

## League of Women Voters Charlotte Mecklenburg

### **Executive Summary-Opportunity Scholarships: What Should Parents and Taxpayers Know?**

This report presents an overview of the Opportunity Scholarship Program, our concerns and suggestions for improvement. We question whether the current operation of the program provides adequate assurances to taxpayers that their money is being spent wisely or provides appropriate information to parents to make informed decisions. We do not address issues about the value of family choice in education or the possibility that voucher programs undermines an effective public education system or promotes segregation.

Allowing nearly any school that applies to participate in the Opportunity Scholarship Program with limited requirements and inadequate oversight fails taxpayers and participating families. We make nine additions to existing NC state requirements that would improve public confidence in the program and reduce risks while protecting the flexibility of the educational institutions. None of these requirements would be an overwhelming burden on schools or exclude legitimate educational programs. Typically, those offering an educational program would have included these activities in their normal planning process. In addition, the resulting information will help parents make better decisions about their children's education.

1. Require an applicant school to be operational for at least three years and provide evidence of financial viability.
2. Require all participating schools to tell prospective parents what type of accreditation the school has, including the fact of non-accreditation.
3. Mandate that each participating school show evidence that at least 60 percent of the schools' expenditures go to direct classroom activities.
4. Provide evidence of a non-discriminatory policy for admission of students.
5. Mandate that each participating school provide a published curriculum plan that includes educational objectives.
6. Require schools to publish the educational qualifications of all staff members who are responsible for providing educational services to students. This should include the fact that they have undergone a standard criminal background check.
7. Require schools to publish enrollment schedules including length of school day and number of days students will attend in a school year.
8. Limit the program to non-profit applicants.
9. Open the program up to external evaluation and review every five years to document the successes and any problems in the operation of the program. This can be a qualitative study given the lack of common data and procedures necessary for a quantitative study. The evaluation should be published and available on the NC DOA Division of Non-Public Schools website.

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# Opportunity Scholarships: What Should Parents and Taxpayers Know?

LWV-Charlotte-Mecklenburg

A project of the Education Committee

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## Contents

I.	Background	4
A.	Background of the Opportunity Scholarship Program	4
B.	School Eligibility	5
C.	Funding	6
II.	Issues	7
A.	Adequate Support for Instruction	7
B.	Accountability and Standards	7
C.	Consumer Information	8
D.	Examples of Problems	8
1.	Financial	8
2.	Effectiveness	9
II.	Solutions	10
A.	Academic accountability	10
B.	Financial accountability	11
C.	Operational accountability	11
D.	Parental accountability	11
III.	Conclusions and Recommendations	12
IV.	Bibliography	13

## I. Background

North Carolina provides Opportunity Scholarship money for elementary through high school students who meet eligibility requirements. During the 2018-2019 school year, the Education Committee of the League of Women Voters of Charlotte Mecklenburg had questions about the program, which resulted in a study of the private schools in Mecklenburg County that were receiving funds under this program. This report presents an overview of the Opportunity Scholarship Program with our concerns and suggestions for improvement. In this report, we do not argue about the value of family choice in education or the concern that voucher programs undermine an effective public education system. Rather we have concerns that the current operation of the program (1) does not provide assurances to taxpayers that their money is being spent wisely; and (2) does not provide appropriate information to parents to make informed decisions.

This report does not include consideration of The Disabilities Grant Program, which provides an option for parents with special needs students in kindergarten through 12th grade. The Grant Program pays tuition, fees, and some other expenses at a participating school or homeschool. In addition, there is an Education Savings Account (ESA) program for eligible students with disabilities in Kindergarten through 12th grade to provide an option for parents to pay tuition, fees, and some other expenses at a participating nonpublic school or homeschool.

Children who are placed in a nonpublic school by their parents do not have a right to receive all the special education and related services that they would receive if enrolled in the public schools. Likewise, a private school does not have a legal obligation to provide special education and related services to students with disabilities.<sup>1</sup>

### A. Background of the Opportunity Scholarship Program

The North Carolina Opportunity Scholarship Program was initiated in the 2014-15 school year to expand school choice in North Carolina through scholarship grants for eligible children in Kindergarten through 12th grade. This program provides funding of up to \$4,200 per year for eligible children who choose to attend a participating nonpublic school.<sup>2</sup> The North Carolina State Education Assistance Authority (NCSEAA) administers the distribution of the vouchers.

