

Another Installment from Steve Dyer about Fordham's Call for an Exorbitant Increase in Funding for Charter Schools

The failed charter school experiment has gathered a boatload of supporters. This greedy group wants more and more funds and less and less accountability and transparency. Steve Dyer exposes the charter industry for what it is.

Fordham's Calls for \$150 million Charter School Increase. Just Because. Group calls for unwarranted increase without more enrollment or performance improvements. What about the 90% of students who aren't in charters, guys?

Stephen Dyer

Here we go again. The Fordham Institute I believe is one of the better Ohio charter school sponsors — a low bar I admit, but there it is. The only sponsors in the state that are rated with A's in academic oversight of charters are public school districts. Fordham is one of only a handful of non-profits to get a C — the highest grade earned by any non-profit. Ohio allows non-profit entities to run charter schools — leading to us being called the “wild, wild west” of charter schools, according to charter school advocates.

Don't get me started.

But Fordham's constant griping over funding is wearing thin — a gripe they continued with a recent report I started tackling yesterday.

All you need to know is that last school year, the average Ohio charter school spent \$13,426 per pupil. The average Ohio school district spent \$13,345. This despite the fact that school districts collect local property tax revenue and charters don't (except for a handful of Cleveland schools).

To give you an idea of what that means, the average Ohio charter school spends more per pupil than Alliance City Schools in Stark County, Huber Heights in Montgomery County, Garfield Heights in Cuyahoga County or Piqua City Schools in Miami County.

And because they don't have to bus students, they actually spend slightly more on classroom instruction per pupil than districts do, despite paying their teachers about 40% less, on average. As I've said for years, the biggest spending issue Ohio charters have is they spend about double the percentage of their revenue on non-instructional administration costs as districts do. If they spent on administrators what districts spent, charters could spend almost \$1,000 more on instruction than districts do. That means they could pay teachers competitive salaries, benefits or even (gasp) be unionized.

Before we throw more money their way, I think they should stop shoveling so much of it to administrators and put more in the classroom.

I digress.

Fordham advocates for more funding to support high-quality charters. And while I've always been for this approach, in practice very mediocre Ohio charter schools qualify for these funds. In 2015, Ohio drew down the nation's largest federal charter school grant to create and grow high-quality charter schools.

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However, it has only spent \$8 million of the \$71 million the feds awarded while creating just 14 schools ... in 7 seven years!

In short, I'm not sure that claiming, as Fordham does, that 1/3 of Ohio charters are high quality is credible.

Fordham claims these schools adhere to "stringent performance criteria" to qualify for the current \$1,000 to \$1,750 per pupil (depending on economically disadvantaged status) "high quality" bonuses. And they now want the state to boost those bonuses by \$250 a piece.

What are those "stringent performance standards"? The schools have to be sponsored by a sponsor that's in the two highest-graded categories and the school gets As or Bs on value-added measures (among other things). But there's an issue with focusing on one component of a report card that has 15 graded components.

For example, 74 charter schools got A or B grades on value-added scores the last year we tracked it (due to COVID). However, 2/3 of those schools also got Cs and Ds on their overall report card and their chronic absentee rate was 26%. About 95 percent of Ohio school districts had better chronic absentee rates than the charters that Fordham claims adhere to "stringent performance criteria" and deserve a \$250 per student raise based on that "success."

I mean, four Imagine schools qualified for this "high quality" fund.

Yes. THAT Imagine.

And where did that \$250 per pupil number Fordham cites come from? A study? Peer-reviewed research? Nope. It just makes the funding \$2,000 for economically disadvantaged students and \$1,250 for non-ED students a little more round.

I know. Sounds like a credible calculation, right?

What that \$250 per pupil increase would do is cost taxpayers at least another \$17 million.

Just to give you an idea of what \$17 million could mean for kids not in charters — where 90 percent of Ohio students learn — it's roughly the amount of money the new Fair School Funding Plan calculates the state needs to hire enough gifted coordinators to meet gifted students' needs statewide. And since the Fair School Funding plan is not yet fully funded, policymakers face a question:

Give more money to dubiously successful charters as Fordham asks? Or fully fund gifted coordinators in the schools that house 90 percent of our students?

What's your choice?

