



RESOURCE MANUAL FOR 2012 CHARTER SCHOOL APPLICATION

Schools opening in the fall of 2013

Due by 12 noon on Friday, April 13, 2012

North Carolina Department of Public Instruction
NCDPI / Office of Charter Schools
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CHARTER SCHOOL

2012 Application

(2013-2014 school year)

INTRODUCTION

Charter schools provide parents a public school *choice* in the education of their children. As with other public schools in North Carolina, state education dollars are the primary funding sources for charter schools. Charter schools are funded on the basis of per-pupil allotments. Local, state, and federal dollars follow the child to a charter school. The schools have open enrollment with no discrimination, no religious associations, and no tuition. Fees are allowed as long as those fees are congruent with those charged by regular local boards of education to public school students.

Private nonprofit boards of directors govern charter schools. The private nonprofit board is autonomous from the elected Local Boards of Education (LEAs) operating the traditional public school system. Charter schools have several flexible opportunities in their day-to-day operations that do not exist with traditional schools. They have the ability to: purchase off state contract [unless using certain federal funds with requirements placed upon these funds by the federal government, i.e., Race to the Top Funding]; hire non-certified teachers [with percentage limits and in accordance with NCLB criteria]; hire teaching personnel on at-will contracts; and negotiate personnel salaries.

THE CHARTER SCHOOLS ACT OF 1996 and Subsequent Legislation

The Charter Schools Act of 1996 was part of a statewide initiative for educational reform in North Carolina's public schools. The act sought to elicit new ideas, innovations, accountability, choice, competition, and a greater awareness about quality education. It was aligned with the North Carolina State Board of Education's ABC's Accountability Model. The Charter Schools Act inspired change in public education for parents, teachers, administrators, agencies, and legislators.

On June 26, 1996, the Charter Schools Act, NCGS 115C-238.29D(b), was ratified by the North Carolina General Assembly. Originally the North Carolina Charter Schools Act allowed for no more than five new charter schools per district per year and a total of 100 charter schools in the state. In 2011, the NC Legislature removed the limit of 100 charter schools and 5 per district per year from the law. Currently, there is no limit to the number of charter schools the State Board of Education may approve.

Charter schools are governed by federal law, state law, and State Board of Education (SBE) policies.

CHARTER SCHOOL 2012 Application Process

To open a charter school in the 2013-2014 school year

TIMELINE

APRIL 13, 2012	A complete application package must be received in the Office of Charter Schools by 12 noon on <u>April 13, 2012</u> . If the preliminary chartering entity is other than the State Board of Education (SBE), please contact the Office of Charter Schools for guidance.
APRIL 20, 2012	Copy of the application due to the Local LEA.
MAY 11, 2012	LEA Impact Statements due to the Office of Charter Schools
MAY, 2012	Public Charter School Advisory Committee receives applications and begins the process of reviewing applications ahead of their initial meeting.
JUNE/JULY, 2012	The Public Charter School Advisory Committee meets and discusses applications. Candidates receiving the highest ratings will receive interviews.
JULY, 2012	Charter School Advisory Committee interviews candidates and makes recommendations to SBE for preliminary charter school approval.
SEPTEMBER, 2012	SBE votes for applicants which will begin their preliminary planning year training with final approval to be granted in March of 2013.

*The Office of Charter Schools must receive the entirely completed application package no later than **12 noon on April 13, 2012**.*

A copy must be submitted to the LOCAL Board pursuant to G.S. 115C-238.29B(d) within 7 days.

APPLICATION PROCESS

Any individual or group of individuals may apply for a charter school to one of three (3) preliminary chartering entities:

1. the State Board of Education (SBE),
2. the superintendent of the local education agency (LEA), or
3. one of the sixteen (16) campuses of the University of North Carolina System (likely the Dean of the School of Education).

The applicants must have a private nonprofit organization approved by the Secretary of State's Office by the time of the review for preliminary approval by the SBE Charter School Advisory Council. The board of the private non-profit will become the legal entity responsible for the day-to-day operations of the charter school.

An entirely completed application package must be completed and is due in the Office of Charter Schools no later than 12 noon on Friday, April 13, 2012.

The application process involves review and recommendations by the NC Public Charter School Advisory Council of the State Board of Education (SBE). If recommended, the applications are forwarded to the full SBE for approval. In addition, the approval process involves several intermediate steps:

- 1) complete the application,
- 2) submit to the Office of Charter Schools,
- 3) respond to questions as requested, and
- 4) follow through with any other requests.

SELECTION PROCESS

A. Deadline for Filing Charter School Applications.

- (1) Applications for charters that are entirely complete must be received in the Office of Charter Schools, Room 229, 301 N. Wilmington Street, Raleigh, North Carolina, no later than 12 noon on the date specified in the charter school application packet for that year.
- (2) Applications received in the Office of Charter Schools after the deadline specified in (a)(1) shall not be considered.

B. Rejection of Incomplete Applications.

The Office of Charter Schools shall review all timely applications and shall reject incomplete applications.

C. Charter School Advisory Council Responsibilities

The NC Public Charter School Advisory Council (PCSAC) reviews all applications submitted to the State Board of Education (SBE) through the Department of Public Instruction. The PCSAC is composed of members from various organizations and professions. The members of the Advisory Council may be involved in an on-going training process focused on facts, decisions, and

issues related to charter schools. Legal counsel from the Attorney General's Office will always be present at the Advisory Council meetings. The Council and the sub-committees are subject to the *Open Meetings Law* and thus all meetings and interviews are duly publicized and are open to the general public as well as the applicants themselves. All meetings and interviews are audio taped. The PCSAC may establish sub-committees to review applications. The make-up of each sub-committee would be reflective of the diversity of the PCSAC. The staff of the Office of Charter Schools assigns the applications among the sub-committees in order to avoid potential conflict-of-interest issues. Each member of the Council will receive a copy of each complete application submitted prior to the application deadline. The PCSAC will review appeals from applicants that submit to LEA's and are not approved. All approved and appealed applications will be considered for recommendation to the SBE by the PCSAC. The PCSAC may find applications to be incomplete. These applications will not move forward in the application process. Applications meeting all the criteria for a complete application and having workable governance, business, and education plans may then be recommended by the PCSAC to the SBE for final approval.

