

AN ANALYSIS OF THE CHARTER SCHOOL FACILITY LANDSCAPE IN SOUTH CAROLINA

NOVEMBER 2013



COLORADO LEAGUE of
CHARTER SCHOOLS
focus on achievement

Public Charter School Alliance
of South Carolina



National
Alliance
for Public
Charter
Schools



ED.gov

THE NATIONAL CHARTER SCHOOL RESOURCE CENTER IS FUNDED BY THE U.S. DEPARTMENT OF EDUCATION'S OFFICE OF INNOVATION AND IMPROVEMENT AND ADMINISTERED BY AMERICAN INSTITUTES FOR RESEARCH, UNDER CONTRACT NUMBER ED-04-CO-0109/0004.

AIR
AMERICAN INSTITUTES FOR RESEARCH

EXECUTIVE SUMMARY

THE PUBLIC CHARTER SCHOOL ALLIANCE OF SOUTH CAROLINA, the Colorado League of Charter Schools, and the National Alliance for Public Charter Schools publish this report, entitled *"An Analysis of the Charter School Facility Landscape in South Carolina,"* detailing the status of charter school facilities in the state.

In Spring of 2013, the above organizations worked to collect evidence that would accurately portray both the adequacy of charter school facilities¹ and the average amount of operating funds spent on facilities. Collectively, the results described in this report provide evidence that charter school students in South Carolina do not have access to the same facilities and amenities compared to traditional public school students in the state.

In order to ensure that the policy recommendations of this report are research-based and supported by reliable data, Cuningham Group Architecture, Inc., a leader in educational facilities architecture, consulted on the project to provide a set of reasonable standards for school facilities' size and amenities. These standards were derived from published regional and national new school construction data found in the School Planning and Management's Annual School Construction Reports for 2001 through 2012². (For more details on the standards used in the analysis, see Appendix B). The Colorado League of Charter Schools ("the League") is the pioneering organization behind the creation and development of the Charter School Facilities Survey. The League worked closely with the Public Charter School Alliance of South Carolina to collect the data analyzed to produce this report. A set of recommendations for means by which South Carolina could address these facilities-related issues is provided by the National Alliance for Public Charter Schools.

Given the alignment of the Facilities Initiative and the goals and data needs of the U.S. Department of Education's ("ED") Charter Schools Program (CSP), ED procured additional state surveys, including South Carolina. The National Charter School Resource Center at American Institutes for Research ("AIR") [1] has been subcontracting with the Colorado League of Charter Schools to collect the research and data on behalf of the U.S. Department of Education since October of 2011. To date, AIR has subcontracted for the data collection and research of charter school facilities in seven states: Arkansas, Idaho, Massachusetts, Michigan, New Jersey, Rhode Island, and South Carolina.

This report is based on survey, enrollment, and operating revenue data collected for the 2012-2013 school year³. All results presented in this report are based on data from the 97.9 percent of

-
- 1 "Adequacy" for school facilities was derived from local, regional and national school construction data, as well as best practices in new charter school construction.
 - 2 See School Planning and Management's Annual School Construction Reports for the years 2001-2012 at (<http://www.peterli.com/spm/resources/rptsspm.shtml>).
 - 3 Enrollment and per-pupil funding were obtained by the Public Charter School Alliance of South Carolina from the South Carolina Department of Education.

South Carolina's brick-and-mortar charter school facilities^{4,5} (48 out of 49 facilities) that completed all or part of a comprehensive facility survey—representing 49 charter schools authorized in South Carolina.

Key findings include:

1. Over 70 percent of South Carolina's public charter schools spend operating dollars on facilities. Exactly how much charters spend on the facility depends on the situation:

- Charter schools renting a facility from a private entity (38 percent of charters) pay a median of \$519 (seven percent) per pupil.
- Charters renting from a government entity other than a school district (11 percent of charters) pay a median of \$545 per pupil in facility costs (eight percent).
- Charter schools that own their building (16 percent of charters) pay a median of \$646 per pupil, or nine percent of the annual operating budget.
- Charter schools paying rent to a school district for their facility (11 percent of charters) pay a median of \$473 per pupil, or six percent of per-pupil operating revenue.

2. South Carolina charter schools facilities are smaller than prescribed standards.

- **Only 26 percent** of South Carolina charter school facilities meet grade level standards for gross square footage per student.

3. Few South Carolina brick and mortar charter schools have access to underutilized district buildings or local funding sources.

- **Less than 30 percent** of charters are located in district-controlled school buildings, and
- **Only 15 percent** (two schools) of charter schools residing in districts that have held at least one bond election since July 1, 2006 have received facilities funding from the bond proceeds.
- For schools that are not currently sharing space:
 - **41 percent** are in districts that have not offered co-location, and
 - **46 percent** disagreed that *"the selection of schools that are given the opportunity to use available space for co-location is fair and transparent"*.

