

REFERENCE TITLE: teachers; performance pay; evaluations

State of Arizona  
Senate  
Fifty-third Legislature  
First Regular Session  
2017

## **SB 1282**

Introduced by  
Senators Smith: Barto; Representatives Allen J, Bowers, Boyer, Finchem,  
Lawrence

AN ACT

AMENDING SECTIONS 15-203, 15-341, 15-503, 15-536, 15-537, 15-538 AND  
15-538.01, ARIZONA REVISED STATUTES; REPEALING SECTION 15-920.01, ARIZONA  
REVISED STATUTES; AMENDING SECTIONS 15-952 AND 15-977, ARIZONA REVISED  
STATUTES; RELATING TO TEACHERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-203, Arizona Revised Statutes, is amended to  
3 read:

4 15-203. Powers and duties

5 A. The state board of education shall:

6 1. Exercise general supervision over and regulate the conduct of  
7 the public school system and adopt any rules and policies it deems  
8 necessary to accomplish this purpose.

9 2. Keep a record of its proceedings.

10 3. Make rules for its own government.

11 4. Determine the policy and work undertaken by it.

12 5. Subject to title 41, chapter 4, article 4, employ staff.

13 6. Prescribe and supervise the duties of its employees pursuant to  
14 title 41, chapter 4, article 4, if not otherwise prescribed by statute.

15 7. Delegate to the superintendent of public instruction the  
16 execution of board policies and rules.

17 8. Recommend to the legislature changes or additions to the  
18 statutes pertaining to schools.

19 9. Prepare, publish and distribute reports concerning the  
20 educational welfare of this state.

21 10. Prepare a budget for expenditures necessary for proper  
22 maintenance of the board and accomplishment of its purposes and present  
23 the budget to the legislature.

24 11. Aid in the enforcement of laws relating to schools.

25 12. Prescribe a minimum course of study in the common schools,  
26 minimum competency requirements for the promotion of pupils from the third  
27 grade and minimum course of study and competency requirements for the  
28 promotion of pupils from the eighth grade. The state board of education  
29 shall prepare a fiscal impact statement of any proposed changes to the  
30 minimum course of study or competency requirements and, on completion,  
31 shall send a copy to the director of the joint legislative budget  
32 committee and the executive director of the school facilities board. The  
33 state board of education shall not adopt any changes in the minimum course  
34 of study or competency requirements in effect on July 1, 1998 that will  
35 have a fiscal impact on school capital costs.

36 13. Prescribe minimum course of study and competency requirements  
37 for the graduation of pupils from high school. The state board of  
38 education shall prepare a fiscal impact statement of any proposed changes  
39 to the minimum course of study or competency requirements and, on  
40 completion, shall send a copy to the director of the joint legislative  
41 budget committee and the executive director of the school facilities  
42 board. The state board of education shall not adopt any changes in the  
43 minimum course of study or competency requirements in effect on July 1,  
44 1998 that will have a fiscal impact on school capital costs.

1           14. Supervise and control the certification of persons engaged in  
2 instructional work directly as any classroom, laboratory or other teacher  
3 or indirectly as a supervisory teacher, speech therapist, principal or  
4 superintendent in a school district, including school district preschool  
5 programs, or any other educational institution below the community  
6 college, college or university level, and prescribe rules for  
7 certification, including rules for certification of teachers who have  
8 teaching experience and who are trained in other states, that are not  
9 unnecessarily restrictive and are substantially similar to the rules  
10 prescribed for the certification of teachers trained in this state. The  
11 rules:

12           (a) Shall allow a variety of alternative teacher and administrator  
13 preparation programs, with variations in program sequence and design, to  
14 apply for program approval. The state board shall adopt rules pursuant to  
15 this subdivision designed to allow for a variety of formats and shall not  
16 require a prescribed answer or design from the program provider in order  
17 to obtain approval from the state board. The state board shall evaluate  
18 each program provider based on the program's ability to prepare teachers  
19 and administrators and to recruit teachers and administrators with a  
20 variety of experiences and talents. The state board shall permit  
21 universities under the jurisdiction of the Arizona board of regents,  
22 community colleges in this state, private postsecondary institutions  
23 licensed by this state, school districts, charter schools and professional  
24 organizations to apply for program approval and shall create application  
25 procedures and certification criteria that are less restrictive than those  
26 for traditional preparation programs. Alternative preparation program  
27 graduates shall:

28           (i) Hold a bachelor's degree from an accredited postsecondary  
29 education institution.

30           (ii) Demonstrate professional knowledge and subject knowledge  
31 proficiency pursuant to section 15-533.

32           (iii) Obtain a fingerprint clearance card pursuant to section  
33 15-534.

34           (iv) Complete training in structured English immersion as  
35 prescribed by the state board.

36           (v) Complete training in research-based systematic phonics  
37 instruction as prescribed in subdivision (b) of this paragraph.

38           (vi) Demonstrate the required proficiency in the Constitutions of  
39 the United States and Arizona as prescribed in section 15-532.

40           (b) Shall require applicants for all certificates for common school  
41 instruction to complete a minimum of forty-five classroom hours or three  
42 college level credit hours, or the equivalent, of training in  
43 research-based systematic phonics instruction from a public or private  
44 provider.

1 (c) Shall not require a teacher to obtain a master's degree or to  
2 take any additional graduate courses as a condition of certification or  
3 recertification.

4 (d) Shall allow a general equivalency diploma to be substituted for  
5 a high school diploma in the certification of emergency substitute  
6 teachers.

7 (e) Shall allow but shall not require the superintendent of a  
8 school district to obtain certification from the state board of education.

9 (f) Shall provide for the issuance of a specialized teaching  
10 certificate to classroom teachers with expertise in either science,  
11 technology, engineering or mathematics. Teachers who are certified  
12 pursuant to this subdivision shall complete training in structured English  
13 immersion as prescribed by the state board. Teachers who are certified  
14 pursuant to this subdivision are exempt from the professional knowledge  
15 and subject knowledge proficiency requirements prescribed in section  
16 15-533 and from the proficiency requirements prescribed in section 15-532  
17 on the Constitutions of the United States and Arizona. A teacher who  
18 obtains a specialized teaching certificate pursuant to this subdivision  
19 may provide instruction in the teacher's field of expertise in grades six  
20 through twelve at any public school in this state. This subdivision does  
21 not require a teacher who has obtained another type of teaching  
22 certificate from the state board to obtain a specialized teaching  
23 certificate pursuant to this subdivision in order to provide instruction  
24 in grades six through twelve in a science, technology, engineering or  
25 mathematics course. A classroom teacher is eligible for a specialized  
26 teaching certificate pursuant to this subdivision if the teacher meets all  
27 of the following requirements:

28 (i) Has taught science, technology, engineering or mathematics  
29 courses for the last two consecutive years and for a total of at least  
30 three years at one or more regionally or nationally accredited public or  
31 private postsecondary institutions. An applicant shall demonstrate  
32 compliance with this requirement by providing the state board with written  
33 proof of employment for specific durations from one or more qualifying  
34 postsecondary institutions.

35 (ii) Has either a baccalaureate degree, a master's degree or a  
36 ~~doctorate~~ DOCTORAL degree in an academic subject that is specific to  
37 science, technology, engineering or mathematics or has obtained a passing  
38 score on a statewide educator assessment in science, technology,  
39 engineering or mathematics that is recognized by the state board.

40 (iii) Obtains a valid fingerprint clearance card that is issued  
41 pursuant to title 41, chapter 12, article 3.1.

42 (g) Notwithstanding section 15-533, may exempt persons applying for  
43 a secondary education certificate from the subject knowledge portion of  
44 the proficiency examination if the state board determines that the person  
45 has work experience in science, technology, engineering or mathematics and

1 can demonstrate adequate knowledge of a particular subject through a  
2 postsecondary education degree or twenty-four credit hours of relevant  
3 coursework.

4 (h) Shall allow for a standard certificate issued to a person  
5 pursuant to this section to be renewed for at least eight years and may  
6 not require more than fifteen hours of continuing education credits each  
7 year in order to renew any certificate issued pursuant to this section.

8 15. Adopt a list of approved tests for determining special  
9 education assistance to gifted pupils as defined in and as provided in  
10 chapter 7, article 4.1 of this title. The adopted tests shall provide  
11 separate scores for quantitative reasoning, verbal reasoning and nonverbal  
12 reasoning and shall be capable of providing reliable and valid scores at  
13 the highest ranges of the score distribution.

14 16. Adopt rules governing the methods for the administration of all  
15 proficiency examinations.

16 17. Adopt proficiency examinations for its use. The state board of  
17 education shall determine the passing score for the proficiency  
18 examinations.

19 18. Include within its budget the cost of contracting for the  
20 purchase, distribution and scoring of the examinations as provided in  
21 paragraphs 16 and 17 of this subsection.

22 19. Supervise and control the qualifications of professional  
23 nonteaching school personnel and prescribe standards relating to  
24 qualifications. The standards shall not require the business manager of a  
25 school district to obtain certification from the state board of education.

26 20. Impose such disciplinary action, including the issuance of a  
27 letter of censure, suspension, suspension with conditions or revocation of  
28 a certificate, on a finding of immoral or unprofessional conduct.

29 21. Establish an assessment, data gathering and reporting system  
30 for pupil performance as prescribed in chapter 7, article 3 of this title.

31 22. Adopt a rule to promote braille literacy pursuant to section  
32 15-214.

33 23. Adopt rules prescribing procedures for the investigation by the  
34 department of education of every written complaint alleging that a  
35 certificated person has engaged in immoral conduct.

36 24. For purposes of federal law, serve as the state board for  
37 vocational and technological education and meet at least four times each  
38 year solely to execute the powers and duties of the state board for  
39 vocational and technological education.

40 25. Develop and maintain a handbook for use in the schools of this  
41 state that provides guidance for the teaching of moral, civic and ethical  
42 education. The handbook shall promote existing curriculum frameworks and  
43 shall encourage school districts to recognize moral, civic and ethical  
44 values within instructional and programmatic educational development  
45 programs for the general purpose of instilling character and ethical

1 principles in pupils in kindergarten programs and grades one through  
2 twelve.

3 26. Require pupils to recite the following passage from the  
4 declaration of independence for pupils in grades four through six at the  
5 commencement of the first class of the day in the schools, except that a  
6 pupil shall not be required to participate if the pupil or the pupil's  
7 parent or guardian objects:

8 We hold these truths to be self-evident, that all men  
9 are created equal, that they are endowed by their creator with  
10 certain unalienable rights, that among these are life, liberty  
11 and the pursuit of happiness. That to secure these rights,  
12 governments are instituted among men, deriving their just  
13 powers from the consent of the governed. . . .

14 27. Adopt rules that provide for educator certification  
15 reciprocity. The rules for issuance of a comparable reciprocal educator  
16 certificate shall include a requirement that the applicant possess a  
17 comparable valid certification from another state that included passing  
18 that state's subject knowledge and professional exams and be in good  
19 standing with that other state. An applicant who possesses a valid  
20 certification from another state and a fingerprint clearance card pursuant  
21 to section 15-534 and who is in good standing with that other state shall  
22 be issued a standard teaching certificate without any other requirements  
23 from the state board of education or the department of education. A  
24 person who is issued a certificate pursuant to this paragraph is not  
25 required to meet any requirement prescribed in section 15-533.

