Hopes, Fears, & Reality

A BALANCED LOOK AT AMERICAN CHARTER SCHOOLS IN 2005

Robin J. Lake & Paul T. Hill, Editors

UNIVERSITY OF WASHINGTON

NATIONAL CHARTER SCHOOL RESEARCH PROJECT
at the Center on Reinventing Public Education

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About NCSRP and *Hopes, Fears, & Reality*

The University of Washington's National Charter School Research Project aims to bring rigor, evidence, and balance to the national charter school debate. Its goals are to 1) facilitate the fair assessment of the value-added effects of U.S. charter schools, and 2) provide the charter school and broader public education communities with research and information for ongoing improvement.

Hopes, Fears, & Reality is the first publication from NCSRP. This report will be published annually and will explore controversial, developing, or pressing charter school issues. NCSRP intends to identify the root causes, illuminate complexities, and move beyond polemics to elevate the level of the discussion around each problem, without making specific arguments for or against any position in the debate. NCSRP hopes that this report will be useful to charter school advocates, skeptics, and people curious about this new form of public education.

For more information and research on charter schools, please visit the NCSRP website at www.crpe.org/ncsrp. Original research, state-by-state charter school data, links to charter school research by other groups, and more can be found there.

Contents

Acknowledgments

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Introduction

The 2004-2005 school year was a banner year for charter schools. First launched 15 years ago in Minnesota, the charter phenomenon had spread to 40 states and Washington, D.C. By September 2004 almost one million children were enrolled in 3,300 charter schools. Buoyed by national support from the Clinton administration in the 1990s, charter schools received an additional shot-in-the-arm with endorsement as alternatives for traditional public schools failing to make satisfactory progress under the Bush administration's *No Child Left Behind* legislation.

The 2004-2005 school year was also a tumultuous one for charter schools. Though the number of charter schools continued to grow and increasing numbers of parents wanted to enroll their children, charter school supporters found themselves on the defensive. They were forced to defend the claim that formed the basis of their fundamental contract: in return for freedom from bureaucratic constraints, charter schools would improve student achievement. In the second half of 2004, studies based on data assembled by the U.S. Department of Education's National Center on Education Statistics (NCES) concluded that there was no appreciable difference in reading performance between charter school students and students in traditional public schools.[1] The American Federation of Teachers (AFT) issued a report in August 2004 using the NCES data and argued that charter schools had been tested and were found wanting when held to the same standards as traditional schools. Under political pressure to release its results, NCES later issued a report drawing similar conclusions.

Thus ensued what has become known as the charter school "dustup," in which some researchers cited the NCES data and AFT study as proof that charter schools were not working, and others argued that the data could not support the conclusions being drawn from it. Pro-charter researchers also issued very different studies drawing conclusions opposite from the AFT's. Some national newspapers took sides on editorial pages, escalating the dispute.

WHAT ARE CHARTER SCHOOLS?

Charter schools are public schools of choice. Charter schools receive public funds based on the number of children who attend, and schools that do not attract enough students to pay their bills must close. Schools obtain charters only with the approval and oversight of their local school district or other state agency. The approving agency can also close a charter school if it does not perform. The adults who run charter schools and teach in them enjoy significant freedom of action, but they can lose their jobs if the school proves ineffective or families do not choose it.

Charter schools are another way—in addition to schools directly operated by a school district—that communities can create new public education options and partnerships for their children. While some of public education's traditional constituents may be uncomfortable with charter schools, these new institutions are intended to be part of the fabric of public life in their communities.

Even before the dustup occurred, several foundations that had supported the creation of charter schools decided that the research on charter schools was weak and not credible. A consortium of foundations decided to support a new national research center to raise the standard of research on charter schools and provide balanced perspectives on issues that had become polarized. The result was the National Charter School Research Project (NCSRP), which is the author of this report.

The report is in two parts. In the first chapter, NCSRP provides new data based on surveys of state agencies and state charter associations. This first section explores questions such as:

- Is the charter school movement growing or slowing down?
- Do charter schools serve greater or fewer numbers of disadvantaged children than do regular public schools?
- Are charter schools innovative?

The first chapter also identifies several important questions on which state and local record-keeping needs to be improved. Given the data available, for example, it is hard to say anything definitive about per-pupil funding in charter schools, the size of waiting lists for admission to charter schools, or the instructional methods used. These are clearly significant issues that require further attention.

The second part of this report takes up issues and controversies that have characterized the discussion of charter schools in the past year. NCSRP's goal here is to examine these controversies in a broad context and assemble evidence in the most balanced and informative way possible. While the six chapters outlined below are unlikely to settle any of these issues definitively, they may establish a more constructive basis for continued discussion.

STUDENT ACHIEVEMENT IN CHARTER SCHOOLS. Written by Paul T. Hill, director of the Center on Reinventing Public Education and former chair of a Brookings commission on school choice, this essay provides a fresh perspective on the controversy over the academic performance of charter schools. It examines existing research and concludes that the results are not as clear or believable as the contending sides in the "dustup" would claim. The essay points to data limitations and methodological challenges that stand in the way of definitive research, and suggests how combinations of studies can answer questions that no one study can adequately address.

BRINGING CHARTER SCHOOLS TO SCALE. Leaders and funders of the charter school movement are working hard to identify the most promising charter schools, model new charter schools after existing schools with the highest performance, and dramatically increase the numbers of high-performing charter schools—which they call "bringing charter schools to scale." This essay by Robin J. Lake, executive director of NCSRP and associate director of the Center on Reinventing Public Education, identifies philosophical differences within the charter community itself about how to proceed and reviews the challenges of identifying and scaling up high-performance charter schools.

THE IMPLICATIONS OF CHARTER SCHOOL CLOSURES. In September 2004 the multi-site California Charter Academy closed suddenly, forcing an estimated 10,000 students to find new schools. This event fueled concerns about the risks faced by charter school parents and children, and the possible burdens on school districts that might have to find seats for hundreds of students on short notice. This essay, by Andrew Rotherham of Education Sector, extracts lessons from the California experience and suggests how charter authorizers and school districts can avoid catastrophic school failures and sudden mass transfers of students.

