
SCHOOL CHOICE

KEY ISSUES

While public schools serve nearly 81 percent of North Carolina’s students, parents have other options available to them when deciding how to educate their children. This section covers basic information about public charter schools and magnet schools, as well as longstanding choice options outside the public school system: private schools and homeschooling.

In 2017-18, out of 1,790,162 students, 101,775 students (5.68%) were in private school,¹ 101,689 students (5.68%) were in public charter schools,² and 135,749 students (7.58%) were homeschooled.³ Approximately 1,450,949 students (81.05%) were enrolled in traditional public schools (including magnet schools).⁴

INTRODUCTION TO CHARTER SCHOOLS

Charter schools are publicly funded but privately governed schools operating in 44 states, including North Carolina, as well as the District of Columbia.⁵ Charter schools are granted **autonomy** in exchange for **accountability**; that is, they are exempt from many state and local laws but must meet performance and operational standards in order to keep their doors open. Charter schools are nonsectarian and tuition-free; however, they are not obligated to provide transportation or access to free and reduced lunch services.

A charter is essentially a contract to run a school, negotiated between a charter school operator (often a nonprofit organization) and a charter school “authorizer,” which is an entity vested by state law with the authority to grant charters and oversee chartered schools. Many states have multiple authorizers, often including local school districts, state education agencies, independent charter boards, and/or higher education institutions. North Carolina has a single charter school authorizer: the State Board of Education.

The charter agreement describes how the school will be governed, what will be taught, how student achievement will be measured, and what students are expected to achieve. As long as the school meets the terms of its charter, it is free from many of the rules and regulations that apply to other public schools in areas such as staffing, scheduling, managing school finances, and setting curriculum. Despite these freedoms, charter schools are required to comply with health and safety regulations, anti-discrimination laws, and laws mandating a minimum number of school days. In addition, they are bound by open meetings laws, and state education authorities clarified in 2014 that, like other public schools, charter schools are required to disclose names, salaries, and positions of employees, though some charter schools and supporters dispute their reading of state law.⁶ Charter schools are required to administer and report results on state-mandated end-of-grade and end-of-course tests, and thus cover the same core subjects as traditional public schools.

¹ 2018 North Carolina Private School Statistics. Available at <https://files.nc.gov/ncdoa/documents/files/Annual%20Conventional%20Schools%20Stats%20Report%202017-2018.pdf>.

² NC DPI: Highlights of the North Carolina Public School Budget, February 2018. Available at <http://www.dpi.state.nc.us/docs/fbs/resources/data/highlights/2018highlights.pdf>.

³ 2018 North Carolina Home School Statistical Summary. Available at <https://files.nc.gov/ncdoa/17-18%20Home%20School%20Annual%20Report.pdf>.

⁴ NC DPI: Highlights of the North Carolina Public School Budget, February 2018.

⁵ National Alliance for Public Charter Schools. Available at <https://data.publiccharters.org/>.

⁶ Charlotte Observer, “NC education officials: Charter schools must disclose salaries.” Available at <http://www.charlotteobserver.com/news/local/education/article9113006.html>.

However, unlike traditional public schools, if a charter school fails to meet the terms of the charter agreement, the authorizer may revoke the charter and close the school.

CHARTER SCHOOLS IN THE UNITED STATES

The number of charter schools in the United States is growing. The first charter school opened its doors in St. Paul, Minnesota, in September 1992. As of the 2017-18 school year, there are 7,000 charter schools across the country serving over 3.2 million students.⁷

<i>Charter Schools Opened and in Operation as of 2017-2018⁸</i>								
State	New Charters in 2017	Total Charter Schools	State	New Charters in 2017	Total Charter Schools	State	New Charters in 2017	Total Charter Schools
Alabama	1	1	Iowa	0	3	North Carolina	7	174
Alaska	0	29	Kansas	0	10	Ohio	8	345
Arizona	20	556	Louisiana	10	154	Oklahoma	0	34
Arkansas	9	82	Maine	0	9	Oregon	3	127
California	65	1,275	Maryland	1	49	Pennsylvania	3	179
Colorado	15	250	Massachusetts	3	82	Rhode Island	0	30
Connecticut	0	24	Michigan	7	301	South Carolina	2	69
Delaware	0	24	Minnesota	3	162	Tennessee	9	112
D.C.	2	122	Mississippi	0	3	Texas	47	774
Florida	36	661	Missouri	1	61	Utah	9	132
Georgia	6	87	Nevada	5	45	Virginia	0	8
Hawaii	2	36	New Hampshire	1	26	Washington	1	8
Idaho	1	53	New Jersey	5	89	Wisconsin	5	230
Illinois	0	142	New Mexico	1	97	Wyoming	0	4
Indiana	5	96	New York	16	281	TOTAL	309	7,038

In fall 2017, more than 300 new public charter schools opened across the country, and an estimated 150,000 additional students attended charter schools in the 2017-18 school year compared with the previous year. This is an estimated 5 percent growth in charter school enrollment between fall 2016 and fall 2017.⁹

Some charter schools are independent, “stand-alone” schools that operate at a single site. Others are part of networks run by management organizations, either nonprofit charter management organizations (CMOs) or for-profit education management organizations (EMOs).

