

School of Excellence 1998-1999

Oak Grove Elementary

Random Acts

of

Public School

Reform

WILL NEW ELECTIONS
AND BUDGETS UNDO
CURRENT REFORM
EFFORTS AGAIN?

by S.D. Williams and Joanne Scharer

Executive Summary

North Carolina—home to a long line of “education governors”—is no stranger to school reform. In fact, some critics charge that the state has been almost too willing to try new things, lurching from reform to reform without giving any of them a fair trial to see if they work. Is this charge fair? To address the question, the Center examined major reform efforts undertaken since the 1983 publication of *A Nation at Risk*, a national study that laid out in stark terms problems facing public school systems across the country. In the intervening 17 years, North Carolina’s public schools have endured 10 major reform efforts, but how many of these new education programs were deserted before they had a chance to show any results? To address this question, the Center discusses each of the reforms in detail, including the intent of the reform, its cost where applicable, and its duration. These reforms are:

A 1984 pilot program to expand the school day and school year. The 1983 North Carolina General Assembly launched two pilot projects to lengthen the school year and the school day. This effort assumed that the state’s public schools were doing their job but that they needed more time to teach more. The pilots started in 1984, and each soon floundered and stalled without completing its projected three-year funding duration.

The 1985 Basic Education Program (BEP). The Basic Education Program (BEP) established a minimum curriculum, set standards for every school system, and provided a funding mechanism that would direct money in such a way that even the state’s poorest counties could teach the full curriculum and reach the standards. Although it was never fully funded, the Basic Education Program is one of the only reforms of its era that wasn’t eventually abandoned by the state.

The 1985 Pilot Career Ladder Program for teacher advancement. The Career Development Program, often referred to as the Career Ladder Program, was a pilot enacted by the General Assembly in 1985 to provide local systems with the power to reward excellent teaching through a merit pay system. While popular with some teachers, critics charged the merit process was unfair and not tied to student performance. Ultimately, the Career Ladder Program was eliminated due to a faltering state and national economy.

The 1989 School Improvement and Accountability Act (Senate Bill 2). The School Improvement and Accountability Act—or Senate Bill 2 (SB 2)—was the first effort to transfer power to local systems and put student performance first in

educational reform. Ultimately, SB 2 authorized the State Board of Education to establish a Performance-Based Accountability Program—a step toward decentralizing public school education in the state. Primarily due to a state budget shortfall in 1991, the program was eventually transformed before anyone could determine whether it would improve student performance.

The Year-Round School Movement in 1989. North Carolina's year-round school movement began in Wake County when the first year-round school opened in 1989. Year-round schools operate on a calendar in which students attend school during all seasons of the year. The theory is that students benefit from the alternative calendar because they're never away from school long enough to forget what they've learned. The calendar also offers an opportunity to lengthen the school year. Unlike other education reforms tried in the state, year-round schools emerged from local efforts. Today, more than a decade later, 121 of the 2,154 (5.6 percent) public schools in North Carolina are operating on a year-round calendar.

1991 Outcome-Based Education Pilot Programs. In 1991, the General Assembly directed the State Board of Education to develop outcome-based education pilots in which expectations for student achievement were clearly stated but also reflected that students have different learning styles and learn at different rates. To accomplish such a change in a short time proved impossible, and participating systems were still planning when the state stopped funding the pilots. In addition, due to a rightward shift in politics in N.C. and across the nation in 1994, Outcome-Based Education became a target of conservatives who saw it as a liberal effort undermining traditional values and the need for basics.

Low-Wealth and Small School Funds in 1991. In 1991, the state created two funds designed to provide additional money to low-wealth and smaller school systems. Unlike other reforms, this reform effort focused on equity rather than accountability or effectiveness. These reforms are still in place today, though they have not resolved the issue of school finance equity, which is now subject to a lawsuit in the courts.

The 1996 charter school legislation. The General Assembly passed North Carolina's charter school legislation in 1996. Charter schools are public schools that are nonprofit corporations run by boards of directors that have significant autonomy in determining how the schools are operated. In return for the flexibility and freedom from various public school policies, charter schools

assume responsibility for student performance. The legislation allowed 100 such schools in the state, a maximum that nearly has been reached. Whether the cap on the number of charter schools should be raised or even removed is an issue currently under debate.

The 1996 ABC plan. In 1996, the General Assembly passed the School-Based Management and Accountability Program, commonly referred to as the ABC plan. As part of the new effort, the General Assembly gave local school boards and, most importantly, staff at individual schools greater flexibility in managing funds and operating public school programs. In return, the program requires accountability to standards in student achievement. Under the ABC plan, features of the Basic Education Program remain intact, but a school's accountability rests on student mastery of certain required courses and competencies. In 1999, the State Board of Education added to the ABC plan a provision making students' promotion and graduation contingent on their performance. Therefore, unlike other accountability reform efforts, the ABC program holds students themselves accountable. The plan, including the student accountability standards, is still in place.

The Excellent Schools Act in 1997. The Excellent Schools Act, initiated by Governor James B. Hunt Jr. and enacted into law by the General Assembly in 1997, increased teachers' salaries while holding them to a higher professional standard. Under the Act's four-year plan, teachers receive annual salary increases averaging 6.5 percent with the aim of reaching the national average for teacher compensation. However, the legislation also provides several bonus and incentive programs and increases the pay of teachers with masters' degrees or certification by the National Board for Professional Teaching Standards. On Governor Hunt's recommendation, the 2000 General Assembly enacted the fourth of four installments needed to help teacher pay meet the national average.

Tracing the evolution of the state's education reform efforts over the last two decades reveals several key observations about the nature of such reforms, at least in North Carolina. One of them is the interplay of education reform and politics. A danger in education reform is that it is a perennial gubernatorial campaign issue; every governor wants to solve the state's education problems. With the 2000 election just around the corner, a key question remains. Will the state keep riding the current reforms or change reform horses yet again?

In 1983, the National Education Commission slapped the country awake with the publication of *A Nation at Risk*. The report laid out in stark terms many of people's worst fears about education in the United States: that our children were falling behind their peers in other developed nations and would not be prepared to successfully lead the U.S. economy or government in the years ahead. This shock to the nation's education systems soon resulted in reform efforts in virtually every state—the first nationwide effort at school reform since the launch of Sputnik in 1957 and the largest ever undertaken.¹

North Carolina, no stranger to school reform and home to a long line of "education governors," embarked with renewed vigor on its quest to improve education in a large, still relatively poor and rural Southern state. Looking back from the turn of the century, one can discern a path among the state's subsequent efforts that leads logically to the state's current ABCs Program, which, although having its share of critics, has shown some progress in advancing student achievement. The ABCs name comes from the State Board of Education's Accountability in the Basics with Local Control plan, which was the basis of the legislation now in effect.²

While the benefit of hindsight provides a view of the evolution of the state's reform efforts, no one involved in the reform of the 1980s and 1990s could have predicted this outcome. In fact, in the early 1990s, the state was widely criticized for engaging in stop-and-go reform—embarking on promising efforts, abandoning or neglecting them for political or economic reasons, then embarking on others.³

In his 1999 State of the State address, Governor Jim Hunt noted, "When the '90s began, North Carolina had begun falling behind. There had been too much start-and-stop reform. Like a lot of states, we'd jumped on a new reform bandwagon every couple of years—a flavor-of-the-month approach." These changes were frustrating for local school boards, educators, and parents.

A great danger in education reform is that it is a perennial gubernatorial campaign issue; every governor wants to solve the state's education problems. North Carolina is no exception. The 2000 election will bring a change, however, as Governor Hunt has served the maximum of two consecutive

"While some lament that educational reform is an institutional Bermuda Triangle into which intrepid change agents sail, never to appear again, others argue that public education is too trendy, that entirely too many foolish notions circulate through the system at high velocity. Are schools too resistant to change or too faddish? Viewed over the course of history, they may seem to be both."

—DAVID TYACK AND LARRY CUBAN

TINKERING TOWARD UTOPIA—

A CENTURY OF PUBLIC SCHOOL REFORM

terms allowed under the state constitution. (Hunt has served a total of four, four-year terms, 1977–85 and 1993–2001.) Will a new governor embark on new campaign reforms that once again frustrate the populace?

Not surprisingly, the two candidates have their own ideas as to what will improve North Carolina's public school system. The Republican candidate—former Charlotte Mayor Richard Vinroot—supports increased use of charter schools, vouchers, and tax credits or tax-free savings accounts enabling parents to pay for their children's educational expenses, including home-schooling. The Democratic candidate, Attorney General Mike Easley supports a strengthened accountability program, character education, and the creation of a state lottery to address the state's education needs. Easley believes any lottery proceeds should go only to an expanded pre-kindergarten program for at-risk children and to K–12 public schools, maintaining they need it the most. Easley especially hopes to reduce class size.

This article looks back at 17 years of reforms in an effort to describe their evolution. Many educators agree that stability and continuity are key ingredients in educational reform. For example, abandoning a promising path well before its end is

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reached can result in confusion and low morale among educators and not necessarily in better education for students.

North Carolina has undertaken numerous school reform efforts and improvement projects, has amended reforms often, and has issued bonds or appropriated millions of dollars for significant school construction, curriculum reform, and teacher salary raises. Since 1983, the major efforts at front-line public school reform—changing the way schools are run and/or the way students are taught—are the following:

1. A pilot program to expand the school day and school year in 1984;⁴
2. the 1985 Basic Education Program (BEP);⁵
3. a pilot career ladder program for teacher advancement, implemented in 1985;⁶
4. the 1989 School Improvement and Accountability Act (Senate Bill 2);⁷
5. the Year-Round School Movement in 1989;
6. the Outcome-Based Education pilot programs started in 1991;⁸
7. the Low-Wealth School Fund⁹ and Small School Fund¹⁰ in 1991;
8. the 1996 charter school legislation;¹¹
9. the 1996 ABCs Program;¹² and
10. the Excellent Schools Act (aimed at gradually increasing teacher pay to the national average) in 1997.¹³

To these proposals could be added the state's student accountability and promotion standards that changed from advisory status to state policy in April 1999. These will be discussed as part of the ABCs Program, because they are part of that program's emphasis on the accountability of individual schools.

1984: Pilot Projects to Extend the School Day and Year

In the wake of *A Nation at Risk*, the 1983 North Carolina General Assembly launched two pilot projects to lengthen the school year (See Table 1) and the school day. From the more than 30 school systems that applied, two were chosen—one each in Halifax and Polk counties. In the case of Halifax, the General Assembly had decided to direct state funding to a county that had little of its own. On

the other hand, this pilot, like various other programs, was based on the “assumption that we were doing things right, we just needed more resources with which to do the same things better,” according to the Public School Forum of North Carolina.¹⁴

The pilots started in 1984 and each soon floundered and stalled without completing its projected three-year funding duration. Critics attribute the failure to lack of planning; the projects were apparently put in place during the summer with little notice, catching many parents by surprise.¹⁵ Jim Clarke, superintendent of Halifax County Schools from 1982 through 1986, however, says the pilot efforts and their outcomes were more complex than most people realize. “These projects were meant to find whether additional resources would make a difference in education in poor counties, whether they would help attract better teachers, and to what extent lengthening the school year to 200 days and the school day to seven hours would raise student achievement,” he says.

Clarke adds, “Now, you have to understand what kind of a school system we had. When I arrived in Halifax County, the system didn't have a

Table 1. Length of School Year for Various Nations, in Days

Nation	School Days Per Year
Japan	243
South Korea	220
Russia	211
Netherlands	200
Scotland	200
Thailand	200
Hong Kong	195
England/Wales	192
Hungary	192
France	185
Ireland	184
Spain	180
Sweden	180
United States	180

Source: N.C. Department of Public Instruction.

single school accredited by the Southern Association of Schools and Colleges. I couldn't even find records that the system had applied. . . . We had so many deficiencies that simply needed money, like the school libraries. We spent a great deal of our initial funds just to buy books and equipment. Then we spent money on teacher training, because, while we had many hard-working teachers, Halifax County could not afford to supplement teacher pay like richer counties could, and it was difficult to attract the best and brightest to a rural system for less money than they could get anywhere else, so we had to work just to help our teachers become accredited in their areas.

"Then we began expanding school hours in selected middle and high schools. One high school even had evening hours. We extended some schools into summer—not just as summer schools, but as an extension of the regular year, to allow students to get ahead. Basic math was the general math curriculum in the high schools—you had to be something special just to study algebra—so we began to redefine the curriculum.

"These changes were greeted well by the people who they were benefiting. I tell you the real reason opposition arose—racism. There were deep divisions in Halifax County at the time. The School Board was majority African American, reflecting the 86 percent African American population in the county, but in the next election, a white majority board was elected. It seems we had upset the apple cart. By making reforms, we were throwing a spotlight on the fact that the school system had been in poor shape, and there were people in the county who did not appreciate that."

Dan Moss, a member of the Halifax County School Board for the last 18 years, while agreeing with Clarke about the influence of racism on the reform effort, believes the reform itself was lacking as well. "I didn't think it worked too well," says Moss. "They [the students] just played that last 30 minutes." Moss also says, "While I don't think it was worth the time we were putting into it, racism in the county made us give up on it too quickly."

The General Assembly had appropriated \$2.2 million for these pilots in 1983–84 but appropriated nothing the next year, with each system's new school board unhappy with the changes that had occurred. The reforms were stopped, and Clarke retired in 1986. He says, however, that a more representative board was elected in the subsequent election, and that in 1988, all of the system's schools passed state accreditation. The lessons here

are that preparation for reform must be thorough, the groundwork for community participation must be laid, and goals must be shared.

1985: Basic Education Program

The Basic Education Program (BEP) established a minimum curriculum, set standards for every school system, and provided a funding mechanism that would direct money in such a way that even the state's poorest counties could teach the full curriculum and reach the standards. At heart, then, the program is and always was a mechanism to guarantee funding for a minimum floor curriculum to which every school in the state must adhere. It also prescribed such things as guidance counseling and psychological services, promotion standards, in-school suspension, programs for exceptional education, equipment needs, staffing ratios, and facilities standards.

Many people mistakenly believe that the 1985 Basic Education Program died in the early 1990s because of the state's stop-and-go habits. The program was indeed wounded in the late 1980s and early 1990s, a victim of both a souring economy and new educational priorities, but it never died. Even in 1991—when the General Assembly had to raise taxes by \$600 million and cut spending by another \$600 million to deal with a \$1.2 billion state budget deficit—the General Assembly noted that it intended the Basic Education Program to be "the focus of State educational funding" until it was fully funded.¹⁶ Initially projected to cost \$751.9 million over eight years, it still has not been fully funded, though funding has reached nearly \$607.5 million.¹⁷ Today, after numerous refinements, it is still the basis of the state's Standard Course of Study, among other things, and remains an important part of the state's plans for education.

"The basic education program for the State of North Carolina is just that: basic," notes the original proposal to the General Assembly.¹⁸ "It does not describe an ideal education program. Rather, it attempts to describe a program of instruction which is fundamentally complete and would give the student a thorough grounding in these areas: the arts, communication, media and computer skills, second languages, healthful living, mathematics, science, social studies, and vocational education. The premise that there is a common core of knowledge and skills which every child ought to command when he or she graduates from high school is essential to the concept."

—continued on page 68

**Table 2. Basic Education Program funding schedule
by year with projected funding, actual funding, and difference
between projected and actual funding (in millions)**

Fiscal Year	Projected Funding	Actual Funding	Difference Between Scheduled and Actual
1985-86	\$68.5	\$63.2	-\$5.3
1986-87	\$32.4	\$27.3	-\$5.1
1987-88	\$153.4	\$126.6	-\$26.8
1988-89	\$120.6	\$134.6	+\$14
1989-90	\$103.8	\$69.3	-\$34.5
1990-91	\$90.8	\$44.5	-\$46.3
1991-92	\$100.0	-\$42.8	-\$142.8
1992-93	\$82.4	\$43.6	-\$38.8
Totals	\$751.9	\$466.3	-\$285.6

Source: N.C. Department of Public Instruction

Note: The original projected funding schedule for the Basic Education Program was to be eight years as depicted in the table above. However, the program in revised form (i.e. built into other programs) has been continued through at least 1998-99 at a total cost of \$607.5 million. The fact that the original projected cost of the BEP was \$751.9 million and actual funding through 1998-99 was \$144.4 million less than that amount demonstrates that the BEP was never fully funded.

