

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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BILL DRAFT 2015-TC-36 [v.3] (01/26)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
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Short Title: Achievement School District.

(Public)

Sponsors: Representative Bryan.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ESTABLISH THE ACHIEVEMENT SCHOOL DISTRICT.  
3 The General Assembly of North Carolina enacts:  
4 SECTION 1. Subchapter III of Chapter 115C of the General Statutes is amended  
5 by adding a new Article to read:

6 "Article 7A.  
7 Achievement School District.

8 "§ 115C-75.5. Definitions.

9 The following definitions apply in this Article:

- 10 (1) Achievement school. – An elementary school under the supervision of the  
11 Achievement School District.
- 12 (2) Achievement School District or ASD. – The statewide school unit  
13 established pursuant to this Article.
- 14 (3) Achievement school operator or AS operator. – An entity selected by the  
15 State Board of Education upon the recommendation of the ASD  
16 Superintendent to operate an achievement school.
- 17 (4) ASD Superintendent. – The superintendent of the ASD appointed by the  
18 State Board of Education in accordance with G.S. 115C-75.6(b).
- 19 (5) Qualifying school. – A low-performing school, as defined in  
20 G.S. 115C-105.37, that meets one of the following criteria:
- 21 a. Received a school performance score in the lowest five percent (5%)  
22 of all schools that include all or part of grades kindergarten through  
23 fifth in the prior school year, unless one of the following apply:
- 24 1. That school both exceeded growth in at least one of the prior  
25 three school years and met growth in at least one of the prior  
26 three school years.
- 27 2. One of the models established in G.S. 115C-105.37B for  
28 continually low-performing schools has been adopted for that  
29 school.
- 30 b. Received a school performance score in the lowest ten percent (10%)  
31 of all schools that include all or part of grades kindergarten through  
32 fifth in the prior school year and has been designated by the local  
33 board of education for consideration by the State Board of Education  
34 as an achievement school.



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**"§ 115C-75.6. Achievement School District.**

(a) There is established the Achievement School District (ASD) under the administration of the State Board of Education. The ASD shall assume the supervision, management, and operation of elementary schools that have been selected as achievement schools pursuant to this Article.

(b) An ASD Superintendent Selection Advisory Committee shall be established to make a recommendation to the State Board of Education on appointment of a superintendent to serve as an executive officer of the ASD. The Committee shall ensure that the individual recommended has qualifications consistent with G.S. 115C-271(a). The Lieutenant Governor shall serve as chair of the Committee, and shall appoint the following additional members:

(1) Three members of the State Board of Education.

(2) One teacher or retired teacher.

(3) One principal or retired principal.

(4) One superintendent or retired superintendent.

(c) The State Board of Education or its designee shall consider the recommendation of the ASD Superintendent Selection Advisory Committee and shall appoint a superintendent to serve as the executive officer of the ASD. The ASD Superintendent shall serve at the pleasure of the State Board of Education at a salary established by the State Board within the funds appropriated for this purpose. The Superintendent of the ASD shall have qualifications consistent with G.S. 115C-271(a) and report directly to the State Board.

(d) By January 15 annually, the State Board and the ASD Superintendent shall report to the Joint Legislative Education Oversight Committee on all aspects of operation of ASD, including the selection of achievement schools and their progress.

**"§ 115C-75.7. Selection of achievement schools.**

(a) State Board Selection. – The State Board of Education is authorized to select, upon the recommendation of the Superintendent of the ASD, no more than five qualifying schools to transfer to the ASD as achievement schools. The five qualifying schools selected for inclusion in the ASD should represent geographic diversity, including urban and rural schools. The State Board of Education shall select no more than one qualifying school per local school administrative unit.

(b) Selection Process. – The selection of qualifying schools shall be based on an analysis of performance over the most recent three-year period. Prior to recommendation of selection of a qualifying school, the ASD Superintendent shall conduct an evaluation of the school to determine the factors contributing to the school's performance and shall confer with the school principal, local board of education members, the local school superintendent, and the local board of county commissioners to share the findings of the evaluation. The school selection process shall also include a public hearing to allow for parent and community input. The ASD Superintendent shall evaluate and identify the qualifying schools to recommend for selection as prospective achievement schools no later than November 15 prior to the initial school year in which the school may operate as an achievement school, and shall notify the local boards of education where prospective achievement schools are located by that date. The State Board of Education shall select the prospective achievement schools no later than January 15.

