



Huntersville Educational Options Committee Charter Review

Shannon Stein, Superintendent
Lake Norman Charter
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What makes a Charter School?

- Public, tuition-free school open to ALL students in NC
- Unique mission with some regulatory freedom to support that mission
 - Same state assessments and additional accountability expectations
 - Can lose charter (i.e. be closed down)
- Independent, non-profit school board
- No capital funding
- Provide high-quality instruction from teachers who have the autonomy to design a classroom that fits their students' needs
- Administrators & teachers have the flexibility to create a school culture that fosters student performance and parent satisfaction



Why was there a need for LNC?

- ▶ Limited options for middle school in north Mecklenburg county (1996)
- ▶ Concern about rapid growth not being addressed by local school system and lack of student personalization

How did the school form?

- ▶ Parent-driven effort
 - ▶ Developed application
 - ▶ Put up personal collateral for start up funds
- ▶ Application and Interviews



Lake Norman Charter's Mission

Lake Norman Charter School provides a rigorous and comprehensive educational environment to develop students with a focus on college readiness, leadership, and social responsibility.

Lake Norman Charter's Core Values

At Lake Norman Charter, the student body, parents, community, and staff cultivate a unique culture of partnership, trust, safety and pride. Together, we are LNC.

LNC provides and supports a challenging academic curriculum, empowering each student to realize her or his full academic potential.

LNC delivers a comprehensive educational environment, enabling personal growth through participation in extra-curricular activities, athletics, community service, and LNC's Leadership in Action Program.

LNC believes in the importance of global diversity and inclusivity, celebrating and embracing both what we have in common as well as what makes each of us unique.

LNC reveres honor, high expectations, and responsible citizenship.

Lottery & Waitlist

- Annual lottery is held in February for enrollment for the following school year. Preference given to siblings of current students or HS graduates, as well as staff members' children per state law.



Lottery Statistics for 2018-2019 Year

Grade	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Totals
Returning Students	4	96	96	93	0	0	185	190	197	185	203	193	192	1634
Sibling Applicants	51	17	10	24	87	84	21	21	16	35	25	8	1	400
Non-sibling Applicants	1080	514	474	484	586	619	624	386	410	476	235	145	40	6073
Siblings Accepted	51	1	2	7	81	76	10	5	7	26	7	0	0	273
Non-siblings Accepted	40	0	0	0	10	118	0	0	0	0	0	0	0	168
Staff Members' Children	5	3	2	0	9	6	3	3	0	0	1	1	0	33
Grade Level Total	100	100	100	100	100	200	198	198	204	211	211	194	192	2108
Total # Applicants	1131	531	484	508	673	703	645	407	426	511	260	153	41	6473



School Demographics & Data

Current Student Demographics

- ▶ 946 students from Huntersville (45%), 2273 from Huntersville wait-listed
- ▶ 12% receiving some type of accommodations or specialized services (ESL, EC, 504, etc.)
- ▶ 32% minority student population

(Hough HS=23%, Bailey MS=24%, Bradley=47%, Huntersville ES-34%, Torrence Creek ES=33%, Barnette ES= 35%, Grand Oak ES=17%)

Grade	Total # in Grade	Asian	African American	Caucasians	Hispanic	2+ Race Categories	Minority %
K	100	10	11	62	12	5	38%
1	100	10	14	67	2	7	33%
2	100	9	13	61	8	9	39%
3	100	13	14	61	4	8	39%
4	99	9	13	65	8	4	34%
5	199	22	19	123	16	19	38%
6	198	17	20	132	16	13	33%
7	198	19	24	130	13	12	34%
8	204	14	32	140	9	9	31%
9	210	14	22	150	15	9	29%
10	208	8	30	152	9	9	27%
11	195	13	36	132	7	7	32%
12	192	6	22	151	5	8	21%
Total	2103	164	270	1426	124	119	32%

Student Retention Data

Student Retention	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Grade	-	-	-	-	-	-
6	94%	89%	93%	94%	96%	94%
7	96%	98%	93%	98%	99%	97%
8	98%	88%	96%	95%	97%	99%
9	91%	88%	92%	89%	95%	98%
10	92%	89%	90%	94%	92%	95%
11	89%	91%	90%	86%	92%	93%
12	92%	92%	93%	92%	97%	94%
Total	93%	90%	92%	92%	95%	96%

Teacher Retention Data

Teacher Retention Rate

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Retention Rate	88.80%	90.00%	94.60%	89.10%	94.60%	93.10%