4 No online charter schools were included in this survey as standards for those facilities have not yet been explored.

5 The unit of analysis in this report is the facility, which does not necessarily equal the number of schools. In South Carolina two charter schools share a facility with one another, so while the CSFI received data on 48 facilities, one facility represented two, therefore, totaling 49 charter school facilities.

4. Physical education and recreational options are limited for South Carolina charter school students.

- **Twenty-seven percent** of charter schools serving elementary grades reported that the facility has no playground and no access to one nearby.
- **Forty-two percent** of charter schools serving secondary students had neither an on-site gymnasium nor access to a gym nearby that they could use for physical education purposes.
- **Over 60 percent** of charters reported having no play/athletic field and no access to one nearby.

5. South Carolina charter schools in shared facilities face a number of challenges.

- **Almost 40 percent** of South Carolina charter schools share space with at least one traditional public school or other type of organization.
- **Forty percent** of charter schools sharing space report that their students do not have adequate access to a gym.
- **Thirty-three percent** of charter schools sharing space report having inadequate access to specialized classroom space, such as libraries, science labs, and art or music rooms.

6. Many South Carolina charter schools lack a full-preparatory kitchen facility.

- **Sixty percent** of South Carolina charter schools do not have a full-preparatory, federally-compliant food kitchen

Ninety-five percent of South Carolina's charter schools would like to increase their enrollment over the next five years; however, nearly 70 percent of the schools wishing to grow report that their current facility does not have adequate space to support the desired growth and many of the charter leaders (57 percent) reported that they plan to acquire additional or new space to accommodate the growth. Without comprehensive reform to South Carolina's charter facilities policies, these growing schools and any schools opening in the near future will continue to face these same challenges.

South Carolina could better support the likely growth of its public charter school sector over the next few years by helping charters with their facilities challenges in the following ways:

- Provide direct per-pupil funding to public charter schools for their facilities costs.
- Improve access to surplus district and other public space, particularly to incubate new schools and to support the expansion and replication of high-performing charters.
- Enhance public charter school access to bonds.
- Create a mechanism to provide credit enhancement for charter school facilities.
- Provide funding to South Carolina's newly created Charter School Facility Revolving Loan Program.

TABLE OF CONTENTS

Introduction..... 2

Key Findings..... 5

 #1: South Carolina’s public charter schools spend operating dollars on facilities. 5

 #2: Charter schools in South Carolina are smaller than prescribed standards..... 6

 #3: Few South Carolina public charter schools have access to
 underutilized district building or local funding sources. 7

 #4: Physical education and recreational options are limited for
 South Carolina charter school students..... 8

 #5: Charter schools in shared facilities face a number of challenges..... 9

 #6: Many South Carolina charter schools lack full-preparatory kitchen
 facilities that qualify for participation in the National School Lunch Program..... 9

Additional Evidence and Findings 10

Conclusions and Recommendations 12

Appendices: 15

 Appendix A: Methodology..... 15

 Appendix B: School Facility Standards..... 17

INTRODUCTION

Charter School Facilities Initiative Background

In the summer of 2007, the Colorado League of Charter Schools (“the League”) launched its Facilities 2010 Task Force. The Task Force was established to identify prominent shortcomings in the charter school capital landscape and to develop a blueprint of public policy and private sector changes leading to a comprehensive, long-range system of adequate public charter school facilities and facility funding sources that are accessible to charter schools. At the direction of the Task Force, the League developed a comprehensive Charter School Facilities Survey in partnership with a national leader in school facilities, Paul Hutton, AIA, of Cuningham Group Architecture, Inc., and local experts in school planning, Wayne Eckerling, Ph.D., and Allen Balczarek.

In April 2008, the first report outlining the results of the Colorado survey was published. As a result of that report, the League was able to successfully obtain more capital construction funds for charter schools, make legislative changes that required school districts to include district-authorized charter schools in local bond election discussions, and provide for the inclusion of charter schools as eligible applicants to the Colorado Building Excellent Schools Today (BEST) program, a competitive grant program that provides funding to school districts and charter schools for capital construction projects.

Charter School Facilities Initiative Partnership

The National Alliance for Public Charter Schools (“the National Alliance”), upon noting the success of the Colorado facilities initiative, partnered with the League to use the Colorado facilities survey model in other states to assess the charter facilities landscape across the country. In 2010-2011, the League worked with the charter support organizations (“CSO”) in Georgia, Indiana, and Texas to pilot the initiative across multiple states simultaneously. Following the success of this multi-state initiative, data collection began in late 2011 in New York and Tennessee in conjunction with the state CSOs.

