

Public Charter School Facilities: Results from the NAPCS National Charter School Survey, School Year 2011-2012

During the spring of 2012, the National Alliance for Public Charter Schools (NAPCS) conducted its first national public charter school survey. The survey asked public charter school leaders to respond to questions on school waitlists, curriculum, facilities and a variety of other operational elements (see Appendix A for notes on the survey design). Additionally, one of the primary goals of the survey was to collect information that would help to better understand the ways public charter school finance and use school facilities. In the past five years, the growth of public charter school student enrollment has increased nearly 80 percent, and the number of schools has grown by 40 percent. Given this demand, the ability to access and finance adequate facilities is a critical part of public charter school growth.

This report analyzes the survey responses to provide new details about public charter school facilities. Top trends identified by the survey include:

- Over half (56 percent) of charter schools do not have access to a facility that will be adequate for enrollment in five years;
 - Schools located in the Northeast and school serving the elementary grades indicated the highest difficulty accommodating growth;
- Over a third (38.9 percent) of charter schools are paying market rate rent on their facility;
- One-third (32.8 percent) of charter schools share facilities with another entity;
- Nearly one-third third of charter schools (31.5 percent) pay an annual fee between \$1-\$100,000 for their facility;
- Nearly one-quarter (24.6 percent) of charter school facilities are owned by the district or a for-profit entity (23 percent) that is not related to the charter school; and
- Charter schools spend an average of 13 percent of their operating budget on facilities.

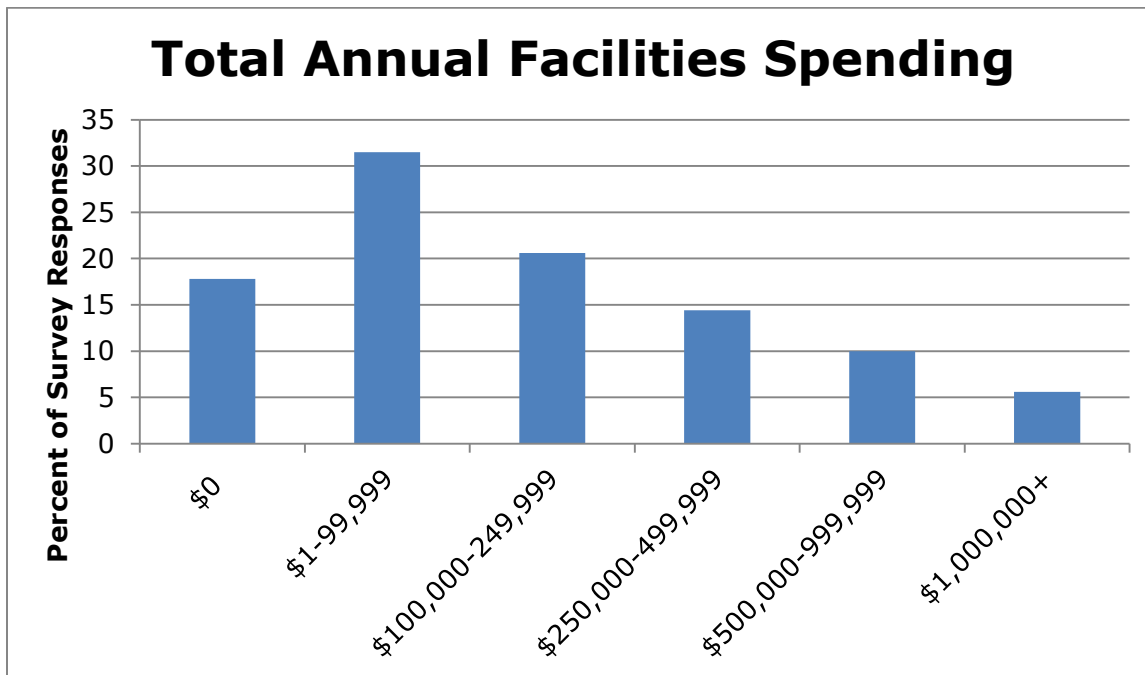
Charter School Facility Expenditures

There are a variety of ways public charter schools finance facilities. Below are schools' responses about how the school is paying for its facility.

