

1 16 NCAC 06G .0303 is readopted with changes as published in 40:09 NCR 706–711 as follows:

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3 **16 NCAC 06G .0303 FLEXIBLE FUNDING DEFINITIONS**

4 ~~The SBE shall not consider or grant waivers for:~~

- 5 (1) ~~teacher assistants;~~
- 6 (2) ~~matching state funds for federal vocational education;~~
- 7 (3) ~~transportation;~~
- 8 (4) ~~employee benefits, including annual leave and longevity;~~
- 9 (5) ~~Willie M.; and~~
- 10 (6) ~~all federal funds.~~

11 As used in this Section, the following definitions shall apply:

- 12 (1) "Achievement Score" means the overall achievement score ~~[as defined in]~~ **calculated according to**  
13 G.S. 115C-83.15(b).
- 14 (2) "Assistance team" means an assistance team assigned by the State Board of Education to a low-  
15 performing school under G.S. 115C-105.38.
- 16 (3) "Continually Low-Performing School" or "CLPS" is defined in G.S. 115C-105.37A(a).
- 17 (4) "Education Management Organization" or "EMO" is defined in 16 NCAC 06G .0523.
- 18 (5) "Identified student subgroup" means one of the subgroups identified in G.S. 115C-83.15(d1),  
19 provided there are at least 30 students served by a school.
- 20 (6) "Low-Performing School" is defined in G.S. 115C-105.37(a).
- 21 (7) "Restart Model" is defined in G.S. 115C-105.37B(a)(2).
- 22 (8) "School Improvement Plan" ~~is defined in]~~ **means the plan described in** G.S. 115C-105.37(a1).
- 23 (9) "School Reform Model" means one of the following:
  - 24 (A) Restart Model
  - 25 (B) Transformation Model
  - 26 (C) Turnaround Model
- 27 (10) "Transformation Model" is defined in G.S. 115C-105.37B(a)(1).
- 28 (11) "Turnaround Model" is defined in G.S. 115C-105.37B(a)(3).

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31 *History Note: Authority G.S. 115C-83.15; 115C-105.37; 115C-105.37A; 115C-105.37B; 115C-105.38;*  
32 *Filed as a Temporary Rule Eff. November 7, 1989 for a period of 180 days to expire on May 6,*  
33 *1990;*  
34 *Authority G.S. 115C-238.1;*  
35 *Eff. May 1, 1990;*  
36 *Amended Eff. June 1, 1996. 1996;*  
37 *Readopted Eff. June 1, 2026.*

1 16 NCAC 06G .0317 is amended as published in 40:09 NCR 706–711 as follows:

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3 **16 NCAC 06G .0317 SCHOOL REFORM MODELS**

4 ~~(a) Definitions.~~

5 (1) ~~"Academic Gain" means a school has achieved at least two of these benchmarks:~~

6 (A) ~~the SBE has designated that the school meets or exceeds expected growth under G.S. 115C-~~  
7 ~~83.15(f);~~

8 (B) ~~fifty percent of the subgroups for which the SBE reports growth scores under G.S. 115C-~~  
9 ~~83.15(d2) have a status of meets or exceeds expected growth; or~~

10 (C) ~~the school has realized a net increase in its achievement score during any five year cycle~~  
11 ~~under the restart model.~~

12 (2) ~~"Achievement Score" means the overall achievement score as defined in G.S. 115C 83.15(b).~~

13 (3) ~~"Application" means a written request signed by the chair and superintendent of the local school~~  
14 ~~administrative unit (LSAU) to implement a SRM that includes the name of the school to be operated~~  
15 ~~under the SRM, the year in which the LSAU intends to implement the SRM, and a commitment to~~  
16 ~~faithfully implement the Reform Implementation Plan (RIP) proposed for the school.~~

17 (4) ~~"Continually Low Performing School" (CLPS) is defined in G.S. 115C 105.37A(a).~~

18 (5) ~~"Education Management Organization" (EMO) is defined in 16 NCAC 06G .0523.~~

