

# Funding for Charter Schools

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Department of Education  
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# Presenters

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- Lavan Dukes
  - Reporting Requirements
- Martha Asbury
  - Federal Grant Requirements for Local Education Agencies (LEAs)
- Linda Champion
  - Florida Education Finance Program (FEFP)
  - Charter Schools Capital Outlay Funding

# Reporting Requirements

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Lavan Dukes



# What to Report

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- ❑ Student Data
- ❑ Staff Data
- ❑ Other Data



# What to Report - Student

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- ❑ Demographic Information
- ❑ Student Course Schedule
- ❑ Teacher Course
- ❑ Exceptional Student Education Information
- ❑ English Language Learners Information
- ❑ Federal and State Program Information, as applicable
- ❑ School Safety & Discipline Data



## What to Report – Student (Continued)

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- End of Year Status
- Prior School Status
- Attendance
- Title I Supplemental Educational Services
- Assessment Data
- Vocational Course Information
- Student Course Transcript



# What to Report – Student (Continued)

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- Transportation
  
- Responsible Instructor
  
- [http://www.firn.edu/doe/eias/dataweb/student\\_0607.htm](http://www.firn.edu/doe/eias/dataweb/student_0607.htm)
  
- Education Information & Accountability Services –
  - 850-245-0400.



# What to Report - Staff

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- ❑ Demographic Information
- ❑ Payroll Information
- ❑ Fiscal Year Salaries and Benefits
- ❑ Experience Data – used in class size reporting
- ❑ [http://www.firn.edu/doe/eias/dataweb/staff\\_0607.htm](http://www.firn.edu/doe/eias/dataweb/staff_0607.htm)





