



Funding Charter Schools

- ✓ Legislative Intent
- ✓ Small numbers of students
- ✓ NH will save money for every dollar spent
- ✓ Schemes for funding Charter Schools
- ✓ Budget needs: \$1500-\$4000 per student (goal: 20% less than the average total cost)
- ✓ Bi-Partisan political support nationwide



NH Center for School Reform
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The Legislature's Intent

RSA 194-B has been amended multiple times since passage in 1995. The Legislature has wanted the law and the pilot program to succeed. In 1997, the legislature added a section of statute to make clear the law's purpose.

RSA 194-B: 1-a: Statement of Purpose.

It is the purpose of this chapter to:

- I. Promote and encourage the establishment and operation of charter and open enrollment schools in New Hampshire,
- II. Encourage school districts to allow public charter and open enrollment schools,
- III. Encourage the establishment of public charter schools with specific or focused curriculum, instruction, methods, or target pupil groups,
- IV. Improve pupil learning and increase opportunities for learning,
- V. Exempt charter schools from state statutes and rules, other than where specified, to provide innovative learning and teaching in a unique environment,
- VI. Enhance professional opportunities for teachers,
- VII. Establish results-driven accountability for public charter schools and require the measurement of learning,
- VIII. Make school improvement a focus at the school level, and
- IX. Encourage the establishment of public charter schools that meet the needs and interests of pupils, parents, communities, regions, and the state as a whole.

(Note: IX was added in 2004 for multi-district charter schools authorized by the state as part of the new pilot program).

The Numbers

As of May 2005
11 SCHOOLS ARE APPROVED
6 SCHOOLS ARE OPEN

401 Students = FY 2006-07 Projection

571 Students = FY 2007-08 Projection

PROJECTION: 4 SCHOOLS WILL SEEK
AUTHORIZATION IN 2006...
for openings in 2007

Student Population Projections Approved School	2006 -07	2007 -08	Student Population Projections Potential School	2006-07	2007-08
1) Franklin Career Academy	0	35	12) Ashuelot Valley High Academy	0	0
2) Seacoast Charter School	60	60	13) Innovative High School	0	0
3) North Country Alternative Charter School	45	50	14) Autistic Charter, Manchester	0	12
4) Laurent Clerc Academy	6	6	15) Expeditions Adventure Academy	0	25
5) Cocheco Arts & Technology Academy	80	80			
6) Great Bay eLearning Center	100	150			
7) New Heights Academy	40	60			
8) Equestrian Academy Charter School	25	25			
9) Academy for Science and Design Charter School Opening 9/2007	0	40			
10) Strong Foundations Charter School Opening 9/2007	0	20			
11) Surry Village Charter School	45	45			
Student Population, Projected Totals in FY 06 & 07	401	571	Population Projected for Potential New Schools in FY 06 & 07	0	37

*Based on schools with planning grants

Research

Charter schools are a wise investment. For every dollar spent, the state saves money in the long run.

Charter schools serve at-risk populations, are accountable for achievement, literacy, and assuring graduation.

1. Student dropouts lose lifetime earning potential: Males: \$365,707; Females: \$236,111. Lost wages = Lost economic gain for the state economy.
 2. 1 in 4 NH students drops out (NH Public Policy research 2002). DOE posting for cumulative dropout rate 15.1% for 2002. NH deaf student dropout rate is 3X the national average.
 3. Each year's dropouts cost the US 200 billion in lost income and unrealized tax revenue.
 4. High School dropouts are 2.7 times more likely to receive needy family assistance.
 5. Dropouts are 3.7 times more likely to receive food stamps.
 6. Dropouts are 6 x more likely to be incarcerated and state supported.
 7. Remedial education costs taxpayers and the state millions.
 8. Individualized programs for all students in Charter Schools reduce special education needs and costs.
 9. Charter schools typically cost less per pupil to run. One state's study found 15-20% less per student per year. New Hampshire's 1995 charter school law is based on funding at 80% of the prior year's per pupil cost.
 10. A recent national poll indicates 78% of Americans support creation of new public schools—charter schools—held accountable for results but without more cost per child.
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Funding of Charter Schools

MONEY FOLLOWS STUDENTS



Local Authorization Scheme

- At least 80% of local per pupil cost is paid by sending district
- Local special ed funding, as applicable
- Federal & State grants follow the student
- Law allows for more or less than 80%, mutually-agreeable options encouraged

State Authorization Scheme

- State Aid Amount follows student, +
 - Grants from a charter school fund are provided in addition to other state funds.
 - Local special ed funding, as applicable
 - Federal & State grants follow the student
 - Law allows for more or less than required, mutually-agreeable options encouraged
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FUNDING

State-authorized Charter Schools

A. Charter schools basically designed for only 1 SAU are in the best position to redistribute local funds for their students.

B. Schools serving regions or students from multiple SAUs truly need state funding to have reasonable levels of funding, unless charter schools have tuition contracts with districts to assure choice spaces are available for their students.

	Elementary schools 80% of total state cost = \$7,446	High schools 80% of total state cost = \$8,070
Adequacy	\$3,500	\$3,500
Fund Grant	\$1,500 - \$4,000	\$2,000 - \$4,500
TOTAL=	\$5,000 - \$7,500	\$5,500 - \$8,000

Calculation: Budget Funds Needed

Various per pupil allocations

For FY 2006

$$\$1,500 \times 372 = 558,000$$

$$\$3,000 \times 372 = 1,116,000$$

$$\$4,000 \times 372 = 1,488,000$$

For FY 2007

$$\$1,500 \times 655 = 982,500$$

$$\$3,000 \times 655 = 1,965,000$$

$$\$4,000 \times 655 = 2,655,000$$

Considerations.

1. A special Education School may be best if uniquely funded.
2. 3 approved schools are essentially 1 SAU serving their own students.
3. Students re-entering public school from home schooling are not receiving funding.
4. Gradually the state needs more high school spaces. Small charter high schools are a good state investment.

CHARTER SCHOOLS HAVE BI-PARTISAN POLITICAL SUPPORT

Economist studies show positive market effects of Charter Schools.

New Hampshire's charter schools, late in the national effort, have the benefit of wisdom from other states. **We can reproduce the best schools & assure the highest standards of operation.**

For more information, a complete listing of schools, statewide news coverage, and outstanding reports of progress, go to

www.nhschoolreform.org 603-224-0366