19 (6) ~~"Indication of Growth" means the designation of growth as defined in G.S. 115C 83.15(f).~~

20 (7) ~~"Low Performing School" is defined in G.S. 115C 105.37(a).~~

21 (8) ~~"Restart Model" is defined in G.S. 115C 105.37B(a)(2).~~

22 (9) ~~"School Reform Model" (SRM) means a "transformation model," "restart model," or "turnaround~~  
23 ~~model."~~

24 (10) ~~"Transformation Model" is defined in G.S. 115C 105.37B(a)(1).~~

25 (11) ~~"Turnaround Model" is defined in G.S. 115C 105.37B(a)(3).~~

26 ~~(b) A LSAU that wants to implement a transformation model in a CLPS shall submit to the State Board of Education~~  
27 ~~(SBE) an application and an RIP that:~~

28 (1) ~~describes how the LSAU will implement improvements in the four areas critical to transforming a~~  
29 ~~CLPS listed in G.S. 115C 105.37B(a)(1);~~

30 (2) ~~specifies the goals for increasing the achievement score, growth score, and subgroup growth scores~~  
31 ~~in the school;~~

32 (3) ~~includes a proposed budget detailing the revenues and expenditures necessary to implement the RIP;~~  
33 ~~and~~

34 (4) ~~includes a timeline for implementing the RIP.~~

35 ~~(c) A LSAU that wants to implement a restart model in a CLPS shall submit to the SBE an application and an RIP~~  
36 ~~that:~~

- (1) — describes how the LSAU will support the school in providing each student with the opportunity for a sound basic education;
- (2) — specifies the goals for increasing the achievement score, growth score, and subgroup growth scores in the school;
- (3) — describes how the LSAU will utilize operational flexibilities to increase academic achievement in the school;
- (4) — identifies the administrative barriers, such as teacher turnover, it believes contributed to the school's identification as a CLPS, and sets standards for measuring progress in reducing those barriers;
- (5) — states whether the LSAU will contract with an educational management organization ("EMO") to implement the restart model and provide:
  - (A) — the name, address, email, and telephone number for the EMO;
  - (B) — the website for the EMO;
  - (C) — an explanation of how the services of the EMO will contribute to improved growth scores and achievement scores at the school;
- (6) — includes a proposed budget outlining the revenues and expenditures necessary to implement the RIP;
- (7) — includes a timeline for implementing the RIP; and
- (8) — includes a written commitment to implement the restart model for the duration of the five year monitoring cycle described in paragraph (g) of this Rule.

(d) An LSAU that wants to implement a turnaround model in a CLPS shall submit to the SBE an application and an RIP that:

- (1) — describes the new governance structure to be implemented in the school;
- (2) — specifies the goals for increasing the achievement score, growth score, and subgroup growth scores in the school;
- (3) — describes the procedures that LSAU will use when removing staff, including due process protections where required by law;
- (4) — includes a proposed budget outlining the revenues and expenditures necessary to implement the RIP; and
- (5) — includes a timeline for implementing the RIP.

(e) If an LSAU determines that no SRM has been or would be effective in removing the CLPS designation or otherwise concludes that closure of the CLPS is appropriate, it may close the school in accordance with G.S. 115C 72.

(a) A local school administrative unit that wants to implement a school reform model in a continually low-performing school shall follow the provisions of 16 NCAC 06G .0318, 06G .0319, or 06G .0320, depending on the type of school reform model the LSAU wants.

~~(b)~~ (b) The SBE shall authorize the LSAU to implement the requested SRM school reform model if the LSAU submits the information required by the relevant Rule, and the SBE determines that the LSAU has the ability to implement the RIP a School Improvement Plan consistent with the authorized school reform model and ~~the~~ LSAU is likely to operate the school in an educationally and economically sound manner to improve student learning. The LSAU shall operate

1 the school under the authorized SRM school reform model until the SBE refuses to continue or removes the  
2 authorization.

