

# **Charter School Funding Inequities: Rochester, New York**

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[School Choice Demonstration Project](#)

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## **Executive Summary**

Public charter schools are increasingly becoming part of both the broader national conversation about education policy as well as the local urban scene in the United States. The latter is certainly true in Rochester, New York, where charter schools serve more than 18 percent of the students who attend school in the city. Given the important role that charter schools play in educating Rochester's students, we sought to learn if students who attend the city's charter schools are funded equitably when compared to students in Rochester City School District (RCSD) schools.

To help answer this question, our research team systematically reviewed funding documents for the city's district-run and independent charter schools for the 2019-20 school year. Our analysis uncovered a 42% charter school funding deficit, representing a gap of \$14,280 per student. Figure 1 shows that RCSD received \$33,972 per pupil while Rochester's charters received only \$19,691. Rochester's charter school funding gap is one of the largest among the nearly 20 urban areas we have analyzed over the past decade.

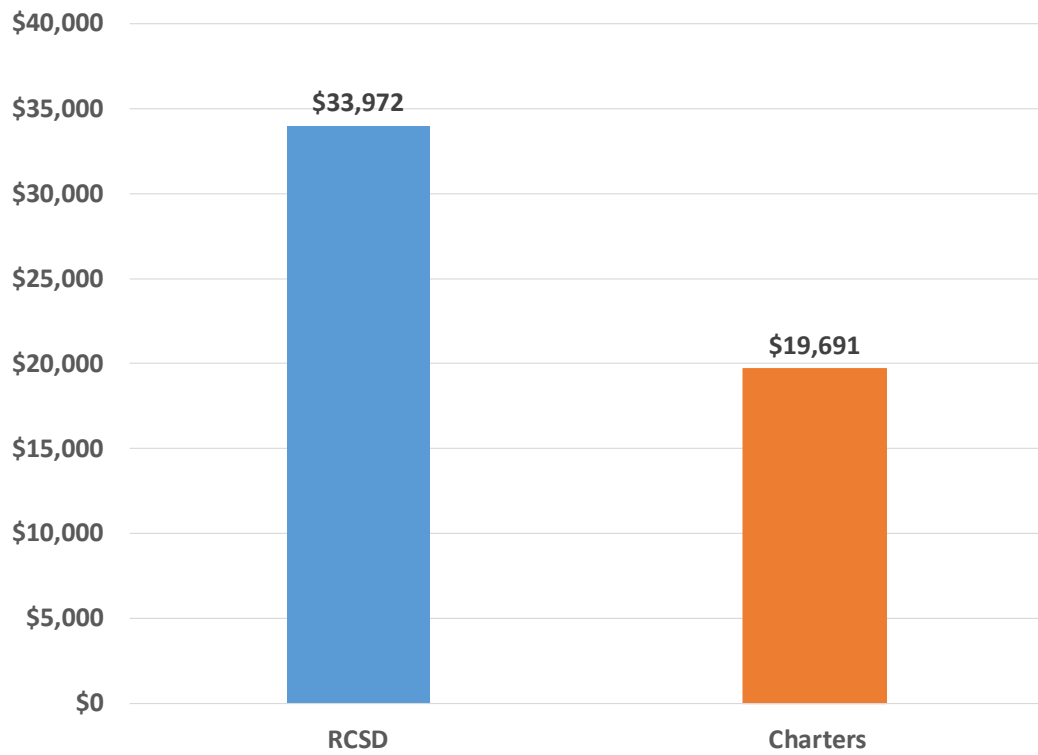
While differences in student characteristics explain some of this gap, it is so large that demographics alone cannot fully account for the deficit. We specifically highlight the lack of facilities support as a glaring difference between Rochester and New York City, where charter funding is substantially more equitable.

We hope that this report, highlighting the large charter school funding inequities in New York's fourth largest city, will spur an informed discussion around what the state can do to better support charter school students in upstate New York.<sup>1</sup>

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<sup>1</sup> The Gleason Family Foundation made this study possible with a research grant. We are grateful for the foundation's support and acknowledge that the report's content is entirely the responsibility of the authors and does not necessarily reflect the views of the Gleason Family Foundation, the University of Arkansas at Fayetteville, or the University of Arkansas System.

**Figure 1: Average Per Pupil Revenue for Rochester City School District (RCSD) and Rochester Charter Schools - 2019-20 School Year**



## Introduction

Public charter schools are a growing part of K-12 education. Charter schools are public schools for which their public, authorizing agencies grant operational autonomy in return for a commitment to achieve performance levels specified in a contract or “charter.” Like traditional public schools (TPS) that public school districts run, charter schools are prohibited from charging tuition, and may not discriminate in any way in admission nor identify any religion in their operation or affiliation. A public entity must oversee them. Unlike TPS, however, most public charter schools are open to all students who wish to apply, regardless of where they live. If a charter school is over-subscribed, random lotteries usually determine which students are admitted. Most charter schools are independent of the school district in which they operate.

Public charter schools have become a major feature of the education landscape. The first public charter school was established in St. Paul, Minnesota in 1991. By 2018-19, there were over 7,400 public charter schools serving about 3.3 million students in 43 states and the District of Columbia.<sup>2</sup> In New Orleans, Washington, D.C., and Detroit, public charter schools educate over 40 percent of K-12 students.

The Empire State has seen similar growth in its number of charter schools and the students they serve. New York state enacted its charter school law in 1998, and, the next year, the first charter school opened in Harlem. Since then, the number of charter schools has grown substantially to 292 in 2018-19, serving 5.5 percent of the state’s public school population.<sup>3</sup> The proportion of students whom charters serve is much higher in New York state’s cities than in its non-urban areas.