"North Carolina had already had a Standard Course of Study for most of the 20th century," says Howard Maniloff who, as special assistant for policy development to the State Board of Education (SBE) from late 1982 to 1987, coordinated the original Basic Education Program proposal. "The goals of the Basic Education Program were to reinvigorate that standard course and *to provide more equitable funding for education across the state*, so that any child in any school system would be assured of at least taking this basic educational program" [emphasis added].

The 1983 state budget called for the creation of a School Finance Pilot Project in eight school systems.¹⁹ The bill directed the State Board of Education to define a basic education program for North Carolina's schools and determine the costs for implementing it, so that the progress of the pilot school systems could be measured against each other. The costs were broken down in detail to cre-

ate the plan. For example, Maniloff says it considered the salary of the teacher, the cost of the blackboard the teacher would use, the chalk the teacher would write with, the books the students would need, and even the desks the students would sit behind, although there was no provision for capital improvements. When the plan was ready, the General Assembly accepted and funded it statewide with minor changes, bypassing the original intent to have a pilot project. The state now had a basic plan for all students and a cost for its implementation.

The Basic Education Program is often given credit for two particular achievements: making *state* education funding more equitable across all systems and lowering classroom ratios for the number of students per teacher. The first was accomplished straightforwardly: the state directed its funds so that all 141 systems could meet the costs for the Standard Course of Study and have the educational infrastructure needed to implement it (See

Table 2). As for the second achievement, the program did not require schools to reduce class sizes, but it did require them to hire additional special staff such as art teachers and counselors. Thus, the total number of teachers or professionals in the schools rose in relation to the number of students, although in practice the number of students in classrooms often remained at the same level. "Lowering class size," says Maniloff, "was a byproduct."

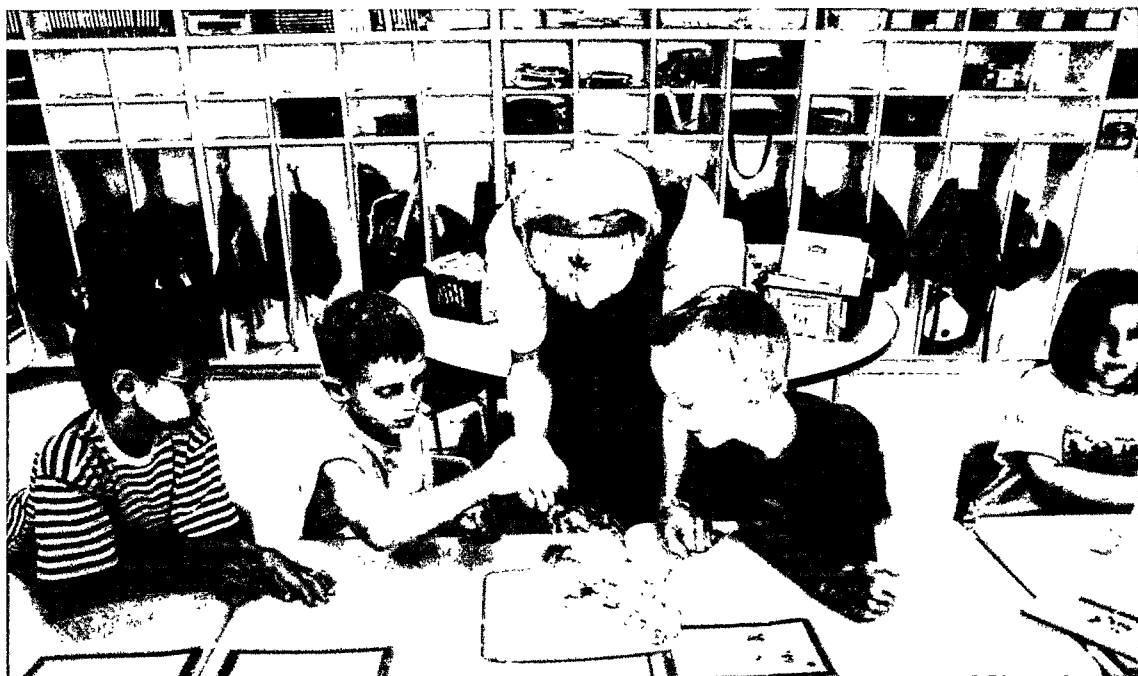
The Basic Education Program defined a Standard Course of Study, which outlines rigorous course content calling for integration of science, social studies, literature, and the arts, and determined how much it cost to implement it. Promotion from grades three, six, and eight was based on end-of-year tests, although principals had the power to promote any child.²⁰ The program did not define benchmarks, such as what a student must know and be capable of doing in order to graduate and, by extension, what a school must do to ensure that its students meet those benchmarks. But without knowing it, the program's creators laid the groundwork for subsequent reforms that focused on outcomes, which are measurements of what a student has learned—in this case, mastery of the Standard Course of Study. That curriculum is still in place though it has been refined many times over the years, most recently by an infusion of technology education, an alignment with national educational standards, and greater emphasis on the application of knowledge.

The Basic Education Program came close to full funding for its first two years at a total of approximately \$90.5 million of a projected \$100.9 million. Funding first fell behind significantly for the 1987–88 school year, as the 1980s boom economy faded. By 1992–93, funding was behind schedule by \$285.6 million, and it never caught up. The School Improvement and Accountability Act of 1989, among other efforts, diverted funds from the Basic Education Program. But before that reform was instituted, another one was tried and abandoned.

1985: The Career Development Program

The Career Development Program,²¹ often referred to as the Career Ladder Program, was a pilot enacted by the General Assembly to provide local systems with the power to reward excellent teaching through pay raises. At the same time, the program aimed to hold teachers accountable for the quality of their work. The program is sometimes mistakenly coupled in the public's mind with the Basic Education Program because they shared an era. They were, in fact, completely separate as the Basic Education Program included no financial incentive programs of any kind.

To implement the Career Ladder Program, 16 schools were chosen to participate in the initial four-year phase, which cost about \$100 million. The



program was not re-funded in 1989 when it came up for renewal. The initial price tag to extend it to the entire state would have been roughly \$400 million, but a recession that would lead to a \$1.2 billion state budget shortfall in 1991 was on the way. And while popular with some teachers, the program had opposition from groups who contended the merit process, as administered, was unfair and that it did not improve student performance.

Governor James G. Martin ran for office in 1984 with a platform including merit pay for teachers and won big. "This was one of Governor Martin's signature pieces," says John Dornan of the Public School Forum of North Carolina, an independent nonprofit devoted to strengthening schools and maintaining consistent support for school improvement. "But from the beginning, the North Carolina Association of Educators contended that the evaluation process was flawed. All of the

state's superintendents reached the top of the ladder, including one who was fired. Costs escalated far more than people expected. People were moving up the ladder pretty rapidly."

Although the pilot projects faded away after 1989, individuals who had raised their salary levels through the program were allowed to remain at the levels they had achieved and from there advance in step with the state's other teachers. The state stopped funding further raises at these escalated levels only in 1999.

A controversial and expensive feature of the program was the use of outside evaluators to judge teachers' performance. Using the Teacher Performance Appraisal Instrument (which is still used in many North Carolina systems to evaluate teachers), these evaluators observed teachers in the classroom and judged them on a handful of skills shown to enhance student performance, such as sticking to the lesson plan. Although national research had shown that student performance rises in classrooms where teachers follow these steps, student performance was not a factor in whether a teacher received a merit raise or not.²² If they followed the rules, supposedly, they would receive their increases.

Teacher performance programs were nothing new in the mid-1980s. North Carolina had initiated the idea in an earlier merit pay pilot program, the Comprehensive School Improvement Project, back in the 1960s. It, too, was allowed to fade away. In a 1990 book on education reform, researcher Susan Moore Johnson argued that there is a built-in flaw to merit plans:

"Promoting competition among colleagues would reduce rather than increase the productivity of schools because teachers would conceal their best ideas and pursue their own interests rather than the general good. Moreover, performance bonuses might perversely reward teachers for success with able students while discouraging efforts with those who progress more slowly. Finally, teachers resented policymakers' efforts to entice them with the prospects of one-time bonuses for a select few when many teachers held second jobs just to meet basic living expenses. By seeking to provide recognition for exemplary teachers, potentially at the expense of many others, the reforms threatened egalitarian norms that the profession supports."²³

**Table 3. Number of
N.C. School Systems by Year**

Year	Number of N.C. School Systems
1983-1984	142
1984-1985	142
1985-1986	141
1986-1987	140
1987-1988	140
1988-1989	140
1989-1990	134
1990-1991	134
1991-1992	133
1992-1993	129
1993-1994	121
1994-1995	119
1995-1996	119
1996-1997	117
1997-1998	117
1998-1999	117
1999-2000	117

Source: N.C. Department of Public Instruction

"Not everything that can be counted counts and not everything that counts can be counted."

—ALBERT EINSTEIN

The Career Ladder Plan was not based on one-time bonuses, but similar criticisms arose in North Carolina. Some of the same criticisms would emerge in the mid- to late-1990s in opposition to the current ABCs plan, which does not reward individual teachers but teachers as a group at individual schools that exceed state expectations.

Still, the Career Ladder Plan was not defeated by the criticism of educators. In fact, the N.C. Department of Public Instruction had performed extensive surveys, the results of which indicated that the majority (58%) of teachers supported the plan.²⁴ A faltering state and national economy, the potentially high long-range cost of the program, and the appearance of another new reform plan on the block, put an end to the career ladder plan—although, as noted, the state continued to pay for the plan's legacy until 1999.

1989: School Improvement and Accountability Act, or Senate Bill 2

The School Improvement and Accountability Act—or Senate Bill 2 (SB 2), as it is commonly known—intended to put student performance first in educational reform. The act was not meant to replace the Basic Education Program, which would still be implemented but with reduced funding. The intent was to boost student academic achievement, create uniform measures of progress, and hold local systems accountable for achieving the goals.²⁵

The major force behind the bill was the Public School Forum of North Carolina. In 1988, the Forum released *Thinking for a Living: A Blueprint for Educational Growth*, which stated, among other things, that "policymakers should determine what they want from schools, provide the basic resources needed to do the job, and then give professional educators the freedom to do what they need to do to meet those goals. Educators would willingly be accountable if they were given the freedom to do their job."²⁶

As in all politics, however, the motivations may not have been so black and white. According to Maniloff, the coordinator of the original Basic Education Program, "Senate Bill 2 was a part of a political power struggle between local school boards and the Department of Public Instruction as well as an effort to focus on student achievement. Some educators had always believed that the program was too prescriptive. Senate Bill 2 redistributed power from the state to the local level by dressing it up in educational jargon. Still, I wish we had put more focus on student achievement in the BEP," he admits, "because it's obviously a worthy objective."

Senate Bill 2 authorized the State Board of Education to establish a Performance-Based Accountability Program in which school systems could voluntarily participate. All 134 systems operating in the state in 1989–90 chose to do so, as it



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was a way to fund merit raises. In addition, it seemed to be a way for schools to chart their own destiny. Under this program, "Each unit developed a plan setting forth its educational goals, the measures of achievement, and the programs and staff necessary to implement the goals. All plans were reviewed and approved by the State Superintendent of Public Instruction before implementation. Local units were given 'maximum flexibility' in using funds to achieve goals. Plans were to be implemented in periods of three to five years with annual assessments. Local [school district] plans were to be funded as long as they showed satisfactory progress."

The bill also authorized the development of end-of-course and end-of-grade tests for grades 3–12 and allowed continuation of Career Ladder programs in systems that chose to do so. In addition, it charged the State Board of Education with writing

"But my daddy said, 'If you can't count they can cheat you. If you can't read they can beat you.'"

—TONI MORRISON
BELOVED

an annual report card on North Carolina education.

The overriding goal of the bill's Performance-Based Accountability Program may have been the improvement of student performance, but it was school *systems* that were held accountable for meeting goals, not *students*, *teachers*, or individual *schools*, as is the case with the current ABCs plan. Senate Bill 2 injected measurable educational accountability into reform, but while improved student performance was the goal, it still was not quite the bottom line.

School systems—and, under their guidance, individual schools—could have flexibility in the way they operated, but in return they would be accountable for meeting about 50 performance objectives created and chosen by the Department of Public Instruction. These ran the gamut from improving student attendance rates, to adding books and other resources to the library, to increasing the number of students performing at grade level. The performance objectives were based on the established criteria for state accreditation. Individual schools within the participating systems were given objec-

tives to meet by their systems, and committees of teachers, administrators, and parents within those schools wrote plans outlining their strategies for meeting the objectives or requesting waivers from the objectives. The individual school waivers first had to be approved by the local school board, which then had to have its systemwide plan approved by the state.

In 1991, schools participating in the Performance-Based Accountability Program had to develop Site-Based Management Committees, essentially another name for the Performance-Based Accountability Program committees. The committees, which also consisted of administrators, teachers, and parents, would now develop the individual school plans.

Under Senate Bill 2, school systems also participated in differentiated or merit-based pay plans. Although these were not tied specifically to the Performance-Based Accountability Program, in most schools it was the Performance-Based Accountability Program committees (and subsequently Site-Based Management Committees) that made recommendations about differentiated teacher pay. This pay was meant, as it was in the Career Ladder Program, to reward excellence in teaching, but in fact, local schools and school systems usually sought the extra pay for teachers who took on extra work. It was not tied to student performance. The state granted many of these requests and also granted most waiver requests. From 1990 to 1993, the Department of Public Instruction had about 2,000 approved waivers to state policy on its books. By contrast, from 1993 to 1996, it had approximately 14,000. The difference is essentially that originally waivers were submitted and granted to school systems. In 1993, waiver requests had to come from individual schools. In 1999–2000, approximately 1,000 waivers were approved primarily for class size in grades 4–12. This reduction is evidence of the flexibility that has been given to schools in operating these programs.

In the days of Senate Bill 2, if a school wanted to use money earmarked for textbooks to buy other instructional materials, the individual school committee would vote on the recommendation and send it to the local board, which, if it approved the request, would send it to the state Department of Public Instruction. If the Department of Public Instruction approved, the individual school would then fill out a form requesting that funds for textbooks be moved to instructional supplies. Now, schools may simply write such flexibility into their three-year plans.

According to one of its main proponents, John Dornan of the Public School Forum, Senate Bill 2 suffered “death by amendment. There were substantial changes almost on an annual basis.” Policies on waivers, school plans, the testing regimen, and differentiated pay were changed constantly at the state level. In 1991, for example, the General Assembly allowed funds previously set aside for merit pay to be used for across-the-board bonuses, if employees preferred. In 1992, the General Assembly changed the way school systems adopted their three-year Performance-Based Accountability plans. In 1993, it modified the indicators of student performance that must go into these plans. It also moved ultimate responsibility for approval of plans from the state superintendent, who is elected by the citizens of North Carolina, to the State Board of Education, whose members are appointed by the Governor. These are just some of the numerous changes made by the legislature.

The Performance-Based Accountability Program was a step toward decentralizing public school education in the state, but it also created greater administrative responsibility at the local level. It died, or was transformed, before anyone could determine whether transferring power to local systems would improve student performance. According to Representative Edd Nye (D-Bladen), one of the reasons it was superseded by the next reform in the mid-1990s was that, while it put the

notion of accountability solidly into North Carolina public school reform, it did not deal directly enough with individual student achievement for some legislators. “We [the legislature] believed that we weren’t obtaining enough information on student achievement,” says Nye. “We weren’t putting achievement requirements where they should be—on the student.”

Perhaps the main cause of the Performance-Based Accountability Program’s demise—or its transformation into current policies—was economic. In 1990 and 1991, North Carolina, like many other states, found itself in a serious budgetary crisis. The 1991 revenue shortfall was \$1.2 billion. That year, the state provided severely limited continuation funding for the Performance-Based Accountability Program but no additional funding. Senate Bill 2 continued as the law of the land into the mid-1990s, with numerous changes, until the ABCs reform was passed in 1996.

