

PCCY Releases Another Misleading Report on Charter Schools in Pennsylvania

Public Citizens for Children and Youth (PCCY) has released yet another misleading report on charter schools, which focuses this time on the impact of rising charter enrollment in the Philadelphia suburbs. The report looks at the performance and funding of charter schools in Bucks, Chester, Delaware and Montgomery counties, as well as cyber charters that enroll students from those counties. Negative reports like this are nothing new to PCCY, but they should get their facts straight before misleading the public.

Here are some facts worth consideration that counter what is stated in the PCCY report:

- 1. Report Claims: Half of charter schools in the suburban counties -- Bucks, Chester, Delaware and Montgomery -- perform worse on state tests than districts in those counties with similar shares of disadvantaged students.**

This statement is carefully crafted as a way to manipulate the data in order to eliminate the high scoring charter schools. In Bucks County, where there are currently three brick and mortar charter schools, by saying that half of the charter schools perform worse, PCCY is able to eliminate a charter school that has an SPP score of 90.8, which is phenomenal and among the top three highest ratings among all schools in the county! In Chester County, there are several charter schools performing extremely well, with scores surpassing the statewide average. Montgomery County has one charter school with an SPP score of 83.7, outscoring more than 70% of all schools in the county! Why is that not mentioned? PCCY manipulates the data with their phrasing by adding multiple conditions in the statement and, therefore, disqualifying the best scoring charter schools! If half of the charter schools are worse, then the other half are as good or better!

- 2. Report Claims: Cyber charter schools consistently perform worse than districts in the southeast suburban counties with similar shares of disadvantaged students.**

Looking at performance based on economically disadvantaged numbers is a poor comparator and does not tell the entire story. Many families make a move to a charter school only after their home school district has failed their individual child. A charter school then has to play 'catch up' in educating the child.

PCCY should, instead, have examined the reading and math performance levels of the students entering the charter schools. The students who leave the traditional public schools are usually two to three years behind their peers and aren't being served in their home district. That is what motivates many of the parents to explore other options for their children. Statistically the methodology is very flawed. One has to wonder why PCCY has not ever considered parental satisfaction as a comparator. Furthermore, Cyber charter schools have kids enrolled from virtually district across the state. Comparing kids from across the state with southeast suburban districts is apples to oranges. We should be looking at the individual academic growth patterns of students after a particular school has had an opportunity to educate that child.

3. Report Claims: Charter schools receive more money for special education than they require: Southeast suburban districts paid charter schools \$46 million for special education students in 2016, yet the charters spent just \$27 million on special education.

Charter schools are required, just like districts, to fulfill a student's IEP no matter the cost. For more expensive IEP, it is not uncommon for a district to pay a charter \$20,000 and the IEP is double or triple that amount.

Let's look at *comprehensive* education funding reform that includes a fair funding formula for traditional public schools and charter schools. Stop bellyaching about money being spent on special education students that is actually being spent to educate special education students just because it may look like more than the districts are spending. The problem just might be that the districts aren't adequately funding the true special education needs of their students.

4. Report Claims: Charter schools have much higher average administrative costs, and higher average fund balances, than southeast suburban district schools.

The main driver behind this argument is how PDE tracks Administrative costs (2000 category). Charters and Non-charter public schools report costs of buildings differently. Charter in administrative (2000) and districts in facilities and debt service. What they should be looking at is PDE provided data on total non-instructional expenses. Based on PDE data, **districts spent more on non-instructional expenses in 2015.**

Total non-instructional expenses Charter School - \$6,421.

Total non-instructional expenses Public-non Charter School - \$7,190

School District's benefit from an economy of scale for administration costs, both operationally and statistically. In 2015 average district school enrollment was 3,183 students compared to average charter school enrollment at 596 students. In both District and charter schools, administrative costs are step, with those steps widening as enrollment increases. Furthermore, high enrollment increases the divisor in the calculation by over 4 times compared to charter schools.

Furthermore, the issue is that if school budgets are compared, it's misleading. A charter school (especially single site as found in suburban districts in the southeast) is a school and a Local Educational Agency (LEA). A superintendent, business office, compliance office, Human Resources, Maintenance and other services reserved for district central offices are housed in the charter school and reflected most often in the administrative budget. This type of comparison is bait and switch, creating a false narrative to either confuse or mislead the public.

Lastly, charter schools are not taxing authorities and receive no money for facilities, other than a small reimbursement if they rent their building. Many districts do not pay charter schools, or don't pay in a timely fashion, so fund balances are necessary and warranted. PCPCS has been supportive of the fund balance limitations in HB 97.

5. The report advocates for "tighter fiscal controls" on charters. It recommends implementing a standardized cyber charter tuition rate, applying the state's special-education funding formula

to charter schools, and capping charter school fund balances. It also advocates for changes to the state's charter law to "only approve high-quality applicants," give charter schools in the top 10 percent of a district more flexibility, and mandate closure of "chronically failing" schools, among other recommendations.

Should every district have a standardized tuition rate? Every community makes a determination on what they want to spend on education. Every cyber charter school has different education programs, services, teacher contracts, etc. One size does not fit all. The funding formula is flawed, but flawed for both sides, which is why a funding commission, as part of comprehensive reform, is needed. Groups like PCCY have been the impediment to getting real reform done – they can't have it both ways.

In PCCY's world, "tighter control of charters" is code for let's see how many we can close. PCPCS is for accountability, but transparent, fair accountability. This can be achieved through a truly independent authorizer, one that can call "balls and strikes", can close schools and provide true choice to parents by determining what a "high quality applicant" is.