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OFFICE OF GOVERNOR RONNIE MUSGROVE  
INTEROFFICE MEMORANDUM

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**TO:** BOYD  
**FROM:** RILEY  
**SUBJECT:** NC AND GA EDUCATION REFORM EFFORTS  
**DATE:** 3/10/00  
**CC:** FILE

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**GEORGIA:** Governor Barnes' "A+ Education Reform Act of 2000" now goes to conference. The Governor's proposal calls for the elimination of tenure for new teachers and the establishment of an accountability system that will grade schools according to student performance on state assessments.

Under the new accountability system, schools will receive letter grades based on both absolute student performance and improvements on state tests. Schools that do well will earn monetary rewards and those that persistently fail will face sanctions, such as the transfer or dismissal of school personnel. Teachers at schools that earn an "A" would receive bonuses of \$1,000 and the school would receive a lump sum of \$10,000 to be distributed to non-certified school personnel. Teachers at schools that earn a "B" would receive \$500 bonuses, with a \$5,000 lump sum payment for non-certified staff. Schools that earn grades of "D" or "F" would be subject to various interventions that would become increasingly severe over time. For example, at a school that received poor grades for three or more years state officials could dismiss staff, give parents the option of transferring their children to a more successful public school or have administrative funds withheld.

In addition, the Senate and House bills contain accountability measures for teachers and parents. Student test scores would be considered in teachers' annual evaluations and districts could use the court system to compel parents of students with behavior problems to attend school conferences. The bills also provide salary increases for teachers in the shortage fields of mathematics, science, foreign language, and special education; limit class sizes in kindergarten through third grade; and establish school advisory councils that would include parents, teachers, and business leaders and could recommend candidates for school principal.

The Governor is proposing over \$800 million in new state funding for education, including \$492 million in Fiscal Year 2001. Much attention has been focused on the Governor's recommendation of \$146 million in state funding for education reform initiatives. However, the Governor's recommendation includes funding for other initiatives, such as:

- \$124,667,268 in State funding for enrollment increases of 1.39%;
- \$180,299,707 to provide for an increase in the employer share of health insurance from 9.26% to 13.10% to avoid having teachers absorb the increase through higher premiums; and
- \$118,442,271 to provide a 3% salary increases for teachers, busdrivers and lunchroom workers.

Equalization funding will continue, but the method for calculating funding will be changed in two significant ways. First, the guaranteed valuation system will be changed from the 90th percentile school system to the 75th percentile school system. Second, the number of effective mills that qualify, if levied, will be increased from 3.25 mills to up to 15 mills. This will result in all 20 effective mills being equalized statewide at the 75th percentile valuation system. For the first year, school systems gaining funds under this method will be limited to 25 percent of the gain. Similarly, school systems losing funding will be limited to 25 percent of the loss.

Bridget Curran, NGA, is sending additional info on Georgia's funding.

**NORTH CAROLINA:** Thirty percent of North Carolina's new teachers leave the classroom in the first three years because of a history of low pay and inadequate preparation for the classroom. The Excellent Schools Act, initiated by Governor Hunt and enacted into law by the General Assembly in 1997, is a bipartisan effort to attract and keep good teachers by raising academic standards, raising teaching standards, and raising teacher pay to the national average. North Carolina was the first state in the country to make this comprehensive approach to tying higher teacher pay to higher standards.

### *Raising Standards and Accountability*

*Better prepared beginning teachers.* Raises the requirements to enter and graduate from a school of education. Requires all beginning teachers to pass the PRAXIS II test—the toughest national test for teachers. Provides beginning teachers with an experienced mentor and extra day at the beginning of their first year for orientation.

*Tougher evaluations.* Requires teachers who have not obtained tenure to be observed four times a year, including once by a teacher, and be evaluated annually by a school administrator.

*Higher standards for a continuing license.* Requires teachers to work three years—instead of the previous two—and pass rigorous performance-based evaluations to get a license.

*Higher standards for re-licensure.* Makes re-license more rigorous and more meaningful.

Easier to dismiss bad teachers. Streamlines the dismissal process to remove poor teachers from the classroom more quickly.

### *Higher Pay for Higher Performance*

Pay for performance. Rewards teachers for achievement under the school accountability plan, ABCs for Public Education (bonus of up to \$1,500); earning National Board Certification (12 percent pay raise); and earning a more rigorous master's degree (10 percent increase by the year 2000). In 1998, the ABC's evaluation showed that 84% of North Carolina middle and elementary students saw "exemplary growth" in student achievement.

Raise starting pay. Raises pay for new teachers to \$25,000 by the year 2000.

Raise pay for meeting higher standards. Rewards teachers with larger pay raises when they meet higher standards for getting a continuing license and earning tenure.

Pay for extra work. Pays teachers for extra responsibilities, such as mentoring beginning teachers.

Highest pay for most experienced and qualified. Rewards the most qualified, most experienced teachers with the highest salaries—more than \$53,000 by the year 2000.

I spoke to Karen Garr in Governor Hunt's Education Policy Division and she said that North Carolina was not faced with a revenue shortfall or a deficit when they passed the program in 1997. She said that Governor Hunt's 1996 campaign platform was to raise teachers' salaries to the national average and he had bi-partisan support for the initiative. A very critical component of the Act's success was the fact that higher teacher pay was tied to higher standards at every point of the continuum, from preparation to National Board certification.

Karen offered this insight on North Carolina's rewriting of the teacher tenure law: they had the school board association's attorney, as well the teachers' association, heavily involved, which sealed support for the Act. Karen thinks Georgia has made the mistake of not having these parties involved and it might hurt Governor Barnes.

As to overall finances, the Act did not require a tax increase and Karen said that there had actually been some tax cuts the prior year that probably helped. She pointed out that teacher pay has to be the top priority and it has to remain the top priority, not leaving much money available for anything else (especially in crunch times after natural disasters like their floods and snow).

Karen also offered the following suggestions, based on her knowledge of Mississippi's system and stressing that each little improvement is a boost to the teachers: pay the NTSB fee up front for the teachers (big incentive) or offer a mentor to new teachers (NC pays the mentor \$100/month). She also said that the biggest

jump in North Carolina's salary plan is after the third year when new teachers have passed the performance based evaluation process.