Given the alignment of the Facilities Initiative with the goals and data needs of the U.S. Department of Education’s (“ED”) Charter Schools Program (CSP), ED procured additional state surveys, including South Carolina. The National Charter School Resource Center at American Institutes for Research (“AIR”) [1] has subcontracted with the League to collect the research and data on behalf of the ED since October 2011. To date, AIR has subcontracted for the data collection and research of charter school facilities in seven states: Arkansas, Idaho, Massachusetts, Michigan, New Jersey, Rhode Island, and South Carolina.

In 2013, the League worked in conjunction with the Public Charter School Alliance of South Carolina (“the South Carolina Alliance”) to collect and analyze the data used to produce this report. All charter schools were asked to complete the Charter School Facilities Survey and allow a South Carolina Alliance representative to conduct an on-site measurement of the facility and all educational spaces. The results presented in this report are based on data from 53 of South Carolina’s 55 charter schools⁶ for which all or part of the comprehensive facility survey was completed. Forty-seven cases,⁷ or 98 percent of South Carolina’s 49 brick-and-mortar charter schools, participated in some or all of the data collection effort. While financial data was collected from four of the six online charters, those results are not included in this report.

Charter Schools in South Carolina

South Carolina’s charter law was passed in 1996, and the first two charter schools opened in South Carolina in 1997. Currently, 55⁸ charters serving just over 20,000 students (almost three percent South Carolina’s K-12 enrollment) operate throughout South Carolina, including six online charter schools.

There are currently a total of 18 active authorizers in South Carolina, which includes 17 school districts and one independent chartering board. Ninety-eight percent of South Carolina’s brick-and-mortar charters are independently managed, with only one charter managed by a national management organization. Thirty-five percent of South Carolina charter schools are located in urban areas, 38 percent in suburban areas, and 27 percent in rural areas. There are also six virtual charter schools in South Carolina. Because there are no standards available for virtual sites, these six schools are not included in this report.

6 The unit of analysis in this report is the facility, which does not necessarily equal the number of schools. In South Carolina two charter schools share a facility with one another, so while the CSFI received data on 48 facilities, one facility represented two, therefore, totaling 49 charter school facilities.

7 Some charter schools have multiple campuses, such as an elementary and a middle school, that are not on the same site. Others can have multiple campuses, whether related or not, on the same site. A case in this study, therefore, refers to a facility and the number of facilities does not necessarily reflect the number of schools in the state.

8 Midlands Math and Business Charter Schools closed during the data collection process. Therefore, the school did not participate and was not counted in the total charter school facility count for this study.

During the 2012-2013 academic year, 50 percent of the average South Carolina public charter school student body consisted of students eligible for free or reduced price meals and 48 percent minority students.

Charter School Facilities in South Carolina

South Carolina charter school leaders and boards regularly report in annual needs surveys that facilities funding is the single largest challenge in starting and/or sustaining a public charter school. South Carolina's charter law, similar to the law in most states across the country, places the burden of obtaining and paying for facilities on individual charter schools. As a result, charter schools have struggled to find suitable and affordable facilities. This challenge puts charter schools at a disadvantage when compared to traditional public schools.

Following the Colorado facility survey's model, all South Carolina charters schools were asked to complete an extensive and thorough survey about their facilities (see Appendix A for a detailed description of the survey). The South Carolina Alliance led this data collection effort and provided supplemental data on school enrollment, student demographics, and funding. The survey and measurement data was collected between March and April, 2013.

The facility and classroom standards cited throughout this report were derived from published regional and national new school construction data found in the School Planning and Management's Annual School Construction Reports for the years 2001-2012 (see <http://www.peterli.com/spm/resources/rptsspm.shtm>). Guidelines cited in the *2013 South Carolina School Facilities Planning and Instruction Guide*⁹ were also incorporated into the standards used in this study. (See Appendix B for specific standards used).

Judgment based on professional experience with charter and public school design is also factored into these standards. (To ensure accuracy in data collection and interpretation, the League consulted with two industry experts; Paul Hutton, an architect and a leader in school facilities design and planning, and Wayne Eckerling, Ph.D., an expert on charter schools, facilities planning, research, and bond planning and implementation.)

9 SC guidance documents= can be found at:
<http://ed.sc.gov/agency/os/School-Facilities/2013SchoolFacilitiesPlanningAndConstructionGuide.cfm>

KEY FINDINGS

Key Finding #1: South Carolina’s public charter schools spend operating dollars on facilities.

Charter schools are among the few public schools in South Carolina that must spend per-pupil revenue (PPR) to cover the costs of their facilities, whether paying on debt service, rent, or a mortgage¹⁰. Because South Carolina charter schools receive no direct facilities funding, this results in a drop in the remaining per-pupil funding available for operating expenses (e.g., the purchase of curricular material, paying educator salaries) to a level significantly below traditional public schools’ operating revenue.