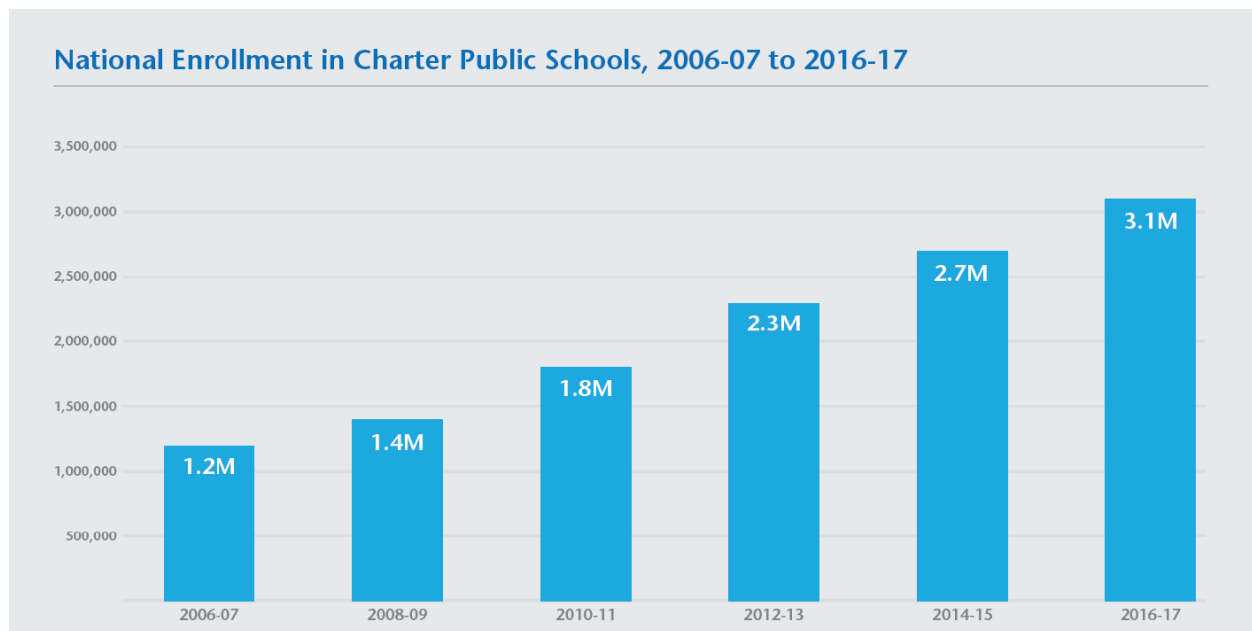
1. Independent - a charter school is run independently of any management organizations, and the nonprofit board overseeing the charter school typically consists of local community residents (but not always). An example of an independent run charter school in North Carolina is Raleigh Charter High School.

⁷ National Alliance for Public Charter Schools, National Charter School Facts. Available at <https://data.publiccharters.org/>

⁸ National Alliance for Public Charter Schools, Estimated Public Charter School Enrollment 2017-2018. Available at <https://www.publiccharters.org/sites/default/files/documents/2018-03/FINAL%20Estimated%20Public%20Charter%20School%20Enrollment%2C%202017-18.pdf>.

⁹ National Alliance for Public Charter Schools, Estimated Public Charter School Enrollment 2017-2018.

2. Charter Management Organization (CMO) - a non-profit entity that manages two or more charter schools. Those charter schools do not have to be a part of the same network, but often are. An example of a CMO-run charter school is KIPP Charlotte, which is one of several North Carolina charter schools operated by the national charter management organization KIPP, a non-profit network of 224 college-preparatory, public charter schools educating early childhood, elementary, middle, and high school students across the United States.
3. Education Management Organization (EMO) - a private, for-profit entity that manages two or more schools. Like CMOs, the schools do not have to be a part of the same network, but often are. An example of an EMO-run charter school includes North Carolina Virtual Academy, one of two virtual charter schools in North Carolina. It is operated by the national education management organization K12, Inc., which operates online schools across the country.



Source: National Alliance for Public Charter Schools, Charter Schools, Estimated Charter Public School Enrollment 2016-2017.

CHARTER SCHOOLS IN NORTH CAROLINA

On June 21, 1996, the North Carolina General Assembly passed House Bill 955, the “Charter Schools Act of 1996,” which enabled charter schools to operate across the state. The law states the following purposes of charter schools:

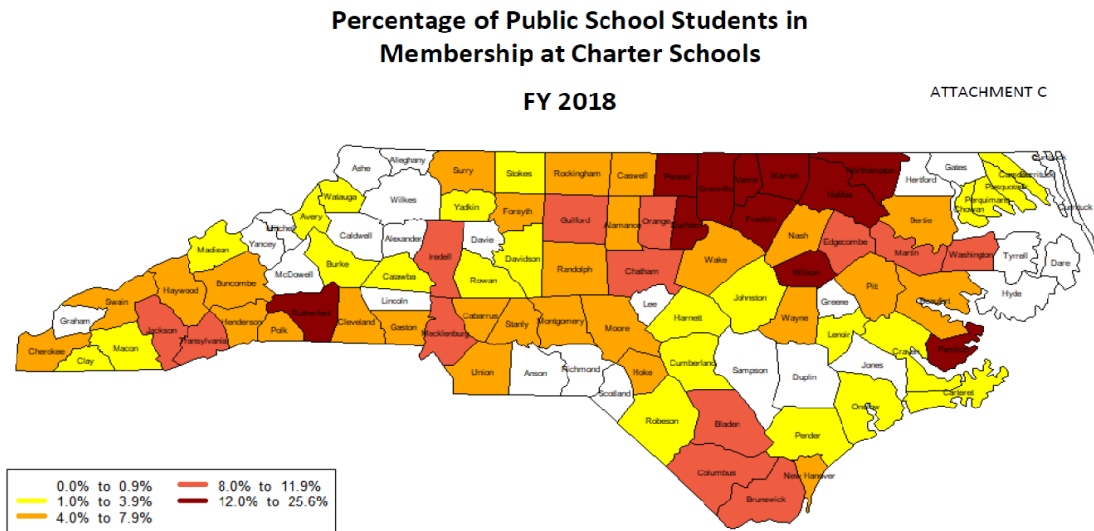
- Improve student learning;
- Increase learning opportunities for all students, with special emphasis on expanded learning opportunities for students who are identified as at risk of academic failure or academically gifted;
- Encourage the use of different and innovative teaching methods;
- Create new professional opportunities for teachers, including the opportunities to be responsible for the learning program at the school site;
- Provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system; and,

- Hold the schools . . . accountable for meeting measurable student achievement results, and provide the schools with a method to change from rule-based to performance-based accountability systems.¹⁰

In North Carolina anyone may seek to establish a charter school if they form a non-profit board of directors and submit an application to the state along with a \$1,000 fee¹¹. The State Board of Education gives final approval for all successful applicants. The State Board may grant the initial charter for up to 10 years and may renew the charter upon the request of the chartering entity for subsequent periods of up to 10 years each. A charter school’s non-profit board of directors governs the school. The board is ultimately responsible for decision-making in all matters relating to the day-to-day operations of the school, including budgeting, hiring/firing, curriculum, instructional materials, operating procedures, transportation, insurance, and food services.

In 2017-18, North Carolina had 173 operating charter schools, including two virtual charter schools.¹² North Carolina ranked 10th in the nation in 2016-17 for the number of charter schools in operation, up from 12th in 2015-16 and 16th in 2012-13.¹³ The size of charter schools in the state ranged from 19 (Grandfather Academy) to 1,989 (Lincoln Charter School) students in 2016-17¹⁴. State law requires a minimum of 65 students unless the school obtains a waiver.

