

The Facts on Rural Schools

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Rural schools play an important role in their communities, serving many functions beyond education. Given their prevalence and importance in their communities, rural schools merit more attention than they have previously been given. They often act as the center of social, recreational and cultural life in their communities. In addition, schools provide jobs in rural areas. Public schools are the top employer in 59 NC counties.

Because of their small size, rural schools are often overlooked by researchers and policy analysts. However, according to a [report from the Center for Public Education](#), approximately one-half of school districts, one-third of schools, and one-fifth of students in the United States are located in rural areas. North Carolina is home to 568,000 rural students, the second largest rural student population in the United States, after Texas. Eighty of North Carolina's 100 counties are rural. Approximately 40 percent of the state's public school students reside in rural counties, and 87 of the 115 traditional K-12 public school districts are located in rural counties.

Previously, [Top 10 Education Issues 2019](#) by the Public School Forum of NC noted that North Carolina is home to two very different economic realities. Urban centers are seeing both financial, industry and population growth while rural areas are generally in economic decline. The same report listed a renewed focus on rural schools as a top issue in education.

In the recent report [Why Rural Matters](#), The Rural School and Community Trust found that many rural districts "face nothing less than an emergency". It listed North Carolina as one of the top-ten highest priority states in rural education, based on educational outcomes, policies, demographics and college readiness. North Carolina was listed as the second most high-priority state. The report further states "Economic conditions are grave in the state's rural areas, with more than one in five school-aged children living in poverty and per-pupil instructional spending more than \$1,000 below the national average. Unlike in most other states, North Carolina's rural students have much lower achievement than non-rural students."

An [article from the New York Times](#) notes that a change at the Education Department will result in more than 800 schools losing thousands of dollars from the Rural and Low-Income School Program. This comes from the department changing how districts determine the number of

students living in poverty. Previously, the department had allowed schools to determine the number of their students living in poverty based on the percentage of students who qualify for free and reduced meals. The law states that schools should be using census data. Experts note that census data can be inaccurate and often misses residents in rural areas who can be hard to count. Rural schools need lawmakers to prioritize establishing more equitable school funding strategies now.

Leandro and Rural Schools

In 1994, in *Leandro v. State* cases, parents, students and school districts in low-wealth, rural counties filed a lawsuit alleging that students in these counties were denied their right to a sound basic education under the NC constitution. The case affirmed that inequitable and inadequate school funding bars access to a sound and basic public education, particularly for students of color and those from families with low incomes. The WestEd work plan and key findings, released in 2019, detailed critical needs and recommendations for the state in meeting the constitutional mandate to provide all children with a sound, basic education.

According to the 2020 Public School Forum of North Carolina's [Local School Finance Study](#), the counties initially involved in the lawsuit Hoke, Halifax, Robeson, Vance, and Cumberland — remain toward the bottom of Public School Forum's rankings in terms of their ability to support public schools on a per pupil basis. Legislation to meet these needs should be implemented with this in mind.

Critical Needs Directly Impacting Rural School Districts

The following critical needs identified in the WestEd report particularly impact rural school districts.

- Revise the state funding model to provide adequate, efficient, and equitable resources. These resources should be aligned to student needs in every school and district.
- Provide a qualified, well-prepared, and diverse teaching staff in every school.
- Provide a qualified and well-prepared principal in every school.
- Provide all at-risk students with the opportunity to attend high-quality early childhood programs.
- Build an effective regional and statewide system of support for the improvement of low-performing and high-poverty schools.

Challenges for Rural Schools

Poverty

One challenge for rural schools is the high level of poverty found in many rural communities. Nationwide, 64 percent of rural counties have high rates of child poverty compared with 47 percent of urban counties. Here in North Carolina, 62 percent of rural students qualify for free or reduced lunch compared to 46 percent of urban students. Children living in poverty face [a number of educational disadvantages](#). Children from low-income homes are more likely to experience food, housing and energy insecurity. They are more likely to suffer from poor nutrition and inadequate healthcare. When they do become ill, it takes longer for them to recover. In North Carolina, nearly one in six of rural students live below the poverty line, and one in nine has changed residence in the previous 12 months. They are less likely to have adequate resources at home, and they have less access to enriching activities outside of school. These children enter school with a readiness gap that grows as they get older. Additionally, students living in poverty are more likely to drop out of college or never attend college.

