

Reform Charter School Funding, Reduce Property Tax Increases

Peters Township SD would save \$142,871 annually with funding reforms

Pennsylvania law allows any student to apply for admittance to any charter or cyber charter schools in the state. School districts are then mandated to pay a tuition bill for each student from their district who attends these schools.

The state no longer provides funding to help districts pay for charter school tuition, so these costs are funded primarily through property taxes.

[According to the Pennsylvania Association of School Business Officials](#), since 2013-2014, **42 cents of each new \$1 in property taxes was used to pay for growing charter school costs** after districts covered the local share of growing special education costs.

WHAT ARE THE PROBLEMS?

- **Cyber charters are paid too much.**
- **[Special education funding is not tied to actual costs in any charters.](#)**

Charter school tuition rates are set by state law and NOT based on charter schools' actual costs. This means charter operators—particularly in cyber charters—can have excess dollars they often use to build up enormous fund balances, advertise on the radio and buy ads on billboards up and down the Turnpike, or write checks to Harrisburg lobbyists. **They don't have to worry about keeping expenses in check because no matter what, local taxpayers—you!—have to pick up the tab.**

WHAT'S THE SOLUTION?

Simple. **Align charter tuition rates with actual costs.** That keeps money in the classroom, not in corporate bank accounts—and reduces pressure on school boards to raise taxes.

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Special education payments are not tied to charters' costs

SOLUTION:

Look to our neighbors for a good model. Ohio sets a flat tuition rate for its cyber charter schools. Rather than 500 different tuition rates, which is what Pennsylvania has now, there would be a flat rate—\$9,500—for a regular education student attending a cyber charter school. This number aligns closely with the actual costs of educating a student at a Pennsylvania cyber charter school.

SOLUTION:

Use the same special education funding formula for school districts and charter schools. The legislature recommended this solution several years ago and a current proposal has bipartisan support. This will ensure payments are based on the **actual costs of providing services** for students with disabilities and reduce the profit that charters reap from payments for students with disabilities.

WHO CAN FIX THE PROBLEMS?

The state legislature must pass legislation to change Pennsylvania's charter school law. Contact your state senator and representative and ask them to support charter school funding reforms that would align tuition payments with actual costs to rein in the wasteful spending of your tax dollars and reduce the need for property tax increases.

State Rep. Natalie Mihalek

State Sen. Devlin Robinson

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It's time to put local taxpayers first and rein in charter school waste

Under Pennsylvania's charter school law, cyber charter schools are paid the same as brick-and-mortar charter schools even though they do not have the same costs. Cyber charters do not have gym, recess, libraries, laboratories, or music and art classrooms. They do not need to employ security or maintenance/custodial staff or maintain school district facilities and grounds.

And, in spite of receiving millions of dollars more than they need to spend educating students, all 14 of Pennsylvania's cyber charter schools are among [the lowest performing](#) schools in the commonwealth. The average graduation rate at a cyber charter school is just 58%.

Setting a flat tuition rate of \$9,500 for cyber charter schools and applying the special education funding formula to all charter school tuition calculations would provide charters with plenty of funding to educate students and help curb the wasteful spending of school funding by cyber charters.

TOTAL TUITION PAID TO CHARTER SCHOOLS BY PETERS TOWNSHIP SD TAXPAYERS			
	BRICK & MORTAR	CYBER	TOTAL
2017 - 2018	\$104,942	\$475,248	\$580,191
2018 - 2019	<No Data>	\$756,478	<No Data>
2019 - 2020	\$59,414	\$560,305	\$619,719
2020 - 2021	Not Yet Available	Not Yet Available	Not Yet Available

[Source: Pennsylvania Department of Education detailed AFR tuition schedule](#)

PROPOSED ANNUAL SAVINGS FOR PETERS TOWNSHIP SD WITH A FLAT RATE FOR CYBER STUDENTS APPLYING THE SPECIAL ED FORMULA TO ALL CHARTER SCHOOLS.	
Estimated savings from cyber charter flat tuition rate	\$139,045
Estimated savings from aligning special education tuition with actual costs	\$3,826
Total estimated charter and cyber charter tuition savings	\$142,871

[Source: Pennsylvania Department of Education comprehensive charter school law reform savings](#)

