Charter School Enrollment
A Toolkit for Board Members
Prepared For:

The National Charter School Resource Center (www.charterschoolcenter.ed.gov) is dedicated to supporting the development of high-quality charter schools. The NCSRC provides technical assistance to sector stakeholders and has a comprehensive collection of online resources addressing the challenges charter schools face. The NCSRC is funded by the U.S. Department of Education and led by education consulting firm Safal Partners.

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Safal Partners (www.safalpartners.com) is a mission-driven strategy consulting firm that supports education reform efforts at the federal, state, district, and school levels.

Charter Board Partners (www.charterboards.org), a national nonprofit that works to ensure that the boards governing public charter schools are focused on quality, equity, and accountability.

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INTRODUCTION

Every member of a charter school governing board needs to understand that the overall success or failure of their school rests with that board. In its Standards for Effective Charter School Governance, Charter Board Partners asserts with Standard #5 that strong boards must raise and use resources wisely. In support of this principle, boards have a contractual and fiduciary responsibility to make key decisions about school leadership, budget, governance, and compliance that fulfill the promises outlined in the school’s charter. Approving the budget is a key lever that the board must effectively govern the school. Board members have the opportunity make decisions and allocate funds in ways that support the mission of the school. For boards to do this effectively, they must:

- Ensure that all members of the board understand the school's finances by providing the necessary training;
- Review financial data regularly and carefully, using it to make sound decisions that protect the school's short- and long-term sustainability;
- Approve a budget each year that allocates resources strategically and aligns with the school’s student performance goals; and
- Understand the school’s student recruitment and enrollment strategy, a major determinant of the school's total revenue.

CHARTER SCHOOL REVENUE

Per pupil funding, which is based on student enrollment, is the largest and most important revenue stream of a charter school's budget. While we may hear about charter schools that experience a financial crisis due to fiscal mismanagement, under-enrollment can also lead to a financial crisis. Simply put, failure to attract and retain your target enrollment will impact the school’s bottom line. Each state counts students and uses a particular formula for allocating funds to public charter schools. When the board approves a budget based on an enrollment target and the school fails to meet that target, the deficit will require the school leadership to make some hard choices. Key programs and services may have to be cut. So, how do boards avoid this type of problem? A good board knows and understands how the state allocates funds to charter schools and pays attention to the school’s enrollment data.

In addition to counting students, federal and local funds are awarded based on student demographics. Schools may receive additional funds for serving a large population of low-income students and for serving special education students. This additional revenue helps schools to provide special services that are, in most cases, mandated by law. This revenue is not necessarily a lump sum payment, so understanding the requirements and timelines are important for building and approving a budget. Board members should have a general knowledge of funding formulas and timelines for special education and low-income students. An increase or decrease in these special populations impacts the school’s overall budget.
Did you know?

There are six main methods states use to count public school students:

1. **Single Count Date**: count on one day near the beginning of the academic year.
2. **Multiple Count Dates**: calculation based on two or more count dates during the year.
3. **Average Daily Attendance (ADA)**: average of a daily count during all or most of the year of students in attendance.
4. **Average Daily Membership (ADM)**: average of a daily count during all or most of the year of students enrolled.
5. **Single Count Period**: average of a daily count during an established period of time near the beginning of the year.
6. **Multiple Count Periods**: average of a daily count during two or more periods of time during the year.

**Student Recruitment and Enrollment**

Knowing that every charter school’s budget is based on the number of students enrolled, boards should understand recruitment and enrollment as it relates to building the budget and adequately funding the school. The school leader, along with the board, will decide how many students to enroll each year. Whether the school is new or has been around for years, it is critically important to have a solid strategy around student recruitment and enrollment. A strategic effort, combined with the overall quality of the school, will ensure that the school has the funding it needs for sustainability. For many founding boards and their school leaders, deciding how many students to even open a school with can be tough. While most CMOs have created models that help them arrive at that number, single site schools may look to the authorizer for regional best practices. The number of students will determine funding levels and will drive the types of programs and services you can provide.