3 ~~(g) An LSAU that has been authorized to implement a transformation or turnaround model shall submit an annual  
4 report to DPI by December 1 of each year describing and documenting changes in the school's growth score and  
5 achievement score within the preceding school year.~~

6 ~~(h) An LSAU that has been authorized to implement restart model shall:~~

7 (1) ~~include the operational flexibilities described in the RIP and any revisions to the RIP as action steps  
8 in the School Improvement Plan, specifying the school year(s) in which the operational flexibilities  
9 are to be utilized, and submit the School Improvement Plan to the SBE for review and approval in  
10 accordance with G.S. 115C-105.37A(a);~~

11 (2) ~~by December 1st of the second year and every year after, submit an annual report that shall include  
12 descriptions and documentation of how the school utilized the operational flexibilities authorized in  
13 the restart model in the past year and how it intends to utilize authorized operational flexibilities in  
14 the future; and~~

15 (3) ~~by January 31st of year five of any five year restart model cycle submit a report describing and  
16 documenting;~~

17 (A) ~~all policies, guidelines, or directives it adopted to implement the restart model;~~

18 (B) ~~all changes in growth scores and achievement scores along with the LSAU's explanation  
19 for those changes; and~~

20 (C) ~~all efforts to reduce administrative barriers identified in the RIP and all measurable changes  
21 to those barriers attributable to those efforts.~~

22 ~~(i) Upon the LSAU's request, the SBE may reduce the reporting requirements in Paragraph (h) of this Rule, if the  
23 SBE determines that the reduced reporting requirements would not compromise the SBE's ability to make decisions  
24 regarding the implementation of the restart model in the school. The SBE retains the authority to require LSAU's to  
25 report any information relevant to SBE decisions regarding the implementation of the restart model in the school.~~

26 ~~(j) If an LSAU desires to continue to operate a school that has an indication of growth of not met and a net negative  
27 achievement score from Year 1 to Year 4 of any five year cycle under the restart model, the LSAU shall submit an  
28 application for continued authorization by February 28th along with a revised RIP that addresses the perceived causes  
29 of the decline in the school's growth score and achievement score. The application shall include a commitment to  
30 cooperate with oversight and support from DPI during the term of the restart model. The SBE may approve the  
31 application and continue the authorization for a period up to five years if the SBE determines the school is more likely  
32 to achieve progress under the revised RIP than it is if the application for reauthorization is denied. If the SBE approves  
33 the application for continued authorization, the LSAU shall, by May 31st of the school year following said approval  
34 and each year thereafter, submit evidence of how the LSAU has supported the school's operation under the restart  
35 model and use of operational flexibilities have helped to improve its growth and achievement scores.~~

36 ~~(k) If, at the end of Year 5, a school has realized academic gain, the LSAU may submit an application by February  
37 28th to continue operating the school under the restart model with the same RIP or a revised RIP. The SBE may~~

1 ~~approve the application and continue the authorization for another five year cycle unless the SBE determines that~~  
2 ~~continuing to operate the school under the restart model is likely to result in a lower indication of growth or~~  
3 ~~achievement scores.~~

4 (f) ~~If, at the end of Year 5, a school is no longer a CLPS and the SBE has determined that the school has met or~~  
5 ~~exceeded growth under 115C-83.15(f), the LSAU may submit an application by February 28th to continue operating~~  
6 ~~the school under the approved restart model the same RIP or a revised RIP. The SBE may approve the application and~~  
7 ~~continue the authorization for another five year cycle unless the SBE determines that continuing to operate the school~~  
8 ~~under the SRM is likely to result in lower indication of growth or achievement scores.~~

9 ~~(m)~~ (c) The SBE may refuse to continue or remove authorization to operate a school under a SRM school reform  
10 model whenever it determines that:

11 (1) ~~the~~ The school has failed to realize the academic goals in the RIP School Improvement Plan and the  
12 failure to reduce administrative barriers that contributed to the school's identification as a ~~CLPS~~  
13 continually low performing means the school is unlikely to realize those goals within the next two  
14 years;

