

Dare to Soar



PINNACLE

CLASSICAL ACADEMY

***Joint Legislative Task Force on
Education Finance Reform***

Mr. Robert Brown

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Robert Brown

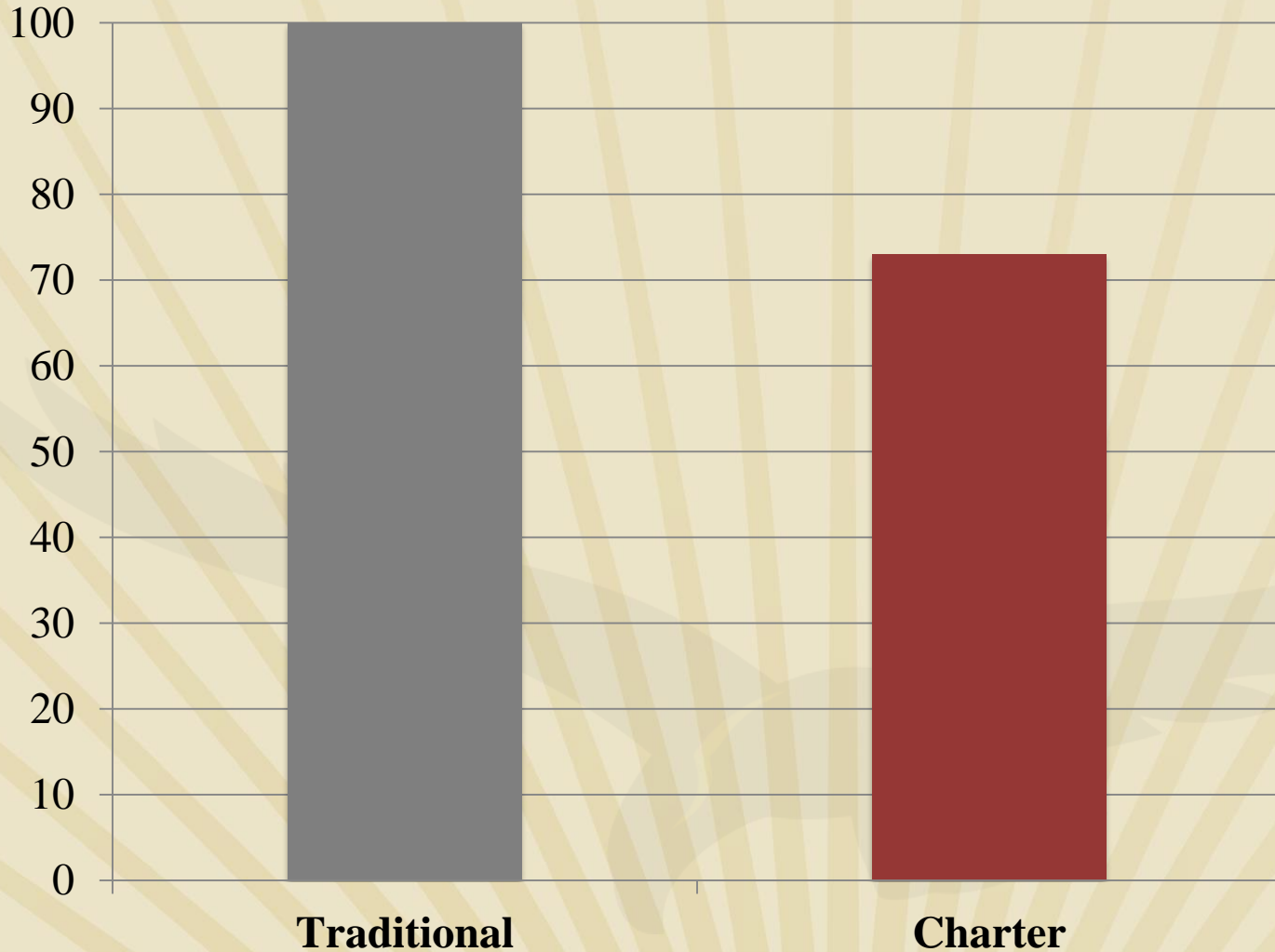
- Headmaster at Pinnacle Classical Academy in Shelby, N.C. for the last four years.
- Part-Time Adjunct History Instructor at Cleveland Community College and Gardner-Webb University.
- Former Professional Development Coordinator for the American Institute for History Education.
- Over 24 years of experience in traditional, charter, and higher education in North Carolina.



What is the most pressing financial issue facing charter schools?

The short answer is that currently, funding does not follow the child and shortchanges charter school students.

Per Pupil Funding



Where does this extra 27% go?

■ Traditional
■ Charter

73%

Why the Difference?

1. State Legislation, specifically the Hackney and Nesbitt amendments.
2. Local funding and accounting differences based on the above.

Hackney Amendment

Expands the list of “restricted” money that isn’t shared with charter schools.

Nesbitt Amendment

Prevents charter schools from getting per-pupil share of supplemental taxes if child goes to a charter out of county.

Per Pupil Local Funding: 2013-2014

	Without Hackney & Nesbitt	With Hackney & Nesbitt	Difference
Cleveland County Schools	\$1,903 (100%)	\$1,942 (102%)	\$39 per pupil
Pinnacle Classical Academy	\$1,724 (91%)	\$1,334 (70%)	-\$390 per pupil

Two Key Points

1. Percentages:

- CCS = 102% (over-funded per-pupil)
- PCA = 70% (under-funded per pupil)

2. Amount:

- \$363,090 for PCA in 2018-2019 ⁽¹⁾

(1) This uses 2014 figures, and stand to rise to over \$500,000 using current funding levels.

Funding discrepancies have
fostered a two-tiered school system
of “*haves*” and “*have-nots.*”

What does this low level of funding look like in action?

Teacher Salary

PCA Average = \$38,816 for 2018-2019⁽¹⁾

NC Average = \$51,214 for 2017-2018⁽²⁾

Difference = \$12,398

(1) Source: PCA 2018-2019 Draft Budget

(2) Source: *North Carolina teachers are now averaging more than \$50,000 a year,*
News & Observer, March 5, 2018

This means it is almost impossible
to hire veteran teachers and staff.

It means that you have to make
absurd choices in determining
what and who to hire.

Facilities

At Pinnacle, we spend just over \$687,000 per year on facility debt service.

That is over 2/3 of a million dollars each year out of our regular operating budget.

Charters are often forced into the high interest commercial financial market or into high interest bonds to build functional facilities.

The lack of an option to ask county commissioners for capital funds solidifies the two-tiered school model.

Funding Effects

	Withheld Local Funding	Facilities Costs	Total
Pinnacle Classical Academy	\$363,090 (1)	\$687,790	\$1,050,850

This is \$1.05 million out of a \$6.7 million budget.

(1) This uses 2014 figures, and stands to rise to over \$500,000 using current funding levels.

How Can We Fix The Process?

There are two logical steps to move charter school funding toward equality:

1. Make sure the funding follows the child by repealing Hackney & Nesbitt to restore charter funding levels.
2. Allow charter schools to ask their local commissioners for capital funds.