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Charter schools are not ‘draining’ district budgets

Biggest problem in districts is failure to adjust to smaller enrollment

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**AS THIS NOVEMBER’S** ballot initiative on raising the cap on the number of charter public schools in Massachusetts draws closer, opponents find ever-more financial woes to blame on the schools. But a September Massachusetts Taxpayers Foundation [study](http://www.masstaxpayers.org/sites/masstaxpayers.org/files/MTF%20Charter%20School%20Funding%20September%202016.pdf) is just the latest to conclude that those accusations don’t pass muster.

The MTF study finds that “Examination of school funding trends in districts affected by charter school enrolments does not suggest… that students in district schools are suffering a loss of support…”



Students at Roxbury Preparatory Charter School in Boston.

A closer look at Boston, where some of the loudest anti-charter cries have come from, reveals the true story. Roughly speaking, when a student chooses to leave a traditional district for a charter school, funding follows the student. But state law calls for districts to be reimbursed for six years after a student departs; 100 percent the first year and then 25 percent in each of the next five.

Critics protest that the reimbursements are subject to appropriation, but the formula has been at least 90 percent funded in 9 of the last 12 years, making it the nation’s most generous charter reimbursement program. In New Orleans and Washington, DC, the cities with the highest percentages of students attending charter schools, districts receive no reimbursement.

The Boston Public Schools’ biggest financial challenge is posed not by charter schools, but by having far more capacity than it does students. The system has about 93,000 seats, but just 56,500 enrollees. A 2015 McKinsey & Company audit of BPS estimated that rightsizing the system could save about $100 million.

Opponents blame charter schools for falling BPS enrollment as well, but only 14 percent of Boston students who attend public schools are in charters. The district has been shrinking for decades, with enrollment decreasing by nearly half since the early 1970s.

Despite accusations that charter schools are impoverishing BPS, the city’s education expenditures continue to rise. Between 2011 and 2016, the schools budget jumped by about 25 percent, more than the 18.4 increase for police and fire and about double the rate of increase for all other city departments.

A formula is used each year to calculate the “foundation budget,” the amount the state deems necessary to educate a district’s students. Last year Boston spent $157.6 million above that amount.

Headcount is also on the rise. Despite enrollment declines, the number of school department employees rose by more than 9 percent between 2012 and 2015. Although BPS makes up just over half the city’s workforce, it accounted for nearly 80 percent of the growth in the number of city employees during that time.

Lost in all this money talk are the facts about academic performance. Massachusetts charters are generally considered the nation’s best. A 2013 Stanford University study found that statewide, charter schools closed more than 90 percent of the wealth-based achievement gap on 2013 MCAS tests. There is little mystery behind why more than 32,000 Massachusetts students languish on charter waitlists.

Boston’s charters are even better. The same Stanford study found that the city’s charter students are learning at literally twice the rate of their BPS counterparts.

In a [special report](http://bmrb.org/wp-content/uploads/2016/04/SR16-2Charter.pdf) published earlier this year, the Boston Municipal Research Bureau wrote that the “true cost of charter expansion has not been a matter of revenue, but rather the struggle of eliminating excess capacity.” In fact, the start of the enrollment decline that precipitated the excess capacity predated charter schools by more than two decades.

It’s certainly no surprise that opponents are blaming charter public schools for a range of financial woes. But the recent Massachusetts Taxpayers Foundation study and a closer look at Boston school finances demonstrate why it’s so important that we set the record straight before Massachusetts voters go to the polls in November.

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