Boards and school leaders sometimes struggle with:

- Estimating the number of students a school can realistically recruit, which directly impacts revenue and the budget;
- Using enrollment and waitlist data to inform board decisions;
- Investing in the right tactics for effective marketing and promotion of the school to recruit students and families; and
- Deciding to expand or open an additional campus.

While board members may not be expected to play an active role in recruitment and enrollment, it is critical that the board receives timely data on the school’s progress. There are some key data points that can help the board understand whether the school’s enrollment target is realistic and whether the school is on track to meet that target.
• **Current enrollment**—How many students currently attend the school?

• **Historical enrollment and re-enrollment data**—How has student enrollment trended over the years for this school? What do the numbers look like from year to year? Do students remain in our school or leave after one year?

• **Percentage of students who enroll, attend, and are counted for funding**—Generally, the number of students who actually attend is lower than the number of applications received. In the first few weeks of school, students will come and go as spots open in surrounding schools. Board members should understand what attrition across the year typically looks like for that school and how that might impact the school’s budget.

• **Number of applications and waitlist numbers**—How many students are interested in attending the school? How many applications do we have for the upcoming school year?

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**Know Your Context**

A charter school that serves a lower to middle class, stable population may only see a 10 percent no show rate in students who have enrolled in the school, whereas a charter school that serves a predominantly low-income, transient population may see a 50 percent no show rate in students who have enrolled in the school.

Additionally, the board should look behind the numbers to really understand enrollment at the school.

• **Gender composition**—Is the school evenly split between males and females (if applicable)?

• **Racial and ethnic diversity**—Are we enrolling underserved groups, especially as it relates to our mission or charter? Does the school’s enrollment reflect a diverse student population?

• **Socioeconomic diversity**—Are we seeing a large proportion of students from families not receiving free and reduced lunch? Is that okay? Does that align with our mission?

• **Where students are coming from (neighborhoods, schools)**—Do all of your students come from the same general area? Are there other neighborhoods and groups we need to target in our recruitment efforts?

• **Census data for recruitment area**—Are there enough children in the area to fill up this school and others?

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**What Board Members Should Ask**

No one expects every board member to become an expert in charter school enrollment, but a great board member always digs deeper and asks good questions. Here are some questions every board member should keep in mind as they think about enrollment and their charter school’s budget.

• What are the enrollment deadlines?

• What do our enrollment numbers look like at this point?

• How do our current enrollment numbers compare to last year?
• How do these numbers compare to other schools in our area?
• What other schools have our applicants applied to?
• What percentage of our accepted applicants actually enroll? How many applications do we need to reach our enrollment target?
• In a common lottery, is our school a top choice for many families?
• What is our marketing plan?
• Who are we targeting?
• What strategies have been effective in the past?
• When do most applications typically come in?
• How are we keeping families informed and engaged with the school throughout the enrollment process?
• How many staff positions are devoted to student recruitment?
• If enrollment is low, ask questions to understand why that is the case.
• Is school performance where it needs to be?
  ▪ Is school performance where it needs to be?
  ▪ Is staff turnover a concern? (If parents see a revolving door of teachers, they may sense something negative and pull their kids out of the school.)
  ▪ Why do students leave our school? Are we doing exit interviews with families? Are we getting any data on students exiting? The authorizer will be interested in your school’s attrition rate.
  ▪ If students leave mid-year, is there a budget impact?
  ▪ Is leadership an issue?
  ▪ Is there market saturation?
  ▪ Was the enrollment projection unrealistic? Too ambitious?

**Budget and Enrollment Timelines**

Enrollment season and budget season are both critically important. A good board understands that timing is everything. Do you know the key dates in your school’s budget and enrollment cycles?
GOVERNANCE STRATEGIES THAT SUPPORT ENROLLMENT AND RECRUITMENT

What systems, structures, or policies can a charter school board implement to support enrollment?

