

Charter School Funding Reform

Rationale:

Line 1: The much-maligned charter school “pension double dip” is really more like a dip and a half since the pension reimbursements made by the state to charter schools are reduced by the application of “aid ratios”. Some proposals to eliminate the pension double dip involve adding a deduction to the PDE-363 as opposed to eliminating the pension reimbursement. This has the effect of taking away the full dip and leaving the half-dip which is unfair to charters. Eliminating the pension reimbursement takes away the half-dip and simplifies the payment system by eliminating one payment from the state to the charter schools, possibly reducing administrative work. An extra deduction on the PDE-363 does not eliminate a payment and does not yield any administrative savings.

Line 2: SOME charter schools are receiving lease reimbursements from the state, but, they all, including cyber charter schools, have buildings just like traditional public schools. Depending upon a district’s construction plans and the age of their buildings, the cost of buildings and other facilities appear as category 4000 expenses and/or category 5000 expenses. If students who attend charter schools are entitled to the same quality education as their traditional public school counterparts, there is no justification for giving brick and mortar charter schools any less funding to finance, build, and maintain quality facilities. Elimination of the lease reimbursement to charter schools reduces administrative efforts and eliminating the category 4000 and category 5000 deductions assures that all students will be funded equally.

Line 3: The objective of the PDE-363 is to accurately calculate a district’s per-student expenditures. Including charter school payments and charter school students in the calculations distorts the numbers slightly. Taking charter school payments and charter school students out of the calculations will make the PDE-363 more “mathematically pure”.

Line 4: It has been suggested that districts should be permitted to deduct some portion of the expenses related to their own cyber programs. The rationale for this is unclear. However, it would not be unreasonable for them to deduct ALL of the expenses related to their own cyber programs as long as they also deduct their own cyber students from their student counts reported on the PDE-363.

Line 5: Although charter schools generally do not have Pre-K programs, the current version of the PDE-363 only allows districts to deduct the federal dollars spent on their Pre-K programs. To be consistent and to make the PDE-363 more “mathematically pure”, districts should be allowed to deduct ALL of their Pre-K expenses as long as they also do not include any Pre-K students in their student count on the form.

Line 6: Many people think that cyber charter schools have very few expenses for buildings and facilities. This could not be farther from the truth. Cyber charter schools still need administrative buildings and they still need “classrooms” (albeit smaller) and props for teachers to use to conduct classes in front of cameras. Some cyber charter schools now have mobile science labs to provide their students with hands-on opportunities. Some cyber charter schools have regional performing arts centers. Some cyber charters provide their students with gym memberships to make up for the lack of a gymnasium. Cyber charters have much higher technology costs and some charters are building supervised “bricks and clicks” facilities that allow children who do not have a stay-at-home parent or guardian to attend a cyber-charter school. These are all things that only bring the playing field up to level for charter school students and there is no justification for spending a single dime less on a cyber-charter student than their traditional public school counterparts. Yet, the cyber community has demonstrated a consistent

Charter School Funding Reform

willingness to give some of their savings back to the rest of the public school community. Inclusion of a partial deduction of category 4000 and category 5000 deductions accomplishes this goal.

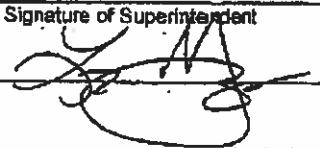
Line 7 and Line 8: Given that districts are permitted to deduct student transportation from their expenses, they should be providing transportation to all of the students in their district. Currently, this responsibility is falling on the families of students who attend learning centers and the charter schools in some cases involving students with disabilities.

Funding for Charter Schools

Calculation of Selected Expenditures Per Average Daily Membership

2011-2012 School Year

PDE-363 (6/2010)

School District Name Philadelphia	County Name Philadelphia	AUN 126515001
Contact Person Arthur Galpern	E-mail Address agalpern@philasd.org	Telephone Number Extension 215-400-5482 x
Signature of Superintendent 		Date 7-21-11

Funding for Charter Schools for 2011-2012 School Year
Calculation based on budgeted expenditures and estimated average daily membership
For 2010-2011 School Year (immediately preceding year)

NOTE: When completing this form, use the most updated version of the budget for the school year immediately preceding the school year for which payments will be made to a charter school.

