

## Overview

Rural schools play an important role in their communities, serving many functions beyond education. They serve as “[anchor institutions](#)” that provide stability and support when communities face difficulties such as natural disasters or economic downturns. “The public school system remains a constant — inherently connected to the community, offering refuge during challenging times, and creating fertile grounds for growth.” Given their prevalence and importance, rural schools merit more attention than they have previously been given. They often act as the center of social, recreational and cultural life in their communities. In addition, public schools provide jobs in rural areas. In North Carolina, public schools are the [top employer](#) in 54 out of 100 counties and one of the [top three employers](#) in 91 counties.

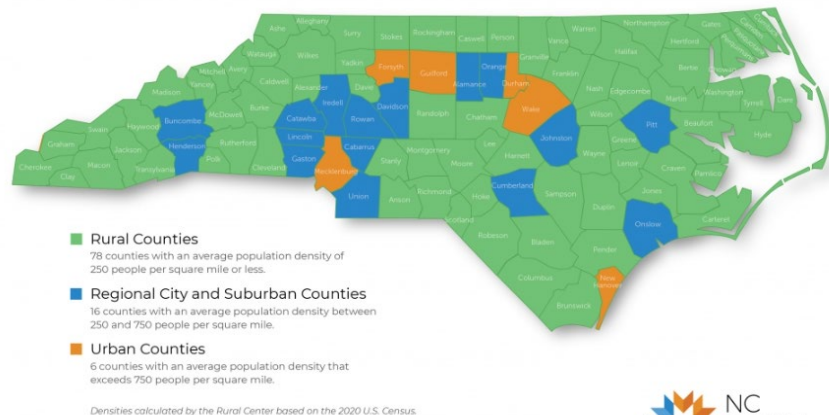
Because of their small size, rural schools are often overlooked by researchers and policy analysts. However, according to a [report from the Center for Public Education](#), approximately one-half of school districts, one-third of schools, and one-fifth of students in the United States are located in rural areas, which [the Census](#) defines as “all people, housing, and territory that are not within an urban area.” The Census expands on this definition by classifying Urbanized Areas as having 50,000 or more people, and Urban Clusters having between 2,500 - 49,999 people.

North Carolina is home to 481,044 rural students, the [second largest rural student population](#) in the United States, after Texas. [Eighty of North Carolina’s 100 counties are rural](#). Approximately [42 percent](#) of schools in the state are rural schools, with more than one in three students attending school in a rural district.

The [Why Rural Matters 2023 report](#) found that, following the COVID-19 pandemic, many rural districts “are currently facing multiple crises in terms of educational loss, economic outcomes, unemployment, and mental health.” It listed NC as one of the [highest priority states](#) for improving rural education, based on educational outcomes, policies, demographics and college readiness. The report states that, compared to rural peers in other states, North Carolina’s students are more likely to live in an impoverished household and attend “a racially diverse school located in a community where many families live below the federal poverty line and have moved residences within the last 12 months.”

In early 2020, a [bookkeeping alteration](#) at the Education Department that changed how school districts determine the number of students living in poverty nearly resulted in more than 800 schools losing thousands of dollars from the Rural and Low-Income School Program. Previously, despite the law mandating that poverty data be based on Census information, the department had allowed schools to use the percentage of

## NORTH CAROLINA COUNTIES





# *The Facts on Rural Schools in North Carolina*

students who qualify for free and reduced meals to determine the number of students living in poverty. While this particular change was [reversed](#) due to immediate bipartisan backlash, rural schools need lawmakers to consistently prioritize equitable school funding strategies.

Starting in March of 2020, the federal government [increased funding](#) for public schools across the nation to help address the COVID-19 pandemic. However, the almost \$190 billion to which public schools had access for the last several years [ended in September 2024](#) leaving districts with much smaller budgets. Beginning in 2024, the budgets in rural districts may [decrease by an average of \\$2,000](#) per pupil because of this reduction. Further damaging rural schools is the adoption of private school voucher programs by legislators in many states, which damage rural schools by diverting necessary funding and support for students.

## **Leandro and Rural Schools**

In 1994, parents, students, and school districts in five low-wealth, rural NC counties filed a lawsuit (*Leandro v. State*) alleging that students in these counties were denied their right to a sound basic education under the NC constitution. The case affirmed that inequitable and inadequate school funding bars access to a sound and basic public education, particularly for students of color and those from families with low incomes.

