CHARTER SCHOOLS (PRC 036)

PROGRAM REPORT CODE: 036
UNIFORM CHART OF ACCOUNTS CODE: XXXX-036-XXX
STATUTORY REFERENCE: GS 115C, Article 14A
SL 2001-424, Section 28.20
SL 2020-97 Section 3.1(1)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provides state funding to charter schools based on the students attending the school.
ELIGIBILITY: All charter schools approved by the State Board of Education.
FORMULA:

Funding for an existing charter school is based on the dollars per ADM of the LEA in which the school is located. Funding for new charter schools is based on the dollars per ADM of the LEA in which the student is, or would be, currently enrolled. The total number of public-school students attending a new charter school will reduce an LEA’s initial allotment.

An LEA’s initial allotment is also reduced for existing charter schools growing over their planning ADM. LEAs are held harmless and will not have their allotment reduced for the following categories: Central Office Administration and School Building Administration.

A charter school will have 34% of its Initial Allotment available to "draw down" after the General Assembly adjourns.

After the 1st month ADM is submitted, allotments will be recalculated and an additional 34% of the allotment will be made available to the charter school. Note: charters in good financial standing may receive the full annual allocation. Charter schools in financial disciplinary noncompliance may receive their funding in monthly installments.

Unless noted in the exceptions below, charter schools with a two year history of accurate projections shall be funded at the higher of

1. 2021-22 actual month 1 ADM and
2. 2022 Phase II final ADM projection as reported in the CSADM system by the charter school, not to exceed the allotted 2021-22 ADM

All other charter schools shall be funded at the higher of
1. 2021-22 actual month 1 ADM and
2. the prior year funded month 1 ADM

Exceptions
a) Virtual charter schools shall be funded based on current year month 1 membership last day and adjusted for month 5
b) Schools serving students at risk of dropping out, as approved by the SBE, shall be funded on Month 5 ADM
c) For schools that were not open in 2019 or 2020, the school shall be funded based on the higher of 2020-21 and 2021-22 actual month 1 ADM, not to exceed the legal maximum.

No charter school shall be funded for an average daily membership greater than is permissible by law.

A charter school is deemed to have a history of accurate projections if the projection provided by the charter school in the CSADM system Phase II final Projection was within 2% or 20 ADM of funded ADM in either 2019 or 2020, and the difference between the projection and funded ADM in both 2019 and 2020 did not exceed 10% of the projection.

For schools that were not open in 2019, the 2020 year will be the only year used for this assessment

The final 32% of the allotment will be distributed prior to the end of February.

After 1st month ADM adjustments, a charter school can request additional funding if it has significant growth (20% or more) in months two through four. Requested ADM must be verified and be within the charter school's maximum. The state contingency reserve will be used to fund the prorated increases within funds available. Please refer to the Charter School Financial Guide for instructions for this process.

In addition to the state funding based on dollars per ADM, a charter school may receive Children with Disabilities and Limited English Proficiency funding if they qualify. These special funds plus the dollars per ADM funding are distributed under PRC 036.

Charter schools which have 50% or more students that qualify for free and reduced priced lunch program may apply to the DPI Office of Charter Schools for a Charter School Transportation Grant for the reimbursement of up to sixty-five percent of the eligible student transportation costs incurred by the school each semester.

SPECIAL PROVISIONS:

1) During the first 60 school days, if a child with disabilities was included in the prior fiscal year April 1 child count and leaves or returns to an LEA from a charter school, the prorated share of funds allocated for that child will be adjusted. In order to initiate the transfer of funds, the LEA or charter school receiving the students must complete the appropriate
transfer request forms by the 10th of the month following the month the child transferred. Children with Disabilities' transfer requests are sent to the School Allotments Section. Please refer to [www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units#forms](http://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units#forms) for the Children with Disabilities Child Count Transfer System. Notification must include the student's name (first, middle last), PowerSchool number, birth date, the LEA or charter school from which the child came, the date the student transferred, and the beginning date of the current school year.