In 2017, 38 applications were submitted to the state to open charter schools in 2018-2019. Of those, 14 were approved by the State Board. Pending completion of a successful planning year, these schools will open in 2018-19.



Source: Percentage of Public School Students in Membership at Charter Schools. Available at <http://www.ncpublicschools.org/docs/fbs/resources/data/csmembersmap.pdf>. NOTE: For purposes of illustration, city

¹⁰ Session Law 1995-1996, House Bill 955. Available at <https://www.ncleg.net/Sessions/1995/Bills/House/PDF/H955v4.pdf>.
¹¹ NC DPI, News Release. Available at <http://www.ncpublicschools.org/newsroom/news/2017-18/20170927-01>.
¹² NC DPI: Charter Schools Annual Report 2016-17. Available at <https://www.ncleg.net/documentsites/committees/JLEOC/Reports%20Received/2018%20Reports%20Received/Charter%20Schools%20Annual%20Report.pdf>.
¹³ National Alliance for Public Charter Schools. Available at <https://data.publiccharters.org/>.
¹⁴ NC DPI 2016-17 Average Daily Membership.

LEAs are combined with county LEAs. In most cases, the city percentage is similar to the county percentage except for the following: Halifax (25.6%), Weldon City (23.7%) and Roanoke Rapids (5.5%); Surry (5.7%), Elkin City (2.6%) and Mount Airy City (10.8%); Orange (9.3%) and Chapel Hill (0.9%)

Charter schools receive funding based on the average per pupil allocation in the local education agency (LEA) from which the student came. For example, if a student attends a charter school in Person County, but their residency is in Durham County, the charter school will receive the per pupil expenditure from Durham County.

In 2016-17, charter schools received \$513,450,126 in state funds for 92,112 expected students.¹⁵ This breaks down to an average of \$5,574 per charter student from the state. State funds may be used for any purpose other than purchasing a building. Charter schools also receive local funding on a per pupil basis equal to local funds for program costs for all other public school students. Unlike traditional public schools in their districts, charter schools do not receive capital funds and must locate and lease or purchase facilities on their own. Some charter schools have located facilities in renovated storefronts, church facilities, mobile structures, or traditional school buildings throughout the state.

Charter schools do receive federal funding. As with traditional public schools, federal funding is targeted towards specific populations, including low income children and children with special needs. Charter schools who meet eligibility of federal requirements may apply for federal funding.

In North Carolina, in order to apply for a charter school the applicants must form a 501-c3 non-profit organization. This means that EMOs are ineligible to directly apply to open a charter school in North Carolina; however, once a non-profit entity has applied and been approved to open their charter school, then they may contract with a for-profit EMO to help run the charter school.

In North Carolina, there are three primary overseers of charter schools:

1. State Board of Education (SBE) - oversees all schools in North Carolina, including charter schools, based on the recommendations of the Charter School Advisory Board.
2. Charter School Advisory Board (CSAB) – a subcommittee of the SBE, the CSAB develops the rules, regulations, and policies related to charter schools in North Carolina; vets all applications; and serves as an oversight body when charter schools face performance, governance or financial problems and seek renewals. The CSAB's final recommendations are sent forth to the SBE for final approval.
3. Office of Charter Schools (OCS) - a division of North Carolina Department of Public Instruction, OCS implements and oversees the rules, regulations, and policies that are set forth by the CSAB.

MAJOR DEVELOPMENTS IN NORTH CAROLINA'S CHARTER SECTOR OVER THE PAST TEN YEARS

NO CAP ON NUMBER OF CHARTER SCHOOLS (SENATE BILL 8)

In July 2011, the North Carolina General Assembly passed Senate Bill 8, which reformed the state's charter school law. The legislation redefined previous law by:

- 1) Removing the 100-school cap on charter schools statewide;

¹⁵ NC DPI: Charter Schools Annual Report, 2016-17.

- 2) Allowing the State Board discretion in granting final approval of charter schools;
- 3) Raising the enrollment growth cap in charter schools to 20 percent of all students;
- 4) Permitting charter schools to charge fees charged by the local school administrative unit;
- 5) Strengthening the standards for retaining a charter; and
- 6) Requiring the State Board of Education to report to the General Assembly on the implementation of the act, including the creation, composition, and function of an advisory committee; charter school application process; a profile of applicants and the basis for acceptance or rejection; and resources required at the State level for implementation of the current charter school laws.¹⁶

NORTH CAROLINA CHARTER SCHOOL ADVISORY BOARD (SENATE BILL 337)

In July 2013, the North Carolina General Assembly passed Senate Bill 337 reforming several components of the charter school law. The main provision of the law repealed the Charter School Advisory Council and created the North Carolina Charter School Advisory Board, which will make recommendations to the State Board of Education on the adoption of rules related to charter schools. Members of the Advisory Board are appointed by the General Assembly, Governor, State Board of Education, and Lieutenant Governor. Under the law, charter schools can no longer choose to be accountable to their Local Board of Education instead of the State Board of Education. Information the State Board of Education receives from the Local Board of Education does not have to be considered in reviewing a charter application. The law also mandates that fifty percent of teachers must be licensed and all charter school teachers teaching a main subject (mathematics, science, social studies, language arts) must be college graduates.¹⁷

NC CHARTER SCHOOL ADVISORY BOARD MEMBERS (2018)¹⁸

First Name	Last Name	County	Appointed By
Cheryl	Turner	Mecklenburg	State Board of Education (SBE)
Tammi	Sutton	Gaston	Governor
Kevin	Wilkinson	Wake	Superintendent (non-voting)
Joseph	Maimone	Rutherford	House
Sherry	Reeves	Pamlico	Senate
Phyllis	Gibbs	Guilford	Senate
Alan	Hawkes	Guilford	Senate
Alex	Quigley	Durham	State Board of Education (SBE)
Lindalyn	Kakedelis	Mecklenburg	House
Steven	Walker	Wake	Lt. Governor
Lynn	Kroeger	Union	House
Heather	Vuncannon	Randolph	House

CHARTER SCHOOL ENROLLMENT AND CHARTER REVISIONS (HOUSE BILL 250)

Several elements of charter school enrollment were addressed in HB 250 bill, passed in July 2013. The major provision of the law stated that “charter schools must attempt to reasonably reflect the racial and ethnic makeup of the general local population or the special population served by the school.”¹⁹

¹⁶ Session Law 2011, Senate Bill 8. Available at <https://www.ncleg.net/Sessions/2011/Bills/Senate/PDF/S8v8.pdf>.

