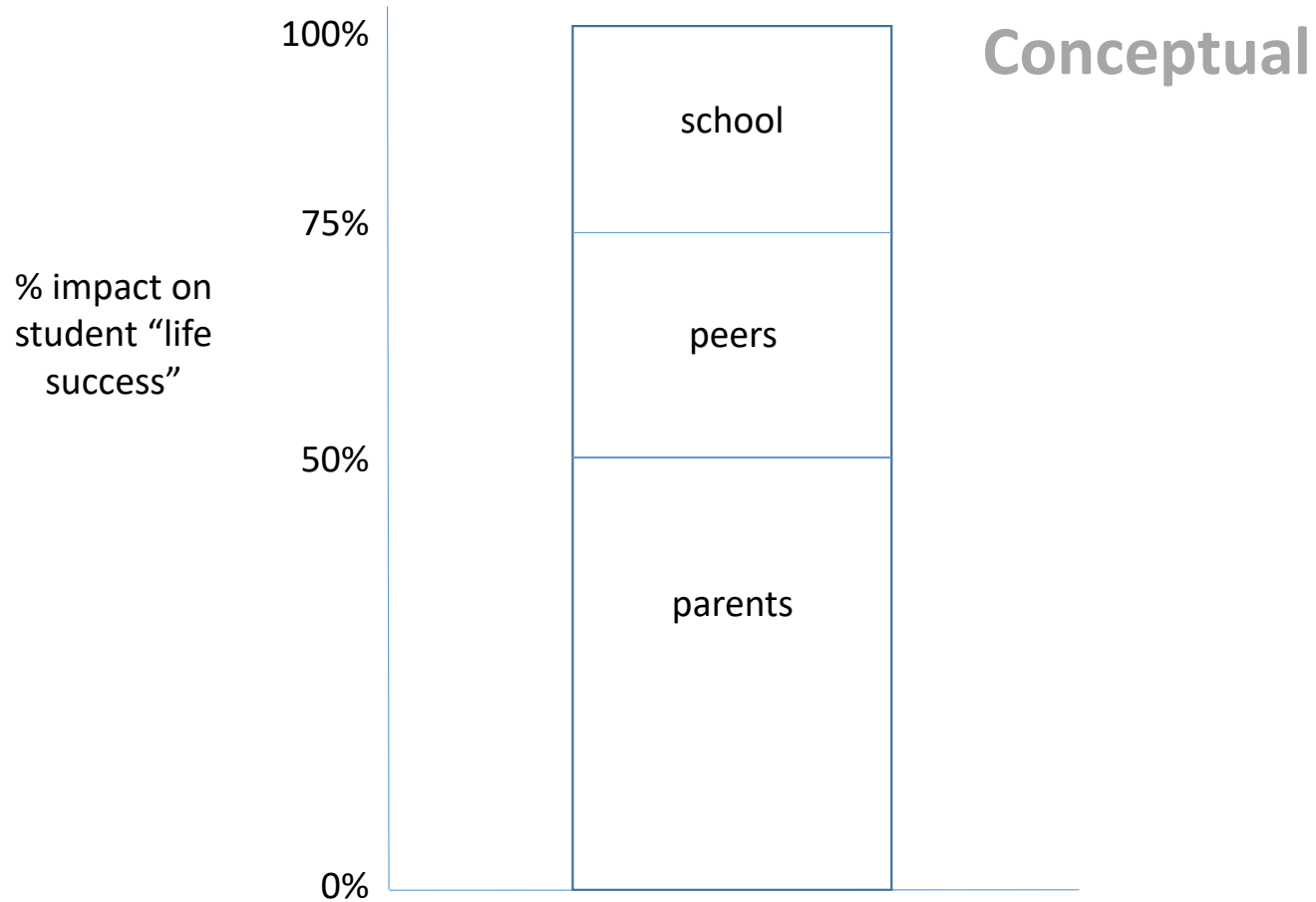




Cost and Value in K-12 Education

What Impacts a Student's Future "Life Success"



What Is The Job That Schools Are Being Asked To Do?



Value Proposition by Type of K-12 US School				
	(3 is high - 1 is low)			
	Urban Charter	Urban District	Private Tier 1	Notes
Elevated Customer Service				Parents viewed as customers. Quality of facilities, food, and amenities.
Parent & Student Network				Community and peer group impact on academic and career success.
College Readiness & Admissions				Helping move on to the next, most appropriately challenging level.
Exposure to & Support of Diversity				Life skills, readiness to live in the broader world, social responsibility.
Personalization & Mastery				Education tailored to student - opportunity to pursue passions.
Improvement in Non-Cognitive Skills				Tenacity, character, cooperation, etc. and executive functions like inhibitory control, memory control and cognitive flexibility.
Improvement in Cognitive Skills				Knowledge and skills in traditional subjects like reading, writing, math, science, etc.

