



A Look at School-By-School Finances in New Orleans, 2009-2010:

An Addendum to the March 2011 State of Public
Education in New Orleans: School Finances

September 2011



Introduction

In March 2011, the Scott S. Cowen Institute for Public Education Initiatives released *The State of Public Education in New Orleans: School Finances*, which examined the financial circumstances of all K-12 public schools in post-Hurricane Katrina New Orleans. The report presented a “bird’s eye” view of the major components of school finances, such as revenue amounts, revenue sources, expenditure amounts, and categories of expenditures, for the two districts and the numerous individual charter schools in New Orleans. Since that time, additional financial data has been made available by the Louisiana Department of Education. Therefore, this report serves as an addendum to the March brief and includes newly available school-level financial data for the 2009-2010 school year.

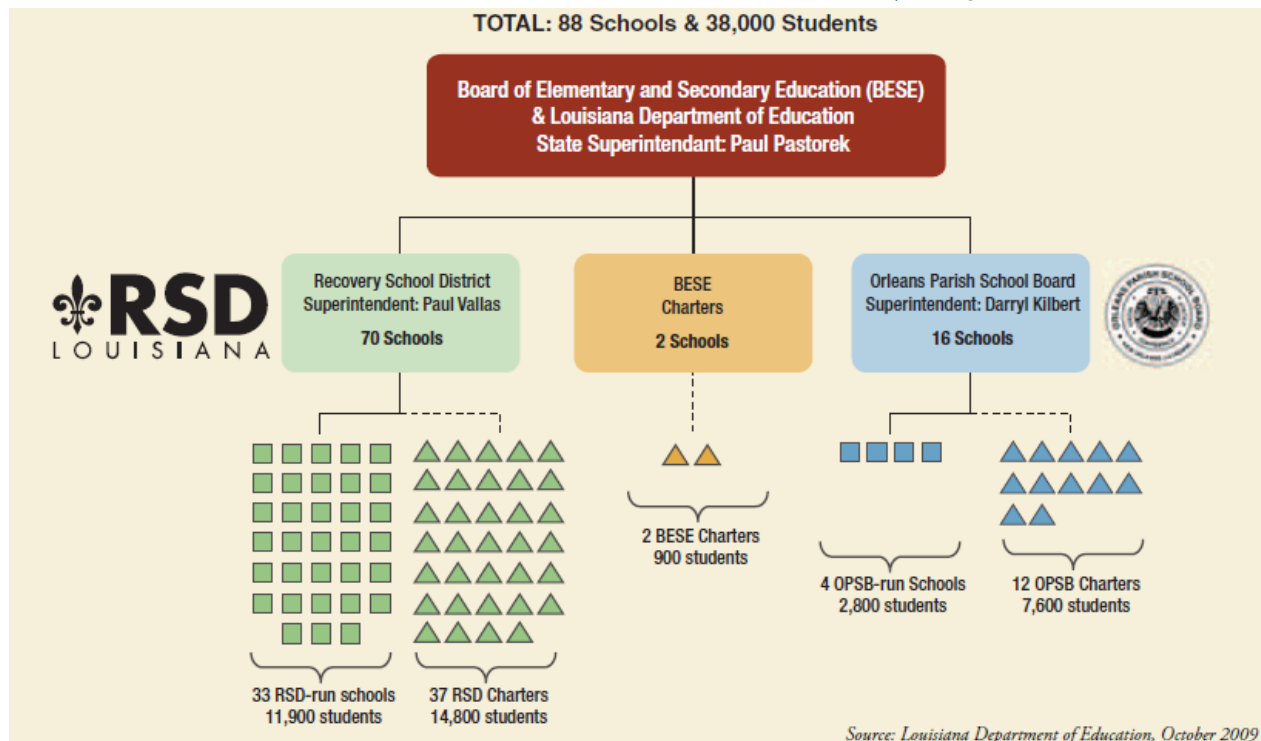
In this report, we first provide an overview of charter school revenues in New Orleans and analyze how those revenues were allocated and spent in the 2009-2010 school year. In doing so, we consider key indicators of financial health for charter schools and operators. In addition, this report looks at school-level expenditures for all schools and school types, including non-charters, in New Orleans based on data made available in new one-page financial reports

released in May 2011 by the Louisiana Department of Education. As a supplement to the March 2011 *State of Public Education in New Orleans: School Finances*, this report further develops a picture of the financial status of public schools in New Orleans, a measure that is central to understanding the efficiency and sustainability of the schools serving our city’s students.

Background

The operating and financial environment for public schools in New Orleans is complex. In total, there are two districts and over 40 different independent school operators in New Orleans. In the 2009-2010 school year, there were 88 K-12 public schools operating in New Orleans. The Orleans Parish School Board (OPSB) was responsible for 16 schools: four district-run schools and 12 charter schools. Under the auspices of the state-run Recovery School District (RSD), there were 33 schools operated by the RSD central office and 37 Type 5 charter schools authorized by the state Board of Elementary and Secondary Education (BESE). In addition, BESE was the authorizer for two Type 2 charter schools in the city. Together, these schools served approximately 38,000 students in grades K-12.

Public School Governance in New Orleans, 2009-2010



Though the OPSB oversees a small fraction of the city's schools, it plays an important financial role as a local school board. The OPSB has all of the rights and responsibilities given to a local school board under Louisiana law, including levying and collecting property and sales taxes to support public schools in the parish.

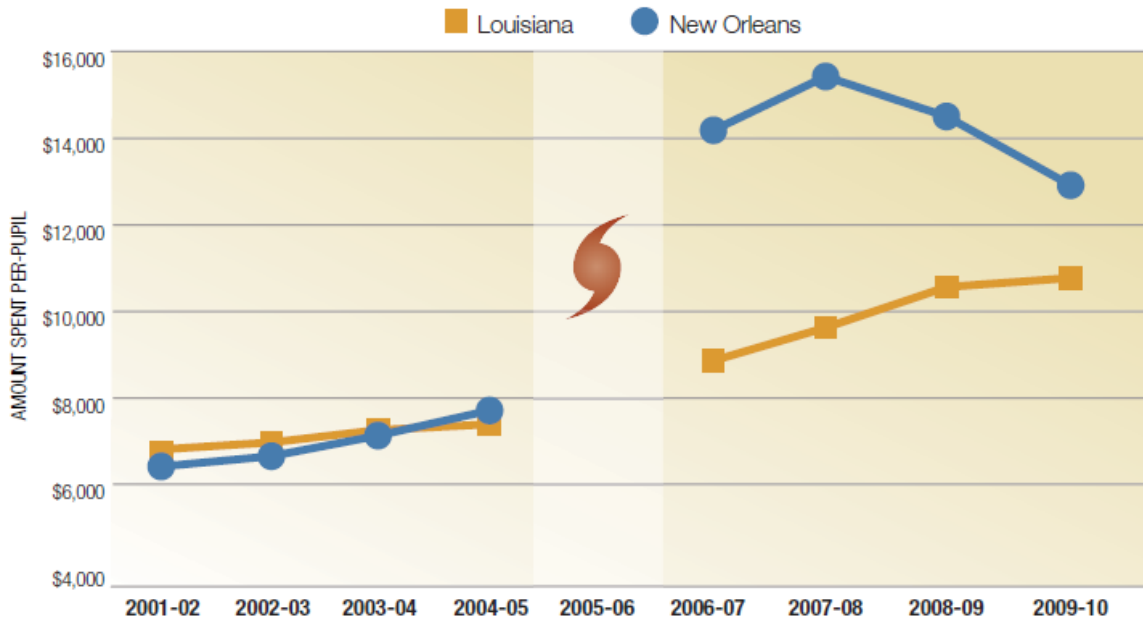
The schools under the authority of the RSD (including charter schools) and the charter schools overseen by the OPSB are entitled to local tax revenue but do not have authority to levy taxes; therefore, the OPSB levies taxes on behalf of all schools and then distributes this revenue equally on a per pupil basis. Additionally, the OPSB remains responsible for managing the debt incurred by the district over its history - totaling over \$300 million, including approximately \$150 million in bond debt from bonds issued in the 1990s. The OPSB levies a specific millage for this debt and all schools (OPSB and RSD, charter and direct-run) contribute the revenue from this millage to debt payments.

