

# Information Alert MFP Task Force / Equitable Funding Update

October 28, 2015

#### Greetings!

Below is an update of advocacy efforts to have funding for schools follow the needs of the students in those schools. Funding to schools is provided by the Minimum Foundation Program (MFP). At its October meeting the MFP Task



Force agreed to consider issues related to how charter schools are funded. Charter school funding issues will be the topic of the next MFP Task Force meeting on December 2nd.

The MFP Task Force agreed to consider two requests regarding charter school funding. First, a request made by LaTEACH Leader of Region II, Ashley McReynolds, to consider how the local share of funding is given to charter schools. Second, the Louisiana Association of Business and Industry (LABI) representative, Bridget Neiland, asked about the need for a full review of all funding to charter schools.

WHAT: MFP Task Force
Discussion of charter school funding

WHEN: Wednesday, December 2, 2015

1:00 pm - 4:00 pm

WHERE: Claiborne Building - The Jefferson Room (136)

A&B)

1201 N. Third Street Baton Rouge, LA 70802

Contact your <u>LaTEACH Regional Leader</u> or <u>info@lateach.org</u> if you have questions.

#### Additional Information

#### **The Current Concern**

As a result of LDOE's interpretation of Act 467 of 2015, the state share of funding given to schools was corrected. However, charter schools continue to receive the same amount of the local share of funds for every student - not basing the funding amount on student needs.

There are two reasons advocates are questioning how the local share of funds are distributed to charter schools:

- Law (<u>R.S. 17:3995</u>) says the per student funding (from state and local sources) to charter schools shall be determined by student characteristics or needs.
- State and local shares of funding in the MFP are related to one another. The total amount of funding needed by a school system is determined by the needs of students. The state share of this total amount is calculated by subtracting out a local share based on how much local revenue is available.

The source of funding does not change the need for more funding to educate a student with a disability than a student without a disability. Schools need the full funding, from both the state and local sources, for each student based on the student's needs to provide appropriate services.

## Inequities in Funding between Charter Schools and Traditional School Systems Relative to Students with Disabilities

Both the local and state share of funding inequities is substantial. The pattern has been for charter schools to receive more money than they should relative to the students they serve. In May 2015, Superintendent White shared data from 2014-2015 revealing 29 of 30 Type II charter schools received more state money, averaging more than \$150,000 per school, than would have been provided to a traditional school system with the same percentages of students with certain 'at-risk' characteristics, such as having a disability or living in poverty. Money received by a charter school is deducted from the amount received by a traditional school system. One traditional school system, Orleans Parish School Board, should have received \$1.7 million more in state funds in 2014-2015 because those funds were diverted to charter schools even though the charter schools did not serve the students associated with those funds. The figures above are just the state share of funding. An equally significant shift in funding is expected when the local share of funds is corrected across school systems.

In addition to MFP funding inequities, charter schools have been receiving a disproportionately high percentage of high cost funds. High cost funds are provided to schools for students with disabilities costing more than about \$33,000, or more than three times the average cost of educating a student without a disability. Although charter schools only enrolled 7% of all students with disabilities statewide in 2014-2015, charter schools received over 28% of the high cost funds. This was four times the expected amount relative to the number of students with disabilities enrolled. And, this disproportionate distribution in 2014-2015 was a significant improvement from 2013-2014 when charter schools only served 5% of students with disabilities but received 45% of the high cost funds statewide.

LaTEACH advocates have been waiting three years for BESE's MFP Task Force to consider equitable funding across different types of school systems.

### Any questions?

If there are any questions about the information in this alert, contact LaTEACH at:

Email: info@lateach.org Phone: 1-800-450-8108 Phone: 1-800-894-6558 Website: www.lateach.org

