

FY2003	FY2007	FY2011
F	D	F
Grade based on % of Actual Funding Disparity		

Georgia

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Introduction

This chapter compares district and charter school revenues statewide, and for Fulton County Schools and Atlanta Public Schools (APS) for fiscal year 2011(FY11) ¹. Comparisons are made to previous research for fiscal year (FY03) and (FY07), based on the same methodology. Funding disparities between districts and charter schools for the same geographic area are explored. The weighted values in the analysis match comparative per pupil funding assuming districts had the same urban vs. suburban proportion of enrollment as charter schools (see Methodology for details). Additional research and insights not included in this chapter appear in the monograph at the beginning of this report. The monograph also includes a state-by-state Return on Investment (ROI) analysis, which combines the analysis of revenues with student performance data.

Highlights of the FY11 Analysis

- Statewide, Georgia's 49² charter schools included in this analysis received 27.8 percent less funding than district schools: \$11,741 vs. \$8,472 per pupil (Figures 1 & 3).
- Georgia's charter schools received \$8,472 per pupil, but district schools would have received an estimated \$13,060 to educate the same students – a difference of \$4,588 or 35.1 percent. Weighting the district per pupil revenue therefore increases the funding disparity by \$1,319 from the unweighted statewide difference above (Figure 3).
- Fulton County's eight start-up charter schools included in this report received 23.2 percent less funding than district schools: \$12,854 vs. \$9,870 per pupil, a difference of \$2,984 per pupil.
- Atlanta's 13 charter schools received 30.6 percent less funding than district schools: \$18,980 vs. \$13,174 per pupil, a difference of \$5,806 per pupil (Figure 3).
- Charter schools in Georgia educate 1.5 percent of total public school enrollment but receive only 1.1 percent of total revenues (Figures 2 & 3).
- Magnitude of Disparity: In Georgia, if districts statewide received the same level of per pupil funding as charter schools in FY11, they would have received *five billion dollars less* in total revenues (\$5,016,068,286).

Figure 1

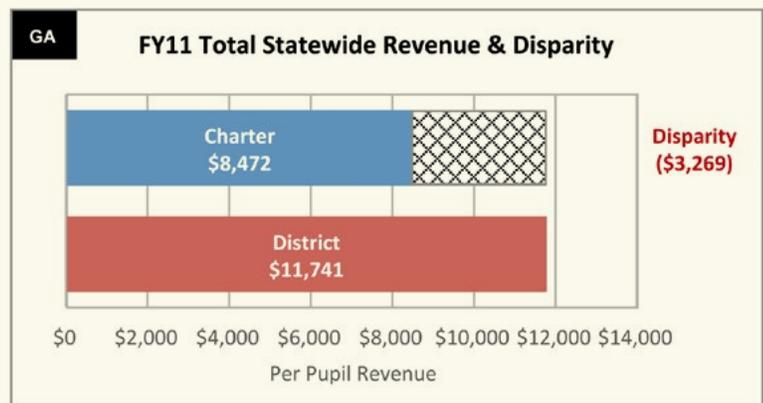
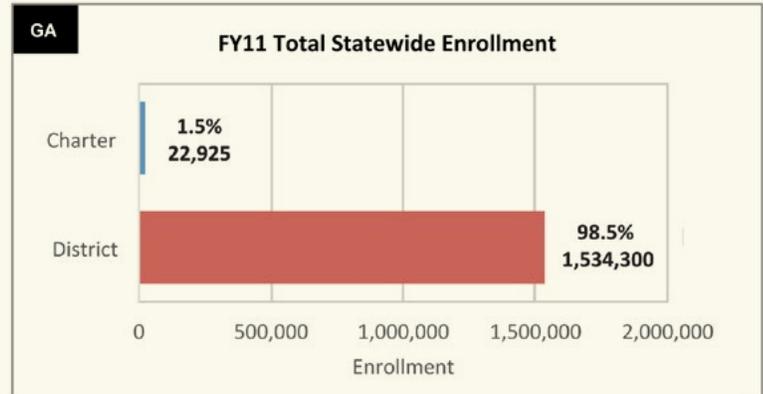


Figure 2



Probable Causes of the Disparities

Accountability Practices

(1) Lack of Centralized Data Collection and Monitoring

- At the state level, Georgia has no centralized system for monitoring, reporting, and accounting for charter school funding dispersal, with the exception of state chartered schools. Local school districts are not required to maintain separate accounts for charter schools. A lack of accountability practices leads to a lack of enforcement of the intent of statute. It is difficult to assess whether funding is being distributed according to statute when there is no system in place to monitor and collect data on the actual funding being dispersed.

(2) Local Control

- The absence of state level accountability measures leaves local school boards in control and responsible for the fair dispersal of revenues. Local control coupled with varied interpretations of statute by local school boards has led to vast differences in funding levels for charter schools and inequitable funding practices.