1989: Year-Round School Movement

North Carolina’s year-round school movement began at the local level when, in 1989, Wake County opened the first year-round school in the state, Kingswood Elementary. Kingswood was followed by Morrisville Elementary, also in Wake County, and a year later by Mooresville Park View Elementary in Iredell County. Year-round schools



operate on a calendar in which students attend school during all seasons of the year. The school calendar is reorganized by eliminating the long summer break and replacing it with more frequent short breaks.²⁷ Champions of the year-round model believe students benefit from the al-

ternative calendar because they're never away from school long enough to forget what they've learned. Year-round schools also can offer an opportunity to lengthen the school year, a reform first tried in 1984 with a pilot program to expand the school day and school year.²⁸ Offered on an optional basis, year-round schools provide a popular alternative for parents who may find the calendar more amenable to their work schedules. Opponents of the model argue that a year-round calendar, especially if mandatory, can be inconvenient for some families, and that year-round students don't necessarily outperform their peers who attend school on the traditional calendar.²⁹ More specifically, a 1993 evaluation synthesis conducted by Wake County Public School System researchers in Raleigh, N.C., examined 27 studies of year-round programs across the country. On achievement they concluded, "Overall, YRS [year-round schooling] seems to have no adverse effects on academic achievement for most students. The majority of studies we examined reported either positive effects or no effects on achievement."³⁰ Overall, studies on achievement both nationally and on the state level have not shown conclusive proof of achievement differences between traditional and year-round schools.³¹

Unlike other education reforms examined in this article, year-round schools emerged from local efforts. Today, more than a decade later, 121 (5.6 percent) of the 2,154 public schools in North Carolina are operating on a year-round calendar.³² While year-round schools weren't originally initiated by the State Board of Education or the General Assembly, the State Board of Education did institute a policy in 1991 to encourage and support local efforts to implement year-round education models.³³ In addition, in 1993, the General Assembly passed a bill granting local boards of education more flexibility to establish year-round schools.³⁴ The year-round school movement continued to spread across the state throughout the 1990s, though the calendar was rarely tried at the high

"[T]he answer to all our problems comes down to a single word—education."

—LYNDON BAINES JOHNSON

school level. In 1998, the General Assembly directed the Department of Public Instruction to form a task force to identify the barriers that prevent local boards of education from providing year-round schools for all grade levels. This task force also was to identify ways that local

boards of education or the State Board of Education could minimize or remove those barriers.³⁵ In their May 1999 report, the task force concluded that there currently are no State Board of Education policies or state statutes that prevent local boards of education from providing year-round schools for all grade levels.³⁶

1991: Outcome-Based Education

In 1991, the General Assembly directed the State Board of Education to develop outcome-based education pilots. According to the statute, Outcome-Based Education is "a program in which expectations for student achievement are clearly stated in terms of knowledge, skills, and attitudes" but also "reflects that students learn at different rates using varying learning styles."³⁷ In other words, progress toward, and ultimately, achievement of the program goals was more important than having certain students in particular classes.

The General Assembly intended to fund \$100,000 the first year (1992–93) to cover planning costs and \$3 million each of the next four years (through 1996–97) for implementation and assessment. It initially authorized the board to select four pilot sites for participation but raised it to six—two consortia and four individual sites. The pilot was to last for five years until 1996–97, with the first year (then the first two) devoted to planning and the subsequent years devoted to implementation.

To apply for the opportunity to participate in the program, each system (there were 129 systems in the 1992–93 school year) submitted a proposal that allowed for flexible educational methods and timetables. While only entire school systems could apply, not all schools within a system had to participate. The Charlotte-Mecklenburg County school system was one of the six pilot sites, but only 14 of the 119 schools in that system participated.

—continued on page 77

Key Education Reforms in North Carolina

Name: Lengthen the School Year and School Days

Begun: 1984

Statewide or Pilot: Pilots in Halifax and Polk Counties

Projected Funding Duration: Three years.

Original Objective: To improve the quality of education by providing local flexibility in the school year and school day schedules

Projected Cost: Not available

Actual Appropriations: No funds appropriated specifically for this project—existing funds spent not available

Actual Duration: 1 year

Outcome: Dropped because of community objections in pilot counties

Name: North Carolina Basic Education Program (BEP)

Begun: 1985

Statewide or Pilot: Statewide

Projected Funding Duration: 1985–1993

Original Objective: To provide a standard minimum course of study and the funding to support it for every student in North Carolina

Projected Cost: \$751.9 million

Actual Appropriations: \$607,487,939

Actual Duration: Still in existence in revised form

Outcome: Not fully funded as of 1999–2000

Name: Career Development Program (also known as Career Ladders)

Begun: 1985

Statewide or Pilot: Pilot in Alexander County, Buncombe County, Burke County, Burlington City, Charlotte-Mecklenburg County, Edenton-Chowan County, Greene County, Harnett County, Haywood County, Montgomery County, New Hanover County, Orange County, Perquimans County, Roanoke Rapids City, Salisbury City, and Tarboro City

Projected Funding Duration: The original 16-county pilot lasted four years, but participants were grandfathered into pay levels they had achieved through the program.

Original Objective: To reward excellent teaching

Projected Cost: Funding covered within existing educational budget

Actual Appropriations: \$262,357,370 (records available from 1987–88 to 1998–99)

Actual Duration: The pilot program lasted from 1985 to 1989, but participants continued to be paid according to the program's guidelines through 1998–99

Outcome: Not extended statewide in 1989 because of cost

Name: School Improvement and Accountability Act (Senate Bill 2)

Begun: 1989

Statewide or Pilot: Statewide

Projected Funding Duration: Open-ended

Original Objective: To boost student performance by holding school systems accountable for meeting specified goals

Projected Cost: \$45 million per year for merit teacher pay plan

Actual Appropriation: \$194,670,614

Actual Duration: 1989–1996

Outcome: Senate Bill 2's merit pay for better teachers was replaced by the ABC incentive awards in 1996, and the bill's educational reforms were folded into or replaced by the ABC Program.

Name: Year-Round Schools

Begun: 1989

Statewide or Pilot: Neither. Unlike the other reforms mentioned in this chart, year-round schools are a local initiative. There currently are 121 year-round schools sprinkled across the state, or 5.6 percent of the 2,154 public schools in North Carolina.

Projected Funding Duration: N.A.

Original Objective: To replace the traditional long summer break with shorter, more frequent breaks so that students attend school during all seasons of the year. The theory is that students benefit because they are never away from school long enough to forget what they've learned.

Projected Cost: The state does not appropriate extra funds for year-round schools.

Actual Appropriations: N.A.

Actual Duration: N.A.

Outcome: In existence.

—continued

Name: Outcome-Based Education Program

Begun: 1991

Statewide or Pilot: Pilot in (1) consortium of Alamance County, Johnston County, and Granville County; (2) consortium of Madison County and Mooresville Graded School District; (3) Charlotte-Mecklenburg County; (4) Elizabeth City-Pasquotank County; (5) Polk County; and (6) Vance County

Projected Funding Duration: Three years

Original Objective: To base education on defined, real-world outcomes for individual students rather than on generalized academic outcomes

Projected Cost: \$2.9 million

Actual Appropriations: \$8,331,240

Actual Duration: Three years

Outcome: Dropped due to inconclusive results and political conflict between local school boards and the state Department of Public Instruction

Name: Low-Wealth and Small School Funds

Begun: 1991

Statewide or Pilot: Funds available to qualifying schools on a statewide basis.

Projected Funding Duration: Ongoing

Original Objective: To provide supplemental funds in counties with limited resources to allow those counties to enhance the instructional program and student achievement.

Actual Appropriations: In 1991, low-wealth schools received \$6 million while small schools got \$4 million. By 1999–2000, the appropriation had grown to \$77.3 million for the low-wealth fund and \$22.2 million for the small schools fund.

Actual Duration: In existence

Outcome: School finance issue remains unresolved.

Name: Charter Schools

Begun: 1996

Statewide or Pilot: Statewide

Projected Funding Duration: Open-ended

Original Objective: To offer citizens the opportunity and flexibility to open their own, state-supported schools while being held accountable to limited state guidelines

Projected Cost: Normal per-pupil expenditures from local school systems to follow students from public schools to approved charter schools—no extra costs

Actual Appropriations: \$48,703,638 million in existing

public school funds have been transferred to charter schools

Actual Duration: In existence

Outcome: As of August 2000, there were 90 charter schools in operation. However, there are five other approved charter schools that delayed opening for one year, bringing the total to 95. State law allows 100 charter schools. See text, pp. 81–84, for preliminary results.

Name: School-Based Management and Accountability Program (ABC Program)

Begun: 1996

Statewide or Pilot: Statewide

Projected Funding Duration: Open-ended

Original Objective: To give individual schools the flexibility to boost student achievement and simultaneously to hold them accountable for measurable achievements

Projected Cost: \$120 million per year

Actual Appropriations: A total of \$267,541,794 through FY 1999–2000

Actual Duration: In existence

Outcome: See text, pp. 84–97, for preliminary results.

Name: Excellent Schools Act

Begun: 1996

Statewide or Pilot: Statewide

Projected Funding Duration: Four years (through 2000–01 budget)

Original Objective: Raise NC teacher pay to the national average of \$41,928 (the projected average in 2001)

Projected Costs and Actual Appropriations: \$874,204,134 (through 2001)

Outcome: 2000 General Assembly authorized fourth of four installments.

Name: Student promotion/achievement standards—end of social promotion (part of ABCs)

Begun: 1999

Statewide or Pilot: Statewide

Projected Duration: Open-ended

Actual Appropriations: \$31,318,761 (Note: The General Assembly approved these funds to support the implementation of standards that changed status from “recommended” to “mandatory” in April 1999. These are part of the state’s ABC program.)

Outcome: In existence

Source: Paul LeSieur, N.C. Department of Public Instruction, Office of Finance, October 1999.



Karen Tam

Although the participating systems and schools had more flexibility, they were still bound by basic state policy. Some of the policy's guidelines included students having access to a common core of knowledge (the Basic Education Program); student advancement based on mastery of proficiencies adopted by the State Board of Education; and allowing the student to progress at his or her own rate. State rules detailed how parents, teachers, students, and administrators were to participate in the implementation of the programs.

Sam Houston, now executive director of the University of North Carolina System's Center for School Leadership Development in Chapel Hill, was superintendent of the Mooresville Graded School District from 1983 to 1993. His district was one of the original pilot systems. He says that the philosophical impetus behind Outcome-Based Education was a conflict between rigor and relevance.

"It's not difficult to increase the rigor of education," he says, "but it can be very difficult to make that rigor relevant to all students or their families. If you raise rigor without raising relevance, you'll see a rise in the dropout rate."

Outcomes, he says, were to be based on three questions: What should students know? What should they be able to do? And what teachable per-

sonal characteristics should they have to succeed in the world?

"We went to parents and the local business community and asked people what they had to know to be successful, and we started matching that to the curriculum," he says. "We found that while a good, rounded, basic education was still desirable, a lot of the specifics of the curriculum were not. Our studies showed us that students must have seven competencies to succeed." They must:

1. be able to communicate, which includes reading, writing, speaking, listening, and observing;
2. be able to use numbers and data effectively;
3. have problem-solving skills;
4. know how to process and analyze information rather than accept it passively;
5. be able to work in teams;
6. understand systems of technology, although not necessarily know the latest software, which changes every year anyway; and
7. have *enabling skills*—such as honesty, dependability, and concern with quality.



Karen Tam

"And you know," says Houston, "there was no such thing in North Carolina as an educational standard saying that a student must be able to make an oral presentation. And yet what more important ability is there in the working world?"

In order to develop these skills and fulfill the basic curriculum mandated by the state in the Basic Education Plan while making them interesting and relevant to students, the Mooresville system made changes in some of its schools. A year-round, quarter system was implemented originally in one elementary school using a school within-a-school, a model that offers both traditional and year-round calendars.³⁸ Dividing up the year differently allowed teachers to teach more intensive, short-term courses and allowed students more variety as they and their families designed courses of study that would lead ultimately to graduation based on individual timetables.

"I think our greatest accomplishment was in reaching out to the business and professional community in an effort to align education with the real world," says Houston. "We were definitely able to add some more rigor to education, although I don't really know if we succeeded in making it seem more relevant to students."

According to Houston, two things led to the end of this pilot. First, Outcome-Based Education was an attempt to tailor education to individuals, an enormous shift in the traditions of public education. To accomplish such a change in the space of several years proved impossible, and although some changes were implemented, the participating systems were still planning and training staff in the new concepts when the funding and statutory plug was pulled. The 1993-1994 End-of-Year Evaluation Report for the Outcome-Based Education program, the final year the program existed, reported, "Although all sites are closer to implementing OBE, the answer to this question [Did the pilot sites implement outcome-based education?] is, 'Not Yet.'" The report also noted that in terms of the effects of Outcome-Based Education, "'We still do not know' may be the best answer at present. Overall survey results indicate that the educational staff and parents of each district continue to support the initiatives."³⁹

Second, 1994 was the year of a dramatic rightward shift in politics in N.C and across the nation. Houston says Outcome-Based Education, both nationally and in North Carolina, became a target of conservatives who saw it as a liberal effort undermining traditional values and not respecting the need for basics—reading, writing, and arithmetic.

Unable to show concrete and lasting progress in three years, advocates of the program could not fight back successfully.

In 1995, Governor James B Hunt, Jr. pulled the funding for the pilot program from his budget. Unlike the Basic Education Program or Senate Bill 2, the General Assembly then repealed the program instead of merely modifying it or folding it into a subsequent reform.⁴⁰ Outcome-Based Education did leave a legacy, however. Although the origins of North Carolina's year-round school movement began in 1989, Outcome-Based Education helped encourage its progress as Houston's school system was one of the first in the state and nation to implement a year-round calendar. North Carolina now ranks fifth in the nation in the number of such schools.⁴¹

Low-Wealth School Fund and Small School Fund in 1991

North Carolina embarked on yet another reform in 1991 by creating two funds designed to provide additional money to low-wealth and smaller school systems. However, unlike other reforms, this effort focused on equity rather than accountability or effectiveness.

While the legislature enacted these measures in 1991, the issue of disparity in public school financing has been around much longer. The equity issue has its origins in the state constitution as Article IX, section 2(1) reads, "The General Assembly shall provide by taxation and otherwise for a general and uniform system of free public schools . . . wherein equal opportunities shall be provided for all students." In 1983, with this principle in mind, the Report of the Commission on the Future

"It is our American habit if we find the foundations of our educational structure unsatisfactory to add another story or wing. We find it easier to add a new study or course or kind of school than to recognize existing conditions so as to meet the need."

—JOHN DEWEY



The School in the Community charter school, which closed in April 1999, met in the Seeds of Sheba complex in Chapel Hill.

of North Carolina recommended that the state “devise and apply a system of public school finance that will provide equal educational opportunity to all schoolchildren.”⁴² In 1985, the General Assembly had the opportunity to meet the challenge put forth by the Commission.⁴³ At the time, Senator Robert Warren and Representative Jo Graham Foster introduced legislation which recognized that “the quality and the quantity of the school program is in part dependent upon where a child lives.”⁴⁴ The bill attempted to clarify state and local funding responsibilities for public schools, including funding for the new Basic Education Program. While funding for the Basic Education Program was included in that year’s budget, the school financing disparity issue received only a token response. As the bill read, “It is further a goal of the General Assembly to provide supplemental funds to low-wealth counties to allow those counties to enhance the instructional program and student achievement.”⁴⁵ Not until the eventual creation of the low-wealth and small school supplemental funds in 1991 did counties finally receive the fruits of the General Assembly’s 1985 “goal.”

Under the low-wealth supplemental fund provisions, counties are eligible to receive funds⁴⁶ if their property tax base is below the state average (a

measure of low wealth) and their tax rate (a measure of local tax effort) is above the state average. The small schools supplemental fund⁴⁷ provides additional money to counties with enrollments below 3,150 students or to counties with enrollments between 3,000 and 4,000 students and property tax bases below the state average. When first created in 1991, the low-wealth schools fund received an appropriation of \$6 million while the small schools fund received \$4 million. In 1999–2000, the state appropriated approximately \$77.3 million for the low wealth fund and \$22.2 million for the small schools fund.⁴⁸ These figures represent approximately 1.4 percent and 0.4 percent respectively of the total General Fund appropriations for public schools in 1999–2000.