¹⁷ Session Law 2013, Senate Bill 337. Available at <https://www.ncleg.net/Sessions/2013/Bills/Senate/PDF/S337v9.pdf>.

¹⁸ North Carolina Charter Schools Advisory Board.

Available at <http://www.ncpublicschools.org/docs/charterschools/board/contacts.pdf>.

VIRTUAL CHARTER SCHOOLS

Section 8.35 of the Appropriations Act of 2014 authorized the creation of two pilot K-12 virtual charter schools. The length of the pilot was initially set for 4 years. The maximum enrollment in each pilot was capped at 1,500 students in the first year, rising to 2,592 in year four. North Carolina Virtual Academy, managed by for-profit K12, Inc., and North Carolina Connections Academy, affiliated with Pearson, opened in fall 2015. In the 2018 short session, the General Assembly passed legislation extending the pilot program from its initial 4 years to 8 years, now scheduled to end in spring of 2023.

Nationally, virtual schools operated by these two for-profit companies have generated significant controversy. The Tennessee Virtual Academy, operated by K12, Inc., was ordered to close in April 2015 due to continual low performance, though a court order later permitted the school to remain open. Stanford University released a study in 2015 finding that virtual charter school students lost an average of 72 days' worth of learning in reading and a year's worth of learning in math compared to their peers in traditional brick-and-mortar schools.²⁰

The North Carolina virtual charter schools have seen their own share of controversy. Connections Academy enrolled nearly 3,900 students in its first year; however, more than 1,200 students (approximately 30% of enrollment) left to enroll in another school. In the 2016-17 school year, more than 4,400 students enrolled at Connections Academy; in the end, approximately 1,200 students (27%) left to enroll in another school.²¹ Under state law, the maximum withdrawal rate allowed is 25%. Therefore, in 2016 the General Assembly expanded the list of permissible withdrawals, such that certain withdrawals would not count toward this 25% cap. For example, the following student withdrawal circumstances, among others, no longer count toward the virtual charter withdrawal rate: 1) a student relocating to another state; 2) a student who withdraws for a family, personal or medical reason; and 3) a student who withdraws within the first 30 days of enrollment.²²

Over the course of this pilot program, both of North Carolina's virtual charter schools have received "D" markings on their overall performance. In addition, both schools have been flagged for overall academic growth scores landing in the category of "Not Met." However, Connections Academy did "meet growth" for their 2015-16 and 2016-17 EOG Reading scores, with a passing score of 65 and 70, respectively.²³

CHARTER RENEWAL AND OTHER CHARTER LAW CHANGES (HOUSE BILL 334)

In 2015, House Bill 334 was passed, making it more difficult for the state to refuse to renew schools' charters by making renewal the default, in contrast to the law it replaced, which required charter schools to earn renewal through solid academic performance. Other states that have gone down this path, including Ohio, Texas, and Utah, have suffered declines in charter school accountability and performance. The same bill shifted some control and oversight responsibilities for charter schools away from NC DPI.²⁴

¹⁹ Session Law 2013, House Bill 250. Available at <https://www.ncleg.net/Sessions/2013/Bills/House/PDF/H250v7.pdf>.

²⁰ Center for Research on Education Outcomes (CREDO) (2015). Online Charter School Study 2015.

²¹ WRAL, "Nearly 2,500 students have left NC's online charter schools: Why did they leave? Where did they go?" Available at: <https://www.wral.com/nearly-2-500-students-have-left-nc-s-online-charter-schools-why-did-they-leave-where-did-they-go-/16719011/>.

²² Session Law 2016-94, Section 8.13. Available at <https://www.ncleg.net/sessions/2015/bills/house/html/h1030v8.html>.

²³ North Carolina School Report Card. Available at <https://ncreportcards.ondemand.sas.com/?viewSelect=school&year=2016&type=Both&level=All&district=All&lang=english>

²⁴ Session Law 2015, House Bill 334. Available at <https://www.ncleg.net/Sessions/2015/Bills/House/PDF/H334v6.pdf>.

NORTH CAROLINA LAB SCHOOLS

In the 2016 budget, the General Assembly included a provision to establish eight lab schools in North Carolina. Lab schools are operated similarly to charter schools in that they are given much flexibility in exchange for accountability. Unlike charter schools, lab schools must be operated by constituent institutions of the University of North Carolina System, and overseen by the University of North Carolina Board of Governors. The purpose of lab schools is to provide an enhanced education program for students residing in local school districts where at least 25% of schools are designated low-performing and to provide exposure and training for teachers and principals to successfully address challenges existing in high-needs school settings.²⁵ The following constituent institutions of the UNC System have been selected to run lab schools:

- Appalachian State University
- East Carolina University
- North Carolina Central University
- UNC-Charlotte
- UNC-Greensboro
- UNC-Pembroke
- UNC-Wilmington
- Western Carolina University

During the 2017-18 school year, East Carolina University and Western Carolina University opened lab schools in collaboration with neighboring local school districts. In July 2018, UNC-Wilmington opened their modified year-round lab school. UNC-Greensboro and Appalachian State University are scheduled to open lab schools on a traditional calendar at the start of the 2018-19 school year. The following lab schools are currently open or scheduled to open in the fall of 2018:

- Catamount School, located on campus of Smoky Mountain High School (WCU)
- South Greenville Elementary (ECU)
- Moss Street Elementary (UNCG)
- Middle Fork Elementary School (ASU)
- D.C. Virgo Preparatory Academy School (UNCW)²⁶

Both students and teachers at each of these lab schools had to re-apply for their seats in order to attend or work at them. Currently, there are two models of lab schools:

- *School within a school*: a certain percentage of the currently existing student population attends the lab school while the remainder of the students attend the traditional school. Currently, South Greenville Elementary and Catamount School utilize this model.
- *Whole school*: an entire school is transformed into a lab school, and all students and faculty are overseen and managed by the university system.

MUNICIPAL CHARTERS (HOUSE BILL 514)

In 2018, the General Assembly enacted legislation allowing municipalities to operate charter schools. House Bill 514²⁷ only authorizes four towns in Mecklenburg County to exercise this option: Cornelius, Huntersville,

²⁵ Session Law 2016-94, Section 11.6. Available at <https://www.ncleg.net/sessions/2015/bills/house/html/h1030v8.html>.

²⁶ Public Schools First, The Facts on Lab Schools. Available at <https://www.publicschoolsfirstnc.org/resources/fact-sheets/the-facts-on-lab-schools/>.