Figure 3

GA Summary Data Table								
FY2010-11	Statewide		Statewide Weighted by Charter Enrollment		Fulton County District		Atlanta Public Schools	
Per Pupil Revenue								
District	\$11,741		\$13,060		\$12,854		\$18,980	
Charter	\$8,472		\$8,472		\$9,870		\$13,174	
Difference	(\$3,269)		(\$4,588)		(\$2,984)		(\$5,806)	
% of District	(27.8%)		(35.1%)		(23.2%)		(30.6%)	
Per Pupil Revenue by Source	District	Charter	District	Charter	District	Charter	District	Charter
Federal	\$1,505	\$750	\$1,593	\$750	\$1,108	\$1,011	\$2,284	\$1,028
State	\$4,724	\$4,759	\$4,222	\$4,759	\$3,395	\$4,423	\$2,543	\$5,398
Local	\$4,821	\$2,095	\$6,103	\$2,095	\$7,619	\$3,358	\$10,762	\$4,901
Other	\$690	\$759	\$1,143	\$759	\$731	\$998	\$3,392	\$1,534
Public-Indeter.	\$0	\$108	\$0	\$108	\$0	\$79	\$0	\$313
Indeterminate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$11,741	\$8,472	\$13,060	\$8,472	\$12,854	\$9,870	\$18,980	\$13,174
Enrollment								
District	1,534,300 98.5%		Focus Area Districts Educate 8.5% of All District Students		85,844 96.2%		44,738 91.2%	
Charter	22,925 1.5%		Focus Area Charters Educate 33.4% of All Charter Students		3,358 3.8%		4,291 8.8%	
Total Enrollment	1,557,225		N/A		89,202		49,029	
Charter Schools	49		N/A N/A		8		13	
Revenue								
District	\$18,014,559,638 98.9%		N/A N/A		\$1,103,446,704 97.1%		\$849,143,390 93.8%	
Charter	\$194,219,132 1.1%		N/A N/A		\$33,142,729 2.9%		\$56,530,342 6.2%	
Total Revenue	\$18,208,778,770		N/A		\$1,136,589,433		\$905,673,732	
Percentage of Revenue by Source	District	Charter	District	Charter	District	Charter	District	Charter
Federal	12.8%	8.9%	12.2%	8.9%	8.6%	10.2%	12.0%	7.8%
State	40.2%	56.2%	32.3%	56.2%	26.4%	44.8%	13.4%	41.0%
Local	41.1%	24.7%	46.7%	24.7%	59.3%	34.0%	56.7%	37.2%
Other	5.9%	9.0%	8.8%	9.0%	5.7%	10.1%	17.9%	11.6%
Public-Indeter.	0.0%	1.3%	0.0%	1.3%	0.0%	0.8%	0.0%	2.4%
Indeterminate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Magnitude of Disparity = Total Funding Difference x District Enrollment (see above)								
	(\$5,016,068,286)				(\$256,185,111)		(\$259,757,596)	

**Note~ The number of charter schools in Figure 3 represents the number of charter schools for which we received access to a FY11 annual financial audit, or state data, because they are a state sponsored charter school. Seven start-up charters had no audit on file. In FY11 there were also 33 conversion charter schools and 11 "Career Academies" for which no independent financial data are available, and eight "Charter Systems" which remain included in district revenue totals as they have been in the last two studies.*

Disparities by Design

(1) Federal Revenue Access

- With the exception of state commissioned schools, charter schools in Georgia do not have district status for funding purposes. Georgia charter schools are therefore reliant on their districts for fair dispersal of Federal funding for programs and services, as well as for making application on their behalf for desired Federal funding.
- Many Georgia districts provide services in lieu of Federal funding. Because many districts provide services rather than funding, it is difficult to assess whether charter schools are receiving their fair share of Federal funds and or services. Statewide charter schools received \$755 per pupil less than district schools. Fulton charter schools neared parity with district schools in receipt of Federal funding: \$1,108 vs. \$1,011 per pupil, a difference of \$97. The disparity is much greater for Atlanta charters where districts received \$2,284 per student and charters received \$1,028 or 55.0 percent less (Figure 3).

(2) Local Revenue Access

- Georgia charter schools do not have access to all Local revenues, especially Local revenues for capital. Statewide charter schools received \$2,726 less per pupil in Local revenues than school districts received. The disparity in Local revenues grows in the focus districts: Fulton charters received \$4,261 less per pupil than districts in Local revenues (\$7,619 vs. \$3,358) and Atlanta charters received \$5,861 less per pupil than their district counterparts in Local dollars (\$10,762 vs. \$4,901).

(3) Facilities Funding Access

- Charter schools do not have access to traditional school district forms of capital funding – through either Local or State sources. Charter schools have seen some relief in the form of competitive facilities grants funded by the legislature, but the amount of funding available falls far short of what charter schools need to cover facilities costs.

(2) Formula Shortcomings

- The state's QBE program favors district systems. QBE funds are calculated based on earnings rather than FTE. Since charter schools generally generate lower program earnings and have less experienced teachers on their rosters, funding is less than proportionate.
- The lack of access to Local revenues is not equalized through formula allocations: statewide, charter schools received only \$35 more in state revenues. This figure should be higher since the statewide totals include 10 charters that received no Local funding for QBE, only State revenues (Figure 3).