While the state has taken some measures to address funding disparities between school systems, it hasn’t been without interest from the courts. In one case, *Britt v. N.C. Board of Education*,⁴⁹ the court found that funding disparities did not violate the state constitution.⁵⁰ Another case, *Leandro v. State*, is still pending in the North Carolina court system, and its outcome could have profound impacts on school financing and education reform efforts in the state. The case started as a lawsuit filed by five poor school districts against the state of

North Carolina and the State Board of Education. The districts' complaint was that the state's system of financing schools was unconstitutional because it deprived poor students of a good education. Later, six of the state's wealthier school districts joined the suit to argue for more state resources to address the challenges that poverty and other problems create even in more affluent areas. In 1997, the Supreme Court's opinion held that the state constitution not only provides a right to a general and uniform education, but also a right to a "sound basic education." The Court stated that, "A 'sound basic education' is one that will provide the student with at least: (1) sufficient ability to read, write, and speak the English language and a sufficient knowledge of fundamental mathematics and physical science to enable the student to function in a complex and rapidly changing society; (2) sufficient fundamental knowledge of geography, history, and basic economic and political systems to enable the student to make informed choices with regard to issues that affect the student personally or affect the student's community, state, and nation; (3) sufficient academic and vocational skills to enable the student to successfully engage in post-secondary education or vocational training; and (4) sufficient academic and vocational skills to enable the student to compete on an equal basis with others in further formal education or gainful employment in contemporary society." Furthermore, the court held that "an education that does not serve the purpose of preparing students to participate and compete in the society in which they live and work is devoid of substance and is constitutionally inadequate."⁵¹ While the Supreme Court's decision did not invalidate the state's school finance system, it did allow the school districts to try to prove at trial their claims that the state is not meeting its constitutional obligations.

1996: Charter Schools

Charter schools are nonprofit corporations run by boards of directors that have significant autonomy in determining how the schools are operated. Minnesota was the first state to allow charter schools, and now 36 states plus the District of Columbia have charter school laws on their books.

North Carolina's charter school legislation, passed in 1996, created a new educational creature and a new reform movement in the state.⁵² In return for the flexibility and freedom from various public school policies, charter schools assume responsibility for student performance, based on statewide standards.⁵³ These schools do not receive a total exemption from state rules. They must meet the same health and safety requirements as public schools, for example, and they must offer an educational program extending at least 180 days per year. The program must at least meet the state's student performance standards, and the schools must comply with special education regulations requiring specially designed instruction to meet the unique needs of children with special needs.⁵⁴ The curriculum, scheduling, and teaching methods may be determined by the schools, however, as long as they put them in their charters and have those charters approved.

Charter schools may not charge tuition. They receive the same per-student funding from the state as do the public schools (an average of \$3,658 for the 1999–2000 school year),⁵⁵ as well as the same rate of additional per-student funding for children with special needs (\$2,367 for 1999–2000).⁵⁶ Except for the funding of the five-person staff charter school office in the Department of Public Instruction (approximately \$550,000), these schools receive no additional state funding.⁵⁷ So far, \$48.7 million in existing public school funds have been

"Charter schools cannot take their 'customers' for granted. Their very survival depends upon the degree to which families believe the schools are responding to family preferences and working hard to provide the education they demand."

—BRYAN C. HASSEL

*THE CHARTER SCHOOL CHALLENGE,
AVOIDING THE PITFALLS, FULLFILLING THE PROMISE*

"Education for immediate effective consumption is more popular than ever, and nobody wants to think of the long term, or the intellectual tone of the nation."

—ROBERTSON DAVIES
THE REBEL ANGELS

transferred to charter schools.⁵⁸ Local funds—additional school funds made available from local property taxes⁵⁹—follow children to charter schools just as they do to the public schools. And, charters are eligible for various federal funds, such as the Innovative Education Program Strategies program, the Dwight D. Eisenhower Professional Development program, and the Safe and Drug Free Schools and Communities program, just as public schools are. Congress also increased the charter school grant program from \$100 million to \$145 million for fiscal year 2000.⁶⁰

The N.C. charter schools legislation allowed for the creation of a maximum of 100 such schools in the state. As of Aug. 31, 2000, there were 90 in operation, educating approximately 13,000 children. However, there are five other approved charter schools that delayed opening for one year, bringing the total to 95.⁶¹ With the state fast approaching the 100 charter school maximum, Republican gubernatorial candidate Richard Vinroot supports at least an expansion of charter schools to give more choices to parents.

The "charter" in charter schools refers to the written contract between the school and the local board of education (or, if the local board refuses to sign the contract, the State Board of Education). This document describes how the school will be run and how student learning will be measured. If the school lives up to its charter, it will not be bound by many state regulations that apply to other public schools. If it doesn't, it can be closed.

The entire school program is created by the school's board, which is usually made up of parents who felt that traditional public schools were not meeting their children's needs. Dennis LaCaria, whose son attends Community Charter School in Charlotte, chose the charter school alter-

native from day one. "When my son was starting school, based on the expensive private schools and under-performing public schools, a charter school was a unique opportunity to find somebody who was trying something innovative in education that would probably benefit my son," says LaCaria. "So far, we're happy with it."

Although not part of the ABCs Program technically, the charter school legislation aligns with the philosophy of local control, flexibility, and accountability. In essence, the legislation allows parents to start their own schools with public money as long as they agree to be accountable to the State Board of Education's student performance standards and basic school law concerning safety.

Many charter schools are organized around themes such as global learning, technology, or art—similar to magnet schools—and attempt to draw students with particular needs or interests. For example, Grandfather Academy in Avery County serves at-risk children, while Cape Lookout Marine Science High School in Carteret County focuses on maritime sciences. Charter schools are not, however, allowed to discriminate against any child in their application processes. Early critics of the charter schools feared that they might become havens of white flight, siphoning off middle class white students from public school systems. However, it seems that more black parents than might be expected are enrolling their children in charter schools. Thus, diversity remains an issue, but not in the way the critics may have forecast. For the 1999–2000 school year, about half (47.6 percent) of the students in the state's charter schools were black. Overall, 31.1 percent of public-school students are black and 61.9 percent are white. In addition, numerous charter schools focus on themes particularly important to minorities. Omuteko Gwamaziima, a new charter school in Durham, focuses on African-centered education. Overall, 38 of the state's charter schools (about half) have minority enrollments of 50 percent or more, and 10 have enrollments that are nearly 100 percent minority.⁶²

In addition to racial mix issues, charter schools also face the pressure of being successful in terms of both management issues and student achievement. In some cases, the individuals who decide to start a charter school are teachers or parents interested in providing an alternative to the traditional public schools. With this in mind, these founders may not have the experience necessary to handle the day-to-day administration of a school. The U.S. Department of Education's "The State of Charter

Schools—Fourth Year Report,” found that most charter schools identified fiscal obstacles, including funding for start-up and ongoing operations, as difficult challenges during implementation. Lack of planning time and facilities also caused problems for charter schools. In addition, many charter schools provide non-educational services to their students, including transportation, food service, before- and after-school care, and social and health services.⁶³

The added burden of not only teaching students but dealing with management and administrative issues is sometimes a burden too difficult to bear. Since the first North Carolina charter schools opened in 1997, 13 have had their charters revoked or have turned them in voluntarily. While five of those 13 were never able to open their doors due to problems such as not being able to find a facility or low initial enrollments, some had financial difficulties. School in the Community, a charter school for at-risk children in Chapel Hill, closed after struggling with dwindling enrollments and being \$50,000 in debt.⁶⁴ Northeast Raleigh Charter Academy also has stumbled since opening in August

1999 with enrollment dropping to 67 percent less than original projections and financial and personnel issues undermining parents’ trust.⁶⁵

Student performance is probably the most significant yardstick by which charter school proponents must prove that the schools actually work. Furthermore, positive results grant credibility, and credibility attracts more students and even helps with fundraising. Healthy Start Academy in Durham is one charter school that has had mixed results. The school’s first set of scores in 1998 were promising. From kindergarten through second grade—the grades the school offered at the time, students scored well above the national average on the Iowa Test of Basic Skills, a nationally recognized test. However, the real test would come when the school’s second graders moved up one year and took North Carolina’s end-of-grade test, part of the ABCs Program, which isn’t given until the third grade. While Healthy Start Academy did well on the Iowa test again in 1999, the school also faced a major disappointment in July 1999 as the students did poorly on the state’s exams.⁶⁶

A teacher works with his 1st and 2nd graders on the first day at the new Durham Community Charter School.



Peter Schumaker, The Herald-Sun, Durham, N.C.



Students study in sixth grade class at the Village Charter School in Chapel Hill on the first day of classes.

Healthy Start's story, and the fact that in 1999–2000 19 of the 44 low-performing schools were charter schools, makes some people question whether charter schools are working, but others say it is too early to tell. The State Board of Education is preparing to conduct a comprehensive evaluation of charter schools and “the educational effectiveness of the charter school approach,” including student performance. The report is due to the General Assembly by January 2002.⁶⁷

Until that time the board is remaining quiet. “The board has held off making any public statements until we do the [comprehensive evaluation] report,” says Jane Worsham, executive director of the State Board of Education. Worsham adds, “We do evaluate the data annually, and some of our highest scores were from charter schools, but so were some of our lowest.” From a parent's perspective, LaCaria believes that children who attend charter schools need the opportunity to adapt to a new system, as charter schools often have a different teaching approach than traditional public schools. To people who rely on early test scores to dismiss charter school efforts, LaCaria says, “to be

accurate, we need to compare apples to apples, and nobody's really doing that.”

Whether the charter movement will expand beyond the originally envisioned 100 schools remains to be seen. The success of charter schools and the effect these schools will have on the rest of public education in the state also remains to be seen. For the moment, they represent the furthest edge of the state's experiment with local control and flexibility.

1996: The ABCs Program

North Carolina experienced a watershed year for education reform in 1996. In addition to passing charter school legislation, the General Assembly passed the School-Based Management and Accountability Program, commonly referred to as the ABCs plan because it was based on the State Board of Education's Accountability in the Basics with Local Control plan. As part of the new effort, the General Assembly gave local school boards and, most importantly, individual schools greater flexibility in managing funds and operating public schools.

North Carolina's public school reform effort now rests on a program that gives individual schools a fair amount of control over how they operate and in return requires accountability to standards in student achievement. And while features of the Basic Education Program (such as instruction in the arts) remain intact, it is student mastery of the core, required courses and competencies for which the schools are held accountable. And, students themselves are held accountable for mastery in order to be promoted and to graduate.

Under the ABCs Program, schools focus on student performance in reading, mathematics, and communication skills in the elementary and middle school years. In grades 3 through 8, students are tested annually on reading and math with multiple-choice tests. In grades four and seven, they take writing tests. All items in the multiple-choice tests and the grading criteria in the writing tests are based on the content of the Standard Course of Study, which is at the heart of the Basic Education Program. High school students must take wide-ranging tests at the end of the 10th grade for promotion. To graduate, 11th grade students must pass a computer skills test, first taken in 8th grade, and must take an "exit exam,"⁶⁸ but students who fail are allowed to take these tests a second and possibly a third time.⁶⁹ High school students also take end-of-course (EOC) tests in the core courses that are required for graduation: English I and II; biology I; algebra I; U.S. history; and economic, legal, and political systems. In addition, the board has added end-of-course tests in algebra II, geometry, chemistry, physics, and physical science and will add English III and IV and earth and environmental science. Using the elementary and middle school tests and the end-of-course tests in the required courses as criteria for promotion was voluntary until April 1999. Now, it is required by law.⁷⁰

Ceding control to individual schools was a new step in North Carolina. The state's current policies grow directly from the legislation of 1996, but several other efforts set the present scene. First, the North Carolina Education Standards and Accountability Commission was established by the General Assembly in 1993.⁷¹ Three years later, that commission made recommendations that were the basis for the promotion standards that were enacted as part of the ABCs Program in 1999. Second, the 1995 General Assembly charged the State Board of Education with a radical downsizing of the Department of Public Instruction with the "goal of a decrease of at least 50 percent in the number of employee positions . . . and a decrease of at least

50 percent in the Department's budget"—or even elimination—of the Department of Public Instruction.⁷² This is ironic in that a large percentage of public school revenue in North Carolina comes from state funds (about two-thirds). N.C. is ranked 4th in the U.S. in percentage of state revenues for schools which range from 8.2 percent in New Hampshire to 89.1 percent in Hawaii. (See Table 4 pp. 86–87.) The ABCs Program was born in the context of this downsizing.

The North Carolina Education Standards and Accountability Commission

The Standards and Accountability Commission's charge was to "develop high and clearly defined education standards for the public schools of North Carolina" and "to develop fair and valid assessments" to assure that students in North Carolina meet these standards.⁷³ The 25-member commission—made up of 17 appointees by Governor James B. Hunt and four each by the House Speaker and Senate President Pro Tempore—represented a broad range of interests from bank presidents to classroom teachers. When the legislature authorized this commission, upon the recommendation of the governor, it stated that as soon as the State Board of Education approved its recommendations [but no later than spring semester of the 1999–2000 school year], those recommendations would become policy. With the governor's interest in the commission and his majority control over the selection of its members, business and education leaders expected dramatic recommendations.⁷⁴

Charged with setting education standards for public school students in North Carolina, the

—continued on page 88

"If you can't communicate or do basic math, you can't do anything. If we erred a little on the side of teaching too much reading, writing, and math, we won't pay much of a price for that."

—THE LATE JAY ROBINSON,
ADVOCATE OF THE STATE ABCs PLAN AND
CHAIRMAN, STATE BOARD OF
EDUCATION, 1994–1997

**Table 4. 1999 Public School Revenue Sources
Ranked by Percentage of State Contribution**

	% State	% Federal	% Local*
1) Hawaii	89.1	8.4	2.5
2) Michigan	76.8	6.7	16.5
3) New Mexico	73.3	13.2	13.6
4) North Carolina	69.2	7.6	23.2
5) Washington	67.4	6.7	25.9
6) Delaware	66.1	7.3	26.6
7) Alabama	65.5	9.1	25.4
8) Alaska	63.6	12.6	23.9
9) Oregon	63.5	6.8	29.7
10) Kentucky	62.7	8.9	28.4
tie Idaho	62.7	6.9	30.4
12) Utah	62.3	6.6	31.1
13) West Virginia	62.2	10.8	27.0
14) Oklahoma	61.2	8.9	29.9
15) Kansas	61.0	5.8	33.2
tie Arkansas	61.0	8.1	30.9
17) California	59.7	8.9	31.4
18) Minnesota	56.2	4.5	39.4
19) Mississippi	55.6	13.8	30.6
20) Wisconsin	54.5	4.4	41.1
21) Wyoming	53.2	6.2	40.6
tie Iowa	53.2	4.0	42.9
23) Georgia	51.6	6.6	41.8
24) South Carolina	51.4	8.1	40.5
tie Tennessee	51.4	8.0	40.6
26) Indiana	51.0	4.5	44.5

Table 4.
continued

	% State	% Federal	% Local
tie Louisiana	51.0	11.4	37.6
28) Arizona	48.6	7.6	43.8
29) Florida	48.3	7.6	44.1
30) Maine	46.9	6.3	46.8
tie Montana	46.9	10.2	42.9
32) Colorado	44.4	5.4	50.2
33) Texas	44.3	8.4	47.3
34) Ohio	43.6	5.8	50.6
35) Connecticut	42.4	4.3	53.3
36) Rhode Island	41.5	5.5	53.0
37) Pennsylvania	41.1	5.6	53.3
38) Maryland	41.0	5.1	53.9
39) North Dakota	40.7	11.5	47.8
40) New York	40.1	6.3	53.6
41) Nebraska	39.6	4.9	55.5
42) Missouri	39.5	6.1	54.4
43) New Jersey	38.0	3.2	58.8
44) Virginia	37.5	5.3	57.2
45) South Dakota	36.9	9.8	53.3
46) Massachusetts	36.1	5.1	58.8
47) Nevada	34.2	4.4	61.4
48) Vermont	28.0	4.9	67.1
49) Illinois	26.7	6.6	66.7
50) New Hampshire	8.2	3.7	88.1

* Percentages may not add to 100 due to rounding.

Source: National Education Association (NEA), *Rankings & Estimates, 1999*

commission sought input from a wide variety of North Carolinians to avoid political missteps in a volatile era. At the time, John Dornan, director of the Public School Forum of North Carolina, also acknowledged the importance of reaching out to the people. "If the commission's work gets broad support from the public," said Dornan, "it is not an overstatement to say it could easily be the engine that drives education reform in this state for years to come."⁷⁵

After three years of work and interim reports and recommendations, the commission presented 12 recommendations to the State Board of Education in July 1996. The board accepted most of them outright, including the following:

1. Developing a single, comprehensive plan, based on the ABCs, that will be the umbrella for all initiatives in curriculum, assessment, and standards.
2. Adopting six competency areas in which a student must show proficiency for graduation:
 - communication;
 - using numbers and data,
 - problem solving,
 - processing information,
 - teamwork, and
 - using technology.