The 2012-2013 average base-level per student funding for charter schools in South Carolina was \$5,740; accounting for weighting factors, the average per-pupil funding for all brick-and-mortar charter schools was \$7,353. The ranges in both per-pupil funding and facilities costs were wide, with a few very large or very small figures pulling the averages in one direction or the other. Therefore, when presenting the results on spending, we use the median values¹¹, as the median more accurately reflects the “typical” result when a few data points pull averages far off the middle.

The typical (or median) public charter school in South Carolina spends \$328 per student, or 5.4 percent, from per-pupil operating revenue on facilities costs, while traditional public schools spend none of their per-pupil operating revenue on facilities¹². However, the amounts being spent vary widely depending on what type of entity owns the facility: the school, a school district, a private entity (e.g., church, non-profit organization, or a governmental entity other than a school district (e.g., city or county owned).

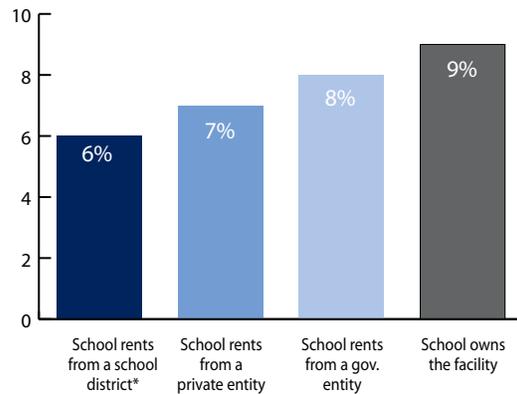
10 Debt service occurs when a school receives a public bond, a mortgage is when a school takes out a traditional loan from a bank or financial institution.

11 A median is the middle value, when data points are lined up from lowest to highest. The median was used here because several charter schools pay little or no rent to the districts, skewing the average of all schools considerably.

12 In this analysis, facilities costs do not include maintenance fees, utilities costs, or any other assessed fees by the districts as those are paid by both traditional and charter public schools.

- Charter schools paying rent to a school district for their facility (11 percent of charters) pay a median of \$473 per pupil, or six percent of per-pupil operating revenue.
- Charter schools renting a facility from a private entity (38 percent) pay a median of \$519 (seven percent) per pupil.
- Charters renting from a government entity other than a school district (11 percent) pay a median of \$545 per pupil in facility costs (eight percent).
- Charter schools that own their building (16 percent) pay a median of \$646 per pupil, or nine percent of the annual operating budget.

Figure 1
Median Percent of Annual PPOR Spent on Facilities, by Facility Arrangement



* Six charter facilities were owned by a district for which the charter school paid no rent.
Note: Three schools also had a mixed ownership and were not included in the figure.

For charter schools that rent their facilities, almost 50 percent have lease agreement terms of less than two years. This creates uncertainty about future rental payments and increases the risk of additional financial burden in later years.

In addition to rent or mortgage payments, 37 percent of South Carolina charters have undertaken a major capital project within the last five years (projects over \$20,000). Over the five-year period, South Carolina charters have spent nearly \$69.3 million on renovations, additions to existing facilities, repairs, new land or building purchases, or the construction of a new facility. Half of those schools utilized per-pupil revenue and reserve funds generated from per-pupil revenue to pay for these capital projects—for a total of \$24.8 million.

Key Finding #2: Charter schools in South Carolina are smaller than prescribed standards.

Results from the survey found that South Carolina charter school buildings, sites, and classrooms are considerably smaller than the standards used for this study (see Appendix B).

- **Only 26 percent** of charter school facilities meet or exceed grade level standards.
- **Only 34 percent** of charter schools sites meet or exceed grade level standards.
- **Only 65 percent** of charter school classrooms meet or exceed grade level standards.



South Carolina charter schools facilities are smaller than prescribed standards.

When total facility size is too small, charter schools are challenged to provide the same types of instructional spaces that are available to other public school students; such as a library, computer labs, or a space exclusively used for a gymnasium or lunch room.

Key Finding #3: Few South Carolina public charter schools have access to underutilized district building or local funding sources.

Fewer than 30 percent of South Carolina's charter facilities are in traditional public school buildings, leaving over 70 percent of charter schools to figure out facilities on their own. When districts do not allow charter schools access to underutilized facilities or local funding sources, charter schools are challenged to find suitable facilities and end up using funds from their per-pupil operating revenues to pay for their capital needs (see section above for total amount spent within the past five years). These additional facility costs further dilute the per-pupil operating revenue charter schools have available for instruction.