Charter school operators have significant flexibility in most aspects of operating their schools, including developing school budgets and managing staffing decisions. However, charter schools are still financially tied to their districts in that they receive

some funding through them. Like traditional schools, all charter schools receive per pupil funding according to the state's Minimum Foundation Program formula, though a number of additional factors, such as receipt of federal and private funding, impact school revenues.

While the governance structure in New Orleans remains complex, the operating environment in general has stabilized significantly in the past few years. In terms of finances, the amount of one-time federal revenue related to hurricane recovery, and consequently the amount of expenditures from this revenue, is decreasing. Additionally, schools' populations have stabilized, and proportionately fewer schools are going through the expensive start-up phase. Average per pupil spending is becoming more in line with the state average. For all these reasons, the financial state of schools in New Orleans as evidenced by 2009-2010 financial data is becoming more representative of how it is likely to be in the coming years. The chart below shows per pupil expenditures from 2001-2002 to 2009-2010. Because the districts did not include one-time hurricane funds in their 2008-2009 and 2009-2010 financial reports, the final two years of data are taken from school-level financial reports.

Per-Pupil Expenditures Over Time, 2001-2002 through 2009-2010



Source: Louisiana Department of Education, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, and 2010

Note: Data on Type 2 BESE charter schools are not included in the New Orleans calculations.

Charter School Finances

As required by their non-profit status, the entities that operate charter schools in Louisiana hire independent auditors to conduct an annual audit of their finances. These audits are posted on the Louisiana Legislative Auditor's website, usually beginning six months after the end of the fiscal year. Some charter school audits, however, are not available until nearly a year after the end of the previous fiscal year. Our March 2011 report on school finances provided an analysis of the 2008-2009 audit reports. This report looks at audits from the 2009-2010 school year.¹

Independent charter school audits are useful because they report revenues and expenditures at a high level of detail. However, they are not uniform since each auditor has some flexibility in structuring the report. Though all schools report the major categories of revenues, expenditures, assets, and liabilities, many of the details that underlie these numbers are partial or unavailable making it difficult to make comparisons among schools.

In this section of the report, we will review charter school revenues and expenditures according to their independent financial audits for the 2009-2010 school year. We will also consider some key indicators of charter school financial health.

Revenues

During the 2009-2010 school year, charter schools in New Orleans received total revenues of \$234,859,196 and average revenues of \$10,350 per student based on independent audit reports. Between 2008-2009 and 2009-2010, per pupil revenues for charter schools in New Orleans decreased by over \$1,000 per pupil.

Based on the official state October 1, 2009 student count and each charter school's audited financial report for the 2009-2010 school year, per pupil revenue varied greatly across different charter schools as was the case in the previous year as well. On the low end, Robert Russa Moton Charter School received \$8,360 per pupil while, at the high end, New

Orleans College Preparatory School received \$12,503 per pupil. Much of the difference in revenues, though not all, was due to outside contributions (from non-governmental sources): New Orleans College Prep reported that it received \$3,028 per pupil in contributions from outside funding sources (the most per pupil and in total amount of any charter school in New Orleans) while Moton reported contributions of \$71 per pupil.

Beyond these and a few other extreme examples, charter school revenue per pupil generally clustered near the median. The chart below shows the general distribution in charter school revenues.

Charter School Revenues per Pupil		
	2008-2009	2009-2010
90 th Percentile	\$12,775	\$11,789
75 th Percentile	\$11,941	\$11,042
50 th Percentile	\$11,119	\$10,227
25 th Percentile	\$10,350	\$9,726
10 th Percentile	\$9,765	\$9,036

Charter school revenues also vary somewhat by school type. BESE charter schools, which operate under BESE, had the highest average per pupil revenues (\$10,721), followed by RSD charter schools (\$10,502) and OPSB charter schools (\$9,977). However, the differences between these categories of schools were much smaller than the differences among individual schools. Additionally, there is no clear trend as in the previous year, the RSD charter schools had the highest average per pupil revenue at \$11,629 while BESE charter schools had the lowest at \$10,368.

Non-Recurring Federal Funds

Charter schools, like district-run public schools, annually receive Title funds from the federal government for a variety of purposes. (Information on Title funds is available in the March 2011 report appendix.) In addition, charter schools in New Orleans received funds from several one-time federal programs. The following programs were created to help schools in areas affected by Hurricanes Katrina and Rita: Immediate Aid to Restart Public Schools (RESTART), the Hurricane Educator Assistance Program (HEAP), and the Hurricane Katrina Foreign Contributions Program. A number of charter schools

¹ As of August 2011, audit reports were available for all but three charter schools that were open in New Orleans in the 2009-2010 school year.

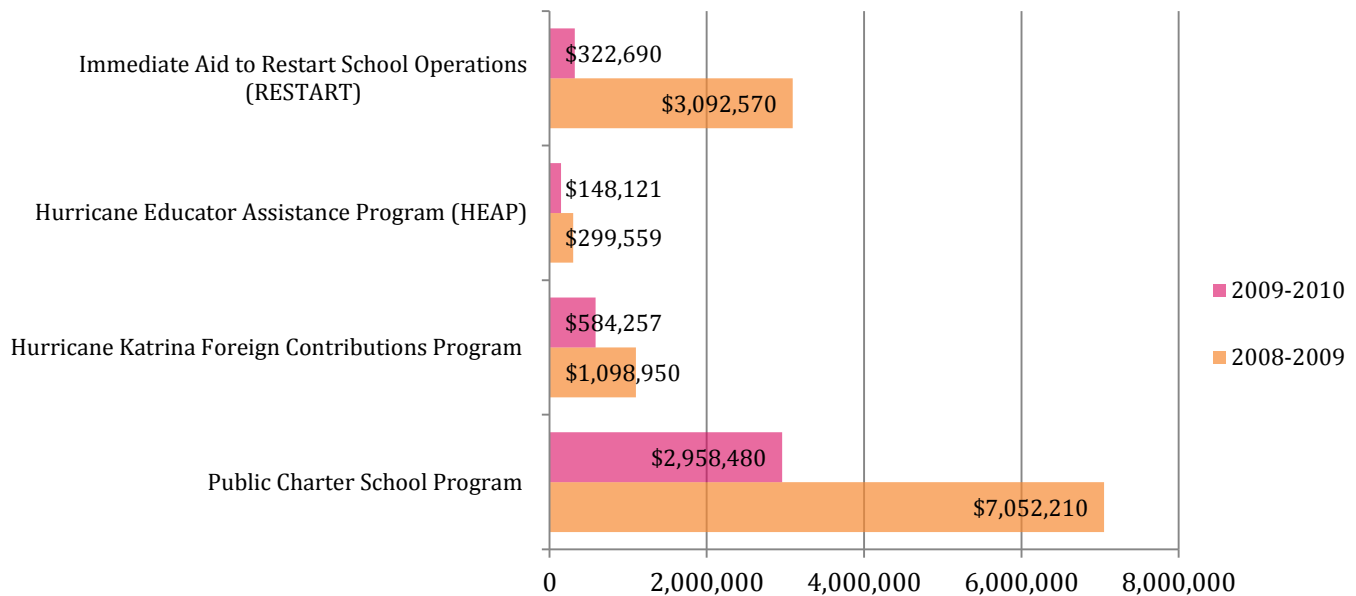
also receive money from the federal Public Charter School Program, which provides up to \$600,000 over three years to help new charter schools during their first few years of operation. Since many charter schools in New Orleans are new, a number have benefited from the program in recent years.