(These are very similar to Mooresville Graded School District's conclusions from its Outcome-Based Education pilot. In fact, Sam Houston, former superintendent of the Mooresville district from 1983 to 1993, served as the first executive director of the Standards and Accountability Commission.)

3. Refining the general curriculum to stress understanding and real-world application rather than survey courses. Recent changes to the Basic Education Program reflect movement in this direction.
4. Establishing benchmarks. Students not meeting State Board of Education standards after certain grades will not be promoted or, in the case of the final year, will not graduate.⁷⁶ The commission recommended grades 4, 8, 10, and 12, but the State Board of Education chose grades 3, 5, 8, 10, and 12 instead. Social promotion, allowing students to continue to pass through school with their peers without satisfying academic requirements, will end. The adoption of this recommendation in 1999 stirred great controversy around the state, most

of it centering around the question of what is going to happen to students who can't meet the standards.⁷⁷

5. Requiring students to pass a 10th grade comprehensive exam, a multiple-choice test designed to assess the English Language Arts and Mathematics competencies the typical student should master by the end of grade 10.⁷⁸
6. Requiring high school students to choose from career preparatory, college preparatory, or college technical preparatory curriculums.
7. Giving schools great flexibility in the ways in which they help students reach the standards outlined by the ABCs Program.
8. Creating a comprehensive, statewide staff development plan that focuses on providing training, resources, research, and technology to teachers and schools.

The State Board of Education did not adopt a statewide policy dealing with extending the school day to provide more time for instruction, or flexible school hours (starting or ending the school day at alternative times), but some schools are addressing this issue on their own. The board also did not accept the commission's recommendation to give students the opportunity to graduate early, although this could be addressed again in the future. The board rejected a recommendation that graduating

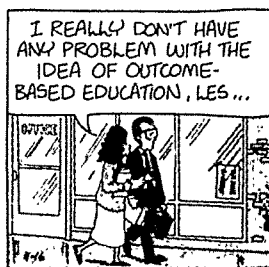
"When the stakes of test scores are so high for students, teachers, and schools, what gets tested is what gets taught. The tail of assessment wags the dog of curriculum and instruction, and the entire learning process gets reoriented around the kinds of basic skills that are easy and inexpensive to measure."

—CATHERINE AWSUMB

*THE GOOD NORTH CAROLINA
ELEMENTARY SCHOOL*



FUNKY WINKERBEAN by Tom Batiuk



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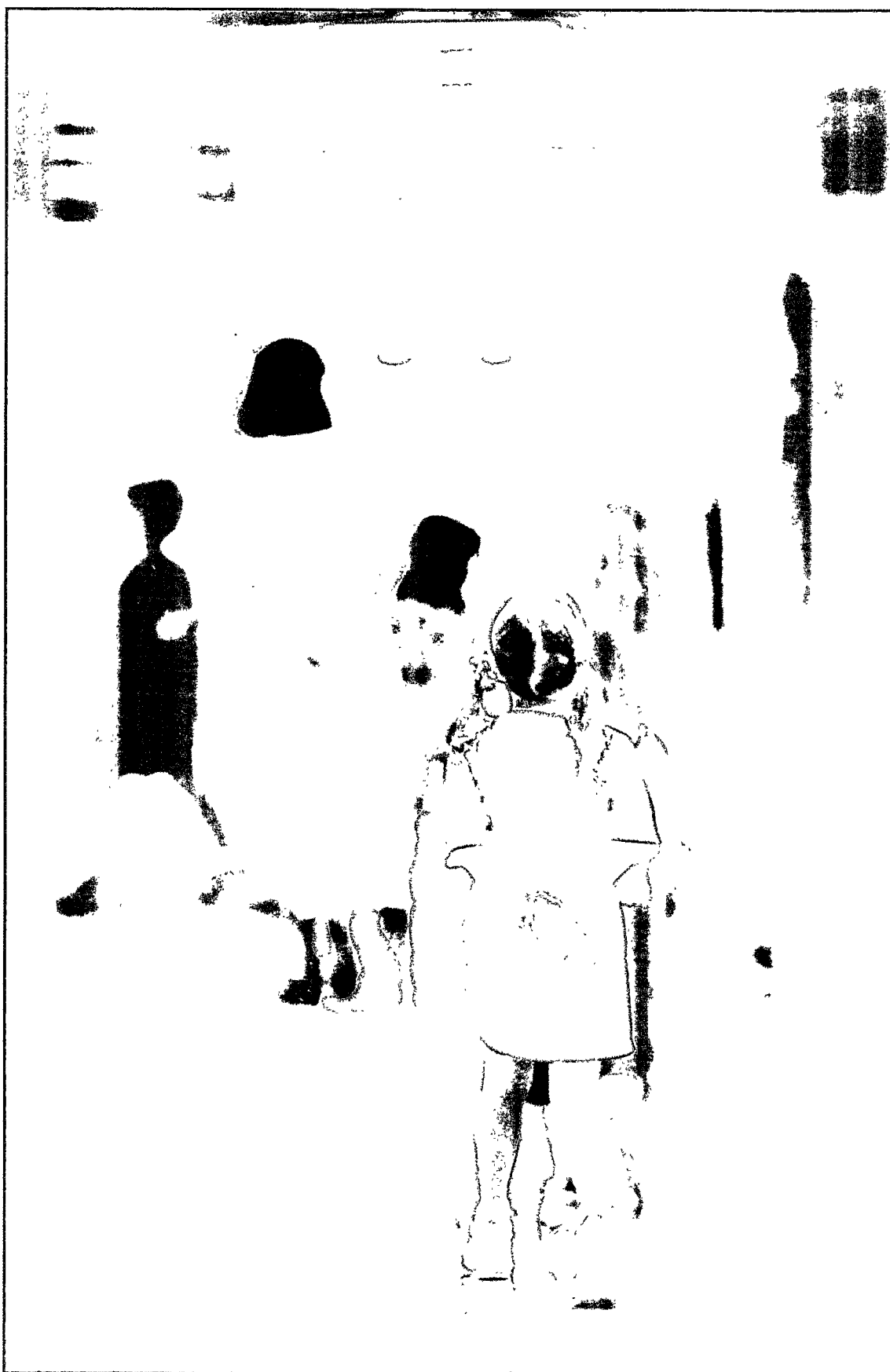
high school students be required to complete a final project (the commission did not define what this final project was to be), although some schools are adopting something similar on their own. These may include a major written report, oral presentation, or portfolio of a student's work. Finally, the board did not accept a recommendation to create a system of assessment of student performance that balanced standardized tests, performance-based tasks, and actual examples of student work.

Downsizing the State Department of Public Instruction

As they swept to control of the N.C. House (68–52) but not the Senate (24–26) in the 1994 elections, North Carolina Republicans promised voters they would dismantle the state-level Department of Public Instruction and transfer power, control, and savings to the 119 local school districts. North Carolina Republicans ran on a state-level contract with the people of North Carolina modeled after a national Contract with America pushed by then-Speaker of the U.S. House Newt Gingrich. The state-level contract called for education reform that “reduces the responsibilities and size of the state Department of Public Instruction and earmarks savings realized by DPI restructuring for use by local school boards to pay for textbooks, supplies and other classroom materials.”⁷⁹ Although Republicans did not accomplish a complete scuttling of the state education department, they were successful in

downsizing it radically. In the 1992–1993 fiscal year, before any reorganization took place, there were 843 Department of Public Instruction positions. By 1995–1996, there were only 498 and now in 1999–2000 there are still only 506. Furthermore, beginning in the 1994–1995 fiscal year and continuing through 1996–1997, the administrative division of the department's budget was slashed by about \$20 million.⁸⁰ The Republicans believed there was too little local control combined with too little progress in raising student achievement by a state-level bureaucracy they felt spent too much of the taxpayers' money. A good portion of the funds saved by downsizing was allocated by the legislature to local school systems for the reduction of class sizes in the second grade from 26 to 23 students and for additional textbooks.

The downsizing of the Department of Public Instruction resulted in a loss of power for the Superintendent of Public Instruction, historically one of four major power centers in education. Governors usually are active players in education policy. The superintendent is also a statewide elected official, and therefore exercises considerable clout. The 11-member State Board of Education is particularly powerful in that it is one of only two boards in the state that draws its power directly from the N.C. Constitution rather than from statute.⁸¹ The chair is elected by the full board, though sometimes the governor makes a recommendation to the board.⁸² The General Assembly always has power because it provides about two-thirds of the



Karen Tam

public schools budget.⁸³ In 1995, the General Assembly transferred a great deal of power from the state superintendent to the State Board of Education.⁸⁴ The superintendent, for instance, was stripped of his authority to approve local school systems' educational plans, and this power was given to the state board. Power to grant waivers from state educational policy also was transferred from the superintendent to the board. Finally, the board was given authority over the Task Force on Site-Based Management within the Department of Public Instruction, where issues of local control were being addressed.

At the same time, the legislature dropped the differentiated or merit-based pay plan that rewarded individual teachers based on student performance under the Performance-Based Accountability Program. The legislature gave the board the authority to adopt guidelines for developing school improvement plans, including guidelines for school and student performance goals and strategies, while the numerous student performance indicators of Senate Bill 2, such as attendance rates and dropout rates were eliminated. From now on, local schools would develop a "building-level," or individual school plan for improvement with the specific aim of boosting achievement.

In a nutshell, the General Assembly dropped Senate Bill 2 and adopted the ABCs Program, a plan that had been growing within the state board. From now on, the state would establish standards of achievement and accountability, but in large measure it would leave it to local schools to decide how those standards would be met. This is the essence of the ABCs Program, which is over-

seen by the State Board of Education with staff support from the Department of Public Instruction.

The ABCs Program

Henry L. Johnson, associate state superintendent for instructional and accountability services in the Department of Public Instruction, says the impetus for establishing the ABCs Program and its more rigorous standards came from legislators and State Board of Education members. According to Johnson, these officials said they had fielded numerous complaints "that high schools were graduating kids who couldn't read their diplomas and who worked in stores but couldn't make change." He adds, "There was some hyperbole in these stories, but the sentiment is valid."

Student achievement tests are the centerpiece of the state's ABCs Program. Individual schools, within broad guidelines, may determine how best to prepare students for the tests. If the schools succeed, according to a formula established by the State Board of Education, the state takes a hands-off approach, other than ensuring that basics such as facilities, staff training, and resources are taken care of. Teachers and certified staff in schools that succeed are rewarded financially.

Schools that fail literally can be taken over by the state, with Department of Public Instruction teams working with the staff to put the school on track. Principals, teachers, and other certified staff may lose their jobs, or, even more dramatically, superintendents may be removed from their duties if more than half of their schools are performing below state standards set for them. In a worst-case

"Faith in the power of education has had both positive and negative consequences. It has helped to persuade citizens to create the most comprehensive system of public schooling in the world. Americans have used discourse about education to articulate and instill a sense of the common good. But overpromising has often led to disillusionment and to blaming the schools for not solving problems beyond their reach."

—DAVID TYACK AND LARRY CUBAN

TINKERING TOWARD UTOPIA—A CENTURY OF PUBLIC SCHOOL REFORM

scenario, the State Board of Education may temporarily suspend a local school board if it deems the board "obstructionist" to efforts aimed at helping under-performing schools.

The State Board of Education gives every school in the state a set of test-score goals each year. They are individually geared to each school by considering: (1) the North Carolina average growth rate in the respective grade and subject; (2) an estimate of the proficiency of the students in the school; and (3) an estimate of the growth of the students' scores.⁸⁵ The goals are based on a complicated formula that takes into account the test scores of previous classes at each school and also the performance of students across the state. Each school receives a yearly goal that requires growth in test scores from the previous year. "We know, on average, how far up the scale on these tests the student body at any particular school should move," says Johnson.

At the end of the school year, after the Department of Public Instruction has tabulated each school's test scores, schools are placed in categories of various distinctions, depending on whether they have exceeded, met, or missed the goals set for them. To be named an *Exemplary Growth School*, the aggregate growth in student performance must be at least 10 percent higher than the goals set for the school. The absolute scores in these schools are not necessarily high. They may have exceeded their state-set goals by 10 percent, but if they had been a low-performing school in the past, their goals may be well below the levels of many other schools. Teachers and other certified staff at these schools receive a \$1,500 bonus, and teacher assistants receive \$500.

An *Expected Growth School* meets its state-set goals. Teachers and other certified staff receive a \$750 bonus, and teacher assistants receive

\$375. Bonuses for these top two categories of schools totaled about \$122 million in 1998–99.

At *No Recognition Schools*, the aggregate student performance does not meet its growth goals on tests. The staff receives no bonuses. Ironically, test scores at these schools may be high relative to other schools—they simply didn't grow enough from the previous year.

To be named a *Low-Performing School* (see Table 5, p. 95), the aggregate growth in student test scores is less than the goal and more than half of the students are performing below grade level. The Department of Public Instruction sends a team to help these schools.

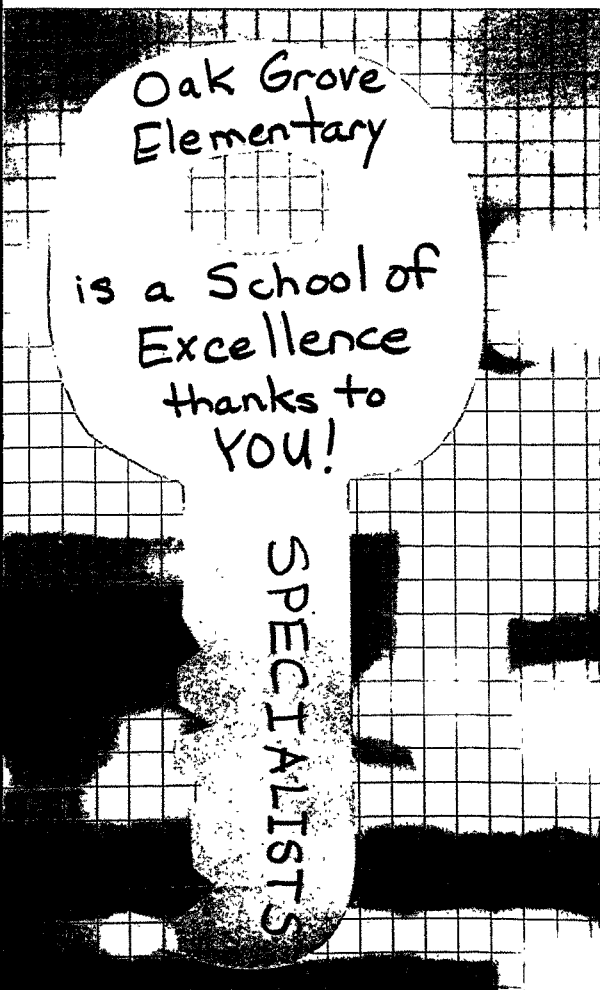
There are two other categories, which recognize aggregate student performance rather than progress toward growth goals. At a *School of Excellence*, 90 percent or more of the students perform at or above grade level (see Table 5, p. 94). At a *School of Distinction*, 80 to 89 percent score at or above grade level. Schools receiving these honors might or might not have met their growth goals.

Each year, the Department of Public Instruction determines how many assistance teams it can afford and sends them to Low Performing Schools. In the 1997–98 school year, there were 30 *Low-Performing Schools*, and teams were sent to 15. In 1998–99, there were 13 *Low Performing Schools*, six of which were charter schools. According to the original charter school legislation, the latter are not assured of receiving assistance teams, although the department may elect to offer help. Seven public school principals from the 1997–98 group were brought before the state board. Six of these principals returned to their duties, and one returned to the school system but not as a principal. The teaching staff also was evaluated in each of the 15 schools. An individual teacher deemed to be poor performing may be required to take a competency test. A teacher who fails the test three times may lose his or her license to teach. To date, 14 schools have repeated as a *Low Performing School*.

The ABCs plan draws from the Basic Education Program. It provides for teacher incentives without the divisiveness of the Career Ladder or the more-pay-for-more-work ethos of the Performance-Based Accountability Program. It has done away with more than 40 criteria of the Performance-Based Accountability Program plans and allows schools more autonomy. It hinges on student performance, although it aggregates performance into school-wide averages. Finally, it places both accountability and flexibility at the individual school rather than on the school system.

