



EXECUTIVE SUMMARY

Commonsense Cyber Charter School Funding Reform Would Eliminate Wasteful Spending and Save \$290 Million in Taxpayer Money

Charter schools are primarily funded by local tax dollars paid to them as tuition by school districts.

Charter school tuition rates are not based on what it costs a charter school to educate its students, but on the per student expenditure of the school district from which the students come. Charter school tuition for regular (non-special) education ranges from about \$7,800 per student to upwards of \$18,500 per student. Charter school tuition for special education ranges from about \$15,900 to well over \$40,000 per student.

In cyber charter schools – where the costs are less than \$5,000 per student, far less than the cost in traditional public schools or brick and mortar charter schools – this wastes over \$290 million in tax money each year, statewide.

From 2015-2016 to 2017-2018, total cyber charter tuition expenditures grew by almost \$54.4 million. Nearly half of this tuition increase resulted from increases in per-student tuition rates. Average tuition rates grew \$1471 per special education student and \$505 for regular education student.

School districts must raise property taxes, cut programs or services, or forego new investments in students in order to pay cyber charter tuition that is spent on multimillion dollar advertising campaigns, excessive executive compensation, private management fees, and more.

Despite cyber charter schools being paid more money per student each year, academic outcomes in cyber charter schools remain abysmal. Pennsylvania's cyber charter schools graduate just 31%-70% of their students. A recent Stanford University study found that cyber students lose 106 days of learning in reading and 118 days of learning in math each year when compared to their counterparts who remained in district schools.

Setting a single, statewide tuition rate for both regular and special education students in cyber schools that matches tuition to the actual costs of educating students at home on a computer would eliminate wasteful spending and save Pennsylvania taxpayers \$290 million each year.

To read the full report and learn how much each school district would save if the PA legislature implemented this plan, visit www.EducationVotersPA.org. Please contact edvoters@educationvoterspa.org with questions.