2) A charter in its third year of operation or longer that is in good financial and governance standing, shall receive the balance of its total allocation in the second installment.

3) Funding for 1st Month ADM increases will be reduced from the LEA in which the charter school resides if the LEA is declining in ADM after second month. If the LEA is increasing in ADM after the second month, the funding will come from the Contingency Reserve.

4) Charter schools will receive an allocation of fines and forfeitures based on dollars per allotted ADM in PRC 036. Unspent funds will revert June 30.

5) Funding allotted to purchase diagnostic devices in accordance with the Excellent Public Schools Act (SL 2012-142 Part VII A) must be used to purchase diagnostic devices.

6) Charter School Staff may participate in the Digital Learning Staff development of the LEA in which they are located.

7) Charter Schools, if awarded, will receive funding for Resource Officers for Middle Schools in PRC 036.

8) Charter schools awarded Transportation Grant funds pursuant to SL2021-180, administered through the Office of Charter Schools, shall receive the awarded reimbursement in PRC036, not to exceed $100,000.

9) For charter schools, which have been approved by the State Board of Education to serve students who are at risk of or have dropped out of high school, either in the prior year or during the current year, shall be funded based on 5th month ADM. These schools have specialized programs to encourage these students to re-enroll in school and assist them until they have graduated.

10) Charter Schools must have a valid Certificate of Occupancy on file with the Office of Charters before any funding can be released for the fiscal year.

11) Virtual Charter School Pilots - Virtual Charters are funded based on a dollars per ADM excluding Low Wealth and Small County. The school is funded based on month 1 and month 5 Membership Last Day.
SMALL COUNTY AND LOW WEALTH SIGNING BONUS FOR TEACHERS (PRC 062)

PROGRAM REPORT CODE: 062
UNIFORM CHART OF ACCOUNTS CODE: XXXX-062-XXX
STATUTORY REFERENCE: SL 2021-180 Section 7A.5.(a)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provides funds to eligible LEAs for signing bonuses to eligible teachers and instructional support personnel.

ELIGIBILITY: LEA that receives at least one of the following in current fiscal year:
   (a) Small County Supplemental Funding (PRC019)
   (b) Low Wealth Counties Supplemental Funding (PRC032)

FORMULA: This is a guaranteed allotment for eligible LEAs.

SPECIAL PROVISIONS:
1) To be eligible for the signing bonuses, an employee must meet all of the following criteria:
   a. Accepts employment as a certified teacher or instructional support position with an eligible LEA for the current fiscal year;
   b. Was not employed by the eligible LEA in the prior fiscal year;
   c. Is employed by the eligible LEA as of October 1 of the current fiscal year
2) LEAs are required to match bonus payments on the basis of $1.00 State funds to $1.00 local funds, up to $1,000 in State funds. No State or Federal funds (including ESSER funds) may be used to satisfy the matching requirement.
3) A teacher who receives a signing bonus through this PRC is ineligible to receive another signing bonus through this PRC or through a similar enactment of the General Assembly until June 1, 2024, at the earliest. This exception does not apply to any legislatively mandated bonuses received by teachers that are not signing bonuses.
4) The signing bonuses awarded to eligible employees shall be in addition to any regular wage or other bonus a teacher receives or is scheduled to receive.
5) The signing bonuses are not subject to retirement contribution related to Retirement System for Teachers and State Employees.
TRANSPORTATION RESERVE FUND FOR HOMELESS AND FOSTER CHILDREN (PRC 081)

PROGRAM REPORT CODE: 081
UNIFORM CHART OF ACCOUNTS CODE: XXXX-081-XXX
STATUTORY REFERENCE: SL 2021-180 Section 7.12.(b)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: To provide funding to cover extraordinary transportation costs for homeless and foster children.

ELIGIBILITY: LEAs and charter schools

FORMULA: LEAs and charter schools interested in receiving funds must submit applications for funding.

Allocations must be approved by the State Board of Education prior to allotment.