"I am entirely certain that twenty years from now we will look back at education as it is practiced in most schools today and wonder that we could have tolerated anything so primitive."

—JOHN W. GARDNER



Each school now writes a three-year plan that is submitted for approval to the local school board. Schools can propose flexible use of funds, flexible schedules, flexible curricula, and numerous other options. Chances are, as long as they meet basic legal requirements for the operation of a school and can convince the local school board that they will meet the goals for growth in student achievement, schools stand a good chance of having their plans approved.

On the other hand, the ABCs plan offers a financial disincentive to teachers who might otherwise decide to teach in schools with difficult, low-performing populations. These teachers aren't as likely to receive the bonuses that teachers at exemplary or expected growth schools will. Furthermore, some teachers and parents complain that by placing overwhelming importance on standardized tests and by holding schools responsible for the results, teachers focus too much on subject matter covered by the tests. The ABCs Plan also has raised

the ire of advocates for special education students, who say that reliance on standardized tests for promotion and graduation flies in the face of tailoring education to meet individual needs and goals. The N.C. Center for Public Policy Research found this to be an issue in its November 1998 examination of children with special needs published in *North Carolina Insight*. "The new high school standards are in direct conflict with the needs of special education kids," said Ann Brady, director of exceptional children programs in the Rockingham County Public Schools. "Special education kids who are trying to get a diploma want and need to take these tests, but they will pull scores down. When teachers and administrators realize this, they counsel the special education students not to take the standard course of study. And that is not in special education kids' best interests."⁸⁶

The program has made progress in terms of the standards it set for itself: "Testing results for the 1998-99 ABCs of Public Education show that the percentage of K-8 students who are performing at grade level or better in reading and math continues to increase, moving from 66.3 percent in 1997-98 to 69.1 percent in 1998-99. This represents a 9.1 percent increase since the ABCs began in 1996-97, when 60 percent were proficient. . . . The number of schools achieving Schools of Excellence recognition doubled from 24 in 1997-98 to 50 in 1998-99. Schools recognized as Schools of Distinction also increased significantly, going from 290 in 1997-98 to 408 in 1998-99. . . . The number of low-performing schools dropped from 30 to 13."⁸⁷ Furthermore, during the third year of the ABCs, 81.2 percent of schools met either their expected or exemplary growth standards compared to 56.7 percent in the first year (1996-97). End-of-grade test scores leveled off for the 1999-2000 school year, with 69.8 percent of students performing at grade level. That's less than a 1 percent improvement over 1998-99, leading state education officials to worry that student performance under the ABCs is leveling off. Of particular concern was a slight *decrease* in scores in grades six and seven. And whether the ABCs Program is successful by other standards may be a different story.

While the ABCs can show success on certain standards and accountability measures within the state, they provide no comparison with other states. On national tests like the National Assessment of Educational Progress (NAEP), a series of knowledge and skills tests developed and administered by the independent, nonpartisan National Assessment

—continued in page 96

**Table 5. Schools of Excellence and Low-Performing
Schools, 1999–2000**

A. 1999–2000 Schools of Excellence

71st Classical Middle (Cumberland County Schools)	Grey Culbreth Middle (Chapel Hill–Carrboro Schools)	Piney Creek Elementary (Alleghany County Schools)
A.T. Allen Elementary (Cabarrus County Schools)	Guy Phillips Middle (Chapel Hill–Carrboro Schools)	Robinson Elementary (Gaston County Schools)
Atlantic Elementary (Carteret County Schools)	Hardin Park Elementary (Watauga County Schools)	Roland–Grise Middle (New Hanover County Schools)
Barringer Academy (Charlotte-Mecklenburg County Schools)	Hayesville Middle School (Clay County Schools)	Rosewood Middle (Wayne County Schools)
Bee Log Elementary (Yancey County Schools)	Jacobs Fork Middle School (Catawba County)	Rutherford College Elementary (Burke County Schools)
Beech Mountain Elementary (Avery County Schools)	Jefferson Elementary (Forsyth County Schools)	Sandhills–Farm Life Elementary (Moore County Schools)
Blowing Rock Elementary (Watauga County Schools)	Jefferson Elementary (Guilford County Schools)	Shiloh Elementary (Union County Schools)
Brinson Memorial Elementary (Craven County Schools)	Kingswood Elementary (Wake County Schools)	South Charlotte Middle (Charlotte-Mecklenburg)
Brooks Global (Guilford County Schools)	Lake Norman Elementary (Iredell County–Statesville Schools)	Southwest Elementary (Forsyth County Schools)
C & L McDougle Middle (Chapel Hill–Carrboro Schools)	Lufkin Road Middle (Wake County Schools)	Summerfield Elementary (Guilford County Schools)
Clayton Middle School (Johnston County Schools)	Magellan Charter (Charter School–Wake County)	T.C. Henderson Elementary (Transylvania County Schools)
Colfax Elementary (Guilford County Schools)	Marie G. Davis Middle (Mecklenburg County Schools)	Tipton Hill Elementary (Mitchell County Schools)
Davidson Elementary (Charlotte-Mecklenburg County Schools)	McKee Road Elementary (Mecklenburg County Schools)	Topsail Middle (Pender County Schools)
Davidson International Baccalaureate Middle (Charlotte-Mecklenburg County Schools)	Morrisville Elementary (Wake County Schools)	Tryon Elementary (Polk County Schools)
Davis Drive Elementary (Wake County Schools)	Mountain Community School (Charter School–Henderson County Schools)	Valdese Elementary (Burke County Schools)
Davis Drive Middle (Wake County Schools)	Murphy Middle (Cherokee County Schools)	Valle Crucis Elementary (Watauga County Schools)
District No. 7 Elementary (Cumberland County Schools)	Northwest Cabarrus Middle (Cabarrus County Schools)	Villa Heights Elementary (Charlotte-Mecklenburg County Schools)
East Elementary School (Kings Mountain Schools)	Northwest Elementary (Lenoir County Schools)	Walnut Elementary (Madison County)
East Yancey Middle (Yancey County Schools)	Oak Grove Elementary (Wake County Schools)	Weddington Elementary (Union County Schools)
Elizabeth Lane Elementary (Mecklenburg County Schools)	Otto Elementary (Macon County Schools)	Weddington Middle (Union County Schools)
Exploris (Charter School–Wake County)	Parkway Elementary (Watauga County Schools)	Wesley Chapel Elementary (Union County Schools)
Glen Arden Elementary (Buncombe County Schools)	Partnership Primary (Wake County Schools)	West Lake Elementary (Wake County Schools)
	Peachtree Elementary (Cherokee County Schools)	West Lake Middle (Wake County Schools)
		West Pine Middle (Moore County Schools)

Table 5.
continued

B. 1999–2000 Low-Performing Schools

Aulander Elementary (Bertie County Schools)	Northampton High–West (Northampton County Schools)
Bartlett Yancey High (Caswell County Schools)	Northwest High (Halifax County Schools)
Carter Community (Charter School–Durham County)	OMA's Inc. Charter (Charter School–Cumberland County)
Carver Heights Elementary (Wayne County Schools)	Omuteko Gwamaziima (Charter School–Durham County)
Central N. C. School for the Deaf (N.C. Department of Health and Human Services)	Olympic High (Charlotte-Mecklenburg County Schools)
CIS Academy (Charter School–Robeson County)	Petree Elementary (Forsyth County Schools)
Eastern N.C. School for the Deaf (N.C. Department of Health and Human Services)	Provisions Academy (Charter School–Lee County)
Eastway Elementary (Durham County Schools)	Purnell Swett High (Robeson County Schools)
Engelmann Art/Science (Charter School–Catawba County)	Research Triangle Charter (Charter School–Durham County)
Fairmont High (Robeson County Schools)	Richmond County High (Richmond County Schools)
Goldsboro High (Wayne County Schools)	Right Step Academy (Charter School–Pitt County)
Healthy Start Academy (Charter School–Durham County)	Rowan Academy (Charter School–Rowan County)
Juvenile Evaluation Center (N.C. Department of Juvenile Justice)	Saint Pauls High (Robeson County Schools)
Kennedy Charter (Charter School–Mecklenburg County)	SPARC Academy (Charter School–Wake County Schools)
Lakeside School (Charter School– Alamance-Burlington Schools)	South Robeson High (Robeson County Schools)
Laurinburg Charter (Charter School–Scotland County)	Sugar Creek Charter (Charter School–Mecklenburg County)
Laurinburg Homework (Charter School–Scotland County)	Thomasboro Elementary (Charlotte-Mecklenburg County Schools)
LIFT Academy (Charter School–Forsyth County)	Turning Point Academy (Charter School–Durham County)
Lumberton High (Robeson County Schools)	Warren County High (Warren County Schools)
Maureen Joy Charter (Charter School–Durham County)	West Charlotte High (Charlotte-Mecklenburg Schools)
N.C. School for the Deaf–Morganton (N.C. Department of Health and Human Services)	Wilson Middle (Charlotte-Mecklenburg Schools)
Northampton High–East (Northampton County Schools)	Woodhill Elementary (Gaston County Schools)

Source: "A Report Card for the ABCs of Public Education, Volume I: Growth and Performance of North Carolina Schools, 1999–2000," Reporting Section of the North Carolina Department of Public Instruction, Division of Accountability Services, August 3, 2000.

Governing Board,⁸⁸ North Carolina's performance varies. For example, a 1997 study for the National Education Goals Panel found that North Carolina and Texas achieved the nation's largest percentage gains on the greatest number of National Assessment of Education Progress indicators between 1990 and 1996.⁸⁹ In North Carolina, the largest part of this increase came from the nation's largest gain in 8th grade math scores. However, the same study said that, when combining all the measures, North Carolina ranked 35th out of the 45 participating states. In any case, this study was conducted only a year after North Carolina started the ABCs Program, so the results don't include any potential gains that the program might have on student performance in subsequent years. On the other hand, after an increase in reading proficiency from 1992 to 1994, reading proficiency for North Carolina 4th graders on the NAEP test actually declined from 30 percent to 28 percent between 1994 and 1998. In 8th-grade reading, 31 percent of North Carolina's students were proficient in 1998, the first time the test was given to 8th graders. In 8th grade writing in 1998, and again the first time the test was given to 8th graders, North Carolina scored slightly above the national average; however, only 26 percent were proficient in writing. While the next state level math and science assessments were conducted in the spring of 2000, the next reading and writing assessments won't be given at the state level until the spring of 2002. Still, this year's science and math test results and the reading and writing test in 2002 should, after having had four years to have an impact, shed a little more light on the ABCs Program's ability to raise student performance.

The Iowa Test of Basic Skills is another national standardized test given each year to a sample of North Carolina 5th and 8th grade students. In 1992, the State Board of Education approved the Iowa Test of Basic Skills (ITBS) for use in the North Carolina testing program to facilitate the comparison of North Carolina's student achievement in reading, language, and mathematics with national indicators.⁹⁰ Between 1996 and 1999, while North Carolina's 5th and 8th graders increased their combined reading, language, and mathematics scores on the Iowa Test, they remain below the national average. However, in 1999 both the 5th and 8th graders scored above the national average in mathematics and only one point below the national average in reading.⁹¹

In an annual national education study, "Quality Counts 2000," North Carolina was one of only six states to receive an "A" grade in the "standards

"If you think education is expensive, try ignorance."

—DEREK BOK, FORMER PRESIDENT
OF HARVARD UNIVERSITY

and accountability" category.⁹² This category grades how well students are tested in core subjects such as math, science, English, and social studies. In the previous year's study, North Carolina received a "B" in this same category. Another report published in November 1999 by the Thomas B. Fordham Foundation, a Washington-based policy group, also gave North Carolina an "A" grade in setting solid academic standards and strong accountability.⁹³

North Carolina has also received recent acclaim from U.S. Secretary of Education Richard W. Riley. Deciding to make his annual speech on the state of American education at Southern High School in Durham, Riley said, "North Carolina, under Governor Hunt, has become a national leader in improving education. Governor Hunt has worked tirelessly to improve teacher quality, raise standards, expand early childhood education, give children the learning power of technology, and support improvements in public education. When a governor like Jim Hunt makes education a top priority, it makes all the difference to our children—and our nation."⁹⁴ President Bill Clinton also has applauded North Carolina's education improvement efforts. In his 1999 State of the Union address, President Clinton mentioned the state's test score gains and credited North Carolina with implementing the policy to "turn around the worst-performing schools—or shut them down," a policy Clinton supports.⁹⁵ Finally, in September 1999, North Carolina received the 1999 National Alliance of Business (NAB) Distinguished Performance Award for State of the Year. "North Carolina's schools have made more progress in more areas than any other state in early childhood development, teacher salaries and standards, school safety, and student accountability," said National Alliance of Business President Robert Jones.⁹⁶

Even in the midst of praise and recognition, there is still criticism. In "Grading Our Schools

'99," the John Locke Foundation asserts that despite recent improvements in some test scores, including national standardized tests and the state ABCs tests, the state's public schools still don't measure up.⁹⁷ The Locke Foundation argues that standards should be raised. Even some State Board of Education members question the ABCs test and North Carolina's efforts. "Does the [ABCs] test that we have do what we want it to do and do it well?" asks Board member Maria Palmer. State Board of Education Chairman Phil Kirk disputes the Locke Foundation claims and the question of whether the state's standards, especially for low-performing schools, are rigorous enough. "We've said all along that over time we'd raise the bar," says Kirk.⁹⁸

**The Excellent Schools Act in 1997:
Increasing Teacher Pay**

The Excellent Schools Act, initiated by Governor James B. Hunt and enacted into law by the General Assembly in 1997, increased teacher's salaries while holding them to a higher professional standard. Designed to attract and keep good teachers, the basic idea behind the act was that giving teachers higher pay attracts better teachers, who in turn will produce better-educated students. Under

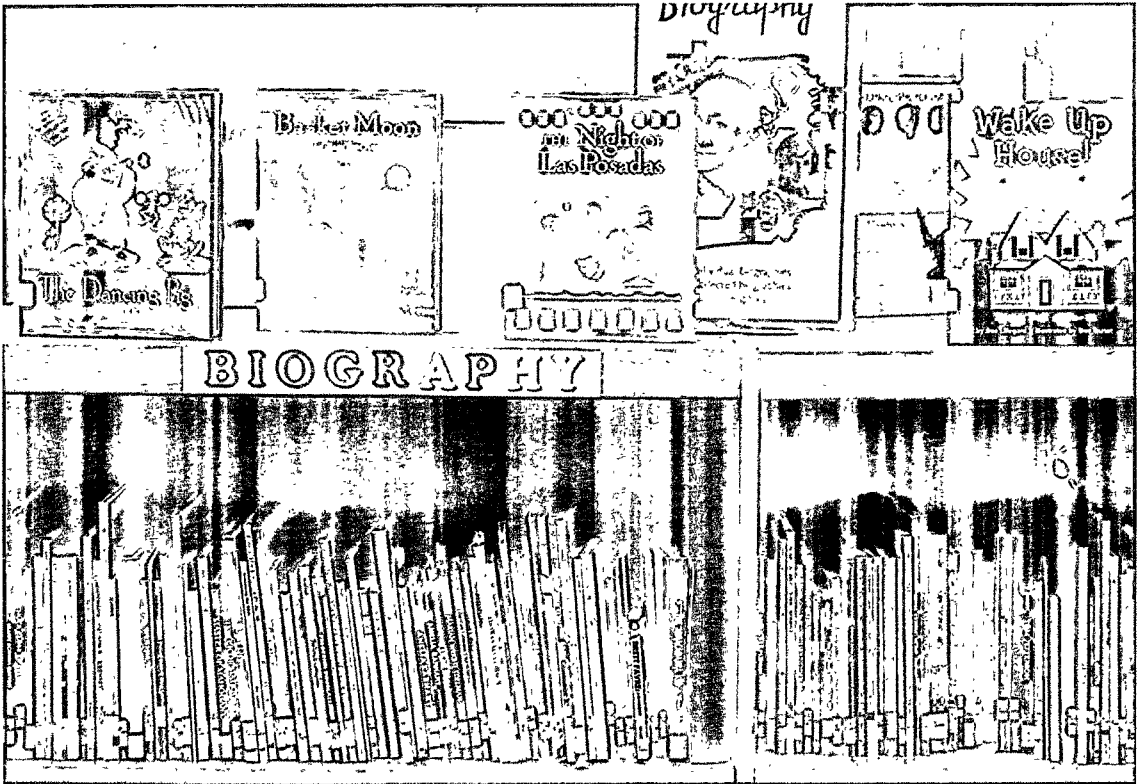
the act's four-year plan, teachers get annual salary increases averaging 6.5 percent from FY 1997-98 through FY 2000-01. However, the legislation also provides several bonus and incentive programs and increases the pay of teachers with masters' degrees or certification by the National Board for Professional Teaching Standards.

