

Agency: UTAH STATE BOARD OF EDUCATION

Program Title: Small Charter School Base Funding

Summary of Request: School districts and charter schools require a base amount of funding to operate properly. This request builds on the Small Charter School Base Funding program, providing sufficient base funding to ensure proper operations of Utah charter schools. In addition, the request treats LEAs more equally by putting Small Charter School Base Funding in the Basic School Program.

What is the nature of your request?

Please select one:

- POLICY REQUEST – You are seeking changes to Utah State Code to improve your program/services.
- BUSINESS CASE - You are seeking new or additional financial resources to support a program/service for education.
- BOTH POLICY and BUSINESS – You are proposing a new program or expansion of an existing program that will require new/amended state code and financial resources.

Questions? Please contact:

Dale Frost for questions related to a business case/funding request and
Jill Curry for questions related to a policy request.

USBE Lead Point of Contact:

1. **Name:** Dale Frost
2. **Email Address:** dale.frost@schools.utah.gov
3. **Phone Number:** 801-538-7606
4. **USBE Section:** Financial Operations

Additional USBE points of contact *(as needed)*:

Name: Scott Jones

Email Address: scott.jones@schools.utah.gov

Phone Number: 385-288-7723
USBE Section: Superintendency

POLICY REQUEST

This section only needs to be completed if you are making a policy request (creating or changing existing Utah Code language).

1. **Section(s) of State Code to be addressed (if none, insert “N/A”):**

[53F-2-706](#)

2. **Describe the issues or concerns the legislation will address:**

This policy request provides charter schools with 5,000 or fewer students a base amount of funding to operate properly and better meet the needs of students.

In addition, the request moves the Small Charter School Base Funding to the Basic School Program, so school districts and charter schools are treated more equally, with both base funding programs under the same line item.

3. **Describe the history of the issues or concerns including relevant context and timelines:**

During the 2020 5th Special Legislative Session, legislators made targeted reductions throughout the budget. Despite these reductions, it is clear Utah lawmakers wanted to keep public education funding stable. At the same time as making reductions, legislators funded a 1.8% increase in the WPU, after having funded enrollment growth in the base budget.

One of the reductions made to the state education budget was the elimination of the Charter School Administration program (\$8.1 million). To shore up the funding of the very smallest charter schools, the Legislature appropriated \$3.1 million to create the Small Charter School Base Funding program.

These reductions significantly impacted charter schools and the students they serve. The following are some examples:

- Principals are not be able to be school academic leaders. They spend their days focused on complying with state and federal regulations.
 - More schools will not be compliant and could be placed on probation—creating more work and supports needed by USBE and UCSB staff.
 - Small schools, which already have a disadvantage as compared to larger LEAs/schools, may never fully recover financially.
 - Many charter schools were not able to give raises to teachers or staff. The impacts of these cuts hit small schools harder than most.
 - Teachers are asked to take on additional responsibilities without compensation. By asking them to take on more, students will suffer.
 - Highly qualified principals will leave charter schools or never consider working at a charter school because they do not have the same compliance regulations at district schools, resulting in weaker schools due to a lack of consistent leadership.
 - Teachers will also leave charter schools or avoid them when applying for positions because they have more support at a district school.
4. **What are the suggested legislative solutions? Please include code references and suggested language where possible:**

Section 53F-2-313 is enacted to read:

53F-2-313. Small Charter School Base Funding.

- (1) Subject to legislative appropriation, the state board shall distribute small charter school base funding to the relevant charter schools in the following amounts:
- a. for a charter school with 250 students or less, 30 additional weighted pupil units;
 - b. for a charter school with 251 to 500 students, 26 additional weighted pupil units;
 - c. for a charter school with 501 to 1,000 students, 22 additional weighted pupil units;
 - d. for a charter school with 1,001 to 2,000 students, 18 additional weighted pupil units; and
 - e. for a charter school with 2,001 to 5,000 students, 15 additional weighted pupil units.
- (2) A charter school's eligibility for small charter school base funding is determined by the charter school's student enrollment on October 1 of a given year.

This bill repeals:

Section 53F-2-706. Small Charter School Base Funding.

- 5. What data needs to be collected to support this potential legislation?
Please include whether this data is currently collected and available:**

For more details, see section 5 of the Business Case below.

BUSINESS CASE

This section only needs to be completed if you are making a business case request (only if you are seeking new or additional funding).

1. **Total Amount Requested (select one option only):**

Option A: Restoring funding to level coming out of the 2020 General Session.

During the 2020 5th Special Legislative Session, the Charter School Administration program (\$8.1 million) was eliminated. To shore up the funding of the very smallest charter schools, the Legislature appropriated \$3.1 million to create the Small Charter School Base Funding program.

This funding request builds on the Small Charter School Base Funding program to provide the following WPU's to charter schools with 5,000 or fewer students:

Base WPU's	
Charter Size	WPU's
1-250	30.000
251-500	26.000
501-1,000	22.000
1001-2,000	18.000
2001-5,000	15.000
5,001	-

USBE estimates these changes to cost \$10,158,600. After accounting for the \$3.1 million appropriated to the Small Charter Base Funding program, this request costs the following:

Funding Source	Amount (\$)
FY 2022 ongoing funding	\$7,058,600
TOTAL funding requested	\$7,058,600

Option B: Funding request as originally submitted during the 2020 General Session Amounts (fill out information below)

Funding Source	Amount (\$)
FY 2021 one-time funding	\$
FY 2022 one-time funding	\$
FY 2022 ongoing funding	\$
TOTAL funding requested	\$

Option C: New proposal for increased funding or new program unrelated to the 2020 General Session Funding

Funding Source	Amount (\$)
FY 2021 one-time funding	\$
FY 2022 one-time funding	\$
FY 2022 ongoing funding	\$
TOTAL funding requested	\$

2. What specific Utah State Board of Education goals does this Business Case support?

Please include a narrative describing the alignment as selected.

a. Early Learning

b. Effective Educator and Leaders

c. **Safe and Healthy School**

d. **Personalized Learning**

e. **This initiative does not directly align to one of the four strategies, but is supportive of improving student outcomes for Utah education.**

While not directly aligned to any one of the Board’s strategic goals, this business case advances the Board’s mission of “creating equitable conditions for student success.”