26 28. Adopt rules that provide for the presentation of an honorary  
27 high school diploma to a person who has never obtained a high school  
28 diploma and who meets both of the following requirements:

29 (a) Currently resides in this state.

30 (b) Provides documented evidence from the department of veterans'  
31 services that the person enlisted in the armed forces of the United States  
32 and served in World War I, World War II, the Korean conflict or the  
33 Vietnam conflict.

34 29. Cooperate with the Arizona-Mexico commission in the governor's  
35 office and with researchers at universities in this state to collect data  
36 and conduct projects in the United States and Mexico on issues that are  
37 within the scope of the duties of the department of education and that  
38 relate to quality of life, trade and economic development in this state in  
39 a manner that will help the Arizona-Mexico commission to assess and  
40 enhance the economic competitiveness of this state and of the  
41 Arizona-Mexico region.

42 30. Adopt rules to define and provide guidance to schools as to the  
43 activities that would constitute immoral or unprofessional conduct of  
44 certificated persons.

1           31. Adopt guidelines to encourage pupils in grades nine, ten,  
2 eleven and twelve to volunteer for twenty hours of community service  
3 before graduation from high school. A school district that complies with  
4 the guidelines adopted pursuant to this paragraph is not liable for  
5 damages resulting from a pupil's participation in community service unless  
6 the school district is found to have demonstrated wanton or reckless  
7 disregard for the safety of the pupil and other participants in community  
8 service. For the purposes of this paragraph, "community service" may  
9 include service learning. The guidelines shall include the following:

10           (a) A list of the general categories in which community service may  
11 be performed.

12           (b) A description of the methods by which community service will be  
13 monitored.

14           (c) A consideration of risk assessment for community service  
15 projects.

16           (d) Orientation and notification procedures of community service  
17 opportunities for pupils entering grade nine, including the development of  
18 a notification form. The notification form shall be signed by the pupil  
19 and the pupil's parent or guardian, except that a pupil shall not be  
20 required to participate in community service if the parent or guardian  
21 notifies the principal of the pupil's school in writing that the parent or  
22 guardian does not wish the pupil to participate in community service.

23           (e) Procedures for a pupil in grade nine to prepare a written  
24 proposal that outlines the type of community service that the pupil would  
25 like to perform and the goals that the pupil hopes to achieve as a result  
26 of community service. The pupil's written proposal shall be reviewed by a  
27 faculty advisor, a guidance counselor or any other school employee who is  
28 designated as the community service program coordinator for that school.  
29 The pupil may alter the written proposal at any time before performing  
30 community service.

31           (f) Procedures for a faculty advisor, a guidance counselor or any  
32 other school employee who is designated as the community service program  
33 coordinator to evaluate and certify the completion of community service  
34 performed by pupils.

35           32. To facilitate the transfer of military personnel and their  
36 dependents to and from the public schools of this state, pursue, in  
37 cooperation with the Arizona board of regents, reciprocity agreements with  
38 other states concerning the transfer credits for military personnel and  
39 their dependents. A reciprocity agreement entered into pursuant to this  
40 paragraph shall:

41           (a) Address procedures for each of the following:

42           (i) The transfer of student records.

43           (ii) Awarding credit for completed coursework.

44           (iii) Permitting a student to satisfy the graduation requirements  
45 prescribed in section 15-701.01 through the successful performance on

1 comparable exit-level assessment instruments administered in another  
2 state.

3 (b) Include appropriate criteria developed by the state board of  
4 education and the Arizona board of regents.

5 33. Adopt guidelines that school district governing boards shall  
6 use in identifying pupils who are eligible for gifted programs and in  
7 providing gifted education programs and services. The state board of  
8 education shall adopt any other guidelines and rules that it deems  
9 necessary in order to carry out the purposes of chapter 7, article 4.1 of  
10 this title.

11 34. For each of the alternative textbook formats of human-voiced  
12 audio, large-print and braille, designate alternative media producers to  
13 adapt existing standard print textbooks or to provide specialized  
14 textbooks, or both, for pupils with disabilities in this state. Each  
15 alternative media producer shall be capable of producing alternative  
16 textbooks in all relevant subjects in at least one of the alternative  
17 textbook formats. The board shall post the designated list of alternative  
18 media producers on its website.

19 35. Adopt a list of approved professional development training  
20 providers for use by school districts as provided in section 15-107,  
21 subsection J. The professional development training providers shall meet  
22 the training curriculum requirements determined by the state board of  
23 education in at least the areas of school finance, governance, employment,  
24 staffing, inventory and human resources, internal controls and  
25 procurement.

26 36. Adopt rules to prohibit a person who violates the notification  
27 requirements prescribed in section 15-183, subsection C, paragraph 8 or  
28 section 15-550, subsection C from certification pursuant to this title  
29 until the person is no longer charged or is acquitted of any offenses  
30 listed in section 41-1758.03, subsection B. The board shall also adopt  
31 rules to prohibit a person who violates the notification requirements,  
32 certification surrender requirements or fingerprint clearance card  
33 surrender requirements prescribed in section 15-183, subsection C,  
34 paragraph 9 or section 15-550, subsection D from certification pursuant to  
35 this title for at least ten years after the date of the violation.

36 37. Adopt rules for the alternative certification of teachers of  
37 nontraditional foreign languages that allow for the passing of a  
38 nationally accredited test to substitute for the education coursework  
39 required for certification.

40 38. Adopt and maintain a model framework for a teacher and  
41 principal evaluation instrument that includes quantitative data on ~~student~~  
42 ~~THE~~ academic progress ~~FOR ALL STUDENTS AND~~ that accounts for ~~between~~  
43 ~~thirty-three percent and~~ ~~AT LEAST~~ fifty percent of the evaluation  
44 outcomes. ~~THE FRAMEWORK SHALL ALLOW FOR STUDENTS WHO WERE NOT ENROLLED~~  
45 ~~WITH A SCHOOL FOR A FULL ACADEMIC YEAR TO BE EXCLUDED FROM THE ACADEMIC~~



1 PROGRESS DATA. The framework shall include four performance  
 2 classifications, designated as highly effective, effective, developing and  
 3 ineffective, and guidelines for school districts and charter schools to  
 4 use in their evaluation instruments. A PERFORMANCE CLASSIFICATION MAY NOT  
 5 EXCLUDE OR PROTECT A TEACHER FROM BEING CLASSIFIED IN THAT PERFORMANCE  
 6 CLASSIFICATION BASED ON TEACHER TENURE OR LENGTH OF TEACHING SERVICE. The  
 7 state board of education shall adopt best practices for professional  
 8 development and evaluator training. The state board of education may  
 9 periodically make adjustments to align the model framework for teacher and  
 10 principal evaluations with assessment or data changes at the state  
 11 level. School districts and charter schools shall use an instrument that  
 12 meets the data requirements established by the state board of education to  
 13 annually evaluate individual teachers and principals. School districts  
 14 and charter schools shall adopt definitions for the performance  
 15 classifications adopted by the state board of education in a public  
 16 meeting and apply the performance classifications to their evaluation  
 17 instruments in a manner designed to improve principal and teacher  
 18 performance. For charter holders, the principal evaluation instrument  
 19 applies to each charter school's instructional leader whose primary  
 20 responsibility is to oversee the academic performance of the charter  
 21 school. This paragraph does not apply to an officer, director, member or  
 22 partner of the charter holder. The school district governing board shall  
 23 discuss at a public meeting at least annually its aggregate performance  
 24 classifications of principals and teachers. FOR THE PURPOSES OF THIS  
 25 PARAGRAPH, "ACADEMIC PROGRESS":

26 (a) MEANS MEASUREMENTS OF A STUDENT'S LEARNING OF GRADE-LEVEL  
 27 CONTENT STANDARDS THAT INCLUDE THE AMOUNT OF ACADEMIC GROWTH THAT THE  
 28 STUDENT DEMONSTRATES AND THE STUDENT'S OVERALL ACADEMIC PROFICIENCY. THESE  
 29 MEASUREMENTS INCLUDE STATE-ADMINISTERED ASSESSMENTS, VALID AND RELIABLE  
 30 CLASSROOM LEVEL DATA, LOCAL EDUCATION AGENCY-ADMINISTERED BENCHMARK  
 31 ASSESSMENTS AND FORMATIVE OR SUMMATIVE ASSESSMENTS.

32 (b) DOES NOT EXCLUDE OTHER QUANTITATIVE DATA AND METRICS THAT ARE  
 33 AVAILABLE TO EVALUATE A STUDENT'S ACADEMIC PROGRESS.

34 39. Adopt rules to define competency-based educational pathways for  
 35 college and career readiness that may be used by schools. The rules shall  
 36 include the following components:

37 (a) The establishment of learning outcomes that will be expected  
 38 for students in a particular subject.

39 (b) A process and criteria by which assessments may be identified  
 40 or established to determine if students have reached the desired  
 41 competencies in a particular subject.

42 (c) A mechanism to allow pupils in grades seven through twelve who  
 43 have demonstrated competency in a subject to immediately obtain credit for  
 44 the mastery of that subject. The rules shall include a list of applicable  
 45 subjects, including the level of competency required for each subject.

1           40. In consultation with the department of health services, the  
2 department of education, medical professionals, school health  
3 professionals, school administrators and an organization that represents  
4 school nurses in this state, adopt rules that prescribe the following for  
5 school districts and charter schools:

6           (a) Annual training in the administration of auto-injectable  
7 epinephrine, as directed on the prescription protocol, for designated  
8 medical and nonmedical school personnel. The annual training prescribed  
9 in this subdivision is optional during any fiscal year in which sufficient  
10 monies are not appropriated by the legislature during that fiscal year to  
11 provide for the purchase of two juvenile doses and two adult doses of  
12 epinephrine auto-injectors at each public school in this state and if the  
13 school does not stock two juvenile doses and two adult doses of  
14 epinephrine auto-injectors at the school during that fiscal year.

15           (b) Annual training for all school site personnel on the  
16 recognition of anaphylactic shock symptoms and the procedures to follow  
17 when anaphylactic shock occurs, following the national guidelines of the  
18 American academy of pediatrics. The annual training prescribed in this  
19 subdivision is optional during any fiscal year in which sufficient monies  
20 are not appropriated by the legislature during that fiscal year to provide  
21 for the purchase of two juvenile doses and two adult doses of epinephrine  
22 auto-injectors at each public school in this state and if the school does  
23 not stock two juvenile doses and two adult doses of epinephrine  
24 auto-injectors at the school during that fiscal year.

25           (c) Procedures for the administration of epinephrine auto-injectors  
26 in emergency situations, as directed on the prescription protocol.

27           (d) Procedures for annually requesting a standing order for  
28 epinephrine auto-injectors pursuant to section 15-157 from the chief  
29 medical officer of the department of health services, the chief medical  
30 officer of a county health department, a doctor of medicine licensed  
31 pursuant to title 32, chapter 13 or a doctor of osteopathy licensed  
32 pursuant to title 32, chapter 17.