Matthews and Mint Hill. These municipal charter schools can give preferential treatment for their own residents for admission purposes. In the Appropriations Act of 2018, there is a companion funding provision with statewide effect that allows any town or city to use certain local revenues to fund a public school (traditional, charter, or otherwise) of its choosing, including this newly-created municipal charter.

2017-18 CHARTER ENROLLMENT BY DISTRICT

LEA	2018 Charter membership	2018 LEA Allotted ADM for Traditional Public School	Charter Membership as % of LEA
Alamance-Burlington	1,431	22,708	5.9%
Alexander	24	4,932	0.5%
Alleghany	8	1,359	0.6%
Anson	24	3,339	0.7%
Ashe	22	3,024	0.7%
Asheboro City	212	4,651	4.4%
Asheville City	367	4,559	7.5%
Avery	47	2,034	2.3%
Beaufort	433	6,832	6.0%
Bertie	110	2,191	4.8%
Bladen	546	4,539	10.7%
Brunswick	1,199	12,624	8.7%
Buncombe	1,918	24,372	7.3%
Burke	301	12,242	2.4%
Cabarrus	1,668	32,750	4.8%
Caldwell	58	11,828	0.5%
Camden	26	1,853	1.4%
Carteret	219	8,322	2.6%
Caswell	200	2,655	7.0%
Catawba	220	16,380	1.3%
Chapel Hill-Carrboro	115	12,239	0.9%
Charlotte-Mecklenburg	18,274	150,200	10.8%
Chatham	1,080	8,786	10.9%
Cherokee	174	3,313	5.0%
Chowan	72	2,044	3.4%
Clay	34	1,345	2.5%
Cleveland	1,174	14,797	7.4%
Clinton City	2	3,028	0.1%
Columbus	592	5,804	9.3%
Craven	235	14,061	1.6%
Cumberland	1,060	50,485	2.1%
Currituck	37	4,036	0.9%
Dare	11	5,095	0.2%

²⁷ Session Law 2018-3, House Bill 514. Available at <https://www.ncleg.net/Sessions/2017/Bills/House/PDF/H514v7.pdf>.

Davidson	255	19,152	1.3%
Davie	28	6,242	0.4%
Duplin	26	9,644	0.3%
Durham Public	6,504	33,467	16.3%
Edgecombe	817	5,994	12.0%
Elkin City	32	1,180	2.6%
Forsyth	2,876	54,906	5.0%
Franklin	1,224	8,443	12.7%
Gaston	2,129	31,527	6.3%
Gates	7	1,606	0.4%
Graham	4	1,196	0.3%
Granville	1,410	7,706	15.5%
Greene	18	3,125	0.6%
Guilford	6,631	71,9177	8.4%
Halifax	891	2,593	25.6%
Harnett	453	20,979	2.1%
Haywood	441	7,173	5.8%
Henderson	701	13,544	4.9%
Hertford	25	2,885	0.9%
Hickory City	11	4,242	0.3%
Hoke	415	8,407	4.7%
Hyde	2	607	0.3%
Iredell	2,509	20,427	10.9%
Jackson	333	3,777	8.1%
Johnston	1,099	35,272	3.0%
Jones	4	1,117	0.4%
Kannapolis City	336	5,306	6.0%
Lee	29	10,032	9.3%
Lenoir	212	8,479	2.4%
Lexington City	50	3,038	1.6%
Lincoln	-	-	-
Macon	58	4,398	1.3%
Madison	27	2,338	1.1%
Martin	433	3,234	11.8%
McDowell	25	6,189	0.4%
Mitchell	17	1,850	0.9%
Montgomery	201	3,926	4.9%
Moore	691	12,696	5.2%
Mooresville City	482	6,083	7.3%
Mt. Airy City	194	1,601	10.8%
Nash	1,167	15,253	7.1%
New Hanover	1,305	26,605	4.7%
Newton City	6	3,016	0.2%

Northampton	484	1,783	21.3%
Onslow	296	26,540	1.1%
Orange	770	7,544	7.1%
Pamlico	250	1,282	16.3%
Pasquotank	238	5,714	4.0%
Pender	321	9,528	3.3%
Perquimans	42	1,645	2.5%
Person	1,129	4,568	19.8%
Pitt	1,165	23,573	4.7%
Polk	108	2,163	4.8%
Randolph	805	17,305	4.4%
Richmond	7	7,334	0.1%
Roanoke Rapids City	169	2,9512	5.5%
Robeson	464	23,185	2.0%
Rockingham	589	12,466	4.5%
Rowan	525	19,318	2.6%
Rutherford	1,154	8,111	12.5%
Sampson	10	8,358	0.1%
Scotland	9	5,871	0.2%
Stanly-Albemarle	482	8,465	5.4%
Stokes	138	6,058	2.2%
Surry	480	8,015	5.7%
Swain	92	1,965	4.4%
Thomasville City	41	2,329	1.7%
Transylvania	320	3,412	8.6%
Tyrrell	-	-	-
Union	3,434	41,971	7.6%
Vance	1,585	6,072	20.7%
Wake	12,271	162,698	7.0%
Warren	318	2,148	12.9%
Washington	136	1,555	8.0%
Watauga	172	4,475	3.7%
Wayne	819	18,461	4.2%
Weldon City	270	868	23.7%
Whiteville City	231	2,229	9.4%
Wilkes	83	9,560	0.9%
Wilson	1,649	12,056	12.0%
Yadkin	76	5,297	1.4%
Yancey	8	2,188	0.4%
2018 State Total	97,111	1,450,949	6.3%

Source: NC DPI Charter School Membership By LEA 2017-18.

Available at <http://www.ncpublicschools.org/docs/fbs/resources/data/csmembersregion17-18.pdf>.

INTRODUCTION TO MAGNET SCHOOLS

In contrast to charter schools, magnet schools are considered part of the traditional public school system, operating under the same local administration and local school board. The unique feature of magnet schools is that they have a focused theme and a curriculum aligned to that theme. Some of these themes include STEM, fine and performing arts, Montessori, language immersion and international studies. Students are still taught the complete range of subjects required by the state's curriculum, but teaching is tailored to the magnet school's theme.