The PCSAC evaluates each application using rubrics, and interviews all applicants determined to be viable candidates for receipt of a charter. The PCSAC members then vote as to whether each applicant should move forward for consideration and approval by the SBE.

When recommending awards for preliminary charters, the PCSAC may give priority consideration to the applicants who demonstrate potential for significant, meaningful innovation in education.

When determining whether to award a charter, the SBE may consider any factor that it determines will promote the purposes of the Charter School Act, N.C. Gen. Stat. § 115C-238.29A *et seq.*, including but not limited to the extent to which the application:

- (i) Reflects the applicant's commitment to the purposes of the charter school law stated in N.C. Gen. Stat. § 115C-238.29A;
- (ii) Promotes innovation through charter schools;
- (iii) Reflects the applicant's planning, research and understanding of educational issues, including budgeting, financing and accounting;
- (iv) Demonstrates the applicant's commitment to strong governance, including active participation of a large, diverse and locally-based board;
- (v) Contains proper articles of incorporation and by-laws;
- (vi) Contains a sound budget that accurately reflects anticipated revenues and costs; including costs associated with maintenance of the school facilities and projected growth;
- (vii) Describes student admission requirements that comply with N.C. Gen. Stat. § 115C-238.29F(g), including a lottery system that satisfies N.C. Gen. Stat. § 115C-238.29F(g)(6);

- (viii) Describes a sound plan for acquisition and utilization of an adequate facility;
- (ix) Describes a sound five (5) year marketing plan that promotes a diverse learning environment; and
- (x) Any other factor that it determines will promote the purposes of the Charter School Act, N.C. Gen. Stat. § 115C-238.29A *et seq.*

GOVERNANCE

A strong board is conscientious and committed to the mission of the proposed charter school. Each board should maintain a minimum of five (5) members with a cross-section of backgrounds, professions, and experiences that will assist in operations as well as instructional issues. A process for rotation of board members must be included in the application and bylaws listing policies and procedures for length of terms of service and number of succession terms allowed. Three year terms are recommended, with rotating one-third of the board off each year allowing for two-thirds of the board to be experienced and one-third of the board as new members. Each founding board member must submit, with the application, a one-page resume highlighting his or her experiences over the past ten or more years that includes current contact information.

The Board of Directors is legally responsible for all transactions of the charter school. Each board member has the duty to exercise reasonable care when he or she makes a decision as a steward of the organization. A policy on conflict of interest, including statements regarding full disclosure of connections to anyone doing business with the organization, must be included in the application. A board member can never use information obtained for personal gain, but must act in the interest of the school. An organizational chart must show relationships of the board to the school employees, students, and parents. **Conflict of interest should be avoided and exists when the personal or professional concerns of a board member or a staff member affect his or her ability to put the welfare of the organization before personal benefit.** A board member should not participate in any discussions or vote on matters that would affect the transactions between the organization and another party that would benefit them or their personal/professional affiliations. Staff members who have an actual or potential conflict should not be involved in decision-making affecting such transactions.

The application must include a copy of the Articles of Incorporation which have been submitted to the Secretary of State of NC and the by-laws. A proposed charter school must have a federal tax ID number (EIN) prior to opening. The 501(c)(3) tax-exempt status must be obtained by the 24th month after the State Board of Education grants final approval of the charter [NC G.S. 115C-238.29E(b)].

The Board must acknowledge and observe the NC Open Meetings Law by giving proper public notices of all meetings and keeping accurate minutes of those meetings. [See NC Statutes: Chapter 143, Article 33C; G.S., 143:318]. The minutes of the board are to be available to the public at all times.

A private nonprofit corporation must be formed and approved prior to interviews for final approval. Contact the Secretary of State's Office for application information (www.secretary.state.nc.us/corporations/). Usually it takes seven to ten days if all paperwork is in order. Even when a private nonprofit already exists, there may be an advantage of forming a new corporation. Review the pros and cons carefully.

The board must follow principles of effective board leadership in conducting meetings, business practices, financial planning and procedures, and management of school operations. All meetings should be conducted using appropriate board meeting protocol. The work of the board should always keep the mission and vision of the school in focus as decisions made by the board affect the operation of the school, and therefore, the culture of the work environment for teachers and students. The work of the board influences the selection of administration and staff, the operations of the business and finance of the school, and day-to-day operations. It is imperative that the board be well informed regarding Charter School Law, State Board Policy, and operating procedures established by the SBE and implemented by the Department of Public Instruction. (www.ncpublicschools.org/charterschools/policy/).

EDUCATION PLAN

The State Board of Education does not mandate a specific curriculum for a charter school. However, the Essential Standards and the Common Core Curriculum are the basis for the statewide testing program and the Accountability Program. Each school year, every school administers the end-of-grade and end-of-course tests as part of the Accountability Program, therefore, any curriculum program that you select should align with the North Carolina Common Core Curriculum.

The NC Common Core Curriculum can be found on the DPI web-site at www.ncpublicschools.org/academicservices/. Successful charter schools have often relied on the State's curriculum to assist their curriculum developers, administrators and teachers in plans for aligning the school's instructional program with the State Accountability Program. It is important to teach students the skills on which they will be tested. (See accountability information in the next section of this guide.)

In this section of the application, you have the opportunity to inform the SBE of the educational plan that you intend to implement. You should do so in a manner that indicates that the chartering group is knowledgeable and competent to develop an educational plan that will succeed in not producing excellent instructional practice but continual growth in student achievement. The education plan you develop should focus on the mission of your school and the philosophy regarding instructional practices under which you will operate. The plan should include information on what curriculum and/or staff training you will use to accomplish this goal.

If you are developing a high school program, review the SBE policies regarding graduation requirements at the SBE web-site <http://sbepolicy.dpi.state.nc.us/>, or from www.ncpublicschools.org/charterschools/ (the Office of Charter School's web site, SBE Policy Manual). These policies will guide you in planning your curriculum and grading

system among other things. In addition, you may check out courses of study and graduation requirements at www.ncpublicschools.org/curriculum/graduation/.