Family eligibility is based on a sliding maximum income scale based on family size. Currently, the Opportunity Scholarship provides 90 percent of the required tuition and fees or a maximum of \$4,200. The student must live in a household with an income level not in excess of 133% of the amount required for the student to qualify for the federal free or reduced-price lunch program. The income for a family of four, for example, can't exceed \$47,638 to receive a maximum of \$4,200 (the largest grant), or \$63,358 to get 90 percent of tuition or \$4,200, whichever is lower.<sup>3</sup> These family income maximums have been creeping up over the years, making more families eligible. The median family income for North Carolina families was \$65,964 in 2017.

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<sup>1</sup> <http://www.ncseaa.edu/CDSG.htm>

<sup>2</sup> <http://www.ncseaa.edu/OSG.htm>

<sup>3</sup> <http://www.ncseaa.edu>

The NCSEAA relies on applicants to report all income. Only “a percentage” of applicants are “randomly selected to be verified, requiring families to provide documentation for items such as income, school enrollment, and household members.” Only applicants selected for verification must submit tax returns as proof of income.<sup>4</sup>

In a 2018 study, participants report that the Opportunity Scholarship Program provide coursework or a curriculum that is an alternative to nearby public schools (selected by 76 percent of schools as being either moderately important or very important) and to reduce tuition costs for eligible families already attending a participating school (selected by 67 percent of schools as being either moderately important or very important).<sup>5</sup>

## B. School Eligibility

The NC requirements for participation in the Opportunity Scholarship program are relatively broad for schools.

- An eligible school shall be physically located in North Carolina.
- Home schools are not eligible to participate in the program (see appendix B for definition.)
- The Authority will disburse scholarships directly to the enrolled schools.

It is important to note that North Carolina does not require a school to be accredited in order to participate in the program. This means that there may be no external private entity reviewing the educational programs or school operations.

**Must have a tax ID.** All schools participating in the program must complete an initial registration process. To receive direct disbursement of Scholarships, the eligible school must sign a participation agreement that includes an Internal Revenue Service Form W9, Request for Taxpayer Identification Number and Certification.

**Only one employee completes a criminal background check.** Each school must conduct a criminal background check in a manner established by the Authority, national in scope and dated within one year of submission, for the staff member with the highest decision-making authority at the eligible school.

**Large schools must provide a CPA audit.** Each School that receives more than \$300,000 in Scholarship funds in a single Academic Year must contract with a certified public accountant (CPA) to perform a financial review consistent with generally accepted accounting principles and in a format acceptable to the Authority.

A copy of the financial review report prepared by the CPA must be submitted annually to the authority within 90 days of the end of the School’s fiscal year. If the financial review reports significant findings regarding the school’s administration of program funds, the authority may withhold funds from the school until the findings are resolved.

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<sup>4</sup> publicschoolsfirstnc.org, “The Facts About School Vouchers”, July 31, 2018

<sup>5</sup> School Leaders’ Voices: Perspectives on the North Carolina Opportunity Scholarship Program, 2018 Update OS Evaluation Report #6 October 2018, NC State School of Education, Anna Egalite, D. T. Stallings, Timothy Dinehart, Francisco Meneses, Lavanya Singh and Vincent Whalen)

**Require use of a nationally standardized test, which is chosen by the school.** At least once a year, each participating school shall administer a nationally standardized test to all students in grades three and higher whose tuition and fees are paid in whole or in part by the program. The test used is at the option of the school. Each participating school shall report the scores of the nationally standardized tests to the Authority by July 15 of each year.

Each participating school that enrolls more than 25 students receiving scholarships shall report nationally standardized test scores in the aggregate to the authority by July 15 of each year.

**Each school must report graduation rates, which are not made public.** Each participating school must report graduation rates to the state by July 15. The school can choose its criteria for graduation.

Each participating school must provide the parent of each student who receives a scholarship with a written **explanation of the student's progress**, including the nationally standardized test scores, at least annually.

Local fire departments must document that **the facility meets local code requirements** for safety, asbestos and fire. There is no review for facility environmental health standards such as mold.

**Must be available for a program audit if requested.** Each participating school is subject to examination by the authority and any other audit process designated by the authority to determine whether it has administered the program in accordance with the act and the rules.

