Bureau Update



October 2010

Charter Schools Will Expand in Boston

New law allows doubling of spending cap for charter schools in City over 7 years

At a time when the School Department will need to make cuts in its individual school budgets in fiscal 2012, the option for parents to consider charter schools will expand as a result of the education reform law passed in January (*Ch. 12, acts of 2010*) as part of the federal Race to the Top competition. In an effort to improve student performance in school districts which rank in the lowest 10% for student performance on all statewide assessments, Chapter 12 doubles the eligible district's net school spending cap for charter schools from 9% to 18% over seven years.

Boston Charter School Enrollment

	FY10	FY11
Commonwealth (14)	4,947	5,417
Horace Mann (2)	421	577
Total	5,368	5,994

Massachusetts authorizes two types of charter schools. Commonwealth charter schools operate independently from union contract rules and local school regulations. These schools are regulated by the state Board of Education and receive public funding from the sending district's Chapter 70 aid for education. Horace Mann charter schools are under the jurisdiction of the local school board and must be approved by the teachers' union. These schools are funded by the district's school budget but otherwise have the autonomies of Commonwealth charter schools.

The table above shows Boston charter schools by type and enrollment. This year's charter school enrollment of 5,994 represents 10.5% of the total enrollment in the Boston Public Schools (BPS).

Some students who live in Boston attend Commonwealth charter schools outside of the City.

Chapter 12 authorizes 14 new Horace Mann charter schools which will not be subject to union approval. At least four of these schools are authorized to be located in Boston.

The state Department of Elementary and Secondary Education is currently reviewing, 14 Commonwealth charter schools and two Horace Mann charter schools that are planned for Boston.

The increase in charter school enrollment in Boston comes with a price tag for the School Department. Chapter 70 school aid follows the student so Boston loses state funding for each student who lives in the City and attends a Commonwealth charter school. The state does reimburse the sending district for a share of its tuition loss for a limited time. The net revenue losses in FY10 and FY11 are shown below.

Charter School Assessment In 000's

	FY10	Projected FY11
Charter School Tuition	\$62,020	\$68,900
Charter School Reimb.	\$10,988	\$13,843
Net Impact	(\$51,032)	(\$55,057)

Starting in FY12, state reimbursements will change from a 100%/60%/40% schedule over three years to a 100%/25%/25%/25%/25%/25%/25% schedule over six years.