15 (2) ~~the~~ The LSAU has failed to comply with applicable state or federal laws, has failed to provide the  
16 SBE with required reports, or failed to submit the School Improvement Plan for SBE approval ~~as~~  
17 required in Subparagraph (h)(1) of this Rule; in accordance with G.S. 115C-105.37A(a);

18 (3) ~~a~~ A school operating under the ~~restart model has failed to meet expected growth under G.S. 115C-~~  
19 ~~83.15(f) and the school has demonstrated a net negative change in its achievement score after Year 4~~  
20 Restart Model has not demonstrated academic gain in any two years from Year 2 to Year 4 of any  
21 five-year cycle and is unlikely to ~~realize~~ demonstrate academic gain within the next two years;

22 (4) ~~the~~ The LSAU requests removal of the authorization and the SBE determines that the school is more  
23 likely to realize greater growth scores or achievement scores without the authority to operate under  
24 the approved ~~SRM; school reform model;~~ or

25 (5) ~~if~~ If the LSAU continues to operate the school under the approved ~~SRM; school reform model,~~ the  
26 school is ~~likely to fail~~ unlikely to meet expected growth under G.S. 115C-83.15(f) and realize lower  
27 achievement scores in the next two years.

28 (d) If the local board of education determines that no school reform model has been or would be effective in removing  
29 improving school performance or otherwise concludes that closure of the school is appropriate, it may close the school  
30 in accordance with G.S. 115C-72 and reassign the students enrolled in the school to other, higher-achieving schools  
31 within the LSAU consistent with Chapter 115C, Article 25 of the General Statutes.

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34 *History Note: Authority G.S. 115C-105.37B;*  
35 *Eff. January 1, 2025. 2025;*  
36 *Amended Eff. June 1, 2026.*

1 16 NCAC 06G .0318 is adopted with changes as published in 40:09 NCR 706–711 as follows:

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3 **16 NCAC 06G .0318 RESTART MODEL**

4 (a) A local school administrative unit that wants to implement a Restart Model in a continually low-performing school  
5 shall apply to the State Board of Education by February 28<sup>th</sup> of the school year preceding the school year in which the  
6 LSAU wants to implement the model. The application shall include the following:

7 (1) A description of how the LSAU will support the school in providing each student with the  
8 opportunity for a sound basic education.

9 (2) Specific goals for increasing the achievement score, growth score, and subgroup growth scores in  
10 the school.

11 (3) A description of how the LSAU will utilize operational flexibilities to realize the goals identified in  
12 Subparagraph (a)(2).

13 (4) A description of any administrative barriers, such as teacher turnover, that the LSAU believes  
14 contributed to the school's identification as continually low-performing and standards for measuring  
15 progress in reducing those barriers.

16 (5) A declaration of intent to contract with an educational management organization to implement the  
17 Restart Model, if applicable. The declaration of intent shall include:

18 (A) The name, address, email, and telephone number for the EMO;

19 (B) The website for the EMO; and

20 (C) An explanation of how the services of the EMO will contribute to improved growth scores  
21 and achievement scores at the school.

22 (6) A proposed budget outlining the revenues and expenditures necessary to implement the Restart  
23 Model;

24 (7) A timeline for implementing the Restart Model.

25 (8) A written commitment to implement the Restart Model for at least five years.

26 (9) The name of a staff member at the LSAU who shall serve as the point of contact for the school.

27 (b) If the SBE authorizes an LSAU to implement the Restart Model, the LSAU shall implement the model for a  
28 minimum of five school years, unless the SBE removes authorization in accordance with 16 NCAC 06G .0317(c).  
29 Subsequent provisions of this rule shall apply to the initial five years and any subsequent five-year period of continued  
30 authorization.

31 (c) Upon receipt of authorization from the SBE, the LSAU shall include the operational flexibilities described in its  
32 application as action steps in the School Improvement Plan, specifying the school year(s) in which the operational  
33 flexibilities are to be utilized, and submit the School Improvement Plan to the SBE for review and approval in  
34 accordance with G.S. 115C-105.37A(a). The revised School Improvement Plan is due to the SBE no later than  
35 September 30th following SBE authorization.