One-time federal grant awards benefit charter schools but also present a unique challenge because they are short-term sources of funds and will not be available in future years. Indeed, the larger the role of one-time funds in a charter school’s budget, the more the school will need to adjust in future years.

Though one-time federal funds are part of a charter school’s revenues in any given year, data are based on expenditures of one-time funds (as opposed to the amount of revenue received). This is because charter schools consistently report their *expenditures* from various grant sources in their audits; however, they often do not break out their *revenues* by grant source. Though expenditure and revenue amounts are often close in any given fiscal year, it is important to note that they are not the same thing.

During the 2009-2010 school year, charter schools in New Orleans reported spending \$4,013,548 or two percent of their total expenditures, from the four one-time federal programs listed above. This amount is significantly less than the 2008-2009 school year proportion of five percent of total expenditures. It is worth noting, however, that a number of charter schools that were new in 2009-2010 did not list federal expenditures in their audits. Since the Public Charter School Program makes up the largest amount of federal expenditures (\$2,958,480 total in 2009-2010), this is likely a significant omission. Nonetheless, significantly less was spent from all programs. The next largest amount spent in 2009-2010 was from the Hurricane Katrina Foreign Contributions Program (\$584,257), followed by RESTART (\$322,690), and HEAP (\$148,121). RSD charter schools used one-time federal grants for a slightly higher proportion of their expenditures (2.4 percent) compared with OPSB charter schools (1.1 percent). As a whole, while charter schools certainly benefited from these programs, one-time funds ultimately represented a relatively small proportion of total spending reported.

Charter School One-Time Federal Funds, 2008-2010



Source: Charter audit reports

Private Contributions

Private contributions are often cited as an important source of charter school revenues. However, though some charter schools in the city reported significant levels of contributions, the majority reported small amounts or nothing at all. In the 2009-2010 school year, charter schools collectively reported \$7.9 million in contributions, or about three percent of their total revenue. Including schools that reported no contributions, this came to an average of about \$348 per pupil in contributions. In the previous school year, 2008-2009, contributions were 2.4 percent of total charter school revenues, or \$272 per student.

In 2009-2010, nine charter school operators—up from four in 2008-2009—reported that contributions made up more than five percent of their total revenues:

- New Orleans College Prep (24 percent of revenues; \$3,028 per pupil),
- Pride College Preparatory Academy (16 percent of revenues; \$1,987 per pupil),
- Advocates for Science and Mathematics Education (which operated 2 schools; 15 percent; \$1,861 per pupil)

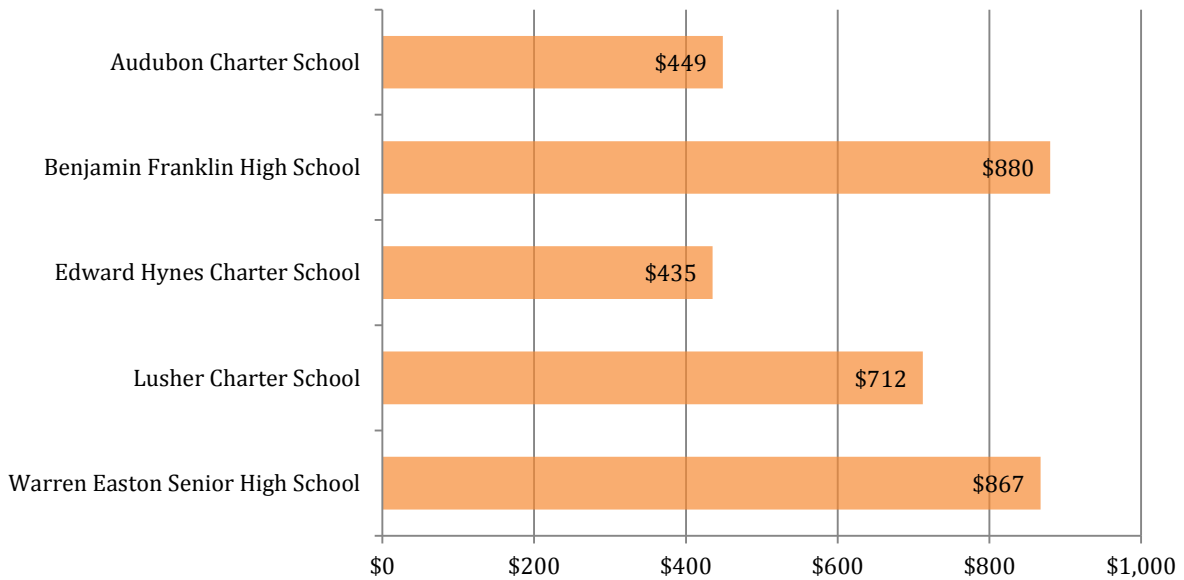
- Crocker Arts and Technology School (12 percent; \$1,266 per pupil),
- Priestley School of Architecture and Construction (9 percent; \$866 per pupil),
- KIPP New Orleans (which operated four schools and was in the process of opening two new schools; 8 percent; \$933 per pupil),
- Akili Academy of New Orleans (8 percent; \$795 per pupil),
- Warren Easton Charter School (8 percent; \$890 per pupil), and
- ARISE Academy (5 percent; \$500 per pupil).

Because so many schools did not include a line item in their audit reports for contributions, it is possible that donations to charter schools are under-reported.

Activity Fees

Student activity fees for extracurricular activities are a feature of several OPSB charter schools. These fees are for extracurricular activities, such as before- and after-care. Also, some schools charge fees for peripheral items, such as graduation and student identification cards. As the graph below shows, activity fees make up a small but still significant amount of revenue for these schools.

Charter School Student Activity Fees Per Pupil, 2009-2010



Source: Charter audit reports

Expenditures

During the 2009-2010 school year, charter schools in New Orleans reported \$234,865,537 in total expenditures and average expenditures of \$10,422 per pupil in their independent audit reports. This average is almost \$1,000 lower than the previous school year's spending average of \$11,195 per pupil.

Like per pupil revenues, per pupil expenditures also varied greatly among individual charter schools. At the high end, KIPP New Orleans (which operated four schools but also had expenditures for two schools opening the following year) spent \$12,706 per pupil while, at the low end, Robert Russa Moton Charter School spent \$7,337 per pupil. As with revenues, in spite of some outliers, most per pupil expenditures are clustered in the middle.

Charter School Expenditures per Pupil		
	2008-2009	2009-2010
90 th Percentile	\$12,935	\$11,665
75 th Percentile	\$11,994	\$10,928
50 th Percentile	\$11,531	\$10,273
25 th Percentile	\$9,908	\$9,496
10 th Percentile	\$9,019	\$8,801

Also like per pupil revenues, per pupil expenditures varied somewhat by school type. RSD charter schools had the highest average per pupil expenditures (\$10,805), followed by BESE charter schools (\$10,041) and OPSB charter schools (\$9,708). However, the differences between these categories of schools were much smaller than the differences among individual schools.

Transportation

According to many charter school leaders and observers, transportation is a major cost in post-Katrina New Orleans since students can now attend schools all over the city rather than being restricted to those in their neighborhoods. Expenditures on transportation vary significantly among charter schools, in some cases because of different laws and requirements for the various types of charter schools. Charter schools authorized by the OPSB are not required by law to provide transportation to their students, and, according to their audit reports, they spend relatively little on busing. Collectively, the OPSB charter schools reported spending 2.4 percent

of expenditures (\$233 per pupil) on transportation. By comparison, the statewide average for district spending on transportation was 5.6 percent of expenditures, or \$599 per pupil.

