

NC's Path Towards Privatization

Privatization of public schools refers to efforts by policymakers to shift public education funds and students into the private sector where too often profit-motivated actions derail the goals of education. The efforts to privatize education have the potential to destroy our traditional public school system as vital resources have been siphoned from already cash-strapped public schools and reallocated to charter schools and to private and faith-based schools via school vouchers. Tax dollars that would otherwise be invested in local public school systems are instead being spent on private schools or for-profit entities. Other key strategies used to erode public education's success are the systematic underfunding and understaffing of schools and enacting legislation that undermines and disrespects the teaching profession and places limits on local control of schools. Over a decade of poor pay and working conditions has damaged our teacher pipeline making it difficult to recruit and retain teachers. Attacking school boards and teachers is another way privatizers attempt to weaken the public's confidence and support for our public schools. Research shows that privatization does not improve student outcomes or the overall quality of educational services nor save money. Privatization efforts in NC began in earnest in 2011, and the results of the last decade have been devastating to NC's once nationally recognized and respected public school system.

<p>Teaching Fellows program cut From 2011–2017, NC's nationally acclaimed teacher education scholarships were eliminated. Strong public reaction led to a "new" smaller, less robust version in 2018.</p>	<p>2011</p>	<p>Lawmakers lift charter school cap Allowed explosive growth in charter schools across NC, despite research showing that charters increase costs and racial segregation with little to no academic benefit.</p>
<p>NCGA slashes education budget \$800 million in state education funds cut starting in 2012–13. About 2,282 teaching positions lost yet student enrollment increased; per pupil funding fell to fourth lowest in the U.S.</p>	<p>2012</p>	<p>Local calendar flexibility restricted NCGA mandated a start date no earlier than the Monday closest to 8/26 with an end date no later than the Friday closest to 6/11. Districts not allowed waivers; charter schools exempted.</p>
<p>Teaching profession debilitated Budget caps lifetime salary for teachers at \$50K and eliminates their career status and due process rights. Stopped longevity pay and master's pay.</p>	<p>2013</p>	<p>Private school vouchers begin Sold to the public as a way for low-income children to escape "failing schools," NC begins its voucher program with \$15M while the 2013 budget spent \$500M less on public education than in 2008.</p>

<p>NC teacher pay ranks 46th in the US Tax Cuts for the wealthy and corporations prioritized over teacher pay – a dramatic shift from the early 2000s when NC was recognized for gains in education and ranked as high as 19th in teacher pay.</p>	<p>2014</p>	<p>A-F school letter grades come to NC Due to a flawed formula of 80% test scores & 20% growth, grades significantly correlate with poverty rates and unduly affect the image of schools in the community. Bipartisan attempts to correct the formula have failed.</p>
<p>Budget kept at recession level despite growth 7,000 state-funded teacher assistants lost since 2008. Nearly 70% of teachers receive no salary increase, continuing to harm veteran teachers.</p>	<p>2015</p>	<p>Voucher funding increases 129% Increases by \$6.8 million in 2015-16 and \$14 million in 2016-17. Total taxpayer dollars for vouchers in 2015- 16 is \$17.6 million and \$24.8 million for 2016-17.</p>
<p>Innovative School District created Low performing schools would have to close or let the state take over. Only one school was forced into the ISD program. Run by a for-profit, out-of-state charter company, the ISD shut down in failure in 2021.</p>	<p>2016</p>	<p>Virtual charter schools opened Despite evidence of failure in other states, NCGA awarded K-12 Inc. & Connections Academy contracts to enroll up to 1,500 students in K-12. Their for-profit structure rewards enrollment, not student success.</p>
<p>Class Size Chaos NC lawmakers limit K-3 class sizes without providing funding for extra classrooms and teaching positions. Schools were forced to limit specials and overfill grades 4-5 classes. Public outcry forced some temporary relief in the 2018 budget.</p>	<p>2017</p>	<p>Education Savings Account Vouchers ESAs provide voucher funds for students with disabilities to attend private schools, even if those schools do not have experience teaching students with disabilities or cannot provide all needed services.</p>
<p>Municipal charter schools allowed Law passed allowing four majority white suburbs in Mecklenburg Co. to fund & run their own district schools with taxpayer money – setting a dangerous precedent of secession from a more integrated, county-wide system.</p>	<p>2018</p>	<p>Taxpayer \$ for vouchers triples in 3 yrs Increased from \$15M in 2013 to \$55M in 2018; projected to be at \$145M by 2027. Over 90% of taxpayer dollars spent on school vouchers go to private religious schools-75% biblically based curriculum.</p>