(c) Local Board Response. – Upon notification by the ASD Superintendent of selection by the State Board of Education of the qualifying school as a prospective achievement school, the local board of education shall determine whether to (i) close the selected qualifying school, (ii) transfer the school into the ASD, or (iii) request adoption of the principal turnaround reform model for the qualifying school, as provided in and subject to G.S. 115C-105.37B. The local board shall not be required to undertake the study required by G.S. 115C-72 before closing the school. Before the adoption of a resolution, the local board of education shall provide for a public hearing in regard to the proposed transfer, closure, or adoption of the principal

1 turnaround reform model, at which hearing the public shall be afforded an opportunity to  
2 express their views. No later than March 1, the local board of education shall adopt a resolution  
3 either (i) consenting to transfer of the selected qualifying school to the ASD as an achievement  
4 school, (ii) closing that school at the conclusion of that school year or (iii) requesting adoption  
5 of the principal turnaround reform model for the qualifying school. The State Board of  
6 Education may delay the transfer of a selected school to the ASD for one year upon the  
7 recommendation of the ASD Superintendent.

8 (d) Public Notification. – The list of qualifying schools and selected achievement  
9 schools shall be made publically available on a Web site maintained by the ASD.

10 (e) Waivers for AS Schools. – The ASD Superintendent may waive State Board of  
11 Education rules, regulations, policies, and procedures, or the provisions of this Chapter for  
12 achievement schools; however achievement schools shall be required to comply with, at a  
13 minimum, the statutory requirements for charter schools as provided in Article 14A of this  
14 Chapter. The goal for each waiver shall be improvement of student performance. All  
15 achievement schools shall comply with all applicable constitutional and statutory  
16 nondiscrimination requirements.

17 **"§ 115C-75.8. Selection of AS operators.**

18 (a) The State Board of Education may select an AS operator for a prospective  
19 achievement school by January 15, and shall select an AS operator for a prospective school no  
20 later than February 15.

21 (b) The State Board of Education, upon the recommendation of the ASD  
22 Superintendent, shall only select an entity to contract as an AS operator if that entity  
23 demonstrates one of the following:

24 (1) The school or schools operated by the entity in this State or other states have  
25 a record of results in improving performance of persistently low-performing  
26 schools or improving performance of a substantial number of persistently  
27 low-performing students attending the school.

28 (2) The entity has a credible and specific plan for dramatically improving  
29 student achievement in a low-performing school and provides evidence that  
30 the entity is currently operating a school or schools in this State that provide  
31 a sound, basic education or has demonstrated consistent and substantial  
32 growth towards providing a sound, basic education in the prior three school  
33 years, or is a contractual affiliate of such an entity.

34 (c) The selected AS operator shall be provided opportunities to hold public  
35 informational sessions and other outreach to the community, prospective achievement school,  
36 and local board of education of a prospective achievement school prior to a local board's  
37 adoption of the resolution required by G.S. 115C-75.7(c).

38 **"§ 115C-75.9. Management of achievement schools.**

39 (a) Direct Management by AS Operator. – An achievement school shall be subject to  
40 direct management by an AS operator selected by the State Board of Education, upon the  
41 recommendation of the ASD Superintendent, for a five-year contract.

42 (b) Role of AS Operator. – The AS operator shall be authorized to have a direct role in  
43 making decisions about school finance, human capital, and curriculum and instruction for the  
44 achievement school while developing the leadership capacity in such schools.

45 (c) Assignment to Achievement Schools. – All achievement schools shall remain open  
46 to enrollment in the same manner with the same attendance zone as prior to becoming an  
47 achievement school. If a local board of education's reassignment of students within the local  
48 school administrative unit due to student population changes or openings or closures of other  
49 schools impacts the achievement school, the AS operator may appeal to the ASD  
50 Superintendent and request a hearing before the State Board of Education regarding the  
51 reassignment. Notwithstanding G.S. 115C-366, the State Board of Education shall, after

1 hearing from both the local board of education and AS operator, determine whether the  
2 reassignment of students impacting the achievement school may proceed.