33           (e) Procedures for reporting the use of epinephrine auto-injectors  
34 to the department of health services.

35           B. The state board of education may:

36           1. Contract.

37           2. Sue and be sued.

38           3. Distribute and score the tests prescribed in chapter 7, article  
39 3 of this title.

40           4. Provide for an advisory committee to conduct hearings and  
41 screenings to determine whether grounds exist to impose disciplinary  
42 action against a certificated person, whether grounds exist to reinstate a  
43 revoked or surrendered certificate and whether grounds exist to approve or  
44 deny an initial application for certification or a request for renewal of  
45 a certificate. The board may delegate its responsibility to conduct

1 hearings and screenings to its advisory committee. Hearings shall be  
2 conducted pursuant to title 41, chapter 6, article 6.

3 5. Proceed with the disposal of any complaint requesting  
4 disciplinary action or with any disciplinary action against a person  
5 holding a certificate as prescribed in subsection A, paragraph 14 of this  
6 section after the suspension or expiration of the certificate or surrender  
7 of the certificate by the holder.

8 6. Assess costs and reasonable attorney fees against a person who  
9 files a frivolous complaint or who files a complaint in bad faith. Costs  
10 assessed pursuant to this paragraph shall not exceed the expenses incurred  
11 by the department of education in the investigation of the complaint.

12 C. Placement decisions of teaching intern certificate holders  
13 issued pursuant to subsection A, paragraph 14, subdivision (a) of this  
14 section and section 15-552 shall be based on agreements between the  
15 teacher preparation provider, the provider's partner organizations and the  
16 local education agency. The practices of the department of education and  
17 the rules and policies of the state board of education may not restrict  
18 placement of teaching intern certification holders based on local  
19 education agency instructional models and may only consider the academic  
20 quality of the school, the effectiveness of the teaching intern  
21 certification holder's on-site mentor and the opportunity for a wide  
22 variety of schools and school models to access teaching intern  
23 certification holders.

24 Sec. 2. Section 15-341, Arizona Revised Statutes, is amended to  
25 read:

26 15-341. General powers and duties; immunity; delegation

27 A. The governing board shall:

28 1. Prescribe and enforce policies and procedures for the governance  
29 of the schools, not inconsistent with law or rules prescribed by the state  
30 board of education.

31 2. Exclude from schools all books, publications, papers or  
32 audiovisual materials of a sectarian, partisan or denominational  
33 character. This paragraph shall not be construed to prohibit the elective  
34 course permitted by section 15-717.01.

35 3. Manage and control the school property within its district.

36 4. Acquire school furniture, apparatus, equipment, library books  
37 and supplies for the use of the schools.

38 5. Prescribe the curricula and criteria for the promotion and  
39 graduation of pupils as provided in sections 15-701 and 15-701.01.

40 6. Furnish, repair and insure, at full insurable value, the school  
41 property of the district.

42 7. Construct school buildings on approval by a vote of the district  
43 electors.

44 8. Make in the name of the district conveyances of property  
45 belonging to the district and sold by the board.

1           9. Purchase school sites when authorized by a vote of the district  
2 at an election conducted as nearly as practicable in the same manner as  
3 the election provided in section 15-481 and held on a date prescribed in  
4 section 15-491, subsection E, but such authorization shall not necessarily  
5 specify the site to be purchased and such authorization shall not be  
6 necessary to exchange unimproved property as provided in section 15-342,  
7 paragraph 23.

8           10. Construct, improve and furnish buildings used for school  
9 purposes when such buildings or premises are leased from the national park  
10 service.

11           11. Purchase school sites or construct, improve and furnish school  
12 buildings from the proceeds of the sale of school property only on  
13 approval by a vote of the district electors.

14           12. Hold pupils to strict account for disorderly conduct on school  
15 property.

16           13. Discipline students for disorderly conduct on the way to and  
17 from school.

18           14. Except as provided in section 15-1224, deposit all monies  
19 received by the district as gifts, grants and devises with the county  
20 treasurer who shall credit the deposits as designated in the uniform  
21 system of financial records. If not inconsistent with the terms of the  
22 gifts, grants and devises given, any balance remaining after expenditures  
23 for the intended purpose of the monies have been made shall be used for  
24 reduction of school district taxes for the budget year, except that in the  
25 case of accommodation schools the county treasurer shall carry the balance  
26 forward for use by the county school superintendent for accommodation  
27 schools for the budget year.

28           15. Provide that, if a parent or legal guardian chooses not to  
29 accept a decision of the teacher as provided in ~~section~~ paragraph 42 of  
30 this subsection, the parent or legal guardian may request in writing that  
31 the governing board review the teacher's decision. This paragraph shall  
32 not be construed to release school districts from any liability relating  
33 to a child's promotion or retention.

34           16. Provide for adequate supervision over pupils in instructional  
35 and noninstructional activities by certificated or noncertificated  
36 personnel.

37           17. Use school monies received from the state and county school  
38 apportionment exclusively for payment of salaries of teachers and other  
39 employees and contingent expenses of the district.

40           18. Make an annual report to the county school superintendent on or  
41 before October 1 in the manner and form and on the blanks prescribed by  
42 the superintendent of public instruction or county school superintendent.  
43 The board shall also make reports directly to the county school  
44 superintendent or the superintendent of public instruction whenever  
45 required.

1           19. Deposit all monies received by school districts other than  
2 student activities monies or monies from auxiliary operations as provided  
3 in sections 15-1125 and 15-1126 with the county treasurer to the credit of  
4 the school district except as provided in paragraph 20 of this subsection  
5 and sections 15-1223 and 15-1224, and the board shall expend the monies as  
6 provided by law for other school funds.

7           20. Establish bank accounts in which the board during a month may  
8 deposit miscellaneous monies received directly by the district. The board  
9 shall remit monies deposited in the bank accounts at least monthly to the  
10 county treasurer for deposit as provided in paragraph 19 of this  
11 subsection and in accordance with the uniform system of financial records.

12           21. Prescribe and enforce policies and procedures for disciplinary  
13 action against a teacher who engages in conduct that is a violation of the  
14 policies of the governing board but that is not cause for dismissal of the  
15 teacher or for revocation of the certificate of the teacher. Disciplinary  
16 action may include suspension without pay for a period of time not to  
17 exceed ten school days. Disciplinary action shall not include suspension  
18 with pay or suspension without pay for a period of time longer than ten  
19 school days. The procedures shall include notice, hearing and appeal  
20 provisions for violations that are cause for disciplinary action. The  
21 governing board may designate a person or persons to act on behalf of the  
22 board on these matters.

23           22. Prescribe and enforce policies and procedures for disciplinary  
24 action against an administrator who engages in conduct that is a violation  
25 of the policies of the governing board regarding duties of administrators  
26 but that is not cause for dismissal of the administrator or for revocation  
27 of the certificate of the administrator. Disciplinary action may include  
28 suspension without pay for a period of time not to exceed ten school days.  
29 Disciplinary action shall not include suspension with pay or suspension  
30 without pay for a period of time longer than ten school days. The  
31 procedures shall include notice, hearing and appeal provisions for  
32 violations that are cause for disciplinary action. The governing board  
33 may designate a person or persons to act on behalf of the board on these  
34 matters. For violations that are cause for dismissal, the provisions of  
35 notice, hearing and appeal in chapter 5, article 3 of this title shall  
36 apply. The filing of a timely request for a hearing suspends the  
37 imposition of a suspension without pay or a dismissal pending completion  
38 of the hearing.

39           23. Notwithstanding sections 13-3108 and 13-3120, prescribe and  
40 enforce policies and procedures that prohibit a person from carrying or  
41 possessing a weapon on school grounds unless the person is a peace officer  
42 or has obtained specific authorization from the school administrator.

43           24. Prescribe and enforce policies and procedures relating to the  
44 health and safety of all pupils participating in district sponsored

1 practice sessions or games or other interscholastic athletic activities,  
2 including:

3 (a) The provision of water.

4 (b) Guidelines, information and forms, developed in consultation  
5 with a statewide private entity that supervises interscholastic  
6 activities, to inform and educate coaches, pupils and parents of the  
7 dangers of concussions and head injuries and the risks of continued  
8 participation in athletic activity after a concussion. The policies and  
9 procedures shall require that, before a pupil participates in an athletic  
10 activity, the pupil and the pupil's parent must sign an information form  
11 at least once each school year that states that the parent is aware of the  
12 nature and risk of concussion. The policies and procedures shall require  
13 that a pupil who is suspected of sustaining a concussion in a practice  
14 session, game or other interscholastic athletic activity be immediately  
15 removed from the athletic activity. A coach from the pupil's team or an  
16 official or a licensed health care provider may remove a pupil from  
17 play. A team parent may also remove the parent's own child from play. A  
18 pupil may return to play on the same day if a health care provider rules  
19 out a suspected concussion at the time the pupil is removed from play. On  
20 a subsequent day, the pupil may return to play if the pupil has been  
21 evaluated by and received written clearance to resume participation in  
22 athletic activity from a health care provider who has been trained in the  
23 evaluation and management of concussions and head injuries. A health care  
24 provider who is a volunteer and who provides clearance to participate in  
25 athletic activity on the day of the suspected injury or on a subsequent  
26 day is immune from civil liability with respect to all decisions made and  
27 actions taken that are based on good faith implementation of the  
28 requirements of this subdivision, except in cases of gross negligence or  
29 wanton or wilful neglect. A school district, school district employee,  
30 team coach, official or team volunteer or a parent or guardian of a team  
31 member is not subject to civil liability for any act, omission or policy  
32 undertaken in good faith to comply with the requirements of this  
33 subdivision or for a decision made or an action taken by a health care  
34 provider. A group or organization that uses property or facilities owned  
35 or operated by a school district for athletic activities shall comply with  
36 the requirements of this subdivision. A school district and its employees  
37 and volunteers are not subject to civil liability for any other person or  
38 organization's failure or alleged failure to comply with the requirements  
39 of this subdivision. This subdivision does not apply to teams that are  
40 based in another state and that participate in an athletic activity in  
41 this state. For the purposes of this subdivision, athletic activity does  
42 not include dance, rhythmic gymnastics, competitions or exhibitions of  
43 academic skills or knowledge or other similar forms of physical noncontact  
44 activities, civic activities or academic activities, whether engaged in  
45 for the purposes of competition or recreation. For the purposes of this

1 subdivision, "health care provider" means a physician who is licensed  
2 pursuant to title 32, chapter 13 or 17, an athletic trainer who is  
3 licensed pursuant to title 32, chapter 41, a nurse practitioner who is  
4 licensed pursuant to title 32, chapter 15, and a physician assistant who  
5 is licensed pursuant to title 32, chapter 25.

6 25. Establish an assessment, data gathering and reporting system as  
7 prescribed in chapter 7, article 3 of this title.

8 26. Provide special education programs and related services pursuant  
9 to section 15-764, subsection A to all children with disabilities as  
10 defined in section 15-761.

11 27. Administer competency tests prescribed by the state board of  
12 education for the graduation of pupils from high school.

13 28. Ensure that insurance coverage is secured for all construction  
14 projects for purposes of general liability, property damage and workers'  
15 compensation and secure performance and payment bonds for all construction  
16 projects.

