

16 NCAC 06C .0334 - .0346

Agency:	North Carolina Department of Public Instruction Division of Educator and Student Advancement Office of Licensure and Educator Preparation
Rule Citation(s):	16 NCAC 06C .0334 - .0346: Educator Preparation Program Accountability Model
Agency Contact:	Andrew Sioberg Director of Educator Preparation Andrew.sioberg@dpi.nc.gov 984-236-2115
Rulemaking Authority:	§ 115C-269.35 (a) Performance Measures. – The State Board shall adopt rules necessary to establish standards of performance to govern the continuing accountability of all EPPs.
Impact Summary:	State Government: Yes Local Government: Possible, but unlikely Private Sector: Yes Substantial Impact: No

Introduction and Purpose

Educator Preparation Programs (EPPs) are authorized by the North Carolina State Board of Education to prepare, train, and recommend teachers for licensure.¹ Licensure from the state is required for any K-12 grade level teacher to work in a public or charter school setting (§ 115C-296). As a requirement to maintain that authorization, EPPs are held annually to specific standards of performance and reporting outlined in law to assure that the quality and preparation of teacher candidates is meeting expectations (§ 115C-269.35) and North Carolina State Board of Education (NCSBE) policy (TCED-008 and TCED-013).

¹ Session Law 2017-189, § 115C-269.1(10).

With the passage of Session Law 2017-189, the NCSBE is directed to adopt rules necessary to establish standards of performance to govern the continuing accountability of all educator preparation programs (EPPs) (§ 115C-269.35). While accountability measures have been in place for EPPs for many years, the overhaul of educator preparation and licensure law in 2017-189 brings new expectations for accountability and sanctions for EPPs not used before. Language within this law is quite proscriptive and narrow about what metrics are to be used for accountability purposes and what criteria need to be met to warrant various sanctions. Where flexibility lies within this law for the NCSBE to establish rules lies in establishing the conditions or thresholds of each prescribed accountability measure and establishing exactly what each sanction requires of the EPP where it is applied.

The establishment of performance standards is critical to assure that authorized EPPs are providing a minimum standard of quality in the preparation of teacher candidates and ultimately positively impact the quality of the instruction those teachers provide children in North Carolina public and charter schools. Non-compliance of these standards places EPPs on a trajectory to revocation if not reversed which also protects the quality of the teacher workforce.

The proposed rules were developed with careful consideration of maintaining high expectations in the teacher work force, the impact on the teacher pipeline, and the limited resources available at the NCDPI.

- The role of the department is to publicly report accountability measures, assign sanctions based on the approved rules, and monitor action plans of EPPs out of compliance. Law does not require NCDPI to be responsible for an EPP's return to compliance, and current staffing would not enable that level of support to the field.
- A number of different performance threshold levels were explored to come to the proposed rules.
- Where the thresholds are set for issuing sanctions impacts not only the quality of the candidates, but also the number of candidates entering the profession and consequentially the number of qualified educators available to public and charter schools to fill needed positions in schools.

Description of Proposed Rules (full proposed rule text is provided in Appendix A)

16 NCAC 06C .0334 EDUCATOR PREPARATION PROGRAM ACCOUNTABILITY MEASURES

- Requires North Carolina Department of Public Instruction (NCDPI) to collect data for accountability from authorized Educator Preparation Programs (EPPs).
- NCSBE has authority to establish pass rates for each accountability measure
- Defines “beginning teacher”

16 NCAC 06C .0335 ANNUAL TEACHER EVALUATION

- Defines the North Carolina Educator Evaluation System (NCEES) and procedure for how the measure is calculated for the purposes of accountability.

16 NCAC 06C .0336 STUDENT GROWTH

- Defines the North Carolina Education Value Added Assessment System (EVAAS) and procedure for how the measure is calculated for the purposes of accountability.

16 NCAC 06C .0337 RECENT GRADUATE SURVEY

- Defines the Recent Graduate Survey and procedure for how the measure is calculated for the purposes of accountability.
- Requires that all public school units with a Beginning Teacher Support Program requires their beginning teachers to participate in the Recent Graduate Survey.

16 NCAC 06C .0338 CONDITIONS FOR DETERMINING ACCOUNTABILITY

- Sets the conditions for each of the three accountability measures for standard measurement.

16 NCAC 06C .0339 FOUR POINT SYSTEM FOR EVALUATING EDUCATOR PREPARATION PROGRAM EFFECTIVENESS

- Establishes a four-level system for evaluating EPPs and the calculation criteria for each level.

16 NCAC 06C .0340 ACCOUNTABILITY MEASURE CONDITIONS, SAMPLE SIZE, AND SMALL GROUP EXCEPTION

- Establishes conditions each measure is calculated, minimum sample size, and assessment for programs that fall below the minimum sample size.

16 NCAC 06C .0343 ASSIGNING SANCTIONS

- Establishes Warned, Probation, or Revoked sanction in conjunction with a level 1 designation on assessment criteria.

16 NCAC 06C .0344 WARNED STATUS SANCTIONS

- Criteria for issuing a warned sanction and additional requirements on the EPP when under warned status.

