/4/17 session to clarify that principal or assistant principal paid on teacher schedule in 2017-18 can receive longevity so there will be no actual loss in pay.
- Addresses glitch DPI identified in hold-harmless provision, whereby budget law had limited longevity pay only to those principals paid on the principal schedule in 2016-17 and APs paid on the AP schedule.
- Truly technical change to uphold intent of no principal or assistant principal losing pay.
- All other proposed tweaks to be considered in short session that begins May 16, 2018.

# Teacher Pay

- **Avg. 3.3% increase** in 2017-18 and 9.6% avg. increase by 2018-19
- **Range from 0.6% - 6.7%** depending where in schedule
- **\$385 bonus for those with 25+ years** of experience + \$300 raise
- **Supplement for Highly Qualified Graduates** – 3.75 GPA and 48 edTPA = Step 1 pay; if STEM or special ed. = Step 2 pay; if at low-performing school = Step 3 pay.
- **Raises cap to \$3,500 and extends/adjusts 2016 bonus programs:**
  - Top 25% in LEA/State in 3<sup>rd</sup> Grade Reading – No longer have to remain teaching 3<sup>rd</sup> grade in year bonus paid.
  - AP/IB/CTE Bonuses – No longer have to remain teaching same class; adds teacher of students earning “E” or higher on Cambridge AICE.
- **Establishes new math bonus** program for in grades 4-8, and a **reading bonus program** for teachers in grades 4-5.
  - Top 25% of teachers in LEA/State.
  - \$2,150 bonus to be paid in January.

# Budget: Teacher Prep

- **Teaching Fellows** – \$450,000 R in 2017-18 and \$6 million R in 2018-19 to re-establish forgivable loans up to \$8,250 per year for up to 4 years to qualifying student teachers in special education and STEM.
- **Future Teachers of North Carolina** – \$278,500 R to develop curricula and provide professional development for high school teachers who will teach courses encouraging high-achieving high school students to consider teaching as a profession.
- **Initial Teacher Licensure Application Reimbursement** – \$245,000 R to reimburse fee for first-time applicants who emerge from NC educator preparation program.
- **New Teacher Support Program** – \$1 million R for training and one-on-one coaching for new teachers.
- **NCCAT** – \$300,000 R.

# Budget: School Finance

- **Joint Legislative Task Force On Education Finance Reform** – Creates the Joint Legislative Task Force on Education Finance Reform to study various weighted student formula funding models and develop a new funding model for K-12 schools based on a weighted student formula.
- **NCASA Committee of Superintendents and Finance Officers** – Working now with consultant to develop slate of “unifying” recommendations we can share with task force.

# Class Size

- **H13, Class Size Requirement Changes** – Modifies 2016 mandate to further reduce K-3 class size to allow two-year phase-in that lawmakers pledged in H528 (Budget Technical Corrections) to supplement with new funding for enhancement teachers in 2018-19 when class sizes drop again.
  - For 2017-18, district average class size for K-3 must not exceed 20 students, while the size of an individual class may not exceed 23 students.
  - For 2018-2019, individual class size for K-3 can be no more than 3 above funded ratio and district average class size for K-3 cannot exceed funded ratio as follows:
    - ❑ For kindergarten, one teacher per 18 students.
    - ❑ For first grade, one teacher per 16 students.
    - ❑ For second and third grade, one teacher per 17 students.
  - Dual language immersion and LEAs in continuing pilot programs are exempt from these limits, per state budget.

# Class Size

- **H13, (continued)** – Contains bi-annual reporting requirements ensuring compliance:
  - For each class in each grade level at each school the following:
    - ❑ The duties of the teacher.
    - ❑ The source of funds used to pay for the teacher.
    - ❑ The number of students assigned to the class, including all exceptions to individual class size maximums in kindergarten through third grade that exist at that time.
    - ❑ The district average class size in each grade K-3.
  - For each school the following:
    - ❑ The number of program enhancement teachers, defined as those who teach arts disciplines including dance, music, theater, and the visual arts, physical education and health programs, or world languages
    - ❑ The source of funds used to pay each program enhancement teacher.

