



# DOAA

Georgia Department  
of Audits & Accounts

**Greg S. Griffin**  
State Auditor

March 8, 2024

Honorable Chris Erwin  
Chairman, House Education Committee  
504-A Coverdell Legislative Office Bldg.  
Atlanta, Georgia 30334

SUBJECT: Fiscal Note  
House Bill 1122 (LC 49 1831S)

Dear Chairman Erwin:

This bill would allow state charter and local charter schools to earn funds for superintendent and principal beginning salaries under the Quality Basic Education (QBE) Act. Each state charter school would earn funds for one superintendent. Each state and local charter school serving grades K-8 that reported a principal on the October certified personnel information report would earn funds for one principal for every 300 students not to exceed two principals; schools serving grade 9-12 can earn funds for one principal. The bill also increases opportunities for students to attend and be enrolled in public schools where their parent or guardian works for at least 20 hours a week regardless of the students' school attendance zone or school system residency. Additionally, the bill would limit the application of certain state charter school conflict of interest provisions to executive-level employees.

Based on data from the Department of Education, the total fiscal impact would be \$8.7 million (**Table 1**). Total cost is based on a beginning salary of \$63,328 for school administrators in Fiscal Year 2025, which is when the bill is assumed to take effect. State charter schools are not currently funded for a superintendent position; therefore, all 49 state charter schools expected to be operating in fiscal year 2025 are assumed to earn funding for one superintendent. Because state and local charter schools are already funded for a principal position, the estimate assumes schools serving students in grades K-8 at a ratio of greater than 1:300 will earn funding for one additional principal based on the October 2023 student count and certain schools serving grades 9-12 will earn one additional principal position. Additional information about the cost calculations is discussed below.

**Table 1: First-Year Projected Fiscal Impact**

Position	State Charter School Positions	Local Charter School Positions	Total Positions	Additional QBE Earnings (# of positions x \$63,328)
Superintendents	49	0	49	\$3,103,072
Principals	47	41	88	\$5,572,864
<b>Total</b>	<b>96</b>	<b>41</b>	<b>137</b>	<b>\$8,675,936</b>

According to GaDOE, there is no fiscal impact of students attending schools where their parents work because the funds will follow the student. As a result, FTEs counts will remain the same statewide.

Other considerations and assumptions include the following:

- Base salary for a school administrator in fiscal year 2024 is currently \$59,392 but increases to \$63,328 in fiscal year 2025 when the bill is assumed to take effect. The estimated cost to fund superintendent and additional principal positions will increase as the base salary for administrators increases.
- Because state charters do not currently earn funding for superintendent positions, the estimate represents new earnings for the 49 schools expected to be open and operating in Fiscal Year 2025.
- According to GaDOE, all schools already earn a principal in the current QBE funding calculation. Therefore, the estimate represents the cost for an additional principal for:
  - 66 schools serving grades K-8 with more than 300 students, and
  - 22 schools serving grades 9-12 when those schools also serve elementary and/or middle grades (referred to as combination schools). Schools serving grades 9-12 only (high schools) that are already funded for a principal position are not assumed to be impacted by the bill. If the bill intends for all state and local charter high schools to be funded for an additional principal position, the estimate would likely be higher.

Respectfully,



Greg S. Griffin  
State Auditor



Richard Dunn, Director  
Office of Planning and Budget

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