The school's education plan must include information on the plan for teaching exceptional children. Federal and State laws do not allow schools funded with public dollars to exclude anyone based upon exceptionalities. For information on requirements for instruction of exceptional children see the Charter School Law on the Charter School Office web site and visit the Division of Exceptional Children web site at www.ncpublicschools.org/ec/ or www.ncpublicschools.org/ec/policy/.

ACCOUNTABILITY PROGRAM FOR CHARTER SCHOOLS

Improving student achievement is the goal of public education in North Carolina and the *No Child Left Behind Act* of 2001 (NCLB). Several key parts of NCLB are well aligned with North Carolina's goals. Both the State Standards and NCLB initiatives focus on greater local school accountability for student achievement and staff quality, rewards for success and sanctions for not meeting standards, and flexibility in resource allocation. See www.ncpublicschools.org/nclb/.

The ABCs of Public Education (ABCs) is a comprehensive plan to improve public schools in North Carolina and also includes provisions of the *No Child Left Behind* federal law. The General Assembly passed the ABCs of Public Education legislation in 1995. This law directed the State Board of Education (SBE) to "examine the structure and functions of the state public school system with a view to improving student performance, to increasing local flexibility and control and promoting economy and efficiency." In 1996, the General Assembly gave the State Board the authority to implement the ABCs, including setting student achievement goals.

The ABCs requires the administration of end-of-grade and end-of-course tests. State Board of Education Policy requires all charter schools to administer the same tests as those required in traditional public schools. Each year all eligible students must take required state tests and follow the State testing guidelines.

The following is a list of the State-required tests:

1. End-of-grade tests in reading and mathematics at grades 3–8
2. End-of-grade test in science at grades 5 and 8
3. End-of-course tests in English I, Algebra I, and Biology (English II replaces English I and Math I replaces Algebra I starting 2012-13)
4. *NCEXTEND1*, Alternate Assessment for reading and math at grades 3–8 and 10 and science at grades 5, 8 and 10
5. *NCEXTEND2*, Alternate Assessment for EOG reading and math at grades 3–8 and science at grades 5 and 8
6. *NCEXTEND2*, Alternate Assessment for EOC English II, Biology, and Math I (Starting 2012-13)
7. Additional required tests are WIDA ACCESS Placement Test (W-APT™)1 – Initial Testing for students identified as limited English proficient, ACCESS for ELLs assessment—Yearly assessment for students identified as limited English proficient,

ACT grade 11, ACT PLAN grade 10, ACT WorkKeys grade 12 (when applicable), NCEXTEND1, Alternate Assessment for ACT at grade 11

For additional information, see: www.ncpublicschools.org/accountability/.

The SBE requires schools and school districts implement assessments at grades K, 1, and 2 that include documented, on-going individualized assessments throughout the year and a summative evaluation at the end of the year (see SBE policy GCS-C-016). These assessments monitor achievement of benchmarks in the North Carolina *Standard Course of Study*. They may take the form of the state-developed materials, adaptations of them, or unique assessments adopted by the local school board. Grades K, 1, and 2 assessments should be implemented by all schools. The intended purposes of these assessments are:

- (1) to provide information about the progress of each student for instructional adaptations and early interventions,
- (2) to provide next-year teachers with information about the status of each of their incoming students,
- (3) to inform parents about the status of their children relative to grade-level standards at the end of the year, and
- (4) to provide the school and school district information about the achievement status and progress of groups of students (e.g., by school and grade level) in grades K, 1, and 2.

See the Accountability Services Division web site at www.ncpublicschools.org/accountability/ for a summary chart of all required tests as well as a testing calendar and other pertinent information

BUSINESS / FINANCIAL

Sound financial planning is a cornerstone for the effective and efficient operation of a charter school. Therefore, it is extremely important for the charter school to begin operating with a budget that is supported by fiscally responsible planning. Schools that have run into difficulty have often failed to plan for contingencies. Develop the operating budget for the charter application using local and state funds ONLY. Any other sources of income should be noted, but not included in the basic operation of the school, unless these represent secured sources of funding. Alternate income streams do not represent secure sources until a guarantee is in hand.

The financial plan should include a *projected* budget that is based on the projected enrollment even though budgeted allotments will change from year to year with changes in the local and state per pupil allotments. Calculations must be demonstrated in the space provided in the 2012 application. Federal funds and grants are not predictable for income and expenditure forecasts.

Requests for enrollment increase over 20% and for grade structure changes must be made each year to the LFI Committee through the Office of Charter Schools according to a timetable set by the Committee. The Committee will review all requests for grade

expansion and enrollment increases over 20% to make recommendations to the full State Board of Education. Any changes over 20% must receive State Board approval.

Projections for exceptional children are difficult; however, there must be a commitment from the school not to discriminate. Each year the State collects information regarding the number of children identified as exceptional children on April 1 and, the federal government takes a headcount as of December 1 of each year. The allotment for children with disabilities is based on the actual funding per child for the LEA; however, it takes into consideration the difference in funding if an LEA is above the funding cap.

Note: All exceptional children will be under the requirements of the federal legislation *Individuals with Disabilities Education Act* and State statute *GS 115C-106 Et seq.* The Department of Public Instruction provides additional guidelines and regulations set forth by law and policy for Exceptional Children Services. You may access information and policy regulations at www.ncpublicschools.org/ec/.

North Carolina funds charter schools based upon Average Daily Membership (ADM) under guidelines that have been established by law. The State funds Local Education Agencies (LEAs) through position allotments, dollar allotments and categorical allotments. Charter schools receive money by ADM according to the per pupil expenditure in the LEA, not according to positions or particular funding codes. Some categorical allotments are included in charter school funding and others are not. The categories for funding and the basis of the allotments are listed on the following chart. LEAs are required by State statute *GS 20-88.1* to service all eligible children in driver's education regardless of where they attend school. This includes public, private, home schools and charter schools. Therefore, it is not necessary to budget for driver's education.

Federal categorical dollars such as Title I and the child nutrition (school lunch) program require that the school have information regarding household income. It is best to ask for this confidential information in the initial registration process. The questionnaire should include a statement of confidentiality and an explanation as to why this information is important to the child and the school.