SPECIAL PROVISION:
1) In determining extraordinary transportation costs, the Department must consider total prior-year transportation expenditures for homeless and foster children, including expenditures from local funds and all other funding sources, as a proportion of total expenditures.
2) Priority shall be given to applicants in proportion to the extent that their applications and prior-year expenditures demonstrate the use of available Federal funds to cover the cost of transporting homeless and foster children.
3) Awards shall not exceed fifty percent (50%) of extraordinary transportation costs.
4) For the purposes of this program, “homeless” is defined in accordance with the definition in the McKinney-Vento Homeless Assistance Act.
**SCHOOL RESOURCE OFFICER SAFETY GRANTS (PRC 039)**

**PROGRAM REPORT CODE:** 039  
**UNIFORM CHART OF ACCOUNTS CODE:** XXXX-039-XXX  
**STATUTORY REFERENCE:** SL 2018-5, Section 7.27(e)  
SL 2021-180 Section 7.19

**TYPE:** Dollars  
**TERM:** July 1 - June 30  
**PURPOSE:** This account provides funding to public school units for local administrative units, regional schools, and charter schools for school resource officers in elementary and middle schools:  
A. School resource officers in elementary and middle schools;  
B. Grants for students in crisis;  
C. Grants for training to increase school safety; and  
D. Grants for safety equipment in schools

**ELIGIBILITY:** All LEAs, charter schools, and regional schools public school units are eligible for SRO grant funding. Applications will be judged on need-based considerations which include small-county, low wealth, and school crime rate factors.  
All PSUs are eligible for grants B, C and D under Purpose.

**FORMULA:** LEAs-PSUs must submit applications for funding. The State Superintendent shall approve the awards prior to allocation.

**SPECIAL PROVISION:**

**A. School Resource Officers**

1) State School Resource Officer funding for Middle Schools must be matched on the basis of two dollars ($2.00) in state funds for every one dollar ($1.00) in local funds.  
2) School Resource Officer grant funds for charter schools will be allotted in PRC 036. Funds for regional schools will be allotted in PRC 038.  
3) Public school units may use these funds to employ school resource officers in elementary and middle schools, to train them, or both. Training shall be provided, in partnership with the public school unit, by a community college, a local law enforcement agency, or the North Carolina Justice Academy. Any training shall include instruction on research into the social and cognitive development of elementary school and middle school children.  
4) Funds cannot be transferred in or out of this category.
B. Grants for Students in Crisis
   1) Grants will be provided to public school units to contract with community partners to provide or pay crisis services, pursuant to SL2021-180 Section 7.19(e)
   2) DPI shall not use more than $350,000 for Grants for Students in Crisis.

C. Grants for Training to Increase School Safety
   1) Grants will be provided to public school units to contract with community partners to address school safety by providing training to help students develop healthy responses to trauma and stress.
   2) Training funded by the grants must be evidence-based and shall any of the services in SL2021-180 Section 7.19(f):
   3) DPI shall not use more than $350,000 for Grants for Training to Increase School Safety.

D. Grants for Safety Equipment
   1) Grants will be provided to public school units for:
      a. The purchase of safety equipment for school buildings.
      b. Training associated with the use of safety equipment purchased using the grant funds.

E. General Provisions
   1) Grants provided to public school units pursuant to these programs shall be used to supplement and not to supplant State or non-State funds already provided for these services.
   2) Funds may not be transferred in or out of this category.
   3) $100,000 of the funds appropriated may be used by DPI for administration of the grants.
FEMININE HYGIENE PRODUCTS GRANT PROGRAM (PRC 088)

PROGRAM REPORT CODE: 088
UNIFORM CHART OF ACCOUNTS CODE: XXXX-088-XXX
STATUTORY REFERENCE: SL 2021-180 Section 7.22

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: To provide grants of up to five thousand dollars ($5,000) to public school units to provide feminine hygiene products for students in those units.
ELIGIBILITY: All public school units
FORMULA: PSUs shall apply for funding. Grants shall be awarded on a first-come, first-serve basis with the maximum amount received by any PSU not to exceed $5,000.