Magnet schools first came into being in the late 1960s and early 1970s as a tool to further academic desegregation in large urban school districts. Magnets were intended to attract students from across different school zones. To accomplish this, magnet schools had to do two things. First, they had to open their enrollment to students outside their traditional school zones. Second, they had to provide an environment or experience that would attract students and families from other school zones. By encouraging enrollment rather than forcing enrollment, the hope was that families would voluntarily desegregate their children.²⁸

The number of magnet schools has increased rapidly since federal court rulings accepted magnet programs as a method of desegregation in the mid-1970s. Between 1982 and 1991, the number of individual schools offering magnet programs nearly doubled and the number of students enrolling in these programs almost tripled. By the 1991-92 school year, more than 1.2 million students were enrolled in magnet schools in 230 school districts. In the 1999-2000 school year, 1,372 magnet schools operated in 17 of the 33 states that reported such information to the federal government. The National Center for Education Statistics (NCES) reports that as of 2015-16, 3,237 magnet schools were in operation in the United States.²⁹ The states with the most magnet schools are Florida (536), California (504), Michigan (386), and Texas (258). North Carolina currently houses 123 magnet schools across the state.³⁰

Students do not attend magnet schools based on the location of their home and zoned school boundaries as they do for traditional public schools. Interested students instead have to apply and are selected based on a lottery (within the school district) or prioritized criteria. Prioritized criteria often include an expressed interest in the theme of the magnet school or indicators of potential. Approximately one-third of magnet schools use academic performance as a selection criterion.³¹

Magnet schools tend to be mainly an urban phenomenon. According to U.S. Department of Education, more than half of large urban school districts have magnet school programs as compared to only 10% of suburban districts. Magnet schools exist at the elementary school, middle school, and high school levels. Magnet schools often have a much more racially diverse student body than other schools in their districts because the students do not come solely from specific neighborhoods or geographic zones; however, students of low socioeconomic status tend to be underrepresented in magnet schools. Students who attend magnet schools are also more likely to live in two-parent households and to have parents who graduated from college than students who attend traditionally zoned public schools.³²

Local districts finance magnet schools the same way they finance other public schools. However, magnet schools do have access to additional federal funds through the Magnet Schools Assistance program. The

²⁸ Public School Review, What is a Magnet School? Available at <http://www.publicschoolreview.com/articles/2>.

²⁹ National Center for Education Statistics.

Available at https://nces.ed.gov/programs/digest/d17/tables/dt17_216.20.asp?current=yes.

³⁰ National Center for Education Statistics. Available at <https://nces.ed.gov/ccd/elsi/tableGenerator.aspx>.

³¹ Public School Review, What is a Magnet School? Available at <https://www.publicschoolreview.com/blog/what-is-a-magnet-school>.

³² Public School Review, What is a Magnet School?

Magnet Schools Assistance program provides grants to eligible local educational agencies to establish and operate magnet schools that are operated under a court-ordered or federally approved voluntary desegregation plan. In FY 2017, the U.S. Department of Education earmarked over \$91 million in grant funding through this program to magnet schools throughout the country.³³

MAGNET SCHOOLS IN NORTH CAROLINA

There are 123 magnet schools in North Carolina serving 81,598 students.³⁴ The majority of these magnet schools are located in Wake and Mecklenburg counties, with 47 and 26 magnet schools respectively. In North Carolina, 70 percent of the students who attend magnet schools are minorities compared to the state average of 50 percent.³⁵

The application process and criteria for magnet school admission varies by LEA. For example, in Charlotte-Mecklenburg schools, students who meet minimum entrance requirements for a school are selected through a lottery. In comparison, Wake County uses prioritized criteria to select students who meet the minimum entrance requirements.³⁶

INTRODUCTION TO PRIVATE SCHOOLS

In contrast to charter and magnet schools, private schools are largely unaccountable to government institutions and are traditionally privately funded (although that is changing). Funding for private schools comes from a variety of sources including tuition, private grants, and fundraising from parents or private organizations—and today there are even public sources of aid. Students typically have to apply to be admitted to a private school. Private schools do not have to meet state-approved academic standards, make budgets public, adhere to open meetings and records laws, or, for the most part, publicly report student achievement. Private schools, however, must comply with health and safety regulations, anti-discrimination laws, and laws stating the minimum number of school days.³⁷

In the United States, a wide variety of schools are termed “private schools,” including boarding schools and religiously-affiliated schools. According to the Private School Universe Survey, in the 2015-16 school year there were 34,576 private elementary and secondary schools in the United States serving 4,903,596 students, representing 10 percent of all students. Sixty-seven percent of private schools were religiously-affiliated, with the majority identified as Roman Catholic, followed by unspecified Christian, Amish, Baptist, Jewish, Lutheran, Seventh-Day Adventist, and Calvinist. In the 2015-16 school year, the racial makeup of private school students was 68.6 percent white, 10.4 percent Hispanic or Latino, 9.3 percent black or African-American, and 6.2 percent Asian. The majority of private schools operate in cities or suburban areas.³⁸

³³ U.S. Department of Education, Magnet School Assistance Program.

Available at <http://www2.ed.gov/programs/magnet/index.html>.

³⁴ Public School Review, North Carolina Magnet Public Schools.

Available at http://www.publicschoolreview.com/state_magnets/stateid/NC.

³⁵ Public School Review, North Carolina Magnet Public Schools.

³⁶ Wake County Magnet School Application Process. Available at <http://www.wcpss.net/Page/189>.

³⁷ Friedman Foundation for Educational Choice, School Choice FAQs. Available at <http://www.edchoice.org/school-choice-faqs/are-participating-private-schools-held-accountable/>.

³⁸ National Center for Education Statistics, Private School Universe Survey. Available at <https://nces.ed.gov/surveys/pss/tables1516.asp>.

PRIVATE SCHOOLS IN NORTH CAROLINA

In 2017-18, North Carolina private schools served 101,775 students at 767 schools.³⁹ Over 66 percent of these students attended religious schools. Private schools in NC are 50.4% male and 49.6% female. Racial data for private schools is not available from the NC Department of Administration's Division of Non-Public Education.