**Public Schools of North Carolina
Schedule of Charter School Funding**

Category Description (Defined in Allotment Manual)	Basis of Allotment			
			Other Funding <i>if Charter School Qualifies</i>	
	Dollars per ADM	Dollars per ADM <i>if LEA Qualifies</i>	Targeted Population	Per Legislation
Academically & Intellectually Gifted	X			
At-Risk Student Services	X			
Central Office Administration	X			
Children with Disabilities			X	
Classroom Materials, Instructional Supplies, Equipment	X			
Classroom Teachers	X			
Disadvantaged Student Supplemental Funding		X		
Instructional Support	X			
Limited English Proficiency (LEP)			X	
Low Wealth Supplemental Funding		X		
Non-Instructional Support	X			
School Building Administration	X			
School Technology	X			
Small County Supplemental Funding		X		
Staff Development	X			
Teacher Assistants	X			
Textbooks	X			
Transportation	X			
Vocational Education - Months of Employment	X			
Vocational Education - Program Support	X			
Behavioral Support			X	
Longevity, Annual Leave, Short-term Disability, Worker's Comp & Unemployment	X			
Federal Programs			X	

FEDERAL GRANTS AVAILABLE THROUGH THE DEPARTMENT OF PUBLIC INSTRUCTION (DPI)

For information regarding eligibility and application process, please visit the website and / or contact the DPI program administrator listed.

www.ncpublicschools.org/docs/fbs/finance/federal/fedgrant.pdf.

DOLLARS PER ADM BASED ON PLANNING ALLOTMENT

FY 2011-12

FY 2006- 07

FY 2011-12

LEA NAME	Adjusted \$/ADM	\$/ADM Local	\$/Headcount*
Alamance-Burlington	4,336.93	\$1,311.07	3,649.02
Alexander County	4,980.84	974.18	4,980.84
Alleghany County	6,248.24	1,610.58	3,629.08
Anson County	5,754.02	1,183.58	3,222.23
Ashe County	5,593.48	1,159.69	2,956.96
Avery County	6,005.32	1,784.99	3,512.03
Beaufort County	4,901.00	1,408.58	3,322.57
Bertie County	6,187.42	1,183.09	3,304.23
Bladen County	5,307.38	1,023.98	3,649.02
Brunswick County	4,525.04	2,056.73	3,649.02
Buncombe County	4,585.70	1,783.37	3,612.88
Asheville City	4,745.74	4,604.80	3,649.02
Burke County	4,688.12	1,051.36	3,048.96
Cabarrus County	4,493.41	1,490.00	3,220.30
Kannapolis City	4,493.41	1,648.66	3,220.30
Caldwell County	4,878.89	1,120.37	3,649.02
Camden County	5,996.36	852.1	3,649.02
Carteret County	4,630.47	2,496.98	3,509.89
Caswell County	5,982.30	720.99	3,533.79
Catawba County	4,494.67	1,437.32	3,649.02
Hickory City	4,702.73	1,580.54	3,649.02
Newton-Conover City	4,535.12	1,609.07	3,649.02
Chatham County	4,466.44	2,435.99	3,468.63
Cherokee County	5,086.38	1,265.68	3,516.47
Chowan County	5,865.19	1,761.78	3,370.12
Clay County	6,320.69	1,028.02	3,356.83
Cleveland County	4,944.20	1,506.47	3,649.02
Columbus County	5,406.50	853.29	3,649.02
Whiteville City	5,514.86	969.96	3,649.02
Craven County	4,547.42	1,141.22	3,649.02
Cumberland County	4519.43	1,440.48	3496.80
Currituck County	4,783.30	2,159.71	3,649.02
Dare County	4,985.17	3,686.42	3,649.02
Davidson County	4,468.24	967.59	3,649.02
Lexington City	4,760.51	1,783.45	3,649.02

Thomasville City	4,904.29	1,682.17	3,649.02
Davie County	4,601.30	1,488.99	3,649.02
Duplin County	5,100.51	879.25	3,649.02
Durham Public	4,532.77	2,881.72	3,648.21
Edgecombe County	5,031.42	959.84	3,649.02
Forsyth County	4,556.90	2,278.68	3,649.02
Franklin County	4,804.88	1,344.62	3,649.02
Gaston County	4,290.86	1,302.52	3,649.02
Gates County	6,543.32	1,226.06	2,642.55
Graham County	6,893.86	739.59	3,649.02
Granville County	4,961.17	1,513.41	3,649.02
Greene County	5,734.67	1,231.80	3,649.02
Guilford County	4,427.29	2,521.93	3,501.88
Halifax County	5,444.58	941.44	3,344.36
Roanoke Rapids City	5,126.16	1,803.15	3,649.02
Weldon City	5,750.79	3,259.26	3,649.02
Harnett County	4,720.56	1,001.16	3,649.02
Haywood County	4,655.32	1,885.62	3,262.78
Henderson County	4,641.14	1,494.19	3,649.02
Hertford County	6,077.41	1,136.72	3,152.89
Hoke County	5,038.54	917.43	3,649.02
Hyde County	10,241.51	2,391.49	3,284.13
Iredell County	4,467.65	1,411.49	3,649.02
Mooreville City	4,295.45	1,640.69	3,649.02
Jackson County	4,878.57	1,995.73	3,222.52
Johnston County	4,743.80	1,572.63	3,434.18
Jones County	7,909.18	1,078.45	3,023.48
Lee County	4,804.91	1,491.14	3,649.02
Lenoir County	4,964.83	1,236.44	3,442.37
Lincoln County	4,422.83	1,369.28	3,649.02
Macon County	4,905.70	1,536.75	3,147.50
Madison County	5,721.82	1,153.03	3,649.02
Martin County	5,755.03	1,558.43	3,537.09
McDowell County	4,961.25	1,088.46	3,389.39
Mecklenburg County	4,360.65	2,332.48	3,649.02
Mitchell County	6,115.39	939.86	2,784.78
Montgomery County	5,078.18	1,414.87	3,494.18
Moore County	4,646.29	1,774.08	3,649.02
Nash-Rocky Mount	4,934.59	1,544.80	3,649.02
New Hanover County	4,474.87	2,631.77	3,649.02
Northampton County	6,015.56	1,425.95	3,649.02
Onslow County	4,347.27	1,469.78	3,649.02
Orange County	4,906.61	3,344.46	3,381.67
Chapel Hill-Carrboro	4,481.30	4,301.06	3,649.02