Figure 4

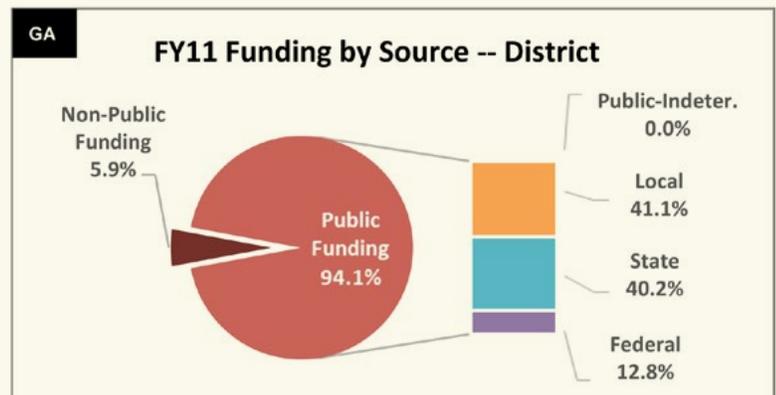
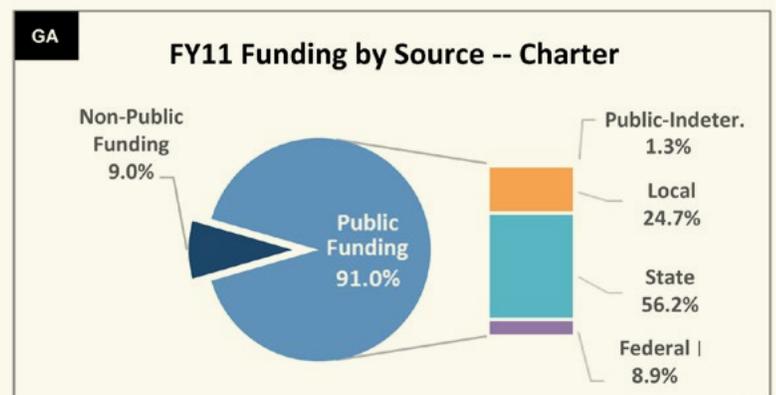


Figure 5



Where the Money Comes From³

The majority of Georgia's state sources of education revenues come from individual income taxes, state sales taxes, and lottery proceeds. Lottery proceeds support Georgia's PreK initiatives and HOPE scholarships. Local public school revenue sources come from property taxes and special sales taxes.

How Georgia Funds its Districts

Georgia distributes funding based on the Quality Basic Education (QBE) Act, which became law in 1985 and was first implemented in 1986. Like other states' funding systems, QBE was enacted to mitigate the wealth inequities that persisted between districts by establishing a system that would equalize funding across districts.

A recent Georgia Chamber of Commerce report⁴ describes the FY11 QBE formula succinctly: QBE is a segmented formula that allocates funding through five major steps. First, direct funding is determined based on student enrollment. Students are matched with 19⁵ different programs that correspond to different levels of funding based on need – each program calculates a different student to teacher ratio that corresponds to the level of student need. The higher the student need, the lower the student to teacher ratio and the higher the funding. In this first step, QBE also breaks down the school day into six different segments and students can be matched for more than one program for different segments of the day.

Step two is a calculation of indirect costs: funding is added for each of the academic programs through the segmented formula for school administration, professional development, etc. The third step provides funding for Training and Experience (T&E). Step one above uses the state's set base salary to determine the costs of providing the 19 programs to students based on need. Then, the T&E supplements allocate more funding for teachers with more years of experience and additional degrees.

Step four of QBE allocates funding for categorical grants for services – such as transportation and nursing services – in addition to equalization for low property wealth districts and sparsity grants for low enrollment districts. Step five, the last step, is deductions. Gross earnings are totaled from the steps above and then deductions are made for the required local 5-mill share and austerity: property wealthy districts will pay a higher share of the local requirement than lower wealth districts. Additional state revenues come from capital revenues, school nutrition and lottery proceeds.

Georgia school districts also receive federal funding based on eligibility for specific program funding. And, for FY11, substantial federal stimulus funds were still distributed by the state. In FY11, federal revenues comprised 12.8 percent of per pupil funding statewide – a significant increase from FY07 when Federal dollars were 6.5 percent of per pupil revenues.

Georgia school districts also generate additional local revenues beyond their QBE local mill requirement. School districts can levy up to 20 mills without voter approval and can exceed the 20-mill limit with voter approval. In addition, voters can approve a 1 percent sales tax for capital improvements (SPLOST – Special Purpose Local Option Sales Tax) for a period of no more than 5 years, or with an intergovernmental agreement, six years.⁶

How Georgia Funds its Charter Schools⁷

Title 20, Article 31 of the Georgia Code establishes the funding formula for Georgia start-up, conversion and state sponsored charter schools. Both start-up and conversion charter schools are to be treated “no less favorably” than other local schools in the local school system. According to statute, charter schools should be funded by their local school boards based on earnings from students enrolled through the formula described above for district funding, QBE formula earnings, applicable QBE grants, non-QBE state grants, applicable federal grants, and local five-mills share funds. The five percent system-wide funds for administration are excluded. Statute also states: “Where feasible and where services are provided, funds for construction projects shall also be distributed to the local start-up charter school as earned.”

