

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 538*

Short Title: Block Grant Funding/Local Schools.

(Public)

Sponsors: Representatives Hege; Dockham, Huffman, Justus, Ligon, Pope, Privette, Rhyne, Wilson, and Wood.

Referred to: Appropriations.

April 1, 1991

1 A BILL TO BE ENTITLED
2 AN ACT PROVIDING FOR BLOCK GRANT FUNDING OF PUBLIC EDUCATION
3 FUNDS TO LOCAL SCHOOL DISTRICTS.

4 The General Assembly of North Carolina enacts:

5 Section 1. Article 30 of Chapter 115C of the General Statutes is amended by
6 adding a new section to read:

7 "**§ 115C-417. Block Grant Funding for local school districts.**

8 Notwithstanding any other State law to the contrary and except as prohibited by
9 federal law or the conditions on federal grants, all public school funds shall be
10 distributed to local school districts in a block grant designated for operation of programs
11 determined by local boards of education and in compliance with the requirements
12 established by the State Board of Education. The current allotment formulas as
13 established by the State Board of Education shall be maintained. Money for certified
14 positions shall be allocated based upon the prior year's average salary per district times
15 the number of positions earned according to average daily membership (ADM).
16 Operational expenses shall be allotted based upon standards adopted by the State Board
17 of Education. The funds shall be collapsed into one block grant per district. It is the
18 intent of the General Assembly by enactment of this act to grant total flexibility in the
19 use of funds appropriated for operation of programs and employment of personnel.

20 Local school administrative units and local school boards are required to report the
21 use of funds to the State of North Carolina using currently established reporting
22 systems. The uniform procedures established by G.S. 115C-426 and G.S. 115C-12 (18)
23 shall be continued.

1 The Superintendent of Public Instruction shall direct the division of Financial
2 Services to review policy, regulations and procedures and to remove any in conflict with
3 the intent of this legislation.

4 Local school administrative units shall be held accountable for the academic
5 performance standards as established by accreditation policies of the State Board of
6 Education. Schools not meeting standards shall be declared as schools in crisis and
7 shall be subject to intervention measures as adopted by the State Board of Education.

8 Local boards of education shall provide maximum flexibility in the use of funds to
9 individual schools in order to enable them to accomplish their goals.

10 Notwithstanding the provisions of this section, all certified personnel of the public
11 schools who are classified as 'A' or 'G' teachers and who are paid in whole or in part
12 with State funds shall be paid on the statewide salary schedule."

13 Sec. 2. G.S. 115C-12(9)c. is repealed.

14 Sec. 3. The State Board of Education shall apply an equalization formula for
15 small schools beginning in fiscal year 1992-93.

16 Sec. 4. This act becomes effective July 1, 1991.