3 (d) Facility and Capital Expenditures. – Facility and capital expenditures shall be  
4 provided as follows:

5 (1) In addition to the transfer of funds as provided in G.S. 115C-75.10, the local  
6 board of education shall be responsible for facility and capital expenditures  
7 at the qualifying school.

8 (2) All AS operators and local boards of education shall enter into an occupancy  
9 agreement establishing the terms of occupancy for the AS operator not  
10 otherwise addressed in statute. If the parties are unable to reach agreement,  
11 either party may petition the State Board of Education to resolve any issues  
12 in dispute.

13 (3) The AS operator shall have first priority in use of the facility for any purpose  
14 related to the operation of the achievement school. The local board of  
15 education, with the consent of the AS operator, may allow use of the facility  
16 by governmental, charitable, civic, or other organizations for activities  
17 within the community, and may retain any funds received for such use.

18 For the purposes of this subsection, facility and capital expenditures includes routine  
19 maintenance and repair and capital expenditures includes building repair and maintenance,  
20 furniture, furnishings, and equipment.

21 (e) Transportation. – The local board of education shall provide transportation of all  
22 students assigned to the achievement school in the same manner as provided for other schools  
23 in the local school administrative unit in that school year.

24 (f) Memorandums of Understanding for Alternate Arrangements. – Notwithstanding  
25 this section, the AS operator, in consultation with the ASD Superintendent, may elect to enter  
26 into a memorandum of understanding for alternate arrangements with the local board of  
27 education to address any of the following:

28 (1) Facility and capital expenditures.

29 (2) Transportation services.

30 (3) Services for Children with Disabilities.

31 If a AS operator elects to use a memorandum of understanding for alternate arrangements,  
32 the AS operator and local board of education shall finalize the memorandum of understanding  
33 within 30 days of the initial request by the AS operator. If the parties have not completed the  
34 memorandum of understanding within 30 days, the State Board of Education shall resolve any  
35 issues in dispute.

36 (g) Student Records. – The local board of education shall make available in a timely  
37 fashion all student records to the achievement school at no cost for all students of that school.

38 (h) Achievement School Employees. – The AS operator shall select and hire the school  
39 principal for an achievement school. Within the limits of the school budget, the AS operator or  
40 its designee shall select staff members in accordance with guidance from the ASD  
41 Superintendent. Before finalizing staffing recommendations, the AS operator and the ASD  
42 Superintendent shall interview all existing staff members at the qualifying school and review  
43 student growth and performance data for those staff members for whom it is available.  
44 Notwithstanding Article 21A of this Chapter, the AS operator and the ASD Superintendent  
45 shall be permitted to examine personnel files of existing staff members for the qualifying  
46 school. The AS operator shall have the authority to decide whether any administrator, teacher,  
47 or staff member previously assigned to a qualifying school selected to become an achievement  
48 school shall continue as an employee of the achievement school. Any such employees retained  
49 shall become employees of the ASD. An employee hired to work in an achievement school  
50 shall be an employee of the ASD, and the employees shall be under the exclusive control of the  
51 ASD. All employees of the ASD shall be eligible for enrollment in the Teachers' and State

1 Employees' Retirement System of North Carolina, State Health Plan, and other benefits  
2 available to State employees. The AS operator shall provide funds to the ASD in an amount  
3 sufficient to provide salary and benefits for employees of the ASD working in the achievement  
4 school based on the terms of employment established by the AS operator.

5 (i) Employees of Local Board of Education. – The transfer of a qualifying school shall  
6 be deemed a reorganization of the local school administration unit resulting in a reduction in  
7 force. If an employee is not given the option to continue as an employee for the achievement  
8 school, the local board of education may, in its discretion, do any of the following:

9 (1) Continue the employee's employment with the local board of education.

10 (2) Dismiss the employee due to a reduction in force as provided in Article 22 of  
11 this Chapter.

12 (3) Dismiss the employee as otherwise provided in Article 22 of this Chapter.

13 (j) Liability Insurance. – The AS operator shall maintain reasonable amounts and types  
14 of liability insurance as established by the State Board of Education. No civil liability shall  
15 attach to the local boards of education, or to any of its members or employees, individually or  
16 collectively, for any acts or omissions of the AS operator.

17 (k) School Nutrition Program. – The achievement school shall participate in the  
18 National School Lunch Program, as provided in G.S. 115C-264.

