

# FundEd: Charters

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



## Ohio



### 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 Ohio may be authorized by local school districts and other entities, such as state universities, qualified tax-exempt entities or mayors of cities.

#### Funding Formula

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

Like traditional public schools, charter schools are funded through a student-based formula that considers the characteristics of students they educate. Brick-and-mortar charter schools receive additional funding for students from low-income households, English-language learners, students with disabilities, and for career and technical education programs. If they serve students from school districts with low property values and resident incomes, charter schools also receive one fourth of the additional per student funding. However, charter schools do not receive additional funding for gifted and talented students or additional funding for communities with less property wealth. Virtual charter schools receive fewer components of the formula. In particular, virtual charter schools do not receive additional funding for students from low-income households, for English-language learners, or for serving communities with concentrated poverty.

Funding for students from low-income households and for schools with concentrated poverty is calculated based on the characteristics of the students' district(s) of residence rather than the characteristics of the charter school.

### Funding Distribution

#### Funding Distribution

Charter schools in Ohio receive all funding directly from the state.

The state deducts charter funding from state funding to the charter students' district(s) of residence and transfers it to charter schools.

#### Withholdings

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

The sponsor of a charter school may withhold an oversight fee of up to 3% of the charter's total state funding, for the cost of monitoring the school.

#### Local Taxes

Charter schools in Ohio do not receive a share of local tax revenue, but they do receive state funding that may be meant to replace local funding.

Charter schools in Ohio do not have direct access to revenue raised by local school districts. However, the state provides charter schools with their entire formula allocation, while local school districts are expected to cover between 5% and 90% of their formula allocation through local revenue.

State law also allows certain types of charter schools to share additional revenue raised by local school districts: Municipal school districts may allocate a portion of local revenue to select charter schools. In addition, charter schools sponsored by an "exemplary" sponsor may access revenue raised by local school districts, if approved by the local school board and by voters.

### Data and Reporting

#### Legal Status

Charter schools in Ohio constitute their own local education agencies.

## Student Count

Charter school students in Ohio are counted as students of the school district(s) where the students reside for most state reporting purposes.

However, the Ohio Department of Education is able to exclude charter students from school district student counts for some purposes.

## Funding

State funding for charter schools in Ohio is reported as part of state funding for the school district(s) where charter students reside.

However, the Ohio Department of Education removes funding attributable to charter students from local school districts in reporting state funding.

## Expenditures

Charter school expenditures in Ohio are reported separately from expenditures of any school district.

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