- Of the charter schools not currently utilizing a district facility, one-third reported vacant district owned facilities nearby.
 - Three quarters of these schools approached the district about using their vacant buildings, but only a third (two schools) of these schools were successful in gaining access to such facilities.
- **Thirty-six percent** of South Carolina's charter schools reside within schools districts that have held at least one bond election since July 1, 2006 (a total of 13 schools). However, only two charter schools have received funding through a local bond initiative (15 percent).

Key Finding #4: Physical education and recreational options are limited for South Carolina charter school students.

Most traditional public school facilities include at least one playground, gymnasium, and/or athletic field. However, many South Carolina charter school administrators report that the schools' facilities lack these recreational spaces, suggesting that opportunities to learn healthy, lifelong habits and to participate in organized athletic activities are limited in many South Carolina charter schools.

- **Twenty-seven percent** of charter schools serving elementary grades reported that their facility has no playground and no access to one nearby.
- **Forty-two percent** of charter schools serving secondary students have neither an on-site gymnasium nor access to a gym nearby that they could use for physical education purposes.
- **Over 60 percent** of charters reported having no play/athletic field and no access to one nearby.



Key Finding #5: Charter schools in shared facilities face a number of challenges.

Almost 40 percent of South Carolina public charter schools are sharing space, or co-locating, with at least one other organization; 27 percent of those share space with traditional public schools and the remainder share space with private organizations (such as churches, businesses, or non-profit organizations). While 40 percent of schools sharing space report that co-locating allowed the school to access amenities that otherwise would not be affordable, many report a number of challenges with sharing. Below are some of the most commonly reported challenges:

- “Implementing the school’s curriculum/educational program given the **amount of exclusive space** that it has been allocated” was a concern reported by 47 percent of administrators in shared space situations.
- “Implementing the school’s curriculum/educational program given its **shared space allocation**” was a concern reported by 40 percent of administrators in shared space situations.
- **Thirty-three percent** also reported a concern with “keeping students safe in the facility” in shared space situations.
- **Forty percent** of co-locating administrators reported that students do not have adequate access to a gym.
- **Thirty percent** of co-locating administrators reported that students do not have access to specialized classrooms (e.g. science labs, art rooms).

Key Finding #6: Many South Carolina charter schools lack full-preparatory kitchen facilities that qualify for participation in the National School Lunch Program.

Fifty percent of the typical South Carolina charter school’s students qualify for free and reduced price meals. Yet, a majority of South Carolina charter schools do not have a full-preparatory, federally-qualified food kitchen in which to prepare hot meals.

- **Sixty percent** of South Carolina charter schools do not have a full-preparatory, federally-compliant food kitchen in which to prepare hot meals and that qualifies for federal free and reduced price meal reimbursement.
- **Over 70 percent** have the capability of keeping food for students warm. This is typically food purchased from outside vendors that has been prepared at another location, often at costs far in excess of the federally-subsidized rates. Charter schools must find a way to cover that extra cost. Sometimes this is done by fundraising, but often the excess cost comes out of per-pupil operating revenue.

ADDITIONAL EVIDENCE AND FINDINGS

Specialized Instructional Spaces

South Carolina charter schools' small facilities, as compared to standards and to traditional public schools, are typically the result of operating without one or more specialized instructional space(s). While most instruction during the school day takes place in generic classrooms, specialized instructional spaces, such as science labs, libraries, and music rooms, are an important part of a comprehensive educational program. As seen in previous state surveys, South Carolina charter school facilities have a limited number of these types of spaces, and, even when present, the spaces frequently do not meet the accepted standards¹³.

- **60 percent** of South Carolina charters have no dedicated library/media center.
- **54 percent** of secondary charter school facilities lack at least one dedicated science lab.
 - **Only 25 percent** of the dedicated science lab spaces meet or exceed standards for size.
- **49 percent** of charter school facilities lack **both** a dedicated art and a dedicated music room.
 - **57 percent** lack at least one dedicated art room, and 64 percent lack a dedicated music room.

School Environment

Recent studies conducted by Uline and Tschannen-Moran,¹⁴ Tanner,¹⁵ and Durán-Narucki¹⁶ demonstrate a link between the quality of the physical environment within a school facility and students' educational outcomes. Facility characteristics that are believed to have an impact on student learning are: acoustics, windows, natural day light, thermal comfort, and indoor air quality. The Facilities Survey asked South Carolina charter school leaders to rate their schools on these aspects. Selected relevant findings are cited below:

-
- 13 The standards cited throughout this report were derived from published regional and national new school construction data. Judgment based on professional experience with charter and public school design is also factored into these standards (see Appendix B).
- 14 Cynthia Uline, Megan Tschannen-Moran, (2008) "The walls speak: the interplay of quality facilities, school climate, and student achievement," *Journal of Educational Administration*, Vol. 46 Iss: 1, pp.55 – 73.
- 15 C. Kenneth Tanner, (2009) "Effects of school design on student outcomes," *Journal of Educational Administration*, Vol. 47 Iss: 3, pp.381 – 399.
- 16 Valkiria Durán-Narucki (2008). "School building condition, school attendance, and academic achievement in New York City public schools: A mediation model." *Journal of Environmental Psychology*, Vol 28 Iss: 3, pp.278 – 286.

