

## Calculations Underlying PSP Commitment

Our review of the charter applications found that the highest quality operators — those that are running schools in Philadelphia with SPP >70 — applied for a total of approximately 15,000 new seats over the next six years. According to the enrollment plans listed in the applications, up to 11,000 of those seats would be added in the next three years. While we have no indication which schools the SRC will ultimately approve, we **propose a grant to cover the difference between what the School District must spend on charter students and on students in District schools for up to 11,000 seats over the next three years. This cost is \$21,783,214.**

### All numbers taken from District five-year plan (approved by SRC December 2014)

The real per-pupil costs for District students was calculated over the next six years, using total District instructional expenditures divided by enrollment:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
District instructional expenditures	1,447,950,000	1,494,138,000	1,521,453,000	1,551,435,000	1,582,127,968	1,613,518,417
District enrollment*	141,166	140,066	138,966	137,866	136,766	135,666
District per-pupil	<b>\$10,257.07</b>	<b>\$10,667.39</b>	<b>\$10,948.38</b>	<b>\$11,253.21</b>	<b>\$11,568.14</b>	<b>\$11,893.31</b>

The same was calculated for charter schools:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Charter expenditure (including transportation)	\$806,844,000	\$836,234,000	\$872,898,000	\$904,296,000	\$936,838,796	\$970,573,124
Charter enrollment*	65,401	66,501	67,601	68,701	69,801	70,901
Charter per-pupil	<b>\$12,336.88</b>	<b>\$12,574.76</b>	<b>\$12,912.50</b>	<b>\$13,162.78</b>	<b>\$13,421.57</b>	<b>\$13,689.13</b>

This yielded the following per-pupil costs:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Charter per-pupil	\$12,336.88	\$12,574.76	\$12,912.50	\$13,162.78	\$13,421.57	\$13,689.13
District per-pupil	\$10,257.07	\$10,667.39	\$10,948.38	\$11,253.21	\$11,568.14	\$11,893.31
Difference in cost	<b>\$2,079.80</b>	<b>\$1,907.37</b>	<b>\$1,964.12</b>	<b>\$1,909.57</b>	<b>\$1,853.43</b>	<b>\$1,795.82</b>

This difference was then multiplied by the proposed seat additions over the next three years to calculate a total floating cost of approximately \$20 million.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Num. Seats (running total)	3,500	7,500	11,000	12,500	14,000	15,000
Num. Seats (new by year)	3,500	4000	3500	1500	1500	1000
TOTAL COSTS	<b>\$7,279,308</b>	<b>\$7,629,492</b>	<b>\$6,874,414</b>			
Estimated Three-Year Cost**	<b>\$21,783,214</b>					

\*Assuming charter growth as estimated in the five-year plan.

\*\* We are authorizing up to \$25 million for this portion of the grant in order to include a buffer

In addition to this, we have agreed to partner with the District **to invest up to \$10 million in additional new funding for District transformation efforts**. Working with our Great Schools Fund team, we hope to follow the District's lead on targeting these investments. This grant ensures the District has the resources to pursue its own transformation efforts in addition to giving more families access to high-quality charter schools.