CHARTERS AS A "SCHOOL TURNAROUND" STRATEGY. One of the provisions of *No Child Left Behind* requires school districts to consider restructuring consistently low-performing schools as charter schools. Citing mixed conclusions on charter school achievement studies, critics worry that the "restructuring" provision threatens to toss students from the frying pan into the fire. This essay, written by education consultant Todd Ziebarth, and Priscilla Wohlstetter, a professor at the University of Southern California, considers how school districts and charter authorizers can make distinctions between charter schools that offer valuable options to students and those that do not.

APPLES-TO-APPLES FUNDING COMPARISONS. Authorization to fund charter schools often fails to define how much money each should receive. Controversies have erupted in several states over whether charter school funding levels are appropriate, given the costs of running a school and delivering good instruction. A recent report claims that charter schools are underfunded nationwide. This essay, written by Marguerite Roza, research professor at the Center on Reinventing Public Education, explores the details of how to compare charter school and traditional school funding.

The author contends that comparisons should take into account income and costs, for both charter schools and traditional schools.

CHALLENGES TO A MATURING REFORM. Fifteen years ago, charter schools were little more than a gleam in the eye of school reformers, often justified by data demonstrating low achievement in traditional public schools. Today, these schools are a reality in some 40 states, educating nearly one million students. However, the achievement shoe is now on the other foot. Charter schools are increasingly under pressure to demonstrate their performance using the same data used to justify their establishment. Authored by Paul T. Hill and James Harvey, this essay pulls together some of the strands of *Hopes, Fears, & Reality*.

The National Charter School Research Project hopes these essays will help reframe discussions too often driven by political interests, both pro and con, but none of these essays is intended to be the final word. NCSRP is mounting ambitious research efforts on charter school student achievement, scale-up, and costs, and hopes these new studies will resolve many of the issues raised in these essays.

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[1] National Center for Education Statistics, *America's Charter Schools: Results From the NAEP 2003 Pilot Study, NCES 2005–456* (Washington, D.C.: U.S. Department of Education, 2004).

CHAPTER I

The Charter Schools Landscape in 2005

Todd Ziebarth, Mary Beth Celio, Robin J. Lake, and Lydia Rainey

Most people know about charter schools from newspaper stories, mostly focused on disputes about approval or continuation of a particular school or about the experiences of a limited number of students or teachers. Stories are valuable, but they do not always give a broad perspective.

Even when they rely on careful studies, press reports can contradict one another. For example, one study concludes "on average, charter students are not more disadvantaged than students in regular public schools."[1] Another study states "charter schools are more likely to serve minority and low-income students than traditional public schools."[2]

THINGS THOSE INTERESTED IN CHARTERS SHOULD KNOW BUT DO NOT

Data on some characteristics of charter school students were hard to get from state charter school offices. While it was possible to conduct special analyses for race/ethnicity, free/reduced-price lunch, and special education, NCSRP was unable to do so for English language learners (ELL). In fact, because NCSRP was able to obtain data on ELL students for both charters and non-charters in only 12 states (with just 34% of all charter school students), the results are not included in this report. Given the importance of knowing which students are attending charter schools, it is critical that states collect and report student data on an annual basis. (Response rates by question are listed in Appendix B).

It was also difficult to obtain data on how charter schools were performing within federal and state accountability systems. Only 16 states were able to provide information on the percentage of schools that made adequate yearly progress (AYP, as defined by *No Child Left Behind*) for both charters and non-charters. It was even more difficult to track down the percentage of charters and non-charters that state accountability systems label as low-performing. With accountability playing such a prominent role within the charter school movement—as well as the larger movement to improve all public schools—states need to do a better job of making such information clearly and readily available.

The survey also attempted to gather data about charter school per-pupil funding, waiting lists, parent satisfaction, and class size. Only a small number of states actually collect this information, too few to report at this time. The reality is that states do not provide information on many topics about which parents and the public express the greatest interest.[3]

NCSRP hopes to provide more such information in the future. But NCSRP will also make proposals about how states can standardize data collection and analysis for all public schools, whether district-run or charter.

These results depend on the data and methods used.[4] There are other important factual disputes, such as whether the charter movement is slowing down or continuing to grow.

The National Charter School Research Project (NCSRP) set out to provide some basic facts about charter schools. NCSRP sought evidence from new sources by interviewing state officials in charge of charter schools and asking them to assemble data that had not been compiled before. Some important information has been uncovered, but many important facts are impossible to pin down. This chapter summarizes the survey results and also points out what the public and policymakers should be able to know, but presently cannot.[5]

Based on the survey, NCSRP is able to draw eight major conclusions about charter schools in the 2004-2005 school year. This chapter explains and discusses each of them:

1. Nationally, the number of charter schools grew faster in 2004–2005 than in any of the previous four years.
2. Future growth is limited in many states by legislative caps on numbers and/or location of charters.
3. Nationally, charter schools serve a larger proportion of minority and low-income students than is found in traditional public schools, a characteristic due largely to the disproportionate number of charter schools located in urban areas.
4. Charter schools differ from traditional public schools in size and grade span.
5. Alternate authorizers, such as state agencies or universities, are more likely to sponsor brand new charter schools than to sponsor existing schools that convert to charter status.
6. Few charters are operated by management organizations.
7. Few states provide facilities funding, a fact that limits the number of charter schools that can be opened in a majority of states.
8. Charter schools are creatures of state policy and therefore differ from one state to another and are as diverse as the states and the legislation that permit them.

FINDING #1: *Nationally, the number of charter schools grew faster in 2004–2005 than in any of the previous four years.*

