

## 2014 Legislative Short Session Budget Comparison

June 2014

### K-12 Budget Comparison

	<b>Governor's Budget</b>	<b>House Budget</b>	<b>Senate Budget</b>
<b>Salary Schedule</b>	<ul style="list-style-type: none"> <li>• Raises base teacher pay (for those in steps 0-7) to \$33,000</li> <li>• Provides teachers on steps 8-12 an average raise of 2.8-4.3%</li> <li>• Provides teachers on steps 13-36 average raise of 2%</li> <li>• Does not require teachers to give up career status (tenure) in order to receive pay increases</li> <li>• <b>Long Term:</b> Transitions to a "Base 6" pay model, with six "steps" that provide \$3,000 increases to teachers on three year cycles</li> </ul>	<ul style="list-style-type: none"> <li>• Provides funds for modified 37-step teacher salary schedule and an experience-based step for all step-eligible educators                             <ul style="list-style-type: none"> <li>○ Increases base salary to \$33,000 annually</li> <li>○ Provides an average 5% salary increase to all educators</li> </ul> </li> <li>• Teachers at the top of the salary schedule who do not receive a salary increase under the new schedule receive a 2% bonus</li> <li>• Does not require teachers to give up career status (tenure) in order to receive pay increases</li> </ul>	<ul style="list-style-type: none"> <li>• Establishes new "Professional Status Teacher Salary Schedule"                             <ul style="list-style-type: none"> <li>○ Provides an average of an 11.2% increase (ranges from 1.7% to 20% for individuals) to teachers who elect to be paid on the new salary schedule in 2014-2015</li> <li>○ Increases the guaranteed starting educator pay to a minimum of \$33,000 annually</li> </ul> </li> <li>• Requires teachers to give up career status (tenure) and longevity benefits in order to receive salary increase and be transitioned to new pay schedule</li> </ul>
<b>Career Pathways for Teachers</b>	<ul style="list-style-type: none"> <li>• Establishes fund to support eight districts in developing local pilot Career Pathways for Teachers model</li> <li>• This Fund would support districts in providing substantial pay supplements teachers who lead and develop their colleagues</li> </ul>	<ul style="list-style-type: none"> <li>• Provides funding to support Career Pathways for Teachers pilot as described in Governor's budget</li> </ul>	<ul style="list-style-type: none"> <li>• Does not implement a Career Pathways for Teachers model</li> </ul>
<b>Pay for Excellence</b>	<ul style="list-style-type: none"> <li>• Makes election of 25% of teachers for four year contracts and stipends optional for school districts</li> </ul>	<ul style="list-style-type: none"> <li>• Repeals 25% stipend and contract program established in Pay for Excellence</li> </ul>	<ul style="list-style-type: none"> <li>• Continues requirement for districts to choose a portion of teachers for four year contracts and stipends                             <ul style="list-style-type: none"> <li>○ Teachers must relinquish career status in order to receive contract and stipend</li> </ul> </li> <li>• Increases percentage of teachers</li> </ul>