17 29. Keep in the personnel file of all current and former employees  
18 who provide instruction to pupils at a school information about the  
19 employee's educational and teaching background and experience in a  
20 particular academic content subject area. A school district shall inform  
21 parents and guardians of the availability of the information and shall  
22 make the information available for inspection on request of parents and  
23 guardians of pupils enrolled at a school. This paragraph shall not be  
24 construed to require any school to release personally identifiable  
25 information in relation to any teacher or employee, including the  
26 teacher's or employee's address, salary, social security number or  
27 telephone number.

28 30. Report to local law enforcement agencies any suspected crime  
29 against a person or property that is a serious offense as defined in  
30 section 13-706 or that involves a deadly weapon or dangerous instrument or  
31 serious physical injury and any conduct that poses a threat of death or  
32 serious physical injury to employees, students or anyone on the property  
33 of the school. This paragraph does not limit or preclude the reporting by  
34 a school district or an employee of a school district of suspected crimes  
35 other than those required to be reported by this paragraph. For the  
36 purposes of this paragraph, "dangerous instrument", "deadly weapon" and  
37 "serious physical injury" have the same meanings prescribed in section  
38 13-105.

39 31. In conjunction with local law enforcement agencies and emergency  
40 response agencies, develop an emergency response plan for each school in  
41 the school district in accordance with minimum standards developed jointly  
42 by the department of education and the division of emergency management  
43 within the department of emergency and military affairs.

44 32. Provide written notice to the parents or guardians of all  
45 students enrolled in the school district at least ten days prior to a

1 public meeting to discuss closing a school within the school  
2 district. The notice shall include the reasons for the proposed closure  
3 and the time and place of the meeting. The governing board shall fix a  
4 time for a public meeting on the proposed closure no less than ten days  
5 before voting in a public meeting to close the school. The school  
6 district governing board shall give notice of the time and place of the  
7 meeting. At the time and place designated in the notice, the school  
8 district governing board shall hear reasons for or against closing the  
9 school. The school district governing board is exempt from this paragraph  
10 if it is determined by the governing board that the school shall be closed  
11 because it poses a danger to the health or safety of the pupils or  
12 employees of the school. A governing board may consult with the school  
13 facilities board for technical assistance and for information on the  
14 impact of closing a school. The information provided from the school  
15 facilities board shall not require the governing board to take or not take  
16 any action.

17 33. Incorporate instruction on Native American history into  
18 appropriate existing curricula.

19 34. Prescribe and enforce policies and procedures:

20 (a) Allowing pupils who have been diagnosed with anaphylaxis by a  
21 health care provider licensed pursuant to title 32, chapter 13, 14, 17 or  
22 25 or by a registered nurse practitioner licensed and certified pursuant  
23 to title 32, chapter 15 to carry and self-administer emergency  
24 medications, including epinephrine auto-injectors, while at school and at  
25 school-sponsored activities. The pupil's name on the prescription label  
26 on the medication container or on the medication device and annual written  
27 documentation from the pupil's parent or guardian to the school that  
28 authorizes possession and self-administration is sufficient proof that the  
29 pupil is entitled to the possession and self-administration of the  
30 medication. The policies shall require a pupil who uses an epinephrine  
31 auto-injector while at school and at school-sponsored activities to notify  
32 the nurse or the designated school staff person of the use of the  
33 medication as soon as practicable. A school district and its employees  
34 are immune from civil liability with respect to all decisions made and  
35 actions taken that are based on good faith implementation of the  
36 requirements of this subdivision, except in cases of wanton or wilful  
37 neglect.

38 (b) For the emergency administration of epinephrine auto-injectors  
39 by a trained employee of a school district pursuant to section 15-157.

40 35. Allow the possession and self-administration of prescription  
41 medication for breathing disorders in handheld inhaler devices by pupils  
42 who have been prescribed that medication by a health care professional  
43 licensed pursuant to title 32. The pupil's name on the prescription label  
44 on the medication container or on the handheld inhaler device and annual  
45 written documentation from the pupil's parent or guardian to the school



1 that authorizes possession and self-administration shall be sufficient  
2 proof that the pupil is entitled to the possession and self-administration  
3 of the medication. A school district and its employees are immune from  
4 civil liability with respect to all decisions made and actions taken that  
5 are based on a good faith implementation of the requirements of this  
6 paragraph.

7 36. Prescribe and enforce policies and procedures to prohibit  
8 pupils from harassing, intimidating and bullying other pupils on school  
9 grounds, on school property, on school buses, at school bus stops, at  
10 school-sponsored events and activities and through the use of electronic  
11 technology or electronic communication on school computers, networks,  
12 forums and mailing lists that include the following components:

13 (a) A procedure for pupils, parents and school district employees  
14 to confidentially report to school officials incidents of harassment,  
15 intimidation or bullying. The school shall make available written forms  
16 designed to provide a full and detailed description of the incident and  
17 any other relevant information about the incident.

18 (b) A requirement that school district employees report in writing  
19 suspected incidents of harassment, intimidation or bullying to the  
20 appropriate school official and a description of appropriate disciplinary  
21 procedures for employees who fail to report suspected incidents that are  
22 known to the employee.

23 (c) A requirement that, at the beginning of each school year,  
24 school officials provide all pupils with a written copy of the rights,  
25 protections and support services available to a pupil who is an alleged  
26 victim of an incident reported pursuant to this paragraph.

27 (d) If an incident is reported pursuant to this paragraph, a  
28 requirement that school officials provide a pupil who is an alleged victim  
29 of the incident with a written copy of the rights, protections and support  
30 services available to that pupil.

31 (e) A formal process for the documentation of reported incidents of  
32 harassment, intimidation or bullying and for the confidentiality,  
33 maintenance and disposition of this documentation. School districts shall  
34 maintain documentation of all incidents reported pursuant to this  
35 paragraph for at least six years. The school shall not use that  
36 documentation to impose disciplinary action unless the appropriate school  
37 official has investigated and determined that the reported incidents of  
38 harassment, intimidation or bullying occurred. If a school provides  
39 documentation of reported incidents to persons other than school officials  
40 or law enforcement, all individually identifiable information shall be  
41 redacted.

42 (f) A formal process for the investigation by the appropriate  
43 school officials of suspected incidents of harassment, intimidation or  
44 bullying, including procedures for notifying the alleged victim on  
45 completion and disposition of the investigation.

1 (g) Disciplinary procedures for pupils who have admitted or been  
2 found to have committed incidents of harassment, intimidation or bullying.

3 (h) A procedure that sets forth consequences for submitting false  
4 reports of incidents of harassment, intimidation or bullying.

5 (i) Procedures designed to protect the health and safety of pupils  
6 who are physically harmed as the result of incidents of harassment,  
7 intimidation and bullying, including, if appropriate, procedures to  
8 contact emergency medical services or law enforcement agencies, or both.

9 (j) Definitions of harassment, intimidation and bullying.

10 37. Prescribe and enforce policies and procedures regarding  
11 changing or adopting attendance boundaries that include the following  
12 components:

13 (a) A procedure for holding public meetings to discuss attendance  
14 boundary changes or adoptions that allows public comments.

15 (b) A procedure to notify the parents or guardians of the students  
16 affected.

17 (c) A procedure to notify the residents of the households affected  
18 by the attendance boundary changes.

19 (d) A process for placing public meeting notices and proposed maps  
20 on the school district's website for public review, if the school district  
21 maintains a website.

22 (e) A formal process for presenting the attendance boundaries of  
23 the affected area in public meetings that allows public comments.

24 (f) A formal process for notifying the residents and parents or  
25 guardians of the affected area as to the decision of the governing board  
26 on the school district's website, if the school district maintains a  
27 website.

28 (g) A formal process for updating attendance boundaries on the  
29 school district's website within ninety days of an adopted boundary  
30 change. The school district shall send a direct link to the school  
31 district's attendance boundaries website to the department of real estate.

32 38. If the state board of education determines that the school  
33 district has committed an overexpenditure as defined in section 15-107,  
34 provide a copy of the fiscal management report submitted pursuant to  
35 section 15-107, subsection H on its website and make copies available to  
36 the public on request. The school district shall comply with a request  
37 within five business days after receipt.

38 39. Ensure that the contract for the superintendent is structured  
39 in a manner in which up to twenty percent of the total annual salary  
40 included for the superintendent in the contract is classified as  
41 performance pay. This paragraph shall not be construed to require school  
42 districts to increase total compensation for superintendents. Unless the  
43 school district governing board votes to implement an alternative  
44 procedure at a public meeting called for this purpose, the performance pay

1 portion of the superintendent's total annual compensation shall be  
2 determined as follows:

3 (a) Twenty-five percent of the performance pay shall be determined  
4 based on the percentage of academic gain determined by the department of  
5 education of pupils who are enrolled in the school district compared to  
6 the academic gain achieved by the highest ranking of the fifty largest  
7 school districts in this state. For the purposes of this subdivision, the  
8 department of education shall determine academic gain by the academic  
9 growth achieved by each pupil who has been enrolled at the same school in  
10 a school district for at least five consecutive months measured against  
11 that pupil's academic results in the 2008-2009 school year. For the  
12 purposes of this subdivision, of the fifty largest school districts in  
13 this state, the school district with pupils who demonstrate the highest  
14 statewide percentage of overall academic gain measured against academic  
15 results for the 2008-2009 school year shall be assigned a score of 100 and  
16 the school district with pupils who demonstrate the lowest statewide  
17 percentage of overall academic gain measured against academic results for  
18 the 2008-2009 school year shall be assigned a score of 0.

19 (b) Twenty-five percent of the performance pay shall be determined  
20 by the percentage of parents of pupils who are enrolled at the school  
21 district who assign a letter grade of "A" to the school on a survey of  
22 parental satisfaction with the school district. The parental satisfaction  
23 survey shall be administered and scored by an independent entity that is  
24 selected by the governing board and that demonstrates sufficient expertise  
25 and experience to accurately measure the results of the survey. The  
26 parental satisfaction survey shall use standard random sampling procedures  
27 and provide anonymity and confidentiality to each parent who participates  
28 in the survey. The letter grade scale used on the parental satisfaction  
29 survey shall direct parents to assign one of the following letter grades:

- 30 (i) A letter grade of "A" if the school district is excellent.
- 31 (ii) A letter grade of "B" if the school district is above average.
- 32 (iii) A letter grade of "C" if the school district is average.
- 33 (iv) A letter grade of "D" if the school district is below average.
- 34 (v) A letter grade of "F" if the school district is a failure.

35 (c) Twenty-five percent of the performance pay shall be determined  
36 by the percentage of teachers who are employed at the school district and  
37 who assign a letter grade of "A" to the school on a survey of teacher  
38 satisfaction with the school. The teacher satisfaction survey shall be  
39 administered and scored by an independent entity that is selected by the  
40 governing board and that demonstrates sufficient expertise and experience  
41 to accurately measure the results of the survey. The teacher satisfaction  
42 survey shall use standard random sampling procedures and provide anonymity  
43 and confidentiality to each teacher who participates in the survey. The  
44 letter grade scale used on the teacher satisfaction survey shall direct  
45 teachers to assign one of the following letter grades:

- 1 (i) A letter grade of "A" if the school district is excellent.
- 2 (ii) A letter grade of "B" if the school district is above average.
- 3 (iii) A letter grade of "C" if the school district is average.
- 4 (iv) A letter grade of "D" if the school district is below average.
- 5 (v) A letter grade of "F" if the school district is a failure.
- 6 (d) Twenty-five percent of the performance pay shall be determined
- 7 by other criteria selected by the governing board.