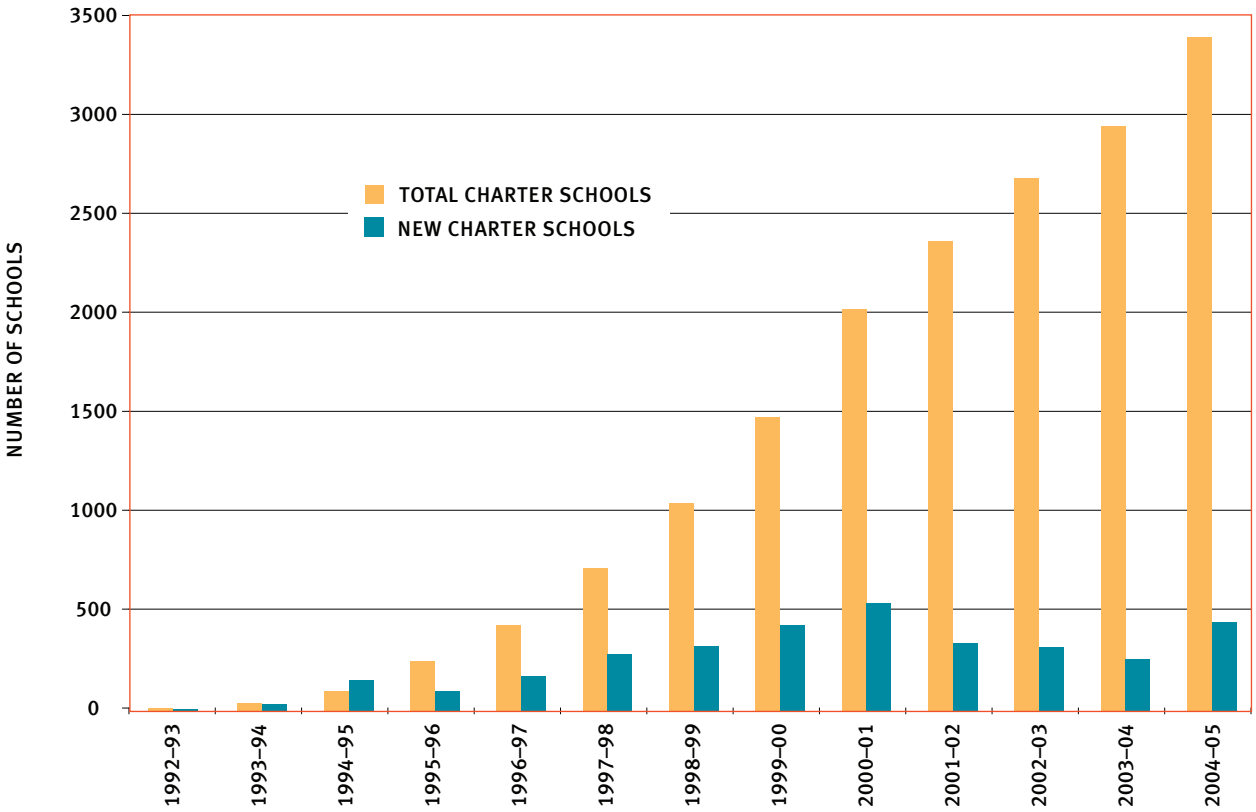
There has been speculation in recent years to the effect that charter school growth is stalling. However, the pace of charter school openings picked up speed in 2004-2005. The number of charter schools that opened in 2004-2005 (448) was much higher than the average of the previous four years (340) and nearly twice as high as in the 2003-2004 school year (260). As the 2005-2006 school year approached, approximately 3,300 charter schools were operating in the 40 states and Washington, D. C. Based on the National Center on Education Statistics' Common Core of Data, these 3,300 schools represent about 3% of all public schools in the country. Nationwide, charter schools serve more than 900,000 students, or 2% of all students attending public schools.

Charter schools opened for the first time in Iowa and New Hampshire during the 2004-2005 school year. In addition, states with relatively few charter schools—such as Indiana and Utah—experienced noteworthy growth, as did several states that already had substantial numbers of charter schools.

THE CHARTER SCHOOL GROWTH RATE. The absolute number of new charter schools remains high, but the growth rate continues to decline because the base on which it is calculated is larger every year. Thus, the addition of 432 charter schools in 1999-2000 constituted a 41% increase in the total number of schools, while the addition of 448 schools last year translates into a much more modest rate increase of 15%. Figure 1 provides details of this growth from two charter schools in Minnesota in 1992-1993 to 3,403 in 40 states and Washington, D. C., in 2004-2005.

In number of schools, as in number of students, the data collected by NCSRP revealed that growth is concentrated in certain states, with 65% of all new charters opening in California, Colorado, Florida, Michigan, Minnesota, Ohio, and Wisconsin. Each of these states already had at least 100 charter schools, and together they have more than half of all charter schools nationwide. On the other hand, growth in many states was numerically small but proportionally large, with charter schools opening for the first time in Iowa and New Hampshire. Kansas and Tennessee added 14 and 3 schools respectively, but both had growth rates greater than 40% (52% and 43% respectively). In 25 states the number of charter schools grew by 10% or more.