Healthcare

A number of challenges accompany low-income households including a lack of access to health care. [NC has seen seven rural hospitals close since 2010](#). A report earlier this month from The Chartis Center for Rural Health labels the situation a “closure crisis.” In North Carolina’s rural areas there is a significant shortage of primary health care providers. There is also a severe shortage of behavioral health providers. In rural areas rates of diabetes, opioid use and overdose deaths, and heart disease are higher compared to other areas of the state. [North Carolina is one of 14 states](#) that has not yet passed legislation to expand Medicaid. Current estimates suggest approximately [1 million people, many of whom are employed, are without healthcare coverage](#). This puts these students, who are coming to school with higher needs, at a distinct disadvantage from their more affluent peers. Students from high poverty backgrounds need support and extra resources to make up for the educational resources and opportunities they are not afforded, and often just the opposite occurs.

Underfunding

Another problem faced by rural public schools is a lack of funding. North Carolina’s rural districts spend over \$1,000 less per student than the average rural district in the United States. Rural

school districts receive less funding because of their smaller populations, but a lower student population does not always correspond with lower costs. Because students in rural districts tend to be spread out over a large geographical area, transportation costs per student tend to be high. On average nationwide, rural school districts receive just 17 percent of state education funding, although they comprise half of all districts and serve one in five students. Smaller rural schools are often at a disadvantage for funding in other ways. For example, the Title I funding formula emphasizes the number of students in poverty rather than the percentage of a school's students that are in poverty. In addition, many rural schools have a small staff that may not have the time or training to complete applications for competitive grants. Even when rural schools do receive grant money, if it is awarded based on student population size, the amount awarded may not be significant.

[The 2020 Local School Finance Study](#) from the Public School Forum of NC found that the ten highest spending counties spent on average \$3,305 per student compared to an average of \$782 per student by the ten lowest spending counties, with a gap of \$2,523 per student. That gap is the largest since the Forum began tracking this figure in 1987. There are fewer resources available to lower wealth counties, including money for teacher salaries and supplies. Also, the tax burden is greater in lower wealth counties because the tax base is smaller. Wealthier counties are able to keep tax rates low, while still procuring enough funds for their schools. For many districts across the nation, there is a growing teacher shortage due to years of underinvestment and stagnant salaries. Rural schools have an even more difficult time of attracting talent, as they have fewer resources to draw from for teacher salary supplements. The report states “ In low-wealth districts, schools are often unable to offer the diversity of course offerings found in wealthier counties, meaning that many students in these districts are unable to access advanced courses or electives that are important in developing college and career readiness.” Poorer, rural districts cannot make up the difference when state funding levels are insufficient and will continue to fall behind if funding adequacy is not addressed.

Academic Performance

Students in rural schools have unique problems relating to academic performance. Rural students have lower literacy rates than urban and suburban students, which is likely a reflection of the high levels of poverty often found in rural areas. Students in rural schools have access to fewer advanced classes than urban students. North Carolina's rural districts have less than half as many high school AP course offerings as urban districts – an average of 5.8 percent for rural districts versus 11.9 percent for urban districts. Providing higher-level coursework poses a

challenge for rural schools due to smaller teaching staffs. Offering advanced coursework would require additional training or more teachers, something rural schools often cannot afford to fund. The lack of additional educational opportunities after high school contributes to overall lower wages in rural areas and smaller tax bases. Finally, while rural students are more likely to graduate from high school compared to their urban peers, they are less likely to enter and graduate from college. As in other areas, graduation rates are lower for low-income and minority students in rural areas. Reasons that rural students do not attend college include financial concerns, the physical distance from colleges and university, and a lack of preparation from advanced coursework. According to a [recent report](#) by myFuture NC, “by next year, 67% of the jobs in our state will demand a postsecondary credential or degree.” It is crucial to address this important issue.

Teachers

Many rural school districts suffer from a severe teacher shortage. Teachers at rural schools often have lower salaries and benefits than their urban counterparts. The average annual local teacher supplement in North Carolina’s rural school districts for the 2017-2018 school year, was \$2,124. In non-rural districts, the average was \$4,209 – nearly twice the amount. This allows urban school districts to better attract and retain top talent.

