

# FIXING OHIO'S CHARTER SCHOOL FUNDING GAP

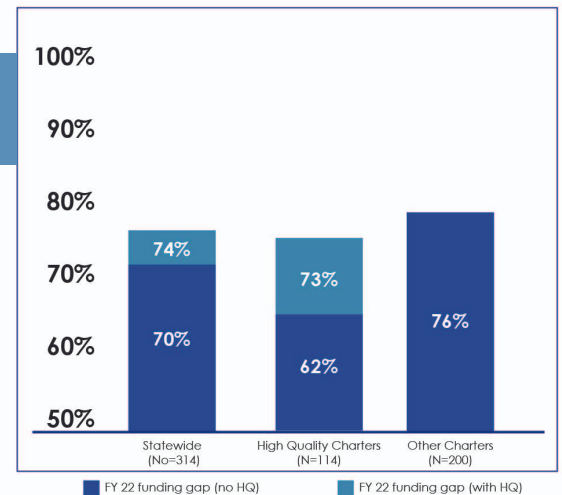


## CHARTER FUNDING INEQUITY

- Ohio unfairly shortchanges students who attend public charter schools. **On average, students attending a brick-and-mortar charter school receive just 70 cents on the dollar—or 30 percent less funding—than students who attend traditional district schools.**
- The funding gap hurts charter schools and the students they serve. Without equitable resources, charters often struggle to provide the extra supports and enrichment opportunities that help unlock a student's full potential. Charters also face serious challenges attracting and retaining talented teachers, as their lower funding levels force them to offer lower salaries.

## HIGH QUALITY CHARTER FUNDING

- Ohio's high-quality charter fund fills some of the gap. Starting in 2019, the state began to provide high-quality charters—schools with strong state ratings—with additional state support to help narrow these gaps. The figure shows that the supplemental funding narrows the gap relative to districts to 73 cents on the dollar for the 114 public charter schools (out of 314 charters) that currently qualify for the program.



## STEPS TO FURTHER BRIDGE THE FUNDING GAP

- First, support Governor DeWine's increased funding for high-quality charter schools. In his budget plan, the governor proposed to increase the amount of funding for quality charters—from \$1,750 to \$3,000 per economically disadvantaged pupil and \$1,000 to \$2,250 per non-disadvantaged pupil.
- Second, create a new charter equity supplement for all brick-and-mortar charters. All charter students deserve equitable funding for their education. To narrow the overall funding gap, state legislators should create a \$1,000 per pupil supplement for all brick-and-mortar charters.

These steps would ensure that charters receive an overall average of 88 cents on the dollar compared to local districts. High-quality charters would be funded at 93 cents on the dollar; other charters would receive 84 cents.



# FREQUENTLY ASKED QUESTIONS ABOUT PUBLIC CHARTER SCHOOLS

## **What are public charter schools?**

Charters are public, non-profit, tuition-free schools that operate independently of traditional school districts. (They are not private schools.)

## **How many students do public charter schools enroll?**

In 2021-22, 110,000 students attended a public charter school in Ohio. Of that number, 88,000 attended a brick-and-mortar charter school, while the rest attended an online charter. Last year, Ohio had a total of 324 charter schools.

## **What are the backgrounds of charter school students?**

Charters serve students of diverse backgrounds from many communities in Ohio. Most brick-and-mortar charters, however, operate in urban communities and thus serve predominately economically disadvantaged (90%) and Black and Hispanic students (71%).

## **How are charter schools funded?**

Charter schools are funded almost entirely by the State of Ohio, with a small fraction of funds coming from federal sources. Charter schools, save for a few in Cleveland, do not receive local tax revenues—a major source of funding for districts.

## **What is the high-quality charter school fund?**

In 2019, Ohio created a supplemental funding program that provides qualifying schools with additional state aid. In general, to qualify, charters must outperform their district on the state's performance index for two consecutive years and receive a four- or five-star value-added growth rating. First-year startup charters may also qualify under alternative criteria.

## **How are charter schools held accountable?**

Just like traditional districts, charter schools receive annual state ratings based largely on students' state exam results. Charters are also held accountable by a "sponsor" which has the authority to close a school for low-performance. Last, charters are held accountable to parents who voluntarily enroll their child in the school. When parents choose to leave the school, it automatically loses funding; should enough parents exit, the school may need to close.

## **How do charters perform compared to their local districts?**

A rigorous evaluation by Ohio State University professor Stéphane Lavertu found that students attending brick-and-mortar charter schools made significantly greater academic progress than their peers attending district schools.

Published in 2019, the study can be found at this link:

<https://fordhaminstitute.org/ohio/research/impact-ohio-charter-schools-student-outcomes-2016-19>.