8 40. Maintain and store permanent public records of the school  
9 district as required by law. Notwithstanding section 39-101, the  
10 standards adopted by the Arizona state library, archives and public  
11 records for the maintenance and storage of school district public records  
12 shall allow school districts to elect to satisfy the requirements of this  
13 paragraph by maintaining and storing these records either on paper or in  
14 an electronic format, or a combination of a paper and electronic format.

15 41. Adopt in a public meeting and implement ~~by school year~~  
16 ~~2013-2014~~ policies for principal evaluations **PURSUANT TO SECTION 15-203,**  
17 **SUBSECTION A, PARAGRAPH 38.** Before the adoption of principal evaluation  
18 policies, the school district governing board shall provide opportunities  
19 for public discussion on the proposed policies. The policies shall  
20 describe:

21 (a) The principal evaluation instrument, including the four  
22 performance classifications adopted by the governing board pursuant to  
23 section 15-203, subsection A, paragraph 38.

24 (b) Alignment of professional development opportunities to the  
25 principal evaluations.

26 (c) Incentives for principals in one of the two highest performance  
27 classifications pursuant to section 15-203, subsection A, paragraph 38,  
28 which may include:

29 (i) Multiyear contracts pursuant to section 15-503.

30 (ii) Incentives, **INCLUDING INCREASED COMPENSATION,** to work at  
31 schools that are assigned a letter grade of D or F pursuant to section  
32 15-241.

33 (iii) **INCREASED COMPENSATION OR BONUSES BASED ON PERFORMANCE.**

34 (d) Transfer and contract processes for principals designated in  
35 the lowest performance classification pursuant to section 15-203,  
36 subsection A, paragraph 38.

37 42. Prescribe and enforce policies and procedures that define the  
38 duties of principals and teachers. These policies and procedures shall  
39 authorize teachers to take and maintain daily classroom attendance, make  
40 the decision to promote or retain a pupil in a grade in common school or  
41 to pass or fail a pupil in a course in high school, subject to review by  
42 the governing board in the manner provided in section 15-342,  
43 paragraph 11.

44 43. Prescribe and enforce policies and procedures for the emergency  
45 administration by an employee of a school district pursuant to section

1 36-2267 of naloxone hydrochloride or any other opioid antagonist approved  
2 by the United States food and drug administration.

3 B. Notwithstanding subsection A, paragraphs 7, 9 and 11 of this  
4 section, the county school superintendent may construct, improve and  
5 furnish school buildings or purchase or sell school sites in the conduct  
6 of an accommodation school.

7 C. If any school district acquires real or personal property,  
8 whether by purchase, exchange, condemnation, gift or otherwise, the  
9 governing board shall pay to the county treasurer any taxes on the  
10 property that were unpaid as of the date of acquisition, including  
11 penalties and interest. The lien for unpaid delinquent taxes, penalties  
12 and interest on property acquired by a school district:

13 1. Is not abated, extinguished, discharged or merged in the title  
14 to the property.

15 2. Is enforceable in the same manner as other delinquent tax liens.

16 D. The governing board may not locate a school on property that is  
17 less than one-fourth mile from agricultural land regulated pursuant to  
18 section 3-365, except that the owner of the agricultural land may agree to  
19 comply with the buffer zone requirements of section 3-365. If the owner  
20 agrees in writing to comply with the buffer zone requirements and records  
21 the agreement in the office of the county recorder as a restrictive  
22 covenant running with the title to the land, the school district may  
23 locate a school within the affected buffer zone. The agreement may  
24 include any stipulations regarding the school, including conditions for  
25 future expansion of the school and changes in the operational status of  
26 the school that will result in a breach of the agreement.

27 E. A school district, its governing board members, its school  
28 council members and its employees are immune from civil liability for the  
29 consequences of adoption and implementation of policies and procedures  
30 pursuant to subsection A of this section and section 15-342. This waiver  
31 does not apply if the school district, its governing board members, its  
32 school council members or its employees are guilty of gross negligence or  
33 intentional misconduct.

34 F. A governing board may delegate in writing to a superintendent,  
35 principal or head teacher the authority to prescribe procedures that are  
36 consistent with the governing board's policies.

37 G. Notwithstanding any other provision of this title, a school  
38 district governing board shall not take any action that would result in a  
39 reduction of pupil square footage unless the governing board notifies the  
40 school facilities board established by section 15-2001 of the proposed  
41 action and receives written approval from the school facilities board to  
42 take the action. A reduction includes an increase in administrative space  
43 that results in a reduction of pupil square footage or sale of school  
44 sites or buildings, or both. A reduction includes a reconfiguration of  
45 grades that results in a reduction of pupil square footage of any grade

1 level. This subsection does not apply to temporary reconfiguration of  
2 grades to accommodate new school construction if the temporary  
3 reconfiguration does not exceed one year. The sale of equipment that  
4 results in a reduction that falls below the equipment requirements  
5 prescribed in section 15-2011, subsection B is subject to commensurate  
6 withholding of school district additional assistance monies  
7 pursuant to the direction of the school facilities board. Except as  
8 provided in section 15-342, paragraph 10, proceeds from the sale of school  
9 sites, buildings or other equipment shall be deposited in the school plant  
10 fund as provided in section 15-1102.

11 H. Subsections C through G of this section apply to a county board  
12 of supervisors and a county school superintendent when operating and  
13 administering an accommodation school.

14 Sec. 3. Section 15-503, Arizona Revised Statutes, is amended to  
15 read:

16 15-503. Superintendents, principals, head teachers and school  
17 psychologists; term of employment; evaluation;  
18 contract delivery; nonretention notice

19 A. The governing board may:

20 1. Employ a superintendent or principal, or both. If the governing  
21 board employs a superintendent, the governing board shall determine the  
22 qualifications for the superintendent by action taken at a public meeting.  
23 The governing board shall require a superintendent to have a valid  
24 fingerprint clearance card that is issued pursuant to title 41, chapter  
25 12, article 3.1.

26 2. Appoint a head teacher.

27 3. Jointly with another governing board employ a superintendent or  
28 a principal, or both. If the governing board jointly employs a  
29 superintendent, the governing boards shall jointly determine the  
30 qualifications for the superintendent by action taken at a public meeting.  
31 The governing boards shall require a superintendent to have a valid  
32 fingerprint clearance card that is issued pursuant to title 41, chapter  
33 12, article 3.1.

34 B. The term of employment of superintendents may be for any period  
35 not exceeding three years, except that if the superintendent's contract  
36 with the school district is for multiple years pursuant to this subsection  
37 the school district shall not offer to extend or renegotiate the contract  
38 until no earlier than fifteen months before the expiration of the  
39 contract. The term of employment of principals may be for any period not  
40 exceeding three years pursuant to section 15-341, subsection A, paragraph  
41 42, except that if the principal's contract with the school district is  
42 for multiple years the school district shall not offer to extend or  
43 negotiate the contract until May of the year preceding the final year of  
44 the contract. The school district governing board or the governing body  
45 of the charter school shall communicate the superintendent's or

1 principal's duties with respect to the classroom site fund established by  
2 section 15-977.

3 C. The governing board shall establish systems for the evaluation  
4 of the performance of principals that meet the requirements prescribed in  
5 section 15-203, subsection A, paragraph 38 and other school administrators  
6 and certificated school psychologists in the school district. In the  
7 development and adoption of these performance evaluation systems, the  
8 governing board shall avail itself of the advice of its administrators and  
9 certificated school psychologists. Each evaluation shall include  
10 recommendations as to areas of improvement in the performance of the  
11 certificated school psychologist ~~if the performance of the certificated~~  
12 ~~school psychologist warrants improvement~~. After transmittal of an  
13 assessment, a board designee shall confer with the certificated school  
14 psychologist to make specific recommendations as to areas of improvement  
15 in the certificated school psychologist's performance. The board designee  
16 shall provide assistance and opportunities for the certificated school  
17 psychologist to improve ~~his~~ performance and shall follow up with the  
18 certificated school psychologist after a reasonable period of time for the  
19 purpose of ascertaining that the certificated school psychologist is  
20 demonstrating adequate performance. The evaluation process for  
21 certificated school psychologists shall include appeal procedures for  
22 certificated school psychologists who disagree with the evaluation of  
23 their performance, if the evaluation is for use as criteria for  
24 establishing compensation or dismissal.

25 D. On or before May 15 each year, the governing board shall offer a  
26 contract for the next school year to each certified administrator and  
27 certificated school psychologist who is in the last year of ~~his~~ **THE**  
28 **PERSON'S** contract unless, on or before April 15, the governing board, a  
29 member of the board acting on behalf of the board or the superintendent of  
30 the school district gives notice to the administrator or certificated  
31 school psychologist of the board's intention not to offer a new contract.  
32 If the governing board has called for an override election for the third  
33 Tuesday in May as provided in section 15-481, the governing board shall  
34 offer a contract for the next school year to each certified administrator  
35 or certificated school psychologist who is in the last year of ~~his~~ **THE**  
36 **PERSON'S** contract on or before June 15 unless, no later than five days  
37 after the override election excluding Saturday, Sunday and legal holidays,  
38 the governing board, a member of the board acting on behalf of the board  
39 or the superintendent of the school district gives notice to the  
40 administrator or the certificated school psychologist of the board's  
41 intention not to offer a new contract. The administrator's or the  
42 certificated school psychologist's acceptance of the contract shall be  
43 indicated within thirty days from the date of the written contract or the  
44 offer is revoked. The administrator or certificated school psychologist  
45 accepts the contract by signing the contract and returning it to the

1 governing board or by making a written instrument that accepts the terms  
2 of the contract and delivering the written instrument to the governing  
3 board.

4 E. Notice of the board's intention not to reemploy the  
5 administrator or certificated school psychologist shall be made by  
6 delivering the notice personally to the administrator or the certificated  
7 school psychologist or by sending the notice by certified mail, postmarked  
8 on or before the applicable deadline prescribed in subsection D of this  
9 section, and directed to the administrator or the certificated school  
10 psychologist at his place of residence as recorded in the school district  
11 records.

12 F. The school district governing board shall make available the  
13 evaluation and performance classification pursuant to section 15-203,  
14 subsection A, paragraph 38 of each principal in the school district to  
15 school districts and charter schools that are inquiring about the  
16 performance of the principal for hiring purposes.