<p>Failing virtual charter contracts renewed The NCGA renewed contracts for K-12 Inc. & Connections Academy through 2024 despite both these schools being low performing where students failed to meet annual growth goals set by state since they opened.</p>	<p>2019</p>	<p>Increased funding for charters and vouchers Though traditional public schools perform as well or better than charters & private schools, by 2019 cumulative funding for charters & vouchers are \$5B and \$1.2B respectively while traditional schools remain underfunded & understaffed.</p>
<p>Voucher funding, eligibility expanded Income eligibility cap raised, allowing families of four making \$75,000/yr to access. Sold to the public in 2013 as a program for low-income households, the NCGA has expanded eligibility every subsequent budget cycle.</p>	<p>2020</p>	<p>Charters rules change to speed growth Allowed to expand one grade level each year without approval regardless of student outcomes. Fast-track application added and planning year eliminated. Continue to increase segregation by race and income.</p>
<p>Vouchers expanded again Income eligibility raised to \$85,793/yr for a family of four, nearly median income per Census (\$88K). Personal Education Student Accounts for Children with Disabilities increased to allocate from \$9k to \$17K.</p>	<p>2021</p>	<p>New budget continues to underfund schools Despite a \$9B budget surplus, Leandro Plan still not fully funded, master's pay not restored, Pre-K waiting lists grow. Cutting corporate tax rate to 0% by 2030 puts education funding at greater risk in future.</p>
<p>Court reverses Leandro funding decision The NC Supreme Court ordered Leandro funding for years 2 & 3 on Nov. 4th. Elections held on Nov. 8th resulted in a new court majority signaling they would not comply with the order.</p>	<p>2022</p>	<p>Teaching starting salary 45th in Nation Average teacher salary is about \$10,000 less than the national average (34th). Top salary on the pay schedule, including National Boards bonus, is \$60,480 after 25 years. Between 15-24 years, the schedule is fixed = zero growth.</p>
<p>Flawed A-F school grading system Since school grading started, the 80% test scores & 20% growth formula has been widely criticized. Bipartisan bills to improve the formula continue to fail; the formula remains the same.</p>	<p>2022</p>	<p>Voucher funding & eligibility increase again \$56M added to the base allocation for vouchers, boosting the annual increase to \$15M, keeps \$500K/yr for marketing vouchers. Income eligibility was raised again allowing more families to qualify.</p>

<p>Inflation negates teacher pay increases Teacher salaries rise by 4% 2023/3% 2024, but inflation offsets the increase. Overall NC teacher pay ranks 36th nationally with new teacher pay ranking 46th. Enrollment in teacher education programs drops over 30% in 10 years.</p>	<p>2023</p>	<p>Experienced teachers penalized Budget lacks incentives for educators with 15+ years. The smallest increase (\$1880) over 2 years for teachers with 15-24 years of experience. Teachers with 25+ years receive \$1950 over 2 years.</p>
<p>Voucher funding expands w/no real accountability Massive voucher expansion allocates >\$500M/year by 2031-32. Some testing required, but it doesn't align with NC standards. No public financial reporting is necessary, and private schools can discriminate in admissions.</p>	<p>2023</p>	<p>Universal private school vouchers Income limits on vouchers removed, now even millionaires can receive taxpayer-funded vouchers. Previous public school attendance is no longer required making all private school students eligible. Funds \$1M marketing budget to recruit voucher students.</p>
<p>"Parents' Rights" legislation Creates a time-consuming mandate to post lesson plans, classroom resources, library books students select, etc. for parental inspection. May require teachers to reveal LGBTQ+ students' status to parents, eroding trust in public schools & educators.</p>	<p>2023</p>	<p>Budget neglects vulnerable students Despite a surplus, Leandro funding for vulnerable children is ignored. Pre-K class size increased. Large Pre-K waiting list remains. No funding plan for universal Pre-K or free school meals.</p>
<p>Charter school expansion accelerates New laws to relax app requirements, moving new approvals from State Bd. of Ed. to a new board; majority appointed by NCGA. Charters can accept more students with few growth limits and can apply to be a regional/ statewide virtual academy.</p>	<p>2023</p>	<p>New charter laws further undermine public schools Counties can now use property taxes for charter schools. Now impact on school districts not considered in the approval process. Allows admission priority for selected preschools. Out-of-state & foreign-exchange students not accepted with tuition payments.</p>
<p>NO new teacher pay increases in 2024 budget despite high inflation. Smallest increase (\$820/yr.) goes to those teaching 15-24 years. Teachers with 25+ years receive \$950/yr. increase.</p>	<p>2024</p>	<p>Massive voucher expansion Adds millions in voucher spending to total \$616 million in 2024-25 funding all voucher applicants, even wealthy families. By 2033-34, NC will be spending nearly \$1 BILLION/year on vouchers.</p>