FIGURE 1: CHARTER SCHOOL GROWTH: NEW AND TOTAL CHARTER SCHOOLS, 1992-2005

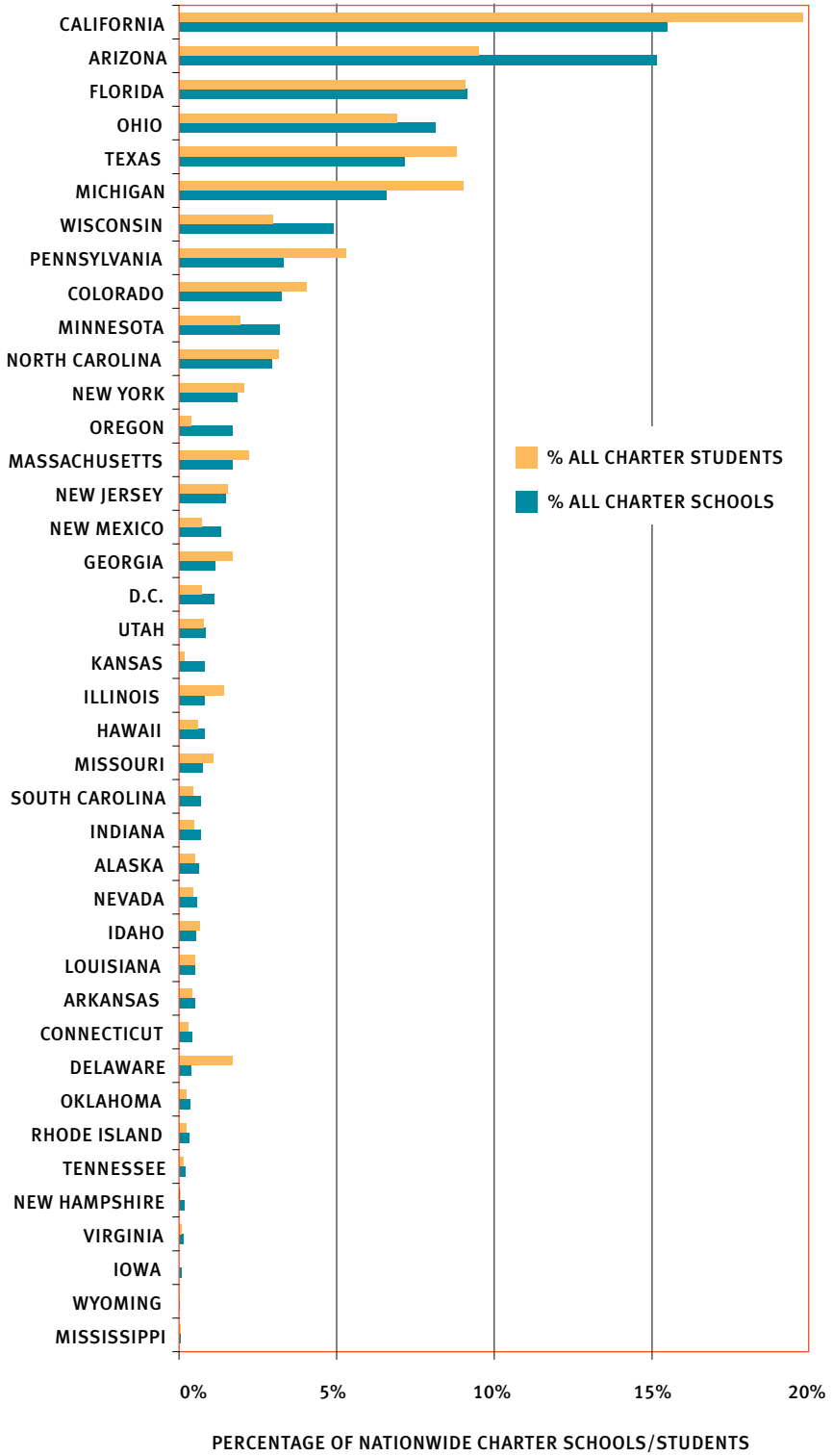


Source: *2004-2005 data from NCSRP survey; all other data from Center on Education Reform, www.edreform.com*

CHARTER SCHOOL STUDENTS. The range in the number of students enrolled per state is also very broad, from 140 in Wyoming to 180,000 in California. As Figure 2 makes evident, charter school students, like the schools themselves, cluster in a limited number of states. Just six states account for 62% of charter schools and 63% of charter school students: Arizona, California, Florida, Michigan, Ohio, and Texas. These "Big Six" charter school states, however, are not necessarily the states in which charter schools play the greatest role in serving public school students.

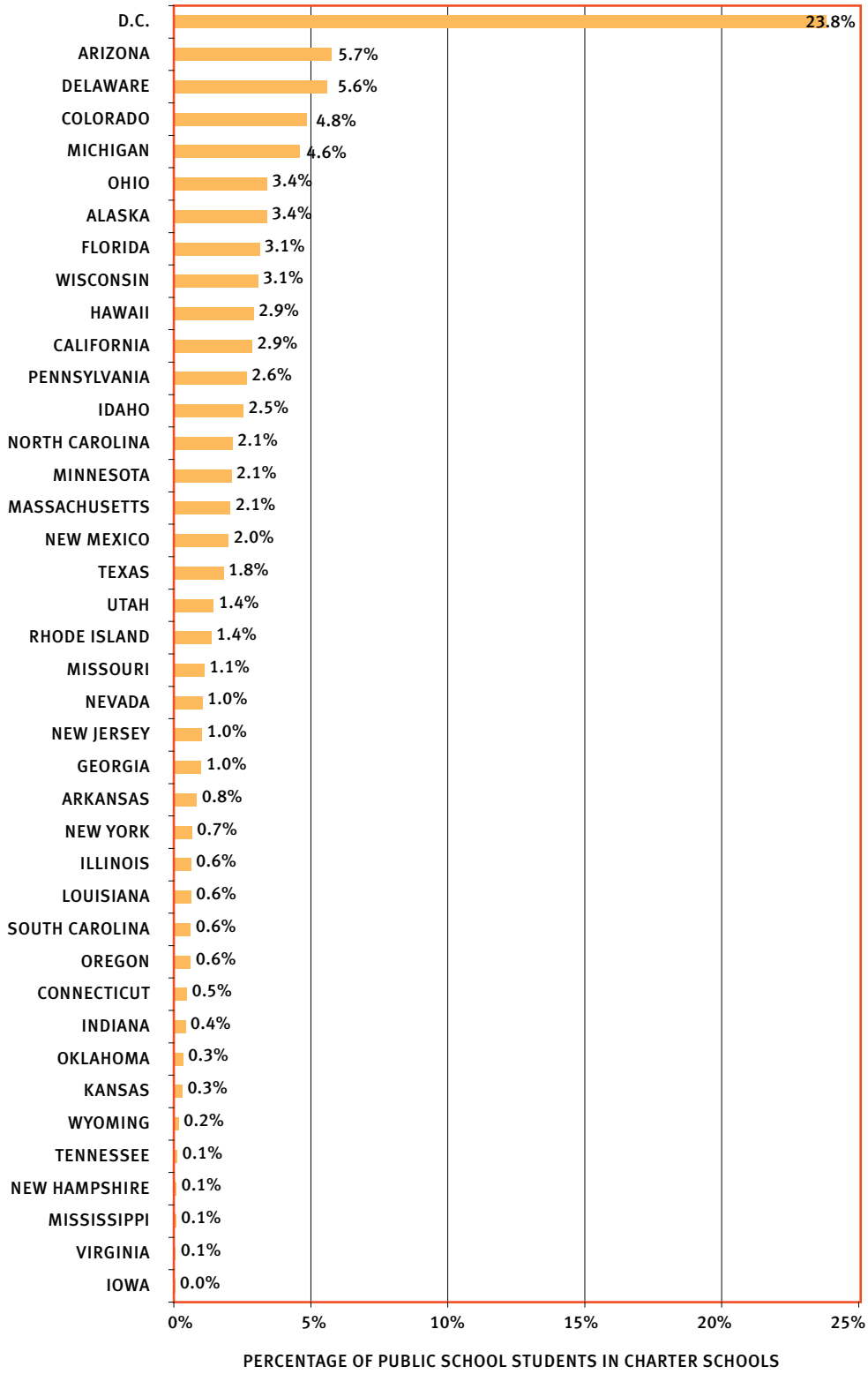
As Figure 3 indicates, the Washington, D. C.'s charter schools serve by far the most significant share of all public school students—24%.[6] Charter schools in Delaware and Colorado also serve relatively high proportions of all public school students. Although charter students are numerous in California, Florida, and Texas, they still comprise very small proportions of those states' total student populations.

