Introduction

In December 2015, the Every Student Succeeds Act (ESSA) was signed into law as the successor to the No Child Left Behind Act enacted in the early 2000s, as amended by the Elementary and Secondary Education Act. Among a multitude of changes to the education landscape resulting from this federal legislation was the creation of a new financial transparency reporting requirement, whereby all local education agencies (LEAs)[1] would annually provide information about:

> "[t]he per-pupil expenditures of Federal, State, and local funds, including actual personnel expenditures and actual non-personnel expenditures of Federal, State, and local funds, disaggregated by source of funds, for each local education agency and each school in the State for the preceding fiscal year." *(Public Law 114-95, 129 STAT. 1802)*

FACTS About ESSA Financial Transparency

- All LEAs in New York State are required to submit reports
- For School Districts, the first year of reported data is actual expenditures for the 2018-19 school year
- The State Education Department secured a 1-year waiver for Charter Schools, so 2019-20 will be the first year of actual expenditures to report.
- Reporting will be uniform for all LEAs and will align with other reporting requirements, such as the SFR form and the *NYS School Funding Transparency Form*

States have wide latitude in determining how best to achieve compliance with this requirement. This guidance document outlines the expenditure categories that charter schools are required to report, and the procedures for submitting such data through the IRS Data Exchange (IDEx). Subsequent guidance documents will outline the report itself, other included contextual data, and how the data can be used by charter school officials and other stakeholders.

The purpose of this document is to provide charter schools with guidance on the Every Student Succeeds Act (ESSA) Financial Transparency Requirements, beginning with the fiscal year ended June 30, 2020. ESSA requires that all education corporations report actual expenditures at the charter level and management level to help charter leaders, parents, and community members better understand how charters are allocating funds and to help make future decisions on how federal, state, and local funds should be allocated. The state will also use this report to calculate per-pupil expenditures of the education corporation allowing charter school comparison data to be shared across the state. Charter schools will be required to report this data beginning November 1, 2020 using data from the 2019-2020 fiscal year. This document, along with a guided report template (below), will serve as guidance on how all New York State authorized charter schools will fulfill the ESSA reporting requirements. The following guidance provides explanation of each report section and the data needed to complete the ESSA Financial Transparency Report.

DRAFT FOR PUBLIC COMMENT

[1] *The term "local education agency" refers to all public school districts and charter schools (from any authorizer) throughout New York State.*