The North Carolina Department of Administration, Division of Non-public Schools lists the requirements for all private schools to operate in the state (see appendix A)<sup>iii</sup>

**These NC requirements do not provide significant pieces of information to parents who are considering schools that accept Opportunity Scholarships:**

- **No criminal checks of adults who would be in daily contact with their children,**
- **School is not necessarily accredited,**
- **Difficult to understand test scores used to measure academic accomplishment,**
- **No standardized way to estimate chances of graduating,**
- **No way to know if the school is financially stable.**

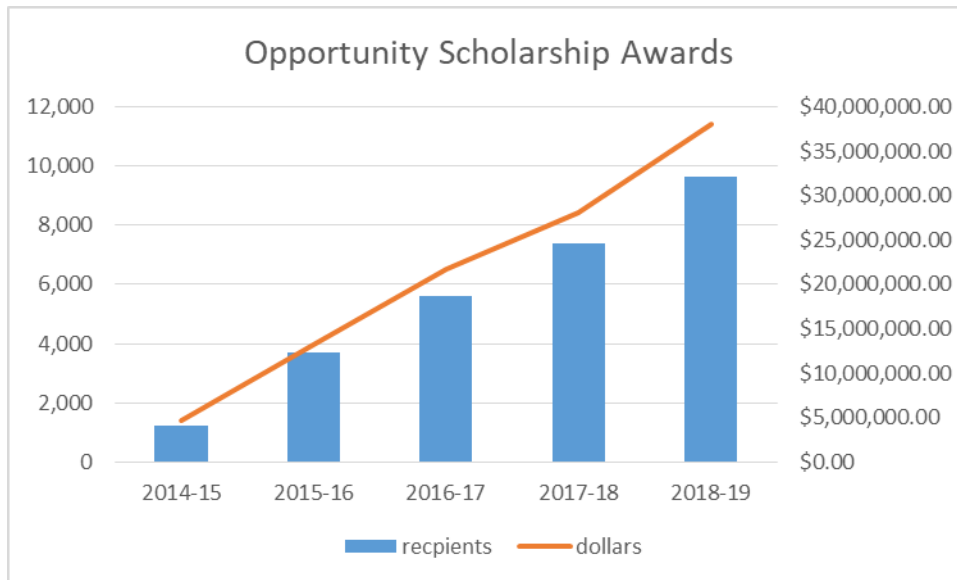
### C. Funding

After a lawsuit, the NC Supreme Court upheld the constitutionality of the program in July 2015. In 2016, the legislature expanded the program as part of the budget passed in the short session. The budget raised the percentage of funding available to K-1st grade students, and it established an Opportunity Scholarship reserve fund to be augmented by \$10 million every year until 2027-28 when it will plateau at \$144.8 million in annual funding. Future legislatures cannot be compelled to provide this funding, yet it represents a commitment to dramatically expanding this program without any evidence of its effectiveness.<sup>6</sup>

The following chart documents the growth of the program since its inception.

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<sup>6</sup> publicschoolorfirstnc.org, "The Facts About School Vouchers", July 31, 2018



*Recipients = unduplicated count of students who received funds for fall, spring, or both*  
 ([http://www.ncseaa.edu/documents/OPS\\_Summary\\_Data.pdf](http://www.ncseaa.edu/documents/OPS_Summary_Data.pdf))

## II. Issues

### A. Adequate Support for Instruction

Using national and state spending on elementary-secondary education as a guide, it seems reasonable to require that 60 percent of a private school’s expenditures go to instruction. That is roughly the national average. North Carolina public schools dedicated 63 percent of their expenditure to instruction in fiscal year 2017.<sup>7</sup> This is a simple safeguard against excessive administrative costs in private schools participating in the Opportunity Scholarship Program.

### B. Accountability and Standards

Private schools in North Carolina can use any curricula they choose because there are **no performance standards required**. Their students do not have to take the End-of-Grade tests that are required of students in public and charter schools. Instead, private schools are required to administer any standardized achievement test of their choosing and the results are not required to be made public. Some high schools in the program may provide a curriculum that is not acceptable for entry in the public universities in North Carolina and other traditional postsecondary institutions due to inadequate preparation in social studies and science.

