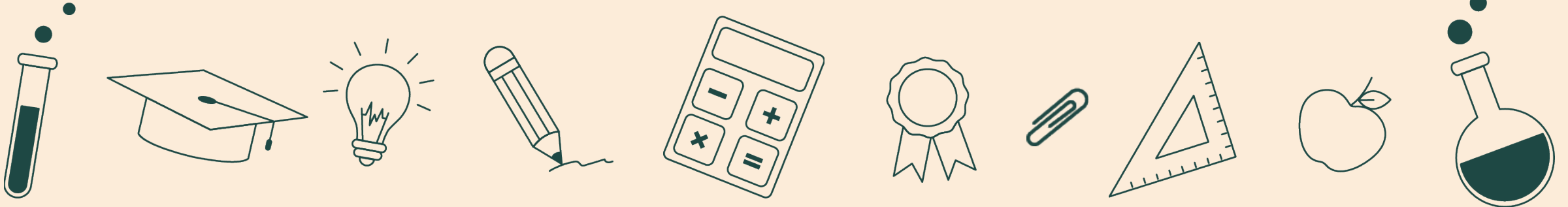




# Student Enrollment & School Funding

Morgan Felts  
Chief Operations Officer





# Mission

The mission of the State Charter Schools Commission of Georgia is to improve public education by authorizing high quality charter schools that provide students with better educational opportunities than they would otherwise receive in traditional district schools.





# Vision

Innovative and superior charter schools advancing education in every community.





# Presentation Overview

- QBE Funding
- State Charter Supplement Funding
- Forward Funding
- Enrollment
- Putting It Together





# Funding Overview

# 3 Types of Funding

- **State/QBE Funding**
  - Enacted in 1985
  - Public education funding Grades K – 12
  - Does not include Pre-K
- **SCSC Supplemental Funding**
  - Funding for state charter schools
  - 3 components: base supplement, capital outlay & categorical grants
- Federal Funding





# QBE Funding Overview

# Quality Basic Education (QBE) Funding

- **Total QBE includes 2 categories of revenue:**
  - Amounts based on the number and types of students (Grade specific, Special Education, ...)
  - Training and Experience (T&E) of Staff
- **And 2 categories of deductions:**
  - Local Five Mill Share (LFMS)
  - Austerity
- **$QBE = ((\text{student FTE} + \text{teacher T \& E}) - \text{LFMS}) - \text{Austerity}$**





# QBE Funding for Students - FTE

- $QBE = ((\text{student FTE} + \text{teacher T \& E}) - \text{LFMS}) - \text{Austerity}$
- **Administered using weighted FTE (full-time equivalent) counts**
  - Does not represent the number of students in seats, but instead is based on the time that students spend in various instructional programs.
- **School day is divided into 6 segments. Schools earn funding based on the placement of student during each segment.**



# QBE Funding for Students - FTE

- **19 different QBE programs**
  - 6 programs are for Exceptional Education students
    - Mild Resource
    - Moderate Resource
    - Moderate Self-Contained
    - Severe Self-Contained
    - Inclusion
    - Gifted
- **Program weights are based on the cost components of each program.**
  - The high school general education program has the lowest estimated cost and is assigned a weight of 1.0.
  - Weights for other programs equal the per pupil cost for that program divided by the per pupil cost of the high school gen ed program.
  - Weight change over time as the cost of each program changes.





# QBE Funding for Students - Example

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- 4 segments – H.S. gen ed classroom (funding weight 1.0)
- 2 segments – special ed program (funding weight 2.8)
- Daily weight = 1.6
  - $((4 \times 1.0) + (2 \times 2.8)) / 6$
- Funding earned = base allocation x daily weight
  - Base allocation = \$3,000
  - $\$3,000 \times 1.6 = \textbf{\$4,800}$

# QBE Funding for Students - FTE

- Determining Per Pupil Program Costs – Factors Considered
  - Direct Instructional Costs
    - Salaries & benefits for teachers
    - Paraprofessionals
    - Consumable materials
    - Textbooks
    - Equipment
  - Indirect Instructional Costs
    - Central Administration
    - School Administration
    - Facility Maintenance & Operations
- Remember – these costs can change year-to-year