Charter Responses on Facility Payment	n = 1,472 (26.3%)
Paying rent at market rate	573 (38.9%)
Paying on a current bond or loan	300 (20.4%)
No facility payments, the facility is being provided to the school	184 (12.5%)
Paying rent at a subsidized rate	180 (12.2%)
No facility payments, the facility is paid for in full	86 (5.8%)
Paying on a current bond/loan and paying rent	81 (5.5%)
Other	68 (4.6%)

Over one-third (38.9 percent) of the responding public charter schools indicated that they are paying market rate rent on their facility. About one-fifth (20.4 percent) of charter respondents are paying on a current bond or loan. Just over ten percent of charter schools are paying rent at a subsidized rate (12.2 percent). Less than one-fifth (18.3 percent) of charter schools have no facility payments, either because the facility is being provided to the school payment-free (12.5 percent) or the facility is paid for in full (5.8 percent). Five and a half percent of charter school respondents are making payments for both a bond and rent.

One survey question inquired about the total annual amount paid for the school’s facility (including land, lease, bond expenses, and capital improvements). Charter schools¹ were asked to select the single best whole number range to reflect its expenditures.



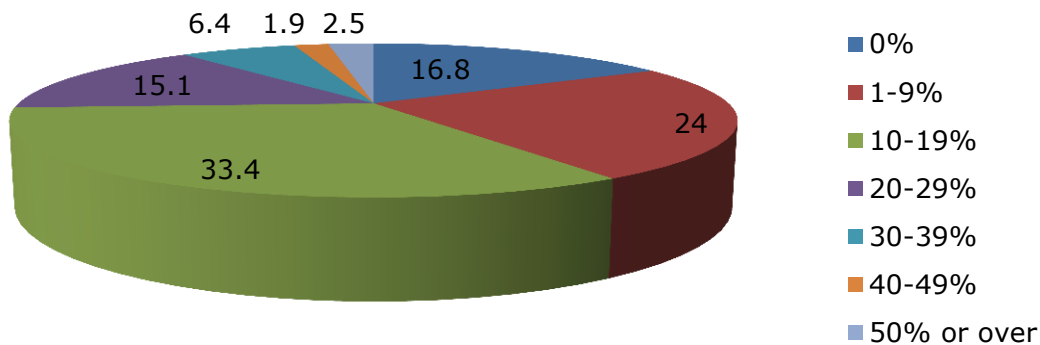
Almost one-fifth (17.8 percent) of schools have no annual expenditures for facilities. Nearly one-third of the responding public charter schools (31.5 percent) pay less than one hundred thousand dollars annually for their facility. Nearly one-fifth (20.6 percent) of schools spend between \$100,000 – \$249,999. Just over five percent of schools pay over one million dollars for facilities.

Our survey² asked charter schools what percentage of its annual operating budget is spent on land, lease, bond expenses, and capital improvements.

¹ The number of charter school respondents to this question was 1,067, or 19 percent.

² The number of charter school respondents to this question was 1,260, or 22.5 percent.

Percentage of School Operating Budgets Spent on Facilities



The average percentage of school operating budgets spent on facilities is 13 percent. One-third (33.4 percent) of charter schools spend between 10-19 percent of its operational budget on facilities. About one-quarter (24.0 percent) of charter schools spent 1-9 percent of their operating budget on facilities. Almost 17 percent (16.8 percent) of schools spend none of their operating budget on facilities. Less than five percent (4.4 percent) of schools spend 40 percent of more of their operating budget on facilities.

The amount of time the school has been operating—i.e. whether it was new or established—had little impact on the average amount spent on facilities. The range of operating budget spent on facilities was similar regardless of how long the charter school has been operating, with about one-third of new and existing school respondents spending in the 10-19 percent range of its budget on facilities.