# Personnel

## ➤ **S599, Excellent Educators For Every Classroom**

- Establishes Prof. Educator Prep. & Standards Commission to recommend standards on prep, licensure and continuing education.
- Expands and sets up authorization and accountability for new EPPs.
- Phases out lateral entry licensure and replaces with 1-year minimum “residency” model allowing eligible BA enrollee to teach at same time.
- Defines various teacher licenses:
  - ✓ Residency = 1-year (renewable twice) if have BA + relevant coursework or successful relevant exam in content area; enrolled in EPP; and completed pre-service field experience and coursework.
  - ✓ Initial = 3-year non-renewable or person who completed EPP.
  - ✓ Continuing = 5-year renewable.
  - ✓ Emergency = 1-year non-renewable for those with BA and relevant coursework but not eligible for residency license.
  - ✓ Retirement = 5-year renewable issued to retired teacher w/ 30 or more yrs. of service and who served as substitute or part-time provider of educational services since retirement.
  - ✓ Lifetime = 50 or more years of teaching and requiring no renewal.

# Personnel

## ➤ **S599 (Continued)**

- Allows issuing lateral entry licenses through 2018-2019 year.
- Removes requirement for middle school continuing ed. credits in literacy.
- Exempts General Assembly members who are teachers from continuing ed. requirements.
- Clarifies that retired principals or APs may be employed as interim principals regardless of licensure status.
- Requires recognition program for teachers with 40 or more years.
- Requires Reading Improvement Commission to recommend improvements in PD for teachers in grades 4-12 in area of literacy.

## ➤ **S169, Teaching Excellence Bonus Expansion** – Provides for bonuses to certain teachers who, but for no longer teaching certain grades or courses, would have received bonuses under the Third Grade Teacher Performance Pilot Program or Advanced Placement/International Baccalaureate Teacher Bonus Pilot Program established in the 2016 budget.

## ➤ **S448, Professors in the Classroom** – Authorizes LEAs to employ higher education faculty members to serve as adjunct instructors in specific core academic subjects in grades K-12.



# NCASA Priorities For 2018

## ➤ **School-Based Administrator Pay**

- Increase base pay for principals and assistant principals.
- Build experience factor into principal base pay.
- Extend hold harmless into future years.
- Grandfather degree supplements for existing principals.
- Adjust principal schedule to add large school tiers and option for principals w/o growth measure to “exceed growth.”
- Tweak bonus to reward exceeding growth in either 1<sup>st</sup> or 2<sup>nd</sup> year.

## ➤ **Class Size Flexibility & Enhancement Teacher Funding**

- Create new enhancement teacher allotment and provide class size exceptions in hardships for facility issues and teacher shortage.

## ➤ **Approve Public School Bldg. Bond Act (H866) setting up \$1.9B bond vote**

## ➤ **Prevent Central Office Cut of \$4 million slated for 2018-19**

## ➤ **A-F School Performance Grade Changes**

- Make 15-point scale permanent and increase weight of growth.

# Other 2018 Looming Issues

- **Retirement System Reform**
  - Elimination of pension for new hires
- **Calendar Flexibility**
  - Statewide Legislation
  - Pilot Program
- **Charter School Issues:**
  - Fund 8/Separate Funding Issues
  - Permit Town to apply to open charter schools
- **School Choice Expansion**
  - Vouchers
  - Personal Education Savings Accounts

# Member Resources

- **Executive Director**  
Katherine Joyce  
[kjoyce@ncasa.net](mailto:kjoyce@ncasa.net)
- **Assistant Executive Director**  
Anne Strickland  
[astrickland@ncasa.net](mailto:astrickland@ncasa.net)
- **Finance Manager**  
Elizabeth Martini  
[emartini@ncasa.net](mailto:emartini@ncasa.net)
- **Executive Assistant**  
Rhonda Jernigan  
[rjernigan@ncasa.net](mailto:rjernigan@ncasa.net)
- **Legal Affairs & Policy Manager**  
Adam Pridemore  
[apridemore@ncasa.net](mailto:apridemore@ncasa.net)
- **Contract Lobbyist**  
Bryan Holloway  
(Contact through NCASA)
- **NCASA Office**  
107 Glenwood Ave  
Raleigh, NC 27603  
Phone: 919-828-1426  
[info@ncasa.net](mailto:info@ncasa.net)  
[www.ncasa.net](http://www.ncasa.net)  
[www.ncasalegislativelink.org](http://www.ncasalegislativelink.org)  
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