- Building deterioration was one area that South Carolina charter administrators often reported as a problem with their school site:
 - **32 percent** of South Carolina charter school administrators disagreed with the statement, "The roof leaks rarely, if ever."
 - **42 percent** also disagreed that, "The site does not exhibit regular drainage problems such as standing water."
 - **34 percent** disagreed that, "The site is free of hazards like large cracks in pavement or sidewalks and uneven ground."
- **Over 30 percent** of South Carolina charter school administrators indicated the lack of operational windows or insulated glass (thermal pane).
 - **40 percent** disagreed that, "most classrooms have windows that operate (open and close)."
 - **34 percent** disagreed that, "most of the school's windows have insulated glass (thermal pane)."
- **At least 40 percent** of charter school administrators reported that noise from other classrooms or corridors was a disruption to instruction inside the general classrooms.
- Lack of adequate technology infrastructure was often reported as a deficiency by South Carolina charter school administrators.
 - **40 percent** disagreed that, "there is sufficient network infrastructure within the school facility to support student/staff computer usage."
 - **37 percent** disagreed that, "there is sufficient bandwidth coming into the school facility to support student/staff computer usage."
 - **37 percent** of schools do not have the necessary infrastructure to fulfill the requirements of the computer-based Smarter Balanced Assessments to be implemented in the 2014-15 school year.



CONCLUSIONS AND RECOMMENDATIONS

South Carolina's public charter schools currently serve almost three percent of the state's public school students, and are poised to serve an even larger percentage in the coming years. The Facilities Survey shows that 95 percent of South Carolina's public charter schools plan to increase their enrollment over the next five years.

By helping public charter schools meet their facilities challenges, South Carolina lawmakers would enable charter schools to allocate more operational dollars toward core educational concerns and enhance their ability to provide a well-rounded educational experience for their students.

Based on experiences in other states, there is no single simple way to resolve the facilities challenges that charter schools face. A report by The National Alliance for Public Charter Schools, *A New Model Law for Supporting the Growth of High-Quality Public Charter Schools*, provides a menu of eight solutions that South Carolina may consider adopting to help mitigate these challenges:

- 1. A per-pupil facilities allowance that annually reflects actual average district capital costs.**
- 2. A state grant program for charter school facilities.**
- 3. A state loan program for charter school facilities.**
- 4. Equal access to tax-exempt bonding authorities or allowing charters to have their own bonding authority.**
- 5. A mechanism to provide credit enhancement for charter schools.**
- 6. Equal access to existing facilities funding programs available to traditional public schools.**
- 7. Right of refusal to purchase or lease at or below fair market value a closed, unused, or underused public school facility or property.**
- 8. Prohibition of facility-related requirements that are stricter than those applied to traditional public schools.**

Not all of these solutions are equal in their importance. The most important solutions are those that provide revenue directly to public charter schools for their facilities expenses. Points #1, #2, and #6 above provide facility revenue options for South Carolina to consider. While not as critical as revenue, the other policy solutions listed above (#3, #4, #5, #7, and #8) may prove helpful to South Carolina charter schools and should also be seriously considered. It is important to note that the states that have helped public charter schools the most with their facilities challenges are those that have enacted both revenue policies and non-revenue policies.

South Carolina currently provides little facilities support to public charter schools. According to the National Alliance for Public Charter Schools' *Measuring Up to the Model: A Ranking of State Charter School Laws, Fourth Edition* report (which analyzes and ranks each state public charter school law against the model law), South Carolina law only addresses two of the eight facilities components in the model law:

- South Carolina law provides that charter schools are eligible for tax-exempt financing through the South Carolina Jobs-Economic Development Authority.
- South Carolina law requires the State Department of Education to make available, upon request, a list of vacant and unused buildings and vacant and unused portions of buildings that are owned by school districts and that may be suitable for the operation of a charter school. It provides that if a school district declares a building surplus property and chooses to sell or lease the building, a charter school's board of directors or a charter committee operating or applying within the school district must be given the first refusal to purchase or lease the building under the same or better terms and conditions as would be offered to the public.

South Carolina law also creates a Charter School Facility Revolving Loan Program. To date, this program has not received any funding.