Small school districts receive up to 83 WPU’s (almost \$300,000) from the Small District Base Funding program while the smallest charter schools receive only \$40,000 from the Small Charter School Base Funding program. This request increases parity between the two programs by providing WPU’s to charter schools with 5,000 or fewer students in the following amounts:

Base WPU’s	
Charter Size	WPU’s
1-250	30.000
251-500	26.000
501-1,000	22.000
1001-2,000	18.000
2001-5,000	15.000
5,001	-

3. **What system or program is the focus of this request?**

Small Charter School Base Funding Program

4. **Is this an existing program?**

1. **If this is an existing system or program what is the most recent fiscal year budget and operating expenses?** \$3.1 million
2. **Does the budget include one-time funding?** YES/NO

3. **How many FTEs are currently funded within or by this existing system or program?** All funds for the Small Charter School Base Funding program are passed through to charter schools. No USBE FTEs are funded through this program.

1. **What are the respective pay rates of each one of the FTEs?**
 2. **Describe the duties and responsibilities of each FTE that supports and/or is funded by this system and/or program?**
5. **What problem would be solved with additional funding?** (Please provide historical and/or supporting data). **Or, is this an innovation? If so, provide initial data that will support the need or requirement for innovation.**

During the 2020 5th Special Legislative Session, legislators made targeted reductions throughout the budget. Despite these reductions, it is clear Utah lawmakers wanted to keep public education funding stable. At the same time as making reductions, legislators funded a 1.8% increase in the WPU, after having funded enrollment growth in the base budget.

One of the reductions made to the state education budget was the elimination of the Charter School Administration program (\$8.1 million). To shore up the funding of the very smallest charter schools, the Legislature appropriated \$3.1 million to create the Small Charter School Base Funding program.

The reductions significantly impacted charter schools and the students they serve. The following are some examples:

- Principals are not be able to be school academic leaders. They spend their days focused on complying with state and federal regulations.
- More schools will not be compliant and could be placed on probation—creating more work and supports needed by USBE and UCSB staff.
- Small schools, which already have a disadvantage as compared to larger LEAs/schools, may never fully recover financially.
- Many charter schools were not able to give raises to teachers or staff. The impacts of these cuts hit small schools harder than most.
- Teachers are asked to take on additional responsibilities without compensation. By asking them to take on more, students will suffer.
- Highly qualified principals will leave charter schools or never consider working at a charter school because they do not have the same compliance regulations at district schools, resulting in weaker schools due to a lack of consistent leadership.
- Teachers will also leave charter schools or avoid them when applying for positions because they have more support at a district school.

In addition, small school districts receive up to 83 WPU (almost \$300,000) from the Small District Base Funding program while the smallest charter schools receive only \$40,000 from the Small Charter School Base Funding program. This request increases parity between the two programs by providing WPU to charter schools with 5,000 or fewer students in the following amounts:

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2001-5,000	15.000
5,001	-

6. What has been done to solve this problem with existing resources? What were the results?

Not applicable.

7. If this is a new funding request, what specifically, is being purchased with this requested investment? (USBE FTEs (include benefits and indirect), grants to LEAs, professional development, purchasing technology, systems, or other items).

This request provides unrestricted funds to Utah charter schools, providing a base level of support, to enable proper operations and better serve students.

8. Are other required support services (IT, systems, software) necessary to implement the request? (If your request includes IT requirements, you are encouraged to schedule a meeting with Jared Felt and Chuma Uzoh to scope the project before submitting your proposal.)

Not applicable.

9. What are the anticipated results or outcomes of how the new funding will be utilized?

- 1. What measure(s), including quality, throughput, and costs, will be used to track the change over time?**

Not applicable.

2. Is data currently available to support these measures?

Not applicable.

3. List the performance measure(s) that will be used to track outcomes.

Not applicable.

10. What are the impacts if the funding is not received?

Students attending Utah charter schools will have their educational opportunities limited.

Without the base funding, charter schools are forced to fund their base operations such as administrators, software systems, etc. with WPU's meant for services to students.

11. To what extent is this request scalable? If a lower amount of funding is available, please articulate whether this would be effective and if so, what are the per-unit anticipated outcomes associated with lower funding increments?

This request is scalable. However, reducing the funding will reduce educational opportunities for students attending Utah charter schools.

Utah's small school districts receive up to 83 WPU's (almost \$300,000) from the Small District Base Funding program while the smallest charter schools receive only \$40,000 from the Small Charter School Base Funding program. This request increases parity between the two programs by providing WPU's to charter schools with 5,000 or fewer students in the following amounts:

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1001-2,000	18.000
2001-5,000	15.000
5,001	-

This funding provides a more sufficient base funding level to ensure proper operations of Utah charter schools.

SUBMISSION:

Once you have completed this document, please [upload your application here](#) for USBE leadership review and consideration.