

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.
- * All General fund appropriation 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	6,200.00 (est.)

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

Beth Bulgeron,
Academic Performance Manager

Kalima Cayir,
Charter Academic Officer

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, so no funds in first year.
- * Funds are based on poverty students but program can be for entire school.
- * Currently \$359-\$453 per student, depending on island. Requires application and plan.

Title II: Teacher Quality

- * Three types of Title II funds:
 - * Funds based on \$150 per Non-HQ. Restricted to NHQ-to-HQ expenses.
 - * Funds based on \$250 per HQ teacher. Prof. dev. for all teachers and admin.
 - * Supplemental professional development grants. Amounts vary year to year.

Title III: English Language Learners

- * Funds are supplemental only – to be used for ELL program students outside the regular school day
 - * Schools must apply for ELL funds
 - * Core ELL program at school
- * Based on number of ELL students
- * Limited uses
 - * Professional Development
 - * Extended Learning Opportunities – (before or after school)
 - * Software resources
 - * 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
- * 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
 - * But enrollment reality check
- * Renovation and retrofitting costs
- * Compliance with occupancy, code, zoning etc.
 - * Nonprofit landlords may not have documentation
- * Opportunity: Nontraditional settings (Kakaako?)

Prospects?

- * Last session: various proposals went far, but died
- * Still a difficult challenge
- * Questions about public improvement of private property
- * More consensus on the Why than on the How?
- * Revenue forecast currently not helpful

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 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