17 Sec. 4. Section 15-536, Arizona Revised Statutes, is amended to  
18 read:

19 15-536. Offer of contract to probationary teacher;  
20 acceptance; notice to teacher of intention not to  
21 reemploy; definition

22 A. The governing board shall offer a teaching contract for the next  
23 ensuing school year to each probationary teacher, unless the governing  
24 board, a member of the board acting on behalf of the board or the  
25 superintendent of the school district gives notice to the teacher of the  
26 board's intention not to offer a teaching contract or unless such teacher  
27 has been dismissed pursuant to section 15-538, 15-539, 15-541 or  
28 15-544. The teacher's acceptance of the contract for the ensuing year  
29 must be indicated within fifteen business days from the date of the  
30 teacher's receipt of the written contract or the offer is revoked.  
31 Receipt under this subsection will be deemed to have occurred when the  
32 written contract is personally delivered, ~~OR~~ OR placed in the teacher's  
33 ~~school-provided~~ SCHOOL-PROVIDED mailbox, including ~~electronic mail~~ E-MAIL,  
34 or two days after being placed in a United States postal service  
35 mailbox. The teacher accepts the contract by signing the contract and  
36 returning it to the governing board or by making a written instrument that  
37 accepts the terms of the contract and delivering it to the governing  
38 board. If the written instrument includes terms in addition to the terms  
39 of the contract offered by the board, the teacher fails to accept the  
40 contract.

41 B. Notice of the board's intention not to reemploy the teacher  
42 shall be by delivering it personally to the teacher or by sending it by  
43 registered or certified mail to the teacher at the teacher's place of  
44 residence as recorded in the school district records. The notice shall  
45 incorporate a statement of reasons for not reemploying the teacher. If



1 the reasons are charges of inadequacy of classroom performance, the board  
 2 or its authorized representative shall give the teacher written  
 3 preliminary notice of inadequacy, specifying the nature of the inadequacy  
 4 with such particularity as to furnish the teacher an opportunity to  
 5 correct the inadequacies and maintain adequate classroom performance as  
 6 defined by the governing board pursuant to section 15-538,  
 7 subsection C. The governing board may delegate to employees of the  
 8 governing board the general authority to issue preliminary notices of  
 9 inadequacy of classroom performance to teachers pursuant to this  
 10 subsection without the need for prior approval of each notice by the  
 11 governing board. In all cases in which an employee of the governing board  
 12 issues a preliminary notice of inadequacy of classroom performance without  
 13 prior approval by the governing board, the employee shall report its  
 14 issuance to the governing board within ten school days. The written  
 15 notice of intention not to reemploy shall include a copy of any evaluation  
 16 pertinent to the charges made and filed with the board.

17 C. This section shall not be construed to provide a probationary  
 18 teacher with the right to a hearing pursuant to section 15-539,  
 19 subsection F.

20 D. A certificated teacher who is currently a continuing teacher as  
 21 defined in section 15-538.01 but who has been designated after an  
 22 evaluation conducted according to the requirements pursuant to section  
 23 15-537 in the lowest performance classification for the current school  
 24 year OR HAS BEEN DESIGNATED IN EITHER OF THE TWO LOWEST PERFORMANCE  
 25 CLASSIFICATIONS IN THE PREVIOUS TWO YEARS shall become a probationary  
 26 teacher ~~as defined in section 15-536~~ for the subsequent school year and  
 27 shall remain a probationary teacher until that teacher's performance  
 28 classification is designated in either of the two highest performance  
 29 classifications.

30 E. For the purposes of this section, "probationary teacher" means a  
 31 certificated teacher who is not a continuing teacher.

32 Sec. 5. Section 15-537, Arizona Revised Statutes, is amended to  
 33 read:

34 15-537. Performance of certificated teachers; evaluation  
 35 system; confidentiality

36 A. The governing board of a school district shall establish a  
 37 system for the evaluation of the performance of certificated teachers in  
 38 the school district that meets the requirements prescribed in section  
 39 15-203, subsection A, paragraph 38 and that results in at least one  
 40 evaluation of each certificated teacher by a qualified evaluator each  
 41 school year. The objectives of the teacher performance evaluation system  
 42 are to improve instruction and maintain instructional strengths IN ORDER  
 43 TO IMPROVE AND ADVANCE STUDENT ACHIEVEMENT AND SUCCESS. The governing  
 44 board shall involve its certificated teachers in the development and  
 45 periodic evaluation of the teacher performance evaluation system.

1 B. The school district governing board shall adopt teacher  
2 evaluation policies in a public meeting. Before the adoption of teacher  
3 evaluation policies, the school district governing board shall provide  
4 opportunities for public discussion on the proposed policies. The  
5 policies shall describe:

6 1. Incentives for teachers in the highest performance  
7 classification, which may include multiyear contracts not to exceed three  
8 years. The policies shall specify that the offer and acceptance of a  
9 multiyear contract does not exclude that teacher from the application of  
10 section 15-538.01, 15-540, 15-541 or 15-549 and that the teacher may  
11 accept a multiyear contract offer or decline and accept a one year  
12 contract.

13 2. Incentives, INCLUDING INCREASED COMPENSATION, for teachers in  
14 the two highest performance classifications to work at schools that are  
15 assigned a letter grade of D or F pursuant to section 15-241.

16 3. Protections for teachers who are transferred to schools that are  
17 assigned a letter grade of D or F pursuant to section 15-241.

18 ~~4. Protections for teachers if the principal of the school is~~  
19 ~~designated in the lowest performance classification.~~

20 4. INCREASED COMPENSATION BASED ON PERFORMANCE.

21 C. ~~By school year 2015-2016,~~ The policies prescribed in subsection  
22 B of this section shall describe:

23 1. Performance improvement plans for teachers designated in the  
24 lowest TWO performance ~~classification~~ CLASSIFICATIONS.

25 2. Dismissal or nonrenewal procedures pursuant to section 15-536 or  
26 15-539 for teachers who continue to be designated in the lowest TWO  
27 performance ~~classification~~ CLASSIFICATIONS. The procedures shall require  
28 that the school district issue the preliminary notice of inadequacy of  
29 classroom performance no later than the second consecutive year that the  
30 teacher is designated in one of the two lowest performance classifications  
31 unless the teacher is in the first or second year of ~~employment with the~~  
32 ~~school district or has been reassigned to teach a new subject or grade~~  
33 ~~level for the preceding or current school year~~ TEACHING.

34 D. A teacher who ~~has been employed by the school district for the~~  
35 ~~major portion of three or more consecutive school years and who is~~  
36 ~~currently~~ HAS BEEN designated in ONE OF the TWO lowest performance  
37 ~~classification~~ CLASSIFICATIONS for two consecutive school years shall not  
38 be transferred as a teacher to another school in that school district  
39 unless the school district has issued a preliminary notice of inadequacy  
40 of classroom performance and approved a performance improvement plan for  
41 the teacher pursuant to section 15-539 and the governing board has  
42 approved the new placement as in the best interests of the pupils in the  
43 school WHERE THE TEACHER HAS BEEN PLACED. A teacher who continues to be  
44 designated in one of the two lowest performance classifications shall not

1 be permitted to transfer to another school. A teacher shall not be  
2 transferred more than once pursuant to this subsection.

3 E. The governing board shall prescribe specific procedures for the  
4 teacher performance evaluation system, which shall include at least the  
5 following elements:

6 1. At least two actual classroom observations of the certificated  
7 teacher demonstrating teaching skills in a complete and uninterrupted  
8 lesson by the qualified evaluator. There shall be at least sixty calendar  
9 days between the first and last observations. The last observation may  
10 follow the issuance of a preliminary notice of inadequacy of classroom  
11 performance and be used to determine whether the teacher has corrected  
12 inadequacies and has demonstrated adequate classroom performance. An  
13 observation shall not be conducted within two instructional days of any  
14 scheduled period in which school is not in session for one week or more.  
15 Within ten business days after each observation, the qualified evaluator  
16 shall provide written feedback to the teacher.

17 2. Specific and reasonable plans for the improvement of teacher  
18 performance as provided in subsection H of this section.

19 3. Appeal procedures for teachers who disagree with the evaluation  
20 of their performance, if the evaluation is for use as criteria for  
21 establishing compensation.

22 4. Training requirements for qualified evaluators.

23 5. A plan for the appropriate use of quantitative data of ~~student~~  
24 ~~THE~~ academic progress ~~OF ALL STUDENTS~~ in evaluations of all certificated  
25 teachers. ~~THE PLAN MAY ALLOW FOR STUDENTS WHO WERE NOT ENROLLED WITH A~~  
26 ~~SCHOOL FOR A FULL ACADEMIC YEAR TO BE EXCLUDED FROM THE ACADEMIC PROGRESS~~  
27 ~~DATA.~~ The plan may make distinctions between certificated teachers who  
28 provide direct instruction to students and certificated teachers who do  
29 not provide direct instruction to students. The plan may include data for  
30 multiple school years and may limit the use of data for certificated  
31 teachers who have taught for less than two complete school years.

32 F. The governing board may waive the requirement of a second  
33 classroom observation for a continuing teacher whose teaching performance  
34 based on the first classroom observation places the teacher in ~~one of~~ the  
35 ~~two~~ highest performance ~~classifications~~ ~~CLASSIFICATION~~ for the current  
36 school year, unless the teacher requests a second observation.

37 G. The results of an annual evaluation conducted as provided in  
38 this section shall be in writing or provided in ~~AN~~ electronic format to  
39 the certificated teacher, and a copy shall be transmitted or provided in  
40 an electronic format to the certificated teacher within five days after  
41 completion of the evaluation. The certificated teacher may initiate a  
42 written reaction or response to the evaluation.

43 H. Each evaluation shall include recommendations as to areas of  
44 improvement in the performance of the certificated teacher ~~if the~~  
45 ~~performance of the teacher warrants improvement.~~ After transmittal of an

1 evaluation, the qualified evaluator or another board designee shall confer  
2 with the teacher to make specific recommendations as to areas of  
3 improvement in the teacher's performance. The qualified evaluator or  
4 other board designee shall provide professional development opportunities  
5 for the certificated teacher to improve performance and follow up with the  
6 teacher after a reasonable period of time for the purpose of ascertaining  
7 that the teacher is demonstrating adequate ~~performance~~ PROGRESS TO  
8 BECOMING AN EFFECTIVE OR HIGHLY EFFECTIVE TEACHER FOR STUDENTS PURSUANT TO  
9 SECTION 15-203, SUBSECTION A, PARAGRAPH 38.

10 I. Copies of the evaluation report and performance classification  
11 of a certificated teacher THAT ARE retained by the governing board and the  
12 department of education are confidential, do not constitute a public  
13 record and shall not be released or shown to any person except:

14 1. To the certificated teacher who may make any use of it.

15 2. To authorized district officers and employees for all personnel  
16 matters regarding employment and contracts and for any hearing that  
17 relates to personnel matters.

18 3. To school districts and charter schools that inquire about the  
19 performance of the teacher for prospective employment purposes. A school  
20 district or charter school that receives information about a certificated  
21 teacher from the evaluation report and performance classification shall  
22 use this information solely for employment purposes and shall not release  
23 THIS INFORMATION to or allow access to this information by any other  
24 person, entity, school district or charter school.

25 4. For introduction in evidence or discovery in any court action  
26 between the governing board and the certificated teacher in which either:

27 (a) The competency of the teacher is at issue.

28 (b) The evaluation and performance classification were an exhibit  
29 at a hearing, the result of which is challenged.