36 (d) The LSAU shall file regular reports with the SBE regarding implementation of the Restart Model, including the  
37 following:

1 (1) By December 1st of Year 2 of initial implementation of the Restart Model and every year thereafter,  
2 the LSAU shall submit an annual report that documents how the school utilized the operational  
3 flexibilities authorized in the Restart Model in the past year. The annual report shall provide  
4 evidence of any measurable progress toward the goals outlined in its application or the prior annual  
5 report that can be attributed to the use of those operational flexibilities.

6 (2) By September 30<sup>th</sup> of Year 2 and every year thereafter, the LSAU shall identify continuing,  
7 modified, or new goals for the following school year, describe how it intends to utilize operational  
8 flexibilities to realize those goals, and document action steps in the School Improvement Plan,  
9 specifying the school year(s) in which the operational flexibilities are to be utilized.

10 (3) By January 31st of Year 5, the LSAU shall submit a report describing and documenting:

11 (A) All policies, guidelines, or directives it adopted to implement the Restart Model; and

12 (B) All efforts to reduce administrative barriers identified in the initial application or prior  
13 annual reports and all measurable changes to those barriers attributable to those efforts.

14 (4) By May 31st of the school year following approval by the SBE of an application for continued  
15 authorization under Paragraph (g), the LSAU shall submit evidence of how the LSAU has supported  
16 the school's operation under the Restart Model and use of operational flexibilities have helped to  
17 improve its growth and achievement scores.

18 (e) To continue operating the school under Restart Model after five years, the school must demonstrate academic gain  
19 in at least two of three years from Year 2 through Year 4. A school may demonstrate academic gain under any of the  
20 following scenarios:

21 (1) The school is no longer identified as continually low-performing and has met or exceeded expected  
22 growth under G.S. 115C-83.15(f). Under this scenario, the SBE may reduce the reporting  
23 requirements in Paragraph (g) if the SBE determines that the reduced reporting requirements would  
24 not compromise the SBE's ability to make decisions regarding the implementation of the Restart  
25 Model in the school.

26 (2) The school is no longer identified as continually low-performing but has not met expected growth.

27 (3) The school is still identified as continually low-performing, but the school has met or exceeded  
28 expected growth and realized a net increase in its achievement score over five years.

29 (4) The school is still identified as continually low-performing and realized a net decrease in its  
30 achievement school over five years, but the school has met or exceeded expected growth and at least  
31 50 percent of identified student subgroups served by the school have met or exceeded growth under  
32 G.S. 115C-83.15(d2).

33 (5) The school is still identified as continually low-performing and realized a net decrease in its  
34 achievement school over five years, but the school has met or exceeded expected growth and  
35 demonstrated measurable progress toward at least 50 percent of the operational flexibility goals  
36 identified in the initial application or the most recent annual report filed in accordance with  
37 Subparagraph (d)(1).

1           (6) The school is still identified as continually low-performing and has not met expected growth, but  
2           the school has realized a net increase in its achievement score of at least five points over five years.

3           (7) The school is still identified as continually low-performing and has not met expected growth, but  
4           the school has realized a net increase in its achievement score of between zero and five points over  
5           five years and at least 50 percent of identified student subgroups served by the school have met or  
6           exceeded growth under G.S. 115C-83.15(d2).

7           (8) The school is still identified as continually low-performing and has not met expected growth, but  
8           the school has realized a net increase in its achievement score of between zero and five points over  
9           five years and demonstrated measurable progress toward at least 50 percent of the operational  
10           flexibility goals identified in the initial application or the most recent annual report filed in  
11           accordance with Subparagraph (d)(1).

12 (f) If the school has not demonstrated measurable progress toward academic gain after Year 2, the school shall submit  
13 to additional oversight from the SBE beginning in Year 3.

14 (g) If, at the end of Year 5, the school has demonstrated academic gain and the LSAU wants to continue operating the  
15 school under the Restart Model, the LSAU must declare its intent to the SBE by February 28th of Year 5. The SBE  
16 may continue the authorization for another five years unless the SBE determines that continuing to operate the school  
17 under the Restart Model is likely to result in lower indications of growth or a decrease in achievement scores.