In July of 2012, the funding formula for state chartered special schools changed to provide equalized funding to make up for state charter schools' lack of any local revenues. However, the revenue data included in this analysis for FY11 predates this change. For FY11, state chartered special schools received only state funding through the QBE formula, as well as eligible federal revenues.

Funding for Public School Facilities

Georgia traditional public school systems are required to maintain comprehensive facilities plans that are updated every five years. School districts can apply for state capital outlay funding for capital projects for current plans. The majority of local capital revenues come from millages and ESPLOST (education special purpose local option sales tax).

Georgia statute does not provide charter schools access to annual facilities funding. In 2000, the Georgia General Assembly approved and funded a charter school facilities fund. Charter facilities grants are competitive and as of 2010, grant awards were capped at \$100,000. According to the report "Shortchanged Charters,"⁸ charters only received funding for 54 percent of requested facilities grant applications.

Statute requires local school boards in Georgia to make unused land or vacant facilities available for charter school use. However, as of the FY11 school year, only 25 percent of charter schools gained access to these unused facilities.⁹ Additionally, in 2008 HB-1065 was expanded to allow charter school capital needs to be supported through ESPLOST voter requests by local school boards. However, only one GA start-up charter has received funding through ESPLOST to date.

Like most other states with a charter school law, Georgia makes tax-exempt bond programs available to charter schools.

Long-Term Funding Patterns

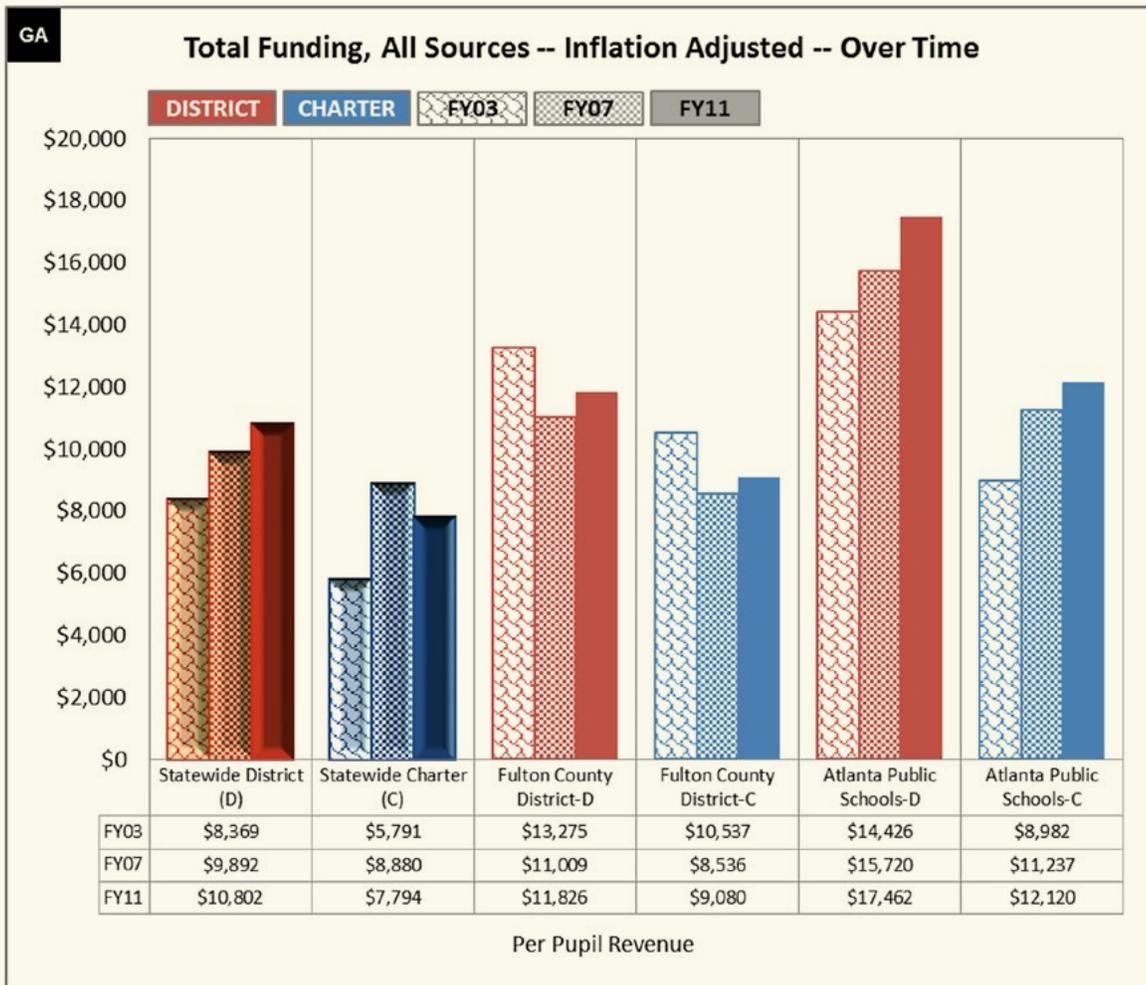
For Georgia, we now have three point-in-time snapshots of public education funding for FY03, FY07, and FY11.¹⁰ Please note that in the presentation and discussion of longitudinal data that follows, the figures used are inflation adjusted to fiscal year 2007 dollars and differ from figures presented in Figure 3, which includes actual and weighted per pupil revenues representing FY11 only. The inflation adjusted per pupil revenues in Figures 6 – 8 are for comparative purposes only. Refer to the Methodology section for more on inflation adjustments.

