

The Funding Picture

State Funding
Federal Funding
Facilities and Other Challenges



State Funding

Leila Shar,
Financial Performance Manager



Background

- * Funding for charter schools available from State, Federal, and private organizations.
- * State funding from General funds.
- * Charter schools receive their proportionate share of State DOE General fund appropriations for School Based Budgeting (EDN 100), Instructional Support (EDN 200), State Administration (EDN 300) and School Support (EDN 400).
- * Special Ed services provided by DOE.

Background (continued)

- * Employee fringe benefits paid by the Department of Budget and Finance (B&F), **not a cost of the schools.**
- * All charter school employees belong to a union. Increases negotiated through collective bargaining provided by State.
- * HRS §302D-29.5 allows for the Commission to request facilities funding for charter schools as part of its annual budget beginning with fiscal year 2014-2015.

Background (continued)

- * State funding provided on a per pupil basis
- * Total of EDN 100, 200, 300, 400 appropriations divided by total public school students (K-12)
- * Charter schools receive their pro rata share (charter school students/total students x total of EDN 100, 200, 300, 400)
- * As a state agency, charter schools are not allowed to incur debt (obligate the State)
- * Schools are encouraged to form Not-for-Profit support entity

Historical Per Pupil Amounts

* Per pupil allocations:

Year	Amount per Pupil
2009-2010	\$ 5,753.18
2010-2011	5,363.00
2011-2012	5,454.00
2012-2013	5,950.18
2013-2014	5,994.69
2014-2015	6,315.02
2015-2016	6,520.00 (Estimate)

Funds Disbursement

- * Funds disbursed via ACH transfer in three payments:
 - * 60% disbursed by July 20 based on estimated enrollment provided May 15
 - * 30% disbursed by November 30, including adjustments for actual enrollment as of October 15
 - * 10% disbursed by June 30
 - * For first year, plan on 13-month year (July – July)

Federal Funding

Ben Cronkright,
Federal Programs Manager

Kaleo Iwasaki,
Federal Programs Liaison



Title I: High Poverty Students

- * Feds measure poverty by “free-and-reduced lunch” count; 47.2% to qualify.
- * Funding is based on prior-year student count; however, exceptions to this do apply if school is located within high-needs community.
- * Funds are based on poverty students but program is school-wide.
- * Currently \$359-\$453 per student, depending on island. Requires application and plan; CNA, School-wide plan, Fiscal Request Form, all must be aligned to meet the needs.

Title II: Teacher Quality

- * Three types of Title II funds:
 - * Funds based on \$142.50 per Non-HQ. Restricted to NHQ-to-HQ expenses. (Based on SY 14-15)
 - * Funds based on \$394.25 per HQ teacher. Prof. dev. for all teachers and admin. (Based on SY 14-15)
 - * Supplemental professional development grants. Amounts vary year to year.
 - * Should align with School's Academic Plan.
 - * First year schools are excluded from requesting Title IIa funds. School will have to wait for second year to submit Title IIa RFF.

Title III: English Language Learners

- * Funds are supplemental only – to be used for ELL program students.
 - * Schools must apply for ELL funds
 - * All schools must have a Core ELL program at their school.
- * Based on number of ELL students
- * Limited uses
 - * Professional Development
 - * Software Resources—to be used in ELL Classrooms
 - * Extended Learning Opportunities – (before or after school)
 - * Software resources—Imagine Learning, Learning A-Z, etc:
 - * ELO-Staff supplemental pay
 - * Supplemental instructional materials

Special Education

- * Positions provided by DOE based on number and needs of SpEd students.

Impact Aid

- * No use restrictions. Amounts vary year to year, currently \$200 per student.

Facilities and Other Challenges

Tom Hutton,
Executive Director



New Charter Schools

- * Conversion schools: Charter school retains use of campus
- * Start-up schools: Currently must provide for facilities needs out of operating funds and/or partnerships with other institutions
- * Same per pupil funding for conversions and start-ups

Start-ups

- * If DOE is to close school and not use facility for education programs, BOE to notify charter schools and solicit applications for use of facility, AND state agency inventory of unused facilities
 - * But enrollment and government reality checks
- * Renovation and retrofitting costs
- * Compliance with occupancy, code, zoning etc.
 - * Nonprofit landlords may not have documentation
- * Opportunity: Nontraditional settings (Kakaako?)

Prospects?

- * More administrative infrastructure being put in place to potentially help address facilities challenges, but still a very difficult challenge
- * Questions about public improvement of private property
- * More consensus on the Why than on the How?
- * Concern about open-ended commitment
- * Impressions of our charter sector

Collective Bargaining

- * Master agreements can have cost implications for planning a new, innovative school
- * Departure from master agreements possible via supplemental agreement, but may have a cost
 - * Union sensitivity: Supplementals undermining hard-won gains?
 - * Comfort level with outside-the-box?
 - * E.g., extended learning opportunities

Instructional Cost Variation

- * High-needs populations
 - * DOE schools: Weighted Student Formula
 - * Charter schools: Per pupil funding the same
- * Grade levels
 - * Higher staffing costs at higher grade levels
 - * Per pupil amount does not differentiate

Leveraging

- * Strategic alliances are key!
- * Community partnerships
- * High capacity partners
- * Innovation, thematic focus, and compelling educational needs all can be powerfully persuasive
- * Act 130's emphasis on governing boards
- * Among the charter school movement's strongest rationales

Questions?

The Funding Picture