Comparative Financial Statements



All 3 schools are urban K-8 schools located in the Bay Area with between 400 and 700 students.

Revenue per pupil:

	Public Charter	District School	Private School
Public Funding	\$9,500	\$15,000	\$0
Tuition			30,000
Philanthropy	900		2,500
Parent Fundraise	100	500	2,500
Financial Aid	<u> </u>	<u> </u>	<u>(5,000)</u>
Total	\$10,500	\$15,500	\$30,000

Student Population:

	Public Charter	District School	Private School
% FRL	80%	60%	20%
% ELL	20%	30%	0%
% IEP	10%	30%	0%

Comparative Financial Statements (continued)



Expenses per pupil:

	Public Charter	District School	Private School
Teachers	\$4,000	\$6,500	\$12,000
Special Ed	400	2,000	
Title 1 & Restricted	400	1,500	
Leadership	500	750	3,000
Other Site Personnel	700	1,500	5,000
Admin & Ops	4,500	2,750	8,500
Food, net of rev	<u>0</u>	<u>500</u>	<u>1,500</u>
Total	\$10,500	\$15,500	\$30,000

Class Loading:

	Public Charter	District School	Private School
Student:Teacher Ratio	21	22	8
Students/Class	24	25	22



Appendix

What Is The Job That Schools Are Being Asked To Do?



Value Proposition by Type of K-12 US School				
	(3 is high - 1 is low)			
	Urban Charter	Urban District	Private Tier 1	Notes
Elevated Customer Service	1	1	3	Parents viewed as customers. Quality of facilities, food, and amenities.
Parent & Student Network	1	1	3	Community and peer group impact on academic and career success.
College Readiness & Admissions	1	1	3	Helping move on to the next, most appropriately challenging level.
Exposure to & Support of Diversity	3	3	1	Life skills, readiness to live in the broader world, social responsibility.
Personalization & Mastery	1	1	3	Education tailored to student - opportunity to pursue passions.
Improvement in Non-Cognitive Skills	2	1	2	Tenacity, character, cooperation, etc. and executive functions like inhibitory control, memory control and cognitive flexibility.
Improvement in Cognitive Skills	2	2	3	Knowledge and skills in traditional subjects like reading, writing, math, science, etc.