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<sup>2</sup> [https://nces.ed.gov/programs/digest/d20/tables/dt20\\_216.20.asp](https://nces.ed.gov/programs/digest/d20/tables/dt20_216.20.asp)

<sup>3</sup> [https://nces.ed.gov/programs/digest/d20/tables/dt20\\_216.90.asp](https://nces.ed.gov/programs/digest/d20/tables/dt20_216.90.asp)

For example, in New York City, approximately 14 percent of public school children currently attend a charter school.<sup>4</sup>

This report looks specifically at Rochester, NY, where, in the 2019-20 school year, 11 public charter schools enrolled slightly more than 18 percent of public school students. Given that Rochester's charter schools educate a large proportion of that city's students, it is important to understand exactly how those schools are performing and whether students attending Rochester's charters are funded equitably. In the sections below, we review the evidence on charter performance and our previous work on funding equity. We then provide an in-depth analysis of the funding available to Rochester's public charter schools compared to the Rochester City School District (RCSD).

### **Evidence on Charter School Performance**

Research indicates that families enjoy the empowerment to opt out of residentially assigned public schools, if needed.<sup>5</sup> Further, the autonomy granted to public charter schools allows them to establish a specialized mission and deeply rooted organizational culture.<sup>6</sup> The additional autonomy that charters enjoy allows them to serve students based on student interests and learning needs, rather than the standardized approach to education which TPS commonly mandate.

The scientific evidence on the effectiveness of public charter schools is abundant, although studies have varied in quality. A recent meta-analysis of 38 rigorous studies shows that, overall, charter schools have had small, positive effects on student achievement, as measured by

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<sup>4</sup> <https://nyccharterschools.org/what-are-charter-schools/>

<sup>5</sup> Barrows, S., Peterson, P. E., & West, M. R. (2017). [What do parents think of their children's schools?](#) *Education Next*, 17(2). Stewart, T., & Wolf, P. J. (2014). *The school choice journey: School vouchers and the empowerment of urban families* (New York: Palgrave MacMillan, 2014).

<sup>6</sup> Fox, R. A., & Buchanan, N. K. (2014). *Proud to be different: Ethnocentric niche charter schools in America* (Lanham, MD: Rowman & Littlefield).

standardized test scores.<sup>7</sup> A 2013 national study of charter school performance in 26 states and the District of Columbia largely confirmed those results,<sup>8</sup> although a 2010 U.S. Department of Education evaluation limited to charter middle schools reported no statistically significant effects.<sup>9</sup>

A 2015 examination of charter school achievement effects in 41 large metropolitan areas across the country showed that urban charters consistently have boosted student achievement and that the gains for students from disadvantaged backgrounds have been large.<sup>10</sup> The most recent systematic reviews of the most rigorous evidence suggest that public charter schools have improved high school graduation, college enrollment, and behavioral outcomes.<sup>11</sup> Recent national studies demonstrate that larger concentrations of public charter schools, especially in cities, places competitive pressure on TPS, resulting in improvements in the achievement and attainment of students who remain in district-run public schools.<sup>12</sup>

Several of the studies included in the systematic reviews cited above investigate the performance of New York State's charter schools.<sup>13</sup> On average, these studies provide evidence

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<sup>7</sup> Betts, J. R., & Tang, Y. E. (2019). *The effect of charter schools on student achievement*. New York, NY: Routledge.

<sup>8</sup> Cremata, E., Davis, D., Dickey, K., Lawyer, K., Negassi, Y., Raymond, M., & Woodworth, J. L. (2013). *National charter school study*. Stanford, CA: Center for Research on Education Outcomes.

<sup>9</sup> Gleason, P., Clark, M., Tuttle, C. C., and Dwoyer, E. (2010). *The evaluation of charter school impacts: Final report* (NCEE 2010-4029). Washington, D.C.: National Center for Education Evaluation and Regional Assistance, Institute of Education Sciences, U.S. Department of Education.

<sup>10</sup> CREDO (2015). *Urban charter school study*. Stanford, CA: Center for Research on Education Outcomes.

<sup>11</sup> Foreman, L. M. (2017). *Educational attainment effects of public and private school choice*. *Journal of School Choice*, 11(4), 642-654; Zimmer, R., Buddin, R., Smith, S. A., & Duffy, D. (2019). *Nearly three decades into the charter school movement, what has research told us about charter schools?* EdWorkingPaper No. 19-156. Annenberg Institute at Brown University; Deming, D. J., Hastings, J. S., Kane, T. J., & Staiger, D. O. (2014). *School choice, school quality, and postsecondary attainment*. *American Economic Review*, 104(3), 991-1013; Sass, T. R., Zimmer, R. W., Gill, B. P., & Booker, T. K. (2016). *Charter high schools' effects on long-term attainment and earnings*. *Journal of Policy Analysis and Management*, 35(3), 683-706; Dobbie, W., & Fryer Jr, R. G. (2015). *The medium-term impacts of high-achieving charter schools*. *Journal of Political Economy*, 123(5), 985-1037.

<sup>12</sup> Griffith, D. (2022). *Still rising: Charter school enrollment and student achievement at the metropolitan level*. Washington, DC: Fordham Institute, January 26. Chen, F., & Harris, D. N. (2022). *How do charter schools affect system-level test scores and graduation rates? A national analysis*. New Orleans, LA: National Center for Research on Education Access and Choice, January 26.