RSD charter schools are required by law to provide transportation for students; their transportation costs vary greatly. At the high end, Benjamin E. Mays Preparatory School, which enrolled just 140 students, spent almost 13 percent of expenditures (\$1,398 per pupil) on transportation, while on the low end, Dr. Martin Luther King Charter School, with 700 students, spent less than two percent of expenditures (\$179 per pupil). Economies of scale seemed to impact transportation costs: very small schools with fewer than 250 students spent an average of \$1,147 per student while large charter networks with over 1,000 students spent an average of \$568 per student. Overall, RSD charter schools spent \$610 per pupil on transportation, or 5.7 percent of their current expenditures. This was nearly identical to the state average, and \$145 per pupil less than in 2008-2009.

Charter School Financial Health

There are a variety of indicators that can be used to measure charter school financial health, including surpluses and deficits, cash assets per student, cash assets as a percent of expenditures, and liquidity ratio. Charter schools in New Orleans have highly variable levels of assets and cash on hand, making some schools much more resilient to cash flow problems or sudden emergencies than others. While all charter schools receive relatively reliable payments from local, state, and federal sources, cash on hand would allow schools to continue operations without interruption if payments are delayed or to deal with sudden expenses that may arise. Significant savings also give schools flexibility to invest in additional staff, activities, equipment, or their physical plants.

Surpluses and Deficits

Out of the approximately 35 charter school management organizations operating in New Orleans, 19 had surpluses (meaning their revenues were greater than their expenses) and 15 ran deficits in the 2009-2010 fiscal year (meaning their expenses were greater than their revenues). Since charter schools can hold reserves across fiscal years, a deficit

in any particular year does not necessarily signify a problem if a school has savings to make up the difference. A school may save for several years and then incur a big charge in a year when it makes a large investment or has an emergency of some kind. However, if a school runs a deficit for many years in a row, it could point to potential financial problems in the future.

Surpluses and deficits ranged from a high of +\$1,436 per pupil (New Orleans College Prep) to a low of -\$1,748 per pupil (FirstLine Schools). Four additional charter school organizations had deficits of more than \$1,000 per pupil: James M. Singleton Charter School, KIPP New Orleans, Lafayette Academy of New Orleans, and Priestley School of Architecture and Construction. None of these schools had deficits in 2008-2009. The chart below shows the distribution of deficits among charter school operators in New Orleans.

Charter School Surplus/Deficits per Pupil		
	2008-2009	2009-2010
90th Percentile	\$1,584	\$1,258
75th Percentile	\$572	\$733
50th Percentile	\$32	\$178
25th Percentile	-\$571	-\$328
10th Percentile	-\$1,098	-\$1,181

Cash Assets

Cash assets include money in the bank as well as other assets that can be sold quickly for cash, like money market accounts. Cash assets per pupil measures how much cash a school has on hand compared to other schools, regardless of size. At the end of the 2009-2010 school year, charter schools in New Orleans ranged from having \$10,001 per pupil in cash assets (Warren Easton Charter School) to \$454 per pupil (The Intercultural Charter School). The following chart shows the general distribution of schools by cash assets per pupil.

Charter School Cash Assets per Pupil		
	2008-2009	2009-2010
90th Percentile	\$4,768	\$4,712
75th Percentile	\$2,969	\$2,876
50th Percentile	\$1,228	\$1,611
25th Percentile	\$722	\$1,278
10th Percentile	\$314	\$602

In general, cash assets grew from the previous year. In 2008-2009, cash per pupil ranged from a high of \$7,063 to a low of \$208 with the 50th percentile at \$1,228. More established and larger schools tend to have more cash per pupil, perhaps because they have had more time to save and are no longer paying high start-up costs. For instance, at the end of the 2009-2010 school year, the twelve relatively large and established OPSB charter schools held an average of \$4,024 in cash assets per pupil while the mostly newer and smaller RSD charter schools had an average of \$2,003 in cash assets per pupil.

Calculating cash assets as a percent of annual expenditures helps to measure a specific school's ability to pay for its operations out of savings. Since schools vary in how much they spend per year, this measure is normalized by each school's spending pattern rather than uniformly by pupil. At the end of the 2009-2010 school year, charter schools in New Orleans held an average of 25 percent of their annual expenditures in cash assets, an increase of 6 percentage points from 2008-2009. This ranged from Warren Easton Charter School, which held 96 percent of its annual expenditures in savings, to Priestley School of Architecture and Construction, which held four percent.

Liquidity Ratios

A school's liquidity ratio is calculated by dividing its cash assets by its liabilities (or what it owes). If the ratio is below 1.0, it means that the school owes more money than it has on hand. Many charter schools in New Orleans have a liquidity ratio well above 1.0, meaning they could pay their debts several times over with their savings. At the end of the 2009-2010 school year, charter schools in New Orleans had an average liquidity ratio of 4.1 and ranged from 60.6 (Warren Easton Charter School) to 0.2 (The Intercultural Charter School). Liquidity ratios have generally improved since 2008-2009, when schools

ranged from 0.1 to 59.4 and the average was 1.9. The table below shows the general distribution of liquidity ratios among charter schools for 2009-2010.

Charter School Liquidity Ratios		
	2008-2009	2009-2010
90th Percentile	10.5	15.8
75th Percentile	3.2	6.4
50th Percentile	1.7	3.4
25th Percentile	0.7	2.5
10th Percentile	0.2	1.2

There are two important points to consider with respect to liquidity ratios. First, the liquidity ratio used here is a very conservative measure of a school’s fiscal health. If all current assets were considered (rather than just cash), the ratios for schools would be higher. Second, the ratio of any individual school is not as informative as the variation across all schools. As seen with the other balance sheet indicators discussed here, some schools have a fairly robust financial position while others have yet to achieve that.

School-Level Expenditure Reports

Following the passage of Act 310 of the 2009 Regular Legislative Session, the Louisiana Department of Education (LDE) began making public one-page school-level financial reports. These reports, available for each Louisiana public school, contain total per pupil expenditures, as well as the expenditures for various defined functional areas. Additionally, the one-pagers report student and staff counts, average staff salaries, and school level staff by degree and years of experience. These reports vary from annual charter school audits in that they provide less detailed information and focus only on expenditures. However, they are the only report that includes school-level financial data for all public schools, both charter and traditional.

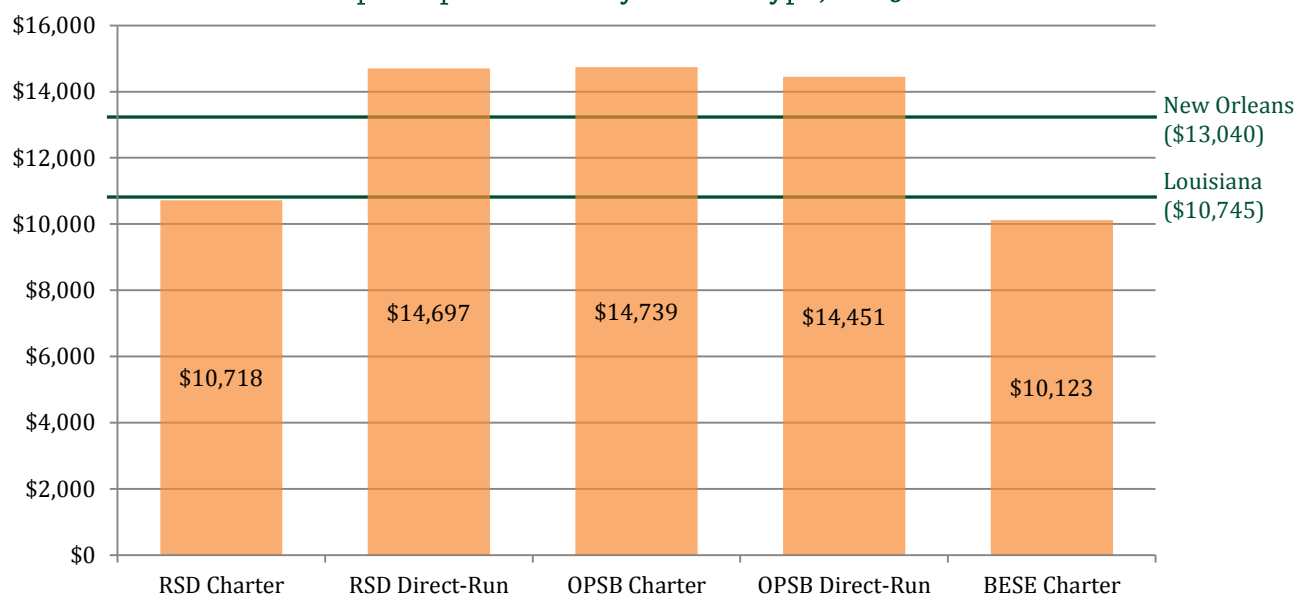
Because the one-page reports are based on the annual financial reports that the LDE collects from all school districts, the numbers in the one-pagers do not always match exactly (though they are very similar to) those in the charter school audits. However, the one-pagers are particularly useful for drawing comparisons among schools and school types, as well as comparing New Orleans to the rest of the state, because the reporting is uniform and includes all schools, both charter and traditional.