FOR NONSPECIAL EDUCATION STUDENTS	
TOTAL EXPENDITURES	<u>\$3,456,369,315.00</u> (a)
Minus TOTAL DEDUCTIONS (see page 2)	<u>\$1,641,168,372.00</u> (b)
SELECTED EXPENDITURES (a - b)	<u>\$1,815,200,943.00</u> (c)
ESTIMATED AVERAGE DAILY MEMBERSHIP	<u>206,907.000</u> (d)
FUNDING FOR NONSPECIAL EDUCATION STUDENTS (c / d)	<u>\$8,773.03</u> (e)
(SELECTED EXPENDITURES PER ESTIMATED AVERAGE DAILY MEMBERSHIP)	

FOR SPECIAL EDUCATION STUDENTS	
1200 SPECIAL EDUCATION EXPENDITURES	<u>\$352,563,747.00</u> (f)
Minus SPECIAL EDUCATION DEDUCTIONS (see page 2)	<u>\$0.00</u> (g)
SELECTED EXPENDITURES (f - g)	<u>\$352,563,747.00</u> (h)
ESTIMATED AVERAGE DAILY MEMBERSHIP multiplied by 0.16 (d x 0.16)	<u>33,105.120</u> (i)
SPECIAL EDUCATION EXPENDITURES divided by 0.16 AVERAGE DAILY MEMBERSHIP (h / i)	<u>\$10,649.83</u> (j)
FUNDING FOR SPECIAL EDUCATION STUDENTS (e + j)	<u>\$18,422.86</u> (k)

POSTED
9-1-11

Provide a copy of this form to each charter school in which residents of the school district are enrolled.

Due Date: August 31, 2011

Return to: Pennsylvania Department of Education
Bureau of Budget and Fiscal Management
Division of Subsidy Data and Administration
333 Market Street, 4th Floor
Harrisburg, PA 17126-0333

School District Name	County Name	AUN
Philadelphia	Philadelphia	126515001

The following expenditure amounts are to be subtracted from the TOTAL EXPENDITURES reported on line (a). Deduct only the federal portion of expenditures except for the following account codes: 1200, 1500, 1600, 1700, 1800, 2700, 4000 and 5000.

NOTE: Only deduct the federal portion of expenditures if included in the Total Expenditures reported on line (a) on page 1.

DEDUCTIONS FROM TOTAL EXPENDITURES

1100 Regular Education (federal only)	<u>\$222,455,502.00</u>
1200 Special Education	<u>\$352,563,747.00</u>
1300 Vocational Education (federal only)	<u>\$1,813,045.00</u>
1400 Other Instructional Programs (federal only)	<u>\$57,784,245.00</u>
1500 Nonpublic School Programs	<u>\$0.00</u>
1600 Adult Education Programs	<u>\$596,920.00</u>
1700 Community / Junior College Programs	<u>\$0.00</u>
1800 Prekindergarten (federal only)	<u>\$52,566,026.00</u>
1800 Prekindergarten (state PreK counts only)	<u>\$19,874,450.00</u>
2100 Pupil Personnel (federal only)	<u>\$23,063,869.00</u>
2200 Instructional Staff (federal only)	<u>\$72,017,654.00</u>
2300 Administration (federal only)	<u>\$26,239,622.00</u>
2400 Pupil Health (federal only)	<u>\$603,130.00</u>
2500 Business (federal only)	<u>\$1,762,296.00</u>
2600 Operation and Maint. of Plant (federal only)	<u>\$2,770,788.00</u>
2700 Student Transportation	<u>\$120,376,046.00</u>
2800 Central (federal only)	<u>\$12,139,804.00</u>
2900 Other Support (federal only)	<u>\$364,835.00</u>
3000 Operation of Noninstructional (federal only)	<u>\$23,250,059.00</u>
4000 Facilities Acquisition, Constr. and Improvement	<u></u>
5000 Other Financing Uses	<u>\$650,926,334.00</u>
TOTAL DEDUCTIONS	<u>\$1,641,168,372.00 (b)</u>

DEDUCTIONS FROM SPECIAL EDUCATION EXPENDITURES

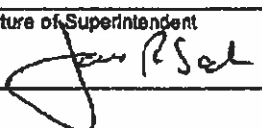
1200 Special Education (federal only)	<u>\$0.00</u>
1280 Early Intervention (state only)	<u>\$0.00</u>
TOTAL SPECIAL EDUCATION DEDUCTIONS	<u>\$0.00 (a)</u>

