

# FundEd: Charters

## A Detailed Look at California's Charter Funding Policies



## California



### Funding Basics

#### Authorizer

Charter funding policies and reporting practices within each state may vary depending on the entity that authorized the charter school. Charter schools in California may be authorized by local school districts, the State Board of Education, or other entities, like county boards of education.

#### Funding Formula

Funding for charter schools in California is calculated based on a formula similar to the one used to calculate funding for traditional public schools.

Like traditional public schools, charter schools in California receive funding through a student-based funding formula, with a different base amount for different grade levels and that provides increased funding for students in certain grade levels, English-language learners, students from low-income households, and students with disabilities. Some types of charter schools are also eligible to apply for program-specific allocations, such as those for career and technical education. However, charter schools in California are not eligible for increased funding for small schools.

### Funding Distribution

#### Funding Distribution

Some charter schools in California receive funding from the state as well as from local school districts, while others receive all funding through local school districts.

All charter schools in California receive funding from the local school district where they are located. In addition, they may elect to receive state funding either directly from the state or from the school district which oversees them.

#### Withholdings

Charter schools in California will have a share of their funding withheld, with the maximum set by state law.

Entities that authorize charter schools may charge for the costs of overseeing the charter school. The oversight charge may not exceed 1% of the revenue of the charter school, or 3%, if the charter school is able to obtain facilities from the authorizer. Local school districts that are tasked with overseeing a charter school may charge for the actual oversight and administrative costs but are not subject to the limits that apply to authorizers.

#### Local Taxes

All charter schools in California receive a share of local tax revenue.

Charter schools in California receive payments from local school districts that accounts for charters' inability to raise local revenue. The size of the payment is based on the district's per pupil property tax revenue or their per pupil formula allocation. In addition, charter schools may negotiate with school districts to share revenue from local sources of revenue other than the expected property tax levy, such as revenue from natural resource extraction, sales and use taxes, and parcel taxes.

The local school district responsible for providing these payments to charter schools may be the authorizing district, the district that originally denied the charter school's application, or the students' district of residence, depending on the type of the charter school.

### Data and Reporting

#### Legal Status

Some charter schools in California constitute their own local education agencies, while others are a part of local education agencies.

Charter schools that elect to receive their state funding directly from the state constitute their own local education agencies, while those that elect to receive their funding from a school district are a part of the district's local education agency.

## Student Count

Some charter school students in California are counted as students of the charter they attend for state reporting purposes, while other charter school students are counted as students of the school district where the charter school is located.

Charter schools in California may choose to receive their funding directly, or through a local school district. Students of charters that elect to receive state funding directly are counted as students of the charter they attend for state reporting purposes, while students of charters that elect to receive funding through a local school district are counted as students of that school district.

## Funding

State funding for some charter schools in California is reported separately while for other charter schools, state funding is reported as part of state funding for the school district where the charter school is located.

Charter schools in California may choose to receive their funding directly or through a local school district. Funding for charter schools that elect to receive their state funding directly is reported separately, while funding for charter schools that elect to receive their funding through a school district is reported as part of funding for that district.

## Expenditures

For some charter schools in California, expenditures are reported separately while for other charter schools, expenditures are reported as part of expenditures of the school district where the charter school is located.

Charter schools in California may choose to receive their funding directly, or through a local school district. For charter schools that elect to receive their state funding directly, expenditures are reported separately from expenditures of any school district. For charter schools that elect to receive their funding through a school district, charter expenditures are reported as part of expenditures of that district.

For a complete list of primary sources, please see the appropriate state page at [charters.funded.edbuild.org](http://charters.funded.edbuild.org)