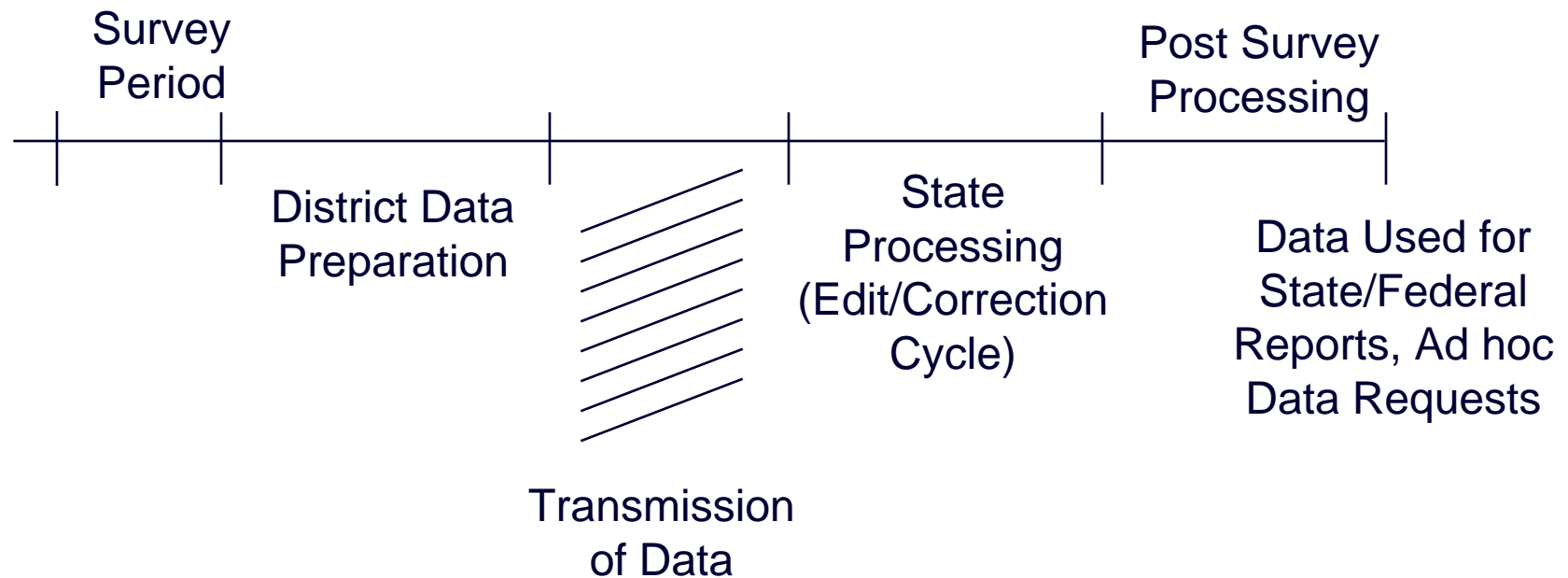
# When to Report

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- ❑ Survey 1 – July (summer school only)
- ❑ Survey 2 – October
- ❑ Survey 9 – December (Title I, SES only)
- ❑ Survey 3 – February
- ❑ Survey 4 – June (summer school & discipline only)
- ❑ Survey 5 – End of Year (August)
- ❑ [http://www.firn.edu/doe/eias/dataweb/database\\_0607/date.pdf](http://www.firn.edu/doe/eias/dataweb/database_0607/date.pdf)

# SURVEY PROCESSING

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# What Happens Then?

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- School district
  - Puts data in required formats
  - Edits data
  - Sends data to state
  - Obtains edit reports
  - Works with schools to correct data
  - Sends corrections to state
  - Provides reports to schools for data verification



# What Happens Then? (Continued)

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- Charter School
  - Reviews edit reports
  - Corrects data
  - Reviews aggregate reports
  - Corrects data



# How are the Data Used?

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- School funding – FTE & transportation
- Capital Outlay funding
- School performance data
  - School grades
  - Adequate yearly progress
- Required state reports
  - Reading intervention evaluation
  - Dropout prevention evaluation



## How are the Data Used? (Continued)

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- Required federal reports
  - Common Core of Data
  - Students with disabilities (IDEA)
  - Homeless
  - Migrant
  - Equal Opportunity – employment & education
- Charter School Annual Report – pre-populate some fields.



## How are the Data Used? (Continued)

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- Program Evaluation
  - Title I, Supplemental Educational Services
  - Reading Intervention
- Publications
- Management Decisions
- Writing Legislation
- Public Data Requests



# Other Reporting Applications

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- ❑ FASTER – system to transfer student records
- ❑ FACTS.org – transcript analysis & student assistance
- ❑ Pre-gridding test labels
- ❑ Student Locator system
- ❑ Dropout Match reports
- ❑ State reports





## Other Reporting Applications (Continued)

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- ❑ Local reports
- ❑ Report cards
- ❑ Attendance system
- ❑ Archiving student data
- ❑ Immunization data – Department of Health
- ❑ Attendance data – Department of Motor Vehicles

# Federal Grant Requirements for Local Education Agencies (LEAs)

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Martha Asbury

# Estimated Allocations: Major Federal Programs

Program	Small LEA Allocation	Approximate Amount per Student
Title I, Part A, Basic (Disadvantaged)*	\$102,364	\$87.64
Title II, Part A (Professional Development)*	\$27,105	\$23.21
Title II, Part D (Technology)**	\$2,152	\$0.98
Title III (Eng. Lang. Acquisition)	\$0	\$0
Title IV (Safe & Drug-Free)*	\$3,088	\$2.64
Title V (Innovation Education)***	\$765	\$1.65
Individuals with Disabilities Ed. Act (IDEA)*	\$185,511	\$158.83 (per student w/disabilities)

\* UF Lab School Data

\*\* FSU Lab School Data

\*\*\*FAMU Lab School Data



# Requirements – Source Documents

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- ❑ Federal Program Statutes: No Child Left Behind (NCLB), Individuals with Disabilities Education Act (IDEA), Carl D. Perkins Vocational Education
- ❑ Program Rules
- ❑ General Education Provisions Act (GEPA)
- ❑ Education Department General Administrative Regulations (EDGAR)
- ❑ Office of Management and Budget (OMB) Circulars
- ❑ State Statutes and Rules
- ❑ Project Application and Amendment Procedures for Federal and State Programs (Green Book)



# Note!

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- Most of the following requirements are further delineated in state law and rules which may in some instances be more prescriptive than federal law.