The **teachers in these schools are not required to be certified** and professional development and teacher retirement are not required. Criminal background checks on teachers are not required (just the most senior person on the staff). The private schools in the voucher program are not required to serve lunch or offer transportation. They are not required to have a governing board.

<sup>7</sup> <https://www.census.gov/data/tables/2017/econ/school-finances/secondary-education-finance.html>; Table 8, Per Pupil Amount for Current Year Spending of Public Elementary/Secondary School Systems by State for FY2017

Based on our research we found several private schools that appeared to be using high **standards** such as the North Carolina Standard Course of Study as the basis of their curricula, and others that had no discernable standards or curricula.<sup>8</sup> Several very small schools with student populations between two and eight students serve multiple grade levels with only one or two teachers.

### C. Consumer Information

While school choice may be beneficial to some parents and students, they should at least be assured that the schools meet certain standards that they are accountable, and that their operations are transparent. Private schools are not overseen by the NC State Board of Education. Instead they report to the North Carolina Department of Administration, Division of Non-Public Education, which administers the minimal requirements contained in the NC General Statutes governing non-public schools.<sup>9</sup>

**The lack of oversight and accountability of private schools is worrisome**, and the opportunities for fraud and malpractice are great.

### D. Examples of Problems

#### 1. Financial

The **Opportunity Scholarship Program does not include meaningful financial oversight**, which provides the opportunity for embezzlement. North Carolina places few requirements on private voucher schools to account for how the taxpayer dollars they receive are used to educate students.

While private voucher schools receiving more than \$300,000 annually in taxpayer dollars must undergo a financial review that is then submitted to the state, that requirement only captures a small percentage of the schools that currently receive public dollars. In 2017, only 2.5% of the Scholarship schools (10 out of more than 400) were subject to that requirement. A financial review is not nearly as revealing as a financial audit, which means fraud and abuse of taxpayer dollars could continue without revelation.

An example of this failure in oversight comes from Rutherfordton's Trinity Christian School. Trinity Christian is a private school in western North Carolina that has participated in the state's Opportunity Scholarship Program since its inception. Between 2014 and 2018, the school received \$327,178 in Opportunity Scholarships. The former headmaster was indicted by a grand jury on 137 counts of embezzlement and obtaining property by false pretenses. She was charged in 2018 for embezzling money from a charitable or educational institution and 68 counts of obtaining property by false pretenses for the theft or misappropriation of over \$134,973.82 of Trinity school's funds.

According to press accounts, between July 2016 and December 2017 the headmaster wrote herself checks totaling nearly \$35,000 from the school's bank account on a regular basis. She also used school credit cards to make more than \$100,000 in personal purchases.

Because Trinity Christian does not receive at least \$300,000 on an annual basis in voucher funds, the school is not legally obligated to file a financial review with the state. The headmaster's fraudulent

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<sup>8</sup> NC Private Schools Receiving Vouchers: A Study of the Curriculum  
Bonnie Bechard, Education Action Team, LWV-Lower Cape Fear

<sup>9</sup> <https://ncadmin.nc.gov/citizens/private-school/private-schools-k-12-requirements>



activity was only discovered when the school was undergoing an optional reaccreditation review process and began gathering documentation for a financial audit. As noted, accreditation is not required of any private school in North Carolina as a condition for participating in the Opportunity Scholarship Program.

Trinity Christian School is also the name of the state's school which receives the most Opportunity Scholarship funds and is located in Fayetteville. Trinity Christian's (Fayetteville) athletic director who was also a high school teacher pleaded guilty to embezzling nearly \$400,000 in employee state tax withholdings over eight years while serving as payroll manager for the school.

Following his plea deal, the charged employee continued to work and coach at Trinity Christian (which is run by his father) while serving his jail sentence on the weekends as part of a work release option.

Trinity Christian (Fayetteville) has received more than \$2 million in these publicly funded scholarships since 2014 and continues to be the state's top recipient even though a school employee embezzled public funds over nearly a decade. The award of taxpayer dollars to the school has not stopped.

The fraudulent activity was not uncovered by way of oversight mechanisms required by the Opportunity Scholarship Program. As the state determined Trinity Christian to be eligible to participate in the program in 2014 and then began sending millions of public dollars to the school through scholarships awarded to low-income families, the charged employee was nearing the end of an eight year period of embezzling hundreds of thousands of employee payroll tax dollars, which only came to light thanks to an investigation by the state's Department of Revenue.<sup>10</sup>

Throughout its existence the Opportunity Scholarship Program has faced criticism because the law does not provide very stringent financial oversight for the millions of public dollars that are being awarded to privately managed schools.

