

## **CYBER CHARTER SCHOOL FUNDING FACT SHEET**

### **Cyber charter schools educate children for 20% less than the taxpayer is paying to the district.**

Charter schools are paid based on calculations dictated on the Pennsylvania Department of Education Form 363 which allows school districts to make up to 21 deductions from their average student expenditure before paying the charter school. Only seven of those deductions are mandated by statute, the remaining 14 are imposed by the Department of Education. On average, taxpayers are paying \$14,119 to educate every child in a traditional public school and \$11,625 in a cyber school. This is saving taxpayers \$2,500 per student in a cyber school, or at least \$95 million total statewide.

### **Districts deduct expenses from cyber charter school payments which the districts do not incur.**

PDE Form 363 permits districts to deduct for student transportation costs which districts do not provide for cyber school students and allows districts to “double dip” by permitting the district to include those students whom they are not educating in the Average Daily Membership count.

### **More than half of the 490 school districts that have students in cyber schools illegally refuse to pay the cyber schools.**

Nonpayment by the districts requires the cyber schools to file for reimbursement from the state and can take up to six months for the cyber school to receive the money. This delay requires cyber schools to obtain loans and pay interest charges to keep the schools open until the money is received. Auditors and banks require cyber schools to retain fund balances to account for these receivables and interest costs.

### **Seventy percent of current cyber fund balances are a result of this refusal by the districts to pay.**

### **The costs of a high quality cyber education are not the same as in a traditional school, but equivalent.**

Instructional and support services costs in traditional and cyber schools are similar (traditional schools costs are about \$600 per year higher per student). Cyber schools have the same overhead for reporting and compliance as any district in the state.

Cybers have lower facility and personnel costs, but higher technology infrastructure costs and expenditures associated with maintaining facilities and staffs for testing and counseling students throughout the state (as opposed to the more geographically limited districts). More of the taxpayer’s money invested in cyber schools goes directly to educating the student as opposed to paying for district overhead and legacy costs.

### **Cyber schools are the most cost efficient education delivery system in the state.**

Cyber schools are educating 2% of the 1,765,000 students in K-12 public education for 1% of the \$26 billion spent on K-12 public education.