16 NCAC 06C .0345 PROBATION STATUS SANCTIONS

- Criteria for issuing a probation sanction and additional requirements on the EPP when under probation status.

16 NCAC 06C .0346 REVOKED STATUS SANCTIONS

- Criteria for issuing a revoked sanction and additional requirements on the EPP when under revoked status.

Context: North Carolina Educator Preparation Program Landscape

- Across North Carolina there are 56 EPPs (15 UNC public system, 32 private programs and 9 alternative programs or programs that lead to licensure but not a degree)
- The size of cohort completers in EPPs vary with the smallest producing one program completer in 2021 and the largest producing 728.
- The cohort of completers represents just a portion of candidates in the pipeline in various stages of development. In 2021 there were a total of 16,452 candidates in educator preparation programs across the state. The largest program housed 2,885 candidates and the smallest reported only 1 candidate.
- Faculty sizes also vary greatly with the smallest schools maintaining 3 or fewer full-time faculty and the largest employing more than 100.
- According to the U.S. Bureau of Labor Statistics, in 2021 the Median salary of a full-time education program faculty member in North Carolina was \$71,960².
- The redesign of educator preparation and licensure statute with the passage of session law 2017-189 allowed for no formal sanctions to be issued until 2021-2022. At that time, State Board shall only assign the accountability statuses of "warned" and "probation" during the 2021-2022 and 2022-2023 school years. The State Board cannot assign the accountability status of "revoked" until 2023-2024 school year.

Understanding Accountability Thresholds

This section explains the threshold setting process envisioned by the NCSBE for EPP accountability and is ultimately what framed the proposed rules for program accountability.

As was stated earlier, the measures for accountability are legislatively identified. According to §115C-269.35, EPPs are to be assessed on three measures:

- (1) Performance based on the standards and criteria for annual evaluations of licensed employees.
- (2) Proficiency and growth of students taught by educators holding an initial professional license, to the extent practicable. When available, EVAAS data shall be used to measure student growth.
- (3) Results from an educator satisfaction survey, developed by the State Board with stakeholder input, performed at the end of the educator's first year of teaching after receiving an initial professional license.

With the measures already identified, the thresholds at which a program could fall into sanction are left to the NCSBE to establish in the proposed rules. For the purposes of accountability standard measurement, the NCSBE approved these parameters for setting thresholds:

² U.S. Bureau of Labor Statistics, Occupational Employment and Wages, May 2021: 25-1081 Education Teachers, Postsecondary <https://www.bls.gov/oes/current/oes251081.htm#nat>

- The mean for Annual Teacher Evaluation and Student Growth is to be calculated using data of all beginning teachers in North Carolina. Standard deviations are then calculated using the aggregate of beginning teachers at each educator preparation program.
- The graduate survey includes a set of 25 items asking "how well did your teacher preparation program prepare you to..." and the response categories are 'not addressed, not well, somewhat well, well and very well.' For each item, it is determined whether the respondent said 'well' or 'very well.' Then, for each respondent, the percentage of 'well' or 'very well' responses is calculated of those 25 items. Individual percentage of 'well' or 'very well' are then aggregated to the program level.

Next, accountability thresholds are created using a four-point level system for the purposes of public reporting by the NCDPI:

- Level 4 are those EPPs that perform more than one standard deviation above the mean.
- Level 3 are those EPPs that perform between 0 and 1 standard deviation above the mean.
- Level 2 are those EPPs that perform between -1 and 0 standard deviations below the mean.
- Level 1 are those EPPs that perform more than one standard deviation below the mean. Failure to exceed the Level 1 range for any overall group or subgroup can result in program sanctions.

The performance value for each level is then empirically derived from the performance data of all the state's recognized EPPs during the 2017-18 academic year and the two preceding years (2015-16 and 2016-17). Performance values established from this calculation then remain constant for five years. After five years, NCDPI will re-estimate performance levels based on data from the state's recognized EPPs. Holding the performance values stable over time prevents the inevitable outcome of always having a portion of EPPs in level 1 based on the way the thresholds are set. Revisiting thresholds every 5 years promotes continuous growth and improvement in EPPs as that new assessment will move the performance expectations higher.

According to law, the accountability standard thresholds must be met or exceeded by each EPP's graduates at the overall level as well as each of the disaggregated subgroups including gender (male/female), and race/ethnicity (American Indian, Asian, Black, Hispanic, Multiracial, Pacific Islander, White) where sample sizes of those subgroups are sufficient. NCSBE set the minimum sample size at 10 in compliance with the small group exception language in section c1 of § 15C-269.35.

Because North Carolina has some programs that produce very few program completers annually, the NCSBE examines EPP outcomes over three years in aggregate. This helps increase the number of program overall completers and in some cases subgroups for the purposes of assessment. If an EPP has no subgroups in a performance indicator that meet the minimum sample size over three years, the assessment is conducted only at the overall, aggregate level. If

the overall aggregate measure of an indicator falls below the designated sample size, the three-year cumulated overall performance will still be measured against the standards, regardless of how small the cumulated number of group members may be. This is to make sure even the smallest programs are held to the same accountability as larger programs.