In 2017-18, the average NC private school tuition rates were estimated at \$7,777 for elementary schools and \$10,550 for high schools.⁴⁰

Enrollment and Number of Private Schools in North Carolina in 2017-18					
County	Enrollment	Number	County	Enrollment	Number
Alamance	1,578	12	Jones	0	0
Alexander	134	4	Lee	617	4
Alleghany	28	1	Lenoir	1,070	4
Anson	10	1	Lincoln	99	5
Ashe	32	1	Macon	54	2
Avery	116	2	Madison	62	4
Beaufort	405	3	Martin	0	0
Bertie	349	2	McDowell	209	2
Bladen	100	2	Mecklenburg	18,518	94
Brunswick	490	9	Mitchell	69	3
Buncombe	3,615	29	Montgomery	82	3
Burke	167	4	Moore	1,226	13
Cabarrus	1,987	10	Nash	1,304	8
Caldwell	134	1	New Hanover	3,081	21
Camden	0	0	Northampton	159	2
Carteret	360	5	Onslow	1,312	18
Caswell	0	0	Orange	1,147	7
Catawba	1,601	12	Pamlico	68	1
Chatham	176	5	Pasquotank	554	7
Cherokee	17	2	Pender	34	2
Chowan	6	1	Perquimans	0	0
Clay	50	1	Person	66	2
Cleveland	154	3	Pitt	1,918	14
Columbus	175	4	Polk	26	1
Craven	1,069	8	Randolph	799	9
Cumberland	4,652	30	Richmond	263	4
Currituck	22	1	Robeson	368	6
Dare	86	2	Rockingham	340	7
Davidson	1,220	10	Rowan	1,047	10

³⁹ NC Department of Administration, 2018 North Carolina Private Schools Statistics. Available at <https://files.nc.gov/ncdoa/documents/files/Annual%20Conventional%20Schools%20Stats%20Report%202017-2018.pdf>.

⁴⁰ Private School Review, North Carolina Private Schools. Available at <http://www.privateschoolreview.com/north-carolina>.

Davie	65	1	Rutherford	332	8
Duplin	109	6	Sampson	627	6
Durham	4,862	34	Scotland	262	3
Edgecombe	0	0	Stanly	419	6
Forsyth	4,511	22	Stokes	156	3
Franklin	39	2	Surry	121	3
Gaston	2,240	8	Swain	79	2
Gates	0	0	Transylvania	103	4
Graham	0	0	Tyrrell	0	0
Granville	51	1	Union	2,233	13
Greene	92	3	Vance	524	5
Guilford	6,501	34	Wake	18,226	76
Halifax	458	4	Warren	19	1
Harnett	161	7	Washington	0	0
Haywood	107	5	Watauga	133	2
Henderson	953	17	Wayne	1,295	10
Hertford	415	4	Wilkes	202	3
Hoke	115	6	Wilson	994	6
Hyde	24	1	Yadkin	49	2
Iredell	1,190	18	Yancey	62	3
Jackson	186	3			
Johnston	457	7	TOTAL	101,597	757

Source: NC Department of Administration, 2018 North Carolina Private Schools Statistics.

RECENT LEGISLATION AFFECTING PRIVATE SCHOOLS IN NORTH CAROLINA

SCHOOL VOUCHERS, OR “OPPORTUNITY SCHOLARSHIPS”

Section 8.29 of Senate Bill 402 created a voucher program for students who met certain criteria and income thresholds to attend private schools beginning in the 2014-15 school year.⁴¹ In 2015, following a legal challenge, the NC Supreme Court ruled that the program was constitutional, setting the stage for expansion of the program in 2015-16 and likely continued growth in the years ahead.⁴²

The voucher program is overseen by the North Carolina State Education Assistance Authority (SEAA), whose primary mission is to oversee financial aid programs for postsecondary legislation. For a child to be eligible for a voucher, he or she must be a resident of North Carolina, have not graduated from high school, be at least five years old on or before August 31, have a household income that does not exceed 133% of the amount required to receive free or reduced lunch, and meet one of the following criteria:

- was a full-time student attending a North Carolina public school the previous semester;
- received a scholarship grant in the previous year;
- is entering kindergarten or first grade;
- is in foster care; or,

⁴¹ Session Law 2013, Senate Bill 402. Available at <https://www.ncleg.net/Sessions/2013/Bills/Senate/PDF/S402v7.pdf>.

⁴² News & Observer, NC Supreme Court upholds school voucher program. Available at <http://www.newsobserver.com/news/local/education/article28437271.html>.

- adoption was finalized in the past year.

Nonpublic schools that accept school voucher funds must meet some state-mandated requirements, including the following: provide tuition information to the state; conduct a criminal background check on the highest-ranking staff person at the school (not required for teachers); provide information to the voucher recipient's parents on his or her academic progress; administer national grade level tests for third grade and above; disclose some standardized test results and graduation rates for scholarship recipients; and conduct a financial review if the amount of voucher funds received exceeds \$300,000 in a given year.

In the wake of the 2015 NC Supreme Court ruling, the 2015 state budget added \$6.8 million for vouchers in 2015-16 and \$14 million in 2016-17.⁴³ In 2016-17, total support for the state's voucher program reached \$24.8 million. This funded approximately 6,000 vouchers at the maximum grant of \$4,200 per year. In 2017-18 and onward for ten years, the General Assembly appropriated a \$10 million recurring increase per year for the Opportunity Scholarship Program. For 2017-18, the legislature appropriated \$44.8 million for this program and by 2027-28, there will be \$144.8 million public funds appropriated to private schools.

SPECIAL EDUCATION SCHOLARSHIP GRANTS

In 2013, the General Assembly repealed the tax credit for children with disabilities and related funds for Special Education and Related Services, and created a program called the Special Education Scholarship Grants for Children with Disabilities that provided up to \$3,000 per semester for qualifying students to use for reimbursement of tuition and eligible services. To receive a grant, a child with a disability must be under the age of 22, require an individualized education plan, and receive special education services. This program is administered and overseen by the State Educational Assistance Authority (SEAA). Generally, a student's continuing eligibility is reviewed by local educational agencies, specifically school psychologists.⁴⁴ In 2016, the legislature expanded student eligibility and allowed psychiatrists to evaluate children for eligibility. The Appropriations Act of 2016 increased funding by \$5.8 million for these grants which revised the net appropriation to \$10 million.⁴⁵

PERSONAL EDUCATION SAVINGS ACCOUNTS

The General Assembly created Personal Education Savings Accounts (PESAs) with the 2017 Appropriations Act; the program is set to begin in the fall of 2018. Much like the above-referenced school vouchers and special education grants, PESAs are also overseen and administered by the SEAA. PESAs are individual savings accounts that can distribute up to \$9,000/year funded by state taxpayer dollars where the funds are received in the form of a debit card to parents of eligible special education students. Eligible children are those who have a disability and who are otherwise eligible to attend a public school. The General Assembly appropriated \$3 million in recurring state funds for PESAs for 2018-19. Eligible students and their families can use these funds for educational expenses in private schools and home schools. In 2018, the legislature expanded the scope of eligible children and further recognized part-time students in certain nonpublic schools as eligible for up to \$4,500/year per student.

⁴³ NC Supreme Court. Available at <https://appellate.nccourts.org/opinions/?c=1&pdf=33175>.

