QBE & GROWTH

- The current structure of the QBE formula is based on an average of past and present FTE count dates that adversely impacts charter schools and districts that are experiencing growth and substantially impacts schools that are experiencing significant growth.
- The one-year lag in funding for Teacher Training and Experience (T&E) and the reimbursement of Health Insurance Benefits hurts growing charters and, in many cases, the financial impact is enormous.

RECOMMENDATION: Moving to a student-based formula is the ideal solution. In the interim, providing a midterm adjustment for growing charters would be a solution if T&E is phased out over time.

QBE & FINANCIAL FLEXIBILITY

- Charter schools and school districts adopting flexibility contracts are funded less if the school or system chooses to use staffing and salary strategies that deviate from the state salary schedule.

RECOMMENDATION: Implement a fully student-based funding formula to allow the financial flexibility to adopt non-traditional methods for staffing and compensation at school and district levels.

QBE & TEACHER RETIREMENT SYSTEM

- Charter schools and school districts operating under state flexibility contracts are unable to offer alternative retirement packages even though teachers today, on average, are younger and do not stay in the teaching profession as long as educators from prior generations.

RECOMMENDATION: Abolish the requirement that charter schools and school districts adopting flexibility contracts must participate in the state’s teacher retirement system. The state should allow the flexibility to adopt non-traditional retirement methods as charter schools are allowing in other states. In other states, charters schools are able to offer 401ks.

QBE & CATEGORICAL GRANTS

Transportation

- Statutory language is too vague to ensure that charter schools receive adequate or equitable funds to provide transportation.

RECOMMENDATION: Provide clarification in statute or SBOE Rule

Nursing

- Categorical nursing grants are insufficient to fully fund school-based nursing programs.
  - Commission schools are given a lump sum of $20,000 to implement and maintain a school nurse program as an LEA. This is insufficient to fully fund salaries, supplies, or services.

RECOMMENDATION: All categorical nursing grants should be placed into base funding to allow for the maximum amount of financial flexibility at school level.

Sparsity

- The funding model must do a better job of supporting school choice in rural districts, particularly those that meet the criteria for the sparsity supplement.

RECOMMENDATION: The state should weight or earmark funds for charter schools that qualify.