FIGURE 2: PERCENT OF NATIONWIDE CHARTER SCHOOLS/STUDENTS BY STATE IN 2004-2005



Source: *National Charter School Research Project, 2005*

FIGURE 3: STUDENTS IN CHARTER SCHOOLS BY STATE IN 2004–05



Source: *National Charter School Research Project, 2005*

CHARTER SCHOOL CLOSURES. By design, non-performing charter schools are supposed to close their doors. In addition, some will probably fail due to inability to attract students. In 2004-2005, about 65 charter schools—some with multiple campuses—closed their doors in 17 states and Washington, D.C. The number of closings ranged from a single school (in eight states and Washington, D.C.) to 21 schools (California). In 15 states, not a single charter closed last year. The 65 closed charters represented 2% of the charter schools in reporting states. Overall, the ratio of schools closed to schools opened is about one to seven. In Arizona and Alaska, however, the numbers of charter school openings and closings are very nearly equal. Figure 4 displays this information for all reporting states.

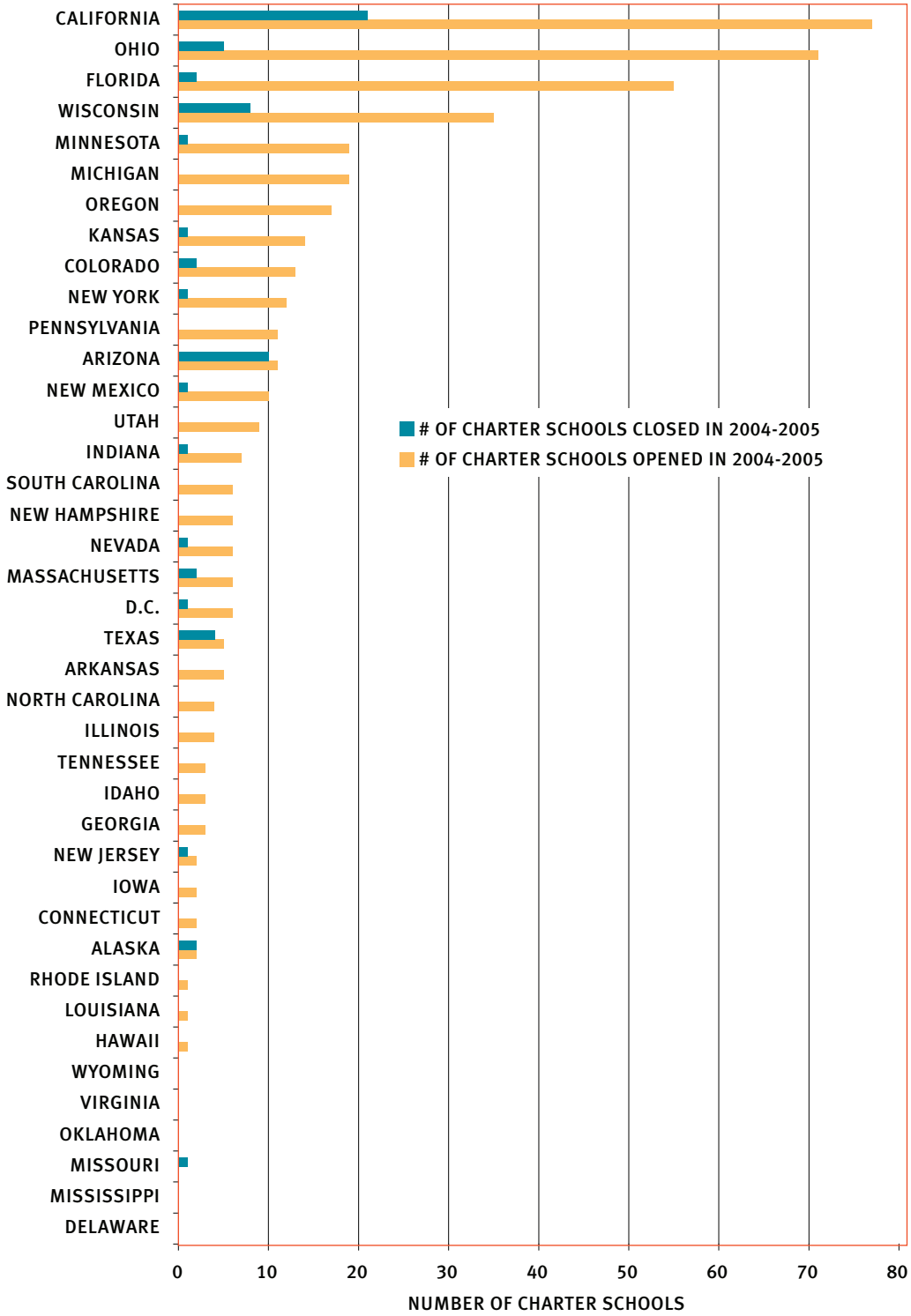
CHARTER SCHOOL AGE. Many charter schools are brand new and some have been in existence for only a few years. Nationally, the average charter school has been open slightly less than five years.[7] However, since charter schools often grow one grade at a time, many are still offering instruction for some age groups for the first time. Most multi-grade schools still have not graduated a cohort of students—for instance, from elementary to high school or from high school to college.

FINDING #2: *Future growth in numbers is limited by state caps.*

Since the first charter laws were enacted, supporters and opponents have struggled over caps on the number of schools allowed to open. Most states incorporate such caps in their statutes, sometimes as a result of political compromises negotiated during the initial decision to authorize charters within the state.

As of 2004-2005, 27 states' laws limit the number of charter schools. Twenty states set caps on the total number of new schools that may open. These caps are imposed statewide, on particular cities, or on particular authorizing agencies. The other seven states limit charter school growth based on other criteria, including the number of students who may attend charter schools (Connecticut) or total district expenditures (Massachusetts).

FIGURE 4: OPENED AND CLOSED CHARTER SCHOOLS BY STATE IN 2004–2005



Source: *National Charter School Research Project, 2005*

Figure 5 (next page) displays the number of charters that are available, by state, under current absolute state caps. Under current state caps, there is room for just 725 more schools nationwide. Almost half of this unused capacity (340 charters) is available in California. Three of the states with the most charter schools (Michigan, Ohio, and Texas) can create a combined total of just 29 more schools under the current caps.