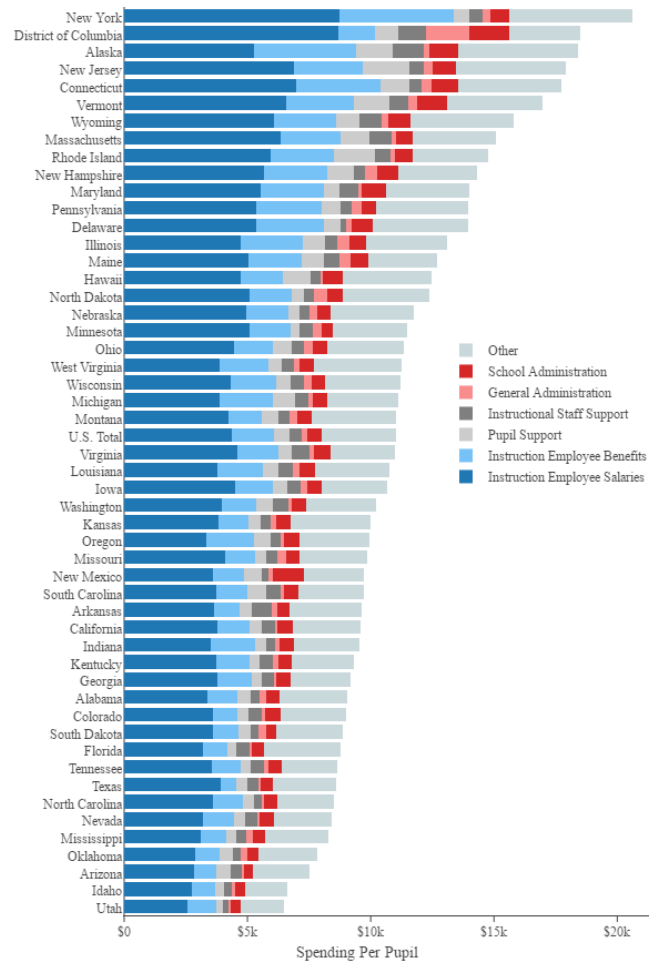
Costs By School Type



K-8 Charter School				K-8 District School				K-8 Private School				
	# Students	635			# Students	680			# Students	400		
	Classrooms	27			Classrooms	27			Classrooms	18		
	Students/Class	24			Students/Class	25			Students/Class	22		
	Students/Teacher	21	Students/Grade	71	Students/Teacher	22	Students/Grade	76	Students/Teacher	8	Students/Grade	44
Revenues Categories	Notes	Total Revenue	Revenue / Student	Notes	Total Revenue	Revenue / Student	Notes	Total Revenue	Revenue / Student			
Government Funding	includes both unrestricted general fund and restricted funds	\$ 6,032,500	\$ 9,500	includes both unrestricted general fund and restricted funds	\$ 10,200,000	\$ 15,000		\$ -	\$ -			
Tuition		\$ -	\$ -		\$ -	\$ -	tuition paid by parents	\$ 12,000,000	\$ 30,000			
Philanthropy	Charter chains have significant national/regional fundraising operations	\$ 571,500	\$ 900		\$ -	\$ -	funds from the endowment	\$ 1,000,000	\$ 2,500			
Parent Fundraising	parents raise money directly for their school	\$ 63,500	\$ 100	PTA \$300-600/pupil for art, sciences, prof dev, materials, after school, gardens	\$ 340,000	\$ 500	funds from additional parent giving	\$ 1,000,000	\$ 2,500			
Financial Aid		\$ -	\$ -		\$ -	\$ -	represents 20% of the class given financial aid	\$ (2,000,000)	\$ (5,000)			
TOTAL REVENUES		\$ 6,667,500	\$ 10,500		\$ 10,540,000	\$ 15,500		\$ 12,000,000	\$ 30,000			
Cost Categories	Notes	Total Cost	Cost / Student	Notes	Total Cost	Cost / Student	Notes	Total Cost	Cost / Student			
Teachers	30 teachers	\$ 2,540,000	\$ 4,000	31 teachers (includes upward adjustments QTA)	\$ 4,420,000	\$ 6,500	50 teachers - two teachers/room (k-5) & middle school 7 subjects/student & 3 classes/teacher	\$ 4,800,000	\$ 12,000			
Special Education	personnel for special ed	\$ 254,000	\$ 400	personnel for special ed	\$ 1,360,000	\$ 2,000	no special ed	\$ -	\$ -			
Title 1 & Restricted Programs	Title 1 personnel & other student support services	\$ 254,000	\$ 400	Title 1, child dev, arts funding, special phys-ed, other restricted programs	\$ 1,020,000	\$ 1,500	no Title 1 or similar	\$ -	\$ -			
Leadership	3 leaders	\$ 317,500	\$ 500	school-based leadership, from WSF	\$ 510,000	\$ 750	5 leaders, inc. 1 principal, 4 deans	\$ 1,200,000	\$ 3,000			
Other school personnel	admin, technology, hr, ops, athletics, arts	\$ 444,500	\$ 700	secretaries, hr, admin, athletics, ops, arts	\$ 1,020,000	\$ 1,500	25 staff for financial, admin, admissions, advancement, hr, athletics, ops, arts	\$ 2,000,000	\$ 5,000			
Central admin and operations	Facilities (\$1.5k/ppl), mgmt co pmt (\$2.2k/ppl - HR, acctg, curriculum, mkting, tech, new school dev, etc.), authorizer fees	\$ 2,857,500	\$ 4,500	Central admin and misc accounting (debt service), janitories & school maintenance	\$ 1,870,000	\$ 2,750	office expenses, legal, acctg, advertising, travel, insurance, prof dev, student activities, HR costs, facilities, janitorial	\$ 3,400,000	\$ 8,500			
Food	food programs assumed to net to zero with FRL reimbursements (\$3/lunch/FRL student)	\$ -	\$ -	food programs hired out but still have internal costs to deliver	\$ 340,000	\$ 500	food programs cost about \$8/student/day	\$ 600,000	\$ 1,500			
TOTAL COSTS		\$ 6,667,500	\$ 10,500		\$ 10,540,000	\$ 15,500		\$ 12,000,000	\$ 30,000			
	% FRL	80%			% FRL	60%			% FRL	20%		
	% ELL	20%			% ELL	30%			% ELL	0%		
	% IEP	10%			% IEP	30%			% IEP	0%		

* All hypothetical schools in urban Bay Area www.websterpacific.com | 415.733.9739 | San Francisco, CA

Variation in K-12 Public District Spending Across the US



<http://www.governing.com/gov-data/education-data/state-education-spending-per-pupil-data.html>

NOTE: Adult education, community services and other nonelementary-secondary program expenditures are excluded. Enrollments for state educational facilities and charter schools whose charters are held by nongovernmental entities are also not reflected in the totals.
SOURCE: U.S. Census Bureau 2014 Annual Survey of School System Finances