Highlights

- Lake Norman Charter (LNC) received a 10-year charter renewal from the State Board of Education. The new renewal term began on July 1, 2018.
- S&P Global Ratings assigned Lake Norman Charter School, Inc. its BBB-/Stable rating.
- Although we teach state curriculum, teachers are given a good deal of autonomy to cover standards and voice in school decision-making.
- For the 4th consecutive year, LNC earned an “A” grade on the 2017-2018 NC State Report Card. Additionally, LNC exceeded state expectations in the area of student growth.
- For the 3rd consecutive year, LNC earned GOLD designation by U.S News Best High School rankings based on our student’s AP performance, academic proficiency, and graduation rates (top 1% in nation)



Charter School Funding

Revenue

- ▶ State revenue consists of the following:
 - ▶ State per pupil allotment (split into two payments)
 - ▶ State exceptional child funding (special needs)
 - ▶ Fines & Forfeitures
 - ▶ Grants (SRO, E-Rate, Etc...)
- ▶ Local revenue consists of the following:
 - ▶ County per pupil funding (we invoice the counties where our students reside monthly)
 - ▶ Field trips, club dues, technology usage cost, and other miscellaneous revenue
- ▶ Federal revenue consists of the following:
 - ▶ Grant revenue for exceptional students (special needs)

State Charter School Funding

- Base funding is calculated as a per pupil equivalent of the funding provided to the LEA in which the charter is located.
 - LNC student receives just 83¢ for every \$1 that a CMS student receives as a result of Hackney/Nesbitt Amendments
- Variances in base funding allocations are due to numerous factors including:
 - Low Wealth Supplement
 - Small County Supplement
 - Student Poverty (At Risk Funding)
- Funding is based upon the Month 1 Average Daily Membership and is paid out in two installments.
 - 1st Installment - 34% of projected ADM
 - 2nd Installment - Remaining balance paid out after Month 1 ADM

2018-2019 Charter School Local (CMS) Per Pupil Allotment

2018-19 CHARTER SCHOOL PAYMENTS

\$	459,864,612	* County Appropriation for 2018-2019
	155,000	Other Local Revenue Projection (Police Sales & Restitution)
\$	460,019,612	

	147,026	Est. CMS K-12 Student Enrollment (proj. 20th day Enrollment)
	19,915	Est. Charter School K-12 Student Enrollment (CMS's Projected 20th Day enrollment)
	166,941	Total k-12 Students supported by Budget (exclude Pre-K)

\$ 2,755.58 Annual Cost Per Student

\$ 2,755.58 Per Year per student
spread over 9 months (180 days divided by 20 school days per month)

\$ 306.18 2018-19 per Month per student

\$2,561.94 2017-18 per YEAR per student
7.56% Increase from last year

NOTE:

* Fines and Forfeitures funds are included in the \$459,864,612

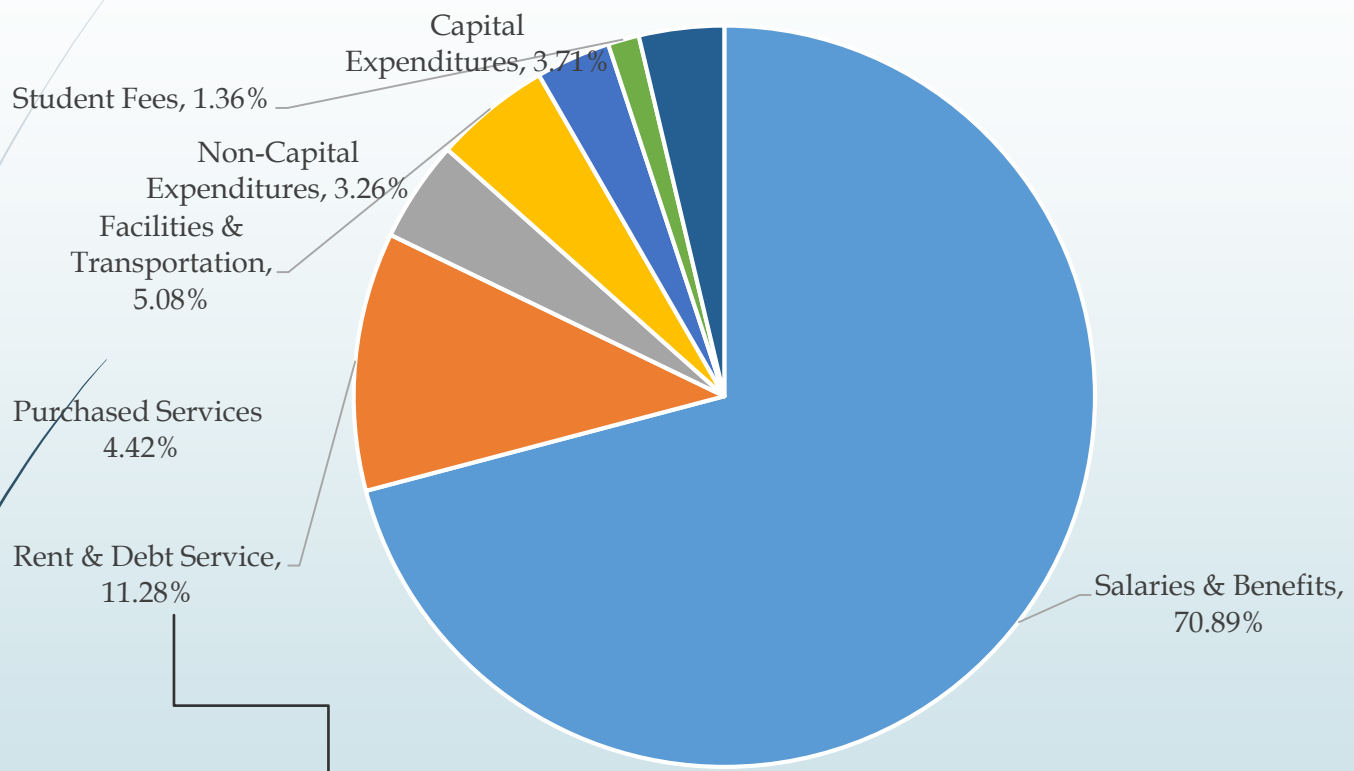
Five Year Historical State & Local Per Pupil Funding