What do you think their choice will be?

More problematic is Fordham's insistence that charters receive money from so-called "targeted assistance" — a \$1 billion calculation included in the Fair School Funding Plan. And while Fordham's call for the "basic equity" of their inclusion in the fund may sound nice, here's the issue: targeted assistance is based on local districts' capacity to raise local revenue and their residents' ability to pay for those investments. Charters don't raise local revenue. So why would we give them more money to offset their lack of revenue generation?

Especially when last year the average charter school student received \$9,066 in state aid — more than what about 90 percent of Ohio school districts receive and \$40 more than what Cleveland receives from the state.

The average school district? Try \$4,944.

[State PP Funding chart]

I remind you again that charters pay their teachers 40 percent less and don't have to adhere to many, many requirements districts do. Oh yeah. And they don't bus their students either.

School districts do.

Oh, and nearly every school district in the state loses at least some students to Ohio charter schools.

So it seems like the state is doing a nice job making up for the lack of local revenue raised by charters already. They get enough to spend more in the classroom than the average Ohio school district, after all.

If every student coming from a district that receives targeted assistance got the same targeted assistance at a charter, then we're talking about \$76 million additional state aid for schools that already receive \$4,000 more per student from the state. What's an additional \$76 million, relatively speaking?

That's about the total amount the state says we need to spend on all gifted services throughout the state, and it's about \$20 million more than what the state says we need to spent on Career Tech education.

Again, a choice:

Give charters a \$76 million windfall on top of the \$4,000 more state aid they get for every student, just because?

Or fully fund gifted education or career tech education in schools that house 90 percent of our students?

Finally, Fordham makes a good point about increased facilities funding for charters. One of the reasons charters run to ne'er-do-well for profit operations is because facilities are a challenge. However, Fordham's suggestion to spend another \$500 per student on facilities — again with no real explanation of why it should be another \$500 vs. another \$872.32 — would cost \$57.5 million — more than what the state needs to cover career tech education.

All told, the changes Fordham suggests would run an additional \$150 million a year or so, without a single additional student enrolled or performance improvement required. Just. Because. A helpful reminder about Ohio charter school performance.

[Charter State Report Cards chart]

That's \$150 million that would be taken away from fully funding the Fair School Funding Plan — the revolutionary initiative that finally addresses Ohio's 30-year-old funding crisis. Remember that the Ohio Supreme Court ruled 4 times the way we fund traditional public schools unconstitutional.

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Yet Fordham would have us divert money to schools that perform worse overall and away from the schools the Court examined, further delaying that constitutional mandate.

One more thing. Charter schools currently get funding based on what it costs to educate kids in local public school districts. For example, about 70 percent of the Fair School Funding plan cost is tied up in personnel costs — what it costs to pay for teachers, principals, lunch ladies, etc.

Yet Ohio's charter schools are paid based on those local public school district funding structures. So even though they pay their teachers 40 percent less, they get paid by the state as if they paid the same as school districts.

Charters get plenty of money considering all the mandates they don't have to meet, are non-union, don't bus students, etc. And they'd see that if they wouldn't spend so much of their money on administrative costs.

The state certainly doesn't need to remove the equivalent of more than half a year of Fair School Funding Plan phase in to meet their needs. Not yet, anyway. Once Ohio finally meets its constitutional obligations to the 90 percent of students in Ohio's local public schools by fully funding the Fair School Funding Plan, then we can talk.

But not before we do a Fair School Funding Plan for charter schools. They should be paid based on their costs and needs, not those of school districts. So let's figure out what they need, how much it should cost and how to pay for it. You know, like a normal budgeting process.

And charters certainly shouldn't be demanding more money without any additional enrollment or performance improvement given their historically poor overall results.

I mean, if this is really all about improving educational options for students.

Tomorrow, I'll wrap up my discussion with a look at Fordham's data manipulation and how it harms the productive discussions that need to be had over the state's school choice programs — programs that have cost taxpayers \$18.6 billion since this all started as an "experiment" driven by a Republican donor the same year Limp Bizkit was founded.

Yes. I just watched Trainwreck: Woodstock '99.

To view the charts referenced in the blog follow the link: <https://10thperiod.substack.com/p/fordhams-calls-for-150-million-charter>