RESOLUTION CALLING FOR CHARTER SCHOOL FUNDING REFORM BY THE BOARD OF DIRECTORS AND TAX PAYERS OF THE ALLENTOWN CITY SCHOOL DISTRICT

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 more money to charter schools than is needed to operate their programs and places a significant financial burden on districts’ resources and taxpayers; and

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 regular education programs is unfair because it is based on a school district’s expenditures and not what it actually costs to educate a child in the charter school; and

WHEREAS, the calculation for charter special education tuition is unfair because it is also based on the special education expenditures of the school district rather than the charter school; and although the General Assembly revised the special education funding formula in 2014 to more accurately target special education resources for students identified with high, medium and low needs, this formula was applied only to school districts and not to charter schools; and

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 charter school education 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; and 2019-2020 tuition rates for the Allentown School District are $10,408 for regular education and $25,721 for special education; and

WHEREAS, 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 in 2019 – 2020 the Allentown School District is projected to pay $7.4M in cyber tuition and $50.3M in bricks and mortar tuition totaling $57.7M in tuition to 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 the Allentown School District is projected to pay $16.6M in special education charter school tuition in the 2019 – 2020 school year; and

WHEREAS, the costs of charter schools for school districts continue to grow significantly 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 for their own students in order to pay millions of dollars to charter schools.

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WHEREAS, Article III, Section 14 of the Pennsylvania Constitution requires the legislature to provide for the maintenance and support of a “thorough and efficient” system of public education; and

WHEREAS, it is beyond question that Pennsylvania’s current method for funding charter schools, which is independent of the costs of their operation, oblivious to the budgetary burdens it imposes on public school districts, and the double taxation it exacts on taxpayers, is the epitome of inefficiency;

NOW, THEREFORE BE IT RESOLVED that the Allentown City School District School Board calls upon the General Assembly to meaningfully revise the existing flawed charter school funding systems for regular and special education to ensure that school districts and taxpayers are no longer overpaying these schools or reimbursing for costs the charter schools do not incur. We, along with the Pennsylvania School Boards Association, are advocating for substantial change.

Adopted this _________________ day of ______________________, 2020.

Signed,

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                     School Board President                  Board Secretary