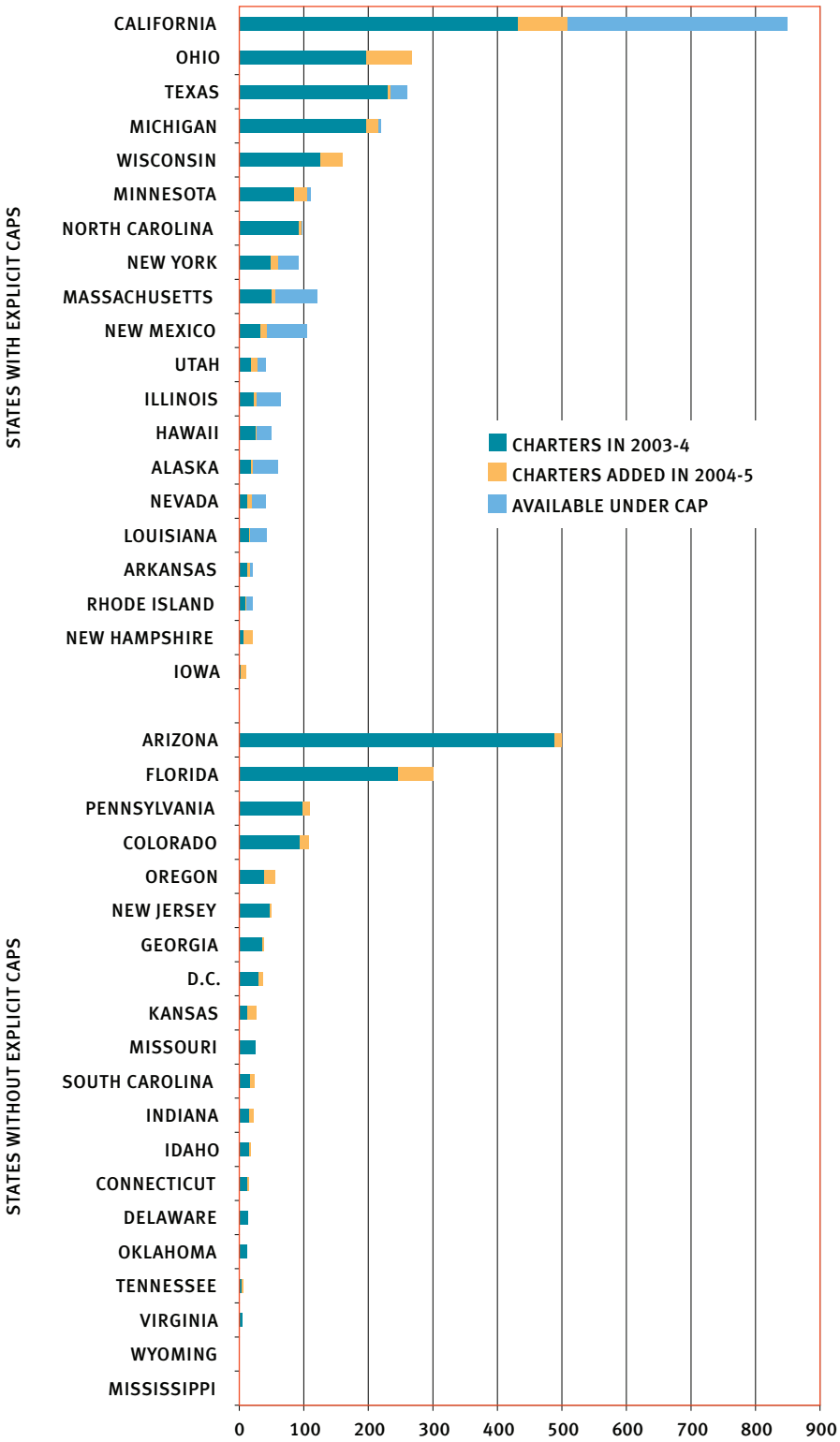
Most states are clearly bumping up against their caps, making it likely that, barring legislative changes, charter school growth in these states will grind to a halt in the next few years.

FINDING #3: *Nationally, charter schools serve a larger proportion of minority and low-income students than traditional public schools, due largely to the disproportionate number of charter schools located in urban areas.*

There is a great deal of heat to the debate about whether charter schools serve the disadvantaged or "cream" student populations to serve the easy to educate. In order to gain precise and up-to-date information on the demographic makeup of charter school students, NCSRP asked state charter school sources to provide data on race/ethnicity, free/reduced-price lunch, and special education for charter school students. This information was combined with information from the Common Core of Data (NCES) on the public school districts in which each of the charter schools in the 30 reporting states are located.[8]

LOCATION OF CHARTER SCHOOLS AFFECTS ENROLLMENT. One of the characteristics of charter schools most likely to affect the types of students served is location. In fact, the NCSRP survey revealed that charter schools are three times as likely to be located in big city districts as are public schools in general, and half as likely to be located in small town or rural districts: in 2004-2005, 10.4% of all public schools in the United States were in big city districts, while 30.5% of all charter schools were located in big city districts. At the other end of the spectrum, while over 45% of all public schools were located in small towns or rural districts, 24% of charter schools were located in such districts.