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			<p>who can be chosen from 25% to 35% in 2014-2015</p> <ul style="list-style-type: none"> <li>Adds language requiring teachers chosen to be “effective” on teacher’s evaluation (proficient in standards 1-5, meeting expected growth in standard 6 if calculated)</li> </ul>
<b>Master’s Pay</b>	<ul style="list-style-type: none"> <li>Allows all teachers who have taken one course towards a Master’s or Doctoral Degree by July 1, 2013 eligible for pay increases for continued education</li> <li>Continues additional compensation for teachers who receive graduate degree in the field that they teach moving forward</li> </ul>	<ul style="list-style-type: none"> <li>Provides additional funding necessary to make changes to Master’s Pay as described in the Governor’s budget</li> </ul>	<ul style="list-style-type: none"> <li>Allows all teachers who have taken one course towards a Master’s or Doctoral Degree by July 1, 2013 eligible for pay increases for continued education</li> <li>Eliminates additional compensation for all further graduate degrees</li> </ul>
<b>Teachers’ Assistants</b>	<ul style="list-style-type: none"> <li>Based on decline in ADM, reduces funding to teachers’ assistants by \$19.8m</li> </ul>	<ul style="list-style-type: none"> <li>Based on decline in ADM, reduces funding to teachers’ assistants by \$19.8m</li> </ul>	<ul style="list-style-type: none"> <li>~50% (\$233m) reduction of funding to teachers’ assistants</li> </ul>
<b>DPI</b>	<ul style="list-style-type: none"> <li>Provides an additional \$892k in funding for DPI employee salary increases</li> </ul>	<ul style="list-style-type: none"> <li>1% funding cut to DPI                             <ul style="list-style-type: none"> <li>DPI can decide what to eliminate or scale down in response to this cut</li> </ul> </li> <li>Provides a \$1,000 annual recurring salary increase for permanent full-time employees</li> </ul>	<ul style="list-style-type: none"> <li>~30% (\$15m) funding cut to DPI                             <ul style="list-style-type: none"> <li>DPI can decide what to eliminate or scale down in response to this cut</li> </ul> </li> </ul>
<b>Central Office</b>	<ul style="list-style-type: none"> <li>Maintains current funding for district Central Office Administration</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding for district Central Office Administration</li> </ul>	<ul style="list-style-type: none"> <li>~5% (\$4.8m) funding reduction to Central Office Administration by \$4.8m</li> </ul>
<b>Transportation</b>	<ul style="list-style-type: none"> <li>Reduces funding for transportation by \$5.5 million based on reduction in enrollment</li> </ul>	<ul style="list-style-type: none"> <li>Reduces funding for transportation by \$3.3m recurring and \$3.3m non-recurring based on reduction in enrollment</li> </ul>	<ul style="list-style-type: none"> <li>Reduces funding for transportation by \$28.7m, which can come from funding for buses or driver’s education</li> </ul>
<b>Funding for Textbooks, Supplies, and Technology</b>	<ul style="list-style-type: none"> <li>Doubles current textbook funding from \$15/child to \$30/child (\$23m additional)</li> </ul>	<ul style="list-style-type: none"> <li>Increases textbook funding by \$11m</li> </ul>	<ul style="list-style-type: none"> <li>Maintains 2013-2014 textbook funding levels</li> <li>Maintains current funding for instructional supplies and</li> </ul>

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<b>Pay for Administrators and School Staff</b>	<ul style="list-style-type: none"> <li>Support staff paid on teacher salary schedule receive same increases as teachers.</li> <li>All other public school employees will receive a \$1000 annual salary and benefit increase.</li> </ul>	<ul style="list-style-type: none"> <li>Provides funds for salary schedule changes and an experience-based step for all step-eligible school based administrators</li> <li>Administrators who do not receive a salary increase under the new schedule receive a 2% bonus</li> <li>Non-certified and Central Office personnel receive a \$1,000 annual recurring salary increase for permanent full-time employees</li> </ul>	<ul style="list-style-type: none"> <li>Separates administrator's salary schedule from the teacher's salary schedule, provides step increase and average raise of 2% to administrators.                             <ul style="list-style-type: none"> <li>Assistant principals on steps 0-8 will receive an \$809 annual salary increase.</li> </ul> </li> <li>All other public school employees will receive a \$500 annual salary increase.</li> </ul>
<b>Home Base</b>	<ul style="list-style-type: none"> <li>Provides \$4m in funding to support districts in receiving Home Base content</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>
<b>Education Endowment Fund</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Establishes Education Endowment fund that will accumulate funds from gifts, sales of license plates, and donated income tax refunds to support teacher compensation</li> </ul>
<b>Read to Achieve</b>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Provides an additional \$6m in funding to support Read to Achieve legislation</li> </ul>	<ul style="list-style-type: none"> <li>Provides an additional \$6m in funding to support Read to Achieve summer reading camps</li> </ul>
<b>School Performance Grades</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Modifies formula for calculation of School Performance grades to include 20% student performance and 80% student growth</li> <li>Implements 15 point grading scale (A = 85-100, B = 70-85...)</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current formula for calculation of School Performance grades, include 80% student performance and 20% student growth</li> <li>Implements 15 point grading scale (A = 85-100, B = 70-85...)</li> </ul>
<b>NCCAT</b>	<ul style="list-style-type: none"> <li>Eliminates funding for NCCAT</li> </ul>	<ul style="list-style-type: none"> <li>Shifts all State General Fund support for NCCAT from non-recurring to recurring funding</li> </ul>	<ul style="list-style-type: none"> <li>Continue providing \$3.2 million non-recurring funding for 2014-2015</li> </ul>
<b>Teaching Fellows</b>	<ul style="list-style-type: none"> <li>Maintains current funding of Teaching Fellows program</li> </ul>	<ul style="list-style-type: none"> <li>Eliminates the remaining \$3.1 million recurring funding to the Teaching Fellows program</li> </ul>	<ul style="list-style-type: none"> <li>Eliminates the remaining \$3.1 million recurring funding to the Teaching Fellows program</li> </ul>