Total Funding

Statewide totals in Georgia reflect the common national trend we see amongst states with three fiscal years of point-in-time snapshot data where funding increases were highest between FY03¹¹ and 07, and then funding levels decline after the nationwide economic recession. Fulton County district per pupil revenue totals, however, buck this trend.

When all revenue sources are combined, funding for Georgia's districts increased by 29.1 percent between FY03 and FY11 in inflation-adjusted dollars, rising from \$8,369 to \$10,802 per pupil. Likewise, funding for Georgia's charter schools statewide increased by 34.6 percent, rising from \$5,791 in FY03 to \$7,794 per pupil in FY11, an increase of \$2,003 per pupil. In Atlanta, overall revenue gains followed the statewide trend: the district recorded a 21.0 percent increase in revenues, or \$3,036 more per pupil, between FY03 and FY11, and APS charter revenues increased by 34.9 percent, or \$3,138 per pupil. Both Fulton County district and charter schools, however, saw a significant decline in revenues between FY03 and FY11: Fulton district school revenues dropped from \$13,275 in FY03 to \$11,826 in FY11, a decrease of \$1,449 per pupil or 10.9 percent. Fulton charters followed suit with an overall decline of \$1,457 per pupil or 13.8 percent.

Figure 6



Total Funding Less Other

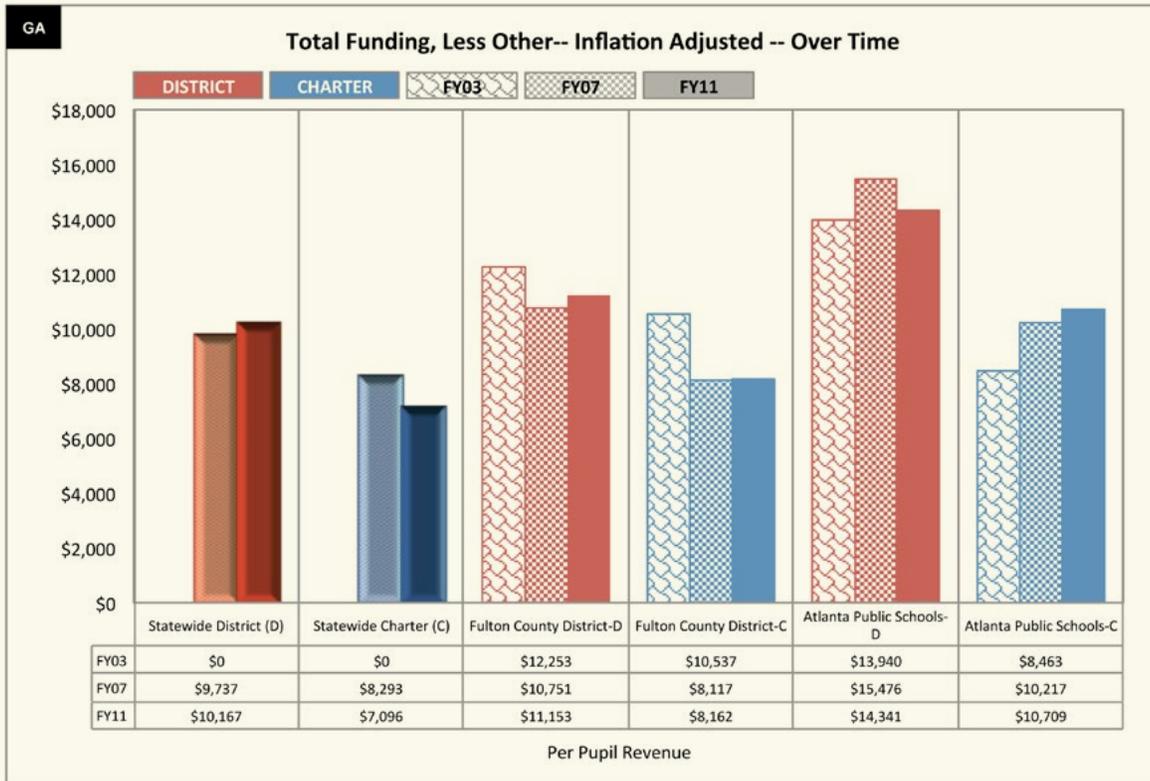
Our study includes total funding whether the funds originate from public or private sources. Other is comprised primarily of philanthropic dollars, which can play a significant role in the financing of charter schools. Therefore, we have removed Other dollars from this level of the analysis to determine if funding from public sources is distributed equitably to districts and to charter schools. Public funding includes Local, State, Federal, Indeterminate-Public, and where we cannot determine the source, Indeterminate.

*Note ~ Because of the poor data quality and availability of FY03 charter school revenue data, statewide FY03 totals were estimated using the two focus areas' revenues as a proxy. Therefore, distinguishing public versus nonpublic sources of revenues was not possible for statewide totals in FY03 and statewide comparisons can be made between FY07 and FY11 only.

