

**DUQUESNE CITY SCHOOL DISTRICT  
RECEIVER, ACTING AS THE BOARD OF DIRECTORS  
RESOLUTION CALLING FOR CHARTER SCHOOL REFORM**

**WHEREAS**, the average Pennsylvania school district spends millions of dollars in taxpayer money annually in mandatory payments to brick-and-mortar and cyber charter schools; and these payments are calculated in a manner which requires districts to send more money to charter schools than is needed to operate their programs and places a significant financial burden on districts' resources and taxpayers; and

**WHEREAS**, the current charter school funding formula was established in 1997 under the state's Charter School Law and has not been changed in 25 years since it was first created; and the formula for regular education programs is unfair because it is based on a school district's expenditures and not what it actually costs to educate a child in the charter school; and

**WHEREAS**, the calculation for charter special education tuition is unfair because it is also based on the special education expenditures of the school district rather than the charter school; and although the General Assembly revised the special education funding formula in 2014 to more accurately target special education resources for students identified with high, medium and low needs, this formula was applied only to school districts and not to charter schools; and

**WHEREAS**, because the tuition rate calculations are based on the school district's expenses, they create wide discrepancies in the amount of tuition paid by different districts for the same charter school education and result in drastic overpayments to charter schools; and these discrepancies in tuition rates for regular education students can vary by almost \$13,000 per student and by \$39,000 per special education student; and

**WHEREAS**, actual charter school rates for Duquesne City School District, as calculated on the PDE-363, are significantly higher in FY 2021-2022. The annual tuition rate for each non-special education charter school student for 2021-22 is \$15,763.97, which is approximately 8% higher than the original budgeted amount; and

**WHEREAS**, the special education charter school tuition rate for Duquesne City School District is \$38,644.69 (12% higher than budgeted). The structure of the special education tuition rate calculation continues to affect the District. Currently, the formula assumes that 16% of the District's population is identified as special education. Because the District's special education population is appreciably higher, the formula incorrectly divides total special education expenditures by a small number of students than are actually enrolled at Duquesne, thereby artificially increasing the special education tuition amount; and

**WHEREAS**, the cost of brick-and-mortar charter and cyber charter schools for school districts continue to grow significantly each year; and on a statewide basis are the most identified source of pressure on school district budgets, including Duquesne City School District with annual charter and cyber school expenditures in excess of \$3.7 million for student tuition; and

**WHEREAS**, enrollment in charter schools has remained high compared to pre-pandemic levels, and the charter school tuition rate continues to grow significantly each year. Due to the rising costs of tuition, the Duquesne City School District continues to find itself struggling financially to meet general fund obligations with a budget deficit of \$1.5 million and a fund balance of \$1 million. Absent significant changes in enrollment or tuition rate calculations, growth in charter school tuition costs may require cuts in funds intended for educational programs and services; and

**WHEREAS**, Governor Tom Wolf's proposed budget includes a call for comprehensive Charter School Law reform and estimates will save Duquesne City School District \$533,474 per year by (1) applying

the four-tiered special education formula applied to school district funding to all charter schools (estimated to save \$99 million annually) and (2) establishing a statewide cyber charter tuition rate of \$9,500 per student per year (estimated to save \$130 million annually); and

**WHEREAS**, the Pennsylvania School Board Association advocates for substantial change with transparency, funding, and accountability. PSBA believes that the state must enact comprehensive and meaningful charter school reform measures that substantially reduces the inequitable financial burden of brick-and-mortar charter and cyber charter school costs on local school districts and that require high standards of academic performance and accountability for brick-and-mortar charter and cyber charter schools.

**NOW, THEREFORE BE IT RESOLVED** that the **DUQUESNE CITY SCHOOL DISTRICT** Board of School Directors calls upon the General Assembly to meaningfully revise the existing flawed charter school funding system for regular and special education to ensure that school districts and taxpayers no longer overpay charter schools for profit-making above and beyond reasonable costs for instruction. Legislative remedies are needed that address accountability to control the quality and cost of brick-and-mortar charter and charter cyber school programs.

**HEREBY** adopted this 29<sup>th</sup> day of March, 2022.

**ATTEST:**

**DUQUESNE CITY SCHOOL DISTRICT**

*Signature on File*

*Board Secretary*

*Signature on File*

*Receiver, acting as the Board of School Directors*