The NC Supreme Court [ruled in 2002](#) that the State must provide “resources necessary to support the effective instructional program” after [finding](#) that students’ rights to a sound, basic education were being violated. The Court also extended the required remedy beyond the initial five districts to a statewide remedy after finding that the legislature had failed to provide adequate funds across the state. On November 4, 2022, the NC Supreme Court mandated that the Legislature allocate funding for years two and three of the Comprehensive Remedial Plan (Leandro Plan). However, in February 2023, Senate President Phil Berger and House Speaker Tim Moore filed a lawsuit seeking to overturn this funding requirement. Oral arguments for the case were presented before the NC Supreme Court on February 22, 2024, but as of January 2025, a ruling had not been released.

## **Challenges for Rural Schools**

While rural schools are invaluable to their communities, they face many challenges. Poverty, healthcare, underfunding, academic performance, teacher recruitment and retention, misrepresentation, broadband access, and privatization are some of the most glaring challenges public schools face. These challenges must be addressed by policymakers to ensure that rural schools thrive, and rural students succeed in and out of the classroom.

### **Poverty**

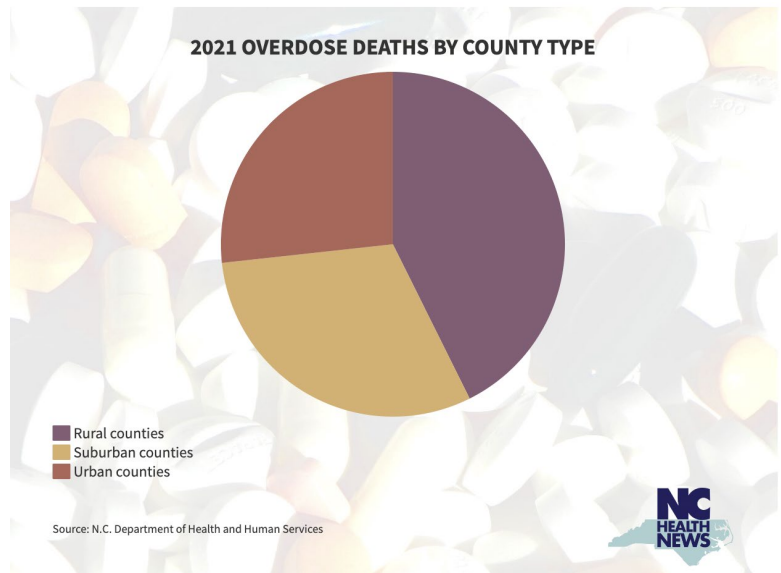
One challenge for rural schools is the high level of poverty found in many rural communities. In NC, nearly one in six rural students lives in poverty. Rural students make up [34.5 percent](#) of the state’s student population. A [report conducted by the Center for Public Education](#) found that approximately 44% of rural students attend high-poverty schools. Children living in poverty face a number of [educational disadvantages](#):

- Food, housing and energy [insecurity](#)
- [Poor nutrition](#) and inadequate healthcare
- Longer recovery period from an illness

- Less access to enrichment activities outside of school
- Academic readiness gaps due to fewer summer and other out-of-school resources
- More likely to drop out of college or [never attend college](#)

## **Healthcare**

Lack of access to health care is another challenge for low-income households. North Carolina has seen eight [rural hospitals close](#) since 2010. In NC's rural areas, there is a significant shortage of primary and behavioral health care providers. In 2021, rural counties made up [roughly 43%](#) percent of deaths caused by drug overdoses across the state. Additionally, residents who live in rural counties in NC are 40% more likely to not have health insurance than residents living in urban counties.