South Carolina could better support the likely growth of its public charter school sector over the next few years by helping charters with their facilities challenges in the following ways:

- **Provide direct funding to public charter schools for their facilities costs:** One option is to provide a per-pupil facilities allowance that annually reflects actual average district capital costs. For example, Tennessee provides a per-pupil facilities allotment to charter schools. The exact amount of the allotment varies by the district in which a charter school is located. Currently, the allotment is between approximately \$215 and \$315 per pupil. A second option is to create a state grant program for public charter school facilities. For example, Indiana law established the charter school facilities assistance program to make grants and loans to public charter schools for the purpose of constructing, purchasing, renovating, maintaining, and paying first semester costs for new facilities projects, and reducing common school fund debt for public charter schools. Indiana provided \$17 million to this program in 2011.
- **Improve access to surplus district and other public space, particularly to incubate new schools and to support the expansion and replication of high-performing charters:** South Carolina requires school districts to give charter schools first right of refusal to purchase or lease vacant and unused buildings under the same or better terms and conditions as would be offered to the public. While this policy is helpful, it should be strengthened. Indiana law,

for example, requires school districts to provide a list of buildings that are closed, unused, or unoccupied to the State Department of Education and to make them available for lease or purchase to any charter school. If a charter school wishes to use a school building on the list, the school district must lease the building for \$1 a year for a term at the charter school's discretion or sell the building to the charter school for \$1. South Carolina could build on the Indiana law by enacting similar provisions for surplus district and other public space. It could also use such space to incubate new schools during their first three years of operation and to support the expansion and replication of high-achieving charters.

- **Enhance public charter school access to bonds:** South Carolina law provides that charter schools are eligible for tax-exempt financing through the South Carolina Jobs-Economic Development Authority. One option for enhancing public charter school access to financing would be for the state to directly allocate a certain amount of bond financing for charter schools. For example, Connecticut has provided \$20 million in bond financing to support public charter school facilities, dispersed through a competitive application process.
- **Create a mechanism to provide credit enhancement for public charter school facilities:** Colorado, for example, provides a mechanism for limited credit enhancement for eligible, highly-rated bond transactions for charter schools by using the state's moral obligation to back up to \$400 million in debt. In addition, Texas allows high-performing, open-enrollment charter schools that have an investment grade rating and that meet certain financial criteria to apply to have their bonds guaranteed by the Permanent School Fund. Such backing will result in charter bonds being backed by the full faith and credit of the state, putting charter schools on par with school districts and allowing them to achieve AAA rating.
- **Provide funding to the Charter School Facility Revolving Loan Program:** South Carolina law creates a Charter School Facility Revolving Loan Program. To date, this program has not received any funding. In order for this program to be effective, it must be funded. Utah law provides a charter school revolving loan fund that makes loans available to public charter schools for the costs of constructing, renovating, and purchasing public charter school facilities. This fund is capitalized at \$6,000,000. Washington D.C. also has such a fund which is currently capitalized at over \$30,000,000.

The results of the 2013 South Carolina Charter School Facilities Study indicate that South Carolina charter schools face challenges in obtaining equitable access to facilities and facilities financing. Ensuring facilities equity for all South Carolina public schools would allow public charter schools to widen programming options, increase the quality of the educational experiences, and increase the number of available seats.

APPENDIX A

Methodology

Questionnaire Development

A critical first step to gathering the best possible set of objective data and information about charter school facilities and facility needs was to develop a comprehensive questionnaire.

To accomplish this, the Colorado League of Charter Schools (“the League”) commissioned Cuningham Group Architecture, Inc. The firm’s principal architect, Paul Hutton, AIA, has designed a variety of schools and is known for his creative, cost-effective, and environmentally conscious facilities. Mr. Hutton has designed numerous new charter schools and charter school additions. Wayne Eckerling, Ph.D., a former assistant superintendent with the Denver Public Schools with responsibilities for supervision of charter schools, educational planning, and research, was also selected to assist in the design of the survey and analysis of the data. In addition to his public school facilities expertise, Dr. Eckerling has experience with general obligation bond planning and implementation.

The draft questionnaire was reviewed by the League’s facility task force, League staff, and others with expertise in school construction and educational policy. A draft questionnaire was then field tested with a small group of charter schools to ensure clarity and comprehensiveness of the items. Further revisions to the questionnaire were made based on the feedback from all participating Colorado schools and survey results. The revised base survey and state-specific questions were then administered in Georgia, Indiana and Texas. Extensive feedback was solicited from these states’ charter support organizations and schools, resulting in further revisions to the League’s base survey.



Topics addressed include the following:

- Demographic information including grades served, year of inception, and number of students on the waiting list.
- Future facility plans.
- Shared use information.
- Facility information including year of construction and site size.
- Facility ownership, financing, and annual payments.
- Facility and classroom size and information technology resources.
- Facility amenities such as gymnasiums, lunch rooms, libraries, and playgrounds.
- Facility adequacy, condition, and maintainability.
- Facility funding.

