

Do charter schools and school vouchers “hurt” public schools?

Yes. Charter schools, vouchers, and other “choice” options redirect public money to privately operated education enterprises, some of which operate for profit. That harms your public schools by siphoning off students, resources, and funding and reducing the ability of public schools to serve the full range of student needs and interests.

This is why

It leaves the public schools underfunded. The idea that “the money should follow the child” (called portability) when students leave a public school for other options is a bad financial decision.

Schools have “stranded costs.” When a public school loses a percentage of students to charter schools or a voucher program, the school can’t reduce costs by an equivalent percent. The school still must pay the same utility, maintenance, transportation, and food services costs. The school must still carry the salary and benefit costs of administrative staff, custodial services, and cafeteria workers. The school may not be able to reduce teaching staff because the attrition will occur randomly across various grade levels, leaving class sizes only marginally reduced.

Students aren’t a “one-off” expense. The cost to educate each individual student varies a lot. Students with disabilities or who don’t speak English as their first language often cost significantly more to educate. So as a school loses students, it often finds itself left with a larger percentage of its highest-cost students to educate with less money.

When schools lose students, they have to cut services. Because schools can’t reduce expenses incrementally, they cut support staff – such as a reading specialist or librarian – and courses – such as art and music – that engage the diverse needs and interests of students. High needs schools will be most at-risk for depleted funding.

Look at the facts

In **Nashville, TN**, an independent research firm MGT of America estimated the **net negative fiscal impact** of charter school growth on the district’s public schools resulted in more than \$300 million in direct costs to public schools over a five-year period.

Another study by MGT in Los Angeles, CA found district public schools lost \$591 million due to dropping enrollment rates among students who leave and go to charters.

A research study of school districts in **Michigan** found that choice policies **significantly contribute to the financial problems** of Michigan’s most hard-pressed districts. When the percent of students attending charter schools approaches 20%, there are sizable adverse impacts on district finances.

In **New York**, a study found that in just one academic year the Albany school district lost \$23.6 - \$26.1 million, and the Buffalo district lost \$57.3 - \$76.8 million to charter schools. Because charters in both districts had smaller percentages of limited English proficient students, and charters in Albany enrolled fewer students with disabilities, the affected public schools were unable to reduce spending on English as Second Language and special education services.

A **Pennsylvania** superintendent estimated that **charters cost his taxpayers** \$20 million a year. A study of six districts in the state found that the **fiscal impact of charter expansion** is consistently negative and



grows each year as more students leave for charters. In five years, public school districts could recover no more than between 44-68% of the cost of charters.

A **North Carolina** study of the financial impact of charter school expansions on urban and nonurban districts found that in an urban district **charter growth has a negative impact** of \$500 or more per pupil, which translates into an average fiscal cost of more than \$3,500 per student enrolled in charter schools. Negative impacts in nonurban districts were comparable or somewhat larger.

A report on the fiscal impact of charters in three very different **California** school districts found that in all three examined districts the **revenue that school districts lost** due to charter expansion was far greater than the expenses saved by students transferring to charter schools.

An analysis of **Wisconsin's** statewide voucher program concluded that even when limited in scope, it has **significant negative impacts on public school districts** because of the loss in state funding support. Small districts could be the most negatively impacted.

WHAT PRIVATIZERS BELIEVE	WHAT WE BELIEVE
Money should follow the child, also known as portability or backpack funding.	Children should not have a price tag.
Portability does not hurt public schools.	Portability costs public school students services and programs.
Parents should have the choice to vote with their feet.	Parents should have a voice in schools that serve the whole community.
School governance should be corporate.	Communities should govern schools by electing school boards.

Bottom Line

In any policy discussion of education, the goal should be to provide the best possible system for all children, given the resources available. While alternatives to public schools may provide better options for some children, on the whole charter and voucher schools perform no better than the public school system, and often worse. At the same time, they have a negative fiscal impact on existing public schools and are creating a parallel school system that duplicates services and costs. The idea that funds should follow the child (portability) will seriously reduce public school services. Let's stop draining our public schools and work together to strengthen them.