In this section, we analyze the total school-level per pupil expenditure averages by school type for public schools in New Orleans for the 2009-2010 school year, the latest year for which these reports are available. In addition, we review expenditures in each of the major functional areas for all public schools in New Orleans as well as for each school type.

Per Pupil Expenditures by School Type

According to the school-level per pupil expenditures reports, public schools in New Orleans (including Orleans Parish School Board (OPSB) direct-run and charter schools, Recovery School District (RSD) direct-run and charter schools, and BESE charter schools) are spending nearly \$2,300 more annually per pupil than public schools across the state. This represents about 21 percent more, on average. However, while the state average expenditures rose slightly from 2008-2009 to 2009-2010, the average expenditures for all public schools in New Orleans fell by about \$1,300. As one-time hurricane recovery funds dwindle, and more charter schools exit the expensive start-up phase, we anticipate that the average per pupil expenditures in New Orleans will continue to decline and become more in line with the state average. The chart on the following page breaks out total annual spending per pupil by school type and for all public schools in New Orleans and Louisiana.

Per Pupil Expenditures by School Type, 2009-2010



Source: Louisiana Department of Education, 2011

Note: Data on New Orleans schools calculated using the October 1, 2009 student count. Data on Louisiana schools calculated using the 2009-2010 Average Daily Membership.

The average per pupil expenditures for all New Orleans schools masks significant variation by school type. While RSD charters and BESE charters both spent close to the state average, OPSB charter schools and OPSB and RSD direct-run schools spent significantly more, about \$4,000 more, per pupil. These numbers represent a slight decline in expenditures for RSD charters, about \$700, from 2008-2009. However, traditional direct-run schools spent far less in 2009-2010 than in 2008-2009. RSD direct-run schools spent nearly \$1,700 less per pupil and OPSB direct-run schools spent nearly \$3,000 less per pupil. It is unclear from these reports what caused such a significant variation in these declines over the course of these two school years between the different school types.

Among individual schools within these school types, there was also great variation in the total expenditures per pupil for 2009-2010. At RSD charter schools, spending ranged from \$8,236 per pupil (P.A. Capdau School) to a high of more than \$15,270 (Arthur Ashe Charter School). At RSD direct-run schools (excluding alternative schools), spending ranged from a low of \$12,991 per pupil (Mary D. Coghill Elementary) to a high of \$19,051 per pupil (Joseph S. Clark Senior High). Spending varied from \$13,034 per pupil (Robert Russ Moton) to \$17,575 per pupil (Mary Bethune Elementary) among both

OPSB charter schools and OPSB direct-run schools (excluding alternative schools).

Per Pupil Expenditures by Functional Area

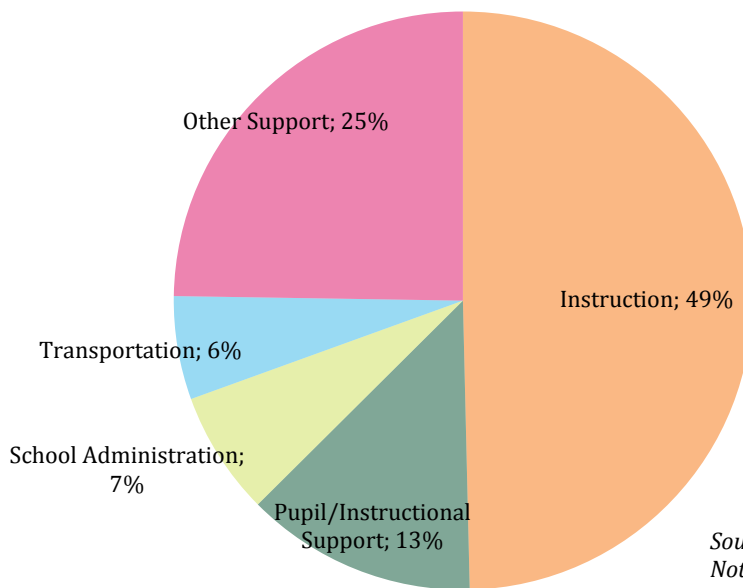
In addition to total per pupil expenditures, the state reports per pupil expenditures by major functional areas including instruction, pupil/instructional support, school administration, transportation and "other support." Instruction is any activity "dealing directly with the interaction between teachers and students" and includes salaries and benefits as well as instructional materials and supplies. Instructional support includes pupil support activities that assess and improve the well-being of a school's students, activities that supplement the teaching process, and professional development activities. Included in other support are all other activities not included elsewhere such as business services, maintenance and plant services, personnel services, and the operation of non-instructional services like food services or enterprise operations.

In 2009-2010, public school spending in New Orleans in most categories was in line with the state, with the exception of expenditures on school administration and other support. Given the autonomous nature of most schools in New Orleans, it seems reasonable that school-level costs would be higher. Independent charter schools, which comprise the majority of public schools in New Orleans, must do their own

administrative work as they (or their charter management organizations) act as a central office would for schools in a traditional district. Many of the functions covered in the category of other support, such as technology or the administration of food service or community service programs, are also now purchased or staffed at the school level. However, as discussed below, the expected pattern of higher school administration costs for autonomous schools

does not always emerge. Spending on facilities maintenance is also categorized under other support. Given the historic nature of many of New Orleans' school buildings, increased costs for plant maintenance can be expected and some of this difference in spending may account for that. The pie chart below breaks out total per pupil spending by functional area for all public schools in New Orleans.