Understanding Sanctions

§115C-269.35 is also very proscriptive in its language around sanction designations and what criteria warrant the issuance of a sanction. Here, the law enables the NCSBE to create the rules associated with leveraging the performance indicator thresholds to trigger the sanctions as well as the consequences of sanction designations.

According to law, An EPP is assigned warned status if the program meets any of the following criteria:

- a. Fails to meet the performance standards set by the NCSBE for the overall performance of all its students on any of the three performance indicators in any one year.
- b. Fails to meet the performance standards in any two sex, race, or ethnicity demographic groups on any of the three performance in any one year.
- c. Fails to meet the performance standards for any one sex, race, or ethnicity demographic group on any of the performance indicators set for two consecutively measured years, regardless of whether the deficiency is in the same standard.
- d. The NCSBE determines that the EPP has violated applicable laws or rules that should result in warned status.

Also outlined in law, an EPP shall be assigned probation status if the program meets any of the following criteria:

- a. Fails to meet the performance standards set by the State Board for the overall performance of all its students on any of the indicators for two consecutively measured years.
- b. Fails to meet the performance standards in any three sex, race, or ethnicity demographic groups on any of the performance indicators in any one year.
- c. Fails to meet the performance standards for any one sex, race, or ethnicity demographic group on any of the performance indicators for three consecutively measured years, regardless of whether the deficiency is in the same standard.
- d. The NCSBE determines that the EPP has violated applicable laws or rules that should result in probation status.

An EPP is assigned revoked status and its approval to recommend students for educator licensure revoked if it meets any of the following criteria:

- a. Is assigned probation status for three consecutively measured years.
- b. Has been on probation status for one year and the State Board determines that revoking the program's approval is reasonably necessary to achieve the purposes of this Article.

In the proposed rules, the threshold for potential sanction is met when an EPP falls into a level 1 designation on any of the three performance indicators, or at least 1 standard deviation away from the mean. EPPs assigned a sanction will be subject to additional reporting obligations and

remediation to support the program back into compliance. Those additional requirements vary depending on the sanction imposed and the duration the sanction remains in place (Table 1).

Table 1: EPP Remediation Obligations Under Sanction

Year One	Year Two	Year Three	Year Four
<p>Warning status assigned</p> <p>Action plan for continuous improvement and to move to Level 2 or higher (self-assessed with peer review optional)</p>	<p>Warning status assigned</p> <p>Action plan for continuous improvement and to move to Level 2 or higher (peer reviewed by an EPP with an overall rating of Level 3 or higher in the area of deficiency)</p>	<p>Probation status assigned</p> <p>Third-party entity assistance</p> <p>Action plan for continuous improvement and moving to Level 2 or higher</p>	<p>Revocation status assigned with SBE approval</p> <p>An EPP shall remain on revoked status for two years. At the end of the two years, the EPP may seek initial authorization to prepare educators for licensure.</p>
<p>Probation status assigned</p> <p>Action plan for continuous improvement and moving to Level 2 or higher</p> <p>Peer technical assistance (selected with NCDPI consultation)</p>	<p>Probation status assigned</p> <p>Action plan for continuous improvement and moving to Level 2 or higher</p> <p>Peer technical assistance (selected with NCDPI consultation)</p> <p>NCDPI on-site review</p>	<p>NCDPI on-site review</p> <p>Notification to all enrolled students of potential revocation status and the EPPs plan for supporting students through the licensure process.</p>	
	<p>*Revocation status assigned if the State Board determines it is necessary</p>		

Impact Analysis

For the purposes of this fiscal note, the analysis below will explore the economic implications of these accountability rules as required. It will examine the impact on the field if those rules were to be implemented using 2021-2022 program data.

Proposed Rules Impact on EPPs

Were the proposed rules imposed using the latest data (2021-2022) collected, an accurate impact on the EPP landscape can be determined. A total of 10 programs (18 percent) would receive either a warning (5) or probation (5). Table 2 provides the scale of the impact on faculty and student populations that would be impacted by the rules. This includes 6 of the 32 private institutions; 1 of the 15 public institutions; and 3 of the 9 alternative programs.

Table 2: EPPs Potentially Impacted and Scope of Impact by Proposed Rules

Programs Falling into Sanction Using Proposed Rules	Reason for Sanction	# Faculty			# Students	
		Full Time	Part time in Education/Full Time at Institution	Part Time	Full Time	Part Time
		Warning				
Educator Preparation Program 1	Fails to meet overall one year	2	0	7	0	103
Educator Preparation Program 2	Fails to meet one subgroup two consecutive years	17	13	7	348	49
Educator Preparation Program 3	Fails to meet overall one year	6	0	0	1	0
Educator Preparation Program 4*	Fails to meet overall one year	34	16	0	0	1896
Educator Preparation Program 5	Fails to meet two subgroups in one year	6	0	3	68	43
Warning Totals		65	29	17	417	2091
		Probation				
Educator Preparation Program 6**	Fails to meet overall two consecutive years	2	0	10	0	354
Educator Preparation Program 7	Fails to meet overall two consecutive years	2	1	6	20	5
Educator Preparation Program 8	Fails to meet overall two consecutive years	15	6	4	61	17
Educator Preparation Program 9	Fails to meet overall two consecutive years	5	0	7	178	13
Educator Preparation Program 10	Fails to meet overall two consecutive years	5	2	4	15	0
Probation Totals		29	9	31	274	389
Grand Totals		94	38	48	691	2480

* This program is a fully online program originating out of state. It is unlikely that their faculty are located in North Carolina. While students are more than likely in North Carolina, the lack of a physical brick and mortar presence of the program would not draw students to a particular locale like a traditional program.