<sup>13</sup> [https://credo.stanford.edu/sites/g/files/sbiybj6481/f/ny\\_state\\_report\\_2017\\_06\\_01\\_final.pdf](https://credo.stanford.edu/sites/g/files/sbiybj6481/f/ny_state_report_2017_06_01_final.pdf);  
<https://files.eric.ed.gov/fulltext/ED584261.pdf>

that charter schools in the Empire State have positive effects on English Language Arts (ELA) and math scores. The math impacts are both larger and more consistent than the ELA impacts, but, overall, the estimated effects of charters on student performance are modest. Such findings have led policymakers and other stakeholders to question whether charter schools are funded equitably and whether increased support might help further boost performance.

### **Charter Funding Equity**

For over a decade, members of our research team have investigated whether public charter schools receive similar funding to TPS and have discussed the implications of any revealed disparities. Our team's first report, based on data from the 2002-03 school year, compared charters and TPS in 27 districts in 16 states plus Washington, D.C, and found that charter students received 22 percent less funding than their TPS peers.<sup>14</sup>

Our team reexamined the charter school funding gap in two follow-up studies using data from the 2006-07 and 2010-11 school years.<sup>15</sup> Each school year we added more jurisdictions to the sample. The funding gap between charters and TPS increased from 22 percent to 28 percent across the three reports.

A higher proportion of public school students attend charters in urban areas than in non-urban areas, which, unfortunately, are where our first three studies showed that charter funding inequities are generally greatest. This finding led our team to begin focusing on funding gaps in major urban areas. Our first report examined funding disparities in 15 metropolitan areas using data from the 2013-14 school year. We selected the locations based on either a high concentration

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<sup>14</sup> Batdorff, M., Finn, C. E. Jr., Hassel, B., Maloney, L., Osberg, E., Speakman, S., & Terrell, M. G. (2005). [Charter school funding: Inequity's next frontier](#). Washington, D.C.: Thomas B. Fordham Institute.

<sup>15</sup> Batdorff, M., Maloney, L., May, J., Doyle, D., & Hassel, B. (2010). [Charter school funding: Inequity persists](#). Indianapolis, IN: Ball State University; Batdorff, M., Maloney, L., May, J. F., Speakman, S. T., Wolf, P., & Cheng, A. (2014). [Charter school funding: Inequity expands](#).

of charters in the metropolitan area or the potential for charter school growth there. We found that public charter schools received approximately 29 percent less funding per-pupil than TPS.<sup>16</sup>

Our team has subsequently issued follow-up reports using data from the 2015-16 and 2017-18 school years.<sup>17</sup> Like before, for each school year we have added jurisdictions to the analysis. The most recent report shows that the urban charter funding gap has increased from 29 percent to 33 percent. Specifically, the 2017-18 school year for the charter schools in the jurisdictions that we studied received 33 percent less revenue than their TPS counterparts.

In addition to these summary reports, we have also conducted single jurisdiction case studies, and the most relevant one is New York City.<sup>18</sup> Using data from the 2013-14 school year, we documented a 19 percent funding gap in favor of TPS in The Big Apple. We also showed that this gap would be substantially larger if not for the in-kind services, including facilities support, that New York City public schools are required to provide charters. This latter finding has meaningful implications for Rochester because RCSD is not required to provide facility support in the form of charter school co-location within its school buildings.

### **School Funding in New York State**

Public education funding comes from three primary sources: (1) federal, (2) state, and (3) local. In addition to these public funding sources, both charters and TPS also receive funding from non-public sources such as non-profits, philanthropies, and parent organizations.

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<sup>16</sup> Wolf, P. J., Maloney, L. D., May, J. F., & DeAngelis, C. A. (2017). [Charter school funding: Inequity in the city](#). Fayetteville, AR: School Choice Demonstration Project.

<sup>17</sup> DeAngelis, C. A., Wolf, P. J., Maloney, L. D., & May, J.F. (2018). [Charter school funding: \(More\) inequity in the city](#). Fayetteville: University of Arkansas, Department of Education Reform; DeAngelis, Corey A., Wolf, Patrick J., Maloney, Larry D., May, Jay F. (2020). [Charter School Funding: Inequity Surges in the Cities](#). Fayetteville: University of Arkansas, Department of Education Reform.

<sup>18</sup> Maloney, L. D., & Wolf, P. J. (2017). [Charter school funding: Inequity in New York City](#). Fayetteville: University of Arkansas, Department of Education Reform.



Federal education aid is generally provided directly to districts and schools based on their student population. For New York state, federal aid represents slightly more than four percent of total education revenue. The majority of federal support is provided through three programs:

- Title 1 – to support low-income children;<sup>19</sup>
- Individuals with Disabilities Education Act (IDEA) – to support children with special needs; and<sup>20</sup>
- National School Lunch Program – to provide free or reduced-priced meals to low-income children.

The majority of New York state’s public school education funding is determined by its state funding formula. New York state uses a student-based formula to fund public schools. The formula sets a base amount of funding per pupil which is increased based on specific district characteristics and student need.<sup>21</sup> For the 2019-20 school year, RCSD's adjusted base funding amount was \$14,601.<sup>22</sup>

The state funding formula requires a portion of this amount to be funded using local tax dollars, with the remainder coming from state aid. Rochester’s minimum local contribution in that school year was roughly 10 percent of the total base amount. New York state’s school districts can, and often do, raise local funding in excess of this minimum amount, increasing per pupil revenue further.