FIGURE 5: NEW AND TOTAL CHARTER SCHOOLS BY STATE, 2003–2005 PLUS NUMBER AVAILABLE UNDER CAP *(If Any)*



Source: *National Charter School Research Project, 2005*

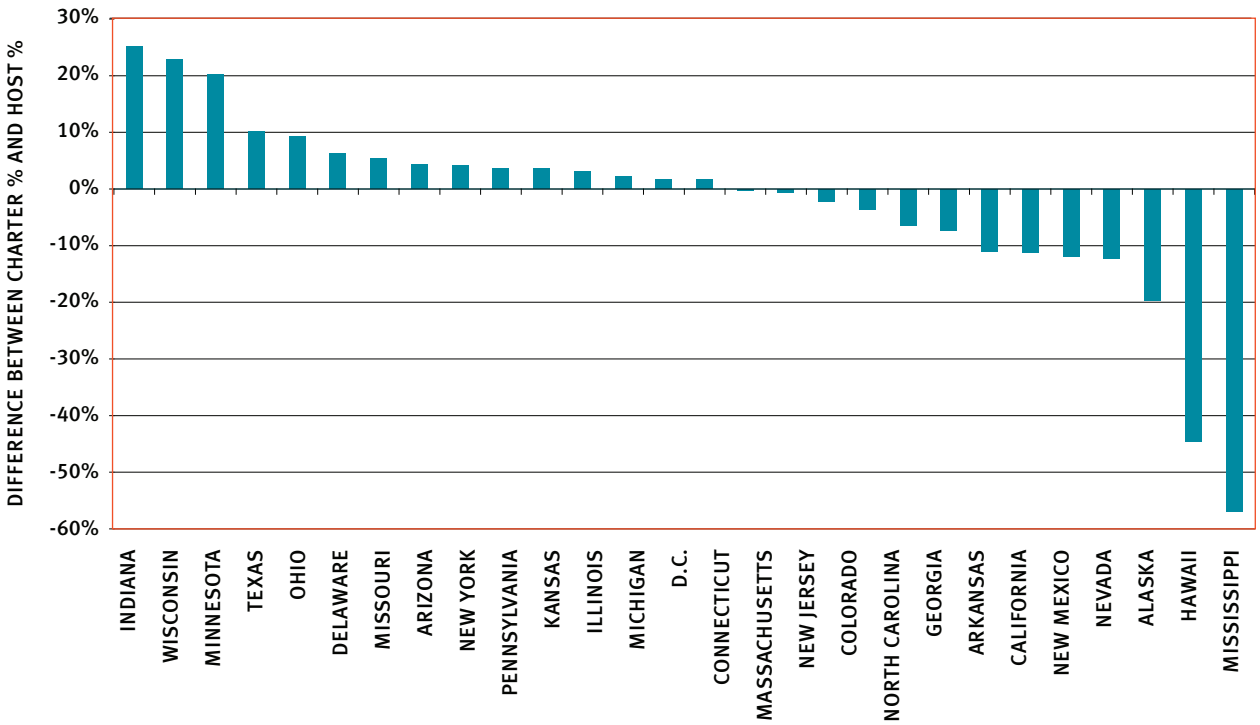
MINORITY ENROLLMENT IN CHARTER SCHOOLS. Not all states were able to provide information on charter school minority enrollment, but the 30 states that provided racial and ethnic data are host to 94% of all charter schools and 97% of all charter school students. Data from the remaining states would not change the overall picture presented here.

Nationally, charter schools enroll a significantly higher proportion of minority students than do the states in which they are located: over half (58%) of the students enrolled in charter schools belong to a racial/ethnic minority group, while 45% of students within the public school districts in the same states are members of minority groups. However, there is almost no difference in the minority makeup of charter schools and the districts in which they are geographically located (59% minority in charter schools versus 60% in "host" districts).

The national figures mask major differences state to state, as indicated in Figure 6. Charters in 15 states and Washington, D.C., serve a larger percentage of minority students than do regular public schools in their host districts, while charters in 13 states serve a lower percentage of such students.

FIGURE 6: DIFFERENCE BETWEEN MINORITY ENROLLMENT IN CHARTER SCHOOLS AND IN DISTRICTS THAT HOST CHARTER SCHOOLS, BY STATE, 2005

Positive numbers indicate the % minorities and FRL in charter schools is larger than the % minorities and FRL in host district

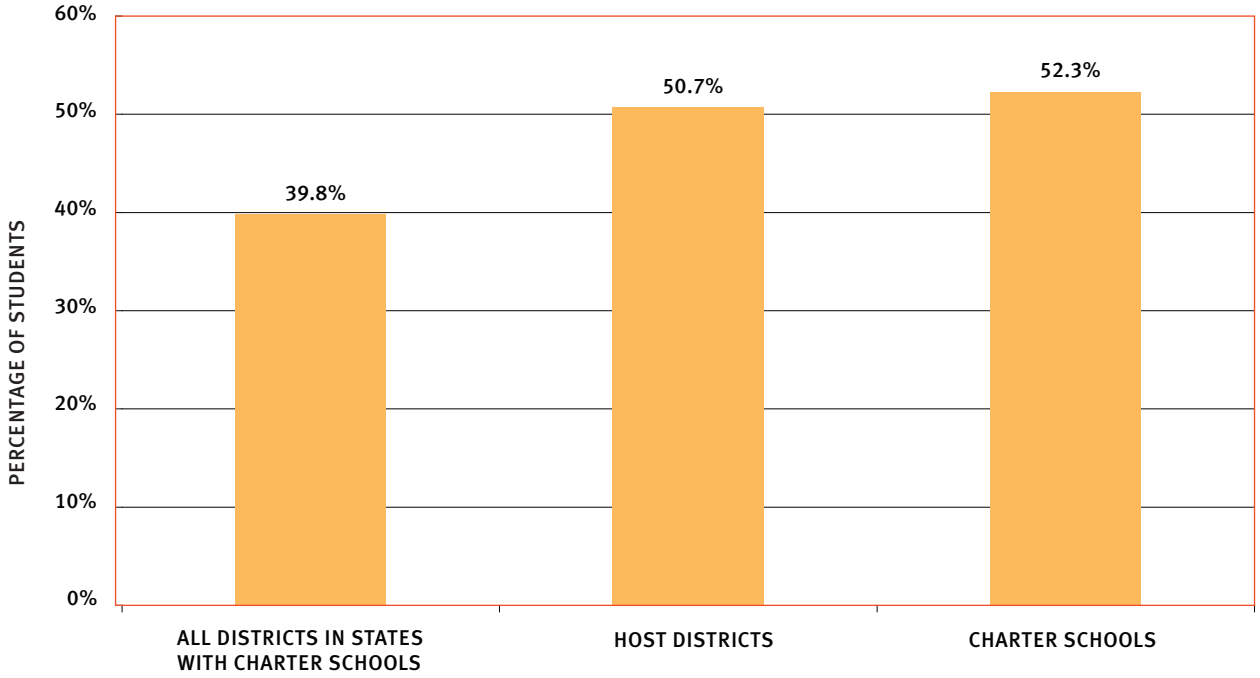


Source: *National Charter School Research Project, 2005*

LOW-INCOME ENROLLMENT IN CHARTER SCHOOLS. Charter schools enroll a higher percentage of low-income students than do the states in which they are located, and they serve about the same percentage of low-income students as do the districts they are located within.[9] Overall, 52% of students enrolled in charter schools are eligible for free/reduced-price lunch (FRL), compared to 40% of all public school students in the same states and 51% in the same districts. Data on free/reduced-price lunch eligibility were available for only 21 of the 40 charter school states, making these findings somewhat less solid than the minority enrollment data, but the fact that the states that provided this data enroll 63% of all charter school students suggests that the relationship may also be seen in non-reporting states. Figure 7 provides details.