Teachers and principals often lack access to high-quality, relevant professional development opportunities, as they may be based far away from the location of such events, and the programming may not be relevant to the needs of rural schools. Accordingly, rural teachers can face professional isolation. For educators who did not grow up in the communities where they work, the geographic isolation of rural areas can be challenging as well. The smaller staffs of rural schools mean that teachers and principals often need to take on additional roles and responsibilities, such as building administration or bus driving.

Because of all these factors, rural schools face high teacher turnover rates. In North Carolina, 25 of the 30 districts with the highest teacher turnover rates are rural. As a result of the high turnover rate, rural school districts spend more time and resources hiring and training new teachers, further compounding their funding problems.

Broadband

The [NC Rural Center](#), an organization dedicated to advocating for the unique needs of rural residents lists expanding access to affordable high-speed broadband as one of the most pressing issues facing rural residents.

Of the students across the country who don't have a reliable high-speed internet connection, 37% of them live in rural communities. This is opposed to 21% in urban communities and 25% in suburban communities. In North Carolina, only 85% of households have internet access, and of that 85%, [only 70% have broadband access](#), such as DSL, cable or fiber. An estimated 10 to 20 percent of our K-12 students do not have broadband internet access at home, according to the NC Broadband Infrastructure Office. This lack of broadband connection appears to have an impact on student performance -- students with better access to broadband tend to perform better on college admissions tests. A recent study by Dr. Cosmos George, president of the Warren County NAACP shows a correlation between ACT scores and access to broadband.

The COVID-19 pandemic has only further highlighted the digital divide. During the pandemic, many educational resources have moved online, including textbooks and reference materials. For those without adequate internet connection, completing assignments can be very challenging or impossible. This particular challenge is known as the homework gap and is more common for rural students.

Schools across the country have attempted to expand access to high speed connection for students through a variety of avenues, including mobile hot spots, internet-equipped iPads, and school buses equipped with Wi-Fi. In North Carolina, over 75,300 hot spots were distributed to schools by late October. Other students and parents have utilized maps with public Wi-Fi locations to gain internet access. In Robeson County, in which 43% of households don't have internet connection, teachers upload materials on flash drives and send them home to students every other week.

The FCC reports that of NC households that do not have access to high speed broadband, 95% of those households are in rural areas. The NC Rural Center suggests the [following steps](#) to help close to digital divide. First, raise the speed standard for federal investments in rural broadband. Second, leverage federal investments to expand rural high-speed broadband. And finally, continue to prioritize the connection of anchor institutions to high-speed broadband, particularly our public libraries.

There have been recent funding efforts to improve broadband connectivity. In March 2019, Governor Cooper issued [Executive Order No. 91](#) to increase internet access across North Carolina including through a new Governor's Task Force on Connecting North Carolina. His

budget for 2019 included \$35 million for efforts to expand access to broadband internet service. To encourage private providers to bring broadband service to underserved areas, the Governor's plan allocated \$30 million for the Growing Rural Economies with Access to Technology (GREAT) program.

In spring 2020, COVID-19 relief bills were passed which included close to \$1.6 billion of expenditures related to public health and safety, education, small business assistance, and continuity of state government operations. \$1.4 billion of this amount was appropriated and \$150 million was allocated to a reserve fund for future local government needs. In August 2020, \$95.6 million from the Governor's Emergency Education Relief Fund (part of the Cares ACT) was put towards K-12 and post-secondary students most impacted by the COVID-19 Pandemic. Also in summer 2020, the U.S. Department of Education awarded \$17.6 million to the N.C. Department of Public Instruction to help further develop innovative instructional approaches for those students most affected by disruptions to schooling.

In September 2020, Governor Cooper announced that \$40 million would be invested in NC Student Connect, a partnership with a goal of addressing connectivity gaps in remote learning. NC Student Connect includes state government departments such as the N.C. Department of Information Technology, N.C. Department of Natural and Cultural Resources, Governor Cooper's Hometown Strong Initiative, and the N.C. Business Committee for Education. Private sector investors include AT&T, Duke Energy Foundation, Fidelity Investments, Google, Smithfield Foundation, Verizon Foundation, and the Wells Fargo Foundation.