SPECIAL PROVISION:
1) No public school unit may receive more than one grant.
2) Funds may only be used for the purpose of the grant.
SUPPLEMENTAL FUNDS FOR TEACHER COMPENSATION (PRC 071)

PROGRAM REPORT CODE: 071
UNIFORM CHART OF ACCOUNTS CODE: XXXX-071-XXX
STATUTORY REFERENCE: SL 2021-180 Section 7A.12

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: To provide funds to eligible LEAs to provide salary supplements to teachers and instructional support in those units.

ELIGIBILITY: LEAs within eligible counties.

An eligible LEA located in whole or in part in a county that has an adjusted market value of taxable real property of less than:
- $40,000,000,000 in 2021-22
- $41,400,000,000 in 2022-23

FORMULA: The formula for allotment is as follows:

1) Calculate a county allocation for each eligible county using the following steps:
   a. Determine the composite value for each eligible county. The composite value is the sum of:
      i. The taxable real property factor for the county [the median adjusted market value of taxable real property\(^{(1)}\) in the State divided by the adjusted market value of taxable real property of that county] multiplied by 65%.
      ii. The median household income factor for the county [the median household income\(^{(2)}\) in the State divided by the median household income for that county] multiplied by 25%.
      iii. The effective tax rate factor for the county [the effective tax rate for that county divided by the median effective tax rate in the State\(^{(3)}\)] multiplied by 10%.
   b. Determine the supplement factor for each eligible county. The supplement factor is the composite value (calculated in Step a) multiplied by the number of State-funded certified teachers and instructional support personnel employed in a school in a LEA in the county.
   c. Determine the county allocation factor for each eligible county by dividing the supplement factor for the county (calculated in Step b.) by the sum of all supplement factors for the State. Distribute the appropriation for the counties for Supplemental Funds for Teacher Compensation based on this factor.
d. Per teacher funding cap: The allocation by LEAs shall not exceed $4,250 per State funded teacher and instructional support. Determine a per-teacher funding amount by dividing the county allocation amounts by the total number of State funded teachers and instructional support, employed in 6th pay period of the prior year, in all eligible LEAs in that county. The county allocation shall be adjusted to ensure that the per teacher allocation does not exceed the cap.

e. For counties that have multiple LEAs within its borders, the allocation of the county shall be distributed to the LEAs based on the total number of State funded teachers and instructional support, employed in 6th pay period of the prior year. For LEAs that cross county lines, the allocation shall be determined based on the LEA in which the majority of the students are located.

Definitions

(1) Adjusted market value of taxable real property is the county’s assessed taxable real property value, using the latest available data published by the Department of Revenue, divided by the county’s sales assessment ratio determined under G.S. 105-289(h)

(2) Median household income for the most recent 12 months for which data is available as used in G.S.143B-437.08

(3) The effective tax rate is the actual county tax rate multiplied by the most recent annual sales assessment ratio

SPECIAL PROVISIONS:

1) Allocation of salary supplements among teachers, instructional support and qualifying school administrators within each eligible local school administrative unit, including whether a qualifying teacher, instructional support or school administrator receives a salary supplement and the amount of the supplement provided to that person, shall be determined in the discretion of the local board of education or governing body of the eligible public school unit.

2) No individual salary supplement shall exceed the per-teacher funding amount awarded to that unit. This maximum does not include benefits.

3) Certified personnel eligible to receive supplemental funds from these funds:
   a. Teachers
   b. Instructional support
   c. Assistant principal who are paid based on the teacher pay per G.S.115C-285(a)(8)
   d. Principal who are paid based on the teacher or assistant principal pay per G.S.115C-285(a)(8a)

4) Charter schools, lab schools, ISD and regional schools located in eligible counties shall receive a per pupil share in their respective PRCs. PSUs receiving funding are encouraged to provide salary supplements to teachers and instructional support personnel.