# Programs and Program Weights for FY23

- **Kindergarten Program**
  - Weight: 1.6773
  - Allocation per FTE: \$4,859.56
- **Middle School Program**
  - Weight: 1.1396
  - Allocation per FTE: \$3,301.73
- **High School Program (Base)**
  - Weight: 1.0000
  - Allocation per FTE: \$2,897.28
- **Gifted**
  - Weight: 1.6843
  - Allocation per FTE: \$4,879.85





# QBE Funding for Teachers – T&E



- QBE = ((student FTE + **teacher T & E**) – LFMS) - Austerity
- Training & Experience (T&E)
  - Training – based on degree or certifications
  - Experience - # of years
- Base Salary Schedule
  - Base Rate FY23: \$39,092
- Funding covers the state-minimum salaries of certified personnel
- CPI Reporting



# QBE Deductions - Local Five Mill Share

- $QBE = ((\text{student FTE} + \text{teacher T \& E}) - \text{LFMS}) - \text{Austerity}$
- Since FY13 the General Assembly has required a deduction from QBE equivalent to LFMS from state charter schools' funding.
- Deduction = **lower** amount of either :
  - Statewide average - \$1,416/FTE - OR
  - The average LFMS of the districts comprising the attendance zone
    - Schools with a statewide attendance zone will use the statewide average



# QBE Deductions - Austerity

- $QBE = ((\text{student FTE} + \text{teacher T \& E}) - \text{LFMS}) - \text{Austerity}$
- As a result of difficult economic conditions, the General Assembly may implement a reduction of education funding.
  - FY20 – Austerity was 0%
  - FY21 – Austerity was 10.37%
  - FY22 – Austerity was 4.23%
  - FY23 – Austerity is 0%
- State charter schools receive the same austerity deduction as all other public schools





# QBE – As a Board Member

- Less Important: understanding the precise calculation of QBE
- More Important: understanding that specific student characteristics impact funding & understanding any special conditions (i.e. austerity) that impact revenues
- Role of the Data Collections process
- Importance of Appropriate Personnel
- Oversight:
  - Periodic reports on data collections cycles
  - Review allotment sheets





# State Charter Supplement Funding Overview

# State Charter Supplemental Funding

- Three Components to Determine Funding:
  - **Categorical Grants**  
Transportation, nutrition, nursing, etc.
  - **Base Supplement for B/M**  
Proxy for local funding
    - FY23: \$3,986 - \$5,540/FTE
  - **Capital Funding for B/M**  
For capital expenses
    - FY23: \$1,369 - \$2,327/FTE
- **Total Supplement** = (categorical grants + base supplement + capital funding) – commission fee

## Commission Fee

Up to 3%

Historically the SCSC  
has withheld less than  
3%.



# Supplement Funding – Categorical Grants

- Common Categorical Grants
  - State Nutrition Grant
    - FY23: \$17/FTE
  - State Transportation Grant
    - FY23: \$105/FTE
- Nursing Grant
  - \$20,000 for all SCSC schools, excluding 1<sup>st</sup> year schools



# Supplement Funding – Base Supplement

- Equal to –
  - Average local revenue (plus equalization) of all school districts (i.e. **statewide average**) – unless
  - Average local revenue (plus equalization) of districts comprising the school's attendance zone is less than the statewide average – then
- Amount will be equal to:
  - **Average of the local districts within the attendance zone** – or
  - **Average of the five lowest-funded districts**
  - Whichever is greater



Which is less?

Average local  
revenue (plus  
equalization) of all  
school districts  
(i.e. statewide  
average)

Average local  
revenue (plus  
equalization) of  
districts  
comprising the  
school's  
attendance zone

Which is greater?

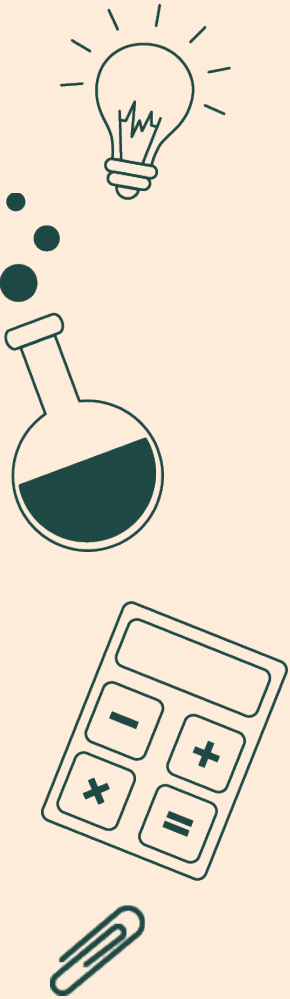
Average of the  
local districts  
within the  
attendance zone

