



DEPARTMENT OF AUDITS AND ACCOUNTS

270 Washington St., S.W., Suite 1-156
Atlanta, Georgia 30334-8400

Greg S. Griffin
STATE AUDITOR
(404) 656-2174

January 27, 2020

Honorable P.K. Martin IV
Chairman, Senate Education and Youth
324-B Coverdell Legislative Office Building
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
Senate Bill 284 (LC 49 0008)

Dear Chairman Martin:

The bill would authorize the State Board of Education to establish rules, regulations, and policies to issue charter petitions for start-up charter schools that exclusively serve Georgia residents age 20 years or older (over-age population) seeking to obtain a high school diploma or general education development diploma (GED). The schools may have a charter from the State Charter School Commission (SCSC) or a local school board. The State Board of Education would annually determine the funding needed to operate these charter schools, and the General Assembly would determine the annual appropriation for the schools.

After consulting the Georgia Department of Education and SCSC, we cannot reliably determine the number of schools or students that would likely be served in a charter school for the over-age population. However, we can provide cost estimates to educate a range of students in both state and local charter schools using current QBE funding levels and the distribution of regular education and special education students found in the age 18 and older population in public schools (33.6 percent in special education).

As shown in Exhibit 1, assuming the qualifying schools are funded in the same manner as current state charter schools, state costs for 2,500 students in qualifying state charter school would be an estimated \$24.6 million, while 7,500 students would be approximately \$73.7 million. Local charter schools would receive less state funding due to the lack of the state charter school commission supplement and the use of local funding, costing \$10.5 million and \$31.6 for the same number of students. It should be noted that the bill does not require adult high schools to be funded in the same manner as other public schools; therefore, the State Board of Education and the General Assembly could determine that a different funding level is appropriate for adult students.

Exhibit 1: State Costs for LC 49 0008

Student FTEs	Weighted Cost per Student ¹	Number of Students		
		2,500	5,000	7,500
State Charter	\$9,827	\$24,567,500	\$49,135,000	\$73,702,500
Local Charter	\$4,212	\$10,530,000	\$21,060,000	\$31,590,000

¹ Without special education funding, the cost per FTE would be \$7,346 for state charter schools and \$1,731 for local charter schools.

SCSC does not expect an increase in operational costs from the legislation because revenue for its operations is obtained from each charter school's earned revenue. However, there may be administrative constraints on the number of schools that can be approved each year.

Sincerely,



Greg S. Griffin
State Auditor



Kelly Farr, Director
Office of Planning and Budget

GSG/KF/jb