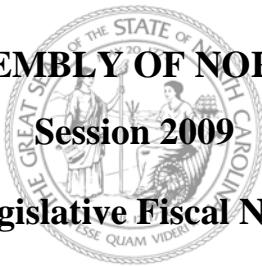


**GENERAL ASSEMBLY OF NORTH CAROLINA**



**Session 2009**

**Legislative Fiscal Note**

**BILL NUMBER:** Senate Bill 306 (Second Edition)

**SHORT TITLE:** New Assistant Principals/No Pay Decrease.

**SPONSOR(S):** Senator Tillman

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2009-10</u></b>	<b><u>FY 2010-11</u></b>	<b><u>FY 2011-12</u></b>	<b><u>FY 2012-13</u></b>	<b><u>FY 2013-14</u></b>
<b>EXPENDITURES:</b>					
(\$ in thousands)					
<b>State General Fund:</b>	\$179 to \$357	\$179 to \$357	\$179 to \$357	\$179 to \$357	\$179 to \$357
<b>LEAs:</b>	\$86 to \$172	\$86 to \$172	\$86 to \$172	\$86 to \$172	\$86 to \$172
<b>POSITIONS:</b>	N/A	N/A	N/A	N/A	N/A
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> State Public School Fund, Local Education Agencies (LEAs)					
<b>EFFECTIVE DATE:</b> July 1, 2009					

**BILL SUMMARY:**

This bill amends GS 115C-285(a) to mandate that, beginning July 1, 2009, all assistant principals shall not earn less on a monthly basis than they earned previously as a teacher.

**ASSUMPTIONS AND METHODOLOGY:**

Background

Certified personnel are paid based on position and years of experience. Teachers are paid additional salary supplements of 10% for a master's degree, and an additional salary supplement of 12% for having certification from the National Board of Professional Teacher Standards (NBPTS). Traditionally, the salary schedule for assistant principals has been set at 1% greater than the salary schedule for teachers with a master's degree.

The table below shows the various salary schedules for teachers, as well as the salary schedule for assistant principals. Shaded cells indicate teachers that would experience a decrease in monthly

pay if they were to become an assistant principal the subsequent year, and the salary schedule remains unchanged.<sup>1</sup>