This December, legislators and Governor Cooper reached a deal to free up \$30 million to spend on rural broadband projects. In September, Governor Cooper had signed legislation allocating \$30 million in federal coronavirus relief funding for private providers to apply for grants to expand broadband through the GREAT Program. The CARES ACT, however, required that the money be spent by the end of the year with projects "complete and in service." Since this timeline was not going to be reached, Governor Cooper and legislators decided to redirect the \$30 million allocated to GREAT to other eligible expenses that would have been paid through the General Fund, and the North Carolina Legislature will vote on a bill early next year to appropriate the freed up \$30 million from the General Fund to the GREAT Program. At this point, over 70 providers have submitted grant applications to the Office of State Budget and Management.

Attempts at Reform

Rural schools face unique and complex challenges. Funding disparities between rural and urban communities mean fewer resources and opportunities for rural students. Many popular reforms can actually impede success in rural areas. These proposed reforms reveal a lack of appreciation of the particular issues facing rural schools.

Privatization

Since the North Carolina General Assembly lifted the 100-school cap on charter schools in 2011, the number of charter schools in North Carolina has nearly doubled. In fact, of the three charter schools recently approved by the State Board of Education, two are located in rural counties: Hobgood Charter Academy in Halifax County and Pocosin Innovative Charter in Washington County. Charter schools are causing financial strain in rural districts. Rural schools run on smaller budgets with little room for reduction of funds. As students leave traditional public schools for charter schools, fewer students are left behind at the traditional public schools. This diverts funds from already underfunded schools, causing a greater impact in rural areas. When students leave smaller district schools for charters and take allotted funding amounts with them, fixed costs like building maintenance and repair do not decrease and schools are left scrambling to make up for the loss. Voucher programs divert local tax dollars to largely unregulated private entities that run private schools. Taxpayers do not see how the money is used or who is spending it. Again, in a rural area the loss of funding for traditional public schools is more acutely felt. In addition, vouchers and charters both drive increasing amounts of segregation in traditional public schools, as middle class, mostly white students leave their district schools. The solution for meeting the needs of rural schools is adequate funding and not more privatization schemes.

School Closures or Teacher Replacement

Reform policies that require school closures or large scale replacement of teachers, such as those promoted under the *No Child Left Behind Act*, are impractical in rural areas, where local schools are often major employers. Such policies could put many people out of work, and the community would suffer economically from the destabilized job market. Additionally, because rural schools already suffer from teacher shortages, it is difficult to fill many of the vacancies left by mass teacher dismissals.

Possible solutions

A [study](#) published by the U.S. Department of Agriculture's Economic Research Service shows that higher levels of education are associated with better economic outcomes in rural areas. As the workforce becomes better educated, the area can attract more local businesses and expand the tax base desperately needed to support rural schools.

Rural Schools Can:

- Embrace place-based education. Place-based education is a way of teaching that integrates standard curriculum requirements with local resources, history and nature. It allows community partners, the natural environment, and local history to shape instruction. Place-based education has been found to increase test scores across subjects and improve students' critical thinking and attitudes toward learning.
- Foster strong relationships with other districts to pool resources and knowledge.
- Join teacher networks to allow for more sharing among educators. More experienced teachers in the network can support rural teachers in curriculum design, enabling rural teachers to teach high-level classes.
- Engage area universities to develop “grow your own” teacher education programs to get more students into the rural teacher pipeline.
- Partner with businesses and higher education institutions to provide students real-world learning opportunities or dual enrollment courses.

Lawmakers and policymakers should:

- Follow recommendations from the WestEd report that details how the state can meet its constitutional obligation to provide all students with a sound, basic education.
- Direct more attention to rural schools and provide adequate resources to help attract, train and retain quality teachers in rural areas.
- Adjust funding formulas to factor in rural school funding gaps and address rural schools' need for funds to cover increased transportation costs and increased technological infrastructure.
- Support place-based and “grow your own” teacher education programs that support students who wish to teach in their own hometowns, and ensure school leaders have specialized training to deal with the specific issues facing rural districts.
- Develop a plan to ensure all students can connect to the internet outside of school.

Last revised January 12, 2021

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