** This is a fully online program operating in North Carolina. While students are more than likely in North Carolina, the lack of a physical brick and mortar presence of the program would not draw students to a particular locale like a traditional program.

Because the thresholds are only adjusted every five years, it is anticipated that this number of programs impacted would decline following the first year as programs worked to meet or exceed

the established criteria. Adjustment of thresholds at the 5-year increment mark using standard deviations would result in about the same proportion of EPPs falling into sanction in the first year of any new threshold setting. By approaching sanctions in this manner, the model promotes continuous improvement in the field.

Assignment of a formal sanction begins an EPP’s path to potential revocation and is therefore motivating to mitigate as quickly as possible. It is unclear to what extent mitigation activity would involve additional expenditure by the institution. It is likely, given budget constraints, that sanctioned EPPs would seek changes to their program curriculum, student supports, and offerings leveraging existing budgets and resources. The possibility also exists for the institutional leadership to consider closing their EPP altogether if sanctions are levied or progress towards revocation.

State Government Impact

The proposed rules associated with educator preparation program accountability impose tasks that fall within the general obligations of current NCDPI staffing. As such, there should be no costs associated with additional staffing needs. NCDPI is already required under law to annually collect data and publicly report its findings regardless of issuing sanctions, so there should be no additional opportunity (time) costs to state staff associated with requirements for data collection and reporting. However, there are likely to be opportunity costs associated with implementation of the new system of sanctions, as follows:

- For EPPs issued warning sanctions, NCDPI collects the action plans for how to move back into compliance and supports peer EPP collaboration if there is interest.
- For EPPs falling into a probation status, collaboration with a peer school is required in addition to submitting an action plan for return to compliance.
- If a school remains under probation for multiple years, the Director of Educator Preparation at NCDPI will conduct an on-site review of the EPP. With 5 programs identified as falling into probation under the proposed rules this year, it is anticipated that only a portion of them (2) would require a site visit the following year. The expected annual need for on-site visits is low as programs identified as under sanction would actively work to improve their outcomes. The reassessment of sanction thresholds every five years would likely start this process over cyclically.

Table 3: Estimated cost of an on-site visit

Director of Educator Preparation compensation \$164,216.17/year	Estimate 260 work days a year	Director compensation equates to \$623.91/day*
2 days preparation time (opportunity cost)	\$1,247.82	
1 day of on-site visit (opportunity cost)	\$623.91	

2 days follow up work derived from the on-site visit (opportunity cost)	\$1,247.82
Mileage and personal vehicle cost to travel to site	Unquantifiable due to lack of estimated mileage data.

* Director compensation estimate was developed using the NC OSHR: Total Compensation Calculator and includes salary plus benefits.

- For revocation, NCDPI removes the EPP authorization status. Upon assignment of revoked status of EPP approval, the EPP shall not admit new students but may complete the training of students already admitted by the program and recommend them for licensure. If necessary, the NCSBE and other EPPs shall cooperate to assist the previously admitted students of the revoked EPP to complete their training.
- Faculty job loss would have a small impact on state tax collections and would vary depending on the number of programs revoked and the size of each of those programs. At this time, anticipating the number of EPPs that would ultimately fall into a revocation status is not possible.

Risk for impact on UNC System schools and/or community colleges that offer an EPP program exist, and these two groups are also a function within state government. The proposed rules as designed (and using 2021-22 data) would result in the sanctioning of one public UNC system school in the first year. It should be noted here that the largest programs in the state exist within the UNC system. An argument can be made that way the law is written to include race, gender/ethnicity subgroups in the accountability model places more opportunities for the largest programs to be assigned a sanction. This is because they are likely to have more subgroups that meet the threshold for consideration than much smaller programs.

Once assigned a sanction, it is anticipated that the program would implement strategies within its existing resources to mitigate the sanction. In the worst-case scenario, if that program was not able to improve its outcomes and ultimately fall into revocation, there would be a negative financial impact to the university in the form of lost student revenue and faculty.

It is important to know that there are many factors at play prior to the scenario outlined above. The institution has multiple years to introduce a different strategy to return to compliance and avoid this outcome. As was mentioned earlier, the likelihood of this outcome is anticipated to be very low. The more likely outcome is that sanctioned EPPs would seek to avoid revocation by making changes to their program curriculum, student supports, and offerings using their existing budgets and resources. It is inherently in their interest to seek improvement to maintain their very existence.