Years of Experience	Bachelor's Teacher	Bachelor's + NBPTS	Master's Teacher	Masters + NBPTS	Adv. Deg. Teacher	Adv. Deg. + NBPTS	PhD Teacher	PhD + NBPTS	Assistant Principal
0	\$3,043	N/A	\$3,347	N/A	\$3,473	N/A	\$3,600	N/A	\$3,781
1	\$3,085	N/A	\$3,394	N/A	\$3,520	N/A	\$3,647	N/A	\$3,781
2	\$3,129	N/A	\$3,442	N/A	\$3,568	N/A	\$3,695	N/A	\$3,781
3	\$3,264	\$3,656	\$3,590	\$4,021	\$3,716	\$4,147	\$3,843	\$4,274	\$3,781
4	\$3,404	\$3,812	\$3,744	\$4,193	\$3,870	\$4,319	\$3,997	\$4,446	\$3,781
5	\$3,538	\$3,963	\$3,892	\$4,359	\$4,018	\$4,485	\$4,145	\$4,612	\$3,931
6	\$3,667	\$4,107	\$4,034	\$4,518	\$4,160	\$4,644	\$4,287	\$4,771	\$4,074
7	\$3,771	\$4,224	\$4,148	\$4,646	\$4,274	\$4,772	\$4,401	\$4,899	\$4,189
8	\$3,819	\$4,277	\$4,201	\$4,705	\$4,327	\$4,831	\$4,454	\$4,958	\$4,243
9	\$3,868	\$4,332	\$4,255	\$4,766	\$4,381	\$4,892	\$4,508	\$5,019	\$4,298
10	\$3,918	\$4,388	\$4,310	\$4,827	\$4,436	\$4,953	\$4,563	\$5,080	\$4,353
11	\$3,967	\$4,443	\$4,364	\$4,888	\$4,490	\$5,014	\$4,617	\$5,141	\$4,408
12	\$4,018	\$4,500	\$4,420	\$4,950	\$4,546	\$5,076	\$4,673	\$5,203	\$4,464
13	\$4,069	\$4,557	\$4,476	\$5,013	\$4,602	\$5,139	\$4,729	\$5,266	\$4,521
14	\$4,122	\$4,617	\$4,534	\$5,078	\$4,660	\$5,204	\$4,787	\$5,331	\$4,579
15	\$4,176	\$4,677	\$4,594	\$5,145	\$4,720	\$5,271	\$4,847	\$5,398	\$4,640
16	\$4,231	\$4,739	\$4,654	\$5,212	\$4,780	\$5,338	\$4,907	\$5,465	\$4,701
17	\$4,286	\$4,800	\$4,715	\$5,281	\$4,841	\$5,407	\$4,968	\$5,534	\$4,762
18	\$4,345	\$4,866	\$4,780	\$5,354	\$4,906	\$5,480	\$5,033	\$5,607	\$4,828
19	\$4,403	\$4,931	\$4,843	\$5,424	\$4,969	\$5,550	\$5,096	\$5,677	\$4,891
20	\$4,461	\$4,996	\$4,907	\$5,496	\$5,033	\$5,622	\$5,160	\$5,749	\$4,956
21	\$4,523	\$5,066	\$4,975	\$5,572	\$5,101	\$5,698	\$5,228	\$5,825	\$5,025
22	\$4,584	\$5,134	\$5,042	\$5,647	\$5,168	\$5,773	\$5,295	\$5,900	\$5,092
23	\$4,650	\$5,208	\$5,115	\$5,729	\$5,241	\$5,855	\$5,368	\$5,982	\$5,166
24	\$4,714	\$5,280	\$5,185	\$5,807	\$5,311	\$5,933	\$5,438	\$6,060	\$5,237
25	\$4,779	\$5,352	\$5,257	\$5,888	\$5,383	\$6,014	\$5,510	\$6,141	\$5,310
26	\$4,845	\$5,426	\$5,330	\$5,970	\$5,456	\$6,096	\$5,583	\$6,223	\$5,383
27	\$4,913	\$5,503	\$5,404	\$6,052	\$5,530	\$6,178	\$5,657	\$6,305	\$5,458
28	\$4,984	\$5,582	\$5,482	\$6,140	\$5,608	\$6,266	\$5,735	\$6,393	\$5,537
29	\$5,055	\$5,662	\$5,561	\$6,228	\$5,687	\$6,354	\$5,814	\$6,481	\$5,617
30	\$5,153	\$5,771	\$5,668	\$6,348	\$5,794	\$6,474	\$5,921	\$6,601	\$5,725
31+	\$5,255	\$5,886	\$5,781	\$6,475	\$5,907	\$6,601	\$6,034	\$6,728	\$5,839

Fiscal Analysis

The Department of Public Instruction (DPI) was able to manually examine records on historic monthly pay for individual assistant principals. Currently, there are 47 State-funded assistant principals and 27 locally-funded assistant principals who would receive a salary increase as a result of this bill. To ensure that these assistant principals not earn less on a monthly basis than they earned previously as a teacher, this bill would increase State expenditures for current assistant principals by \$178,602 and LEA expenditures for current assistant principals from local funds by \$86,196.

It is likely that the cost of this bill would increase by some amount in future years, as it lowers existing disincentives for certain teachers to become assistant principals. There are currently 5,907 State-funded FTE teachers who would experience a decrease in pay if they were to become an

<sup>1</sup> In most years, teachers and assistant principals receive salary increases via two mechanisms. First, they receive the step increase commensurate with their years of experience. Second, the budget generally adjusts the entire salary schedule upward to provide an additional increase to salary. The salary schedule has been adjusted upwards in 10 of the last 12 budgets.

assistant principal and the salary schedule were to remain unchanged (in other words, there are 5,907 State-funded teachers paid at the salary schedule steps shaded in the table above). However, given the uncertainty of which teachers are planning to become assistant principals and the uncertainty over whether or not the salary schedule will be adjusted in future years, it is impossible to precisely project the fiscal impact of this bill in future years. This analysis therefore projects a range of costs from the current level to up to twice the current level.

**SOURCES OF DATA:** Department of Public Instruction

**TECHNICAL CONSIDERATIONS:**

This bill imposes considerable new administrative costs on DPI and LEAs. These additional administrative costs are *not* considered in determining the fiscal impact above.

Every month, DPI compares the amounts paid to certified staff (which includes assistant principals) compared to the amount they should be paid based on position, education, and years of experience. Because this bill would create a number of assistant principals who are paid above the amount they should be paid based on position and years of experience, a number of false audit exceptions would be created each month. The LEAs would automatically be electronically notified of these exceptions and would call DPI's salary audit personnel. The salary audit personnel would then go in to the system and manually assign a salary to the individual so that the audit exception cleared.

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**DATE:** April 1, 2009



**Signed Copy Located in the NCGA Principal Clerk's Offices**