Charter schools receive federal education funding similar to TPS. For state aid in New York state, charters are funded via a pass-through called Basic Tuition that runs through the

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<sup>19</sup> <https://nces.ed.gov/fastfacts/display.asp?id=158>

<sup>20</sup> <https://sites.ed.gov/idea/>

<sup>21</sup> [http://www.oms.nysed.gov/faru/Primer/primer\\_cover.html](http://www.oms.nysed.gov/faru/Primer/primer_cover.html)

<sup>22</sup> [https://stateaid.nysed.gov/output\\_reports.htm](https://stateaid.nysed.gov/output_reports.htm)

school district that the student would have attended. The state funding formula dictates the amount of that pass-through. In the 2019-20 school year, RCSD was required to pay \$13,995 to charter schools that enroll students assigned to the district.<sup>23</sup>

While most students who attend Rochester's charter schools are zoned to the RCSD, approximately six percent are zoned to other districts. Most of these students (76 percent) are zoned to districts that have a Basic Tuition pass-through amount that is lower than the RCSD, so charters receive less state aid to educate these students. Charter schools in New York state also receive in-kind support from TPS. The in-kind support can include services such as transportation, food services, and facilities support.

## **Methodology**

For this report, we focus on education revenues. Our goal is to provide an accurate accounting of all the money provided to RCSD and Rochester's charter schools in the 2019-20 school year. We begin by identifying all funding using the annual financial reports (ST-3) for RCSD and audited financial reports for charter schools.<sup>24</sup> We then account for all amounts which are passed through the district to charters and any in-kind services.

In some cases, the audited financial statements of charter schools indicated specific amounts for in-kind services for transportation, food services, and special education. When the school did not indicate a specific amount, we assumed the total cost of those services that RCSD indicated was spread over the combined enrollment in both RCSD and charters that benefit from the service. The per pupil funding amount was then allocated to RCSD and charters based on their enrollments. Finally, we categorize revenue based on funding source as federal, state, local, non-public, or indeterminate.

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<sup>23</sup> [https://stateaid.nysed.gov/charter/html\\_docs/charter\\_1920\\_rates.htm](https://stateaid.nysed.gov/charter/html_docs/charter_1920_rates.htm)

<sup>24</sup> The ST-3 is a district-level financial report prepared by the New York State Education Department.

## Results

We begin by comparing the demographics of RCSD and Rochester’s charter schools. Table 1 provides a summary of student demographics. As noted earlier, in the 2019-20 school year, charters serve roughly 18 percent of the students who attend school in Rochester, including students who are zoned to attend other districts, but choose to attend a Rochester charter school.

Compared to RCSD, a lower proportion of students attending Rochester’s charter schools qualify for free or reduced-price lunch (FRPL), are identified as English language learners (ELL), or are identified as needing special education services. Still, both public school sectors disproportionately serve low-income students, as 82% of charter students are FRPL eligible while 90% of RCSD students are similarly eligible for the federal lunch program. Rochester’s charters, however, serve a much higher proportion of Black students compared to RCSD – 68 percent versus 55 percent, respectively.

**Table 1: Demographic Characteristics of Rochester City School District (RCSD) and Rochester Charter Schools – 2019-20 School Year**

	<b>RCSD</b>	<b>Percent of RCSD Population</b>	<b>Charter</b>	<b>Percent of Charter Population</b>	<b>Rochester Total</b>	<b>Percent of Total Student Population</b>
<b>Student Enrollment</b>	25,017		5,640		30,657	
<b>Schools</b>	49		11		60	
<b>Free or Reduced-Price Lunch (FRPL)</b>	22,441	90%	4,626	82%	27,067	88%
<b>English Language Learners (ELL)</b>	3,805	15%	265	5%	4,070	13%
<b>Special Education</b>	5,392	22%	467	8%	5,859	19%
<b>Black</b>	13,669	55%	3,843	68%	17,512	57%
<b>Hispanic</b>	7,907	32%	1,324	23%	9,231	30%
<b>White</b>	2,394	10%	339	6%	2,733	9%
<b>Asian</b>	762	3%	41	1%	803	3%
<b>Multi-Ethnic</b>	240	1%	79	1%	319	1%
<b>American Indian</b>	45	0%	14	0%	59	0%

Figure 1 shows the average per pupil revenue for RCSD and Rochester’s charter schools in the 2019-20 school year. RCSD received \$33,972 per pupil while the city’s charters received only \$19,691 per pupil. That represents a funding deficit for charters of \$14,280 per pupil or roughly 42%. Rochester’s charter funding gap is one of the largest we have found among the nearly 20 urban areas analyzed.<sup>25</sup>

**Figure 1: Average Per Pupil Revenue for Rochester City School District (RCSD) and Rochester Charter Schools - 2019-20 School Year**



Table 2 provides a summary of the revenue for RCSD and Rochester’s charter schools by funding source. Charters’ per pupil funding deficit can be seen across state, local, federal, and other revenue sources. The difference in state revenue is the largest overall at \$11,502, representing the majority of the total charter deficit. Differences in the student populations served by RCSD and Rochester’s charter schools, documented in Table 1, likely explain some portion of the

<sup>25</sup> DeAngelis, Corey A., Wolf, Patrick J., Maloney, Larry D., May, Jay F. (2020). [Charter School Funding: Inequity Surges in the Cities](#). Fayetteville: University of Arkansas, Department of Education Reform