During his 1996 re-election campaign, Hunt pledged to boost teacher pay to the national average by the time he completed his fourth four-year term in 2001. While lawmakers endorsed Hunt's initiative with the Excellent Schools Act, they had to vote separately each year to fund the plan's pay increases. With the 2000-2001 budget, the legislature funded all four of the four yearly installments. However, it could be more difficult to maintain the legislature's commitment to increasing teacher pay after Hunt leaves office.

Concluding Observations

Start-and-Stop Education Reform

Perhaps the most obvious observation after examining 17 years of education reform in North Carolina is that changing an institution as vast as the North Carolina public schools takes time, and the state hasn't always allowed enough of it. In



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1992, before charter schools and the ABCs Program, then-Johnston County school superintendent Thomas Houlihan asked pointedly, "Is the state ever going to finish a reform program? This start-and-stop reform is killing us. No one feels they can believe anything the state says anymore."⁹⁹ While the state has had good intentions for many years, the pattern has been to make changes every three to four years, seemingly without thorough or at times *any* evaluation. There is, however, some evidence that this pattern may be changing. "The General Assembly has become more interested in having evaluations completed," says Carolyn Cobb, Chief Consultant of the Evaluation Section of the Department of Public Instruction's Division of Accountability Services. Still, although the interest in evaluating the state's education reform efforts is increasing, "frequently other and more political considerations drive decisions more than what evaluations say," Cobb adds.

With the 2000 gubernatorial election in progress, Houlihan's question becomes important again. The state's latest reform efforts, charter schools, the ABCs, and increasing teacher pay are now at the same crossroads that many others have faced over the years—though not necessarily in the crosshairs of competing politicians. If Republican Richard Vinroot becomes the next governor of North Carolina, there is likely to be an expansion of the charter school effort. In terms of the continuation of the ABCs, both gubernatorial candidates seem to support the notion of accountability at least to some degree. Richard Vinroot acknowledges the positive goals of the ABCs Program but would strengthen it by making sure it accurately reflects education achievement.

The effort to increase teacher pay is the reform most likely to fall prey to election year politics or a tight budget year. Still, increasing teacher pay is a common concern for both candidates—though perhaps through different approaches. While supporting merit pay, Richard Vinroot opposes seniority-based compensation. The Democratic gubernatorial candidate, Attorney General Mike Easley, has focused more on reducing class size, but he also supports competitive pay for teachers and favors using a new lottery to reach his education goals.

Public School Financing and Education Reform

The Supreme Court's ruling in *Leandro v. State*, that the state constitution not only provides a

"Well is it Teacher's fault? Oh no
Is it Mommy's fault? Oh no
Is it Society's fault? Oh no
Well, is it Johnny's fault? Oh no!"

—DON HENLEY AND
DANNY KORTCHMAR
"JOHNNY CAN'T READ"

right to a general and uniform education with equal access for all students, but a right to a "sound basic education," has the potential to turn public school financing and education reform efforts upside down. While noting the constitutional requirement for a "sound basic education," the court did not declare that the "equal opportunities" clause of Article IX, Section 2(1) of the North Carolina Constitution requires equal funding or educational advantages in all school districts. Sending the case back to Superior Court for trial, the court said it should examine whether any of the state's children are being denied their right to a sound basic education by considering: (1) the goals and standards adopted by the legislature; (2) the level of performance of the children of the state and its various districts on standard achievement tests; and (3) the level of the state's general educational expenditures and per-pupil expenditures.¹⁰⁰

The Supreme Court's decision certainly leans toward those who support additional funds for low wealth or smaller schools, including the gubernatorial candidates. Republican Richard Vinroot—who comes from urban Charlotte, which does not benefit from low-wealth and small school system funds—believes that it is more important to spend the state's money effectively rather than "just throwing money at the problem of failing schools." But Vinroot agrees that all children deserve access to a quality education no matter where they live. Whatever the outcome of the *Leandro* case in the trial courts, the Supreme Court's ruling will definitely influence current school reform efforts and any future state budgets for education enacted by the General Assembly.

Leadership in N.C. Public Education, Superintendents and State Board Chairs

Superintendents of Public Instruction, 1952–Present

Charles F. Carroll	1952–1969
A. Craig Phillips	1969–1989
Bob R. Etheridge	1989–1997
Michael E. Ward	1997–present

Chairs of the State Board of Education, 1957–present

Dallas Herring	1957–1977
Dr. H. David Bruton	1977–1982
C.D. Spangler, Jr.	1982–1986
Mebane Pritchett	1986–1987
Jere Drummond	1987–1988
Howard H. Haworth	1988–1990
Barbara M. Tapscott	1990–1992
Kenneth R. Harris	1992–1994
Jay M. Robinson	1994–1997
Philip J. Kirk, Jr.	1997–present

Sources: N.C. Secretary of State's Office for superintendents, State Board of Education for board chairs.

The Balance of Power and Education Reform

The balance of power and conflicts between the Superintendent of Public Instruction and the State Board of Education change over time. (See *Leadership in N.C. Public Education* above, for a list of contemporary public education leaders in N.C.) Because the state superintendent is elected statewide, that gives him the opportunity to wield great influence and compete with the governor for the public's attention. Likewise, the State Board of Education has an inherent strength in that it is one of only two boards in the state that draws its power directly from the N.C. Constitution rather than from statute. However, the State Board of Education's leadership may be stronger at times than others. Some board chairs may take more initiative, some may receive better or more frequent press coverage, or others may be working in more favorable political circumstances. For example, from 1995–1998, when the House came under Re-

publican control, the Superintendent of Public Instruction, Bob Etheridge, lost considerable clout, and power shifted to Jay Robinson, the chair of the State Board of Education. Current board chair Phil Kirk continues to exert strong leadership, while the superintendent's post has gained some prestige under Mike Ward, who succeeded Etheridge. Historically, former superintendent Craig Phillips (1969–1989) and board chair Dallas Herring (1957–1977) stand out as strong leaders, in part due to length of service. Another area where the balance of power emerges is that the General Assembly is much more involved in the management and oversight of public schools than of the other two state educational systems—the University of North Carolina and the Community College systems. Thus, legislative turnover can play a major role in the sustainability of a particular public school reform over time. In fact, only eight, or 16 percent of the current 50 senators were in the Senate at the beginning of the first reform highlighted in this article—extending the school day and

school year in 1984. Likewise, only 16, or 13 percent of the 120 House members were in the House that year.¹⁰¹

The Budget Picture and Education Reform

The state's fiscal health obviously has a huge impact on education reform movements and their ability to have a lasting influence. For example, in 1991, the state's \$1.2 billion revenue shortfall caused the General Assembly to limit continuation funding for the Performance-Based Accountability Program, the latest reform effort at the time. Even today, while the overall state economy is booming, the financial impact of Hurricane Floyd and subsequent flooding, as well as the state losing two lawsuits costing state coffers a total of \$1.24 billion from 1999 to 2002, has created another budget crisis for the state. This budget crisis may well have implications for the state's latest education reform efforts, especially the effort to increase teacher pay.

While the reality of the state's budget situation is accepted by both gubernatorial candidates, Democrat Mike Easley sees a new state lottery as an additional source of revenue that will alleviate the strain that education reform places on the state's coffers. Republican Richard Vinroot, on other hand, does not support a state lottery. While an-

ticipating the challenge of fulfilling many wants with only a fixed amount of money, Richard Vinroot seems less concerned with the state's looming fiscal burdens. Vinroot notes that state spending has increased every year for the past three years and therefore believes "we have the resources to do what must be done to reform our schools."

Politics and Education Reform

Perhaps the most influential component of education reform is politics. Politics definitely come into play with any initiative, education or otherwise, in terms of the power of the governor, mandates from voters, and partisan conflict. Republican Governor James G. Martin was a relatively weak governor without veto power who faced a Democratic General Assembly all eight years he was in power. On the other hand, Governor James B. Hunt has been stronger, as he won the 1996 election with 56 percent of the vote and had at least one house of the General Assembly that was Democratic all 8 years of his last two terms. Only in 1995-98 did he face a Republican-controlled House. In addition, in the 1996 election, North Carolina voters gave the governor veto power by approving a constitutional amendment. With these factors in place, and by recommending Phil Kirk, a



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leading Republican, as Chairman of the State Board of Education, Governor Hunt was able to fulfill many of his education goals.

Partisan politics matter because parties have different visions for education. Based on the positions of gubernatorial candidates in 2000, Republicans are more likely to support charter schools, vouchers, accountability measures, and flexibility at the local level. Democrats, on the other hand, generally support reduced class size, increased teacher pay, accountability measures, and financial equity between rich and poor school districts. Governor Martin's experience with a majority Democratic legislature is a good example of the education gridlock that can occur with partisan conflicts. Martin wanted to continue the Career Ladder Program, but the General Assembly wouldn't go along. Another example of partisan conflict was from 1995–1998, when the House was predominantly Republican and the Senate predominantly Democratic. The Republicans successfully gained charter school legislation and a large cut in positions in the state Department of Public Instruction, but when the Republicans margin of control of the House slipped from 68–52 in 1995–96 to 61–59 in 1997–98, the Democrats stopped other Republican policy initiatives.

The Democratic Party's close ties with the North Carolina Association of Educators (NCAE) also affects policy issues like teacher pay, so that issue ultimately becomes a partisan battle. Thus, while the ABCs Program had bipartisan support in 1999 and 2000, the 2000 election could unravel these reform efforts for budgetary or political reasons.

Future Reforms and Initiatives

While the fate of current reforms ultimately rests in the hands of the future Governor and General Assembly, there are other initiatives that will inevitably compete for attention. Governor Hunt's "First in America" initiative aims to make North Carolina's schools the best in America by 2010. The plan has five key goals: (1) high student performance; (2) every child ready to learn; (3) safe, orderly, and caring schools; (4) quality teachers and administrators; and (5) strong family, community, and business support. Each of these goals includes a set of specific measurements developed by the Governor's Education Cabinet to monitor the state's progress. In addition, the Governor directed the North Carolina Education Research Council, a unit that coordinates research for the Education

Cabinet, to design and issue an annual Progress Report and Report Card on the state's progress. As such, the Council has identified a set of measures that will enable the state to chart progress to the "First in America" goal. The first official reports will be released in the fall of 2000.

Another initiative that the State Board of Education passed in 1999, although it won't go into effect until the 2000–2001 school year, is the end of social promotion, or allowing students to continue to pass through school with peers of the same age without satisfying academic requirements. The first group affected by the new requirements will be children hoping to be promoted from fifth grade in the spring of 2001. To be promoted, they must pass the state's end-of-grade tests under the ABCs Program. Students in grades three and eight will join the program in the spring of 2002.¹⁰² This policy change will continue to have an impact on the public schools in the future, especially as remedial education for students who don't pass the state tests becomes an issue. "We will never be completely done with this, but we cannot delay any longer," says State Board of Education Chairman Phil Kirk. "It's time a diploma means something in North Carolina."¹⁰³

Narrowing the racial achievement gap is another issue that has been in the spotlight as schools and students are being increasingly held accountable for their performance. Fewer than half of North Carolina's 400,000 black children passed state-mandated tests in reading and math in 1999, with scores only slightly better for American Indian and Hispanic students. Among the state's white students, about 80 percent passed the exams.¹⁰⁴ Now groups of parents, educators, and elected leaders, all are looking for ways to close the gap. In fact, a legislative study commission, the Commission on Improving the Academic Achievement of Minority and At-Risk Students, is now working to find ways to improve the academic achievement of minority students and other children who are at risk of failing school.¹⁰⁵ In the meantime, state education officials plan to run a pilot program in five school districts next year that rewards teachers in elementary and middle schools for closing achievement gaps among specific groups of children.¹⁰⁶

Finally, replacing the number of baby boomer teachers who will be retiring over the next five years has become a pressing issue, especially combined with the lack of retention of younger teachers who leave the profession to take higher paying jobs. In the next five years, North Carolina's pub-

lic school system, which now employs about 86,000 teachers, will have to hire an additional 80,000 teachers. With this in mind, state and local school officials say they're working harder than ever to recruit and keep good teachers, offering incentives ranging from higher pay to low-interest housing loans. "When it comes to teacher recruitment, it's a vicious war out there," says James Merrill, Wake County's associate superintendent for administrative services.¹⁰⁷ Unfortunately, recruiting new teachers isn't just about the numbers. Even if the state can replace retiring teachers, doing so without considering their motivation and training could mean that some children, especially those who don't receive help, might not measure up to the state's accountability standards.

The unknown outcome of the upcoming 2000 gubernatorial election raises many other questions. Depending on who wins the coveted position, there may be a continuation of the ABCs Program, a state lottery, decreased class sizes, and more increases in teacher pay. On the other hand, there may be a total change in direction with more charter schools, a new voucher program, and a return to more merit-based pay for teachers. And regardless of what the new governor pursues, the state courts may move equity issues and school finance reform to the head of the class. Ultimately, elections matter, and we are again at a crossroads of continuing to follow the current path of reform or changing reform horses yet again. ■■

FOOTNOTES

¹ *A Nation At Risk: The Imperative for Educational Reform*, United States Department of Education, National Commission on Excellence in Education, Washington, D.C., April 1983.

² Chapter 716 (SB 1139) of the 1995 Session Laws, now codified as N.C.G.S. 115C-105.20 *et seq.*

³ See Drew Lindsay, "Random Acts of Reform," *Education Week*, Editorial Projects in Education Inc., Washington, D.C., January 22, 1997, pp. 177-180.

⁴ Chapter 761 (SB 23) of the 1983 Session Laws, Section 92, N.C. General Assembly.

⁵ Chapter 479 (SB 1, the Current Operations Appropriations Act of 1985) of the 1985 Session Laws, Section 55, now codified as N.C.G.S. 115C-81.

⁶ Chapter 479 (SB 1, the Current Operations Appropriations Act of 1985) of the 1985 Session Laws, Sections 39-53.

⁷ Chapter 778 (SB 2, the School Improvement and Accountability Act) of the 1989 Session Laws, now codified as N.C.G.S. 115C-105.20-28.

⁸ Chapter 689, (HB 83, the Appropriations and Budget Revenue Act of 1991) of the 1991 Session Laws, Section 199, now codified as N.C.G.S. 115C-238.12-19.

⁹ Chapter 689 (HB 83, the Appropriations and Budget Revenue Act of 1991) of the 1991 Session Laws, Sections 196 (a) and 201.2.

¹⁰ Chapter 689 (HB 83, the Appropriations and Budget Revenue Act of 1991) of the 1991 Session Laws, Section 201.1.

¹¹ Chapter 731 (SB 955) of the 1995 Session Laws (Reg. Session, 1996), Chapter 430 (SB 297) of the 1997 Session Laws, and Chapter 212 (SB 1366, special provision in the Budget Bill, Section 9.14) of the 1998 Session Laws, now codified as N.C.G.S. 115C-238.29 *et seq.*

¹² Chapter 716 (SB 1139) of the 1995 Session Laws (Reg. Session, 1996), now codified as N.C.G.S. 115C-105.20 *et seq.*

¹³ Chapter 221 (SB 272, the Excellent Schools Act, Part VII Section 16) of the 1997 Session Laws.

¹⁴ "We Must Choose a New Course for Schools," Public School Forum, Study Group IV, Raleigh, N.C., 1992, p. 9.

¹⁵ Lindsay, note 3 above, p. 178.

¹⁶ Chapter 689 (HB 83, the Appropriations and Budget Revenue Act of 1991) of the 1991 Session Laws, Section 196.

¹⁷ Information provided by Paul LeSieur, Director of the Office of Finance, N.C. Department of Public Instruction

¹⁸ "The Basic Education Program of North Carolina's Schools," N.C. State Board of Education, Raleigh, N.C., 1984, p. 1.