⁴⁴ Session Law 2013, House Bill 269. Available at <https://www.ncleg.net/Sessions/2013/Bills/House/PDF/H269v7.pdf>.

⁴⁵ Session Law 2016-94. Available at <https://www.ncleg.net/sessions/2015/bills/house/html/h1030v8.html>.

HOME SCHOOLING IN NORTH CAROLINA

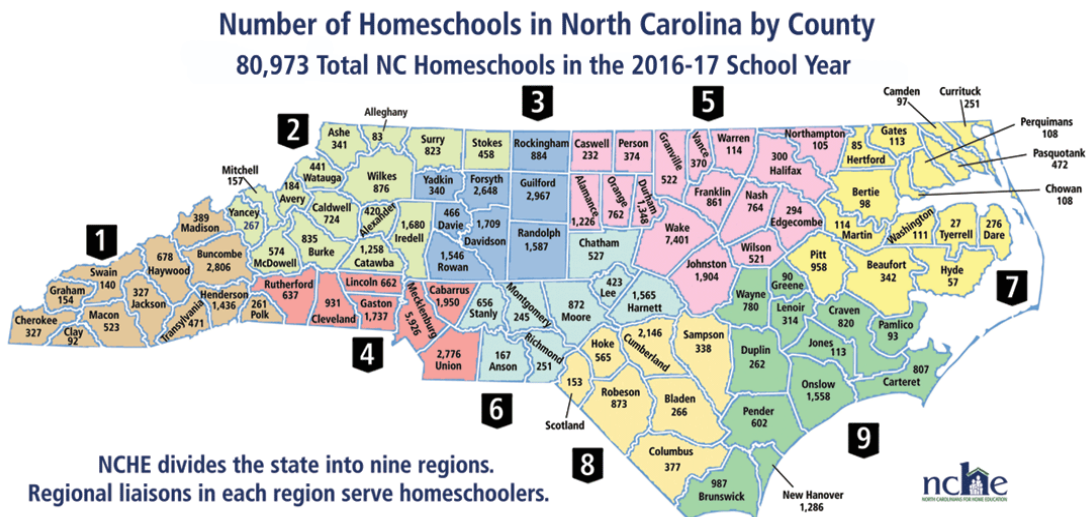
In the school year 2017-2018, there were 86,753 home schools operating in North Carolina serving an estimated 135,749 students.⁴⁶ Of these schools, 58.5 percent identify as religious schools and 41.5 percent identify as independent schools.

Because the Division of Non-Public Education does not record the number of students enrolled at each home school, the total home school enrollment is estimated by the number of home schools and the average number of children per household rate of 1.6.

Parents or guardians residing in North Carolina with at least a high school diploma are permitted to home school their children if they submit a Notice of Intent to the North Carolina Division of Non-Public Education and agree to minimum requirements, including maintaining immunization records, administering a nationally standardized test each year that includes the subject areas of spelling, reading, English grammar, and mathematics, and operate "on a regular schedule, excluding reasonable holidays and vacations, during at least nine calendar months of the year." Home schools in North Carolina are required to elect to operate as either non-religious or religious schools under Part 1 or 2 of Article 39 in the NC General Statutes.⁴⁸

Age	2017-18 Estimated NC Home School Enrollment ⁴⁷
6	11,124
7	12,920
8	10,724
9	11,271
10	11,243
11	11,479
12	11,865
13	11,826
14	11,511
15	12,532
16	10,554
17	8,700
Total	135,749

Home schools have grown dramatically over the last 20 years. In January 1988, there were an estimated 1,046 homeschools in North Carolina. Since then, the number of home schools in North Carolina has grown at an estimated annual growth rate of 14%. As of July 2018, North Carolinians for Home Education estimated there were more than 86,000 home schools in North Carolina.⁴⁹

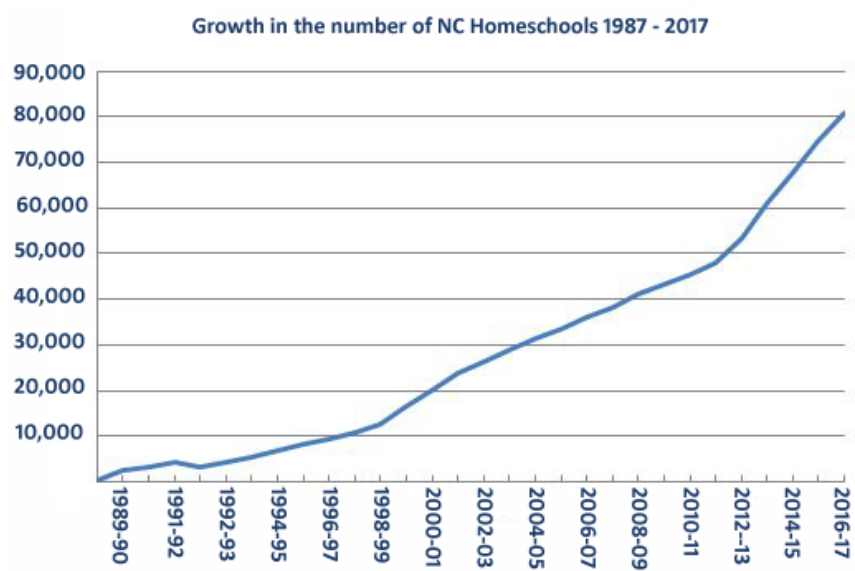


⁴⁶ 2018 NC Home School Statistical Summary. Available at <https://files.nc.gov/ncdoa/17-18%20Home%20School%20Annual%20Report.pdf>.

⁴⁷ 2018 NC Home School Statistical Summary.

⁴⁸ North Carolina General Statutes, Article 39. Available at https://www.ncleg.net/EnactedLegislation/Statutes/HTML/ByArticle/Chapter_115C/Article_39.html

⁴⁹ North Carolinians for Home Educations (NCHHE), Statistics. Available at <https://www.nche.com/stats>.



Source: North Carolinians for Home Educations, Statistics.

RECENT LEGISLATION REGARDING HOME SCHOOLS

The NC General Assembly passed legislation in 2013 amending the definition of home school. SB 189 amended the definition to allow parents, legal guardians, or members of the household to determine the scope and sequence of academic instruction, provide academic instruction, and determine additional sources of academic instruction for the children in the home school.⁵⁰

⁵⁰ Session Law 2013, Senate Bill 189. Available at <https://www.ncleg.net/Sessions/2013/Bills/Senate/PDF/S189v3.pdf>.