Example: Federal law requires physical inventory every two years while state law requires annual physical inventory



# Systems Management

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- Three Major Systems
  - Financial Management
  - Inventory Management
  - Procurement



# Financial Management

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- Seven Basic Requirements
  - Financial Reporting
  - Accounting Records
  - Internal Controls
  - Budget Control
  - Allowable Cost
  - Source Documentation
  - Cash Management



# Inventory Management

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- Equipment – Must have adequate controls in place to account for:
  - Location of equipment
  - Custody of Equipment
  - Security of Equipment





# Inventory Management

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- Records and Systems:
  - Property Records
  - Physical Inventory
  - Controls to prevent loss, damage, theft
  - Controls to protect against unauthorized use
  - Disposition procedures when property no longer needed



# Procurement

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- ❑ Ensure that purchases are necessary to the federal program
- ❑ All transactions conducted with full and open competition
- ❑ Costs must be reasonable (conduct a cost or price analysis)
- ❑ Written vendor selection procedures
- ❑ Only contract with responsible contractors possessing the ability to perform successfully
- ❑ Retain records to document implementation of processes and procedures



# Contract Administration

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- All contracts supported with federal funds must contain specified provisions
- Must maintain a system that ensures contractors perform in accordance with the terms, conditions, and specifications of the contract
- Must review and approve written invoices prior to payment



# Payroll

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- Payroll must be documented in accordance with generally accepted accounting procedures
- Charges must be approved by a “responsible officer.”
- Time and effort records must be kept demonstrating that employees actually worked on the specific federal program



# Allowable Expenses

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- All costs must:
  - Be necessary
  - Be reasonable
  - Be allocable (to the federal program)
  - Be legal under state and local law
  - Conform to federal law and grant terms and conditions
  - Consistently treated
  - Not included as match
  - Net of applicable credits
  - Adequately documented



# Program Requirements

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- Extensive requirements that pertain to each program that impact allowability of expenditures
  - Program set-asides (Title I: Parent Involvement, Personnel Development, Choice Options, etc.)
  - Maintenance of Effort
  - Comparability
  - Supplement not Supplant



# Infrastructure Requirements

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- ❑ Fiscal Management
- ❑ Property Management
- ❑ Contract and Grants Management
- ❑ Program Management
- ❑ Records Management (including data and reporting)

# Florida Education Finance Program

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Linda Champion





# Charter School Funding

## Section 1002.33(17), Florida Statutes

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- Students enrolled in a charter school, regardless of the sponsorship, shall be funded as if they are in a basic program or a special program, the same as students enrolled in other public schools in the school district.



# Florida Education Finance Program

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**FTE** Full-Time Equivalent Student

X

**PCF** Program Cost Factors

=

**WFTE** Weighted Full Time Equivalent Students

X

**BSA** Base Student Allocation

X

**DCD** District Cost Differential

=

**Base Funding**



# FEFP Components

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- ❑ Declining Enrollment
- ❑ Sparsity Supplement
- ❑ Lab School Discretionary Contribution
- ❑ Discretionary Equalization & Compression
- ❑ Safe Schools
- ❑ ESE Guaranteed Allocation
- ❑ Supplemental Academic Instruction
- ❑ Reading Allocation
- ❑ Minimum Guarantee
- ❑ STAR



# Additional Funding

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- In addition to the FEFP components, charter school students earn:
  - Discretionary Local Effort
  - Discretionary Lottery
  - Categoricals



# Administrative Fees

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- School districts may charge charter schools administrative fees based on 5 percent of available funds from the FEFP and categorical funding for up to and including 500 students in a charter school. These fees are for administrative and educational services to the charter school.

Section 1002.33(20), Florida Statutes



# Charter School Revenue Estimate Worksheet

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- An Excel spreadsheet is available on our website for estimating the operating revenue for charter schools. It can be accessed at
- <http://www.firn.edu/doe/fefp/chartinst.htm>



# General Fund – State and Local

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- 2004-05 - \$15.5 billion in state and local revenues reported by school districts
- Charter schools, if eligible, participate in more than 95.8%



# Special Revenue Fund - Federal

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- 2004-05 - \$2.7 billion in revenues reported by school districts
- Charter schools, if eligible, may participate in more than 83.8%



# Charter Schools Capital Outlay Funding

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Linda Champion



# Eligibility for Capital Outlay Funds

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- Section 1013.62(1), F.S.
- The charter school must:
  - (1) Have been in operation for more than three years, or
  - (2) Be an expanded feeder chain of a charter school within the same district that is currently receiving capital outlay funds, or (3) Be accredited by the Commission on Schools of the Southern Association of Colleges and Schools (SACS).



## Eligibility for Capital Outlay Funds, cont.

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- Additionally, the charter school must:
  - Be approved by its sponsoring school district;
  - Serve students in facilities not provided by the sponsoring school district;
  - Have financial stability for future operations;
  - Have satisfactory student achievement grades;



## Eligibility for Capital Outlay Funds, cont.

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- Have entered into a written agreement with the sponsoring district that includes provisions for the reversion of any unencumbered funds, equipment, and property to the school board or state; and,
- Not be a charter school converted from school district facilities.
  - However, a conversion school is still eligible for PECO maintenance, repair, and renovation funds through allocations to the sponsoring school district.