Another important resource in mitigating sanctions for the public institutions in North Carolina is the UNC-General Administration who supports and monitors the activity of all public EPPs. Sanctioned schools would also be receiving additional support from UNC-GA to return to compliance and also promote engagement with other public school programs to share best practices with struggling programs.

Additionally, examination of proposed rules for warned and probation status sanctions further illustrates the intent of the rule making to encourage and promote improvement and an effort to avoid an EPP falling into revocation. At the warned status, a designated EPP must develop a self-assessed action plan to return to compliance. That level of sanction includes the option to partner with a peer EPP to develop that plan. The department's careful monitoring of program accountability measures will help to identify programs across the state that are thriving in specific areas the sanctioned program is struggling in to help benefit from their successful program implementation. At the probation sanction level, programs must submit an improvement plan with peer support guided by department consultation. Additionally, the department is engaged to conduct an on-site review to offer deeper support in their improvement planning.

Sanctions do require additional effort on the part of the EPP to meet expectations, but the additional burden is focused on program improvement the program need to return to compliance. It is this combination of sanctions promoting improvement and available supports that make the possibility of revocation unlikely.

Local Government Impact

There are no EPPs run by local government, so there would be no direct or opportunity costs to local governments as a result of the proposed rules.

In the unlikely event that an EPP is revoked, there could be an impact to the local economy. The size of the impact would depend on the size of the EPP program and the size of the local government. Revoked programs would have a small impact on the local economy with the loss of faculty positions as those programs were discontinued. Students who might otherwise move to the local area for training will look to pursue their training in other locales. Commerce in the local area traditionally supported by the student presence could be negatively impacted.

While the revocation of a program has a negative impact on the program itself, the faculty associated with its implementation would potentially lose their jobs, and the students being served would either seek educator preparation elsewhere or reconsider the education profession altogether.. Public and charter schools that historically have relied on teachers entering the profession from their community EPP(s) may find it considerably more challenging to fill teacher vacancies. This, in turn, can negatively impact the quality of education of children in the community if alternative teacher pathways are not readily available to mitigate the loss.

One positive externality with the revocation of a program is a potential increase in attendance for those EPPs in the region who are not revoked. They may find an increase in application and/or enrollment due to the loss of competition in the economic space.

Private Sector Impact

As was mentioned earlier in the report, there are a total of 32 private colleges and universities with EPP authorization as well as for-profit organizations providing the EPP service (seven of

the nine alternative programs) that fall within the Private Sector. Revocation of an EPP program in a private university would obviously have an impact on the staff cut and revenue to the institution based on tuition. In the case of alternative programs, revocation may result in the closure of the entire business.

For those programs operating in a traditional brick and mortar educational space, loss of staffing and students in the area would also have a negative impact on private business in the broader community. The revocation of an entirely online program would not have the same financial impact on a local community as the stakeholders are not restricted to any one locale.

Similar to previous discussion, program revocation of one EPP may actually increase attendance in other EPPs and their surrounding communities.

When applied using 2021-22 data, the proposed rules implemented as designed would identify a total of 9 private programs (6 traditional institutions and 3 alternative programs) that would fall into sanction. Like the programs falling under state government mentioned earlier, it is in the interest of self-preservation of the EPP to return to compliance and the proposed rules promote program improvement when sanctions are assigned. This combined with the manner in which the rules are written that promote a return to compliance make the eventual outcome of revocation highly unlikely.

Many of the private programs are also members of a supporting umbrella organization called the North Carolina Independent Colleges and Universities (NCICU). Similar to UNC-GA, this group would provide the similar supports to improve sanctioned schools and collaborate with partner programs to promote best practice,

Benefits

The importance of developing, attracting, and retaining high quality teachers cannot be overstated. A growing body of literature over the past two decades indicates that high quality teachers have a critical impact on student achievement, student motivation, and lifetime earning potential (Oppen, 2019; Goldhaber, 2016; Gershenson, 2016). In fact, among school-related factors, the teacher matters most to a student's academic performance (Chetty, Friedman & Rockoff, 2014).

Coupled with these findings, North Carolina (as well as the entire nation), have a long history of inequitable distribution of high-quality teachers.

Low-salary districts serve students with higher needs, offer poorer working conditions, and hire teachers with significantly lower qualifications, who typically exhibit higher turnover. Those districts serving the highest proportions of minority and low-income students have about twice as many uncredentialed and inexperienced teachers as do those serving the fewest (Adamson & Darling-Hammond, 2012).

This combination of teacher quality and inequitable access presents challenges for consistently producing the best student outcomes for all of North Carolina's learners.

The establishment of a rigorous set of accountability rules on the expectations of educator preparation programs – those programs that produce the next generation of classroom teachers – will not solve the teacher quality issues of the state in isolation. They can, however, assure that those teacher candidates entering the profession are of a consistently high skill level and can deliver quality instruction to all students. In turn, that consistently higher quality instruction can enable students to have a stronger opportunity to produce their best work and ultimately positively contribute to society in across North Carolina.