Public funding for education from Local, State and Federal sources for Georgia's school districts increased slightly by \$430 per pupil between FY07 and FY11 or 4.2 percent. Statewide charter schools on the other hand, saw a significant decrease in public dollars for the same timeframe of \$1,197 per pupil or 14.4 percent.

Over the three fiscal year snapshots, Fulton County district and charter schools alike experienced overall losses in public revenues. Fulton district schools saw a 9.0 percent decrease, or \$1,100 per pupil, between FY03 and FY11 while Fulton charters experienced a 22.5 percent drop in public funds, or \$2,375 per pupil. Atlanta district and charter schools fared better over the FY03-FY11 timespan, with district schools seeing a 2.9 percent overall

Figure 7



increase in public revenues, or \$409 per student. Atlanta charter schools had public revenue increases of 26.5 percent, or \$2,246 per pupil.

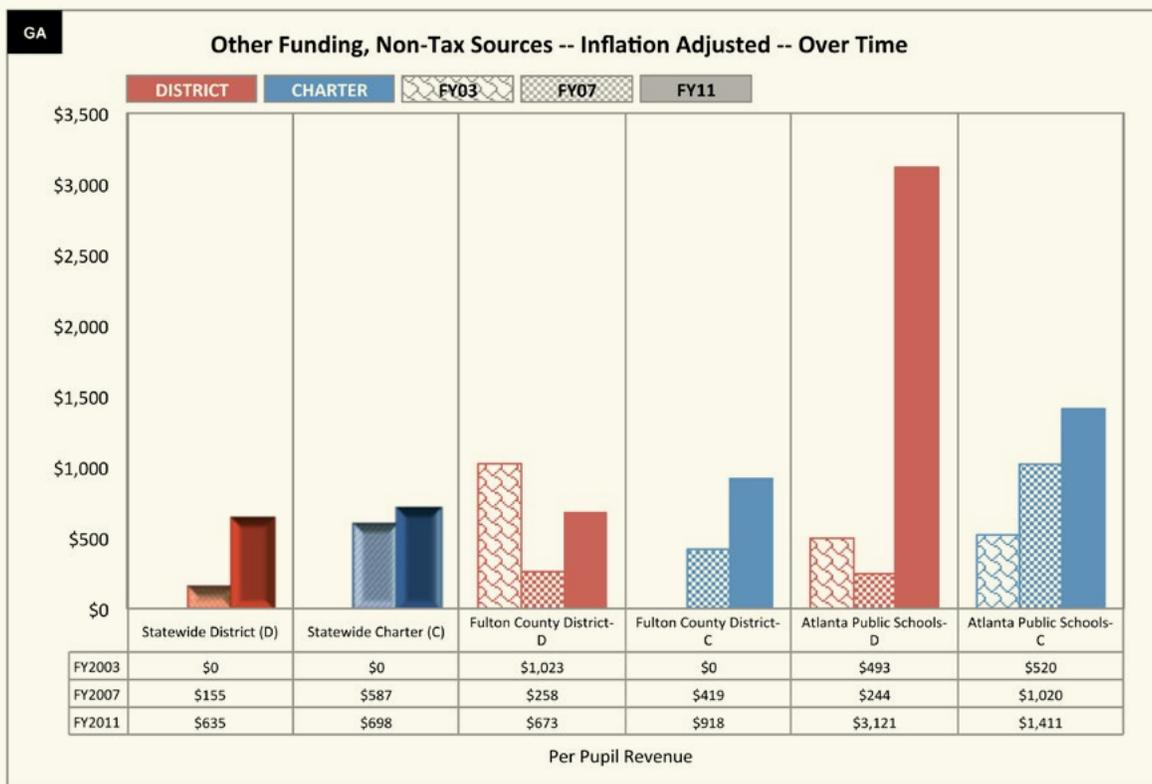
Other Funding

Other revenue encompasses all forms of revenue not originating from public revenue sources, such as returns on investments, charges for facility rentals, and philanthropy. Of all the sources included in Other revenue, philanthropy has often served an important role in charter school financing to narrow the equity gap. As Figure 8 indicates, this largely remained true for Georgia charter schools.

For the same reason noted above, Other revenue data is not available for statewide district or charter school totals for FY03. In the same vein, Other revenue data was not available for Fulton charters for FY03 due to poor data quality.

Statewide, district revenue from Other sources increased substantially, rising from \$155 per pupil in FY07 to \$635 in FY11 – an increase of 309.8 percent. For the state’s charters, Other revenue has increased but not as drastically, rising by \$111 per pupil - or 19.0 percent - between FY07 and FY11. Other revenues for both Atlanta district schools and charters increased between FY03 and FY11. District school Other revenues skyrocketed by 533.4 percent, a gain of \$2,628 per pupil, and Atlanta charters saw a 172.0 percent gain, or \$891 per pupil. Fulton district schools experienced the opposite, with an overall drop in Other revenues between FY03 and FY11 of \$350 per pupil, a 34.2 percent decline. Fulton charters generated an overall increase in Other dollars of \$499 per pupil between FY07 and FY11, a gain of 119.2 percent.