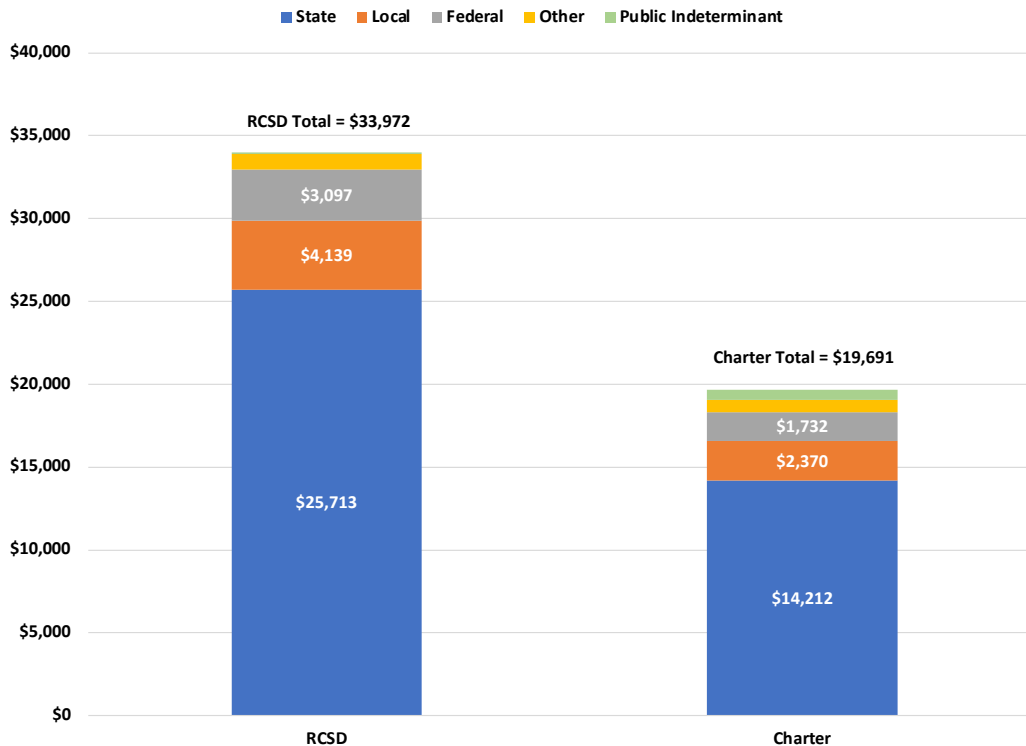
difference in revenues. However, given that RCSD revenues were nearly double those of charters, these differences cannot account for the full funding gap.

**Table 2: Summary of Revenue for the Rochester City School District (RCSD) and Rochester Charter Schools – 2019-20 School Year**

Revenue Type	RCSD			Charter			Diff. between RCSD and Charter (\$)
	Amount (\$)	Per Pupil (\$)	% of Total	Amount (\$)	Per Pupil (\$)	% of Total	
State	643,265,796	25,713	76%	80,153,127	14,212	72%	11,502
Local	103,550,833	4,139	12%	13,365,909	2,370	12%	1,769
Federal	77,471,532	3,097	9%	9,769,308	1,732	9%	1,365
Other	23,579,042	943	3%	4,273,236	758	4%	185
Indeterminate Public	2,002,921	80	0%	3,497,151	620	3%	-540
<b>Total</b>	<b>\$849,870,124</b>	<b>\$33,972</b>	<b>100%</b>	<b>\$111,058,731</b>	<b>\$19,691</b>	<b>100%</b>	<b>\$14,280</b>

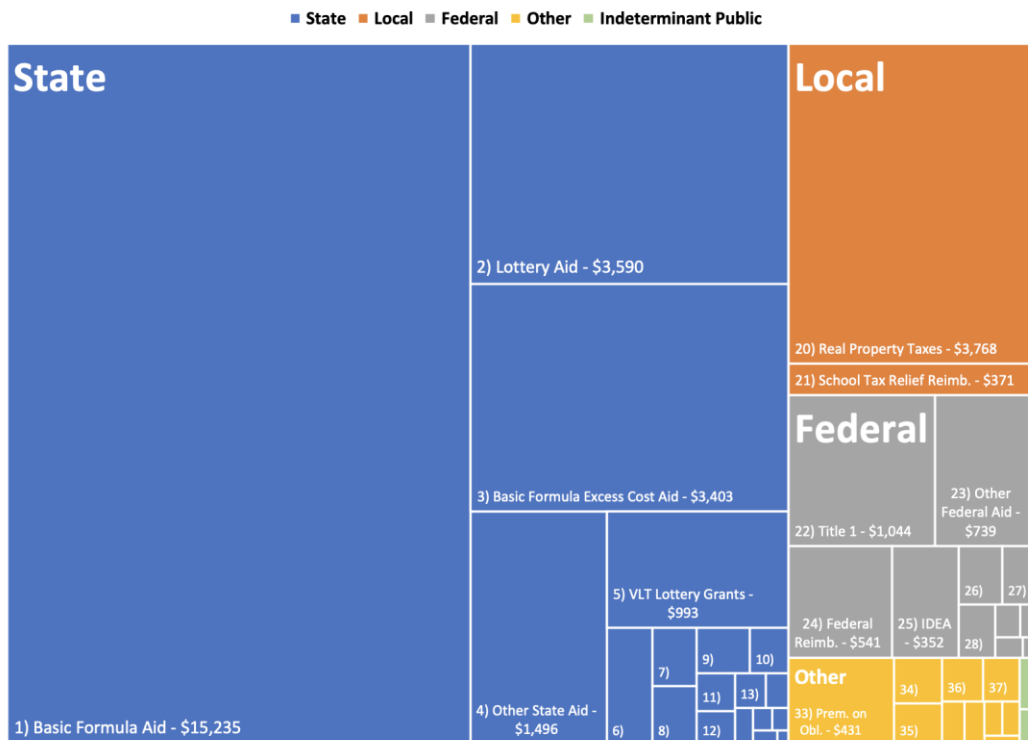
\* Charter schools received \$5,163,937 in [Paycheck Protection Program](#) funds, representing roughly 53 percent of their federal funding for the 2019-2020 school year. These funds are counted here but are non-recurring, so charters will likely face a larger federal funding deficit in subsequent years.

