

Charter Schools: Can They Survive in Utah?

Research Report #660, September 2003

Lesson Summary

This lesson details Utah charter school financing since their inception in 1998. It discusses the challenges charter schools face in receiving similar funding as districts. It also offers a host of possible policy solutions to the problems faced by Utah's charter schools.

Related Websites

- U.S. Department of Education Charter School website
www.uscharterschools.org
- National Education Association Charter School website
<http://www.nea.org/charter/>
- National Charter School Clearinghouse
www.ncsc.info

Utah Core Curriculum

6100 Utah Studies

- 6100-03 Students will understand the relationship between government and the people of Utah.
- Investigate how government services affect the residents of the state.

6210 U.S. Government & Citizenship

- 6210-05 Students will understand basic economic principles and how they influence everyday life.

This lesson plan is provided by Utah Foundation to assist in using the accompanying Research Report in high school or middle school classes. Please feel free to copy the Research Report for your students.

Vocabulary

Arcane: Understood only by insiders.

Economies of Scale: The larger the organization the more inexpensive (or easier) it is for the organization to provide services or compete for revenues.

Ledger: Accounting book that list revenues and expenditures.

Levy: Set a rate and collect a tax.

Liaison: A person who acts as a channel of communication between groups.

Marginal: The costs of adding or subtracting one unit, i.e. the cost of adding or taking away one student, classroom or program.

Mitigated: Made less severe or intense.

Multiplicity: A large number or variety of meanings.

Paradigm: A framework of guiding assumptions, theories, and methods used to define an issue.

Permutations: Variations or changes to an original object or idea.

Revolving Loan Fund: a loan fund maintained by payments and interest on past loans.

Quick Questions

1. How much is the ongoing per-pupil funding average for charter school students? For district students?

Answer: \$4,822 for charter students and \$5,609 for district students.

2. List the school districts in which the 19 charter schools are located.

Answer: Jordan, Granite, Millard, Salt Lake, Logan, Provo, Alpine, Ogden, Park City, Carbon, Wasatch, Cache, Washington and Uintah.

3. In Figure 2- what percentage of charter school funding comes from donations?

Answer: 7.2 percent (4.7% from cash donations, 2.5% from in-kind donations)

4. What is the local levy problem?

Answer: Charter schools cannot levy property taxes to help fund their schools and have been dependent on a combination of state and local school district funds to make up for this.

5. In Figure 7 how much revenue will charter schools receive under the 2003 formula? How much if Debt Service revenue and State Guarantees were included?

Answer: \$456,645,062 and \$607,753,630

6. List the other charter school finance issues detailed in this report.

Answer: Enrollment Estimation, Facilities Financing, District Status and Differentiated Weighted Pupil Unit (WPU).

7. What is the problem with estimating district cost savings when a student leaves for a charter school?

Answer: The unit of marginal analysis varies depending on how many students leave. Therefore, it is difficult to calculate exactly the cost savings.

8. What are the three areas in which there are some options for policy changes to benefit charter schools?

Answer: Altering the local levy calculation, creating a charter school alliance and addressing the facilities issue.

Critical Thinking Activities

1. As a class or in groups debate the question “should charter schools & students receive the same types of funding as traditional public schools & students?” Why or why not? List your reasons. If you decide they should not, what are the best ways to finance these schools?
2. Discuss the question this report **did not** answer- Do the outcomes of charter schools justify the expense? Although there isn't enough test score and other outcomes based data for Utah charter school students, other areas of the country have been operating charter schools for a while. On the Internet, try and find data and studies on the test scores for charter students relative to their district peers. What do those scores tell you? Are there any problems with the studies or data that may influence the results? Can you answer the question using the available data?
3. Many charter schools specialize in curriculum or vocational areas. What advantages and cost savings could result? How could these schools save money spent on the traditional schools' applied technology programs?
4. What are the major arguments for charter schools? What are the major arguments against? If charter schools attract some of the better students from traditional schools, what effects might result?

Quiz Page

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Ledger	Mitigated	Revolving Loan Fund
Levy	Multiplicity	

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