Charter Responses to Percent Spent on Facilities by New Charters vs. Existing Charters	New Charter School, 2011-12 n = 121	Existing Charter School, 2011-12 n = 1,139
	0%	23 (19.0%)
1-9%	27 (22.3%)	275 (24.1%)
10-19%	37 (30.6%)	384 (33.7%)
20-29%	20 (16.5%)	170 (14.9%)
30-39%	7 (5.8%)	73 (6.4%)
40-49%	4 (3.3%)	20 (1.8%)
50% and above	3 (2.5%)	28 (2.5%)

The table below presents the percent of operating budget spent on facilities by the grade configuration of public charter schools. Similar to the breakouts by new and existing charter schools, roughly one-third of public charter schools regardless of grade configuration are spending 10-19 percent of their operating budget on facilities.

Charter Responses to Percent Spent on Facilities by Grade Configuration ³	EM	EMH	M	MH	H
	n = 560	n = 187	n = 108	n = 121	n = 238
0%	74 (13.2%)	32 (17.1%)	20 (18.5%)	20 (16.5%)	55 (23.1%)
1-9%	138 (24.6%)	48 (25.7%)	13 (12.0%)	36 (29.8%)	51 (21.4%)
10-19%	188 (33.6%)	66 (35.3%)	47 (43.5%)	36 (29.8%)	69 (29.0%)
20-29%	98 (17.5%)	23 (12.3%)	12 (11.1%)	15 (12.4%)	38 (16.0%)
30-39%	34 (6.1%)	14 (7.5%)	11 (10.2%)	8 (6.6%)	13 (5.5%)
40-49%	12 (2.1%)	2 (1.1%)	3 (2.8%)	4 (3.3%)	3 (1.2%)
50% and above	16 (22.8%)	2 (1.1%)	2 (1.9%)	2 (1.6%)	9 (3.8%)

The table below presents the percent of operating budget spent on facilities for public charter schools by census region. Again, the data show that roughly one-third of public charter schools in each census region spend between 10-19 percent of their operating budget on facilities.

³ Grade Configuration:

- EM: low grades between Pre-Kindergarten and 3rd and high grades between Pre-Kindergarten and 8th
- EMH: low grades between Pre-Kindergarten and 3rd and high grades between 9th and 12th
- M: low grades between 4th and 8th and high grades between 5th and 8th
- MH: low grades between 4th and 8th and high grades between 9th and 12th
- H: low grades between 9th and 12th and high grades between 9th and 12th

Charter Responses to Percent Spent on Facilities by Census Region ⁴	West	Midwest	Northeast	South
	n = 477	n = 306	n = 139	n = 338
0%	68 (14.3%)	65 (21.2%)	23 (16.5%)	56 (16.6%)
1-9%	136 (28.5%)	61 (2.0%)	30 (21.6%)	75 (22.2%)
10-19%	147 (30.8%)	109 (35.6%)	53 (38.1%)	112 (33.1%)
20-29%	74 (15.5%)	41 (13.4%)	24 (17.3%)	51 (15.1%)
30-39%	38 (8.0%)	18 (5.9%)	6 (4.3%)	18 (5.3%)
40-49%	9 (1.9%)	4 (1.3%)	1 (0.7%)	10 (3.0%)
50% and above	5 (1.0%)	8 (2.6%)	2 (1.4%)	16 (4.7%)

Charter School Facility Arrangements

In addition to questions about facility financing, charter schools were asked details about their school space.