Alternatives

For the purposes of the proposed rules, the Professional Educator Preparation and Standards Commission (PEPSC) recommended and NCSBE ultimately voted to set the threshold for sanctions at those programs that perform more than one standard deviation below the mean of EPPs across the state. In a normal distribution, a standard deviation of -1 would capture roughly 16 percent of the population. NCSBE determined that this percentage of the EPP population should be required to improve their practices. This decision resulted in 10 programs falling into either a warned or probation level sanction, which represents 18.9 percent of the EPPs operating across the state.

PEPSC also considered setting the threshold at a more rigorous -.5 standard deviation to issue sanctions which would have captured about 33 percent of EPPs in sanction. Putting a third of programs into sanction was not something the commission was willing to do. There was concern that a bar too high may have unintended consequences that limit an already depleted pipeline.

There was also a consideration of setting the threshold at a -2 standard deviation. With only about 2.5 percent of EPPs receiving sanction, the commission felt the system would not function as a vehicle to stimulate program improvement because it would impact too few programs.

Summary

The permanent adoption of rules associated with EPP accountability will help to maintain a quality teacher pipeline and ultimately serve to better educate the children of North Carolina. Assignment of sanctions to an EPP that begins the path to revocation of program authorization no doubt would stimulate the program to work to return to compliance. It remains unclear to what extent that effort would include additional expenditures or perhaps manifest in changes in existing work assignments, curriculum design, and/or practice.

The proposed rules are expected to have little to no fiscal impact on local government unless the progression of sanctions leads to program revocation. The proposed rules will result in small opportunity costs to DPI to administer the new system of sanctions.

By setting the accountability standard every five years based off of standard deviation, a portion of programs (16 percent) will likely be identified as falling into some sort of sanction at the end of the first year of following standards setting. Without improvement on the part of the EPP, initial sanctions will lead to revocation. That said, the likelihood of initial sanctions resulting in revocation is very low given that programs will have multiple years to improve their practice, the rule requirements are designed to promote improvement, and the inherent desire of every program to continue to avoid revocation. The intent is to provide a motivation for programs to continuously reflect on their practice and improve. These rules, as designed, are not expected to cause substantial fiscal impact on the field over time in terms of loss of programs due to revocation. Instead, they are expected to stimulate the field at large to continuously improve their offerings and supports of candidates throughout their development.

In the very unlikely event that a program falls into revocation, factors like EPP size, size of the local community, and competition in the surrounding area all would determine the impact of this outcome. The larger the size of the program, the larger disruption to the educator preparation pipeline, the greater the challenge for public and charter schools to recruit teachers that were supplied by the EPP. Loss of a revoked EPP in a smaller local government and commerce may have a proportionately greater financial impact than an EPP in higher population and income community. Program loss can also indirectly boost competition in the surrounding region as prospective teachers seek different programs to meet their educator preparation requirements. The hope is that establishing thresholds for accountability will lead to incremental improvement in the quality of educators entering the teaching profession from authorized EPPs across the state over time. The improved quality of beginning teachers could then, over time, lead to better student outcomes.

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Appendix A: Proposed Rule Text

16 NCAC 06C .0334 is proposed for adoption as follows:

16 NCAC 06C .0334 EDUCATOR PREPARATION PROGRAM ACCOUNTABILITY MEASURES

(a) The North Carolina Department of Public Instruction shall collect data for each recognized Educator Preparation Program (“EPP”) in order to compute and evaluate the following required program accountability measures: Annual Teacher Evaluation as explained in Rule .0335, Student Growth as explained in Rule .0336, and Recent Graduate Survey as explained in Rule .0337. The North Carolina State Board of Education shall have the authority to determine the pass rates for each of the three accountability measures.

(b) For the purposes of this section, “beginning teacher” shall mean a professional educator in North Carolina who is in the first three years of teaching and who holds a Standard Professional 1 license.

*History Note: Authority G.S. 115C-12(9); 115C-268.5; 115C-269.40; 115C-269.45; N.C. Constitution, Article IX, Sec. 5;
Emergency Adoption Eff. October 1, 2019.*

16 NCAC 06C .0335 is proposed for adoption as follows:

16 NCAC 06C .0335 ANNUAL TEACHER EVALUATION

(a) Data from the North Carolina Educator Evaluation System (NCEES) is used to constitute the Annual Teacher Evaluation accountability measure for each recognized Educator Preparation Program. (EPP)

(b) The NCEES evaluation standards, as explained in Rule .0385, identify the knowledge, skills, and dispositions expected of all teachers. School administrators shall annually rate the level at which teachers, including beginning teachers, meet five different standards as follows:

- (1) Teachers Demonstrate Leadership
- (2) Teachers Establish a Respectful Environment for a Diverse Population of Students
- (3) Teachers Know the Content they Teach
- (4) Teachers Facilitate Learning for their Students; and
- (5) Teachers Reflect on their Practice.

(c) For each NCEES standard, a beginning teacher is evaluated on a Continuum of Teaching Practice rubric with ratings of “developing,” “proficient,” “accomplished,” or “distinguished” depending on observation of their teaching. The principal at the beginning teacher’s school shall complete the beginning teacher’s NCEES evaluation.

(d) For EPP accountability purposes, the calculation for Annual Teacher Evaluation shall be the percentage of graduates from the EPP in their first three years of teaching who achieve a rating of “proficient,” “accomplished,” or “distinguished” on each of the five NCEES standards.