¹⁹ Chapter 761 (SB 23, the Current Operations Appropriations Act of 1983) of the 1983 Session Laws, Section 86.

²⁰ Promotion was based on a three-phase testing program for grades 3, 6, and 8. In Phase I, students took the nationally normed (averaged across students in all states) California Achievement Test (CAT). Students who scored at or above the 25th national percentile for their grade on the CAT satisfied the state's competency requirement for promotion. Students who had already been retained within their current grade span were exempted from the promotion standard. Non-exempted students who scored below the 25th percentile on the CAT proceeded to Phase 2. In Phase 2, students took the North Carolina Minimum Skills Diagnostic Tests (MSDT). Students who did not pass this test received remedial instruction during the state-funded Basic Education Program Summer School. At the end of summer school, the students took the Phase 3 MSDT test, which is a version of the Phase 2 test.

²¹ Chapter 479 (SB 1, the Current Operations Appropriations Act of 1985) of the 1985 Session Laws, Sections 39-53.

²² Linda Haac, "Testing Teachers: What's Wrong With This Picture?" *Leader*, Chapel Hill, N.C., December 15, 1988, p. 27. In 1982, researchers at UNC Chapel Hill's School of Education analyzed over 675 research studies on classroom teaching and found that certain teaching practices were related to student achievement.

²³ Susan Moore Johnson, "Redesigning Teachers' Work," *Restructuring Schools: The Next Generation of Educational Reform*, Jossey-Bass, San Francisco, Calif., 1990, p. 125.

²⁴ "Evaluation of North Carolina's School Career Development Pilot Program: A Report of an Outside Evaluation Prepared for the Joint Legislative Commission on Governmental Operations," Research and Service, Inc., Brentwood, Tenn., Dec. 31, 1998, pp. 44-52.

²⁵ "An Invitation to School Improvement in North Carolina," *North Carolina Legislation*, N.C. Department of Public Instruction, 1989, pp. 173-175.

²⁶ *Thinking for a Living: A Blueprint for Educational Growth*, Public School Forum, Raleigh, N.C., December, 1988.

²⁷ John Charles Bradbury, "Glossary of Year-Round Terms," *North Carolina Insight*, Raleigh, N.C., Vol. 17, No. 1 (May 1997), p. 22.

²⁸ Mike McLaughlin, "Year-Round Schools: An Opportunity To Lengthen the School Year?" *North Carolina Insight*, Raleigh, N.C., Vol. 17, No. 1 (May 1997), pp. 7-10.

²⁹ Todd Silberman and John Charles Bradbury, "Year-Round Schools: North Carolina School Systems Test the Waters," *North Carolina Insight*, Raleigh, N.C., Vol. 17, No. 1

(May 1997), pp. 2–41. See especially p. 18.

³⁰ D. Kirk Grotjohn and Karen Banks, "An Evaluation Synthesis: Year-Round Schools and Achievement," Wake County Public School System, 1993, p. 3, presented at the 1993 Annual Meeting of the American Educational Research Association, Atlanta, Ga.

³¹ Silberman and Bradbury, note 29 above, pp. 10–14.

³² Information provided by the Statistical Research Section, Financial & Personnel Service, N.C. Department of Public Instruction.

³³ "Policy supporting local efforts to implement year-round education models," N.C. State Board of Education Policy Manual.

³⁴ Chapter 98 (HB 616) of the 1993 Session Laws.

³⁵ Chapter 133 (HB 1478) of the 1997 Session Laws, 2nd Session.

³⁶ "1999 Year-Round Education Study Committee Report," N.C. Department of Public Instruction, Division of Instructional Services, May 15, 1999, p. 3.

³⁷ N.C.G.S. 115C-238.12-19

³⁸ Mike McLaughlin, "Year-Round Schools in North Carolina: A Firsthand Look," *North Carolina Insight*, Raleigh, N.C., Vol. 17, No. 1 (May 1997), pp. 32–41. See especially pp. 35–37.

³⁹ "1993–1994 End-of-Year Evaluation Report: Outcome-Based Education Pilot Program," Division of Development and Evaluation Services, N.C. Department of Public Instruction, February 1995, p. 42.

⁴⁰ Chapter 324 (HB 229) of the 1995 Session Laws, Section 17.2.

⁴¹ "United States, Canada and Pacific Region Year-Round Programs: 1999–2000 School Year," The National Association of Year-Round Education, San Diego, Calif.

⁴² The Future of North Carolina—Goals and Recommendations for the Year 2000, Report of the Commission on the Future of North Carolina, N.C. Department of Administration, 1983, p. 30.

⁴³ Bill Finger, "Disparity in Public School Financing—An Update," *North Carolina Insight*, Raleigh, N.C., Vol. 7, No. 4 (April 1985), pp. 44–49. See especially p. 45.

⁴⁴ Senate Bill 49, preamble, 1985 Session.

⁴⁵ Chapter 479 (SB 1, the Current Operations Appropriations Act of 1985) of the 1985 Session Laws, Section 55, now codified as N.C.G.S. 115C-81(a).

⁴⁶ Chapter 689 (HB 83, the Appropriations and Budget Revenue Act of 1991) of the 1991 Session Laws, Sections 196 (a) and 201.2.

⁴⁷ Chapter 689 (HB 83, the Appropriations and Budget Revenue Act of 1991) of the 1991 Session Laws, Section 201.1.

⁴⁸ Information provided by the Fiscal Research Division, N.C. General Assembly.

⁴⁹ 86 N.C. App. 282, 357 S.E.2d 432, 436 (1987).

⁵⁰ Mebane Rash Whitman, "The Right to Education and the Financing of Equal Educational Opportunities in North Carolina's Public Schools," *North Carolina Insight*, Raleigh, N.C., Vol. 17, No. 1 (May 1997), pp. 42–71.

⁵¹ 346 N.C. 336 (1997), 345–347.

⁵² Chapter 731 (SB 955) of the 1995 Session Laws, 2nd Session, Chapter 430 (SB 297) of the 1997 Session Laws, and Chapter 212 (SB 1366, special provision in the Budget Bill, Section 9.14) of the 1998 Session Laws, now codified as N.C.G.S. 115C-238.29 *et seq.*

⁵³ Tom Mather, "School Choice: A Simple Term Covers a Range of Options," *North Carolina Insight*, Raleigh, N.C., Vol. 16, No. 2 (September 1995), pp. 15–21.

⁵⁴ John Manuel, "Special Education in North Carolina: Rough Waters Ahead," *North Carolina Insight*, Raleigh, N.C., Vol. 17, No. 4/Vol. 18, No. 1 (November 1998), pp. 12–18.

⁵⁵ According to the N.C. Department of Public Instruction's Allotment Policy Manual for FY 1999–2000, the per student funding is equal to the local education agency's (LEA) allotment divided by the average daily membership (ADM) for that LEA. Charter schools receive an amount equal to the state funded dollars per ADM for the LEA in which the school is located or (for new charters) in which the student was previously enrolled.

⁵⁶ According to the N.C. Department of Public Instruction's Allotment Policy Manual for FY 1999–2000, the per student funding for children with special needs is based on the funds generated for school-aged children with special needs divided by the local education agency's (LEA) April 1 total headcount of special needs children (not capped). Charter schools receive an amount equal to the LEA's state-funded dollars per headcount for the LEA in which the child was identified.

⁵⁷ This estimate includes the administrative costs of the N.C. Department of Public Instruction, Office of Charter Schools. Information provided by the Fiscal Research Division, N.C. General Assembly.

⁵⁸ Information provided by Paul LeSieur, head of Department of Public Instruction Office of Finance, October, 1999.

⁵⁹ Article IX, Section 2, Subsection 2 of the N.C. Constitution says that "The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program."

⁶⁰ "K–12 Education Trends," *State Policy Reports*, Washington, D.C., Vol. 17, Issue 11 (November 1999), p. 16.

⁶¹ Information provided by Richard Clontz, a consultant with the Charter School Office of the N.C. Department of Public Instruction.

⁶² Information provided by the Statistical Research Section, N.C. Department of Public Instruction.

⁶³ "The State of Charter Schools—Fourth Year Report," Office of Educational Research and Improvement, U.S. Department of Education, Washington, D.C., January 2000, pp. 44 and 48.

⁶⁴ Deborah Robiglio, "Charter school to shut down," *The News and Observer*, Raleigh, N.C., March 23, 1999, p. 1B.

⁶⁵ Manya A. Brachear, "Despite setbacks, charter school vows to stick with unique curriculum," *The News and Observer*, Raleigh, N.C., February 4, 2000, p. 5B.

⁶⁶ Tim Simmons, "Black parents seek a better choice," *The News and Observer*, Raleigh, N.C., November 23, 1999, p. 1A.

⁶⁷ Chapter 27 (HB 216) of the 1999 Session Laws, now codified as N.C.G.S. 115C-238.29(c).

⁶⁸ This test is effective beginning with the graduating class of 2003.

⁶⁹ For students who fail the test in the 11th grade, more class time and help with skills will be made available, a second test and possibly a third may be given, and a personalized education plan will be developed to outline how the school will help the student. If the student doesn't pass the computer skills test in 8th grade, he or she must retake it until a passing score is achieved.

⁷⁰ N.C.G.S. 115C-105.20 *et seq.*

⁷¹ Chapter 117 (SB 878) of the 1993 Session Laws. This statute, codified as N.C.G.S. 115C-105.1 through 115C-105.10, was later repealed by Chapter 443 (SB 352, the Current Operations and Capital Improvements Appropriations Act of 1997) of the 1997 Session Laws, Section 8.27(c). While the Commission on Standards and Accountability was repealed, there is still a Committee on Standards and Accountability in the Department of Public Instruction.

⁷² Chapter 6 (SB 16) of the 1995 Session Laws, Section 2.

⁷³ Note 71 above.

⁷⁴ Tim Simmons, "Hunt panel to set school standards," *The*

News and Observer, Raleigh, N.C., September 10, 1993, p. 3A.

⁷⁵ *Ibid.*

⁷⁶ Students in Grades 3, 5, and 8 must score at or above a Level III on end-of-grade tests (EOG) in reading and math to be promoted to the next grade. According to the State Board of Education Policy manual, students performing at this level consistently demonstrate mastery of grade level subject matter and skills and are well prepared for the next grade level. Students in grades 4 and 7 must score at or above a 2.5 on the writing assessment.

⁷⁷ If standards aren't met, more class time and help with skills will be available for students in need. A second test and possibly a third will be given, and a personalized education plan will be developed to outline how the school will help the student. A formal review may be requested by parents if the student doesn't pass end-of-grade tests after a second or third try.

⁷⁸ North Carolina Department of Public Instruction, *The 1999–2000 North Carolina Testing Program*, available at www.dpi.state.nc.us/accountability/testing/TestProgOver9900.doc.

⁷⁹ Danny Lineberry, "The 1995 Legislature in Retrospect: Republican Lawmakers Work to Deliver on Their Contract," *North Carolina Insight*, Raleigh, N.C., Vol. 16, No. 3 (May 1996), pp. 102–118. See especially pp. 106–107. See also Mebane Rash Whitman, "The Evolution of Party Politics: The March of the GOP Continues in North Carolina," *North Carolina Insight*, Raleigh, N.C., Vol. 16, No. 2 (September 1995), pp. 81–97.

⁸⁰ Information provided by the Planning and Budget Section, Financial Services Division, N.C. Department of Public Instruction.

⁸¹ Article IX, Section 4 of the North Carolina Constitution. The other board established in the constitution is the Board of Public Welfare, now the Social Services Commission, in Article XI, Section 4.

⁸² N.C.G.S. 115C-11(a).

⁸³ Jack Betts, "The Superintendent of Public Instruction: Should North Carolina's Chief Public School Officer Be Appointed or Elected?" *North Carolina Insight*, Raleigh, N.C., Vol. 12, No. 4 (September 1990), pp. 2–22.

⁸⁴ Chapter 450 (HB 6) of the 1995 Session Laws, Sections 14–15, now codified as N.C.G.S. 115C-105.26–27.

⁸⁵ N.C. Department of Public Instruction, Division of Accountability Services, "Setting Annual Growth Standards: 'The Formula,'" *Accountability Brief*, Raleigh, N.C., Vol. 1, No. 1 (September 1996), pp. 3–4.

⁸⁶ John Manuel, "Special Education in North Carolina: Rough Waters Ahead?" *North Carolina Insight*, Raleigh, N.C., Vol. 17, No. 4/Vol. 18, No. 1 (November 1998), pp. 11–33. See especially p. 29.

⁸⁷ "More Students Proficient at Reading and Mathematics under ABCs," N.C. Department of Public Instruction press release, August 8, 1999, p. 1.

⁸⁸ The National Assessment of Educational Progress (NAEP) is the only nationally representative and continuing assessment of what America's students know and can do in various subject areas. Since 1969, national assessments have been conducted periodically in reading, mathematics, science, writing, history, geography, the arts, and other fields. Because the national NAEP samples are not designed to support the reporting of accurate and representative state-level results, NAEP assessments also have been conducted on the state level since 1990.

⁸⁹ David Grissmer and Ann Flanagan, "Exploring Rapid Achievement Gains in North Carolina and Texas," National Education Goals Panel, Washington, D.C. Nov. 1998, p. i.

⁹⁰ The ITBS was adopted in lieu of the previously used California Achievement Tests (CAT) for several reasons. Among

the reasons were: (1) it was more closely aligned with the mandated statewide curriculum; (2) it placed greater emphasis on higher-order thinking skills; and (3) it was more closely aligned with national curriculum standards.

⁹¹ "National Assessment of Educational Progress (NAEP) and Iowa Tests of Basic Skills (ITBS) Results for North Carolina and the Nation," Accountability Services, N.C. Department of Public Instruction, January 2000, pp. 16–20.

⁹² "Quality Counts 2000," *Education Week*, Editorial Projects in Education Inc., Washington, D.C., Vol. 19, No. 18, January 13, 2000, pp. 8–65.

⁹³ Chester E. Finn, Jr., Marci Kanstoroom, and Michael J. Petrilli, "The Quest for Better Teachers: Grading the States," The Thomas B. Fordham Foundation, Washington, D.C., November 1999, p. 33.

⁹⁴ As reported in Todd Silberman, "Education chief gives nod to N.C.," *The News and Observer*, Raleigh, N.C., January 6, 2000, p. 3B.

⁹⁵ "President William Jefferson Clinton, State of the Union Address," Office of the Press Secretary, United States Capitol, Washington, D.C., January 19, 1999.

⁹⁶ "North Carolina Wins State of the Year Award for Education Initiatives," N.C. Department of Public Instruction press release, September 27, 1999, p. 1.

⁹⁷ Doug Haynes, "Grading Our Schools '99: Annual Report to N.C. Parents and Taxpayers," The John Locke Foundation, N.C. Alliance for Smart Schools, Raleigh, N.C. September, 1999, p. 2.

⁹⁸ "ABCs Revisited," *Carolina Journal, Weekly Report for Executives*, The John Locke Foundation, Raleigh, N.C., Vol. 7, No. 23 (November 8, 1999), p. 1.

⁹⁹ Tim Simmons, "Blackboard bungle: Why schools fail / Complacency hinders state, despite efforts," *The News and Observer*, Raleigh, N.C., May 24, 1992, p. 1A.

¹⁰⁰ 346 NC 336 (1997), especially pp. 355–356.

¹⁰¹ Carolyn Waller, *Article II: A Guide to the 1999–2000 N.C. Legislature*, North Carolina Center for Public Policy Research, Raleigh, N.C., March 1999, pp. 16–65 and 72–191.

¹⁰² "Student Accountability Standards," N.C. State Board of Education Policy Manual.

¹⁰³ Tim Simmons, "Death knell sounds for social promotion in N.C. schools," *The News and Observer*, Raleigh, N.C., April 1, 1999, p. 1A.

¹⁰⁴ Tim Simmons, "Racial gap draws notice," *The News and Observer*, Raleigh, N.C., February 2, 2000, p. 1B.

¹⁰⁵ Chapter 395 (HB 163, the Studies Act of 1999) of the 1999 Session Laws, Sections 15.1–15.11.

¹⁰⁶ See Simmons, note 104 above.

¹⁰⁷ Johnathan Goldstein, "Teacher shortage looms for N.C., U.S.," *The News and Observer*, Raleigh, N.C., March 5, 2000, p. 1A.

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