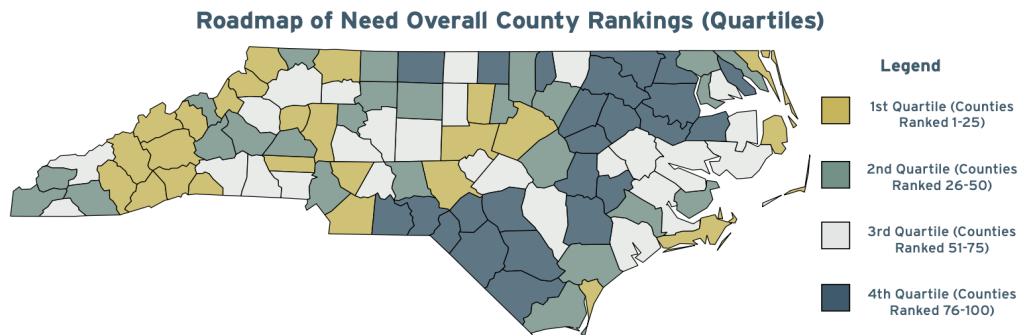


On December 1st, 2023, Governor Roy Cooper's and the NCGA's decision to expand Medicaid and extend health care coverage to over 600,000 North Carolinians [took effect](#). However, the [NC Rural Center found](#) that "From 2020-2023, growth in rural North Carolina accelerated to 2.7 percent, adding almost as many people in just three years as in the previous decade." As more and more residents move into rural communities, it will be increasingly important to ensure that every member of these communities has affordable access to healthcare. Rural students are often at a distinct disadvantage from their more affluent peers. Students from high poverty backgrounds need support and extra resources to make up for the educational resources and opportunities they are not afforded.

## **Underfunding**

Despite the Education Law Center deeming NC "progressive" in terms of education [funding distribution](#), a significant challenge rural public schools face is underfunding. While rural schools in NC [spent a similar amount](#) per student in 2024 as was spent by non-rural schools, the [Education Law Center's 2024 report](#) found that NC's per-pupil funding level ranks 48th in the U.S and was \$4,868 below the national average, meaning rural students are still not receiving the resources and support that they need.

In a 2023 [Roadmap of Need](#) report created by the Public School Forum of North Carolina, researchers used quartiles to rank counties by financial need, with a large portion of the counties ranked in the highest need quartile (4<sup>th</sup> quartile) in the eastern part of the state.



Additional consequences of underfunding in rural schools include:

- A greater tax burden on lower wealth counties than on higher wealth counties because the tax base is smaller.
- Growing teacher shortage due to years of underinvestment and stagnant salaries.
- Difficulty attracting talent due to fewer resources available for students and teachers.
- Loss of choice of electives due to funding issues.

## Academic Performance

[Data reveals](#) that rural schools consistently produce math end-of-grade test scores that fall below the state average across all grade levels. Catherine Truitt, the former NC Superintendent of Public Instruction, [commented that](#) “North Carolina teachers in rural areas often do not have access to a robust network of peers in their grade level and subject area.” Teachers in rural districts are left without the same support as teachers in urban and suburban districts across the state, which puts undue pressure on these educators.

## Educational Outcomes

	FAIR	SERIOUS	CRITICAL	URGENT	RANK
<b>HS grad rate rural advantage</b>					<b>20</b>
				NC	RANK
				18.0	31
				15.3	30
				-0.032	21
				-0.064	16
				-1.1%	9

Additionally, “[Why Rural Matters](#)” states that, in North Carolina, “instructional spending on students is low, and the state is one of the few places where rural students graduate high school at a lower rate than their non-rural peers.” A [report by](#) myFutureNC, showed that counties in urban North Carolina in 2022 had a 46% postsecondary enrollment rate, while non-metropolitan rural counties had an enrollment rate of 38%.

## Teacher Recruitment and Retention

Schools in rural North Carolina often struggle with teacher shortages and retention. The most recent [State of the Teaching Profession in North Carolina](#) (2022-23) report from NCDPI found that the teacher attrition rate was at a [record high](#) of 11.45% statewide and that teachers with fewer than three years of teaching experience (beginning teachers) had the highest attrition rate (15.10%).

Teachers and principals in rural districts often [lack access](#) to high-quality, relevant professional development opportunities, as they may live far from the location of such events, and the programming may not be relevant to the needs of rural schools. Accordingly, rural teachers may face professional isolation. For educators who did not grow up in the communities where they work, the [geographic isolation](#) of rural areas can be challenging as well. Moreover, because staff sizes in rural schools are often quite small, teachers and principals may be asked to take on additional roles and responsibilities, such as building administration or bus driving.

In 2023, the percentage of rural households without broadband internet access in NC was 14.8%, which is higher than the US average of 13.4%. [Why Rural Matters](#) lists access to broadband internet as a “critical” issue in rural communities.

## Access to Supports for Learning and Development

### Percent of rural households without broadband access



NC  
14.8%

US  
13.4%

FAIR	SERIOUS	CRITICAL	URGENT	RANK
				16
			NC	RANK
Students per psychologist/school counselor			281	24
Percent of rural households without broadband access			14.8%	13
Percent of rural school-aged children without health insurance			5.3%	27
Percent rural enrollment in public preschool			27.5%	15
Percent of rural gifted/talented who are female			49.8%	24

The NC Rural Center [lists expanding access](#) to affordable high-speed broadband as one of the most pressing issues facing rural residents. According to the [North Carolina Department of Information Technology](#), “At least 1.1 million households in North Carolina lack access to high speed internet, cannot afford it, or do not have the skills needed to take advantage of the digital economy.” This gap puts these residents at a disadvantage in schools and in today’s job market. Over [90% of jobs](#) in NC require digital skills; home internet access helps students learn the technological skills necessary to make meaningful contributions in an evolving workforce.

