

Issue Brief #2: Additional Necessary Context

What's Missing:

Issue Brief #2, entitled "Differences in financial obligations: traditional school districts and public schools of choice" left out the single biggest difference between district and charter financial obligations:

The rounded average of capital project costs incurred by charter schools in FY 14 was \$1,190 per pupil.

What you also need to know:

On Page 2, under "Charter schools tend to have unique expenses that meet the above criteria in the following areas," there are two expenses listed (debt service & rent). There should be a third:

(3) **Capital Projects:** New construction or the expansion, renovation, or replacement of an existing facility or facilities. For traditional districts, this expense is covered by the city/town and is not encompassed by their per-pupil funding. Conversely, charter schools must pay for all capital project costs from per pupil funding.

- **This meets criteria 1.** With the exception of regional districts, virtually no traditional districts incur this expense and charters currently incur it as a result of both budget and statute.

And Table 2 should be expanded as follows:

Table 2: Rounded Average, FY 14 Costs Incurred by Charters, Per Pupil

<i>Debt Service</i>	<i>Rental Costs</i>	<i>Capital Projects</i>
\$510	\$430	\$1190

What does it mean?

Simply put, the current funding formula does not provide for charter schools facilities costs.

In FY 14 charter schools' unfunded facilities costs (capital projects, debt service and rent) averaged ***\$2,130 per pupil.***

Why is this relevant?

In order to compare "apples to apples," a fair consideration of the differences in financial obligations borne by district public schools and charter public schools under the current funding formula *must* include *all* of the facilities costs that charter schools have to pay from the per-pupil funding they receive.