- **Structures:** Boards should have robust committee structures and use committees to carry out much of the work. Within an existing committee structure, a board might consider having an ad hoc Enrollment Committee that closely monitors enrollment and reports back to the full board. This committee might support recruitment and enrollment efforts with strategy and implementation if capacity is needed. During enrollment season, the committee could provide a report and show how enrollment is tracking from month to month.

Boards should also consider marketing and communications expertise when thinking about board composition. With that expertise on the board, the school could ensure that marketing materials are concise, well-branded, and professional. They might also be able to secure pro bono help from their board members’ extended networks. The committee can also help create or advise on a strategic recruitment plan and recommend effective practices to follow. The Finance Committee will determine the budget for the school based on enrollment projections. Within that budget, the committee may allocate funds for marketing and enrollment activities and events.
• **Systems:** To easily view enrollment data and status on a regular basis, the board can add key enrollment data to its dashboard and view month-over-month enrollment data compared to historical data, city-wide data, and targets. Board members can make themselves available to speak with prospective families at open houses and other recruitment events. If staff capacity is an issue, board members may help with canvasing neighborhoods or other recruitment efforts. Boards may consider supporting the school recruitment efforts with a direct mail campaign. Boards can allocate funds to buy targeted mailing lists (i.e., all households in a 10-mile radius with school age children). Charter schools can receive a non-profit status with the post office to cut costs on postage. Mailings should include a brochure, a letter regarding enrollment, and a call to action such as an invitation to an open house or event.

• **Policies:** Some boards craft a contingency budget each year to stave off having to make cuts in a frenzied way if the school does not meet its enrollment target. Boards can also consider allocating funds for transportation for students to attend the school if enrollment depends on students coming from outside the neighborhood and transportation is not provided by the school district. Based on staff capacity, boards may also create a policy that its members must allocate a specific amount of time to support recruitment efforts. Boards need to understand the state policy on admissions for siblings and children of staff and board members.

• **Enrollment and Knowing When to Grow:** Some schools are a top choice for many families and see a long waitlist year after year. This often leaves boards wondering if it is time to grow or replicate. Simply having a waitlist, no matter how long, does not automatically mean it is time for a school to replicate or expand. Every school should have a clear green-lighting strategy for replication. Some things to consider in growing or replicating a school include:
  - **How is the school doing academically?** A low-performing school is not in the best position to replicate. That school needs to focus on improved results with its current student population.
  - **Does the school have a cohesive education plan that can plug and play in a new location?** Through trial and error, some charter schools may try several different curriculums in the initial years. Schools that have not found success with a math or literacy curriculum are not ready to replicate.
  - **Are operations running like a well-oiled machine?** Will our current operational staff be sufficient for both sites?
  - **Does the school have a budget surplus to pay for the exploratory expenses?**
  - **Is there any additional funding for expansion?** Some funders and harbor masters offer funding to help groups replicate.
  - **Is the school growing a talent pipeline?** Good school leaders are hard to find.
  - **Can you be sure that you will find the right leader for your new site?**
  - **Does the school have a consistent and engaged board?**
  - **Does the state provide any facilities funding?** Even if all other aspects are positive, the lack of a facility can torpedo your expansion plans.
• **What additional recruiting strategies will need to be implemented?** If the school leader is asking to grow enrollment significantly, ask what data supports the ability to recruit and enroll students at that level.

• **Are there any external factors influencing this decision?** Sometimes the political climate around charter schools can heavily influence expansion plans.

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**Did you know?**

_Sometimes external forces can drive a charter school to expand or replicate before it is ready. A high performing CMO in a major city applied for five new charters at one time because the leadership surmised that with the election of the next mayor, charter caps and other new policies might hinder its future expansion plans._

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Per pupil funding is the largest and most important revenue stream of a charter school’s budget. One way that boards can ensure financial sustainability is by having a critical focus on recruitment and enrollment. Boards need to understand the school’s recruitment and enrollment strategy, help the school leadership set realistic enrollment targets, and monitor enrollment on a regular basis.

Great schools need great boards, and great boards understand the importance of a school’s recruitment and enrollment strategy.

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