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<b>Opportunity Scholarships</b>	<ul style="list-style-type: none"> <li>No change to current legislation or funding</li> </ul>	<ul style="list-style-type: none"> <li>Provides funding to eliminate the ADM adjustment to districts based on opportunity scholarships</li> </ul>	<ul style="list-style-type: none"> <li>No change to current legislation or funding</li> </ul>
<b>Charter School Accelerator</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Provides \$300k to support a pilot program administered by Parents for Educational Freedom in NC (PEFNC) to accelerate charter school development in rural NC</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Communities in Schools</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Provides \$2m to support the expansion of interventions and services provided by Communities in Schools NC</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Worker's Compensation and Tort Claims</b>	<ul style="list-style-type: none"> <li>Requires local education agencies to take responsibility for funding and management of worker's compensation and tort claims (\$10m)</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding structure for worker's compensation and tort claims</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding structure for worker's compensation and tort claims</li> </ul>
<b>Small County Funding</b>	<ul style="list-style-type: none"> <li>Maintains current funding to small counties</li> </ul>	<ul style="list-style-type: none"> <li>Provides an additional \$3.6m funding to small county school systems</li> </ul>	<ul style="list-style-type: none"> <li>Provides an additional \$3.6m funding to small county school systems</li> </ul>
<b>Consolidation of Small Districts</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Establishes General Assembly's intent to consolidate 25 smallest school districts by ADM if consolidation is feasible and will lead to cost savings</li> </ul>

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### UNC Budget Comparison

	<b>Governor Budget</b>	<b>House Budget</b>	<b>Senate Budget</b>
<b>NC Need-based Scholarships</b>	<ul style="list-style-type: none"> <li>Re-designates \$4.5m in funding to need-based scholarships as recurring funds, from previous non-recurring status</li> </ul>	<ul style="list-style-type: none"> <li>Re-designates \$4.5m in funding to need-based scholarships as recurring funds, from previous non-recurring status</li> </ul>	<ul style="list-style-type: none"> <li>Reduces recurring funding to need-based scholarships by \$5m and non-recurring funding by \$2m</li> </ul>
<b>Salary/Benefit Increases</b>	<ul style="list-style-type: none"> <li>Provides \$1000 salary and benefit increases to all university staff</li> </ul>	<ul style="list-style-type: none"> <li>Provides a \$1,000 annual recurring salary increase (~\$1,236 salary and benefit increase) for permanent full-time employees.</li> </ul>	<ul style="list-style-type: none"> <li>Provides \$1000 salary and benefit increases only to non-SPA employees (raises would not go to professors)</li> </ul>
<b>Veterans</b>	<ul style="list-style-type: none"> <li>Establishes \$5m grant program to allow veterans to receive resident in-state tuition rate</li> </ul>	<ul style="list-style-type: none"> <li>Requires UNC to become a part of federal Yellow Ribbon program that allows veterans to receive in-state tuition rate</li> </ul>	<ul style="list-style-type: none"> <li>Requires UNC to become a part of federal Yellow Ribbon program that allows veterans to receive in-state tuition rate</li> </ul>
<b>College Foundation North Carolina</b>	<ul style="list-style-type: none"> <li>Provides \$1m in funding to study effectiveness of College Foundation of North Carolina</li> </ul>	<ul style="list-style-type: none"> <li>Provides \$1m in funding to study effectiveness of College Foundation of North Carolina</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding for College Foundation of North Carolina</li> </ul>
<b>Repeal Academic Scholarship Waiver</b>	<ul style="list-style-type: none"> <li>Requires foundations that provide full scholarship for non-resident students to pay resident tuition rate rather than non-resident tuition rate</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current status</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current status</li> </ul>
<b>Forgivable Education Loans for Service</b>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Allocates \$5m in funding for forgivable education loans for service</li> </ul>
<b>HBCU Internships/ Career Opportunities</b>	<ul style="list-style-type: none"> <li>Provides \$318k in funding for internships and career opportunities for HBCU students</li> </ul>	<ul style="list-style-type: none"> <li>Does not establish</li> </ul>	<ul style="list-style-type: none"> <li>Does not establish</li> </ul>
<b>Management Flexibility Reductions</b>	<ul style="list-style-type: none"> <li>Reduces funding to management flexibility by \$44m</li> </ul>	<ul style="list-style-type: none"> <li>Reduces funding to management flexibility by \$20.8M</li> <li>This cut cannot be applied to the UNC Need-Based Financial aid program or the North Carolina Need-Based Scholarship</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>

