

## **Financial Policy on Restart Schools**

§ 115C-105.37B, entitled Reform of continually low-performing schools, authorizes the State Board of Education to approve a local board of education's request to reform any school in its LEA which the State Board of Education has identified as one of the continually low-performing schools in North Carolina.

If the State Board of Education approves a local board of education's request to reform a school, the State Board of Education may authorize the local board of education to adopt one of the following models in accordance with State Board of Education requirements:

- (1) Transformation model
- (2) Restart model
- (3) Turnaround model, or
- (4) School closure model.

### **Restart Model**

The State Board of Education authorizes the local board of education to operate the school with the same exemptions from statutes and rules as a charter school authorized under Article 14A of this Chapter, or under the management of an educational management organization that has been selected through a rigorous review process. A school operated under this subdivision remains under the control of the local board of education, and employees assigned to the school are employees of the local school administrative unit with the protections provided by Part 3 of Article 22 of this Chapter

### **Proposed Policy Language for the Restart School Funding Model**

**(to be added to Allotment Policy Manual TCS-M-003)**

The restart model provides the same exemptions as a charter school and therefore, the following will apply to a LEA that has a State Board of Education approved Restart school.

- DPI will fund the LEA based on the legislated funding formulas and the allotted average daily membership (ADM) of the LEA.
  - The LEA is required to transfer an amount equal to the State average per pupil allocation for the LEA for the ADM of the school into a restricted a program report code (PRC). The average per pupil allocation will exclude transportation, exceptional children (EC), or limited English proficiency (LEP) funds.
  - The ADM will be the school's ADM per the Month 1 Principals Monthly Report.
  - The average per pupil allocation will include the guaranteed expenditures (PRC009), however the LEA shall be allowed to expend for the Restart school in PRC009.
- The LEA is required to ensure that adequate services for exceptional children and limited English proficient students are provided.
- LEA transportation allotment may be used to transport students.
- Other funds shall be provided consistent with charter schools. eg. summer camps etc.

## **Restrictions on transfers**

- Transfer restrictions outlined in the Allotment Policy Manual apply, unless exception noted in this document.
- State position allotments will be converted at the LEA average salary for that position plus benefits.
- Career Technical Education and Exceptional Children funds may be transferred in to the Restart PRC up to the limits set by SBE policy.
- Teacher assistant funding can be transferred in to the restricted Restart PRC with no limit.
- Transfers from PRC 056 transportation are not allowable.
- LEAs are restricted to the required transfer and may not transfer funds in excess of the requirement. Funds in the restricted PRC shall only be used for the Restart school(s).
- LEAs may use funds from other state allocations for the school(s).
- Funds transferred in to the Restart PRC shall not be transferred out

**Approved State Board of Education September 2016**