18 (h) If the school does not demonstrate academic gain in any two years from Year 2 to Year 4 and the LSAU wants to  
19 continue operating the school under the Restart Model, the LSAU shall apply to the SBE for continued authorization  
20 by February 28th of Year 5. That application shall include the following:

21           (1) An explanation of the rationale for requesting continued authorization as well as an explanation of  
22           the perceived causes of the decline in the school's growth score and achievement score.

23           (2) An explanation of the level of decision-making authority and influence with LSAU leadership held  
24           by the point of contact for the school.

25           (3) An explanation of how the LSAU will provide comprehensive and differentiated support the school  
26           in a manner beyond the standard support provided to all schools in the LSAU.

27           (4) An explanation of support that the LSAU will provide to the school principal either directly or  
28           through external partners funded by the LSAU.

29           (5) A description of any new strategies for demonstrating academic gain through the use of operational  
30           flexibility or other methods.

31           (6) A written commitment to cooperate with oversight and support from the SBE during the term of the  
32           Restart Model.

33 The SBE may approve the application and continue the authorization for a period up to five years if the SBE determines  
34 the school is likely to demonstrate academic gain under the revised School Improvement Plan. If the SBE continues  
35 the authorization under these circumstances, the school shall submit to additional oversight and intensive support from  
36 the SBE until it demonstrates measurable progress toward academic gain.

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2 History Note: Authority G.S. 115C-105.37B;

3 Eff. June 1, 2026.

1 16 NCAC 06G .0319 is adopted as published in 40:09 NCR 706–711 as follows:

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3 **16 NCAC 06G .0319 TRANSFORMATION MODEL**

4 (a) A local school administrative unit that wants to implement a Transformation Model in a continually low-  
5 performing school shall apply to the State Board of Education by February 28<sup>th</sup> of the preceding the school year in  
6 which the LSAU wants to implement the model. The application shall include the following:

7 (1) A description of how the LSAU will implement improvements in the four areas critical to  
8 transforming a CLPS listed in G.S. 115C-105.37B(a)(1).

9 (2) Specific goals for increasing the achievement score, growth score, and subgroup growth scores in  
10 the school.

11 (3) A proposed budget detailing the revenues and expenditures necessary to implement the  
12 Transformation Model.

13 (4) A timeline for implementing the Transformation Model.

14 (b) An LSAU that has been authorized to implement a Transformation Model shall submit an annual report to the  
15 SBE by December 1st of each year describing and documenting how the LSAU has implemented the Transformation  
16 Model to improve the school's growth score and achievement score within the preceding school year.

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18 *History Note: Authority G.S. 115C-105.37B;*

19 *Eff. June 1, 2026.*

1 16 NCAC 06G .0320 is adopted as published in 40:09 NCR 706–711 as follows:

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3 **16 NCAC 06G .0320 TURNAROUND MODEL**

4 (a) A local school administrative unit that wants to implement a Turnaround Model in a continually low-performing  
5 school shall apply to the State Board of Education by February 28<sup>th</sup> of the preceding the school year in which the  
6 LSAU wants to implement the model. The application shall include the following:

7 (1) A description of the new governance structure to be implemented in the school.

8 (2) Specific goals for increasing the achievement score, growth score, and subgroup growth scores in  
9 the school.

10 (3) A description of the procedures that the LSAU will use when removing staff, including due process  
11 protections where required by law.

12 (4) A proposed budget outlining the revenues and expenditures necessary to implement the Turnaround  
13 Model.

14 (5) A timeline for implementing the Turnaround Model.

15 (b) An LSAU that has been authorized to implement a Turnaround Model shall submit an annual report to the SBE  
16 by December 1st of each year describing and documenting how the LSAU has implemented the Turnaround Model  
17 to improve the school's growth score and achievement score within the preceding school year.

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20 *History Note: Authority G.S. 115C-105.37B;*

21 *Eff. June 1, 2026.*