

Charter Schools and Alternative Programs Committee Meeting  
Wednesday, April 20, 2022 1:00 PM

Dr. Matthew Prophet Education Center -  
Windows Cafeteria / Conference Room (Floor 2)  
501 N. Dixon St.  
Portland, OR 97227

## **Agenda**

1. Welcome
2. Land Acknowledgement & Anti-oppression Statement
3. Charter School Application Update
4. Charter School Funding Information
5. Contracted Alternative Schools
6. Public Comment

# Charter Schools and Alternative Programs School Board Committee Meeting

April 20, 2022

# Agenda

- Land Acknowledgement & Anti-Oppression Statement
- Charter School Application Update
- Charter School Funding Analysis Information
- CBO - per pupil reimbursement information
- Public Comment

# Land Acknowledgment & Anti-Oppression Statement

Within Portland Public Schools today, we serve students and families representing more than 150 different tribal nations, including the descendents of the local nations of the Chinook, Kathlamet, Multnomah, Kalapuya, Clackamas, Cowlitz, Molalla, and Tualatin. It is our obligation to teach accurate information, past and present, about the impact of colonization and genocide on all of our students and make visible the multitude of Native families and many diverse ways Native communities and families are living in the present.

In addition to acknowledging the land and those that have been here since time began, we must also remember our stolen siblings from Africa whose labor built the vast wealth of this country. These two communities and the atrocities committed against them are intrinsically intertwined due to our existence within a white supremacist world. Everything we have is due to stolen land and stolen labor, and every system and institution that impacts our lives is built upon this legacy. It is our job to speak that truth into spaces so that we can all begin to heal.



# Multiple Pathways To Graduation:

**...Where EVERY student is  
welcome, wanted and worthy**

# Charter School New Application

# Steps for Charter School New Application

Oregon Charter Law (ORS 338 and OAR 581) sets the statutory timelines and process for new charter school applications, and districts set specific due dates and formats:

- By May 1st - Letter of Intent is due to PPS Charter Schools Office
  - Have already received Letter from The Rhiza Schoolhouse Charter School for proposal
- July 15th - Charter School Application is due to PPS Charter Schools Office
  - District has 30 days to review for completeness (ORS 338.055, .075, OAR 581.026)
- If Application is found compete upon first review, a Public Hearing must be held within 60 days of that notification: by Oct 13, 2022

# Steps for Charter School New Application (cont.)

After the Public Hearing is held, the District has 30 days to evaluate and hold a full board vote to approve/deny proposal.

- If all other timelines progress without delay, the full board vote will occur by Nov. 12, 2022
- If the board votes to deny the application, there is an appeal process outlined in statute that may extend the process

# Charter School Funding

# Charter Schools Funding Information

Oregon Charter Law (ORS 338) sets the statutory minimum passthrough rate for district-sponsored charter schools as follows:

- 80% of Charter School Rate\* for k-8 ADMw
- 95% of Charter School Rate for 9-12 ADMw

and for charter schools sponsored by ODE as follows:

- 90% of Charter School Rate for k-8 ADMw
- 95% of Charter School Rate for 9-12 ADMw

\*Per ODE, Charter School Rate does not include the Extended ADMw calculations that benefit districts

# Charter Schools Funding

- Additionally, in March 2020, the PPS Board of Education increased the passthrough rate for PPS k-8 charter schools serving greater than 50% Historically Underserved by Race/Ethnicity from 80% to 95%
- At the March 2022 meeting, the Board Charter Schools and Alternative Programs Committee requested a current charter school funding analysis to include:
  - Current costs of supporting the Charter Schools Program
  - Impact of increasing base passthrough rate from 80% to 90% of Charter School Rate for k-8 PPS-sponsored charter schools

# Charter Schools Funding

Summary of the analysis shows the following:

- Current estimated **cost** of supporting Charter Schools Program, including the Charter Schools Office and additional PPS resources supporting charter schools:
  - **\$710,823 per year**
- Amount PPS is **estimated to passthrough** to charter schools at **current funding formulas** in 2022-23 (80%/90%/95%):
  - **\$16,704,293**
- Amount PPS estimated to **receive** from State School Fund for ~1960 charter school students in 2022-23:
  - **\$19,955,660**

# Charter Schools Funding

Summary of analysis of increasing the passthrough from 80% to 90% of the Charter School Rate for current PPS k-8 schools shows the following:

- Amount PPS is estimated to passthrough at **increased funding formula** (90%/95%):
  - **\$17,868,656**
- Amount PPS is estimated to **receive** from State School Fund for ~1960 charter school students in 2022-23:
  - **\$19,955,660**

# Charter Schools Funding

Total Estimated additional passthrough from 80% to 90% for current PPS k-8 charter schools:

- \$1,164,363

Number of current charter school students attending the district-sponsored charter schools impacted:

- 1,170

# Charter Schools Additional Funding

- PPS has passed through proportionate shares of both SIA funds and ESSER II, ESSER III funds to charter schools, per ODE guidance
- PPS includes qualifying charter schools in its Equity Allocations to support historically underserved students
- Charter schools receive passthrough City Arts Tax funds for k-5 students residing in the City of Portland

# Charter School Student Demographics

| District Charter School   | Total Students | Direct Certification | Historically Underserved | Combined Underserved | Special Education |
|---------------------------|----------------|----------------------|--------------------------|----------------------|-------------------|
| Arthur Academy            | 156            | 23.1%                | 24.4%                    | 51.9%                | 8.3%              |
| Emerson School            | 124            | 6.5%                 | 21.8%                    | 36.3%                | 15.3%             |
| Kairos Pdx                | 219            | 24.2%                | 72.6%                    | 77.6%                | 13.7%             |
| Le Monde                  | 380            | 4.5%                 | 12.9%                    | 25.3%                | 11.6%             |
| Portland Village School   | 416            | 14.2%                | 18.8%                    | 41.8%                | 17.1%             |
| <b>Charter Total</b>      | <b>1295</b>    | <b>13.4%</b>         | <b>27.1%</b>             | <b>43.7%</b>         | <b>13.7%</b>      |
| <b>PPS District Total</b> | <b>45,497</b>  | <b>21.7%</b>         | <b>32.9%</b>             | <b>49.2%</b>         | <b>15.2%</b>      |

\*Data Source: PPS October 2021 enrollment number

# Charter School Students By Race

| District Charter School   | Black        | Latino       | Native American | Pacific Islander | Multi-Racial |
|---------------------------|--------------|--------------|-----------------|------------------|--------------|
| Arthur Academy            | 10.3%        | 5.8%         | 0.6%            | 0.6%             | 7.1%         |
| Emerson School            | 1.6%         | 9.7%         |                 |                  | 10.5%        |
| Kairos Pdx                | 50.7%        | 8.2%         | 0.5%            |                  | 13.2%        |
| Le Monde                  | 2.6%         | 3.9%         | 0.5%            |                  | 5.8%         |
| Portland Village School   | 1.2%         | 13.5%        |                 | 0.7%             | 3.4%         |
| <b>Charter Total</b>      | <b>11.1%</b> | <b>8.5%</b>  | <b>0.3%</b>     | <b>0.3%</b>      | <b>6.9%</b>  |
| <b>PPS District Total</b> | <b>8.5%</b>  | <b>16.7%</b> | <b>0.5%</b>     | <b>0.7%</b>      | <b>6.5%</b>  |

\*Data Source: PPS October 2021 enrollment number

**Charter Schools Funding**

**Questions?**

# Contracted Alternative School (CBO Schools) Funding

# Contracted Alternative Schools (CBO Schools) Funding

Oregon Regulatory Statute (ORS) 336.635  
Enrollment in Alternative Education Programs

[https://oregon.public.law/statutes/ors\\_336.635](https://oregon.public.law/statutes/ors_336.635)

# CBO Schools Funding

ORS 336.635 (4)

For each full-time equivalent student enrolled in the alternative education program, the resident school district shall pay the actual cost of the program or an amount at least equivalent to 80 percent of the district's estimated current year's average per student net operating expenditure, whichever is less, in accordance with rules adopted by the State Board of Education. The alternative education program is accountable for the expenditures of all State School Fund moneys and other local school support moneys and shall provide the resident school district with an annual statement of the expenditures.

# Contracted Alternative Schools (CBO Schools) Funding

- Contractual relationships with PPS and our CBO schools previously contained a reimbursement rate, as outlined in ORS 336.635 (4) of 80% of district Net Operating Expense (NOE)
- In 2021, the PPS Charter and Alternative School Board committee recommended to the Superintendent and the Board of Education Directors to raise the rate of per pupil reimbursement from 80% to 90% of district NOE for students enrolled in CBO schools. As a result, Superintendent Guerrero incorporated this increase in his proposed budget and the Board of Education approved the 2021-22 budget with the new pass through rate of 90% of NOE per pupil for each student enrolled in CBOs.