19 (l) Cooperation with ASD Superintendent. – The local board of education shall  
20 cooperate with the ASD Superintendent in carrying out his or her powers and duties as  
21 necessary in accordance with this Chapter."

22 **"§ 115C-75.10. Achievement schools funds.**

23 (a) Funding Allocation Selection. – State and local funding for an achievement school  
24 shall be allocated as provided in subsection (b) or subsection (c) of this section. The AS  
25 operator shall select one of the allocation methods as the method to be used for the achievement  
26 school.

27 (b) Designated Funding. – Funding shall be allocated to the ASD for the achievement  
28 school by the State Board of Education and local board of education as follows:

29 (1) The State Board of Education shall allocate to the ASD for each  
30 achievement school:

31 a. An amount equal to the average per pupil allocation for average daily  
32 membership from the local school administrative unit allotments in  
33 which the achievement school was located for each child attending  
34 the achievement school except for the allocations for (i) children with  
35 disabilities, (ii) children with limited English proficiency, and (iii)  
36 transportation. The State Board shall provide the allocation for  
37 transportation to the local school administrative unit in which the  
38 achievement school is located.

39 b. An additional amount for each child attending the achievement  
40 school who is a child with disabilities.

41 c. An additional amount for children with limited English proficiency  
42 attending the achievement school, based on a formula adopted by the  
43 State Board.

44 (2) The local school administrative unit in which the achievement school is  
45 located shall transfer to the ASD for the achievement school an amount  
46 equal to the per pupil share of the local current expense fund of the local  
47 school administrative unit for the fiscal year. The per pupil share of the local  
48 current expense fund shall be transferred to the ASD for the achievement  
49 school within 30 days of the receipt of monies into the local current expense  
50 fund. The local school administrative unit and ASD may use the process for  
51 mediation of differences between the State Board and a charter school

1 provided in G.S. 115C-218.95(d) to resolve differences on calculation and  
2 transference of the per pupil share of the local current expense fund. The  
3 amount transferred under this subsection that consists of revenue derived  
4 from supplemental taxes shall be transferred only to a achievement school  
5 located in the tax district for which these taxes are levied and in which the  
6 student resides. The local school administrative unit shall also provide the  
7 ASD with all of the following information within the 30-day time period  
8 provided in this subsection:

- 9 a. The total amount of monies the local school administrative unit has  
10 in each of the funds listed in G.S. 115C-426(c).  
11 b. The student membership numbers used to calculate the per pupil  
12 share of the local current expense fund.  
13 c. How the per pupil share of the local current expense fund was  
14 calculated.  
15 d. Any additional records requested by the ASD from the local school  
16 administrative unit in order for the ASD to audit and verify the  
17 calculation and transfer of the per pupil share of the local current  
18 expense fund.

19 (c) Funding Memorandum of Understanding. – The AS operator, in consultation with  
20 the ASD Superintendent, may enter into a funding memorandum of understanding with the  
21 local board of education of the local school administrative unit where the achievement school is  
22 located for all student support and operational services and instructional services to be provided  
23 by the local board of education in the same manner and degree as in the prior school year or  
24 funding in an amount equivalent to the amount the local board of education would have  
25 expended on those services if provided. For the purposes of this subsection, student support and  
26 operational services include cafeteria services, custodial services, broadband and utilities, and  
27 student information services, and instructional services includes alternative education, special  
28 education services, test administration services, textbooks, technology, media resources,  
29 instructional equipment, and other resources. The AS operator and local board of education  
30 shall finalize the funding memorandum of understanding within 30 days of the initial request  
31 for the memorandum by the AS operator. If the parties have not completed the funding  
32 memorandum of understanding within 30 days, the State Board of Education shall resolve any  
33 issues in dispute.

34 (d) The ASD may seek, manage and expend federal money and grants, State funding,  
35 and other funding with the same authority as a local school administrative unit, including  
36 decisions related to allocation of State funds among achievement schools."

37 **"§ 115C-75.11. Accountability and governance for achievement schools.**

38 (a) The AS operator shall set clear goals, empower and equip teachers and school  
39 leaders to meet the goals, and hold such teachers and school leaders accountable to meet the  
40 goals. The AS operator shall apply to the ASD Superintendent for appropriate waivers for the  
41 achievement school pursuant to G.S. 115C-75.7(d).