(e) When a beginning teacher does not receive an annual evaluation, that graduate is not included in the EPP’s Annual Teacher Evaluation accountability measure.

16 NCAC 06C .0336 is proposed for adoption as follows:

16 NCAC 06C .0336 STUDENT GROWTH

(a) Data from the North Carolina Education Value Added Assessment System (EVAAS) constitutes the Student Growth accountability measure for each recognized Educator Preparation Program (EPP).

(b) The EVAAS Student Growth indicator is a measure of the amount of academic progress that a teacher's students have made over the course of a grade or class using data from quality assessments such as End-of-Grade or End-of-Course assessments.

(b) For EPP accountability purposes, the measure of Student Growth is calculated as the percentage of graduates from the EPP in their first three years of teaching who achieve a growth rating of "meets expected growth" or "exceeds expected growth" as measured by the EPP's graduate's composite EVAAS scores.

- (1) In this calculation, no school-level EVAAS data shall be used for an individual teacher.
- (2) When a beginning teacher is not assigned an EVAAS growth rating, that graduate is not included in the EPP's Student Growth measure.

16 NCAC 06C .0337 is proposed for adoption as follows:

16 NCAC 06C .0337 RECENT GRADUATE SURVEY

(a) The Recent Graduate Survey accountability measure for each recognized Educator Preparation Program (EPP) shall be prepared by the Department of Public Instruction using data about beginning teachers' perceptions of their teacher preparation collected from the Recent Graduate Survey administered by NCDPI or its designee.

(b) The Recent Graduate Survey instrument contains 25 questions designed to capture first year teachers' perceptions of their preparation to enter the profession, over three broad topic areas classified as: Instruction, Supportive Learning Environments, and Teaching Diverse Learners. Data comes from 25 questions which cover how well the EPP prepared a graduate to:

- (1) set challenging and appropriate goals for student learning and performance;
- (2) empower students to become self-directed and productive learners;
- (3) maintain discipline and an orderly, purposeful learning environment;
- (4) develop positive and supportive relationships with students;
- (5) create an environment of high expectations for all students;
- (6) teach in ways that support English Language Learners;
- (7) teach in ways that support students with diverse ethnic, racial, cultural, and socioeconomic backgrounds;
- (8) teach in ways that support special education students;
- (9) teach in ways that support academically gifted students;
- (10) develop a classroom environment that promotes respect and group responsibility;
- (11) teach the concepts, knowledge, and skills of your discipline(s);
- (12) align instruction with state standards;

- (13) relate classroom teaching to the real world;
- (14) develop lessons that build on students' experiences, interests, and abilities;
- (15) develop a variety of assessments (e.g. tests, observations, portfolios, performance tasks);
- (16) provide purposeful feedback to students to guide their learning;
- (17) differentiate instruction;
- (18) use technology in the classroom to improve learning outcomes;
- (19) help students think critically and solve problems;
- (20) develop students' questioning and discussion skills;
- (21) analyze student performance data (e.g. formative and summative assessments, standardized tests, performance tasks, etc.) to improve instruction;
- (22) adapt practice based on research and student performance data;
- (23) self-assess and reflect on own practices;
- (24) collaborate with colleagues to improve student learning; and
- (25) work with parents and families to better understand students to support their learning.

(c) For each general area of preparation, a respondent may choose "not addressed," "not well," "somewhat well," "well," and "very well."

(d) The calculation for the Recent Graduate Survey indicator shall be the percentage of questions for which the respondent indicated "well" or "very well." The percentage for each respondent is aggregated up to the program level.

(e) All public school units with a Beginning Teacher Support Program shall require their beginning teachers to participate in the Recent Graduate Survey. When a beginning teacher does not respond to the Recent Graduate Survey, that graduate is not included in the EPP's Recent Graduate Survey calculation.

16 NCAC 06C .0338 is proposed for adoption as follows:

16 NCAC 06C .0338 CONDITIONS FOR DETERMINING EDUCATOR PREPARATION PROGRAM (EPP) ACCOUNTABILITY

For the purposes of Educator Preparation Program accountability standard measurement, Annual Teacher Evaluation and Student Growth shall be calculated using data of all beginning teachers in North Carolina. Standard deviations for these measurements shall be determined using the aggregate of beginning teachers at each approved North Carolina Educator Preparation Program. The Recent Graduate Survey accountability measure shall be determined as a percentage of "well" or "very well" responses to questions as answered by each beginning teacher respondent. Individual percentages of "well" or "very well" responses from beginning teachers shall be aggregated to the program level.

16 NCAC 06C .0339 is proposed for adoption as follows:

16 NCAC 06C .0339 FOUR POINT SYSTEM FOR EVALUATING EDUCATOR PREPARATION PROGRAM EFFECTIVENESS

(a) Accountability thresholds shall utilize a four-point level system for the purposes of evaluating North Carolina Educator Preparation Programs by the North Carolina Department of Public Instruction:

- (1) Level 4 are those EPPs that perform more than one standard deviation above the mean.
- (2) Level 3 are those EPPs that perform between and including 0 and 1 standard deviation above the mean.
- (3) Level 2 are those EPPs that perform below 0 through and including -1 standard deviations below the mean.
- (4) Level 1 are those EPPs that perform more than one standard deviation below the mean.