Public charter schools were asked about the entity that owns the school's facility. The responses⁵ were as follows:

⁴ U.S. Census Regions:

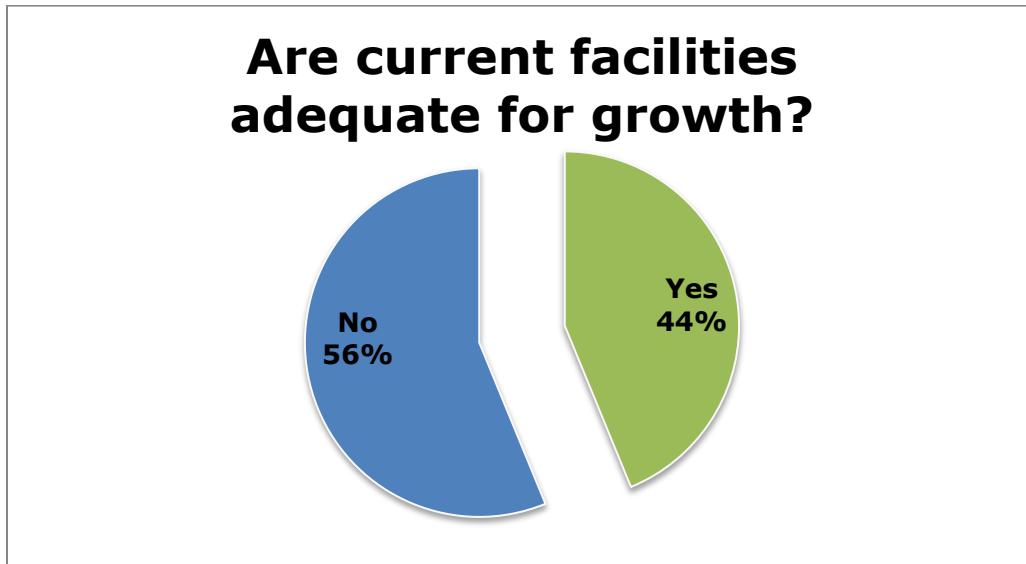
- West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.
- Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
- Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.
- South: Alabama, Arkansas, Delaware, District of Columbia, Georgia, Florida, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

⁵ Schools were allowed to select multiple answers. The response rate for this survey question was 1,489-1,501 responses, or 26.6-26.8 percent.

Charter Responses on Facility Ownership	Option Selected
The district	369 (24.6%)
A for-profit entity unrelated to the school	342 (23.0%)
The school (or the school's foundation/building corporation)	306 (20.4%)
A not-for-profit entity unrelated to the school	248 (16.7%)
A not-for-profit entity related to the school (e.g., CMO)	142 (9.5%)
Other	113 (7.6%)
The state or another government entity	80 (5.4%)
A for-profit entity related to the school (e.g., EMO)	44 (3.0%)

Nearly one-quarter (24.6 percent) of charter school facilities are owned by the traditional school district or a for-profit entity that is not related to the charter school (23 percent). One-fifth of charter schools (20.4 percent) are the owner of their facilities. Less than ten percent of charter school facility owners fall into the categories of a non-profit entity related to the school (9.5 percent), the state or another government entity (5.4 percent), or a for-profit entity related to the school (3.0 percent).

Charter schools were asked whether their current facility has adequate space for the desired enrollment five years from now. Of the 1,440 responses (25.7 percent response rate), over half (56.2 percent) of schools indicated they did not have room for increased student enrollment.



The amount of time the school has been operating had little impact on its ability to accommodate more students. More than half of both new (59.3 percent) and existing (55.8 percent) charter schools indicated they did not have adequate space for desired enrollment five years out.

Charter Responses to Adequate Space by Years Open ⁶	New Charter School, 2011-12	Existing Charter School, 2011-12
	n = 150	n = 1,290
Yes	61 (40.7%)	570 (44.2%)
No	89 (59.3%)	720 (55.8%)

There was a slight variance in adequate space for growth responses depending on the school’s grade configuration. While over 50 percent of all schools indicated inadequate room for growth, this problem was most compounded at the elementary school level (59.2 percent). Schools only serving the high school levels indicated the lowest incidence of inability to accommodate student growth (51 percent).

Charter Responses to Adequate Space by Grade Configuration ⁷	EM	EMH	M	MH	H
	n = 650	n = 213	n = 131	n = 134	n = 263
Yes	265 (40.8%)	95 (44.6%)	55 (42.0%)	59 (44.0%)	129 (49.0%)
No	385 (59.2%)	118 (55.4%)	76 (58.0%)	75 (56.0%)	134 (51.0%)

There was also a variance in adequate space for growth responses depending on the school’s geographic location. Space issues are most acute in the Northeast (69.3 percent of respondents indicated inadequate room for growth). The Midwest had the lowest indication of inadequate space (50.7 percent).