Lawmakers could either require every private school that receives school vouchers to submit the results of a financial audit to the state, or require voucher schools to report what the state requires of every nonprofit that receives a minimum amount of public dollars, including meeting reporting and compliance standards and ensuring financial records are available to be inspected by the NC State Auditor at any time.

Another option, which lawmakers proposed in a bill filed last year, would require all private voucher schools to be accredited. Achieving accreditation typically requires a rigorous review by an independent accrediting body that examines schools' academic standards, governance processes and financial health. Many accrediting organizations require a financial audit to determine a school's financial condition—and this is how Rutherfordton's Trinity Christian headmaster was caught embezzling.

## 2. Effectiveness

Perhaps the main argument for the existence of publicly funded scholarship/voucher programs is that they allow students to get a higher quality education than they would have gotten in their failing public schools. However, research is putting that claim under scrutiny. Studies of the federally funded Washington, DC voucher program found that there was **no conclusive evidence that such vouchers affected student achievement**. In fact, children who were given school vouchers performed no better in

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<sup>10</sup> Public School Forum, Jun 27, 2018 (<https://www.ncforum.org/another-embezzlement-scandal-rocks-private-voucher-school/>)

math and reading than the children who weren't given vouchers. The study did find higher satisfaction rates among parents with children in voucher schools. However, student satisfaction rates were statistically similar for both non-voucher and voucher students. Similar studies of the longest running school voucher program in the country in Milwaukee found that public school students outperformed voucher students at every grade level on the statewide reading and math tests.<sup>11</sup>

The Study of Opportunity Scholarship Student Evaluations, done by the North Carolina State Education Assistance Authority on March 1, 2018 found that **no systemic evaluation has been done of the Opportunity Scholarship Program and none is envisioned** at this time. The lack of common tests, the relatively small number of program participants and the high burden of a formal evaluation led to no study being done. It is not possible to determine the quality of education being provided with funding from the Opportunity Scholarship Program.<sup>12</sup>

## II. Solutions

The current operation of the Opportunity Scholarship Program with no real accountability undercuts the credibility of the program and reduces the ability of parents to make meaningful market choices. The solution needs to consider the central conflict inherent in the Opportunity Scholarship program. An Opportunity Scholarship program with meaningful accountability requires more standardization than supporters will accept. A program without accountability provides the unrestricted education marketplace that supporters value. Real accountability increases institutional expenses and reduces flexibility, which undercuts the Opportunity Scholarship's purpose in the eyes of its sponsors.

The following options reflect policies that other states have taken to provide accountability for their voucher programs. Most of the recommendations go well beyond what is required in North Carolina. No state implements all of them, but this list provides options for North Carolina to consider.

### The LWV-CM proposes these requirements:

#### A. Academic accountability

- **Requiring official accreditation** from the state or from independent accrediting agencies that includes a review of the school's academic rigor and performance. This includes providing a curriculum that is at least equivalent to the curriculum used in the state's public schools, providing instruction in English language arts, mathematics, social studies, science, physical education, arts education, foreign languages, and technology skills; alternatively, design an accreditation system that holds schools to strong academic standards. In the case of high schools, the participating schools should use curricula accepted by any public postsecondary institution in North Carolina.
- Requiring participating schools to develop a comprehensive **academic accountability plan** approved by the state. The plan should include measures for the academic performance that includes factors such as student proficiency, student growth, student retention, graduation rates, remediation rates, etc. NC needs to consider whether to apply the measure to all private schools or only measure the students receiving Opportunity Scholarships.

