

**Action Item - 2.**

**Title: Resolution Calling for Charter School Funding Reform by the Board of Education of the Philadelphia School District**

**Board of Education Meeting Date:** 4/30/2020

Whereas, the average Pennsylvania school district spends millions of dollars in taxpayer money annually in mandatory payments to brick-and-mortar and cyber charter schools; and these payments are calculated in a manner which requires districts to send a disproportionate amount of money to charter schools to operate their programs creating an inequitable distribution of taxpayer resources and placing a significant financial burden on districts; and

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Whereas, the current charter school funding formula was established in 1997 under the state's Charter School Law and has not been changed in the 23 years since it was first created; and the formula for general education programs for cyber charter schools is inequitable, because it is based on a school district's expenditures and not what a cyber charter school actually spends to educate a child; and

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Whereas, because the tuition rate calculations are based on the school district's expenses, they create wide discrepancies in the amount of tuition paid by different districts for the same cyber charter school education; and

- Deleted: and result in drastic overpayments to charter schools; and these discrepancies in tuition rates for regular education students can vary by almost \$13,000 per student and by \$39,000 for special education students;

Whereas, charter school students make up approximately 37.3% of public school enrollment in Philadelphia but, due to the inequities in the special education funding formula for charter schools, have received nearly 51% of all new education dollars since 2015; and

- Deleted: the latest data from the PA Department of Education (PDE) shows that in 2017-18 total charter school tuition payments (cyber and brick-and-mortar) were more than \$1.8 billion, with \$519 million of that total paid by districts for tuition to cyber charter schools; and

Whereas, further analysis of PDE data shows that in 2014-15, school districts paid charter schools more than \$100 million for special education services in excess of what charter schools reported spending on special education; and

Whereas, the costs of charter schools for school districts continue to grow significantly faster than enrollment in charter schools is growing each year; and on a statewide basis are the most identified source of pressure on school district budgets; and

Whereas, the need for significant charter school funding reform is urgent; and school districts are struggling to keep up with growing charter costs and are forced to raise taxes and cut staffing, programs and services in order to pay increased costs to charter schools;

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Now, Therefore Be it Resolved, that the Philadelphia Board of Education calls upon the General Assembly to meaningfully revise the existing inequitable charter school funding systems for general and special education to ensure that school districts and taxpayers are no longer overpaying charter schools or reimbursing for costs the charter schools do not incur. We along with the school boards across Pennsylvania are advocating for substantial change.

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