Steve Dyer in the 10th Period: Ohio charter school sector less efficient than public school sector.

In his September 8, <u>10th Period</u>, attorney Dyer provides proof that the charter school sector spends more on education than school districts and is much less efficient than public school districts.

The charter school promise was—lower costs and better results. It turns out that charter schools, as a group, spend more and are, in general, shortchanging students compared to the authentic public system. A large segment of the charter industry operators are in the education business to turn a profit. Education is the commodity and education outcomes are not a prime concern of those charter operators.

As Steve discloses, the cost of administration in the charter industry is through the roof. It is astounding that public school critics harp on the high cost of administration in public school districts but are oblivious to the fact that the charter industry spends twice as much per pupil on administration as school districts.

Facts seem to be lost on the legislature. The legislature's love affair with charters and everything private in the education business make it blind to the devastating flaws in the charter school world.

Ohio Charter Schools Prove Private Sector Less Efficient than Public Sector

An astonishing 447 Ohio school districts (out of 607) spend less per pupil than one Ohio charter school spends per pupil ... just on Administration!

Stephen Dyer

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I feel like I'm banging my head against a wall here, but for the millionth time, the private sector is not inherently more efficient than the public one.

We're going to hear that it is for the next 18 months though. That's because Vivek Ramaswamy — the Republican candidate for governor — keeps talking like John Kasich with Jimmy Neutron hair.

He decries how expensive public <u>education</u> is, reflexively blaming teachers unions, adults, whatever while pumping up charter and private schools as the free market answer.

However, the data (as they have for more than a decade <u>now</u>), just prove over and over again that it is the *private sector that is worse at driving resources into classrooms*.

Let's just look at the basic numbers, according to the Ohio Department of Education (I'm not using the department's new name)¹.

First of all, even though Ohio Charter Schools spend about \$1,000 more per pupil overall, they spend more than \$1 in every \$4 on non-instructional, administrative costs. Ohio's public school districts? They spend \$1 out of about every \$8 on those costs.

[Read online to view graph]

This is why Ohio's public school districts are able spend about \$125 more per pupil in the classroom than Ohio's charter schools do, even though Ohio's charter schools spend more than \$1,000 more overall.

[Read online to view graph]

In other words, Ohio's public school districts (who spend less even though they collect local property and income taxes, unlike Ohio's charter schools) literally do more for kids with less money than what Ohio's charter schools do.

Their efficiency is simply better.

More stunning still: that disparity has grown over the last 11 years. The first year the state released this data was <u>2013</u>. That year, Ohio's charter schools spent about \$800 more per pupil overall than public districts and outspent Ohio's public schools in the classroom by \$40.

In the intervening years, Ohio's charter schools have increased their per pupil spending lead over Ohio's public school districts (thanks to overly generous legislative and gubernatorial <u>friends</u>), yet Ohio's public school districts have significantly eclipsed their charter school competitors in classroom spending.

And if you include wraparound student support services, the difference is even more pronounced. That's because while Ohio's public school districts have spent the last 11 years increasing their investment on student services like counseling, psychological and health services by nearly 1/4, Ohio's charter schools have slashed them by nearly 1/3.

So if you look at the total investment Ohio's charter schools make in their students on instruction and wraparound services today, it's actually a smaller percentage (56.3%) than what Ohio's public school districts spend on just instructional services (56.8%).

Why is that?

Because Ohio's charter schools (as they always have) spend an extraordinary amount and percentage of their funding on non-instructional administrative costs.

How extraordinary?

Ohio charter schools spend, on average, \$4,246 per pupil on administration. Ohio's public school districts? Try \$2,167. That's right. Ohio's charter schools spend just about double the per pupil funding on administrators that Ohio's public school districts do.

"But wait!" you exclaim. "How can this be? I've been told that the private sector is more efficient and public school districts waste millions on administrator salaries?"

Well, I hate to burst your bubble, Mr. Neutron, er, Ramaswamy, but there is one simple fact of Ohio education policy: *Ohio's publicly funded, privately run charter schools are far less efficient at delivering educational services to students than the state's publicly run local school districts.*

(Just as an aside, we now spend about \$2.5 billion on Ohio's charter schools and private religious school subsidies.)

Here's just an example to demonstrate how outrageous some Ohio charter schools' administrative spending is.

The Graham School — a charter school in the toney Clintonville area of Columbus — spends \$17,085 per pupil on administration. That is more per pupil funding devoted to administration than 447 of Ohio's 607 school districts **spend in total, including all local property and/or income tax revenue combined!**

The Graham School spends more per pupil on administrators than nearly 3 out of every 4 Ohio pubic school districts **spend** per pupil.

Period.

The most any Ohio school district spends per pupil on administrators is \$8,743, less than 1/2 of the Graham School. Even more amazing: only 7.

That's right.

Seven.

Ohio school districts spend more per pupil on administrators than the average Ohio charter school!

That's right. A cool 99% of Ohio's public school districts spend less per pupil on administrators than the average Ohio charter school.

And this is just Ohio's charter schools. Imagine if we were able to collect this expenditure data on the private religious schools that receive more than \$1 billion a year in tuition subsidies through EdChoice?

Tell me how "efficient" the private sector is again?

C'mon, Jimmy. You got this!

1

I'm using the Expenditure Flow Model for these comparisons. Not all charter schools and public districts are included in this, but a large percentage are. Spending categories are separated into the following categories by the state (I include the state's verbatim definitions so you know generally what expenditures are included): Instruction: Activities dealing with the interaction of teachers and students in the classroom, home, or hospital as well as co-curricular activities. Includes teachers and instructional aides or assistants engaged in regular instruction, special education, and vocational education programs. Excludes adult education programs. Pupil Support Services: Expenditures for administrative, guidance, health, and logistical support that enhance instruction. Includes attendance, social work, student accounting, counseling, student appraisal, information, record maintenance, and placement services. Also includes medical, dental, nursing, psychological, and speech services. Staff Support Services. Expenditures for supervision of instruction service improvements, curriculum development, instructional staff training, academic assessment, and media, library, and instruction-related technology services. Administration: Expenditures for board of education and executive administration (office of the superintendent) services and office of the principal services. **Operations**. Expenditures for buildings services (heating, electricity, air conditioning, property insurance), care and upkeep of grounds and equipment, nonstudent transportation vehicle operation and maintenance, and security services.