42 (b) The AS operator shall select, approve, or remove the school principal of an  
43 achievement school that it is managing in accordance with this Article.

44 (c) The AS operator shall enter into an agreement with the school principal regarding  
45 specific goals for the achievement school related to higher academic outcomes for students,  
46 safe and positive learning environments for children, parent and community engagement, and  
47 the efficient and effective use of taxpayer dollars. The agreement shall be made publically  
48 available on the ASD website.

49 (d) An achievement school shall not be included in any State evaluation or performance  
50 models used for the local school administrative unit in which the school is located, but shall be  
51 considered a part of the ASD for all evaluation purposes.

"§ 115C-75.12. Term of supervision for an achievement school.

(a) An achievement school shall remain under the supervision of the ASD for a minimum of five consecutive years through a contract with an AS operator. The following shall apply to the term of a contract with an AS operator of an achievement school:

(1) Early Termination of Contract Based on Performance. – If during the five-year contract, the achievement school's annual percentage growth does not exceed the average annual percentage growth of other qualifying schools for three consecutive years, the State Board of Education, upon the recommendation of the ASD Superintendent, may terminate the contract at the conclusion of the academic year and select another AS operator in accordance with G.S. 115C-75.8 to assume the remainder of the five-year contract and any occupancy agreements or memorandums of understanding with the local board of education at the beginning of the next academic year.

(2) Closure of Achievement School Based on Performance. – If by the end of the five-year contract, the achievement school's average annual percentage growth during the term of the contract does not exceed the average annual percentage growth of other qualifying schools during the same term, the State Board of Education shall close the achievement school and develop a transition plan to return the school to the local school administrative unit.

(3) State Board Optional Extension of Contract for Three Years. – If by the end of the five-year contract, the achievement school remains a qualifying school, but has exceeded the average annual percentage growth of other qualifying schools, the State Board of Education, upon the recommendation of the ASD Superintendent in his or her discretion, may continue the contract with the AS operator for an additional three-year term. The ASD Superintendent and AS operator shall engage the school, the school community, and the school's local board of education in developing a transition plan for the school to leave the supervision of the ASD at the conclusion of the three-year extension of the contract. If the State Board does not elect to continue the contract, the State Board may do any of the following:

a. Select another AS operator for a three-year contract.

b. Close the school as provided in subdivision (2) of this subsection.

c. Develop a transition plan to return the school to the local school administrative unit for the next school year.

(4) AS Operator Option to Extend Contract for Three Years. – If by the end of the five-year contract, the achievement school receives a grade of C or higher under G.S. 115C-12(9)c1., the AS operator shall have the option to extend the contract for another three-year term. The ASD Superintendent and AS operator shall engage the school, the school community, and the school's local board of education in developing a transition plan for the school to leave the supervision of the ASD at the conclusion of the three-year extension of the contract. Options at the conclusion of the contract shall include the following:

a. Conversion to Charter. – If, in the development of the transition plan, a local board of education indicates by resolution to the State Board of Education that the local board elects to not receive the transfer of the achievement school back to the local school administrative unit, the AS operator may apply to convert the school to a charter school under Article 14A of this Chapter. If a charter is awarded, the charter board of directors may request to use the facility as provided in

1 G.S. 115C-218.35. If the AS operator does not seek conversion to a  
2 charter school or fails to receive a charter, the State Board may close  
3 the school as provided in subdivision (2) of this subsection.

4 b. Alternate AS Operator or Return to Local School Administrative  
5 Unit. – If the AS operator does not elect to continue the contract, the  
6 State Board may select another AS operator for a three-year contract  
7 or may develop a transition plan to return the school to the local  
8 school administrative unit for the next school year.

9 (6) Termination of Contract on Other Grounds. – The State Board of Education,  
10 upon the recommendation of the ASD Superintendent, may terminate a  
11 contract with an AS operator at any time during the contract for financial  
12 mismanagement, noncompliance with federal or State laws, failure to  
13 comply with the terms of the contract, or evidence of criminal activity. The  
14 State Board of Education shall develop a transition plan to return the school  
15 to the local school administrative unit.

16 (b) An achievement school shall remain under the supervision of the ASD for no more  
17 than eight years.