Average of the five  
lowest-funded  
districts

FY 23 B/M Base  
Supplement  
Range: **\$3,986 -  
\$5,540/FTE**

# Supplement Funding – Capital Funding

- Equal to –
  - Statewide average per pupil capital expenditure (excluding local revenue bonds) – OR
  - Per pupil capital expenditure of the school system in which the school is located
- Whichever is **greater**
- FY23 for B/M: \$1,369 - \$2,327/FTE



# Supplement Funding – Virtual Schools

- Generally, do not receive Transportation nor Nutrition
- Base Supplement:
  - Virtual Schools receive  $\frac{2}{3}$  of the statewide average base supplement
  - \$3,694
- Capital Outlay:
  - Virtual Schools receive  $\frac{1}{4}$  of the statewide average capital outlay
  - \$358
- LFMS:
  - Virtual Schools contribute  $\frac{2}{3}$  of the statewide average of LFMS
  - \$944





# Supplement Funding – As a Board Member

- Less Important: understanding the precise calculation of the supplement
- More Important: making sure records reflect proper details
  - FTE Numbers
  - Attendance Zone
  - Location
  - Transportation/Nutrition Provided
- Role of SCSC May Collection Survey/Spreadsheet





# Forward Funding Overview

# Forward Funding Overview

- Purpose- to provide funding for a new or existing SCSC school that is either:
  - In the first year of operation or
  - Anticipates growth of 2% or greater
- School leaders submit projections to the SCSC each May
- Forward funding is not “held harmless”
  - Funding is adjusted at the midterm –
    - Over projections = reduced allotments
    - Under projections = increased allotments



# Forward Funding - Example

- Super Great Charter School
  - K – 8
  - Track record – 500ish students
  - Loss of industry → decline in students
  - October FTE – 450 students
  - Midterm held harmless? YES
- Super Awesome Charter School
  - K – 5
  - Track record – 300ish students
  - Add grades 6 – 8 with 200 students (500 total)
  - No sports → only 100 students enroll (400 total)
  - Midterm held harmless? NO

# Forward Funding – As a Board Member

- Understand the perils of under-estimating or over-estimating enrollment.
- Understand when funding WILL and WILL NOT be “held harmless”
- Role of SCSC May Collection Survey/Spreadsheet





# Enrollment

# Enrollment

- ***Enrollment drives funding***
- **Consequences of under-enrollment**
  - Fixed costs versus non-fixed costs
  - Academic program impact
  - Enrollment variance impact
  - Impact on renewal
- **Considerations**
  - Track enrollment and identify trends
  - Explore the use of a Customer Relationship Management (CRM) tool
  - Over-enrollment



# Enrollment – As a Board Member

- Role of Marketing
- Student Services & Decision Making
- Checkpoints
- Potential Consequences of Under-Enrollment and Over-Enrollment