<p>Charter school oversight The Charter Review Board has sole authority to approve/deny charter applications, renewals, & material changes (Lt. Governor, 8 members picked by NCGA, & 2 by NC Bd. of Ed who are charter supporters).</p>	<p>2024</p>	<p>Legislature strips powers from incoming State Superintendent After the election, Superintendent power to appeal decisions of the Charter Schools Review Board removed ending all checks on CSR's authority. The Center for Safer Schools was moved from NCDPI to the NCSBI.</p>
<p>Leandro funding delayed again Legislative leaders file suit to halt Leandro funding. NC Supreme Court hears oral arguments in Feb. but no ruling in 2024. It has been 30 years since the Leandro suit was filed; continued delays have left generations of children without the educational resources they need.</p>	<p>2024</p>	<p>North Carolina spends ~\$5,000 less per pupil than national average NC spends \$11,777 in state/local revenue per student in K-12 (30% below national average of \$16,131 per student). (ELC: <i>Making the Grade 2024 Report</i>)</p>

NC'S National Rankings

Avg. Teacher Starting Salary ¹ #42

Avg. Teacher Salary ¹ #38

Teacher Pay Gap 74 cents ^{1,2}

Ave. ESP Earnings ^{1,3} #39

Per Student Spending ¹ #38

Funding Effort ^{4,5} #49

Cost Adj. Per Pupil Funding ⁴ #48

Funding Distribution ^{4,6} #12

1. NEA
2. Compared to comparable college-educated professionals
3. Educational Support Personnel
4. ELC: Making the Grade 2024
5. Amount of GDP spent on public education
6. Additional funding for high poverty schools

Voucher Overview: The pattern of education spending in other voucher states is unmistakable. Private school voucher programs are initially proposed as limited in size and scope, then grow as existing programs are expanded, and/or additional voucher programs are established. This results in greater and greater amounts of public funding diverted to private educational institutions and private corporations. At the same time, funding for public schools and the vulnerable students who attend them in these states has decreased. Although direct cause and effect is difficult to prove, the bottom line is clear: As states transfer millions of dollars to private hands, there are fewer available state resources for projects that serve the public good, from mass transit to public parks, libraries, and schools. Voucher programs, even with significant expansion during the last one to two decades, still serve only a small percentage of the nation's children. Nearly 90 % of PK-12 students in the U.S. continue to attend public schools. Yet this expansion in voucher programs is nevertheless cause for substantial concern, particularly in districts with heavy usage of vouchers. The financial consequences of vouchers in such districts can be severe. Even when students with vouchers leave public schools for private schools, the fixed costs involved in running public school systems remain unchanged. In addition, the children with the greatest needs, who, in turn, require the greatest resources, in large part remain in the public schools.

In addition, private school voucher programs can have the effect of exacerbating racial and socio-economic segregation particularly among Catholic and other religious private schools. Black-white and Latino-white segregation is greater among private schools than public schools. White students are more racially isolated in private schools than public schools. Policymakers must consider the origins of vouchers and their impact on segregation and support for public education. No matter how well intentioned, widespread voucher programs risk exacerbating segregation and inequity leaving the most vulnerable students and the public schools they attend behind.