

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

H.B. 1040  
May 14, 2014  
HOUSE PRINCIPAL CLERK

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HOUSE DRH30729-MMz-82A\* (04/22)

Short Title: Improve Admin Prog Monitoring at DPI. (Public)

Sponsors: Representative Howard.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO IMPROVE ADMINISTRATIVE PROGRAM MONITORING BY THE  
3 DEPARTMENT OF PUBLIC INSTRUCTION, AS RECOMMENDED BY THE JOINT  
4 LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.(a)** The Department of Public Instruction shall increase the efficiency  
7 of school transportation services by taking the following actions:

- 8 (1) Reduce the budget rating formula for school bus operations by one percent  
9 (1%) annually beginning in fiscal year 2014-2015 until fiscal year  
10 2018-2019 when the buffer reaches five percent (5%).  
11 (2) Limit the statewide inventory of spare school buses that meet the  
12 replacement criteria to ten percent (10%) of the total statewide inventory.  
13 (3) Develop and implement a replacement part inventory management policy  
14 that ensures replacement part inventories are reduced to levels that are  
15 sufficient to meet the operational requirement of the school bus  
16 transportation program. The Department shall report the policy to the Joint  
17 Legislative Education Oversight Committee and the Fiscal Research  
18 Division by December 31, 2014.

19 **SECTION 1.(b)** G.S. 115C-522 reads as rewritten:

20 **"§ 115C-522. Provision of equipment for buildings.**

21 (a) It shall be the duty of local boards of education to purchase or exchange all supplies,  
22 equipment, and materials, and these purchases shall be made in accordance with Article 8 of  
23 Chapter 143 of the General Statutes. ~~These~~ Except as provided in subsection (a1) of this  
24 section, these purchases may be made from contracts made by the Department of  
25 Administration. Title to instructional supplies, office supplies, fuel and janitorial supplies,  
26 enumerated in the current expense fund budget and purchased out of State funds, shall be taken  
27 in the name of the local board of education which shall be responsible for the custody and  
28 replacement: Provided, that no contracts shall be made by any local school administrative unit  
29 for purchases unless provision has been made in the budget of the unit to pay for the purchases,  
30 unless surplus funds are on hand to pay for the purchases, or unless the contracts are made  
31 pursuant to G.S. 115C-47(28) and G.S. 115C-528 and adequate funds are available to pay in  
32 the current fiscal year the sums obligated for the current fiscal year. The State Board of  
33 Education shall adopt rules regarding equipment standards for supplies, equipment, and  
34 materials related to student transportation. The State Board may adopt guidelines for any  
35 commodity that needs safety features. If a commodity that needs safety features is available on  
36 statewide term contract, any guidelines adopted by the State Board must at a minimum meet the



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1 safety standards of the statewide term contract. Compliance with Article 8 of Chapter 143 of  
 2 the General Statutes is not mandatory for the purchase of published books, manuscripts, maps,  
 3 pamphlets, and periodicals.

4 (1) Where competition is available, local school administrative units may utilize  
 5 the:

- 6 a. E-Quote service of the NC E-Procurement system as one means of  
 7 solicitation in seeking informal bids for purchases subject to the  
 8 bidding requirements of G.S. 143-131; and
- 9 b. Division of Purchase and Contract's electronic Interactive Purchasing  
 10 System as one means of advertising formal bids on purchases subject  
 11 to the bidding requirements of G.S. 143-129 and applicable rules  
 12 regarding advertising. This sub-subdivision does not prohibit a local  
 13 school administrative unit from using other methods of advertising.

14 (2) In order to provide an efficient transition of purchasing procedures, the  
 15 Secretary of the Department of Administration and the local school  
 16 administrative units shall establish a local school administrative unit  
 17 purchasing user group. The user group shall be comprised of a proportionate  
 18 number of representatives from the Department of Administration and local  
 19 school administrative unit purchasing and finance officers. The user group  
 20 shall examine any issues that may arise between the Department of  
 21 Administration and local school administrative units, including the new  
 22 relationship between the Department and the local school administrative  
 23 units, the appropriate exchange of information, the continued efficient use of  
 24 E-Procurement, appropriate bid procedures, and any other technical  
 25 assistance that may be necessary for the purchase of supplies and materials.

26 (a1) The Department of Public Instruction, in consultation with the Department of  
 27 Administration, shall establish term contracts for those school bus replacement parts with  
 28 statewide annual sales exceeding one hundred thousand dollars (\$100,000). Local boards of  
 29 education shall purchase school bus replacement parts from these contracts unless the purchase  
 30 price from noncertified sources, including the cost of delivery, is less than the cost under the  
 31 State term contract and the replacement parts purchased are the same or substantially similar in  
 32 quality, service, and performance as those items available under the State term contract.

33 ...."

34 **SECTION 2.** The Department of Public Instruction shall revise the State inspection  
 35 process for county school bus maintenance operations to ensure school bus safety and  
 36 reliability by incorporating school bus inspection, maintenance, and utilization information  
 37 from the school bus fleet management system to identify noncompliant county school bus  
 38 maintenance facilities and improve its oversight of local school bus operations. The  
 39 Department shall report the revised inspection process as well as the associated implementation  
 40 schedule to the Joint Legislative Education Oversight Committee by December 31, 2014.

