Ed. Dept. Clarifies Title I Rules for Charters

By Katie Ash

New guidance from the U.S. Department of Education could result in more funding for new and expanding charter schools across the country, say charter school experts.

The guidance, which provides further clarification about how Title I funds should be distributed to such schools, attempts to clarify federal laws that charter advocates say prevent the schools from receiving their fair share of funds. It was sent out to Title I directors around the country late last month.

The Elementary and Secondary Education Act requires that districts receive a Title I allocation that is at or above its "hold-harmless" level—in other words, a level of funding that would not have a dramatic different and negative effect. How much money each district receives depends upon a formula that draws on district data from the prior year.

But for new charter schools and expanding charters—many of which start with one grade level and add one more grade each year—the base rate of funding can be difficult to determine since the number of students in the school fluctuates.

The issue is further complicated by reductions in total federal funding for Title I, making it harder for states to fulfill all districts' hold-harmless funding levels.

The federal guidance around this issue provides more details into how new and rapidly growing charter schools' Title I allocation should be determined and specifies that if hold-harmless requirements are unable to be fully funded because of reductions in budgets, each district should receive a proportional amount of funds "that is as close as possible to its hold-harmless level" so that no specific district or set of schools is particularly negatively affected.

Previously, the funds were distributed by first fully funding the school districts' allocations to the previous year's level, leaving little to no funding leftover for new charters and those charters that have had significant increases in enrollment.

The guidance says it aims to address that inequity and prevent some charter schools from being "disadvantaged by the fact that it had no Title I allocation in 2012-13."

'More Equitable Allocation'

Colin Miller, the vice president of policy for the California Charter Schools Association, based in Los Angeles and Sacramento, said that this is an area that his organization has been pushing for more clarification on, and he is happy with the outcome.

"We think that this is going to result in a more equitable allocation of Title I dollars," he said. The
California charter group requested guidance on this issue in January 2012 after hearing back from charter school members who felt they were not receiving their fair share of funds, said Mr. Miller.

The CCSA analyzed data and found that charter schools in the state were indeed receiving fewer Title I funds than regular public schools.

The association last week contacted the California Department of Education, which reported that it is working to determine the overall implications of the guidance and exactly how much money charters that are growing or starting up can expect to receive.

"Schools serving high-needs populations need additional resources to provide necessary supports," said Mr. Miller. "This guidance will ensure students receive similar support whether they attend a district or charter school."

**Reaction Positive**

Nina Rees, the president and chief executive officer for the National Alliance for Public Charter Schools, in Washington, also praised the move.

"We are thrilled that the [federal] department of education recognizes how important it is for new and expanding charter schools to get the share of Title I funding they need to serve disadvantaged students," she said in an email last week.

"This guidance ensures that the federal hold-harmless provisions will be carried out in the way they were intended and not in a way that disadvantages charter schools," she continued.

The guidance is expected to take effect in time for the 2013-14 school year allocations. The state is required to provide the funds to new or greatly expanding charter schools within five months of the opening or the significant expansion of enrollment.

The guidance does not apply to non-charter school districts or charter schools that are not seeing a dramatic influx of students.

Although the guidance was initially requested from the charter school association in California, it was sent from the federal Education Department to Title I directors in all states, suggesting that charter schools nationwide needed clarification around these allocations.

The document also provides detailed explanations on how to calculate a new or significantly expanded charter school's prior-year base amount of Title I funding, and how that number should be used to meet Title I's hold-harmless provisions.