Pamlico County	6,344.82	1,315.95	2,883.49
Pasquotank County	4,880.99	1,728.43	3,449.08
Pender County	4,480.24	1,355.24	3,649.02
Perquimans County	5,965.52	1,299.70	3,358.93
Person County	4,741.37	1,398.23	3,436.82
Pitt County	4,631.37	1,567.60	3,649.02
Polk County	5,713.19	2,263.39	3,023.77
Randolph County	4,738.00	1,148.98	3,649.02
Asheboro City	4,807.36	1,798.48	3,649.02
Richmond County	5,207.28	988.39	3,649.02
Robeson County	5,180.53	781.73	3,167.87
Rockingham County	5,041.04	1,239.94	3,617.82
Rowan-Salisbury	4,724.36	1,636.51	3,649.02
Rutherford County	4,932.23	1,140.48	3,649.02
Sampson County	5,129.24	927.16	3,649.02
Clinton City	5,042.89	1,292.36	3,649.02
Scotland County	5,549.75	1,544.56	3,078.25
Stanly County	5,061.77	1,339.89	2,873.36
Stokes County	5,108.25	1,355.84	2,651.05
Surry County	4,912.40	1,126.48	3,649.02
Elkin City	5,352.37	1,857.97	3,649.02
Mount Airy City	5,113.77	2,030.48	2,749.69
Swain County	5,797.24	1,006.28	2,958.67
Transylvania County	4,773.79	1,922.65	3,649.02
Tyrrell County	9,958.21	1,314.79	3,288.63
Union County	4,352.85	1,632.06	3,649.02
Vance County	5,132.19	1,235.38	3,430.37
Wake County	4,310.77	2,252.53	3,649.02
Warren County	5,754.72	1,022.79	3,233.42
Washington County	6,472.35	1,429.11	3,616.30
Watauga County	7,884.42	2,490.51	3,149.16
Wayne County	4,771.09	1,108.43	3,466.22
Wilkes County	4,798.03	1,363.17	3,649.02
Wilson County	4,646.69	1,304.09	3,649.02
Yadkin County	4,927.39	1,127.94	3,491.62
Yancey County	5,769.73	1,080.69	3,235.10

HEADCOUNT: Exceptional Children Headcount for Children on record with IEP's. Be sure to include the specific number of exceptional children the proposed charter anticipates serving. This figure is necessary to review the budget for fiscal soundness.

\$\$ per ADM Local: 2006-07: For newer data contact county in which school will be located.

BASE OPERATING BUDGET SAMPLE CALCULATIONS

CALCULATING THE BASE OPERATING BUDGET LOCAL AND STATE FUNDS	<p>The local and state funds are considered the base operating funds for the charter school. The state allocates dollars per child (preceding charts) depending on the county or city school system in which the charter school is located. Local dollars are calculated on the previous year's numbers by dividing the total amount of "Current Expenses" allocated by the county commissioners by the total Average Daily Membership.</p> <p>Below are three examples of calculating the <i>estimated</i> per pupil allocation for the general day-to-day operations of proposed charter schools with a capacity of 100 students. The numbers below are not current, they are Examples Only.</p>
Example: Edgecombe Base Budget	<p>Charter school located in EDGECOMBE County:</p> <p>$\\$ 5,100.51 \times 100 = \\$ 510,050.00$ State Operating Income</p> <p>$\\$ 959.84 \times 100 = \\$ 95,000.00$ Local Operating Income</p> <p>\$ 605,850.00 Total Operating Income</p>
Example: Mecklenburg Base Budget	<p>Charter school located in MECKLENBURG County:</p> <p>$\\$ 4,360.65 \times 100 = \\$ 436,065.00$ State Operating Income</p> <p>$\\$ 2,332.48 \times 100 = \\$ 233,248.00$ Local Operating Income</p> <p>\$ 669,313.00 Total Operating Income</p>
Example: Granville Base Budget	<p>Charter school located in GRANVILLE County:</p> <p>$\\$ 4,961.17 \times 100 = \\$ 496,117.00$ State Operating Income</p> <p>$\\$ 1,513.41 \times 100 = \\$ 151,341.00$ Local Operating Income</p> <p>\$ 647,458.00 Total Operating Income</p>

FACILITIES

When acquiring a facility, many things should be considered. The final selection of a facility should take into account the safety of the facility and how effectively it can be used to educate students. Other considerations include cost for any needed renovation and retrofitting, rent or mortgage payments, and location.

The School Planning Section of the Department of Public Instruction is required to review and provide comments on all plans for additions or renovations to public school facilities, as well as for the construction of new public school facilities for *traditional* local school districts across the state. While the Charter School's Act (NCGS 115C-238.29E (f)) exempts charter schools from that process, the School Planning Office offers equivalent services *upon request* as technical assistance and support to charter school applicants and directors. The *Prototype School Design Clearinghouse* provides online web access to facilities guidelines publications maintained by the Department: www.schoolclearinghouse.org/.

Planning assistance from the School Planning Office includes publications such as the *North Carolina Public Schools Facilities Guidelines*, in which recommendations for all building elements and spaces of schools can be found. School Planning has developed computer-assisted tools for calculating needed spaces and sizes for new schools, based upon anticipated capacity. School Planning evaluates facility needs and provides analysis of specific building or site problems, with priority placed on small and low-wealth school systems. Instruction and guidance are available to assist all units with facility planning and self-evaluation. Current and historical school construction cost information is maintained and made available.

NCGS 115C-238.29F (a) states, "A charter school shall meet the same health and safety requirements required of a local school unit." Such requirements are a function of state and local building codes and are administered by the North Carolina Department of Insurance and local building inspection agencies respectively. Prior to receiving any funds or beginning the first day of school, a certificate of occupancy for educational use must be received by the Office of Charter Schools.

In identifying or planning facilities for a charter school, the following suggested considerations should provide a useful starting point:

- 1) Existing Public School Facility
Obtain verification from the local building inspector that there are no outstanding building code violations for educational occupancy.
- 2) Existing Non-Public School Facility
Obtain verification from the local building inspector that there are no outstanding building code violations for educational occupancy.
- 3) Existing Non-School Facility
Obtain a certificate of occupancy for educational occupancy from the local building inspector. The local building inspector should determine if modifications must be approved by the North Carolina Department of Insurance for building code compliance.

