

SAME STUDENTS, LESS FUNDING

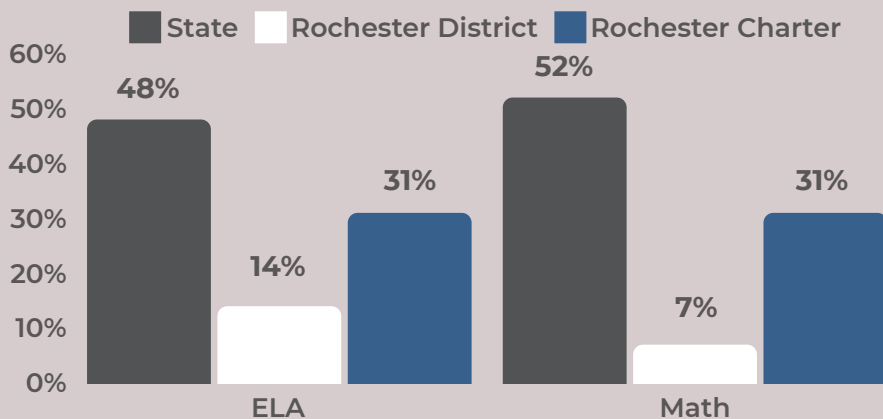
Rochester's charter schools receive **3/5** of the state per-pupil revenue of the district, despite being **free, public schools**, that are **open to all students**.

THE FUNDING GAP BETWEEN RCSD AND CHARTERS WIDENS



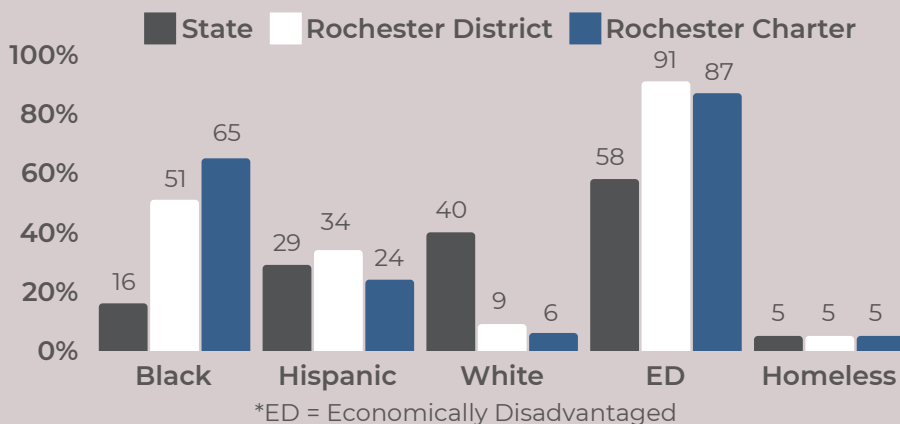
Despite increased funding, the district (RCSD) struggles to provide students with a basic education. Charter teachers continue to work tirelessly for students with decreasing funds, making student results increasingly untenable.

ROCHESTER STUDENT PROFICIENCY, 2022-2023⁴



Overall, Rochester's 8,500⁶ charter students are enrolled from the lowest-income neighborhoods, fill out a simple application with the child's age and address, and are admitted via lottery.

RCSD AND CHARTERS SERVE SIMILAR STUDENTS⁵



What can we do to better support ALL public school students and teachers?

1

State law provides only New York City charters either rent-free space or a facilities supplement to charters. Upstate NY students deserve equal treatment. This payment in Rochester would average \$1,400 per pupil⁷.

2

Distribute local "maintenance of effort" dollars proportionally to charter students. Charter families do not receive any of that \$119M despite paying those local taxes.

3

Bring Rochester charter funding up to Albany levels. Albany charters receive \$16,653 per pupil⁸, while Albany is only 71% low income⁵. Rochester students, who are 91% low income, deserve to at least match Albany's revenue.

These issues are of great importance to your constituents. See attached for concerns from parents and students in your district.

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SAME STUDENTS, LESS FUNDING

Families in your district rely on charter schools to access a free, public education that meets their children's needs.

I wanted to share with you that I see a positive change in my daughter this year. She would fight me every day to go to school and lived in the Nurse's office. My daughter is a different student this year. I applaud your Teachers and Staff. This year, I have received many positive and engaging Phone calls regarding my daughter and my Family. The work you are all doing is showing and appreciated.

- Ms. L., charter parent

The reason why I chose to be at EMHCS is that it is a bilingual school. EMHCS celebrates Hispanic and African American roots and makes me feel accepted.

- Jeyliana, charter student

I love RACS Middle School because I love the staff here. I am learning so much more at RACS Middle School than my previous school. I also feel accepted by the staff and appreciate that I can be myself.

- Jennavecia, charter student from 14621 zipcode

" I love RACS because the teachers really focus on us as individuals and that allows us to become better learners and really focus on our education."