41 **SECTION 3.(a)** The Department of Public Instruction shall reduce the operational  
 42 requirements of the Textbook Services program by eliminating the following positions:

<u>Post Title</u>	<u>Position Number</u>
Accounting Technician	60009643
Accounting Technician	60009644
Processing Assistant	60009646
Stock Clerk II	60009640
Stock Clerk II	60009642
Stock Clerk II	60009648

50 **SECTION 3.(b)** The Department of Public Instruction shall jointly develop a plan  
 51 with the Department of Administration to reallocate unneeded textbook warehouse space to

1 other State agencies. The plan shall identify the amount of unneeded space and include  
2 estimated cost-savings resulting from other State agencies using the excess warehouse space  
3 instead of leasing space. The Department of Public Instruction and the Department of  
4 Administration shall jointly submit the plan to the Joint Legislative Education Oversight  
5 Committee and to the Fiscal Research Division by December 31, 2014.

6 **SECTION 4.** In order to determine the cost-effectiveness and continued need for  
7 the services provided by the Plant Operation and School Planning sections of the Department of  
8 Public Instruction, the Department shall develop and implement a process for monitoring time  
9 and resources required for the services provided by these sections and collect and compile  
10 information during fiscal year 2014-2015 from local school boards to measure the benefits the  
11 local boards receive from the services provided. The Department shall report its findings to the  
12 Joint Legislative Education Oversight Committee and to the Fiscal Research Division by  
13 September 1, 2015.

14 **SECTION 5.(a)** In order to minimize workers' compensation costs funded by State  
15 appropriations, the Department of Instruction shall develop model loss prevention and  
16 return-to-work programs to be adopted by the State Board of Education to be used by local  
17 school boards. The model programs should be designed to reduce the number of injuries  
18 resulting in workers' compensation claims and ensure injured employees with workers'  
19 compensation claims return to work in accordance with current State Board of Education  
20 policy.

21 **SECTION 5.(b)** G.S. 115C-47 is amended by adding a new subdivision to read:  
22 "**§ 115C-47. Powers and duties generally.**

23 In addition to the powers and duties designated in G.S. 115C-36, local boards of education  
24 shall have the power or duty:

25 ...

26 (25b) To Implement Injury Prevention and Return-to-Work Programs. – Local  
27 board of education shall implement loss prevention and return-to-work  
28 programs based on models adopted by the State Board of Education.

29 ...."

30 **SECTION 6.(a)** G.S. 115C-12 is amended by adding a new subdivision to read:  
31 "**§ 115C-12. Powers and duties of the Board generally.**

32 The general supervision and administration of the free public school system shall be vested  
33 in the State Board of Education. The State Board of Education shall establish policy for the  
34 system of free public schools, subject to laws enacted by the General Assembly. The powers  
35 and duties of the State Board of Education are defined as follows:

36 ...

37 (42) To Create a Performance Management System. – In order to create an  
38 effective performance management system to evaluate the performance of  
39 the administrative service programs and activities provided by the  
40 Department of Public Instruction, the State Board of Education shall adopt  
41 strategic goals to guide those programs and activities toward the  
42 achievement of the vision for the public school system."

43 **SECTION 6.(b)** G.S. 115C-21(a) is amended by adding a new subdivision to read:  
44 "**§ 115C-21. Powers and duties generally.**

45 (a) Administrative Duties. – Subject to the direction, control, and approval of the State  
46 Board of Education, it shall be the duty of the Superintendent of Public Instruction:

47 ...

48 (8) The Superintendent of Public Instruction shall report to the Joint Legislative  
49 Education Oversight Committee by December 31, 2014, and annually  
50 thereafter on the performance of each administrative support program in the  
51 performance management system described in G.S. 115C-23. The report

1                   shall identify the contribution of each administrative program and shall  
2                   describe how the performance information was used toward the achievement  
3                   of the strategic goals adopted by the State Board of Education pursuant to  
4                   G.S. 115C-12(42)."

5                   **SECTION 6.(c)** Article 3 of Chapter 115C of the General Statutes is amended by  
6 adding a new section to read:

7 **"§ 115C-23. Performance management system.**

8                   (a) The Department of Public Instruction shall report to the Joint Legislative Education  
9 Oversight Committee by December 31, 2014, and annually thereafter on the performance of  
10 each strategic objective identified by the State Board of Education pursuant to  
11 G.S. 115C-12(42). The report shall include the following:

12                   (1) A description of the measures used to evaluate achievement of each strategic  
13 objective, to include the performance target, which clearly defines what level  
14 of work is desired and can serve as a guidepost for judging whether progress  
15 is being made on the schedule and at the levels originally proposed.

16                   (2) The most recent performance, as identified from each associated  
17 performance measure.

18                   (3) A comparison of the most recent performance with the performance target.

19                   (b) The Department of Public Instruction shall develop a performance management  
20 system for administrative support programs to include processes for identifying and monitoring  
21 the following:

22                   (1) The objectives and associated performance outcomes for each program,  
23 including measures and targets to evaluate whether programs are effectively  
24 achieving each of the objectives.

25                   (2) The outputs produced by each program activity to include the number of  
26 outputs and associated unit cost, along with targets for activity efficiency  
27 improvements.

28                   (3) Procedures that ensure the efficient and effective use of State resources to  
29 perform each activity."

30                   **SECTION 7.** Sections 1(b) and 5(b) of this act become effective January 1, 2015.  
31 Section 1(b) applies to purchases made on or after that date. Section 3(a) becomes effective  
32 June 30, 2014. The remainder of this act is effective when it becomes law.