Lack of broadband internet access disproportionately affects residents of rural communities. [\*Examining Gaps in Digital Inclusion in North Carolina\*](#) found that, in 2019, approximately one in five or 21.4 percent of people, living in rural communities in North Carolina lacked access to broadband internet. [Data also shows](#) that “nearly 16 million residents of non-metropolitan counties in the United States—those areas farthest from larger towns and cities—lacked access to broadband internet at home in 2019. More than one in three, or 36.7 percent, of rural residents did not have high-speed internet access at home.” It is imperative that



residents of rural areas in North Carolina and nationwide have access to broadband internet to give them a fair shot and mitigate the disadvantage rural students face when compared to their metropolitan peers.

## **Misrepresentation**

Rural schools are often met with preconceived notions at the policymaking level. For example, while rural communities are viewed as [overwhelmingly white demographically](#), the share of people of color in rural communities nationwide climbed from [20% in 2010 to 24% in 2020](#) according to U.S. Census data. Furthermore, the [largest concentration](#) of Black people outside of cities is in the rural South.

Another misconception about rural communities is that rural educators [lack the knowledge](#) and resources necessary to succeed in educating students. Rural schools often face teacher shortages and lack qualified and experienced teachers due to high turnover rates. However, the teachers who do stay at rural schools have valuable skills and unique knowledge that should be recognized on a policymaking level. These misconceptions result in policymakers [overlooking the cultural capital](#) (knowledge, skills, education, and advantages) of rural educators, resulting in those communities being underrepresented in the development of textbooks, teacher training plans, and education policies. Rural communities are [rarely represented in teaching materials and curricula](#), creating a gap in students' ability to see themselves in professions and settings outside of their personal contexts.

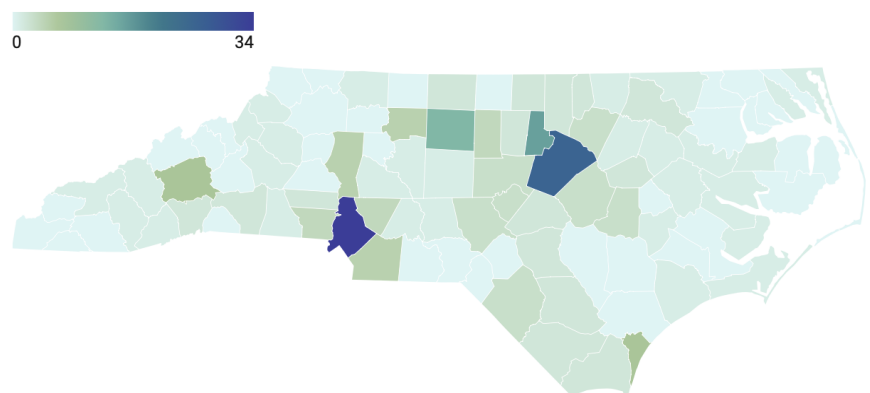
Lastly, the notion that [rural students underachieve](#) in the classroom causes their academic success to be overlooked by policymakers and researchers. Nationwide data shows that, until the third grade, rural students routinely have [higher math and reading scores](#) than their urban peers. However, a factor causing these higher scores to fade as rural students progress through school is the [few summer learning opportunities](#) they are given. Rural communities cannot afford to be misrepresented, as educators and policymakers are unable to adequately address student needs without understanding the student's themselves, the communities they reside in, and the needs that must be met for them to succeed.

## **Privatization**

Although they are public schools and are free to attend, charter schools are included as part of the privatization movement because North Carolina charter school laws allow private operators to make millions from managing, owning, and operating charter schools.

Since the North Carolina General Assembly lifted the 100-school cap on charter schools in 2011, the number of charter schools in North Carolina has [nearly doubled](#). (View an interactive map of the number of charter schools

**Number of Charter Schools by County for the 2024-25 School Year**



There are 210 charter schools in operation in NC

Map: PSFNC • Source: NCDPI • Get the data • Created with Datawrapper

by county [here](#).) The expansion of charter schools is causing [significant financial strain](#) in rural school districts. Rural schools run on smaller budgets than urban schools and thus have little room for a reduction of funds. As students leave traditional public schools for charter schools, fewer students remain in the traditional public schools.

