

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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HOUSE BILL 1862

Short Title: Funding Flex. Pilot Prog./Lee County Schools. (Public)

Sponsors: Representative Love.

Referred to: Education, if favorable, Appropriations.

May 20, 2010

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A SCHOOL FUNDING FLEXIBILITY PILOT PROGRAM FOR LEE COUNTY SCHOOLS.

The General Assembly of North Carolina enacts:

SECTION 1. Pilot Overview. The State Board of Education shall permit the Lee County schools to establish a Funding Flexibility Pilot Program pursuant to this act.

SECTION 2. Expenditures. Notwithstanding G.S. 115C-105.25 and except as otherwise required by federal law or the conditions of federal grants, the pilot unit shall be allowed to spend State funds without limitation for any lawful purpose during the 2010-2011 fiscal year and the 2011-2012 fiscal year. The pilot unit shall continue to pay employees no less than required by the existing salary schedules. This includes, but is not limited to, choosing to use current categorical funding for the public schools of North Carolina or dollars assigned to each category where positions and months of employment are assigned. Funding for the Lee County schools shall be appropriated in accordance with policies and formulas for all other school systems in the State of North Carolina.

SECTION 3. Evaluation. At the conclusion of each year, the Lee County schools shall evaluate the effectiveness of having funding flexibility through the following areas:

- (1) Composite test scores in end-of-grade and end-of-course tests, weighted to take into account demographic factors;
- (2) Schools making average yearly progress, as defined by the No Child Left Behind Act of 2001;
- (3) High school cohort graduation rate;
- (4) Percentage of local funds spent on non-instructional support positions;
- (5) Minimal audit exceptions; and
- (6) Teacher turnover.

SECTION 4. If at the end of the 2011-2012 school year there has been an increase in academic performance, the unit may continue to participate in the pilot program during the 2012-2013 and 2013-2014 fiscal years.

SECTION 5. This act becomes effective July 1, 2010.