- Rusheen, charter student from 14619

I love RACS Middle School because I am receiving a great education and I love that there a lot of diversity in the makeup of not only students but the staff.

- Geovannie, charter student from 14615

I personally have had ups and downs with my school but have eventually grown to love it and take pride in it simply because it's a safe environment and effective workspace. The Staff cares for every kid that attends and it's something you don't find often. We also have access to CTE (Career and Technical Education) and it really gives students more options for their future.

- Kermari, charter student from 14613

I love our school because of the support system we have and the connections we make with all staff members. Everyone is there for us and they do a great job of making sure we never feel left out. All of the students are like family to each other and we are always here for one another. What makes the education different is teachers adjusting to students' learning style. Regardless of the support the student needs, teachers are willing to explain things in a more simple manner. Our school offers many opportunities for us to thrive in education whether it's after-school programs, credit recovery, and teachers offering to help during their break/planning period. Our school makes sure all students get the support they need to graduate and walk the stage at the end of the year. I can't speak about other schools, but from my perspective, UPREP has been the best school I've been to academically.

- Anthony, charter student from 14605

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FAQS

How did you calculate your per-pupil revenue here?

For district revenue, we used 2009-2010 and 2022-2023 Enacted School Aid Runs reports¹. To be conservative, we reduced the funding by district spending on transportation and charter tuition listed in the district's Annual Comprehensive Financial Report (ACFR). For example, this is how we calculated FY23 per pupil:

- We started with Net Current Year Aid (Foundation Aid net of Excess Public Cost for specialized/private placements).

4	2022-23 NET CURRENT YEAR AID	(ENT 1 - ENT 2 - ENT 3)	430,530,420
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- Added Regular Building Aid Excluding NYC, as all in-person schools need facilities.

7A	2022-23 REGULAR BUILDING AID EXCLUDING NYC	(BLD ENT 36 + BLD ENT 40)	78,326,297
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- Excluded revenue for transportation, career education, charter transition aid, and special services academic improvement.

- Added Computer Administration Aid, as the aid calculation includes charter enrollment.

13	2022-23 COMPUTER ADMINISTRATION AID (BIG 5 AND NON COMPONENTS)	(ENT 107)	1,552,029
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- Added Textbook Aid, Computer Software Aid, Library Materials Aid, and Computer Hardware and Technology Aid, as these are per-pupil allocations.

131	2022-23 TEXTBOOK AID	(IMA ENT 41)	1,801,382
132	2022-23 COMPUTER SOFTWARE AID	(IMA ENT 42)	453,160
133	2022-23 LIBRARY MATERIALS AID	(IMA ENT 43)	189,068
134	2022-23 COMPUTER HARDWARE AND TECHNOLOGY AID	(IMA ENT 44)	644,958

- Added the local maintenance of effort revenue from the district ACFR (\$119,100,000)¹.
- Then subtracted expenses reported on the district ACFR for transportation costs exceeding state allocations (\$24,223,771) and transfers to charter schools (approximately \$100,400,000)¹.
- We divided the net total from those calculations (\$506,321,504)¹ by K-12 enrollment reported in the district's ACFR (20,730)¹ to get \$24,425 per pupil in state and local revenue FY23.

For charters, we used State Education Department (SED)-published tuition per pupil rates².

We adjusted FY10 rates for inflation using the Bureau of Labor Statistics inflation calculator³:

	FY10 unadjusted	FY10 in FY23 dollars
District	\$13,015	\$17,971
Charter	\$10,868	\$15,005

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FAQS

Every time a charter group presents school funding numbers, they don't match the budgeted school funding that the legislature approved. Why should I trust your figures?

That's a critically important question. Charter Champions of Rochester has made every effort to be accurate in our revenue calculations. We used conservative assumptions and tried to err on the side of understating the district/charter revenue gap.

We've noticed that, due to the complexity of school funding and spending, publicly reported numbers vary based on:

- **Whether you look at revenue or expenditures.** Here, we look primarily at revenue based on the State Aid published on the NYSED website, as these are the funds in legislators' control. We did subtract several expenses from that revenue, such as the district's reported transportation costs that exceed state funding, as the district is obligated to provide transportation for both district and charter students. Those expenditure numbers come from the Rochester City School District (RCSD) ACFR.
- **Whether or not you include federal funds.** This brief uses only state and local funds because:
 - Federal funds are out of state legislators' control.
 - Including federal funds widens the revenue gap between the district and its charters, and we sought to be as conservative as possible in our presentation.
 - FY23 federal funds include significant pandemic relief funding. The pandemic relief funds further skew the district/charter revenue gap, and they expire in FY24.
- **Which public source is used to identify revenue and enrollment.** NYSED's published state aid budget differs from the RCSD ACFR, which differs from NYSED's published charter basic tuition rates. We believe these differences stem from differing definitions and budget categories between different entities. Here is a snapshot of some discrepancies we observed in 2022-2023:
 - General State Aid
 - \$712M per NYS Budget
 - \$670M per RCSD ACFR
 - District pass-through to charters
 - \$100M per RCSD ACFR
 - \$108M using SED Charter Tuition Rates
 - Total Rochester public (district and charter) K-12 enrollment
 - 29,274 per NYS budget
 - 28,345 per NYS report card

Differences such as these can cause per-pupil estimates to vary by thousands of dollars.