School Year	State Pupil Funding	\$ Change	% Change
2014-2015	4,631	n/a	n/a
2015-2016	4,769	138	2.98%
2016-2017	4,852	83	1.74%
2017-2018	4,993	141	2.91%
2018-2019	5,291	298	5.97%

School Year	CMS Pupil Funding	\$ Change	% Change
2014-2015	2,457	n/a	n/a
2015-2016	2,506	49	1.99%
2016-2017	2,527	21	0.84%
2017-2018	2,562	35	1.39%
2018-2019	2,756	194	7.56%

Charlotte-Mecklenburg (CMS) County accounts for over 90% of our student population

FY'19 Budgeted Expenditures



CHARTER SCHOOLS **DO NOT** RECEIVE ANY CAPITAL FUNDING FROM THE FEDERAL OR STATE GOVERNMENT.



\$11,840
Average funds received per public school student in U.S.



\$8,740
Average funds received per CMS student



\$7,240
Funds received per LNC student

UNLIKE A TRADITIONAL PUBLIC SCHOOL THAT PASSES A BOND FOR CAPITAL NEEDS.

Expenditures

Salary and Benefits

- As a Charter we try to remain competitive with our local LEA in regards to salaries and benefits. We historically build in a 2% raise to our budget each year.
- Retirement contribution: 18.86% of total payroll (many charters are not able to afford membership in the TSERS)
- Health care contribution: \$6,104 per employee
- This category accounts for 71% of our overall budget.

Rent & Debt Service

- Includes lease payments for debt service, modular rent and athletic rentals.
- 11% of the overall budget (almost \$2 million)
- Charter Schools receive no state or local capital dollars.

Facilities & Transportation

- Includes custodial services, ground services, utilities, insurance & transportation for athletic events and field trips.
- 5% of the overall budget

Expenditures

Purchased Services

- Types of services include EC Services, Security, Athletic, Financial, Legal, Human Resources, Audit, and other miscellaneous services.
- Purchased services also includes field trip expenses which are offset by the revenue collected from the students
- 5% of the overall budget

Non-Capital Expenditures

- Includes purchases of goods and supplies under \$1500, including our technology and leases
- 3% of the overall budget

Student Fees

- Includes club accounts, fees (PSAT, AP exams, etc.), graduation, and Knights Kids (after-school care)
- These fees are directly off set by requisite revenue.
- 1% of the overall budget

Capital Expenditures

- Capex maintenance schedule and technology refresh
- 4% of the overall budget

Future Plans for LNC



- Lake Norman Charter Elementary permanent building
 - October 2019
- Exploring capital improvements on main campus
 - Safety improvements & upgrades, turf activity field, improve traffic flow, MS office upgrade for more classroom space, bathrooms/field house



Charter School Application Process



What is the process today to open a charter?

- Applications open in June; due by September
- Initial review (October-November)
- Charter School Advisory Board review/interviews (December-April)
 - Applicants can apply to be “fast-tracked” to open the next school year in August
 - All other applicants go through a year-long preparation program and open two years after the application is submitted
- CSAB makes recommendation to the State Board of Education (April)
- SBE officially votes on applications (May)
- Successful school applicants complete “Planning Year” activities (August-May)
- Open new charter school (August)