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<sup>11</sup> Wharton, "School Vouchers: Pros and Cons", November 25, 2015

(<https://publicpolicy.wharton.upenn.edu/live/news/1076-school-vouchers-pros-and-cons>)

<sup>12</sup> Study of Opportunity Scholarship Student Evaluations, Section 10A.6 of Session Law 2017-57

- Requiring private schools to **report academic performance** for students receiving Opportunity Scholarships to the state. Require that every student participates in the state end-of-grade testing program used in the public schools.
- **Including private schools in the state’s school accountability rating system**, such as an A-F school grading system.
- Requiring private schools to **meet minimum student performance objectives** to remain in the program. Define consequences for poor private school performance, such as:
  - Prohibiting a school from accepting new voucher students but allowing current choice students to stay enrolled if they choose
  - Banning a school from the program altogether and requiring current voucher students to enroll in another school
  - Establishing a process for re-entry into the private voucher program following sanctions for low performance.
- Requiring private schools to implement **state-approved teacher evaluation** plans,
- **Hiring teachers using the same qualifications as used in public school teacher selection.**

#### B. Financial accountability

- Conducting and reporting the results of **financial reviews** and conduct more extensive reviews for schools receiving more than \$50,000 in voucher support. In addition, it is recommended that voucher programs be administered by an agency that consistently reviews reported data to determine eligibility for continuing financial support.
- Requiring private schools to be **open for a designated time** prior to participation,
- Requiring the state to **verify a private school’s financial stability**. This requirement would provide documentation of financial sustainability.
- **Capping the tuition amount** that can be charged to a student,

#### C. Operational accountability

- **Reporting data in the same manner as is required of public schools.**
- Requiring private schools to **adhere to a published student discipline policy**,
- Requiring private schools to **comply with state attendance and seat-time standards**,
- **Prohibiting private schools from rejecting program applicants for any reason** other than not having space available.<sup>13</sup>

#### D. Parental accountability

- Participating schools should provide families of potential enrollees with information to make sure they can make an informed decision.
- **Providing school information and policies**, such as:
  - **School performance data** – test scores, retention rates, and graduation rates;
  - **A written school discipline policy**;
  - **Tuition rate and financial aid options**, and;
  - **Transportation options** available to students.
- Ensuring that parents have **access to the necessary school safety and health information** to make informed school choices.

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<sup>13</sup> Legislative Policy Options (National Council on State Legislators)  
<http://www.ncsl.org/research/education/accountability-in-private-school-choice-programs.aspx>

- **Requiring background checks on all employees** of the participating school<sup>14</sup>

Compared with other states, the North Carolina Opportunity Scholarship Program does not provide much protection for taxpayers or parents. The underlying assumption that market forces alone will result in effective and honest schools is a risky proposition.

### III. Conclusions and Recommendations

Allowing nearly any school that applies to participate in the Opportunity Scholarship Program with limited requirements and inadequate oversight invites problems. A few simple fixes added to existing requirements could create greater confidence in the program and reduce the risk of crises while protecting the flexibility of the educational institutions. None of these requirements will be an overwhelming burden on schools or exclude legitimate educational programs. In addition, the resulting information will help parents make informed decisions about their children's education.

**The recommendations of the LWV are the following:**

1. Require an applicant school to be operational for at least three years and provide evidence of financial viability.
2. Require all participating schools to tell prospective parents' what type of accreditation the school has, including the fact of non-accreditation.
3. Mandate that all participating schools show evidence that at least 60 percent of the schools' expenditures go to direct classroom activities.
4. Provide evidence of a non-discriminatory policy for student admission. Public funds should not be provided if certain classes of students are to be excluded.
5. Require participating schools to publish a curriculum plan that includes educational objectives.
6. Require schools to publish the educational qualifications of all staff members (anonymously) responsible for providing educational services to students. This should include the fact that they have undergone a standard criminal background check.
7. Require schools to publish enrollment schedules including length of class day and number of days students will attend in a school year.
8. Limit the program to non-profit schools. Participation of for-profit schools should require more regulations to assure taxpayers that individual owners are not enriching themselves at the expense of the students.
9. Open the program up to external evaluation and review every five years to document the successes and any problems in the overall operation of the program. This can be a qualitative study given the lack of common data and procedures necessary for a more formal quantitative study. The evaluation should be published and available on the NC DOA Division of Non-Public Schools website.

None of these requirements will be so restrictive as to dissuade schools from participating. In fact, anyone offering a legitimate educational program would have included these activities in their normal planning process. In addition, the implementation of these standards would make it easier for parents to decide if the offered educational option was appropriate for their family. Along with the existing requirements, these recommendations would strengthen public confidence in the program and provide better information for families while protecting the flexibility of the participating schools.