The questionnaire includes more than 145 items with some requiring multiple responses.

South Carolina Survey Procedures

The League's base questionnaire was revised to address South Carolina-specific issues through a collaborative effort of the Public Charter School Alliance of South Carolina ("the South Carolina Alliance"), the League, Mr. Hutton, and Dr. Eckerling. To ensure both timely and accurate responses, the South Carolina Alliance and their consultants assisted schools with completing the questionnaires. Submitted questionnaires were reviewed again for accuracy and completeness. Follow-up was done with the schools as necessary. While the completed questionnaires are the primary source of information for this study, information was procured by the South Carolina Alliance from the South Carolina Department of Education and was used to provide data on pupil membership, per-pupil funding and free and reduced price lunch eligibility. All figures used in the report were based on South Carolina's mandatory 45 day count for average daily membership.

APPENDIX B

School Facility Standards

This section provides information about the standards used in this report. The standards cited throughout this report were derived from published regional and national new school construction data found in the School Planning and Management's Annual School Construction Reports for the years 2001-2012 (see <http://www.peterli.com/spm/resources/rptsspm.shtm>). Judgment based on professional experience with charter and public school design is also factored into the standards as are site, facility and classroom standards used in a number of states. The standards are intended to be neither excessively generous in allocating space nor unnecessarily limiting to charter school opportunities.

Gross square footage standards were based first on published regional and national new school construction data and comparable local facility data for gross building square footage¹⁷. This data is typically based on enrollments that average between 600 and 1200 students. Since many charter schools may not reach these levels of enrollment even when their program capacity is realized and a few may even exceed these enrollments, the standards were extended to account for a much broader range of enrollments while at the same time taking into account minimum sizes necessary for a base level of educational adequacy. When available, standards were also compared to state and/or district standards to verify validity. Standards for schools with enrollments of 200, 500, and 800 students are shown in Table 1.

	200 Students	500 Students	800 Students
Grades K-5	156	135	115
Grades K-8	159	144	128
Grades K-12	166	156	146
Grades 6-8	167	157	148
Grades 6-12	178	171	165
Grades 9-12	188	182	176

17 National and regional data were acquired from the School Planning & Management's (2001-2012, individually) Annual School Construction Reports. Local data was acquired through district building and planning reports.

Site standards were derived from the gross square footage standards described above by taking into account the fairly consistent relationship between building and site size. Again, particularly for smaller enrollments, educational adequacy was also taken into account. Again, derived standards were then compared to those used in other states and districts, including a representative sample of urban, suburban, and rural school districts, to ensure their validity. Site size standards are shown in Table 2 for three different enrollment levels.

Table 2. School Site Standards (acres)			
	200 Students	500 Students	800 Students
Grades K-5	4.5	9.8	13.3
Grades K-8	5.3	13.0	18.5
Grades K-12	5.3	13.3	19.8
Grades 6-8	5.5	13.3	20.0
Grades 6-12	5.0	12.3	18.8
Grades 9-12	5.0	12.5	19.3

General classroom standards are shown in Table 3. These standards were derived from standards used in other states and districts as well as best practice based on professional experience with charter and public school design. Adjustments were made for Montessori and Expeditionary Learning programs to reflect that larger classrooms are required to implement these educational programs.

Table 3. General Classroom Standards (square feet per student)	
Grade K	41
Grades 1-6	32
Grades 7-8	29
Grades 9-12	29

Standards for specialized instructional spaces like libraries, computer rooms, science labs, art rooms, music rooms, special education classrooms, gymnasiums, and lunch rooms also were developed based on a review of state and district standards as well as best practices in school design. Many of the standards below are based on formulas to accommodate the potential for smaller or larger enrollments, as previously outlined, and then take into consideration educational adequacy. Some of these standards are shown below. Lunch room standards assume three lunch periods.

Table 4. Specialized Instructional Spaces			
	Elementary	Middle	High
Gymnasium	3,000 SQ FT	5,400 SQ FT	7,300 SQ FT
Science Lab/Class	40 SQ FT / Student	44 SQ FT / Student	48 SQ FT / Student
Art	40 SQ FT / Student	46 SQ FT / Student	52 SQ FT / Student
Library	SQ FT = 500 + (2.5 * enrollment)		
Lunch Room	SQ FT = 3.33 * enrollment		

Charter School Facilities Initiative: An Analysis of the Charter School Facility Landscape in South Carolina,
was prepared by the Colorado League of Charter Schools and National Alliance for Public Charter Schools
on behalf of the Public Charter School Alliance of South Carolina.