(b) Level 1 status for any overall group or subgroup can result in program sanctions.

(c) The mean value for each Accountability Measure shall be calculated using data from all North Carolina beginning teachers. The standard deviations for each accountability threshold shall be derived from the performance data of all program completers in aggregate from all North Carolina-recognized EPPs.

- (1) Established accountability thresholds shall remain in effect for five years. At or before the end of a five-year cycle, NCDPI shall re-calculate the standard deviations for each accountability threshold, which shall be used to measure EPP program effectiveness during the next five-year cycle, using the three most recent years of data.
- (2) The initial standard deviation calculations to support the four-point system of accountability thresholds shall be empirically derived from the performance data of all the State's beginning teachers during the 2017-18 academic year, and the two preceding years: 2015-16 and 2016-17.

16 NCAC 06C .0340 is proposed for adoption as follows:

**16 NCAC 06C .0340 EDUCATOR PREPARATION PROGRAM (EPP) ACCOUNTABILITY
MEASURE CONDITIONS, SAMPLE SIZE, AND SMALL GROUP EXCEPTION**

(a) The North Carolina Department of Public Instruction shall measure Educator Preparation Program performance on each of the accountability measures in the aggregate overall level.

(b) NCDPI shall measure EPP performance on each of the accountability measures using disaggregated data to gauge the performance of the following subgroups, gender (male/female), and race/ethnicity (American Indian, Asian, Black, Hispanic, Multiracial, Pacific Islander, White).

(c) The minimum sample size shall be 10.

(d) If an EPP has no subgroups that meet the minimum sample size over three years, the assessment shall be conducted only at the overall, aggregate level.

(e) If an EPP's overall aggregate measure falls below the designated sample size, then its three-year cumulated overall performance shall be measured against the standards, regardless of how small the cumulated number of group members may be.

16 NCAC 06C .0343 is proposed for adoption as follows:

16 NCAC 06C.0343 ASSIGNING SANCTIONS

The State Board shall assign a sanction of "Warned" as explained in Rule .0344, "Probation" as explained in Rule .0345, or "Revoked" as explained in Rule .03469, to an Educator Preparation Program if the EPP achieves a Level 1

status on a State Board of Education accountability measure. Any EPP that performs one or more standard deviations below the mean of all North Carolina EPPs shall be designated Level 1 status.

16 NCAC 06C .0344 is proposed for adoption as follows:

16 NCAC 06C .0344 WARNED STATUS SANCTIONS

- (a) A Warned status due to either a Level 1 designation for overall performance on a program accountability measure or due to a Level 1 designation for the performance of any two subgroups on any indicators in one year shall require the EPP to develop a self-assessed action plan for continuous improvement and return to compliance (Level 2 or higher) with the option to include a peer review in the development of the improvement plan.
- (b) A Warned status for a Level 1 designation on one subgroup over two years shall necessitate an action plan for continuous improvement and return to compliance (Level 2 or higher). The plan shall be reviewed and endorsed by another EPP with an overall rating of Level 3 or higher in the area of deficiency.

16 NCAC 06C .0345 is proposed for adoption as follows:

16 NCAC 06C .0345 PROBATION STATUS SANCTIONS

- (a) A Probation status due to a Level 1 designation in three subgroups within one year shall require the Education Preparation Program to develop an action plan for continuous improvement and return to compliance (Level 2 or higher) with peer technical assistance selected with North Carolina Department of Public Instruction (NCDPI) consultation.
- (b) The designation of Probation status due to Level 1 accountability of the overall program two years in a row shall require the EPP to develop an action plan for continuous improvement and return to compliance (Level 2 or higher) with peer technical assistance selected with NCDPI consultation.
- (c) A Probation status issued due to any one subgroup meeting a Level 1 designation following two prior years of Warned status shall require the following:
 - (1) An action plan for continuous improvement and return to compliance (Level 2 or higher);
 - (2) An on-site review by NCDPI; and
 - (3) The EPP's provision of notification to all of its enrolled students of its potential Revocation status and the EPP's plan for supporting students through the licensure process.

16 NCAC 06C .0346 is proposed for adoption as follows:

16 NCAC 06C .0346 REVOKED STATUS SANCTIONS

- (a) A Revoked status issued to an Educator Preparation Program (EPP) following three consecutive years of Probation status shall require:
 - (1) The EPP to create an action plan for continuous improvement and return to compliance (Level 2 or higher);
 - (2) An on-site review of the EPP by NCDPI; and

- (3) The EPP's provision of notification to all of its enrolled students of the programs "Revoked" status and the EPP's plan for supporting students through the licensure process.
- (b) An EPP on Revoked status may continue to admit students to its program but must agree to pay for the North Carolina New Teacher Support program for each North Carolina graduate recommended for licensure.
- (c) If an EPP remains on Revoked status for more than two years, it shall not recommend students for North Carolina licensure.