



BRUNSWICK COUNTY SCHOOLS

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May 24, 2014

Dr. Joel Medley, director
Office of Charter Schools
6303 Mail Service Center
Raleigh, NC 27699-6303

Dear Dr. Medley,

Please accept the revised LEA impact statement from Brunswick County Schools as it pertains to South Brunswick Charter School. The original impact statement was submitted April 9, 2013 in compliance with *G.S.115C-238.29D(d)(3)*.

The attached revision contains minor corrections and clarifications at the end of sections 2 and 7 that were approved by the Brunswick County Board of Education. Thank you for your assistance.

Sincerely,

Edward H. Pruden, Ed.D., superintendent

Attachment (1)

CC: Board Members
Richard Green, attorney
Richard Schwartz, attorney



LEA Impact Statement Template for Proposed Charter School Growth or Grade Expansion

G.S.115C-238.29D(d)(3) outlines that LEAs are to be given an opportunity to be heard by the State Board of Education regarding “any adverse impact the proposed growth [of a charter school] would have on the unit’s ability to provide a sound basic education to its students.” While the impact statement is optional, this template may be used to help shape the presentation of the information to the State Board of Education.

1. What is the name of the charter school for which this information is being provided?

South Brunswick Charter School

2. Does your LEA support or oppose the approval of this charter school and why?

Brunswick County Schools oppose the approval of South Brunswick Charter School. Opposition to the new charter is two-fold.

First, the application is based on an unfulfilled assertion that South Brunswick Charter School will provide students innovation not currently supported by the traditional local education agency (LEA).

Second, management of South Brunswick Charter School will remain with Roger Bacon Academy, Inc. and rent of property through Coastal Conservancy, LLC, both owned by Baker A. Mitchell, Jr. Mr. Mitchell’s private companies have continuously profited, through management fees and rent from taxpayer dollars. If these dollars were to remain in the traditional LEA they would be used to directly support the education of students. Management fees paid directly to this one individual for Charter Day Schools, Inc. (paid annually in an amount tied to 16% of revenues), together with other fees and charges for items such as rent, “staff development and supervision,” “back office and support,” and “allocated costs,” totaled nearly \$16 million (\$15,793,045) for the 5-year period from July 1, 2007 to June 30, 2012, according to tax returns filed by Charter Day School, Inc. These same tax records indicate that more categories for payments to this individual have been added over the years, and that the total amounts paid have escalated dramatically since FY 2009. Payments increased 29.7% from FY 2009 to FY 2010; 23.1% from FY 2010 to FY 2011; and 11.4% from FY 2011 to FY 2012. This is a 77.9% total increase in 3 years alone, from FY 2009 to FY 2012. And, this does not include fees paid for FY 2013. Once these payments are made, there is no accountability as with traditional public schools for these taxpayer dollars.

3. Estimated financial impact to the LEA:
Enrollment x (State per pupil and local per pupil allocations)

Total: 300 (K-2) x \$7597.00=\$2,279,100

4. What will be the projected enrollment growth or grade expansion at the charter school and what percentage of the Average Daily Membership (ADM) does that reflect for your LEA.

2.4% (300/12,300)

5. Does the charter's proposed growth duplicate an existing program or service in the LEA?

Yes X No _____

If yes, then describe the program or service that would be duplicated.

The entire application for South Brunswick Charter School is a weak replication of the core values and instructional practices of Brunswick County Schools. There is no evidence of innovative practice.

Example: Section 3. Explain how the charter school's education plan will compare to or differ from that of the local LEA.

The application states, "South Brunswick Charter School will adhere to the same expectations of all schools in math and language arts. However, reliance on direct instruction and extensive use of positive behavior support will differentiate the school from those of the local LEA."

Brunswick County Schools has consistently utilized direct instruction in the area of reading for over 15 years and has received national recognition for fidelity of implementation.

Brunswick County Schools received a competitive grant from the North Carolina Department of Public Instruction and was the flagship system in 2000 to implement Positive Behavior Interventions and Support (PBIS). All 19 Brunswick County Schools are implementing, to some degree, PBIS initiatives. PBIS implementation is included in all 19 School Improvement Plans and supported financially. These initiatives are monitored and coached.