Per pupil Expenditures by Functional Area for All Public Schools in New Orleans, 2009-2010



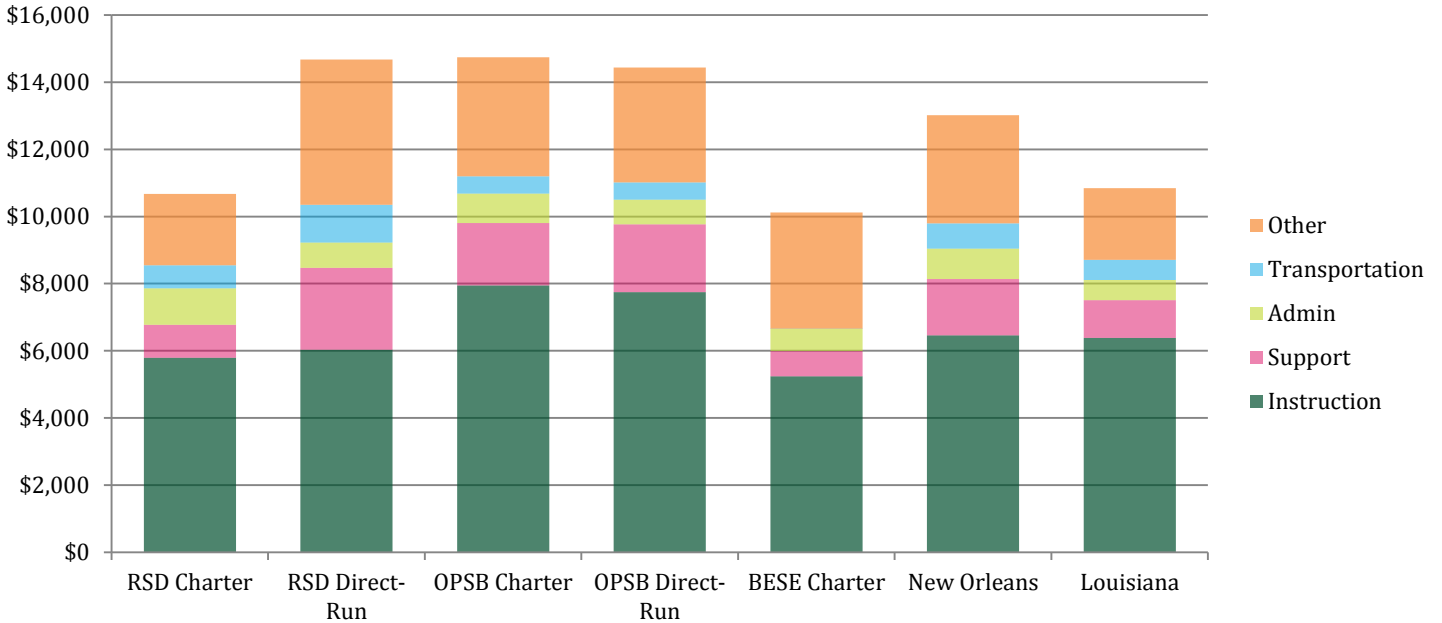
Source: Louisiana Department of Education, 2011
 Note: Totals may not add up to 100% due to rounding.

As seen in the charter school audits, the percentage of total expenditures on transportation is similar to the Louisiana average despite the system of open, city-wide enrollment in New Orleans. However, because schools in New Orleans are spending so much more money in other areas and because transportation is such a small percentage of the overall budget, this masks a significant difference in real dollars being spent on transportation. On average, public schools in New Orleans spend 25 percent more in real dollars transporting their students to and from school than the state does.

There is significant variation among school types in the amount spent in each functional area. Instructional spending ranges from an average low of about \$5,200 at BESE charters to nearly \$8,000 at OPSB charters. Likewise, RSD direct-run schools

spend more than three times the BESE charters schools' average per pupil expenditures on pupil/instructional support. RSD direct-run schools also spend about one-and-a-half to two times what other school types expend on transportation. RSD schools, both direct-run and charters, are out of line with what other school types are spending in the other support category. While RSD direct-run schools spent about 20 percent more than other school types in this area, RSD charters spent about 40 percent less. It is unclear why RSD direct-run schools, which should have the benefits of the economies of scale that come with having a central office, are spending so much more on other support services. The chart on the following page details the amount spent per pupil in each of the functional categories by school type.

Per Pupil Expenditures by Functional Area and School Type, 2009-2010



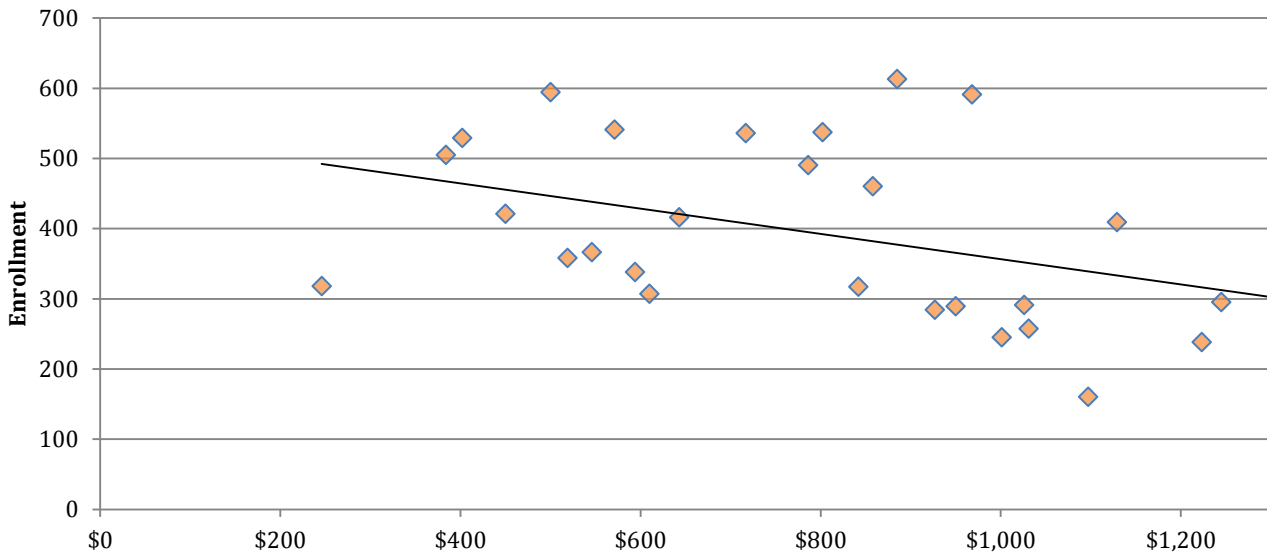
Source: Louisiana Department of Education, 2011

Note: Data on New Orleans schools calculated using the October 1, 2009 student count. Data on Louisiana schools calculated using the 2009-2010 Average Daily Membership.

Interestingly, the amounts spent within each school type vary significantly by functional area, even among direct-run schools. For example, spending on instruction at RSD direct-run schools ranges from about \$5,800 to nearly \$8,500, excluding alternative schools. The reason for this variation among direct-run schools is unclear. (See the Appendix for a detailed school-level table.)

Per pupil spending in the categories of school administration, transportation, and other support could be expected to vary according to the number of students a school has enrolled due to the presence or absence of economies of scale. This was the case for some school types in some functional areas, including RSD direct-run schools in school administration, and RSD charter schools in transportation, though the trends were not particularly strong. The data points on the plots below represent each school's per pupil spending and student count.