**Figure 2: Summary of Per Pupil Revenue for the Rochester City School District (RCSD) and Rochester Charter Schools – 2019-20 School Year**



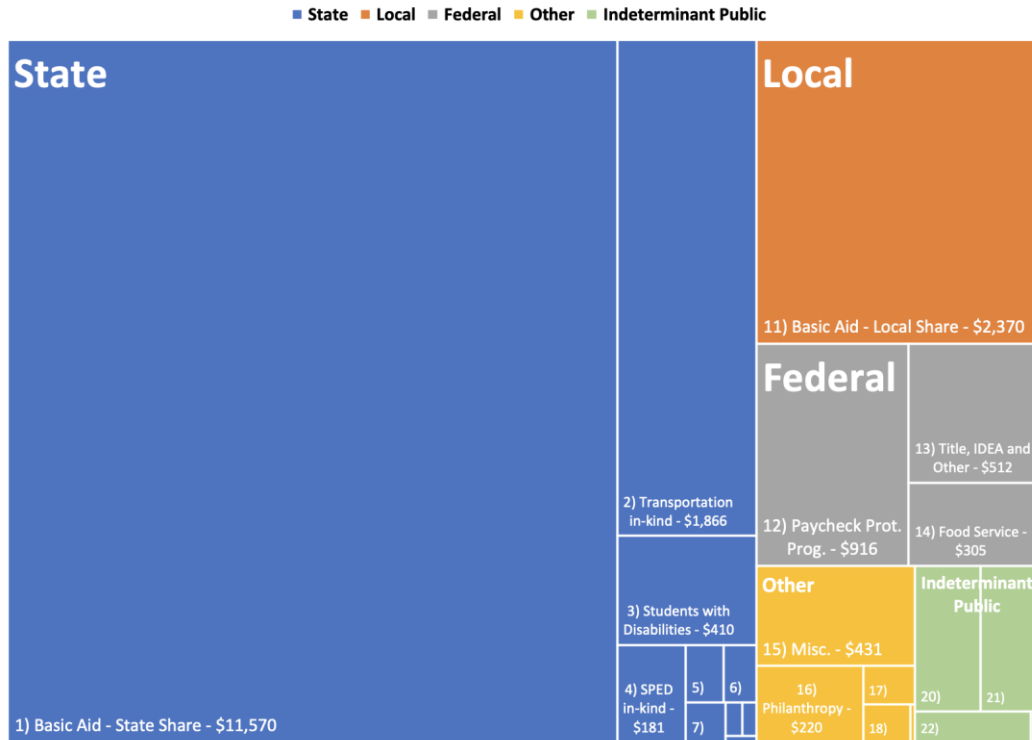
Figures 3 and 4 summarize the per pupil revenue coming from each source based on the detailed categories available in the ST-3 reports. The size of each box signals the proportion of total funding that comes from that specific category. These figures illustrate how, in addition to receiving less per pupil, charters receive much fewer categories of revenue than does RCSD. They also document how our complete accounting of all revenue sources builds up from the basic formula aid to the much larger totals in Figure 1.

**Figure 3: Rochester City School District Per Pupil Revenue by Source and Category – 2019-20 School Year**



Note: The code numbers in the boxes correspond to the category numbers in Appendix Table A. Some boxes are too small to display numbers, but the category information is in the appendix.

**Figure 4: Rochester Charter Schools Per Pupil Revenue by Source and Category**



Note: The code numbers in the boxes correspond to the category numbers in Appendix Table B. Some boxes are too small to display numbers, but the category information is in the appendix.

The revenue gap between RCSD and Rochester’s charters is substantially larger than we found in New York City (NYC). When we examined revenues from the 2013-14 school year, we found that NYC’s charters received \$4,888 less per pupil than their TPS.<sup>26</sup> One reason for the smaller gap in NYC is that nearly 60 percent of NYC charters co-locate in the same building of one or more TPS. This finding represents a substantial in-kind revenue stream for facilities.

In 2014, the New York State legislature decided that non-co-located charter schools in NYC would receive \$2,775 per-pupil as an annual facility payment, and this amount increases over time. No such co-location practice or facilities support policy exists for Rochester’s charter

<sup>26</sup> Maloney, L. D., & Wolf, P. J. (2017). [Charter school funding: Inequity in New York City](#). Fayetteville: University of Arkansas, Department of Education Reform.

schools.<sup>27</sup> While this type of facility support would not fully close the funding gap, it would make a meaningful difference, likely reducing the charter funding deficit by 20-30 percent.

## **Conclusions**

Charter schools are an important part of Rochester's education landscape, serving more than 18 percent of the students who attend school in Rochester. Our analysis shows that, when all sources of revenue are considered, students attending Rochester charter schools in the 2019-20 school year received 42% less funding than those attending RCSD, representing a gap of \$14,280 per student. This deficit is one of the largest charter funding inequities we have found in our analysis of nearly 20 urban areas over the past decade.