30 J. Any school district policy pertaining to the transfer of  
31 teachers from one school to another school in a school district shall take  
32 into consideration the current distribution of teachers across all of the  
33 performance classifications and the ~~needs~~ BEST INTEREST of the pupils in  
34 the school district.

35 Sec. 6. Section 15-538, Arizona Revised Statutes, is amended to  
36 read:

37 15-538. Preliminary notice of inadequacy of classroom  
38 performance; performance improvement plan; adoption  
39 of definition

40 A. The governing board of any school district shall give any  
41 certificated teacher notice of intention to dismiss or not to reemploy if  
42 such intention is based on charges of inadequacy of classroom  
43 performance. The governing board or its authorized representative, at  
44 least forty-five instructional days before such notice, shall give the  
45 teacher written preliminary notice of inadequacy of classroom performance,

1 specifying the nature thereof with such particularity as to furnish the  
 2 teacher an opportunity to correct inadequacies and maintain adequate  
 3 classroom performance as ~~defined~~ PRESCRIBED by the governing board  
 4 pursuant to ~~section 15-538~~, subsection C OF THIS SECTION. A notice of the  
 5 governing board's intention to dismiss or not to reemploy for inadequacy  
 6 of classroom performance shall not be issued until the district has  
 7 completed an observation at the conclusion of a performance improvement  
 8 plan issued pursuant to subsection B OF THIS SECTION. The governing board  
 9 may delegate to employees of the governing board the general authority to  
 10 issue preliminary notices of inadequacy of classroom performance to  
 11 teachers pursuant to this section without the need for prior approval of  
 12 each notice by the governing board. In all cases in which an employee of  
 13 the governing board issues a preliminary notice of inadequacy of classroom  
 14 performance without prior approval by the governing board, the employee  
 15 shall report its issuance to the governing board within ten school  
 16 days. The written notice of intention to dismiss or not to reemploy shall  
 17 include a copy of any valid evaluation pertinent to the charges made.

18 B. The preliminary notice of inadequacy of classroom performance  
 19 shall be accompanied by a performance improvement plan designed to help  
 20 the teacher correct inadequacies and demonstrate adequate classroom  
 21 performance.

22 C. The governing board shall adopt a definition of inadequacy of  
 23 classroom performance that aligns AND IS CONSISTENT with the performance  
 24 classifications PURSUANT TO SECTION 15-203, SUBSECTION A, PARAGRAPH 38.  
 25 The governing board's definition may set standards that exceed the  
 26 standards of the performance classifications and applies to notices issued  
 27 pursuant to sections 15-536 and 15-537 and this section. THE DEFINITION  
 28 OF INADEQUACY OF CLASSROOM PERFORMANCE ADOPTED PURSUANT TO THIS SUBSECTION  
 29 SHALL INCLUDE A TEACHER WHO IS DESIGNATED IN ONE OF THE TWO LOWEST  
 30 PERFORMANCE CLASSIFICATIONS. The governing board shall develop its  
 31 definition of inadequacy of classroom performance in consultation with its  
 32 certificated teachers, PARENTS AND STAKEHOLDERS IN THE COMMUNITY. The  
 33 consultation may be accomplished by holding a public hearing, forming an  
 34 advisory committee or providing teachers the opportunity to respond to a  
 35 proposed definition.

36 Sec. 7. Section 15-538.01, Arizona Revised Statutes, is amended to  
 37 read:

38 15-538.01. Offer of contract to continuing teacher;  
 39 definition

40 A. The governing board shall offer to each continuing teacher a  
 41 contract renewal for the next ensuing school year unless the governing  
 42 board, a member of the board acting on behalf of the board or the  
 43 superintendent of the school district gives notice to the teacher of the  
 44 board's intent not to offer a contract and to dismiss the teacher as  
 45 provided in section 15-539.

1 B. The teacher's acceptance of the contract must be indicated  
 2 within fifteen business days from the date of the teacher's receipt of the  
 3 written contract or the offer of a contract is revoked. Receipt under  
 4 this subsection will be deemed to have occurred when the written contract  
 5 is personally delivered, ~~OR~~ placed in the teacher's ~~school provided~~  
 6 ~~SCHOOL-PROVIDED~~ mailbox, including ~~electronic mail~~ E-MAIL, or two days  
 7 after being placed in a United States postal service mailbox. The teacher  
 8 accepts the contract by signing the contract and returning it to the  
 9 governing board or by making a written instrument that accepts the terms  
 10 of the contract and delivering it to the governing board. If the written  
 11 instrument includes terms in addition to the terms of the contract offered  
 12 by the board, the teacher fails to accept the contract.

13 C. A certificated teacher who is currently a continuing teacher ~~as~~  
 14 ~~defined in this section~~ but who has been designated after an evaluation  
 15 conducted according to the requirements pursuant to section 15-537 in the  
 16 lowest performance classification for the current school year ~~OR HAS BEEN~~  
 17 ~~DESIGNATED IN EITHER OF THE TWO LOWEST PERFORMANCE CLASSIFICATIONS IN THE~~  
 18 ~~PREVIOUS TWO YEARS~~ shall become a probationary teacher as defined in  
 19 section 15-536 for the subsequent school year and shall remain a  
 20 probationary teacher until that teacher's performance classification is  
 21 designated in either of the two highest performance classifications.

22 D. For the purposes of this section, "continuing teacher" means a  
 23 certificated teacher who has been and is currently employed by the school  
 24 district for the major portion of three consecutive school years and who  
 25 has not been designated in ~~EITHER OF~~ the ~~TWO~~ lowest performance  
 26 ~~classification~~ ~~CLASSIFICATIONS PURSUANT TO SECTION 15-203, SUBSECTION A,~~  
 27 ~~PARAGRAPH 38~~ for the previous ~~TWO~~ school ~~year~~ ~~YEARS~~ or who has not  
 28 regained continuing status after being designated as a probationary  
 29 teacher pursuant to subsection C of this section.

30 Sec. 8. Heading change

31 The article heading of title 15, chapter 9, article 1.1, Arizona  
 32 Revised Statutes, is changed from "CAREER LADDER AND OTHER PERFORMANCE  
 33 INCENTIVE PROGRAMS" to "PERFORMANCE PAY".

34 Sec. 9. Repeal

35 Section 15-920.01, Arizona Revised Statutes, is repealed.

36 Sec. 10. Section 15-952, Arizona Revised Statutes, is amended to  
 37 read:

38 15-952. Additional monies for teacher compensation;  
 39 definitions

40 A. The governing board of a school district ~~OR THE GOVERNING BODY~~  
 41 ~~OF A CHARTER SCHOOL~~ may calculate its revenue control limit and ~~district~~  
 42 support level for the budget year using the base level prescribed in  
 43 section 15-901, subsection B, paragraph 2 increased by 1.25 ~~per cent~~  
 44 ~~PERCENT~~ if granted approval by the state board of education according to  
 45 the following procedure:

1 1. If the governing board OR GOVERNING BODY did not receive  
2 approval to increase the ~~school district's~~ base level as provided in this  
3 section for the current year:

4 (a) The governing board OR GOVERNING BODY shall submit evidence to  
5 the state board by May 1 that the school district OR CHARTER SCHOOL has  
6 met the following requirements:

7 (i) The school district's OR CHARTER SCHOOL'S teacher performance  
8 evaluation system meets the standards recommended by the state board as  
9 prescribed in section 15-537.

10 (ii) The persons evaluating teachers for retention decisions meet  
11 the minimum qualifications for evaluators recommended by the state board  
12 as prescribed in section 15-537.

13 (b) The state board shall notify the governing board OR GOVERNING  
14 BODY by June 1 whether it has met the requirements and has preliminary  
15 approval to increase the ~~school district's~~ base level for the budget year.

16 (c) If the governing board OR GOVERNING BODY receives preliminary  
17 approval to increase the ~~school district's~~ base level as prescribed in  
18 subdivision (b) of this paragraph for the budget year and wishes to  
19 receive final approval, the governing board OR GOVERNING BODY shall  
20 prepare and submit to the state board by June 15 two proposed budgets as  
21 follows:

22 (i) One proposed budget showing the amount budgeted for teacher  
23 compensation if final approval to increase the ~~school district's~~ base  
24 level is not granted.

25 (ii) One proposed budget showing the amount budgeted for teacher  
26 compensation if final approval to increase the ~~school district's~~ base  
27 level is granted.

28 (d) If the school district's OR CHARTER SCHOOL'S proposed budgets  
29 demonstrate that the governing board OR GOVERNING BODY has budgeted the  
30 additional monies for additional teacher compensation as provided in this  
31 section, the state board shall give final approval to the governing board  
32 OR GOVERNING BODY to increase the ~~school district's~~ base level as provided  
33 in this section and shall notify the governing board OR GOVERNING BODY of  
34 the approval by July 1.

35 2. If the governing board OR GOVERNING BODY received approval to  
36 increase the ~~school district's~~ base level as provided in this section for  
37 the current year but not for the year before the current year:

38 (a) The governing board OR GOVERNING BODY shall submit evidence to  
39 the state board by February 1 that the school district OR CHARTER SCHOOL:

40 (i) Continues to meet the requirements prescribed in paragraph 1,  
41 subdivision (a) of this subsection.

42 (ii) Adopted the budget for the current year ~~which~~ THAT it  
43 submitted to the state board as provided in paragraph 1, subdivision (c),  
44 item (ii) of this subsection.

1 (b) The state board shall notify the governing board OR GOVERNING  
2 BODY by March 1 whether its application to increase the base level is  
3 approved for the budget year.

4 3. If the governing board OR GOVERNING BODY received approval to  
5 increase the ~~school district's~~ base level as provided in this section for  
6 the current year and for the year before the current year:

7 (a) The governing board OR GOVERNING BODY shall submit evidence to  
8 the state board by February 1 that the school district OR CHARTER SCHOOL  
9 continues to meet the requirements prescribed in paragraph 1,  
10 subdivision (a) of this subsection.

11 (b) The state board shall notify the governing board OR GOVERNING  
12 BODY by March 1 whether its application to increase the base level is  
13 approved for the budget year.

14 B. The state board shall prescribe the methods for demonstrating  
15 that the requirements in subsection A of this section have been met,  
16 EXCEPT THAT THE STATE BOARD SHALL REQUIRE SCHOOL DISTRICTS AND CHARTER  
17 SCHOOLS TO DEMONSTRATE AN ADEQUATE AND EFFECTIVE PERFORMANCE  
18 CLASSIFICATION OF TEACHERS.

19 C. For any fiscal year in which a governing board OR GOVERNING BODY  
20 receives approval to increase the ~~school district's~~ base level as provided  
21 in this section, the governing board OR GOVERNING BODY may only expend the  
22 additional monies for additional teacher compensation.