Figure 8



Changes in Funding Results

Figure 9 shows the inflation-adjusted percentage increase/decrease in funding between FY03 and FY11 by each type of revenue stream. Because of the complications and changes in charter school data availability and reporting quality for many states in this study, the data reported in this figure may be somewhat misleading, and this is true for Georgia.

- The large percentile increases in Federal funding are an accurate representation of actual increases in Federal revenues for the two focus areas due to the large amounts of Federal stimulus funding that Georgia received: Federal revenues jumped by 109.4 percent for Fulton County schools and by 76.2 percent for Atlanta district schools.
- The 108.8 percent increase in Federal revenues that Atlanta charters received, however, is likely a combination of increased Federal revenues and better financial audit data, which allowed us to separate Federal revenues from other revenue sources.
- The same reasoning can be applied to the large increases in State revenues for Fulton charter schools: actual increases in State sources of revenue in addition to better reporting that has allowed us to more accurately estimate Local versus State revenues that comprise QBE funds.
- Atlanta charter schools saw increases in State funds as well: \$713 per pupil between FY03 and FY11 in addition to increases in Local revenues – 20.1 percent, or \$754 per pupil.
- Local funding sources fell for both Fulton County district and charter schools. Fulton district schools experienced an overall decrease of 16.7 percent (\$8,414 in FY03 to \$7,009 in FY11) while Fulton charter Local dollars dropped by 58.5 percent, which again, is likely overstated since some of this difference is due to better ability to separate Local versus State revenues.

- Atlanta’s district and charter schools saw overall gains in total funding of 21.0 percent and 34.9 percent per pupil, respectively. Fulton district and charter schools experienced total funding losses of 10.9 percent and 13.8 percent per pupil, respectively.

Figure 9

GA Per Pupil Revenue -- Inflation Adjusted -- Over Time Percentage Increase / Decrease (black shading)						
From/To:	FY2003 / FY2011	Federal	State	Local	Other	Total
Statewide District (D)		N/A	N/A	N/A	N/A	N/A
Statewide Charter (C)		N/A	N/A	N/A	N/A	N/A
Fulton County District-D		109.4%	-6.8%	-16.7%	-34.2%	-10.9%
Fulton County District-C		-22.2%	115.4%	-58.5%	N/A	-13.8%
Atlanta Public Schools-D		76.2%	-37.0%	9.7%	533.4%	21.0%
Atlanta Public Schools-C		108.8%	16.7%	20.1%	171.5%	34.9%

Figure 10 indicates changes to the variance in funding between Georgia’s districts and charter schools for FY03, FY07 and FY11. The variance represents the difference in funding between a district and the charters located within the boundaries of the district. When the percentage nears or is at zero, the district and the charters are being funded equitably. Statewide, the variance has decreased slightly between districts and charters from 30.8 percent in FY03 to 27.8 percent in FY11. For the two focus areas, Fulton County’s disparity increased by 2.6 percent between FY03 and FY11, whereas Atlanta’s disparity decreased by 7.1 percent, from a high of 37.7 percent in FY03 to 30.6 percent in FY11. Overall, large disparities persist.

Figure 10

GA Disparity as Percent of District -- Over Time Negative Disparities Mean Districts Receive More (red text)			
Focus Area	FY2003	FY2007	FY2011
Statewide	-30.8%	-24.0%	-27.8%
Fulton County District	-20.6%	-22.5%	-23.2%
Atlanta Public Schools	-37.7%	-28.5%	-30.6%

Select Enrollment Characteristics¹²

The chart below shows data for both charter and district school demographics. We include this data, if available, to look at possible differences in the types of students served to discern if high need student populations may be resulting in higher levels of funding for either charter or district schools.

Figure 11

GA Select Enrollment Characteristics									
Student Group >>>	Percentage of Total Enrollment								
	Free & Reduced Lunch			Title I			Special Education		
	Year >>>	FY03	FY07	FY11	FY03	FY07	FY11	FY03	FY07
Statewide District	50.8%	50.0%	57.6%	64.5%	47.6%	67.8%	N/A	N/A	10.0%
Statewide Charter	51.8%	56.0%	48.6%	12.5%	43.6%	56.7%	N/A	N/A	7.9%

Across the state, start-up charter schools are serving a slightly less disadvantaged population, which likely results in somewhat higher levels of funding for districts: district schools enroll 9.0 percent more students who are eligible

for free or reduced-price lunch and 11.1 percent more district schools are Title I eligible than charter schools. Lastly, district schools serve 2.1% more special education students.

State Practices Summary

We have assigned ratings to each state based on the quality of the data available, as well as to the extent charter schools have access to specific streams of revenue (Figure 12).