Other components documented in the application reference the use of DIBELS data, cooperative learning, and scheduled intervention services. Brunswick County Schools, as all elementary schools in North Carolina, use DIBELS as a diagnostic tool to help identify reading strengths and needs. Cooperative learning is daily instructional practices as the Common Core State Standards require students are afforded extensive critical thinking opportunities. Every Brunswick County elementary and middle school offer an uninterrupted hour of intervention service daily that targets individual student need.

Jargon included in the application such as "Teachers will teach on their feet and not their seat" is certainly not innovative. Active teacher engagement which leads to active student engagement is the norm in Brunswick County classrooms.

After a comprehensive review of the application, without question, what has been presented by South Brunswick Charter School is nothing more than a weak duplication of services within Brunswick County Schools. There are no innovative practices documented that distinguish this school from the LEA.

6. Describe the specific impact that you expect the charter school's proposed growth may have on your LEA for each of the following areas:
- Funding (from all sources to include local, state and federal)

The loss of \$8,569 per pupil (state, federal, and local funding) or \$2,570,700 annually for 300 charter school students will impact services provided to Brunswick County students. When this number doubles and the impact is an estimated \$5,100,000 the impact will be even larger.

Sadly, the dollars extracted from the LEA are not required to support the same services at South Brunswick Charter School. Brunswick County is required to provide transportation to students, South Brunswick Charter School is not, although the portion of funds they extract annually would be used to support these required programs in a traditional LEA. South Brunswick Charter School is not slated to ever serve high school students. High school programming requires laboratory equipment for science classes or materials, supplies, and technology for career technical education programming. High School programming is expensive, an expense avoided by South Brunswick Charter School, but still the responsibility of the traditional LEA whose funds are reduced.

b. Programming and Student Services

Brunswick County Schools provide services to all who enter, regardless of social and emotional need or cognitive ability. Reduction of funding impacts programs and services to support additional programs such as school nursing, social workers, counseling, and psychological support.

c. Staffing

82% of the Brunswick County Schools current expense budget is human resources. Only 3% of this 82% are administrative positions (64 total within the entire system including principals and assistant principals). Reductions in funding, as indicated by the fiscal impact of South Brunswick Charter School will directly impact staffing as there are no other sources of funds.

d. School Size and Related Extra-Curricular

Reduction in funding impacts extra-curricular programming such as arts education and athletic programming.

e. Student Demographics

Statistically when the total number of students is reduced the percentage of students remaining in the system who have special needs increase. North Carolina caps the percentage of funding a LEA can receive for students with disabilities at 12.5% of the total student population. Based on the April 1, 2013 child count 11.7% of students in Brunswick County are identified under the Individuals with Disabilities Education Act and receive special education and related services. Any fluctuation in the total number of students could shift that percentage and potentially freeze the already limited amount of funding the LEA will receive to support students with special needs.

7. Provide any additional information or comments that you think should be considered as justification for your viewpoint on the expected impact from the proposed charter school.

According to the application, South Brunswick Charter School will remain under the management of Roger Bacon Academy and rent property from Coastal Conservancy, LLC. Both of these organizations are owned by the same individual who also happens to serve as the secretary on the South Brunswick Charter School Board, Baker A. Mitchell, Jr.

The agreements leave approximately 1/3 of the dollars extracted by the charter school from the traditional LEA largely unaccounted for, particularly when compared with the accountability for traditional public schools. These dollars are provided by taxpayers of North Carolina with the understanding they will be used to educate children. Tax records available for the five-year period covering FYs 2008-12, indicate that, through management, rental and other loosely described fees for two existing schools that serve approximately 900 students, one individual has received nearly \$16 million (\$15,793,045) of traditional public school dollars; taxpayer dollars. This does not include any fees paid during FY 2013, and the fees have been escalating steadily, as set forth above. These dollars are only loosely accounted for, based on legally permissive practices; whereas every dollar in traditional LEAs is publically accounted and open for inspection.

Charter schools, by design are to provide innovations not attainable within a traditional LEA. They are to operate as laboratory schools where ideas are tested for future replication in more traditional settings. Research indicates this has never been a reality for charter schools. There are clearly no innovations within the South Brunswick Charter School application. At best, the program defined is a weak duplication of the dynamic instructional practices occurring daily in Brunswick County. The distinct difference is that Brunswick County is meeting the needs of every student who walks through the doors while continuing to provide programs either not required or simply not provided by South Brunswick Charter School.

Brunswick County opposes the approval of the South Brunswick Charter School application.