23 D. ANY SCHOOL DISTRICT OR CHARTER SCHOOL THAT HAS BEEN ASSIGNED A  
24 LETTER GRADE OF D OR F PURSUANT TO SECTION 15-241 MUST RECEIVE APPROVAL  
25 FROM THE STATE BOARD TO INCREASE THE BASE LEVEL PURSUANT TO THIS SECTION  
26 EACH YEAR UNTIL THE SCHOOL DISTRICT OR CHARTER SCHOOL IS NO LONGER  
27 ASSIGNED A LETTER GRADE OF D OR F. THE STATE BOARD SHALL ANALYZE AND  
28 REVIEW THE QUALITY AND IMPLEMENTATION OF THE EVALUATION SYSTEM PRESCRIBED  
29 PURSUANT TO SECTION 15-537 FOR ANY SCHOOL DISTRICT OR CHARTER SCHOOL THAT  
30 REQUIRES ANNUAL APPROVAL PURSUANT TO THIS SUBSECTION AND MAY REQUIRE THE  
31 SCHOOL DISTRICT OR CHARTER SCHOOL TO TAKE CERTAIN ACTIONS OR MAKE CHANGES  
32 IN ORDER TO RECEIVE APPROVAL TO INCREASE THE BASE LEVEL AS PROVIDED IN  
33 THIS SECTION.

34 ~~D.~~ E. ~~It~~ FOR THE PURPOSES OF this section:

35 1. "Additional monies" means the amount of the increase in the base  
36 support level produced by increasing the base level as provided in  
37 subsection A of this section.

38 2. "Teacher compensation" means salaries and employee fringe  
39 benefits and other nonsalary benefits for certificated teachers.

40 Sec. 11. Section 15-977, Arizona Revised Statutes, is amended to  
41 read:

42 15-977. Classroom site fund; definitions

43 A. The classroom site fund is established consisting of monies  
44 transferred to the fund pursuant to section 37-521, subsection B and  
45 section 42-5029, subsection E, paragraph 10. The department of education



1 shall administer the fund. School districts and charter schools may not  
 2 supplant existing school site funding with revenues from the fund. All  
 3 monies distributed from the fund are intended for use at the school  
 4 site. Each school district or charter school shall allocate forty ~~per~~  
 5 ~~cent~~ PERCENT of the monies for teacher compensation increases based on  
 6 performance ~~and employment related expenses~~, twenty ~~per cent~~ PERCENT of  
 7 the monies for teacher base salary increases and employment related  
 8 expenses and forty ~~per cent~~ PERCENT of the monies for maintenance and  
 9 operation purposes as prescribed in subsection H of this section. Teacher  
 10 compensation increases based on performance or teacher base salary  
 11 increases distributed pursuant to this subsection shall supplement, and  
 12 not supplant, teacher compensation monies from any other sources. The  
 13 school district or charter school shall notify each school principal of  
 14 the amount available to the school by April 15 of each year. The district  
 15 or charter school shall request from the school's principal each school's  
 16 priority for the allocation of the funds available to the school for each  
 17 program listed under subsection H of this section. The amount budgeted by  
 18 the school district or charter school pursuant to this section shall not  
 19 be included in the allowable budget balance carryforward calculated  
 20 pursuant to section 15-943.01.

21 B. A school district governing board must adopt a performance based  
 22 compensation system at a public hearing to allocate funding from the  
 23 classroom site fund pursuant to subsection A of this section. Beginning  
 24 in school year ~~2014-2015~~ 2018-2019, individual teacher performance as  
 25 measured by the teacher's performance classification pursuant to section  
 26 15-203, subsection A, paragraph 38 shall ~~be a component~~ ACCOUNT FOR AT  
 27 LEAST FIFTY PERCENT of the school district's OR CHARTER SCHOOL'S portion  
 28 of the forty ~~per cent~~ PERCENT allocation for teacher compensation based on  
 29 performance ~~and employment related expenses~~.

30 C. A school district governing board OR CHARTER SCHOOL GOVERNING  
 31 BODY shall vote on a performance based compensation system that includes  
 32 ALL OF the following elements:

- 33 1. School district performance and school performance.
- 34 2. Individual teacher performance as measured by the teacher's  
 35 performance classification pursuant to section 15-203, subsection A,  
 36 paragraph 38. Beginning in school year ~~2014-2015~~ 2018-2019, the  
 37 individual teacher performance component shall account for ~~thirty-three~~  
 38 ~~per cent~~ AT LEAST FIFTY PERCENT of the forty ~~per cent~~ PERCENT allocation  
 39 for teacher compensation based on performance ~~and employment related~~  
 40 ~~expenses~~.
- 41 3. Measures of academic progress toward the academic standards  
 42 adopted by the state board of education.
- 43 4. Other measures of academic progress.
- 44 5. Dropout or graduation rates FOR STUDENTS IN HIGH SCHOOL.
- 45 6. Attendance rates.

- 1           7. Ratings of school quality by parents.
- 2           8. Ratings of school quality by students.
- 3           9. The input of teachers and administrators.

4           ~~10. Approval of the performance based compensation system based on~~  
5 ~~an affirmative vote of at least seventy per cent of the teachers eligible~~  
6 ~~to participate in the performance based compensation system.~~

7           ~~11.~~ 10. An appeals process for teachers who have been denied  
8 performance based compensation.

9           ~~12.~~ 11. Regular evaluation for effectiveness, which shall comply  
10 ~~by fiscal year 2014-2015~~ with section 15-203, subsection A, paragraph 38.

11           D. A performance based compensation system shall include teacher  
12 professional development programs that are aligned with the elements of  
13 the performance based compensation system.

14           E. A school district governing board **OR CHARTER SCHOOL GOVERNING**  
15 **BODY** may ~~modify the elements contained in subsection C of this section and~~  
16 consider additional elements when adopting a performance based  
17 compensation system. A school district governing board shall adopt any  
18 ~~modifications or~~ additional elements and specify the criteria used at a  
19 public hearing.

20           F. ~~Until December 31, 2009,~~ Each school district **AND CHARTER SCHOOL**  
21 shall develop an assessment plan for its performance based compensation  
22 system and submit the plan to the department of education by December 31  
23 of each year. A copy of the performance based compensation system and  
24 assessment plan adopted by the school district governing board **OR THE**  
25 **CHARTER SCHOOL GOVERNING BODY** shall be ~~included in the report submitted to~~  
26 **AVAILABLE ON THE WEBSITE OF** the department of education.

27           G. Monies in the fund are continuously appropriated, are exempt  
28 from the provisions of section 35-190 relating to lapsing of  
29 appropriations and shall be distributed as follows:

30           1. By March 30 of each year, the staff of the joint legislative  
31 budget committee shall determine a per pupil amount from the fund for the  
32 budget year using the estimated statewide weighted count for the current  
33 year pursuant to section 15-943, paragraph 2, subdivision (a) and based on  
34 estimated available resources in the classroom site fund for the budget  
35 year adjusted for any prior year carryforward or shortfall.

36           2. The allocation to each charter school and school district for a  
37 fiscal year shall equal the per pupil amount established in paragraph 1 of  
38 this subsection for the fiscal year multiplied by the weighted student  
39 count for the school district or charter school for the fiscal year  
40 pursuant to section 15-943, paragraph 2, subdivision (a). For the  
41 purposes of this paragraph, the weighted student count for a school  
42 district that serves as the district of attendance for nonresident pupils  
43 shall be increased to include nonresident pupils who attend school in the  
44 school district.

1 H. Monies distributed from the classroom site fund shall be spent  
2 for the following maintenance and operation purposes:

- 3 1. Class size reduction.
- 4 2. Teacher compensation increases.
- 5 3. ~~AIMS~~ ASSESSMENT intervention programs.
- 6 4. Teacher development.
- 7 5. Dropout prevention programs.
- 8 6. Teacher liability insurance premiums.

9 I. The district governing board or charter school shall allocate  
10 the classroom site fund monies to include, wherever possible, the  
11 priorities identified by the principals of the schools while assuring that  
12 the funds maximize classroom opportunities and conform to the authorized  
13 expenditures identified in subsection A of this section.

14 J. School districts and charter schools that receive monies from  
15 the classroom site fund shall submit a report by November 15 of each year  
16 to the superintendent of public instruction that provides an accounting of  
17 the expenditures of monies distributed from the fund during the previous  
18 fiscal year and a summary of the results of district and school programs  
19 funded with monies distributed from the fund. The department of education  
20 in conjunction with the auditor general shall prescribe the format of the  
21 report under this subsection.

22 K. School districts and charter schools that receive monies from  
23 the classroom site fund shall receive these monies monthly in an amount  
24 not to exceed one-twelfth of the monies estimated pursuant to subsection G  
25 of this section, except that if there are insufficient monies in the fund  
26 that month to make payments, the distribution for that month shall be  
27 prorated for each school district or charter school. The department of  
28 education may make an additional payment in the current month for any  
29 prior month or months in which school districts or charter schools  
30 received a prorated payment if there are sufficient monies in the fund  
31 that month for the additional payments. The state is not required to make  
32 payments to a school district or charter school classroom site fund if the  
33 state classroom site fund revenue collections are insufficient to meet the  
34 estimated allocations to school districts and charter schools pursuant to  
35 subsection G of this section.

36 L. The state education system for committed youth shall receive  
37 monies from the classroom site fund in the same manner as school districts  
38 and charter schools. The Arizona state schools for the deaf and the blind  
39 shall receive monies from the classroom site fund in an amount that  
40 corresponds to the weighted student count for the current year pursuant to  
41 section 15-943, paragraph 2, subdivision (b) for each pupil enrolled in  
42 the Arizona state schools for the deaf and the blind. Except as otherwise  
43 provided in this subsection, the Arizona state schools for the deaf and  
44 the blind and the state education system for committed youth are subject

1 to this section in the same manner as school districts and charter  
2 schools.

3 M. Each school district and charter school, including school  
4 districts that unify pursuant to section 15-448 or consolidate pursuant to  
5 section 15-459, shall establish a local level classroom site fund to  
6 receive allocations from the state level classroom site fund. The local  
7 level classroom site fund shall be a budgetary controlled  
8 account. Interest charges for any registered warrants for the local level  
9 classroom site fund shall be a charge against the local level classroom  
10 site fund. Interest earned on monies in the local level classroom site  
11 fund shall be added to the local level classroom site fund as provided in  
12 section 15-978. This state shall not be required to make payments to a  
13 school district or charter school local level classroom site fund that are  
14 in addition to monies transferred to the state level classroom site fund  
15 pursuant to section 37-521, subsection B and section 42-5029, subsection  
16 E, paragraph 10.

17 N. Monies distributed from the classroom site fund for class size  
18 reduction, ~~AIMS~~ ASSESSMENT intervention and dropout prevention programs  
19 shall only be used for instructional purposes in the instruction function  
20 as defined in the uniform system of financial records, except that monies  
21 shall not be used for ~~school-sponsored~~ SCHOOL-SPONSORED athletics.

22 0. For the purposes of this section:

23 1. "~~AIMS~~ ASSESSMENT intervention" means summer programs, after  
24 school programs, before school programs or tutoring programs that are  
25 specifically designed to ensure that pupils meet the Arizona academic  
26 standards as measured by the Arizona instrument to measure standards test  
27 prescribed by section 15-741.

28 2. "Class size reduction" means any maintenance and operations  
29 expenditure that is designed to reduce the ratio of pupils to classroom  
30 teachers, including the use of persons who serve as aides to classroom  
31 teachers.