Differences in the student populations that RCSD and Rochester's charter schools serve explain a portion of the funding deficit. The city's charters served fewer students who qualified for free and reduced-price meals, ELL services, and Special Education services. However, Rochester's charter funding gap is so large that these demographic differences alone cannot fully account for the deficit.

We found that the availability of facilities support dollars is a significant difference between Rochester and New York City, where, based on our earlier analysis, charter funding is much more equitable.<sup>28</sup> While most NYC charter schools either co-locate with other public schools or access facilities support from the state, RCSD has resisted co-location and facilities funding currently is unavailable to the city's charters. Fixing this deficiency in charter facilities support would make a meaningful dent in the funding deficit that Rochester's charter schools face.

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<sup>27</sup> <https://crpe.org/wp-content/uploads/crpe-opening-schoolhouse-door-access-space.pdf>

<sup>28</sup> <https://www.wsj.com/articles/eric-adamss-charter-opportunity-new-york-city-schools-education-kathy-hochul-11642442477>



However, facilities support will not fully level the playing field for charter schools. In our opinion, the best option for ensuring that every student receives her or his fair share of educational resources is a weighted student funding system where all funds are portable and follow children to their school of choice.<sup>29</sup> Until New York state addresses charter facilities funding and adopts a fully portable funding system, Rochester will remain one of the most inequitable cities for charter school students.

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<sup>29</sup> Smith, A., & Barnard, C. (2020). [Student-centered funding roadmap for policymakers](#). Los Angeles, CA: Reason Foundation, October. Furtick, K., & Snell, L. (2013). *Weighted student formula yearbook: Overview*. Los Angeles, CA: Reason Foundation.

## **Authors' Bios**

### **Josh B. McGee, Ph.D.**

Dr. McGee is an economist who is a faculty member in the Department of Education Reform and associate director of the Office for Education Policy at the University of Arkansas. McGee also serves as the [chief data officer \(CDO\) for the State of Arkansas](#). He has written extensively about school finance and retirement policy and has provided expert testimony and technical assistance in numerous jurisdictions across the country. McGee is the former chairman of the Texas State Pension Review Board.

### **Patrick J. Wolf, Ph.D.**

Dr. Wolf is a Distinguished Professor of Education Policy and 21st Century Endowed Chair in School Choice at the University of Arkansas in Fayetteville. He previously taught at Columbia and Georgetown. He has authored, co-authored, or co-edited five books and over 200 journal articles, book chapters, book reviews, and policy reports on school choice, civic values, public management, special education, and campaign finance. *Education Week* consistently ranks him among the top education scholars in the country. He received his Ph.D. in Political Science from Harvard University in 1995.

### **Larry Maloney**

Mr. Maloney is president of Aspire Consulting and has investigated expenditure patterns of the nation's public schools on behalf of states and individual school districts since 1992. Mr. Maloney participated in the research team for the Fordham Institute revenue study in 2005, the Ball State University revenue study in 2010, and the University of Arkansas study in 2014. Recent projects include evaluations of revenues and expenditure patterns of eleven major metropolitan school districts and the charter schools located within their boundaries. Mr. Maloney co-authored a series of reports for the Fordham Institute on future retirement costs for three school districts, as well as conducting a school-by-school expenditure analysis for the Washington, D.C. region. He served as the evaluator for a U.S. Department of Education program designed to enhance the level of products and services provided by state charter associations. Additionally, he provided the financial analysis for the U.S. Government Accountability Office study of Title 1 expenditures and the U.S. Department of Education National Charter School Finance Study.

## **About the University of Arkansas and the School Choice Demonstration Project**

As Arkansas' flagship institution, the U of A provides an internationally competitive education in more than 200 academic programs. Founded in 1871, the U of A contributes more than [\\$2.2 billion to Arkansas' economy](#) through the teaching of new knowledge and skills, entrepreneurship and job development, discovery through research and creative activity while also providing training for professional disciplines. The Carnegie Foundation classifies the U of A among the top 3% of U.S. colleges and universities with the highest level of research activity. *U.S. News & World Report* ranks the U of A among the top public universities in the nation. See how the U of A works to build a better world at [Arkansas Research News](#).

The [College of Education and Health Professions](#) established the [Department of Education Reform](#) in 2005. The department's mission is to advance education and economic development by focusing on the improvement of academic achievement in elementary and secondary schools. It conducts research and demonstration projects in five primary areas of reform: teacher quality, leadership, policy, accountability, and school choice.

The [School Choice Demonstration Project](#) (SCDP), based within the Department of Education Reform, is an education research center devoted to the non-partisan study of the effects of school choice policy and is staffed by leading school choice researchers and scholars. Led by [Dr. Patrick J. Wolf](#), Distinguished Professor of Education Reform and Endowed 21st Century Chair in School Choice, SCDP's national team of researchers, institutional research partners and staff are devoted to the rigorous evaluation of school choice programs and other school improvement efforts across the country.

The SCDP is committed to raising and advancing the public's understanding of the strengths and limitations of school choice policies and programs by conducting comprehensive research on what happens to students, families, schools, and communities when more parents are allowed to choose their child's school.