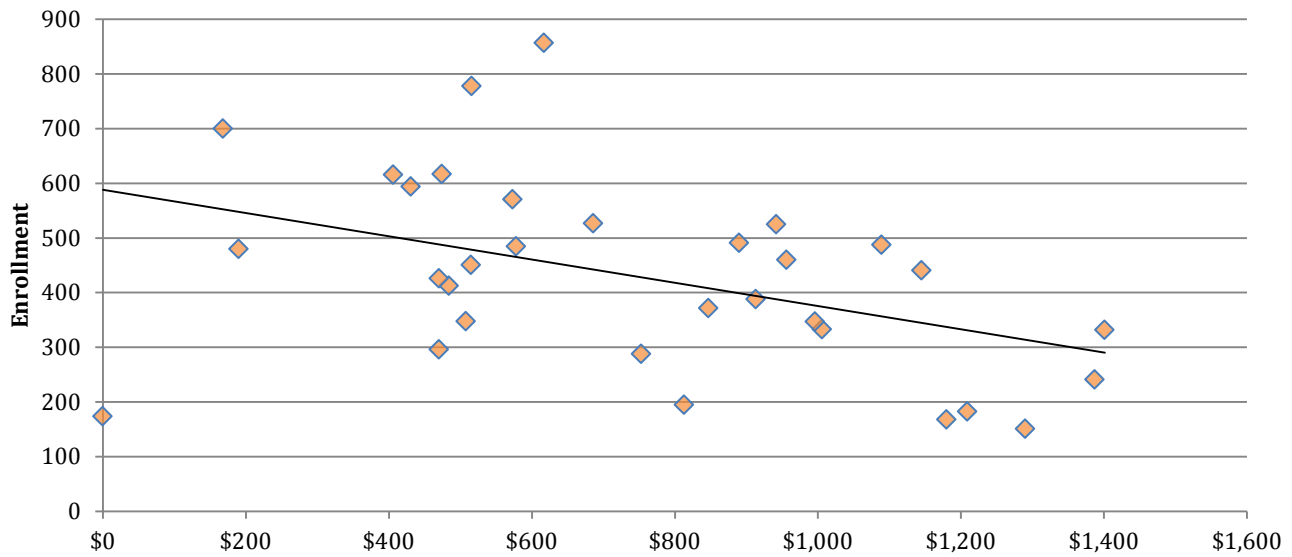
Per pupil Spending by Student Enrollment on School Administration for RSD Direct-Run Schools, 2009-2010



Source: Louisiana Department of Education, 2011

Note: Data excludes one major outlier in order to more clearly show the trend.

Per pupil Spending by Student Enrollment on Transportation for RSD Charter Schools, 2009-2010



Source: Louisiana Department of Education, 2011

Conclusion

Financial data from the 2009-2010 school provides further evidence for the trend towards financial stability found in our March 2011 report, *The State of Public Education in New Orleans: School Finances*. The amount of one-time revenue related to hurricane recovery, and consequently the amount of expenditures from this revenue, is decreasing. As the average number of years schools have been open has increased, schools' populations have stabilized and proportionately fewer schools are going through the expensive start-up phase. For all these reasons, the financial condition of schools in New Orleans is becoming more representative of how it is likely to be in the coming years. Additionally, it is clear that there is significant variation among for schools and school types in the amounts and types of revenues and expenditures, though in most instances the range is smaller than in previous years.



The Scott S. Cowen Institute for Public Education Initiatives at Tulane University is an action oriented think tank that informs and advances research-based policy, legislative, and programmatic solutions to eliminate the challenges impeding the success of K-12 education in New Orleans and beyond.



Applied Research at the Cowen Institute

We serve as an objective voice to education leaders, policymakers, the media, and the public about what is taking place in public education in New Orleans—particularly in the areas of accountability, finance, facilities, and governance—by disseminating relevant data and research. This publication, and others released in the past, can be found at <http://education.tulane.edu>.

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Appendix

School Name	2009-2010 Estimated Current Expenditures per Pupil						Central Office Overhead per Pupil*
	Instruction	Pupil/ Instructional Support	School Administration	Transportation	Other Support	Totals	
A.D. Crossman-Esperanza Charter School	\$6,265	\$584	\$1,075	\$1,401	\$2,525	\$11,850	\$274
Abramson Science & Technology Charter School	\$4,651	\$608	\$1,047	\$890	\$1,527	\$8,772	\$500
Akili Academy of New Orleans	\$5,836	\$197	\$1,837	\$1,180	\$1,454	\$10,502	\$447
Algiers Technology Academy	\$5,280	\$1,781	\$1,337	\$996	\$2,137	\$11,531	\$449
Andrew H. Wilson Charter School	\$4,739	\$1,152	\$691	\$942	\$1,822	\$9,345	\$267
ARISE Academy	-	-	-	-	-	-	-
Arthur Ashe Charter School	\$7,263	\$540	\$1,225	\$1,387	\$4,854	\$15,270	\$488
Benjamin Mays Prep	-	-	-	-	-	-	-
Crocker Arts and Technology School	\$6,012	\$1,146	\$1,029	\$0	\$1,353	\$9,541	\$322
Dr. MLK Charter School for Science & Tech.	\$6,086	\$1,196	\$973	\$168	\$2,095	\$10,520	\$494
Dwight D. Eisenhower Elementary School	\$5,878	\$1,377	\$911	\$431	\$2,019	\$10,617	\$414
Harriet Tubman Elementary School	\$6,710	\$1,292	\$1,056	\$578	\$2,297	\$11,933	\$436
International High School	-	-	-	-	-	-	-
James M. Singleton Charter School	\$6,202	\$496	\$1,000	\$474	\$2,649	\$10,822	\$690
KIPP Believe College Prep (Phillips)	\$6,350	\$753	\$1,245	\$1,006	\$1,909	\$11,264	\$307
KIPP Central City Academy	\$6,544	\$676	\$1,058	\$753	\$1,586	\$10,616	\$412
KIPP Central City Primary	\$7,167	\$1,027	\$1,037	\$813	\$1,825	\$11,868	\$369
KIPP McDonogh 15 School for the Creative Arts	\$7,054	\$979	\$1,422	\$190	\$1,889	\$11,535	\$345
Lafayette Academy of New Orleans	\$6,401	\$1,030	\$1,123	\$516	\$2,151	\$11,222	\$765
Langston Hughes Academy Charter School	\$5,243	\$940	\$1,386	\$1,089	\$1,739	\$10,398	\$478
Martin Behrman Elementary School	\$5,738	\$1,352	\$802	\$406	\$2,269	\$10,567	\$425
McDonogh #28 City Park Academy	\$6,472	\$319	\$1,223	\$847	\$1,792	\$10,653	\$524
McDonogh #32 Elementary School	\$6,296	\$1,312	\$1,133	\$573	\$1,829	\$11,143	\$390
McDonogh #42 Elementary Charter School	\$5,261	\$495	\$950	\$686	\$1,836	\$9,228	\$774
Miller-McCoy Academy	\$5,658	\$475	\$180	\$913	\$1,142	\$9,992	\$608

School Name	2009-2010 Estimated Current Expenditures per Pupil						Central Office Overhead per Pupil*
	Instruction	Pupil/ Instructional Support	School Administration	Transportation	Other Support	Totals	
Nelson Elementary School	\$4,898	\$1,060	\$807	\$484	\$2,428	\$9,677	\$1,194
New Orleans Charter Science and Math Academy	\$5,837	\$1,844	\$1,374	\$1,290	\$1,531	\$11,876	\$655
NOLA College Prep Charter School	\$5,828	\$1,053	\$1,360	\$1,145	\$1,914	\$11,300	\$1,144
O.P. Walker Senior High School	\$6,276	\$1,272	\$1,234	\$617	\$2,293	\$11,692	\$537
P.A. Capdau School	\$3,320	\$1,276	\$776	\$470	\$2,394	\$8,236	\$902
Pride College Preparatory Academy	-	-	-	-	-	-	-
Samuel J. Green Charter School	\$5,821	\$908	\$1,078	\$956	\$3,273	\$12,036	\$425
Sojourner Truth Academy	\$5,039	\$966	\$2,012	\$1,209	\$1,492	\$10,718	\$719
Sophie B. Wright Inst. Of Academic Excellence	\$4,940	\$499	\$1,715	\$508	\$1,590	\$9,253	\$336
Success Preparatory Academy	-	-	-	-	-	-	-
The Intercultural Charter School	\$4,954	\$479	\$1,069	\$470	\$3,685	\$10,657	\$62
William J. Fischer Elementary School	\$5,247	\$1,391	\$943	\$515	\$2,158	\$10,255	\$391
Average - RSD Charters	\$5,791	\$986	\$1,084	\$684	\$2,126	\$10,718	\$531
A.P. Tureaud Elementary School	\$6,125	\$1,958	\$594	\$1,120	\$4,432	\$14,229	\$2,080
Albert Wicker Literacy Academy	\$5,066	\$2,181	\$1,001	\$1,118	\$4,093	\$13,459	\$2,080
Benjamin Banneker Elementary School	\$6,271	\$2,831	\$384	\$1,119	\$4,268	\$14,874	\$2,080
Booker T. Washington High School	\$8,694	\$5,232	\$1,097	\$1,233	\$5,644	\$21,901	\$2,080
Carver Elementary School	\$5,577	\$2,429	\$1,031	\$1,125	\$4,432	\$14,593	\$2,080
Dr. Charles Richard Drew Elementary School	\$5,182	\$2,304	\$842	\$1,112	\$4,272	\$13,713	\$2,080
F.W. Gregory Elementary School	\$6,322	\$2,832	\$950	\$1,135	\$4,355	\$15,593	\$2,080
Fannie C. Williams Elementary School	\$5,638	\$2,036	\$717	\$1,120	\$4,273	\$13,783	\$2,080
Frederick A. Douglass	\$7,671	\$3,108	\$1,026	\$1,162	\$4,408	\$17,375	\$2,080
G.W. Carver High School	\$5,701	\$2,499	\$858	\$1,129	\$4,524	\$14,712	\$2,080
Gentilly Terrace Elementary School	\$5,370	\$2,368	\$643	\$1,128	\$4,262	\$13,770	\$2,080
Greater Gentilly High School	-	-	-	-	-	-	-
H.C. Schaumburg Elementary School	\$5,802	\$1,896	\$885	\$1,116	\$4,267	\$13,966	\$2,080

