

Census and Charter School Presentations to the DAC

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Census 101 and Data Update

Decennial Census

- The Decennial Census (DC) is established in the U.S. Constitution – the DC is the basis of state representation in Congress.
- DC population figures are also used in the funding formulas of various programs
- Last DC in 2010, next in 2020.
- DC strives to reach every household in U.S., and participation is mandatory.
- AISD is already working with the Census Bureau on getting the word out about the importance of the next DC.

Decennial Census

- A challenge for us is over 85,000 non-citizens residing within our district boundaries – the Trump administration wants to add a question to the DC about citizenship status.
- A number of lawsuits have been filed in opposition.
- In a rare move, due to the need to proceed with the DC, the Supreme Court has decided to take up this matter before it works its way through the lower courts – a decision is expected by the end of June.

American Community Survey

- DC used to have a short form (sent to most households) and a long form (sent to a smaller sample of households).
- American Community Survey (ACS) started in 2005, taking place of long form – DC is now only a few questions for all households.
- People who do planning love the ACS, but conservative politicians think it's too invasive – they want the census to be only as it was originally intended by the Constitution.

American Community Survey

- ACS sent to about 4 million households nationwide, each year at different times of the year, and participation is mandatory.
- Even if you're selected for the ACS, you must still take the DC.
- From the ACS sample data, broader results are extrapolated, so some significant error rates possible.
- May see variability in data from one year to next – best for analyzing trends over time.
- Not perfect, but still a valuable planning tool.

American Community Survey

- ACS data available by many geographic areas, including school districts.
- We're looking at the population *specifically within AISD boundaries* – data for Austin and Travis County would be somewhat different.
- ACS does ask the citizenship question (which is where the 85,000 non-citizen figure comes from for AISD), but this has not been challenged – ACS data are *estimates*, and DC data are *official*.

American Community Survey

- Some highlights of the 2017 ACS include:
 - 15.3% increase in total population since 2008
 - Population increasingly more educated
 - Most of our 19.9% mobility rate is within Travis County (different residence 1 year ago – not the same as TEA's definition)
 - Percentage of population below poverty level trending down – probably due to out-migration of people who can't afford housing – our related funding is impacted

American Community Survey

- ACS also reveals several factors related to AISD's enrollment decline.
- The following indicators show why the “market” itself (i.e., number of school age kids) is in decline:
 - ➡ Birth rate
 - ➡ Population below age 5
 - ➡ Households with persons under 18
- Again, the affordability issue – median home value and rent have increased significantly.

American Community Survey

- Defining the market isn't a perfect science
- ACS doesn't include single year age cohorts, and only certain age ranges are available.
- The best we can do from available data is to use ages 5-17 to define the market.
- To compare with this market definition, our K-12 enrollment is probably the closest match (we assume a number of 12th graders are 17 when the ACS is taken).
- Most local charters don't have PK, and none have Early Childhood, so these ages aren't really in the "competitive" market for us.

American Community Survey

- In addition to the market declining, so is our market share.
- 2017 market loss of 20,733 almost equal to 20,714 charter school enrollment, but:
 - ☞ ACS produces *estimates* (don't try to make everything add up)
 - ☞ Charter schools may also have kids living outside of our boundaries (numbers not known)
 - ☞ Market loss also includes private school and home schooling (numbers not known)

Charter School Data Update

Which Charter Schools?

- Only those officially recognized by TEA (i.e., calling yourself a charter doesn't necessarily make you a charter).
- All charter schools within the boundaries of AISD, and a few near our boundaries.
- For 2017-18, this amounts to 53 charters, with a total enrollment of 21,924.
- In some cases, multiple campuses clustered in one location.
- Local charter organizations with the most campuses: KIPP = 10; UT = 7; IDEA = 6; Harmony = 5

Local Charter School Data

- Most charters in the East, NE, and SE parts of AISD.
- Number of charters and their enrollment continues to grow.
- AISD enrollment has continued to decline since 2012-13.
- Charter schools often start off with just a few grades, then retain students by adding grades each year.
- Only 40% of charters include any high school grades.

Local Charter School Data

- 3 charters rated IR (compared to AISD's 4).
- Charters must be open to the general public, however:
 - ➡ Some local charters geared toward special program offerings
 - ➡ Some local charters have particularly high percentages of African American, Asian, or White students
 - ➡ Most local charters have particularly high percentages of Hispanic and Economically Disadvantaged students

Charter School Finance 101

Charter Funding in General

- Charter schools are public schools, and are eligible to receive any funding that traditional public schools do.
- This includes federal title funding and State Compensatory Education Funding for students in poverty and at risk.
- Charters also receive funding from the state school finance system, which is where it gets interesting.