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<sup>14</sup> Legislative Policy Options (National Council on State Legislators)  
<http://www.ncsl.org/research/education/accountability-in-private-school-choice-programs.aspx>

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**School Leaders’ Voices: Perspectives on the North Carolina Opportunity Scholarship Program, 2018 Update OS Evaluation Report #6 October 2018, NC State School of Education, Anna Egalite, D. T. Stallings, Timothy Dinehart, Francisco Meneses, Lavanya Singh and Vincent Whalen)**

**Study of Opportunity Scholarship Student Evaluations, Section 10A.6 of Session Law 2017-57**

**Wharton, “School Vouchers: Pros and Cons”, November 25, 2015**

**(<https://publicpolicy.wharton.upenn.edu/live/news/1076-school-vouchers-pros-and-cons>)**

## **Appendix A: The North Carolina Department of Administration, Division of Non-public Schools requirements for all private schools to operate in the state**

- Each conventional private elementary/secondary school in North Carolina enrolling students of North Carolina compulsory attendance age (at least age 7 but not yet age 16) must in accordance with G.S. 115C- 547-562:
- Report its name, address, and names of its chief administrator and owner(s) to the Division of Non-Public Education (DNPE). It is suggested that this action be taken 30-60 days before the school begins initial operation. Click here for a specific Notice of Intent form available for official use in providing this notification.
- Meet the fire, safety and sanitation standards established by state and local authorities. All childcare through grade 2 students must be housed on the ground floor.
- Prior to initial school occupancy, the local building inspector must inspect the building(s) and issue to the school a certificate of occupancy for school usage. Thereafter, he/she will need to inspect again only when structural changes are made to the building(s).
- In addition, before initially beginning classes and annually thereafter, the local Fire Marshal and Health Department must inspect the school facility.
- Follow requirements to ensure that the school buildings meet the applicable asbestos regulations
- Operate for a school term of at least nine calendar months on a regular schedule excluding reasonable holidays and vacations. (DNPE strongly advises a school term of at least 180 school days, typical school days of at least 5 1/2 hours in length, and typical class periods for grade 9-12 students of 50 minutes each.)
- Keep accurate student attendance records on file at its office.
- Maintain current and accurate disease immunization records on file at its office for each pupil enrolled. All pupils must be properly immunized with the required vaccine minimum dosages before entering kindergarten and first grade.
- Administer to all students in grades 3, 6 and 9 each school year, a nationally standardized achievement test in the subject areas of English grammar, reading, spelling and math. Keep test results on file at the school for at least one calendar year for annual review by a DNPE representative.
- Administer to all grade 11 students each school year, a nationally standardized test which measures competencies in the verbal and quantitative areas. Keep test results on file at the school for at least one calendar year for annual review by a DNPE representative. Establish a minimum score on the test for high school graduation.
- Issue Driving Eligibility Certificates to its age 15-17 students who are making progress toward graduation, exhibiting exemplary behavior, and who request them in order to obtain their North Carolina Learner's Permit/Driver's License.
- Provide industrial quality eye protective devices free of charge to students and teachers participating in shop or laboratory classes involving hazardous materials as mandated by G.S. 115C-166 and 168 and require the students and teachers to wear the devices at all times when participating in such a program along with visitors to such shops and laboratories while such programs are in progress.

- Notify DNPE upon termination of the school.
- Satisfy childcare requirements which may apply IF a nursery or pre-kindergarten program is also operated.
- Satisfy foster care requirements which may apply IF the school exists primarily to meet the special needs including the education of "dependent, neglected, abused, abandoned, destitute, orphaned, undisciplined or delinquent children or other children, who, due to similar problems of behavior or family conditions, are living apart from their parents, relatives or guardians in family foster homes or residential care facilities."

## **Appendix B, Definition of Home School**

North Carolina law defines a home school as a nonpublic school consisting of the children of not more than two families or households, where the parents or legal guardians or members of either household determine the scope and sequence of the academic instruction, provide academic instruction, and determine additional sources of academic instruction. General Statute 115C-563(a) as amended changes the definition of a home school to allow parents to hire tutors, let their children participate in group settings where they receive instruction (co-ops, 4-H classroom instruction, etc.) and be instructed by an expert that is not a part of the household in the established homeschool (apprenticeships, a homeschool doctor teaching biology, etc.)

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