18 (c) The State Board of Education shall make all decisions related to contracts for AS  
19 operators no later than May 1."

20 **SECTION 2.** G.S. 115C-105.37A is amended by adding a new subsection to read:

21 "(c) The State Board shall report annually to the Superintendent of the Achievement  
22 School District on any schools identified under this section as qualifying schools as defined in  
23 G.S. 115C-75.5 for consideration to be selected as achievement schools in accordance with  
24 Article 7A of this Chapter."

25 **SECTION 3.** G.S. 115C-105.37B(a) reads as rewritten:

26 "(a) Notwithstanding any other provision of this ~~Article~~, Article or Article 7A of this  
27 Chapter, the State Board of Education is authorized to approve a local board of education's  
28 request to reform any school in its administrative unit which the State Board of Education has  
29 identified as (i) one of the continually low-performing schools in North ~~Carolina~~. Carolina or  
30 (ii) as a qualifying school that is not selected as an achievement school under G.S. 115C-75.7.

31 If the State Board of Education approves a local board of education's request to reform a  
32 school, the State Board of Education may authorize the local board of education to adopt one of  
33 the following models in accordance with State Board of Education requirements:

34 (1) Transformation model, which would address the following four specific  
35 areas critical to transforming a continually low-performing school:

- 36 a. Developing and increasing teacher and school leader effectiveness.  
37 b. Comprehensive instructional reform strategies.  
38 c. Increasing learning time and creating community-oriented schools.  
39 d. Providing operational flexibility and sustained support.

40 (2) Restart model, in which the State Board of Education would authorize the  
41 local board of education to operate the school with the same exemptions  
42 from statutes and rules as a charter school authorized under Article 14A of  
43 this Chapter, or under the management of an educational management  
44 organization that has been selected through a rigorous review process. A  
45 school operated under this subdivision remains under the control of the local  
46 board of education, and employees assigned to the school are employees of  
47 the local school administrative unit with the protections provided by Part 3  
48 of Article 22 of this Chapter.

49 (3) Turnaround model, which would involve, among other actions, replacing the  
50 principal, if the principal has been in that position for at least three years,  
51 and rehiring no more than fifty percent (50%) of the school's staff, adopting



1 a new governance structure at the school consistent with this Article, and  
2 implementing an instructional program aligned with the Standard Course of  
3 Study.

4 (4) School closure model, in which a local school administrative unit would  
5 close the school consistent with G.S. 115C-72 and enroll the students who  
6 attended the school in other, higher-achieving schools in the local school  
7 administrative unit consistent with Article 25 of this Chapter.

8 (5) Principal Turnaround model, which would require the following:

9 a. Replacing the current principal with a turnaround principal. The local  
10 board of education, after consultation with the Superintendent of the  
11 Achievement School District, shall select an individual with a proven  
12 record of success as a principal or superintendent as a turnaround  
13 principal. The local board of education's selection shall be approved  
14 by the State Board of Education to serve as a turnaround principal.

15 b. Notwithstanding G.S. 115C-287.1, hiring the turnaround principal on  
16 a five year contract that shall include significant compensation and  
17 other incentives, as determined by the local board of education. The  
18 turnaround principal shall be required as a term of the contract to  
19 develop a written plan with clear goals for dramatically improving  
20 student achievement at the school, including empowering and  
21 equipping teachers and school leaders to meet the goals, and holding  
22 such teachers and school leaders accountable to meet the goals.

23 c. The local board of education shall consider all recommendations of  
24 the turnaround principal with regard to personnel assigned to the  
25 school, and shall, to the extent possible, implement those  
26 recommendations.

27 d. Annually reporting by the turnaround principal on the principal's  
28 methods and the school's progress and performance to the local board  
29 of education. The turnaround principal's report shall be provided to  
30 the State Board of Education.

31 e. Sharing of information with other turnaround principals on a regular  
32 basis. The Achievement School District shall also serve as a resource  
33 for turnaround principals.

34 f. Authority for the turnaround principal to select staff assigned to the  
35 school.

36 g. Provision of additional discretionary funds by the local board of  
37 education to the turnaround principal to address specific issues in the  
38 school, including but not limited to professional development,  
39 extended school days, or parent academies.

40 h. Authorization by the State Board of Education to operate the school  
41 with the same exemptions from statutes and rules as a charter school  
42 authorized under Article 14A of this Chapter.