# Contracted Alternative Schools (CBO Schools) Funding

- At the request of CBO school leaders, CBO school contracts for the 2021-22 school year included choice of receiving an initial payment percentage of the total annual contract of either
  - 10% or 15%
- This acknowledges the need to pay employees for their first month of employment while the CBO school is submitting their invoice and awaiting payment for students served during the first month of the year.
- Monthly billing is received for reimbursement of per pupil services and we true up monthly to ensure that by the end of the annual contract period the contractor initial payment advance has been leveled out

# CBO Schools Additional Funding

- PPS has passed through shares of SIA funds and ESSER II, ESSER III funds to CBOs schools
- PPS includes qualifying cbo schools in its Equity Allocations to support historically underserved students
- CBO high schools also receive Measure 98 funding to support drop out prevention, career and technical education and post-secondary readiness for high school students.

# CBO School Student Demographics

| CBO School                                | Total Students | Direct Certification | Historically Underserved | Combined Underserved | Special Education |
|---|----------------|----------------------|--------------------------|----------------------|-------------------|
| Fora (DePaul)                             | 11             | 81.82%               | 36.36%                   | 90.91%               | 9.09%             |
| Helensview                                | 115            | 100.00%              | 69.57%                   | 69.57%               | 47.83%            |
| Mount Scott Learning Center               | 127            | 45.67%               | 36.22%                   | 79.53%               | 40.94%            |
| NAYA Many Nations                         | 41             | 60.98%               | 100.00%                  | 100.00%              | 26.83%            |
| OPEN School                               | 7              | 71.43%               | 85.71%                   | 14.29%               | 14.29%            |
| PCC (Gateway to College, Yes! To College) | 299            | 23.75%               | 33.78%                   | 54.52%               | 12.71%            |
| Portland Youth Builders                   | 3              | 100.00%              | 33.33%                   | 100.00%              | 66.67%            |
| Rosemary Anderson (MS & HS)               | 149            | 67.79%               | 80.54%                   | 94.63%               | 35.57%            |
| Youth Progress Association                | 7              | 100.00%              | 57.14%                   | 100.00%              | 28.57%            |
| <b>CBO Schools Total</b>                  | <b>759</b>     | <b>51.91%</b>        | <b>53.10%</b>            | <b>72.07%</b>        | <b>28.3%</b>      |
| <b>PPS District Total</b>                 | <b>45,497</b>  | <b>21.70%</b>        | <b>32.90%</b>            | <b>49.20%</b>        | <b>15.20%</b>     |

\*Data Source: PPS October 2021 enrollment number

# CBO School Student Demographics

| CBO School                                   | Black         | Latino        | Native American | Pacific Islander | Multi-Racial |
|--|---------------|---------------|-----------------|------------------|--------------|
| Fora (DePaul)                                | 18.18%        | 9.09%         | 0.00%           | 0.00%            | 9.09%        |
| Helensview                                   | 32.17%        | 26.96%        | 0.87%           | 0.00%            | 9.57%        |
| Mount Scott Learning Center                  | 7.09%         | 21.26%        | 0.00%           | 0.00%            | 7.87%        |
| NAYA Many Nations                            | 7.32%         | 39.02%        | 36.59%          | 0.00%            | 17.07%       |
| OPEN School                                  | 42.86%        | 28.57%        | 0.00%           | 0.00%            | 0.00%        |
| PCC (Gateway to College,<br>Yes! To College) | 5.35%         | 22.74%        | 0.67%           | 0.00%            | 5.02%        |
| Portland Youth Builders                      | 33.33%        | 0.00%         | 0.00%           | 0.00%            | 0.00%        |
| Rosemary Anderson (MS & HS)                  | 36.91%        | 30.87%        | 1.34%           | 0.00%            | 11.41%       |
| Youth Progress Association                   | 14.29%        | 28.57%        | 0.00%           | 0.00%            | 14.29%       |
| <b>CBO Schools Total</b>                     | <b>16.73%</b> | <b>25.43%</b> | <b>2.64%</b>    | <b>0.00%</b>     | <b>8.04%</b> |
| <b>PPS District Total</b>                    | <b>8.51%</b>  | <b>16.73%</b> | <b>0.47%</b>    | <b>0.71%</b>     | <b>6.49%</b> |

\*Data Source: PPS October 2021 enrollment number

# Questions?

# Public Comment



**Date:** April 13, 2022

**To:** Superintendent Guerrero, Charter and Alternative Programs Board Committee

**From:** Korinna Wolfe, Area Senior Director, Multiple Pathways to Graduation  
Tara O'Neil, Program Director, Charter Schools

**Subject:** Charter School Program Cost and Funding Analysis

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## **BACKGROUND**

The Board Charter Schools and Alternative Programs Committee asked staff to prepare an analysis of the overall cost of administering the charter schools program and the funds retained from the charter school passthrough. Additionally, the Committee requested analysis of an increase of State School Fund passthrough from 80% to 90% to all PPS-sponsored charter schools serving students in grades k-8.