School Name	2009-2010 Estimated Current Expenditures per Pupil						Central Office Overhead per Pupil*
	Instruction	Pupil/ Instructional Support	School Administration	Transportation	Other Support	Totals	
Harney Elementary School	\$5,326	\$2,657	\$450	\$1,113	\$4,172	\$13,718	\$2,080
James Weldon Johnson School	\$6,917	\$3,074	\$610	\$1,145	\$4,253	\$16,001	\$2,080
John Dibert Elementary School	\$6,207	\$2,908	\$519	\$1,127	\$4,248	\$15,009	\$2,080
John McDonogh Senior High School	\$5,402	\$2,872	\$968	\$1,117	\$4,155	\$14,515	\$2,080
Joseph A. Craig School	\$5,789	\$1,682	\$571	\$1,116	\$4,252	\$13,410	\$2,080
Joseph S. Clark Senior High School	\$8,426	\$2,743	\$927	\$1,178	\$4,777	\$19,051	\$2,080
Julian Leadership Academy	\$5,607	\$2,374	\$246	\$1,120	\$4,433	\$13,781	\$2,080
Laurel Elementary School	\$5,942	\$2,056	\$802	\$1,115	\$4,151	\$14,064	\$2,080
Live Oak Elementary School	\$5,678	\$2,168	\$786	\$1,121	\$4,104	\$13,857	\$2,080
Mary D. Coghill Elementary School	\$5,805	\$1,571	\$402	\$1,103	\$4,029	\$12,911	\$2,080
Murray Henderson Elementary School	\$6,027	\$2,614	\$1,223	\$1,132	\$4,273	\$15,269	\$2,080
Paul B. Habans Elementary School	\$5,787	\$1,836	\$546	\$1,107	\$4,045	\$13,322	\$2,080
Rabouin Career Magnet High School	\$6,092	\$2,965	\$1,245	\$1,136	\$4,262	\$15,702	\$2,080
Sarah Towles Reed Elementary School	\$5,484	\$2,523	\$500	\$1,124	\$4,361	\$13,992	\$2,080
Sarah Towles Reed High School	-	-	-	-	-	-	-
Schwarz Alternative School	\$19,198	\$5,846	\$2,734	\$1,459	\$7,536	\$36,772	\$2,080
Sylvanie Williams	-	-	-	-	-	-	-
Walter L. Cohen High School	\$6,652	\$2,597	\$1,129	\$1,143	\$4,621	\$16,142	\$2,080
Average - RSD Run (Oct. 1 student count)	\$6,036	\$2,437	\$752	\$1,127	\$4,319	\$14,697	\$2,080
Alice Harte Elementary Charter School	\$8,709	\$2,160	\$698	\$529	\$3,416	\$15,513	\$2,440
Audubon Charter School	\$8,488	\$1,296	\$793	\$523	\$3,510	\$14,609	\$2,440
Benjamin Franklin High School	\$7,944	\$1,439	\$1,361	\$506	\$3,487	\$14,737	\$2,440
Edna Karr Secondary School	\$7,011	\$2,075	\$917	\$514	\$3,384	\$13,901	\$2,440
Edward Hynes Charter School	\$8,839	\$1,592	\$1,037	\$517	\$3,394	\$15,379	\$2,440
Einstein Charter School	\$10,068	\$1,603	\$997	\$534	\$3,912	\$17,114	\$2,440
Lake Forest Elementary Charter School	\$8,148	\$2,001	\$1,167	\$520	\$3,723	\$15,559	\$2,440

School Name	2009-2010 Estimated Current Expenditures per Pupil						Central Office Overhead per Pupil*
	Instruction	Pupil/ Instructional Support	School Administration	Transportation	Other Support	Totals	
Lusher Charter School	\$7,190	\$2,141	\$837	\$509	\$3,461	\$14,138	\$2,440
New Orleans Charter Science and Mathematics HS	\$8,783	\$1,823	\$486	\$525	\$3,909	\$15,526	\$2,440
Priestley School of Architecture/Construction	\$8,847	\$2,846	\$737	\$535	\$3,809	\$16,774	\$2,440
Robert Russ Moton Charter School	\$7,420	\$985	\$817	\$509	\$3,304	\$13,034	\$2,440
Warren Easton Senior High School	\$6,995	\$1,898	\$668	\$511	\$3,625	\$13,698	\$2,440
Average - OPSB Charter	\$7,947	\$1,860	\$874	\$517	\$3,541	\$14,739	\$2,440
Benjamin Franklin Elem. Math and Science	\$8,544	\$1,961	\$540	\$526	\$3,504	\$15,094	\$2,440
Eleanor McMain Secondary School	\$7,874	\$1,815	\$854	\$514	\$3,421	\$14,478	\$2,440
Mary Bethune Elementary Literature/Technology	\$9,658	\$2,969	\$771	\$544	\$3,632	\$17,575	\$2,440
McDonogh #35 Senior High School	\$6,381	\$2,010	\$677	\$502	\$3,340	\$12,909	\$2,440
Orleans Parish PM School	-	-	-	-	-	-	-
The Alternative Learning Institute	\$6,435	\$671	\$1,981	\$494	\$3,182	\$12,763	\$2,440
Youth Study Center	\$15,260	\$730	\$164	\$573	\$2,483	\$20,210	\$2,440
Average - OPSB Run	\$7,744	\$2,025	\$731	\$516	\$3,421	\$14,451	\$2,440
International School of Louisiana	\$5,239	\$666	\$514	\$0	\$3,560	\$9,979	\$886
Milestone SABIS Academy of New Orleans	\$5,240	\$874	\$866	\$8	\$3,325	\$10,313	\$1,189
Average - BESE Charter	\$5,239	\$756	\$666	\$3	\$3,459	\$10,123	\$1,016
Average - All New Orleans	\$6,457	\$1,682	\$901	\$752	\$3,220	\$13,040	\$1,562
Average - All Louisiana	\$6,388	\$1,119	\$602	\$599	\$2,137	\$10,745	\$1,529

*Overhead are pro rata share of expenditures at central office and other non-school sites providing LEA-wide support. Per pupil expenditure calculations use elementary/secondary average daily membership (ADM) over the school year, while school type averages use the October 1, 2009 enrollment count.