Funding for Charter Schools

Calculation of Selected Expenditures Per Average Daily Membership

2011-12 School Year

DE-363 (5/2010)

School District Name West Chester Area School District	County Name Chester	AUN 124159002
Contact Person John T. Scully	E-mail Address jsully@wcasd.net	Telephone Number Extension 484-266-1021 x
Signature of Superintendent 		Date 10-26-11

Funding for Charter Schools for 2011-12 School Year
 Calculation based on budgeted expenditures and estimated average daily membership
 For 2010-11 School Year (immediately preceding year)

NOTE: When completing this form, use the most updated version of the budget for the school year
 immediately preceding the school year for which payments will be made to a charter school.

FOR NONSPECIAL EDUCATION STUDENTS	
TOTAL EXPENDITURES	\$193,704,226.92 (a)
Minus TOTAL DEDUCTIONS (see page 2)	\$68,517,632.30 (b)
SELECTED EXPENDITURES (a - b)	\$125,186,594.62 (c)
ESTIMATED AVERAGE DAILY MEMBERSHIP	12,493.000 (d)
FUNDING FOR NONSPECIAL EDUCATION STUDENTS (c / d)	\$10,020.54 (e)
(SELECTED EXPENDITURES PER ESTIMATED AVERAGE DAILY MEMBERSHIP)	

FOR SPECIAL EDUCATION STUDENTS	
1200 SPECIAL EDUCATION EXPENDITURES	\$26,822,298.13 (f)
Minus SPECIAL EDUCATION DEDUCTIONS (see page 2)	\$2,957,645.50 (g)
SELECTED EXPENDITURES (f - g)	\$23,864,652.63 (h)
ESTIMATED AVERAGE DAILY MEMBERSHIP multiplied by 0.16 (d x 0.16)	1,998.880 (i)
SPECIAL EDUCATION EXPENDITURES divided by 0.16 AVERAGE DAILY MEMBERSHIP (h / i)	\$11,939.01 (j)
FUNDING FOR SPECIAL EDUCATION STUDENTS (e + j)	\$21,959.55 (k)

Provide a copy of this form to each charter school in which residents of the school district are enrolled.

Due Date: August 31, 2011

Return to: Pennsylvania Department of Education
 Bureau of Budget and Fiscal Management
 Division of Subsidy Data and Administration
 333 Market Street, 4th Floor
 Harrisburg, PA 17126-0333

School District Name	County Name	AUN
West Chester Area School District	Chester	124159002

The following expenditure amounts are to be subtracted from the TOTAL EXPENDITURES reported on line (a). Deduct only the federal portion of expenditures except for the following account codes: 1200, 1500, 1600, 1700, 1800, 2700, 4000 and 5000.

NOTE: Only deduct the federal portion of expenditures if included in the Total Expenditures reported on line (a) on page 1.

DEDUCTIONS FROM TOTAL EXPENDITURES

1100 Regular Education (federal only)	\$2,862,349.61
1200 Special Education	\$26,822,298.13
1300 Vocational Education (federal only)	\$0.00
1400 Other Instructional Programs (federal only)	\$0.00
1500 Nonpublic School Programs	\$31,549.44
1600 Adult Education Programs	\$21,355.61
1700 Community / Junior College Programs	
1800 Prekindergarten (federal only)	
1800 Prekindergarten (state PreK counts only)	
2100 Pupil Personnel (federal only)	\$60,236.07
2200 Instructional Staff (federal only)	\$1,086,639.77
2300 Administration (federal only)	\$3,000.00
2400 Pupil Health (federal only)	\$3,196.05
2500 Business (federal only)	\$25,823.00
2600 Operation and Maint. of Plant (federal only)	
2700 Student Transportation	\$12,970,007.92
2800 Central (federal only)	\$12,146.51
2900 Other Support (federal only)	\$0.00
3000 Operation of Noninstructional (federal only)	\$13,567.45
4000 Facilities Acquisition, Constr. and Improvement	\$687,508.85
5000 Other Financing Uses	\$23,917,953.89
TOTAL DEDUCTIONS	\$68,517,632.30 (b)

DEDUCTIONS FROM SPECIAL EDUCATION EXPENDITURES

1200 Special Education (federal only)	\$2,701,882.39
1280 Early Intervention (state only)	\$255,763.11
TOTAL SPECIAL EDUCATION DEDUCTIONS	\$2,957,645.50 (g)