43 (a1) The State Board of Education shall authorize the adoption of the principal  
44 turnaround model in no more than 10 schools statewide."

45 **SECTION 4.** G.S. 115C-321(a) reads as rewritten:

46 (a) All information contained in a personnel file, except as otherwise provided in this  
47 Chapter, is confidential and shall not be open for inspection and examination except to any of  
48 the following persons:

49 (1) The employee, applicant for employment, former employee, or his properly  
50 authorized agent, who may examine his own personnel file at all reasonable

1 times in its entirety except for letters of reference solicited prior to  
2 employment.

3 (2) The superintendent and other supervisory personnel.

4 (3) Members of the local board of education and the board's attorney.

5 (4) A party by authority of a subpoena or proper court order may inspect and  
6 examine a particular confidential portion of an employee's personnel file.

7 (5) An achievement school operator and the Superintendent of the Achievement  
8 School District if the school where the individual is employed has been  
9 selected as an achievement school as provided in Article 7A of this  
10 Chapter."

11 **SECTION 5.** Evaluation of the Achievement School District. – The State Board of  
12 Education shall contract with an independent research organization to evaluate the  
13 implementation and effectiveness of the Achievement School District in turning around  
14 low-achieving schools at the conclusion of the initial five-year contracts in 2022. The  
15 independent research organization shall include an analysis on the impact of public versus  
16 private funding in the effectiveness of the Achievement School District. The independent  
17 research organization shall report its findings to the State Board of Education no later than  
18 February 15, 2023. The State Board of Education shall provide the report of the independent  
19 research commission to the Joint Legislative Education Oversight Committee no later than  
20 March 1, 2023, along with any recommended legislative changes. It is the intent of the General  
21 Assembly to appropriate funding for the evaluation of the Achievement School District in  
22 2022.

23 **SECTION 6.** It is the intent of the General Assembly to appropriate to the  
24 Department of Public Instruction two hundred thousand (\$200,000) for the 2016-2017 fiscal  
25 year for salary and benefits for the ASD Superintendent, staff, and other expenses associated  
26 with the ASD. It is the intent of the General Assembly to appropriate to the Department of  
27 Public Instruction three hundred seventy five thousand (\$375,000) for the 2017-2018 fiscal  
28 year and annually thereafter for salary and benefits for the ASD Superintendent, staff, and other  
29 expenses associated with the ASD.

30 **SECTION 7.** It is the intent of the General Assembly to appropriate to the  
31 Department of Public Instruction three hundred seventy five thousand (\$375,000) for the  
32 2017-2018 fiscal year and annually thereafter for principal turnaround reform model grants.  
33 Upon appropriation of funds, the State Board of Education shall award principal turnaround  
34 reform model grants of up to seventy five thousand (\$75,000) per fiscal year for five years to  
35 local boards of education who (i) have been authorized to adopt the principal turnaround reform  
36 model by the State Board for a school, and (ii) provide a dollar-for-dollar match with non-State  
37 funding for the requested grant amount. Principal turnaround reform model grants shall be used  
38 by local boards of education to provide substantial incentives for turnaround principals and to  
39 provide additional discretionary funds for use by the turnaround principal to address specific  
40 issues in the school.

41 **SECTION 8.** This act becomes effective only if funds are appropriated by the  
42 Current Operations Appropriations Act of 2016 for the Achievement School District.

43 **SECTION 9.** This act is effective when it becomes law, and supervision of  
44 achievement schools by the Achievement School District shall begin with the 2017-2018  
45 school year. In the discretion of the State Board of Education (i) the ASD Superintendent may  
46 not be required during the 2016-2017 school year to recommend qualifying schools for  
47 inclusion in the ASD for the 2017-2018 school year and (ii) the timeline for selection of  
48 achievement schools for the 2017-2018 school year provided in G.S. 115C-75.7 may be varied,  
49 but in no event may the local board of education's decision occur later than April 1, 2017. The  
50 State Board of Education may select up to five qualifying schools to transfer to the ASD  
51 beginning with the 2017-2018 school year, but shall select at least two qualifying schools to

1 transfer to the ASD no later than the 2018-2019 school year and shall have selected five  
2 qualifying schools for transfer to the ASD no later than the 2019-2020 school year.