4) New Public Charter School Facility

Consult with the School Planning Section (not required) to review plans. However, plans for facilities of 10,000 square feet or for assembly spaces for 300 or more occupants must be approved by the North Carolina Department of Insurance for state building code compliance. Obtain a certificate of occupancy from the local building inspector.

APPENDICES

SAMPLE CHARTER (not a real charter)

Pursuant to G.S. 115C-238.29A et seq. the North Carolina State Board of Education (hereinafter referred to as “SBE”) grants the _____ a Charter to operate _____, a School (hereinafter collectively referred to as “the School”).

1. Term

The Charter is effective on July 1 of the year that final approval is granted, and shall continue for ten (10) years. It shall terminate June 30 of the last year without further notice from or action by the SBE. (This charter is effective July 1, __, through June 30, __.) The School may apply to renew the Charter pursuant to SBE policies and procedures.

2. Application-Binding

The SBE has reviewed the Application submitted by the School and has approved it subject to adherence to all requirements set forth in this Charter and in the Charter School Act. The Application is fully incorporated in this Charter and all representations and conditions contained in the Application are binding on the School. The School shall immediately submit in writing to the Office of Charter Schools, the SBE and the local board of education in which the School is located, any proposed substantial changes to the Application or the representations or conditions contained in the Application. The SBE reserves the right to reject any proposed changes to the Application once the Application has been approved.

3. Operation of School

The School shall at all times be operated by the board of directors of the non-profit corporation in accordance with G.S. 115C-238.29A et seq. and all other applicable laws and regulations.

4. Compliance With Other Laws

The School shall comply with all applicable federal laws and regulations, including, but not limited to, such laws and regulations governing employment, environment, disabilities, civil rights, children with special needs, transportation, and student records. The School shall also comply with all applicable health and safety laws and regulations, whether federal, state, or local. Neither the SBE nor the local board of education assumes the duty to oversee the operations of the School except as may otherwise be provided by law or separate contract.

Neither the SBE nor the local board is required to monitor the School for compliance with applicable laws and regulations. The School is required to notify parents, students and staff of the School of the provisions of this paragraph.

5. Tax-Exempt Status

The School understands that, pursuant to G.S. 115C-238.29E(b), it is obligated to obtain federal tax-exempt status no later than twenty-four months from the date the SBE gives final approval of its Application.

6. Enrollment

- a. Admission and enrollment of students shall be as prescribed by the Charter School Act. Failure to adhere to the lottery requirements set forth in G.S. 115C-238.29F(g) is grounds for termination of this Charter.
- b. The School shall report (electronically if the School has the means to report through Student Information Management System or other student data information system as designated by the SBE) the names, addresses, names of the legal custodian of the students, addresses of the legal custodian of the students, and Student ID number of all students enrolled, as required by the SBE. On September 1 of each year or following the 20th day Average Daily Membership (hereinafter referred to as "ADM") headcount, whichever is later, the School will provide to the local boards of education from which it is entitled to receive local funds the above information with regard to any students from those districts enrolled in the School. This information will be provided electronically in a Uniform Education Reporting System approved software or system. When a student withdraws from the School, the School shall promptly notify the local board of education responsible for the attendance area in which the student resides so that the local board may fulfill its legal obligation to verify the student's compliance with compulsory attendance laws.
- c. Enrollment numbers in the application are projections, or estimates, and do not bind the State to fund the School at any particular level.

For the first two years of the initial charter the State will fund the school up to the maximum projected enrollment for each of those years as set forth in the application. However, in subsequent years, the School may increase its enrollment only as permitted by G.S. 115C-238.29D(d), that is, an increase of 20% per year based on the previous year's enrollment. Any increase above 20% must be submitted to the Office of Charter Schools and approved by the State Board of Education in accordance with G.S. 115C-238.29D(d).

7. Financial and Governance Warnings

This Charter incorporates by reference, and the School is subject to, State Board Policy TCS-U-006, Policy for Schools on Financial and Governance Noncompliance (effective 04/03/2008), and any subsequent amendments to such Policy. A copy of the Policy may be obtained by contacting the Office of Charter Schools, Department of Public Instruction, Raleigh, NC.

8. Children with Special Needs

- a. As prescribed by the SBE and in accordance with state and federal laws, the School will provide to the SBE the total number of children with special needs, identified in accordance with state and federal laws, enrolled in the School.

- b. The School accepts and understands that for purposes of federal and state law, it is obligated to provide free and appropriate education and related services to children with special needs.

9. Reporting Requirements

The School shall submit such reports as required by the SBE. Failure to submit such reports may be grounds for revocation of the Charter.

10. Technical Assistance

The School may request technical assistance from the SBE in any areas including curriculum matters and financial concerns. In no event is DPI or the SBE responsible for any financial support other than the ADM funding as provided by law.

11. Records

a. Access

Subject to state and federal laws, the local board of education, the SBE, its agents, and the State Auditor shall have the right to examine and copy all records, reports, documents, and files relating to any activity, program, or student of the School.

b. Public Records Law

The School is subject to the Public Records Law, Chapter 132 of the General Statutes. This provision is effective upon the SBE's final approval of the School's Application.

c. Student Records

The School is subject to all the provisions of Article 29 of Chapter 115C, entitled "Protective Provisions and Maintenance of Student Records."

12. Insurance and Bonding

The School shall obtain and maintain insurance at a minimum in the following amounts:

- 1) errors and omissions: one million dollars (\$1,000,000) per claim;
- 2) general liability: one million dollars (\$1,000,000) per occurrence;
- 3) boiler and machinery: the replacement cost of the building;
- 4) real and personal property: the appraised value of the building and contents;
- 5) fidelity bonds: no less than two hundred fifty thousand dollars (\$250,000) to cover employee dishonesty;
- 6) automobile liability: one million dollars (\$1,000,000) per occurrence; and
- 7) workers' compensation: as specified by Chapter 97 of the General Statutes.

These provisions shall not preclude any School from obtaining liability insurance coverage in addition to or in excess of the requirements stated in this section.

13. Health, Safety, Welfare

The School shall adhere to all applicable federal, state, and local health and safety laws and regulations. The School shall grant access to local health and fire department officials for inspection of premises or operations of the School for purposes of ensuring the health, safety and welfare of students and employees.