Charter schools sponsored by PPS have historically received funds per the statutory guidelines in ORS 338, which include passthrough minimum of 80% of the Charter School Rate for k-8 ADMw and 95% for 9-12 ADMw. Per ODE, the Charter School Rate is based on the most recent year's enrollment, and does not include averaging over multiple years, or Extended ADMW. For schools that were denied a charter by their districts and were approved as charters by the State after appeal, the statutory minimum is set at 90% for k-8 and 95% for 9-12.\* These minimums were negotiated as part of the initial Charter School Law (ORS 338) in 1999. A substantive legislative review of charter school funding passthrough rates has not occurred since 1999 when ORS 338 was passed. This differential rate of passthrough between district-sponsored K8 charters at 80% and state-sponsored charter passthrough at 90% has resulted in questions and concerns by current PPS charter schools, and resulted in the request for staff to provide detailed information to both Superintendent Guerrero and members of the Charter School and Alternative Programs School Board Committee.

In March 2020, a similar request was made for a funding analysis. Following the recommendation of the Charter School and Alternative Programs Committee which followed the 2020 program cost staff analysis of PPS charter school programming, the PPS School Board of Directors voted to increase the passthrough for PPS-sponsored charter schools serving k-8 with 50% or greater historically underserved students by race/ethnicity to 95%. This resulted in increased passthrough for KairosPDX beginning in the 2020-2021 school year. Currently, Kairos continues to be the only school which qualifies for this increased rate.

Most districts in Oregon pass through the statutory minimum to charter schools. For school districts with more than 10,000 students, similar to PPS, current practice for the majority is to pass through 80% for students in grades K8. School districts that pass through 80% for students in grades K 8 include Beaverton, David Douglas, Eugene, Hillsboro, North Clackamas, Springfield and Tigard-Tualatin. Medford passes through 80% with the exception of 90% for one high poverty elementary school.

There are some smaller districts that pass through more than the minimum, ranging from 81% to 100%. The passthrough rate in Oregon is frequently higher for charter schools that were initiated by their sponsoring district, and for charter schools that share staff with their sponsoring district. School districts that self-report passing through more than the minimum of 80% for charter schools serving grades k-8 include: Scappoose at 100%, Reynolds at 92%-95%, Forest Grove at 88%, Molalla River at 83%, and North Wasco at 83%.

Nationally, the next closest passthrough rate to Oregon's 80% for k-8 is 95%, shared by multiple states, and the average passthrough rate nationwide is 97% as state chartering laws are revised. These rates are determined at the state level.

(\*For State-sponsored charter schools, the statutory funding formula outlines that 90% of Charter School Rate allocation is passed through to school, 5% of Charter School Rate is sent to ODE for program administration and school oversight, and the remainder is retained by the district.)

## **ANALYSIS**

The estimated 2022-23 cost related to administering services to the five PPS and two State-sponsored charter schools consists of two line items:

1. The Charter Schools Office, which includes the Program Director of Charter Schools, Senior Administrative Secretary II, program materials, and operations is currently: **\$256,935** (2021-22 Adopted Budget)
1. Other identified District Administrative Services are estimated at **\$453,888**. This figure is estimated based on the approximate percentage of FTE of multiple District personnel whose duties include supporting the Charter Schools Program and additionally includes a 2% flat administrative rate to include costs, such as student technology costs, which are not captured in salary:

- 15% Area Senior Director of Multiple Pathways to Graduation
- 5% General Counsel,
- 5% Senior Manager Financial Operations – Accounting Services,
- 5% Senior Manager Human Resources & Sub Office
  - 3% of each: Data Analyst III, Testing Coordinator III
- 2% of each: Fiscal Services Associate II, Senior Financial Operations Manager, Senior Budget Analyst, Board of Education Operations Manager, Director of Purchasing and Contracting
  - 2% of Charter General Purpose Grant as General Administrative Rate

(Source: Percentage calculated based on mid-range salary of each position: Portland Public Schools 2021-22 Adopted Budget, Portland Public Schools Human Resources website page <https://www.pps.net/Page/1195>, 2021-22 Non-Represented Salary Schedule, 2021-22 Senior Leadership Salary Schedule)

The combined total of the Charter Schools Office and Other District Administrative Services is **\$710,823**, which is 3.6% of the total PPS Charter School State School Fund Allocation. Special Education funding revenue and expenses are a separate funding stream and not included in this analysis.