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FAQS

I hear that charters choose the top students to enroll. Do charter students need the same funding as higher-needs district peers?

This is a common misconception about charter schools. Charters are public schools that are required to accept ALL students - regardless of income, race, ethnicity, home language, or disability status.

Rochester's charters were primarily founded with a mission to serve the most vulnerable students and specifically advertise, organize, and recruit families from the lowest-income neighborhoods, using materials in multiple languages. Families apply through a simple, common application at <https://www.goodschoolsroc.org/> that gathers information about the child's age, address, and desired schools. When a school is oversubscribed, students are admitted via random lottery.

One charter organization has an intentionally diverse school model so enrolls a wider range of students. As a sector, however, Rochester's charter schools enroll similar students as the district. Rochester's charters have a higher proportion of Black students and a lower number of Hispanic or Latino students relative to the district, leading to a lower proportion of English Language Learners.

Special education status is one area where Rochester charters differ from the district. We believe this is not due to population differences. The district percentage of special education is 55% higher than the national rate, according to a 2017 report on special education the RCSD board commissioned. The report identified an "exponential" increase in special education referrals and eligibility after the district de-centralized the special education process and hypothesized that the increase was due to a lack of appropriate supports and interventions in the general education setting and not to a true rise in students' disability status⁹.

In addition, the district is currently under consent decree because it has not been servicing a large portion of its students with disabilities. According to the district's most recent consent decree report, more than 1 in 3 teachers in special education classrooms were not trained or certified in special education¹⁰.

Tell me more about the New York City charter facilities policy.

State law provides New York City charters either rent-free space or a per-pupil facilities supplement to its charters. The supplement is the lesser of 30% of per pupil funding or the actual cost of rent¹¹, which averages approximately \$1,400 per pupil in Rochester and would cut the funding gap by 14%.

These funds have helped New York City charters outperform upstate charters, and research shows that when charters do better, the district as a whole does better.

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REFERENCES

1. District revenue from NYS Budget Enacted School Aid Runs, omitting: Universal Pre-K, Special Services, High Cost/Private Excess Cost, Transportation, and Charter School Transitional. These numbers were retrieved from the General Formula Aid Output Reports at <https://eservices.nysed.gov/publicsams/reports.do#stay> and <https://eservices.nysed.gov/publicsams/reports.do#stay>. We added the local hold-harmless revenue (\$119.1M) and subtracted district spending on transportation above state allocation and transfers to charters, per RCSD 2009-2010 and 2022-2023 ACFRs (retrieved from <https://www.rcsdk12.org/site/default.aspx?PageType=14&DomainID=32&PagelD=194&ModuleInstanceID=633&ViewID=1e008a8a-8e8a-4ca0-9472-a8f4a723a4a7&IsMoreExpandedView=True>.) The resulting net state and local revenue was divided by the K-12 enrollment from the RCSD ACFRs, as this enrollment was slightly higher than the state report card and yielded the most conservative estimate of district revenue.
2. Charter per pupils are from SED Final 2009-2010 Charter School Basic Tuition (retrieved from https://stateaid.nysed.gov/charter/html_docs/charter_0910_final.htm) and SED Charter School Tuition Rates and Definitions, 2022-2023 Tuition (retrieved from https://stateaid.nysed.gov/charter/html_docs/prior_years_charter_rates.htm).
3. All funds are presented in 2023 dollars. Jan 2010 to Jan 2023 conversion comes from U.S. Bureau of Labor Statistics. CPI Inflation Calculator (retrieved from https://www.bls.gov/data/inflation_calculator.htm).
4. Proficiency rates from NYS Report Card, 2022-2023.
5. Student enrollment demographics from NYS Report Card, 2022-2023.
6. Current charter enrollment provided by each school's student information system.
7. Rochester charter rents calculated from most recent audited financial statements (FY22 for Regents' authorized charters and FY23 for SUNY authorized charters).
8. Albany charter per pupil from SED Charter School Tuition Rates and Definitions, 2022-2023 Tuition (retrieved from https://stateaid.nysed.gov/charter/html_docs/prior_years_charter_rates.htm).
9. Elliott, J (April 2017). Report of the Review of Special Education: Rochester City School District. Retrieved from www.nysed.gov/sites/default/files/programs/main/rochester-de-report-append-15-dr-elliott-2017-special-education-report.pdf
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