14. Facilities

Prior to commencing operation of the School, the School shall provide to the SBE a description of the facility, the financing for the facility and evidence from local government inspection authorities that the School's facilities are currently safe (*e.g.*, Certificate of Occupancy for Educational Use). In the event the School subsequently makes substantial changes in its facility or relocates to another facility, it shall comply with the foregoing conditions.

15. Licensed Employees

- a. All employees who hold professional valid licenses issued by the SBE are subject to the rules pertaining to licensed professionals and their licenses may be revoked based on any of the grounds listed in 16 N.C.A.C. 6C. 0312. In addition, licensed administrators are subject to the mandatory reporting requirement if a licensed employee engages in physical or sexual abuse of a child.
- b. Prior to each academic year, and as required by the SBE, the School will report the total number of teachers and the total number of teachers who hold valid licenses who are employed to teach at the School. Failure to employ at least the number of licensed teachers required by law to teach in the School shall be grounds for revocation of the Charter.
- c. The School understands and agrees that it shall not employ, or accept voluntary services from, any individual whose certificate or license has been suspended or revoked by the SBE or any other licensing board or agency on the grounds of unethical or immoral behavior, including improper sexual or physical conduct with children or students. Violation of this provision will result in immediate revocation of the Charter.
- d. In the case of a School employee who is on leave from employment with the local board pursuant to G.S. 115C-238.29F(e) or its successor statute, the School will notify the local board if such employee is suspended, terminated, asked to resign, or otherwise subjected to disciplinary action because of poor performance or misconduct. The School shall cooperate with the local board and shall provide any information requested concerning such employees.

16. Fees

As prescribed by law, the School shall not charge tuition or fees, except that a charter school may charge any fees that are charged by the local school administrative unit in which the charter school is located.

17. Transportation

The School shall provide transportation for students as prescribed by law.

18. Indemnity

The School agrees to indemnify and hold harmless the SBE, DPI, the constituent institutions of the University of North Carolina, and local boards of education, their officers, agents, employees, successors and assigns from all claims, damages, losses and expenses, including attorney's fees, arising out of or resulting from any action of the School caused by any intentional or negligent act or omission of the School, its officers, agents, employees, and contractors.

19. Student Discipline

- a. The School agrees to and shall comply with Article 27 of Chapter 115C of the General Statutes, except as otherwise provided by law or as may be provided by contract entered into with the local board of education.
- b. The School shall comply with all applicable federal and state laws and regulations governing discipline of children with disabilities, including compliance with 20 U.S.C. Sec. 1400 et seq. and Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. Sec. 706(8).
- c. The School shall comply with state and federal due process requirements both in notifying students of conduct for which they may be suspended or expelled and in providing notice and hearing opportunities to students being recommended for exclusion from the School. If the School suspends a student with special needs, it shall continue to provide to the student all continuing education services to the extent mandated by federal and state laws and regulations. In the event the School suspends or expels a student, the School shall promptly notify local School officials in the School district to which the student would otherwise be assigned. Such notification shall include the student's name, special education status, length of suspension/expulsion and the circumstances giving rise to the suspension or expulsion. At the beginning of each School year, the School shall notify all parents/legal guardians that: "[T]he local board may refuse to admit any student who is suspended or expelled from a School due to actions that would lead to suspension or expulsion from a public School under G.S. 115C-391 until the period of suspension or expulsion has expired." (G.S. 115C-238.29B(b)(11)).

20. Instruction

As prescribed by law, the School shall provide a minimum of 185 days of instruction.

21. Criminal Background Checks

The School agrees to conduct thorough background checks on all of its employees. The SBE will conduct criminal history checks as authorized by statute of School personnel responsible for the fiscal affairs of the School. In addition, the SBE may conduct criminal history checks of any School personnel or director when the SBE deems it necessary to protect the financial integrity of the School or when necessary to protect the health and safety of students or employees. Refusal by any individual

to submit to a fingerprint check is grounds for termination of employment and/or revocation of the Charter.

The SBE may consider the refusal of an individual to submit to a fingerprint check in determining whether:

- a. to grant final approval of the Charter application;
- b. to recommend to the School that the individual be denied employment; and/or
- c. to revoke the Charter of the School.

The costs for conducting criminal history checks shall be borne by the School.

22. Open Meetings; Public Records

The School agrees to be subject to the Open Meetings law (Article 33C of Chapter 143 of the General Statutes). This provision is effective upon the SBE's final approval of the School's Application.

23. Assignment

Assignment of the School to another entity is deemed an amendment to the Charter and must have prior written approval of the SBE.

24. Termination of Charter

- a. The SBE may terminate this Charter on any of the following grounds:
 - 1) Failure to meet the requirements for student performance;
 - 2) Failure to meet generally accepted standards of fiscal management;
 - 3) Violation of law;
 - 4) Material violation of any of the conditions, standards, or procedures set forth in the Charter;
 - 5) Two-thirds of the faculty and instructional support personnel at the School request termination or non-renewal; or
 - 6) Other good cause warranting non-renewal or termination.
- b. The following procedures will apply to the termination proceedings:
 - 1) When the Leadership for Innovation Committee and/or The NC Department of Public Instruction shall have sufficient information to initiate termination of a Charter, it shall give the School written notice of its intention to recommend revocation of the Charter. The notice will be sent by certified mail, return receipt requested, and shall state in reasonable detail the grounds for the recommendation. If information available to the Committee and/or The NC Department of Public Instruction indicates that the School's current operation poses an immediate threat to the education, health, safety, or welfare of the School's students or employees or the public, the SBE may take appropriate protective action pending a final decision on the termination of the Charter.
 - 2) If the SBE approves the recommendation of the Leadership for Innovation Committee and/or The NC Department of Public Instruction, notice will again be sent as specified in Paragraph (b) (1).