Charter Responses to Adequate Space by Census Region ⁸	West	Midwest	Northeast	South
	n = 543	n = 357	n = 153	n = 387
Yes	242 (44.6%)	176 (49.3%)	47 (30.7%)	166 (42.9%)
No	301 (55.4%)	181 (50.7%)	106 (69.3%)	221 (57.1%)

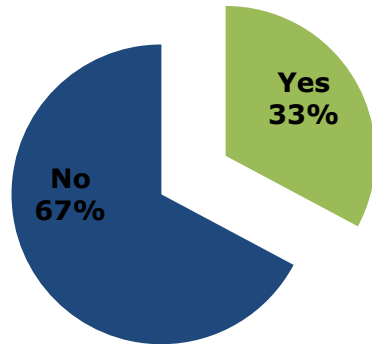
Charter schools were asked if they share its facility with another group (also known as co-location or shared use).

⁶ Number of respondents (“n” sizes) varies due to type of school and respondents’ ability to skip questions.

⁷ Ibid.

⁸ Number of respondents (“n” sizes) varies due to type of school and respondents’ ability to skip questions.

Do you co-locate facilities?



Of the 1,432 responses (25.5 percent response rate), two-thirds (67.2 percent) of charter schools indicated they do not share facilities with another entity.

Of the one-third of charters that do co-locate facilities, they most commonly share space with:

Charter Responses on Co-location ⁹	n = 417-419 (7.4%)
An organization (e.g., a church, non-profit group or private day care facility) that provides services to students or the school	157 (37.6%)
Other	120 (28.8%)
A public school that is not a charter	105 (25.1%)
Another public charter school	74 (17.8%)
An organization (e.g., a church, non-profit group or private day care facility) that does not provide services to students or the school	53 (12.7%)*
Private business	22 (5.3%)*
Government	18 (4.3%)*

*Note: If more than roughly 10 respondents wrote in the same response for "Other," we included the responses as categories in this table.

Over one-third (37.6 percent) of charter schools that co-locate share space with an organization that provides services to the school or its students. One-quarter (25.1 percent) of co-located charter schools share space with a traditional public school. Less than five percent (4.3 percent) of co-located charter schools share space with a government entity.

⁹ Number of respondents ("n" sizes) varies due to type of school and respondents' ability to skip questions.

Conclusion

The responses to our first national survey demonstrate that public charter schools have varied needs when it comes to accessing and financing facilities. Finding facilities that can accommodate projected growth in student enrollment is a critical challenge affecting over half of all public charter schools. But charter schools are applying several strategies to meet this challenge—from sharing space with another entity to accessing bond financing. Despite this creativity, as several of our previous publications have noted,¹⁰ what public charter schools currently receive in facilities aid is simply inadequate. Change must begin in the state capital by ensuring charters equitable access to both existing space and any state facilities revenue streams.

¹⁰ See Eugene H. Clark-Herrera and Maria C. Sazon [Public Charter Schools Borrowing With Tax-Exempt Bonds](#) (2012, Second Edition); Nelson Smith, [An Accident of History: Breaking the District Monopoly on Public School Facilities](#) (2012).

Appendix A: Survey Design

NAPCS contracted with Abt SRBI to administer an online survey of public charter schools nationwide. Survey invitations were sent by email to charter school leaders.¹¹ Three follow-up emails were sent, along with a mailed letter asking school leaders to complete the survey. As an incentive to complete the survey, we held a lottery for two \$2,500 awards.

¹¹ NAPCS maintains a database of more records than there are charter schools, as there are states where charter schools may have multiple campuses but the state considers the multiple campuses one charter school entity. As a result, we sent emails to 5,864 emails, but we considered only 5,607 of the records true charter schools.