## Eligibility for Capital Outlay Funds, cont.

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- Charter School Capital Outlay Plan
  - Required each fiscal year
  - District certifies that statutory requirements provisions are met
  - Must be signed by both the district and a charter school representative.



# Funding Sources

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- General Revenue, or
- The Public Education Capital Outlay Trust Fund (PECO)
  - Authorized by Section 9(a)(2), Article XII, Florida Constitution
  - Revenue collected from the tax on utilities and telecommunications
  - PECO is appropriated as either cash or bond proceeds



# Uses of Capital Outlay Funds

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- **Section 1013.62(2), F.S.**
  - Purchase of real property;
  - Construction of school facilities;
  - Purchase, lease-purchase, or lease of permanent or relocatable school facilities;
  - Purchase of vehicles to transport students to and from the charter school; or
  - Renovation, repair, and maintenance of school facilities the charter school owns or is purchasing through a lease-purchase option or long-term lease of 5 years or longer.



# Capital Outlay Distribution

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- Section 1013.62(1), F.S.
- Funds disbursed on the basis of student enrollment in elementary, middle, and high school grade levels.
  - Student enrollment is calculated by averaging the results of the 2nd and 3rd enrollment surveys.
  - Funds are disbursed monthly on 1/12th of the amount DOE expects the schools to receive during the fiscal year.





## Capital Outlay Distribution, cont.

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- Each school receives an allocation not to exceed  $1/15$ th of the cost per student station.
  - If the legislative appropriation is not enough to fund the full  $1/15$ th of the cost per student station, each school's allocation is prorated.
  - Current appropriation does not fully fund at  $1/15$ th the cost per student station.



# Capital Outlay Distribution, cont.

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- Funds are allocated to charter schools on a priority basis (result of 2006 legislative session):
  - First priority funds those schools who received capital outlay during 2005-2006 at the 2005-2006 level per student. Funds are allocated to the lesser of: the current year enrollment or the 2005-2006 actual enrollment.
  - Second priority allocates excess funds in the appropriation to eligible schools not included in the first priority and to those schools in the first priority experiencing growth in excess of 2005-2006 levels.
  - Last priority allocates remaining funds among all eligible charter schools.



## 2006-07 Charter School Statistics

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- Total charter schools in operation: 355
- Total charter schools receiving capital outlay funds: 218
  - Represents 61 percent of total schools in operation
- Total students receiving capital outlay funds: 64,588
  - Elementary (K-5): 32,869
  - Middle (6-8): 19,731
  - High (9-12): 11,988
  - There are 93,379 students enrolled in all charter schools. Nearly 70 percent receive capital outlay funds.
- Pursuant to the second funding priority, 2,639 “growth” students are receiving capital outlay funds.



## 2006-07 Charter School Statistics, cont.

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- Current year legislative appropriation: \$53,083,947
  - Increase of \$25,383,974, or 92 percent, over last year.
  - Average dollar amount per student: \$814
    - Last year's average dollar amount per student was \$431. This represents an increase of \$383, or 89 percent.
  - Current year dollar amounts per level:
    - Elementary: \$782
    - Middle: \$813
    - High: \$1,079
    - This represents 62 percent of 1/15<sup>th</sup> of the cost per student station. Last year, charter schools received 40 percent of 1/15<sup>th</sup> of the cost per student station.



# Funding History

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Fiscal Year	Appropriation	Students	Schools
1998-1999	\$ 351,432	662	5
1999-2000	\$7,879,274	17,090	115
2000-2001	\$22,845,124	25,670	150
2001-2002	\$27,700,000	36,608	195
2002-2003	\$27,700,000	46,978	238
2003-2004	\$27,000,000	58,285	266
2004-2005	\$27,700,000	62,366	211
2005-2006	\$27,700,000	64,150	210
2006-2007	\$53,083,947	64,588	218



# Recommended Charter School Capital Outlay Increase

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- The State Board of Education's legislative budget request for 2007-2008 includes an increase of \$ 955,511, or 1.8 percent, for inflation.
  - Total request of \$54,039,458.



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This presentation will be available online at:

<http://www.firn.edu/doe/cefo/budget.htm>