

THE QUALITY COMMUNITY SCHOOL SUPPORT FUND

What is it?

First enacted in 2019 via HB 166, the quality community school support fund boosts funding for top community (charter) schools. The fund distributed \$30 million each fiscal year to provide merit funding of up to an extra \$1,750 per economically disadvantaged (ED) student and \$1,000 per non-disadvantaged pupil attending a high quality charter school.

How does it work?

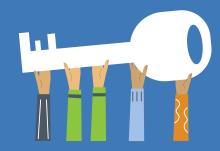
To receive funding, a charter must meet one of three criteria. In general, they are as follows:

- Criteria 1: The school posts a performance index score higher than its local district for the past two years and achieves an A or B rating on the state's value-added (student growth) measure in the most recent year.
- Criteria 2: The school is in its first year of operation and is modeled after a school that meets the criteria 1 conditions.
- Criteria 3: The school is in its first year of operation and is managed by an out-of-state operator that meets certain conditions

A look at the first two years

	Round 1 (FY 2020)	Round 2 (FY 2021)
Number of qualifying charter schools	62	91
Qualifying under criteria 1	47	70
Qualifying under criteria 2	6	12
Qualifying under criteria 3	9	9
Total Ohio charter schools	308	315
Percent of total charters qualifying	20.1%	28.9%
Total students in qualifying schools	20,064	30,560
Number of ED students	17,941	27,688
Number of non-ED students	2,123	2,872
ED funding per pupil*	\$1,549/ED student	\$1,023/ED student
Non-ED funding per pupil*	\$886/non-ED student	\$585/non-ED student

^{*}To fit the \$30 million per year appropriation, the "base" ED and non-ED amounts (\$1,750 and \$1,000 per student, respectively) were multiplied by 88.57 percent in FY 2020 and by 58.45 percent in FY 2021 to yield the actual amounts that qualifying schools received.



Key takeaways

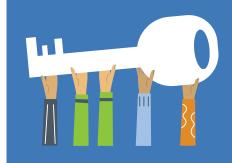
- Overall, the program parameters appear to be stringent, with only 20 percent of Ohio charters qualifying in year one and 29 percent in year two.
- The number of qualifying charters rose quite significantly from the first to second year from sixty-two to ninetyone schools.
- Consistent with the expanding list, there is a jump in the number of students who attend quality charters increasing by 50 percent, from 20,000 to 30,000, in one year.
- More students attending qualifying schools led to a large decline in the per-pupil allotments from \$1,549 per economically disadvantaged pupil in the first year to \$1,023 in the second.

January 2021

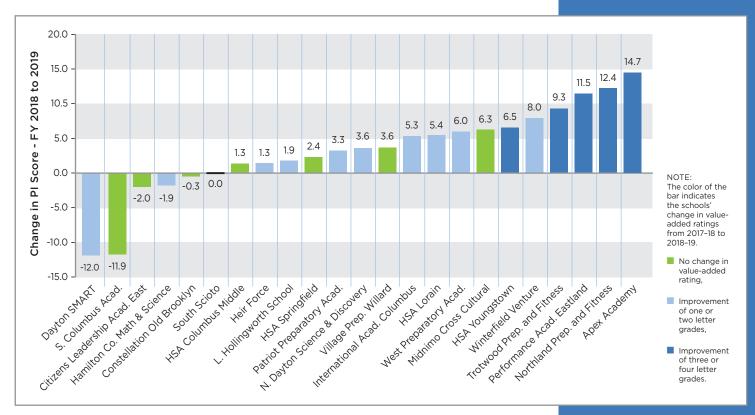
THE QUALITY COMMUNITY SCHOOL SUPPORT FUND

Driving quality

- Between year 1 and year 2, 29 additional schools became eligible.
- Of these, 6 were replicating a proven model and the other 23 improved their academic performance.
- Schools increased their performance index scores by an average of 4.1 points compared to a statewide average of 0.5 points
- 16 of the 23 schools improved their value added by one or more letter grades



Year-to-year changes in performance index scores and value-added ratings of schools first receiving quality charter funding in FY 2021



Initiative that deserves support

- Narrows the huge funding gaps faced by charter schools (more than \$4,000 per student in the Ohio Eight)
- · Helps the most successful charter schools build the capacity to serve more students
- Incentivizes continued improvement in the charter sector (a 2020 evaluation found significantly higher performance in recent years)
- Attracts high quality charter networks from other states

Budget request

- Include support for this initiative in the next two-year budget
- Make it part of the permanent funding structure for charter schools—fund what works
- Shift from a line-item appropriation to funding it directly from the state core education funding amount (dollars shouldn't be deducted from districts)

January 2021