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<b>Optimize University Administrators</b>	<ul style="list-style-type: none"> <li>Reduces funding to university administrators by \$2m</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>
<b>UNC Centers and Institutes</b>	<ul style="list-style-type: none"> <li>Reduces funding by \$13.1m</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>
<b>Utility Budget Adjustments</b>	<ul style="list-style-type: none"> <li>Reduces funding by \$9.1m</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>
<b>Teacher Prep Distance Education Reserve</b>	<ul style="list-style-type: none"> <li>Reduces funding by \$1.8m</li> </ul>	<ul style="list-style-type: none"> <li>Reduces funding by \$1.8m</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>
<b>Coastal Wave Energy Research</b>	<ul style="list-style-type: none"> <li>Reduces funding by \$1.9m</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>
<b>UNCG Nursing</b>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Increases funding by \$2m</li> </ul>
<b>ASU Health Services</b>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current funding</li> </ul>	<ul style="list-style-type: none"> <li>Increases funding by \$2m</li> </ul>

### Community College Budget Comparison

	<b>Governor Budget</b>	<b>House Budget</b>	<b>Senate Budget</b>
<b>Closing the Skills Gap</b>	<ul style="list-style-type: none"> <li>Allocates \$16.8 million to target funding to Fourth Tier that will allow Community College to increase salary funds for instructors in high needs fields</li> </ul>	<ul style="list-style-type: none"> <li>Allocates \$15.4 million to target funding to Fourth Tier that will allow Community College to increase salary funds for instructors in high needs fields</li> </ul>	<ul style="list-style-type: none"> <li>Allocates \$16.8 million to target funding to Fourth Tier that will allow Community College to increase salary funds for instructors in high needs fields</li> </ul>
<b>Salary/Benefit Increases</b>	<ul style="list-style-type: none"> <li>\$1000 combined salary and benefit increase to full-time, permanent Community College employees</li> </ul>	<ul style="list-style-type: none"> <li>~\$1,236 combined salary and benefit increase to full-time, permanent Community College employees</li> </ul>	<ul style="list-style-type: none"> <li>\$1000 combined salary and benefit increase to full-time, permanent Community College employees</li> </ul>
<b>Retirement System Contributions</b>	<ul style="list-style-type: none"> <li>Maintains current funding to retirement system</li> </ul>	<ul style="list-style-type: none"> <li>Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the annual Required Contribution and provide a 1.44% cost-of-living adjustment to retirees.</li> </ul>	<ul style="list-style-type: none"> <li>Allocates \$3.6m in funding to retirement system contributions to adjust to current cost-of-living</li> </ul>

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<b>Veterans</b>	<ul style="list-style-type: none"> <li>Provides funding to allow veterans to receive resident in-state tuition rate</li> </ul>	<ul style="list-style-type: none"> <li>\$1M financial aid for eligible military veterans and dependents attending NC Community Colleges by providing State dollars to leverage federal matching funds via the Yellow Ribbon program.</li> </ul>	<ul style="list-style-type: none"> <li>\$4.9M financial aid for eligible military veterans and dependents attending UNC by providing State dollars to leverage federal matching funds via the Yellow Ribbon program.</li> </ul>
<b>Tuition Increase</b>	<ul style="list-style-type: none"> <li>Increases curriculum tuition by \$0.50/credit hour</li> </ul>	<ul style="list-style-type: none"> <li>Increases curriculum tuition by \$0.50/credit hour</li> </ul>	<ul style="list-style-type: none"> <li>Maintains current tuition levels</li> </ul>
<b>Worker's Compensation</b>	<ul style="list-style-type: none"> <li>Requires community colleges to take responsibility for funding and management of worker's compensation claims (\$620k)</li> </ul>	<ul style="list-style-type: none"> <li>Maintains state funding of worker's compensation claims</li> </ul>	<ul style="list-style-type: none"> <li>Maintains state funding of worker's compensation claims</li> </ul>

### Other Education Issues

	<b>Governor Budget</b>	<b>House Budget</b>	<b>Senate Budget</b>
<b>Early Learning</b>	<ul style="list-style-type: none"> <li>Provides \$3.6m recurring to expand NC Pre-K program</li> </ul>	<ul style="list-style-type: none"> <li>Transfers most funding NC Pre-K from General Fund to NC Education Lottery</li> <li>Provides additional \$5.04m non-recurring to expand NC Pre-K program</li> </ul>	<ul style="list-style-type: none"> <li>Provide \$5.04m non-recurring to expand NC Pre-K program</li> </ul>
<b>School Nurses</b>	<ul style="list-style-type: none"> <li>Maintains existing funding for school nurses</li> </ul>	<ul style="list-style-type: none"> <li>Maintains existing funding for school nurses</li> </ul>	<ul style="list-style-type: none"> <li>Cuts funding for 70 school nurses through DHHS and allots remaining 166 School Nurse Funding Initiative nurses to Tier I (high-poverty) counties only</li> </ul>