FundEd: Charters

A Detailed Look at Tennessee's Charter Funding Policies

edbuild

Tennessee

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 Tennessee may be authorized by local school districts or, in certain circumstances, the State Board of Education.

Funding Formula

Funding for charter schools in Tennessee is calculated based on local school district revenue.

For each student that they serve, charter schools will receive an amount that is equal to the total per student funding in the district in which the charter school operates. The total per student funding in the district includes most state and local funding, including tax revenue raised by local school districts.

Funding Distribution

Funding Distribution

Some charter schools in Tennessee receive all funding directly from the state, while others receive all funding through local school districts.

Charter schools authorized by the state receive funding directly from the state. The state withholds from the district in which the charter school is located the state funding due to the charter school and the district provides the state the share of local funding due to the charter school. The charter schools then receive the sum of this funding from the state. Charter schools authorized by local school districts receive almost all their funding (with the exception of funding for capital outlay) through the local school district that authorized them.

Withholdings

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

Beginning in FY2018-19, school districts that authorize charter schools may withhold from charter schools the lesser of 3% of the amount distributed to the charter school or $35,000 to offset expenses incurred by the school district in overseeing the charter school.

Local Taxes

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

Local school districts that authorize charter schools are required to allocate to their charter schools all revenue raised locally, including local funding raised above the districts' expected local share. Local school districts that contain a state authorized charter school are also required to provide to the state the charter school's share of local revenue.

Data and Reporting

Legal Status

Charter schools in Tennessee are part of local education agencies.

Charter schools authorized by a local school district are part of the district's local education agency. Charter schools authorized by the state are part of the local education agency of the state achievement school district.

Student Count

Some charter school students in Tennessee 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 in which the charter school is located.

Students attending charter schools authorized by the State Board of Education are counted as students of the charter while students attending charters authorized by a local school district are counted as students of that district.

Funding

State funding for some charter schools in Tennessee 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.

State funding for charter schools authorized by the State Board of Education is reported separately from state funding for any district. State funding for charter schools authorized by local school districts is reported as part of state funding for that district.

Expenditures

For some charter schools in Tennessee, 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.

For charter schools authorized by the state, charter expenditures are reported separately from expenditures of any school district. For charter schools that are authorized by a local school district, charter expenditures are included in expenditures for the school district that authorized the charter school.

For a complete list of primary sources, please see the appropriate state page at charters.funded.edbuild.org