5) A LEA that receives funds under program shall use the funds to supplement and not supplant non-State funds provided for salary supplements for teachers and qualifying administrators. No funding under this PRC shall be provided to LEAs which has reduced
the average local salary supplement provided to teachers, instructional support or qualifying school administrators in the prior school year.

6) All supplements are considered compensation for retirement contribution purposes.
ADVANCED TEACHING ROLES (PRC 022)

PROGRAM REPORT CODE: 022
UNIFORM CHART OF ACCOUNTS CODE: XXXX-022-XXX
STATUTORY REFERENCE: SL 2018-5, Section 7.9
SL 2021-180 Section 7.38

TYPE: Dollars
TERM: July 1 – June 30th
PURPOSE: To develop and support highly effective teachers. Also, to increase the access to effective and highly effective teachers for students in low-achieving and high-poverty schools relative to their higher-achieving and lower-poverty peers.

ELIGIBILITY: The State Board of Education shall establish a three-year pilot program to develop advanced teaching roles and organizational models that link teacher performance and professional growth to salary increases in selected local school administrative units for classroom teachers.

FORMULA: A team of NCDPI and external reviewers used the scoring criteria listed in the RFP to rate each proposal. By December 15 annually, the State Board of Education shall select LEAs to participate in the program for the subsequent school year. Selected LEAs must meet minimum criteria established by the State Board of Education.

Awards shall be prioritized for the following categories of LEAs:

A. Up to five LEAs with an average daily membership from the previous school year of 4,000 or fewer students.
B. Up to five LEAs with an average daily membership from the previous school year of between 4,001 and 20,000 students.
C. Up to five LEAs with an average daily membership from the previous school year of 20,001 or more students.

Funds may be awarded up to but not more than two terms of the program.
SPECIAL PROVISIONS:

1) Allow highly effective classroom teachers to teach an increased number of students by assuming accountability for additional students, by becoming a lead classroom teacher accountable for the student performance of all of the students taught by teachers on that lead classroom teacher's team, or by leading a larger effort in the school to implement new instructional models to improve school-wide performance.

2) Enable local school administrative units to provide salary supplements to classroom teachers in advanced teaching roles. Selection of an advanced teaching role classroom teacher and award of related salary supplements shall be made on the basis of demonstrated effectiveness and additional responsibilities.

3) Enable local school administrative units to create innovative compensation models that focus on classroom teacher professional growth and student outcomes.

4) Utilize local plans to establish organizational changes related to compensation in order to sustain evidenced-based teaching practices that have the capacity to be replicated throughout the State.

5) Pursuant to SL 2020-78, the State Board of Education shall authorize LEAs participating in the program to use any available State funds to provide salary supplements to classroom teachers in an advanced teaching role as long as the LEA complies with policies of the State Board of Education, federal law, and any State programs with specific restrictions on the use of funds, including bonus and grant programs. This budget flexibility is subject to the flexibility limitations identified in G.S. 115C-105.25(b) and in the SBE policy on the “ABC Transfer of Funds”.

6) A LEA that received an initial award of State funds may apply to the State Board of Education for an award of State funds for a second term of up to three years.

7) State funds shall be used for any of the following purposes, as defined by the State Board:
   a) Development of advanced teaching role plans.
   b) Development of professional development courses for teachers in advanced teaching roles that lead to improved student outcomes.
   c) Transition costs associated with designing and implementing advanced teaching role models, including employing staff members or contractors to assist with design and implementation of the plan.
   d) Development of the design and implementation of compensation plans that focus on teacher professional growth and student outcomes and the transition costs associated with designing and implementing new compensation plans, including employing staff members or contractors to assist with design and implementation of the plan.

8) With the approval of the State Board of Education, Advanced Teaching Roles schools may exceed the maximum class size requirements for kindergarten through third grade during any term of up to three years in which the State funds are awarded to the LEA where the school is located. At the conclusion of the term, any class size flexibility approved for an Advanced Teaching Roles school shall expire.