If the School objects to the termination of the Charter, it must, within ten days following the date on which notice of the SBE's action was mailed, deliver to the Office of Charter Schools a written request for a review by the SBE. If the School fails to deliver a timely request for review, the Charter shall terminate on the eleventh day after the date the notice was mailed. If a timely request for a review is made by the School, the Office of Charter Schools will transmit the request to the appropriate Review Panel appointed by the Chair of the SBE. The Review Panel may review the matter with or without a formal hearing. If the Review Panel elects to conduct a hearing, the hearing shall be held within 30 days of receipt of the written request, unless otherwise agreed to by the parties. At the conclusion of its review, the Review Panel shall submit a written recommendation to the SBE. Unless the SBE and the School otherwise agree, the SBE shall make a final decision at its next regularly scheduled meeting.

25. Status of Parties to Charter

This Charter is not intended to create and shall not be interpreted to create employer-employee, contractor-subcontractor, or principal-agent relationships between or among any party or parties to this Charter. "Parties," for purposes of this paragraph only, include the parties to this Charter as well as the local board of education and the Board of Trustees of any constituent institution of the University of North Carolina. No officers, employees, agents, or subcontractors of the School shall be considered officers, employees, agents or subcontractors of the local board of education, the Board of Trustees of any constituent institution of the University of North Carolina, or the SBE.

26. Agreements with Local Boards of Education

This Charter shall not preclude the School from entering into any agreements with the local board of education; provided, no such agreements shall supersede or override any provision of this Charter.

Notice

Any notice the School is required or permitted to submit under this Charter shall be delivered to:

**Director, Office of Charter Schools
Department of Public Instruction
MSC 6303
Raleigh, NC 27699-6303**

All faxes sent by the School shall be followed by hard copies postmarked within the next business day of the fax transmittal.

27. Severability

If any provision of this Charter is determined to be unenforceable or invalid for any reason, the remainder of this Charter shall remain in effect, unless the Charter is revoked or relinquished.

28. Non-Endorsement

The School acknowledges that the granting of a Charter in no way represents or implies endorsement by the SBE of any method of instruction, philosophy, practices, curriculum, or pedagogy used by the School or its agents; nor does the granting of this Charter constitute a guarantee by the SBE of the success of the School in providing a learning environment that will improve student achievement.

29. Legislative Action

This Charter and any amendments to it and renewals of it are subject to applicable laws enacted by the General Assembly and shall be deemed amended to reflect applicable changes to those laws. Upon repeal of the statutes authorizing this Charter, this Charter is null and void.

FOR THE SCHOOL: _____
(School Name)

This _____ day of _____ 20__

(Print Name of Board Chair/ President)

(Signature of Board Chair/President)

Sworn to and subscribed before me this _____
day of _____, 20__.

(Official Seal)

Notary Public
My commission expires _____, 20__.

FOR THE STATE BOARD OF EDUCATION:

This _____ day of _____ 20__

(State Superintendent)

(Signature of State Superintendent)

Sworn to and subscribed before me this _____
day of _____, 20__.

(Official Seal)

Notary Public
My commission expires _____, 20__.

Checklist for Completion:

NOTE: Please follow these completion and submission guidelines.

CHECKLIST FOR SUBMISSION (With Requirements)	<i>Due no later than 12 noon on Friday, April 13, 2012.</i>
<i>--Required Content</i>	<ul style="list-style-type: none"> _____ Title/Cover page (Do not use OCS Title Page) _____ Table of contents (Do not use OCS Table of Contents) _____ Basic Information _____ Governance including all sub sections _____ Private Nonprofit Corporation Documentation from NC Secretary of State _____ Mission, Purposes, and Educational focus _____ Education Plan including all sub sections _____ Business Plan including all sub sections _____ LEA impact Statement _____ Signature Page
<i>--Format & Duplication</i>	<ul style="list-style-type: none"> _____ Do not skip or leave any section blank. Complete sections where they are located in the application, <u>do not complete them as an appendices, present in the order of the application form!!</u> _____ Do not use "same as the school district" _____ Type single spaced pages, recommended font; Arial or Arial Narrow 12 pt. _____ Use white letter-sized paper (8.5 x 11) _____ <u>Do not</u> use binders, notebook, staples, tabs, etc. Use a binder clip or rubber band. _____ Number all pages consecutively (examples: 1 of 23 or 9 of 75, bottom right corner) _____ Identify proposed school by <i>name at the top of all pages</i>
<i>--Mailing & Submission</i>	<ul style="list-style-type: none"> _____ Obtain original Board Chair signatures on one original copy and submit _____ Submit six (6) copies two-sided duplicated copies _____ Submit directly to the Office of Charter Schools _____ Include an electronic version on DVD or flash drive using MS Word for Windows _____ Keep one extra copy for the school's file _____ Submit by signature receipt mail or by hand delivery _____ Obtained a receipt signature (if hand delivered) _____ Mail/deliver application to be received prior to deadline _____ Submit copy to LEA within seven(7) days of submission to OCS and obtain receipt
	<p>Note: The 501 (c)(3) status not necessary at this time</p>
	<p><i>Failure to submit a complete application with all components will result in immediate disqualification.</i></p>

RESOURCES

Searching the internet will offer a wealth of information related to the charter school movement, not only in North Carolina, but also across the nation. Search sites specifically established for those in the charter school community and more general education and policy sites.

North Carolina Department of Public Instruction - DPI's web site offers access to charter school information, legal and board policy information, financial and business data, exceptional children's requirements, licensure and many other topics.

www.ncpublicschools.org

1. State Board of Education
www.ncpublicschools.org/stateboard/
2. Office of Charter Schools
www.ncpublicschools.org/charterschools/
3. Financial and Business Services
www.ncpublicschools.org/fbs/
4. Exceptional Children Division
www.ncpublicschools.org/ec/
5. Teacher Licensure
www.ncpublicschools.org/licensure/
6. Educator Recruitment and Retention
www.ncpublicschools.org/recruitment/
7. Federal Programs
www.ncpublicschools.org/federalprograms/
8. Testing and Accountability
www.ncpublicschools.org/accountability/
9. Transportation Services
www.ncbussafety.org/NCLaws.html
10. Curriculum
www.ncpublicschools.org/curriculum/
11. Effective Practices
www.ncpublicschools.org/best_practices/resources.html
12. Healthy and Safe Schools
www.nchealthyschools.org/components/schoolenvironment
13. United States Department of Education
www.charterschoolcenter.org/
www.ed.gov/programs/charter/
14. North Carolina General Assembly
www.ncga.state.nc.us