The estimated amount PPS will retain in 2022-23 after passthrough of the current rates of 80% for four PPS k-8 charter schools, 95% from one k-5 charter school, and 90% for two State-sponsored k-8 charter schools is \$3,182,281 or 16% of the total allocation received for charter school students.

If the District passes through an increased rate of 90% for PPS-sponsored charter schools serving students in grades k-8, matching the passthrough rate for the two ODE-sponsored charter schools within the District’s boundaries, an estimated total of \$1,164,363 in additional funds will be passed through to 4 charter schools. The change would result in an estimated increase of \$954 per pupil (ADMw) for those schools.

The estimated amount PPS would retain in 2022-23 from an increased passthrough rate of 90% for all k-8 charter schools is \$2,017,918 or 10.1% of the total allocation received for charter school students.

The PPS-sponsored charter schools in PPS serve about 2.8% of the total District student population. Charter school student data and demographics are included in the District totals in State and District reports. Demographics of the charter schools compare to the District’s totals as follows:

|                                 |                       |                       |
|---------------------------------|-----------------------|-----------------------|
| <b>Historically Underserved</b> | <b>Charters 27.1%</b> | <b>District 32.9%</b> |
| Black                           | Charters 11.1%        | District 8.5%         |
| Latino                          | Charters 8.5%         | District 16.7%        |
| Native American                 | Charters 0.3%         | District 0.5%         |
| Pacific Islander                | Charters 0.3%         | District 0.7%         |
| Multi-Racial                    | Charters 6.9%         | District 6.5%         |
| <br>                            |                       |                       |
| <b>Combined Underserved</b>     | <b>Charters 43.7</b>  | <b>District 49.2%</b> |
| <br>                            |                       |                       |
| <b>Special Education</b>        | <b>Charters 13.7%</b> | <b>District 15.2%</b> |
| <br>                            |                       |                       |
| <b>Direct Certification</b>     | <b>Charters 13.4%</b> | <b>District 21.7%</b> |

**FISCAL IMPACT**

Increasing the passthrough rate for the remaining four PPS k-8 charter schools from the current state required 80% to 90% would take the per pupil funding (ADMw) at these charter schools from \$7,627 to \$8,581. Within the PPS District-Sponsored Charter Schools, 1,423 students are projected for the 2022-23 school year. Within the two State-Sponsored Charter Schools, 538 students are projected for a total estimated projection of 1961 students in Portland’s Charter Schools during the 2022-23 school year. The four schools that would be impacted by an increase from 80% to 90% passthrough represent 60% of the total charter schools’ enrollment, as the other three schools already receive 90% or greater passthrough.

Below is an analysis of the fiscal impact of two charter school payment formulas with associated passthrough percentage rates:

|  |  |  |   |
|--|--|--|---|
|  | <b>Charter General Purpose Grant Allocation (100%)</b>                         | <b>Charter Funds Paid at current rates:<br/>80% PPS Charters k-8<br/>90% ODE Charters k-8<br/>95% PPS Charters k-8 over 50% historically underserved</b> | <b>Charter Funds Paid at increased:<br/>90% PPS/ODE k-8<br/>95% PPS Charters k-8 over 50% historically underserved</b>    |
| Per Student Funding 2022-23  | Extended ADMw rate<br><b>PPS receives: \$9796</b>                              | PPS Charters = <b>\$7627</b><br>ODE Charters = <b>\$8581</b><br>Kairos (>50% HU)= <b>\$9057</b>  | PPS/ODE Charters = <b>\$8581</b><br>Kairos (>50% HU) = <b>\$9057</b>  |
|  | <b>Charter School rate</b><br>(payments made as % of this base): <b>\$9534</b> | <b>Formula A</b>   | <b>Formula B</b><br>\$ for each percentage point increase over 80% = \$116,437<br>(based on estimated 2022-23 enrollment) |
| Number of students in 5 PPS Sponsored Charter Schools                  | 1423   |  | # students impacted by increase of 80% to 90% = ~1170   |
| Number of students in 2 State Sponsored Charters within PPS Boundaries | 538  |  |   |
| Total number of students projected in Charter Schools for 2022-2023    | 1961   |  |   |
| <b>TOTAL \$ Received</b>   | <b>\$19,955,660</b>  |  |   |
| <b>TOTAL \$ Paid out</b><br>(incl. 5% pmt to ODE for ODE charters)     |  | <b>\$16,704,293</b>  | <b>\$17,868,656</b>   |
| <b>Cost to PPS of percent funding increase</b>                         |  | NA   | <b>\$1,164,363</b>  |
| <b>\$ PPS Retains</b>  |  | <b>\$3,182,281</b>   | <b>\$2,017,918</b>  |
| <b>Cost of Administering Charter Schools Program</b>                   |  | <b>\$710,823</b>   | <b>\$710,823</b>  |
| <b>\$ PPS Retains over Program costs</b>                               |  | <b>\$2,496,694</b>   | <b>\$1,332,331</b>  |

The District receives the full amount of funding for charter school students receiving Special Education, estimated at over \$2.8M for 2022-23. This funding is based on the Total Revenue Formula per-pupil amount (\$9796) for students with IEPs, and is not tied to passthrough rates for the charter schools. Districts provide 100% of Special Education Services, and receive 100% of ADMw funds for those students per statute.

According to 2022-23 estimates, when payments to charter schools are made at the current rates, the funds retained by the District exceed what is needed to administer the program by \$2,496,694 (see table **Formula A**). When looking at adjusting the passthrough rate for PPS k-8 charter school students from 80% to 90%, alongside the 95% passthrough rate for

charter schools currently serving populations over 50% historically underserved by race/ethnicity, the funds retained by the District exceed what is needed to administer the program by \$1,332,331 (see table **Formula B**). The estimated 2022-23 cost of each percentage point increase over 80% for these four schools (1,170 students) is \$116,437 per percentage point. As an additional reference, the estimated 2022-23 cost of each percentage point increase over 95% for the school currently serving students over 50% historically underserved by race/ethnicity (~250 students) is \$25,140.

In both funding scenarios Formula A and Formula B, the funds retained in excess of the budget identified for the Charter Schools Office (\$256,935), are absorbed into the District's General Fund. This allows the fiscal amounts to support many pps schools which serve more than 50% students of color.

### **TIMELINE FOR IMPLEMENTATION / EVALUATION**

If the decision is made to remain at the current 80% for students attending charter schools in grades kindergarten through eighth grade, then no change to the current formula is needed.

If the decision is made to increase the base passthrough rate to PPS-sponsored charter schools serving students in grades k-8, the rate increase will become effective with the new budget year, beginning July 1, 2022. Monthly charter school payments to the affected schools would be calculated at the new rate, and all financial forecasting and reporting would be based on the increased passthrough of the Charter School Rate for those schools.

### **BOARD OPTIONS WITH ANALYSIS**

The Board Charter Schools and Alternative Programs Committee asked for analysis of the overall cost of administering the charter schools program, and the cost of raising the passthrough rate from 80% to 90% for charter schools sponsored by PPS serving students in grades k-8. Options are to consider raising the base passthrough rate for PPS-sponsored k-8 charter schools to 90% or to continue passing through funds at the current statutory minimum rate of 80%.

Total 2022-2023 estimated cost to the District of increasing the base passthrough rate to PPS-sponsored charter schools serving grades k-8 to 90% is \$1,164,363. This cost will recur annually through the term of the applicable charter school's contract and subsequent renewals, and will scale up or down proportionately with the State School Fund per-ADMw estimates. Charter School funds retained in excess of the budget identified for the Charter Schools Office (\$256,935) are absorbed into the District's General Fund. It could be interpreted that increasing funding to a charter school results in taking funding away from the General Fund, which supports other district programs. The \$1,164,363 estimated increase in payments to eligible charter schools represents a 12.5% increase in funding for the schools that would be impacted, and represents a 0.057% share of the total approved District 2021-22 Budget, 0.15% of the total District 2021-22 General Fund, and 1.3% of the estimated fund balance. While this appears as a small amount of the district's overall budget, it would require shifts to the district budget that would alter current district budget planning and services in a year in which our school district is faced with a deficit budget for the upcoming school year.