# Putting It Together

DIRECT INSTRUCTIONAL COST	Earnings (\$)						Earned Positions Grades K-12													
	FTE	SALARY	OPERATING	QBE EARNINGS	LESS LOCAL 5 MILLS	STATE FUNDS	Teacher	Subj. Spec	Couns.	Tech. Spec										
Kindergarten Pgm	83	375,008	6,488	381,492	89,344	292,148	5.53		0.18	0.08										
Kindergarten Early Intr Pgm	0	0	0	0	0	0	0.00			0.00										
Primary Grade(1-3) Pgm	0	0	0	0	0	0	0.00	0.00	0.00	0.00										
Primary Grd Early Intrv(1-3) Pgm	0	0	0	0	0	0	0.00	0.00	0.00	0.00										
Upper Elementary Grd(4-5) Pgm	0	0	0	0	0	0	0.00	0.00	0.00	0.00										
UppElem Grd Early Intrv(4-5)	0	0	0	0	0	0	0.00	0.00	0.00	0.00										
Middle Grade(6-8) Pgm	0	0	0	0	0	0	0.00	0.00	0.00	0.00										
Middle School(6-8) Pgm	33	97,683	2,324	100,007	23,421	76,586	1.65	0.10	0.07	0.03										
High School Gen Edu(9-12)	0	0	0	0	0	0	0.00		0.00	0.00										
CTAE(9-12) PGM	0	0	0	0	0	0	0.00		0.00	0.00										
Students with Disab Cat I	0	0	0	0	0	0	0.00			0.00										
Students with Disab Cat II	0	0	0	0	0	0	0.00			0.00										
Students with Disab Cat III	3	31,848	613	32,461	7,602	24,859	0.60			0.00										
Students with Disab Cat IV	0	0	0	0	0	0	0.00			0.00										
Students with Disab Cat V	1	6,653	422	7,075	1,657	5,418	0.13			0.00										
Gifted Student Category VI	0	0	0	0	0	0	0.00			0.00										
Remedial Education Pgm	0	0	0	0	0	0	0.00		0.00	0.00										
Alternate Education Pgm	0	0	0	0	0	0	0.00		0.00	0.00										
Eng.Spkr.s of Other Lang.(ESOL)	0	0	0	0	0	0	0.00		0.00	0.00										
Spec Ed. Itinerant				0	0	0														
Spec Ed. Supplemental Speech				0	0	0														
TOTAL DIRECT INSTRUC.	120	511,190	9,845	521,035	122,024	399,011	7.91	0.10	0.25	0.11										
INDIRECT COST																				
Cent. Admin/ Tchr. Sal Incr.		6,160	0	6,160	1,443	4,717						0.00	0.00				0.00	0.05	0.05	0.02
School Admin		12,173	875	13,048	3,058	9,992								0.00	0.15	0.24				
Facility M & O			35,760	35,760	8,375	27,385														
Sub Total (INDIRECT COST)		18,333	36,635	54,968	12,874	42,094						0.00	0.00	0.00	0.15	0.24	0.00	0.05	0.05	0.02
MEDIA CENTER PGM.		12,836	1,753	14,589	3,417	11,172														0.24
20 DAYS ADDITIONAL INSTRUCTION		4,110		4,110	963	3,147														
STAFF & PROFESSIONAL DEV				2,965	694	2,271														
PRINCIPAL STAFF & PROF. DEV				329	77	252														
MIDTERM HOLD HARMLESS																				
Amended Formula Adjustment						(46,582)														
QBE FORMULA EARNINGS		546,469	48,233	597,996	140,049	411,365	7.91	0.10	0.25	0.11		0.00	0.00	0.00	0.15	0.24	0.00	0.05	0.05	0.02
CATEGORICAL GRANTS																				
Pupil Transportation Pgm (Includes 0 Drivers and bus replacement funds of 0)				0		0														
Sparsity - Regular				0		0														
Nursing Services				0		0														
TOTAL EARNINGS FOR QUALITY BASIC EDUCATION				597,996		411,365														
Education Equalization Funding Grant				0		0														
TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET				597,996		411,365														
Charter Commission Admin - State						0														
Primary Counselors						0														
CHBR One Month Employer Contrib. Holiday						0														
State Commission Charter Supplement				772,115		772,115														
TOTAL FUNDING ON THIS ALLOTMENT SHEET				1,370,111		1,183,480														

NOTES

1. Expenditure controls as set forth in O.C.G.A. Section 20-2-167 are reinstated, subject to each district's approved flexibility contract.
2. Health Insurance for Certificated Personnel is funded on a per member per month amount(PM/PM) of \$945.00, for an annual funding amount of \$11,340 in QBE under appropriation in FY 2021 (HB 793).
3. Teacher Retirement is funded at 19.06% in QBE in FY 2021 (HB 793).

Total T&E	71,581	includes T&E	71,581	and HI	0
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# Coming Soon: Supplement Detail Sheet



State Charter Supplement Detail Sheet			
Super Awesome Charter School	Input	Amount per FTE	Total
Total FTEs	180		
Transportation per FTE	No	\$ -	\$ -
Nutrition per FTE	Yes	\$ 14.00	\$ 2,520.00
Attendance Zone (Base Supplement)	Statewide	\$ 5,053.00	\$ 909,540.00
Location (Capital Outlay)	DeKalb County	\$ 1,304.00	\$ 234,720.00
<b>Estimated Total</b>			<b>\$ 1,146,780.00</b>



# Helpful Resources

# Helpful Resources

- [GaDOE Financial Review Website](#)
- [School System Revenue/Expenditure Reports](#)
- [QBE Reports](#)