## Appendix

**Table A: Summary of Rochester City School District Revenue by Category –  
2019-20 School Year**

<b>Revenue Source</b>	<b>Category Number</b>	<b>Category</b>	<b>Total Amount</b>	<b>Per Pupil Amount</b>
State	1	Basic Formula Aid	\$381,136,839	\$15,235
State	2	Lottery Aid	\$89,820,976	\$3,590
State	3	Basic Formula Excess Cost Aid	\$85,128,286	\$3,403
State	4	Other State Aid	\$37,414,242	\$1,496
State	5	VLT Lottery Grants	\$24,842,717	\$993
State	6	Smart Schools Bond Act	\$6,292,004	\$252
State	7	Incarcerated Youth	\$3,052,389	\$122
State	8	July/August Program Tuition	\$3,015,987	\$121
State	9	Commercial Gaming Grants	\$2,853,091	\$114
State	10	Employment Preparation Education Aid	\$2,056,203	\$82
State	11	Textbook Aid	\$1,702,542	\$68
State	12	Other	\$1,485,635	\$59
State	13	State Supported Schools Reimbursement	\$1,236,981	\$49
State	14	Tuition for Students with Disabilities	\$922,379	\$37
State	15	Smart Schools Bond Act	\$779,822	\$31
State	16	Hardware Aid	\$519,502	\$21
State	17	Computer Software Aid	\$424,679	\$17
State	18	State Reimbursement	\$404,337	\$16
State	19	Library A/V Aid	\$177,185	\$7
Local	20	Real Property Taxes	\$94,271,893	\$3,768
Local	21	School Tax Relief Reimbursement	\$9,278,940	\$371
Federal	22	Title 1	\$26,126,458	\$1,044
Federal	23	Other Federal Aid	\$18,497,743	\$739
Federal	24	Federal Reimbursement	\$13,539,073	\$541
Federal	25	IDEA	\$8,794,333	\$352
Federal	26	Medicaid Assistance	\$2,984,063	\$119
Federal	27	Summer Food Program	\$2,513,807	\$100
Federal	28	QSCB Subsidy	\$2,279,794	\$91
Federal	29	Workforce Investment Act	\$952,169	\$38
Federal	30	E-Rate	\$726,430	\$29
Federal	31	Federal Reimbursement-Surplus Food	\$655,530	\$26
Federal	32	Vocational	\$402,132	\$16

**Appendix Table A - Continued**

<b>Revenue Source</b>	<b>Category Number</b>	<b>Category</b>	<b>Total Amount</b>	<b>Per Pupil Amount</b>
Other	33	Premium on Obligations	\$10,778,649	\$431
Other	34	Miscellaneous	\$2,587,552	\$103
Other	35	12 Month Preschool Programs Tuition	\$2,288,689	\$91
Other	36	Self Insurance Recoveries	\$2,141,177	\$86
Other	37	Refund of Prior Years Expenses	\$1,879,047	\$75
Other	38	Bond Anticipation Notes Redeemed from Appropriations	\$1,150,000	\$46
Other	39	Interest & Earnings	\$970,185	\$39
Other	40	Premium on Obligations	\$736,000	\$29
Other	41	Premium on Obligations	\$684,707	\$27
Other	42	Other Compensation for Loss	\$96,230	\$4
Other	43	Other Miscellaneous	\$76,018	\$3
Other	44	Rental of Real Property Individuals	\$32,374	\$1
Other	45	Sale of Equipment	\$32,261	\$1
Other	46	Miscellaneous	\$31,847	\$1
Other	47	Insurance Recoveries	\$29,724	\$1
Other	48	Sale of Scrap and Excess Materials	\$25,080	\$1
Other	49	Other Student Fee	\$17,751	\$1
Other	50	Rental of Real Property Other Govt.	\$9,504	\$0
Other	51	Cafeteria Sales	\$7,897	\$0
Other	52	Continuing Education Tuition	\$4,350	\$0
Indeterminant Public	53	Health Services for Other Districts	\$1,195,236	\$48
Indeterminant Public	54	Day School Tuition	\$807,685	\$32

**Table B: Summary of Rochester Charter Schools Revenue by Category –  
2019-20 School Year**

<b>Revenue Source</b>	<b>Category Number</b>	<b>Category</b>	<b>Total Amount</b>	<b>Per Pupil Amount</b>
State	1	Basic Aid - State Share	\$65,257,086	\$11,570
State	2	Transportation in-kind	\$10,521,766	\$1,866
State	3	Students with Disabilities	\$2,310,655	\$410
State	4	Special Education in-kind	\$1,021,871	\$181
State	5	Allocation of Food Service in-kind	\$331,474	\$59
State	6	Allocation of Textbook Aid	\$284,016	\$50
State	7	State Grants	\$239,193	\$42
State	8	Allocation of Computer Hardware	\$86,663	\$15
State	9	Allocation of Computer Software	\$70,845	\$13
State	10	Allocation of Library Aid	\$29,558	\$5
Local	11	Basic Aid - Local Share	\$13,365,909	\$2,370
Federal	12	Paycheck Protection Program	\$5,163,937	\$916
Federal	13	Title, IDEA and Other	\$2,885,737	\$512
Federal	14	Food Service	\$1,719,634	\$305
Other	15	Miscellaneous - Other	\$2,430,438	\$431
Other	16	Philanthropy	\$1,243,487	\$220
Other	17	Investment Income	\$300,751	\$53
Other	18	Non-Public Food Service Income	\$271,836	\$48
Other	19	Program Income	\$26,724	\$5
Indeterminant Public	20	Federal and State Grants	\$1,465,209	\$260
Indeterminant Public	21	Government Grants	\$1,423,618	\$252
Indeterminant Public	22	Federal and State Food Service	\$542,384	\$96
Indeterminant Public	23	State and Local Grants	\$65,940	\$12