Charters and ASF Funding

- The Available School Fund (ASF) is about the only part of the state school finance system that makes any sense when it comes to charters.
- The ASF is simple – a standard per capita rate is established by the state and all school districts, including charters, receive that rate multiplied by their ADA.
- It's all a matter of size – most charters don't get a lot of ASF funding compared to large traditional school districts.

Charters and FSP Funding

- The Foundation School Program (FSP) is a different matter – it's all about equalizing school district property tax revenues (i.e., wealth).
- But charters don't levy property taxes, so including them in this system automatically creates certain advantages for them.
- The first advantage is with the Adjusted Basic Allotment (ABA), which is where the FSP funding formulas begin (Tier I).

Charters and FSP Funding

- Districts start with a standard Basic Allotment (BA) of \$5,140 and make various adjustments to increase it to a higher ABA, based on unique district characteristics (e.g., AISD's ABA is \$5,505 – we receive only a very outdated Cost of Education Index adjustment).
- Charters are assigned a statewide average ABA of \$6,519 – this is greatly skewed by the large number of small, rural districts in the state that receive significant adjustments for few students and sparse distribution.

Charters and FSP Funding

- The number of students in Average Daily Attendance (ADA) in each student group is multiplied by a standard weight, and multiplied by the ABA.
- If a district's total Tier I allotment is greater than its actual \$1.00 Compressed Tax Rate (CTR) revenue, it receives the difference. Since charters have no tax revenue, they always receive 100% of Tier I funding, giving them a distinct advantage.

Charters and FSP Funding

- In Tier II, Weighted ADA (WADA) is used as a multiplier – because of the populations they serve, charters tend to have higher WADAs, once again giving them an advantage.
- In Tier II, districts receive a guaranteed yield on the “golden” and “copper” pennies they assess beyond the \$1.00 CRT. Since charters levy no taxes, statewide averages are used – 5.7 golden pennies, and 4.9 copper pennies.

Charters and FSP Funding

- A district's revenues are compared to what AISD would receive for the same tax effort, and the district receives the difference if its revenues are less. Once again, since charters have no tax revenue, they receive 100% of Tier II funding, giving them a distinct advantage.
- Looking just at ASF+FSP funding per ADA, charters appear to be making out like bandits – but when tax revenues are included, traditional districts don't come out as bad in the end, even though charters still fair better.

COMPARATIVE STATE FUNDING FOR ISDs AND CHARTER SCHOOL DISTRICTS

District	ASF ¹ Funding	FSP ²		ASF+FSP Funding	ADA	ASF+FSP Funding Per ADA	Recapture	Overall Funding Per ADA ⁵
		ABA ³	Funding ⁴					
Austin	\$15,574,502	\$5,505	\$4,887,071	\$21,271,553	73,906	\$287	\$540,663,261	\$7,481
Round Rock	\$9,486,050	\$5,566	\$17,122,072	\$27,575,304	46,428	\$594	\$9,150,054	\$7,195
Eanes	\$1,613,314	\$5,505	\$838,064	\$2,584,780	7,737	\$334	\$92,465,269	\$6,899
Houston	\$40,054,418	\$5,645	\$87,384,801	\$129,969,675	193,827	\$671	\$194,504,192	\$8,266
KIPP	\$989,631	\$6,519	\$47,509,108	\$48,498,739	4,943	\$9,812	\$0	\$9,812
IDEA	\$5,681,044	\$6,519	\$307,372,377	\$313,053,421	32,970	\$9,495	\$0	\$9,495
Harmony	\$780,727	\$6,519	\$33,685,891	\$34,466,618	3,711	\$9,288	\$0	\$9,288
Austin Achieve	\$138,699	\$6,519	\$7,898,049	\$8,036,748	774	\$10,383	\$0	\$10,383
Austin Discovery	\$105,561	\$6,519	\$3,925,718	\$4,031,279	484	\$8,329	\$0	\$8,329
Chaparral Star	\$72,980	\$6,519	\$2,608,557	\$2,681,537	346	\$7,750	\$0	\$7,750

■ = ISDs

■ = Multi-campus charter districts in various locations (with several campuses in the Austin area)

■ = Single-campus charter districts (in the Austin area)

Funding Unique to Charters

- TEA received 3-year grant of \$50.5 million from the USDE to support a Public Charter School Start-Up Grant program – new charters can receive grants of between \$250,000 and \$800,000.
- Starting this year, HB 21 kicks in, providing \$60 million to new and existing charters for facility cost support – charters may receive approximately \$200 per ADA (but must have acceptable accountability ratings).