Figure 12

GA Funding Practices Summary								
PURPOSE	GRADE			FUNDING				REF
	FY2003	FY2007	FY2011	Federal Source	State Source	Local Source	Facilities Source	
<i>This table summarizes answers to key funding mechanism questions in context with a grade based on actual funding results.</i>	F	D	F					
	Grade based on % of Actual Funding Disparity							
ACCESS TO FUNDING SOURCES								
Do charter schools have access to this funding source according to state statutes?				Yes	Yes	Yes	Yes	
In practice, do charter schools have at least as much access to this funding source as districts have?				No	Yes	No	No	
Do charter school students receive at least 95% as much per pupil in revenue for this source as district students?				No	Yes	No	No	
DATA AVAILABILITY								
Does the state provide reasonable access to detailed public data on federal, state, local, and other revenues for district schools?							Yes	
Does the state provide reasonable access to detailed public data on federal, state, local, and other revenues for charter schools?							No	
FUNDING FORMULA								
Are charter schools treated as LEAs for funding purposes?							No	1
Does the state provide funding for charter schools and districts based primarily on student enrollment?							Yes	

1~ For FY11, only 11 charter schools were considered independent LEAs. The majority of charter schools in Georgia - start-up or conversion - are not treated as LEAs for funding purposes.

Endnotes

- Several sources were used to compile the revenue data analyzed for Georgia's districts and charters. The Georgia Department of Education's Financial Review Division provided detailed district revenue totals by source for FY11. This data includes, but does not identify, all revenues passed on to charter schools through districts and revenue data for a few charter schools with state level authorization. The report provides data based on fund type and sources of revenue. For consistency across all states, we categorize all non-tax revenue sources under Other and therefore we moved non-tax revenues that the state of Georgia considers Local to Other.

Financial data for Georgia’s locally authorized charters is only available through annual financial audits. We submitted FOIA requests to obtain all on-file copies of charter school financial audits for schools operating during FY11. The charter school revenue analysis is based on a total of 49 charter campuses with annual financial audits on file. There were seven charter schools that either closed or had no financial audit on file.

We used the following methodology to deduct charter school “pass-through” revenues from district revenue totals:

- All revenues for each charter school were entered into a database by district. Revenues were entered by source: Federal, State, Local, Other and where we could not determine the source, “Indeterminate” or when we knew it was a public source but could not discern which public source, it was categorized as “Public Indeterminate.”
- For charter schools that did not identify federal revenues in their audits, we approximated an amount of Federal revenues. We totaled the Federal revenues received by charter schools in each district and then used the percentage of Federal revenues to total revenues for a given district to approximate a Federal revenue amount for a charter school with no Federal revenue detail. Fulton Federal revenues are estimated for four schools based on an average percentage of 10% of total revenues: Amana Academy, Fulton Sunshine, Fulton Science Academy, Fulton Science High School. An estimate was made for one Atlanta charter – Neighborhood Charter School – at 8% of total revenues. Those estimates were deducted from pass-through totals. Therefore, Federal revenue amounts for charter schools may be over or underestimated.
- Charter audits vary in the level of revenue detail each provides. All audits do include a lump sum amount that is “Quality Basic Education (QBE) Earnings” – the basic program for how Georgia funds public schools. QBE is a combination of Local and State revenues. The amount of State versus Local dollars each charter received through QBE was determined by identifying State revenues through GA Department of Education earnings sheets for each charter, “QBE022.” State revenue amounts were deducted from QBE earnings totals to approximate a Local revenue amount.
- Commission schools and state charter special schools received QBE funds from State sources only.
- Totals for each tax source of revenues and the corresponding school enrollments were then deducted from district (or state totals at the end) revenue totals by source and the focus district revenue totals by source.

- 2 The number of charter schools represented in Figure 3 represents the number of independent, start-up charter schools with audits on file. There were seven start-up charter schools that had closed or had no financial audit on file. Conversion charters and career academies appear in the district calculations instead of the charter calculations since we do not have financial data available for those schools independent from their districts. Data for charter districts is included with traditional school district data, as it has been in the past two studies.
- 3 Georgia Budget and Policy Institute: <http://gbpi.org/category/policy-areas/education>.
- 4 Doyle, D., Hassel, B.C. & Locke, G. (2012). “Smarter Funding, Better Outcomes: Georgia’s Roadmap for K – 12 Finance Reform.” Chapel Hill, NC: Public Impact; and Atlanta, GA: Georgia Chamber of Commerce. Retrieved from www.smartk12funding.com.
- 5 The formula was changed for FY12 to fund 18 programs.
- 6 Berry, M., Mueller, C., NeSmith, Michele, & Grubiak J.F. (March 2011). “Special Purpose Local Option Sales Tax: A Guidebook for County Officials.” Association County Commissioners of Georgia.
- 7 Georgia Code: [O.C.G.A. § 20-2-2068.1](#).
- 8 Colorado League of Charter Schools. “Shortchanged Charters: How Funding Disparities Hurt Georgia’s Charter Schools.” May 2011.
- 9 Ibid.
- 10 Data for FY03 compiled by the authors for the Thomas B. Fordham Institute report, [Charter School Funding: Inequity’s Next Frontier](#), 2005. Data for FY07 compiled by the authors for the Ball State University Report, [Charter School Funding: Inequity Persists](#), 2010.
- 11 Charter school data quality and availability was so poor when the first study was conducted that Georgia statewide revenue totals for FY03 were estimated for all charter schools using the APS and Fulton County totals as a proxy. The statewide district total was therefore calculated as a combination of APS and Fulton County school districts.
- 12 FY2011 Title I data for Georgia district and charter schools was provided by the Title I Division at the GA DOE. Free or reduced-price lunch and Special Education data for FY2011 was taken from the GA DOE “2010-2011 Annual Charter Schools Report.”