State law mandates that per pupil funding allotted by the state follows the student to the charter school. So, when a student leaves a traditional public school for a charter school, that per pupil funding follows the student to the charter school. This diverts money from already underfunded traditional public schools, with greater impact in rural areas. Furthermore, when students leave district schools and take allotted funding with them, fixed costs such as building maintenance and repair do not decrease and schools are left scrambling to make up for the loss.

## Number of Voucher-Accepting Schools by County for the 2024-25 School Year



Approximately 25% of NC private schools do not accept vouchers.  
Map: PSFNC • Source: [NCSEEA](#) • [Get the data](#) • Created with [Datawrapper](#)

Voucher programs divert local tax dollars to largely unregulated private schools. Taxpayers do not see how the money is used or who is spending it, and there are few to no standards private schools must adhere to compared to public schools. In many rural communities, there are no private school options, so the state support that is going to voucher programs instead of public schools pulls funds out of rural communities and directs them to counties with private schools. (View an interactive map of the number of voucher-accepting schools by

county [here](#).) In rural communities, this loss of funding for traditional public schools is acutely felt. In addition, vouchers and charters both drive increasing segregation as middle class, mostly white students leave their district schools. This “white flight” phenomenon has been exacerbated by the expansion of both charter schools and the private school voucher program. The solution for meeting the needs of rural schools is adequate funding and eliminating privatization schemes.

## Attempts at Reform

Rural schools face unique and complex challenges. Funding disparities between rural and urban communities mean fewer resources and opportunities for rural students. However, popular reforms can [actually impede success](#) in rural areas, as policymakers often do not have experience in rural areas. Their proposed reforms reveal a lack of consideration of the particular issues facing rural schools. Instead, nationwide and state-specific reforms should target rural areas. As shown in [Why Rural Matters](#), more access to psychologists and school counselors and expanded gifted and talented programs for rural students are needed. A continuing initiative to drive up internet access for rural households is also required to give rural students and their families an equitable chance at success in the classroom and workforce.

## **School Closures or Teacher Replacement**

Reform policies that require school closures or large-scale replacement of teachers, such as those promoted under the No Child Left Behind Act, are impractical in rural areas, where local schools are often major employers. Such policies could put many people out of work and the community would suffer from the destabilized job market. Additionally, because rural schools already suffer from teacher shortages, it would be difficult to fill many of the vacancies left by mass teacher dismissals.

## **Possible Solutions**

*Rural Education at a Glance*, published by the U.S. Department of Agriculture's Economic Research Service shows that higher levels of educational attainment are associated with better economic outcomes in rural areas. As the workforce becomes better educated, the area can attract more local businesses and expand the tax base desperately needed to support rural schools.

Rural schools can:

- **Embrace place-based education.** Place-based education is a way of teaching that integrates standard curriculum requirements with local resources, history and nature. It allows community partners, the natural environment, and local history to shape instruction. Place-based education has been found to increase test scores across subjects and improve students' critical thinking and attitudes toward learning.
- **Foster strong relationships with other districts** to pool resources and knowledge.
- **Join teacher networks** to allow for more sharing among educators. More experienced teachers in the network can support rural teachers in curriculum design, enabling rural teachers to teach high-level classes.
- **Engage area universities** to develop "grow your own" teacher education programs to get more students into the rural teacher pipeline.
- **Partner with businesses and higher education institutions** to provide students real-world learning opportunities or dual enrollment courses.

Lawmakers and policymakers should:

- **Direct more attention to rural schools** and provide adequate resources to help attract, train and retain quality teachers in rural areas.
- **Adjust funding formulas** to factor in rural school funding gaps and address rural schools' need for funds to cover increased transportation costs and technological infrastructure.
- **Support place-based and "grow your own" teacher education programs** that support students who wish to teach in their own hometowns, and ensure school leaders have specialized training to deal with the specific issues facing rural districts.
- **Develop a plan** to ensure all students can connect to the internet outside of school.



## **Conclusion**

Rural schools face many challenges that require widespread advocacy and legislative action to remedy. Rural communities possess many attributes that often result in their public schools needing more funding and aid than suburban and urban schools. To ensure the health, opportunity, and success of rural students, teachers, administrators and staff, policymakers at all levels must make rural education a top priority. We must continue to advocate and push for legislation that helps rural schools and gives them the resources necessary to enrich their community and provide students the opportunity to succeed.

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**Last Updated: February 2, 2025**