As with minority enrollment, the difference in low-income enrollment between charter schools and their host districts varies dramatically from state to state. Figure 8 displays, as words alone cannot, the immense differences in demographic makeup of districts and charter schools among and within states.

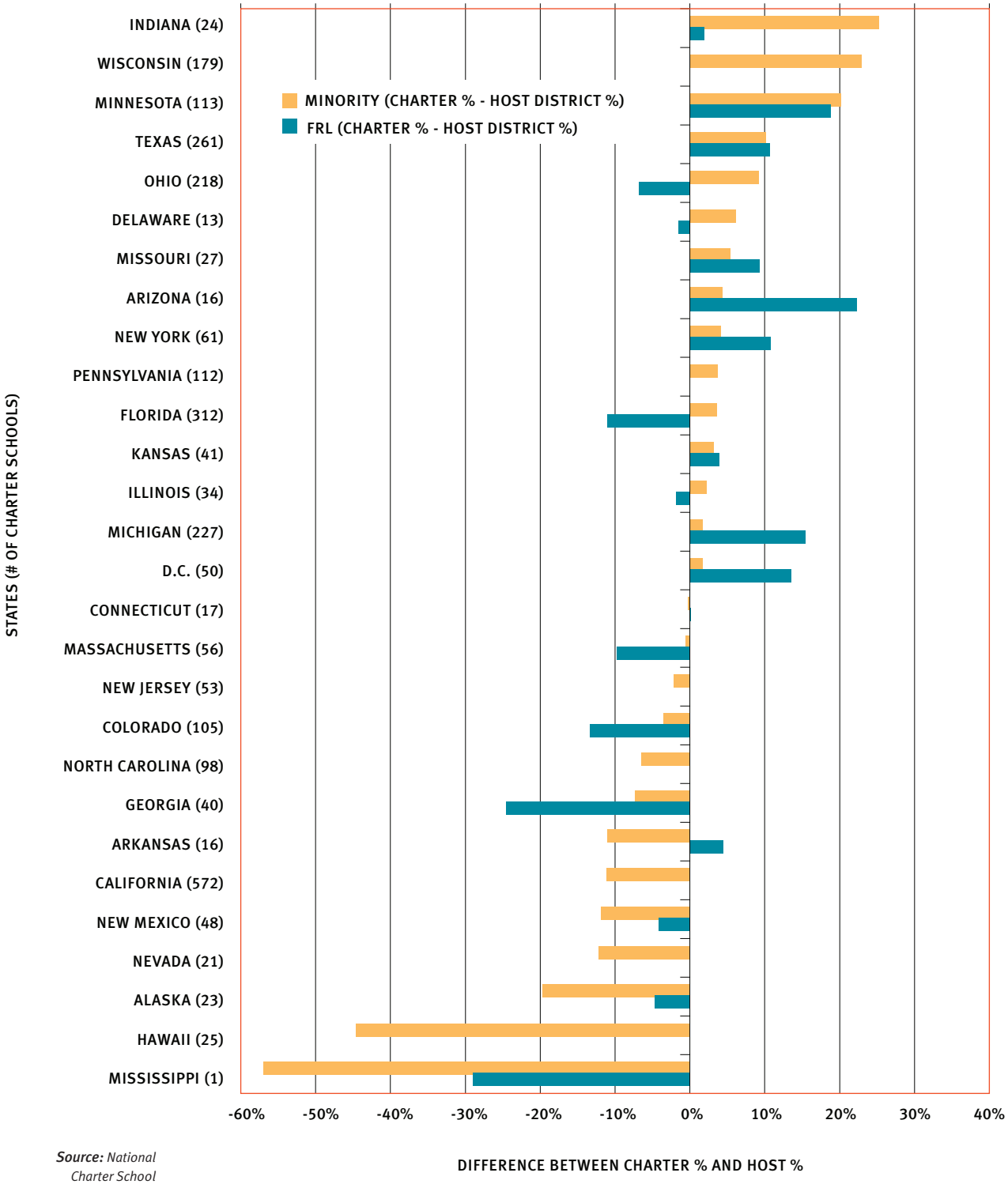
FIGURE 7: PERCENT OF STUDENTS ELIGIBLE FOR FRL IN ALL DISTRICTS, IN DISTRICTS THAT HOST CHARTERS, AND IN CHARTER SCHOOLS, 2005



Source: *National Charter School Research Project, 2005*

FIGURE 8: DIFFERENCE BETWEEN MINORITY & FRL ENROLLMENT IN CHARTER SCHOOLS AND IN DISTRICTS THAT HOST CHARTER SCHOOLS, BY STATE, 2005

Positive numbers indicate the % minorities or FRL students in charter schools is larger than the % minorities or FRL students in host district



Source: *National Charter School Research Project, 2005*

In short, charter schools are geographically located in those districts that serve a disproportionate number of students who have traditionally been found to be most at risk of educational failure: those in large urban areas, those who live in poverty, and (in many states) those who are members or racial or ethnic minorities. Moreover, their student populations also appear to be generally representative of nearby district-run schools. However, the mixture of the risk elements differs by state, making it difficult to make hard-and-fast generalizations about charter schools. Better studies of charter school enrollment, including finer measures of students' prior educational experience and family background, are needed.

SPECIAL EDUCATION ENROLLMENT IN CHARTER SCHOOLS. Nationwide, charter schools serve a lower proportion of special education students than do other public schools. About 10.8% of charter students are classified as special education students, compared to 13.4% of students enrolled in traditional public schools.[10] This gap is essentially the same as it was in 1998-1999.[11] Two states (New Mexico and Ohio) buck the national trend, with charters serving a higher proportion of special education students than other public schools.

FINDING #4: *Charter schools differ from traditional public schools in size and grade span.*

Supporters claim that charter schools offer more intimate learning environments and give parents options not otherwise available. Our data show that charter schools deliver on these promises. They are much smaller, on average, and offer grade configurations that are not widely available in other public schools.

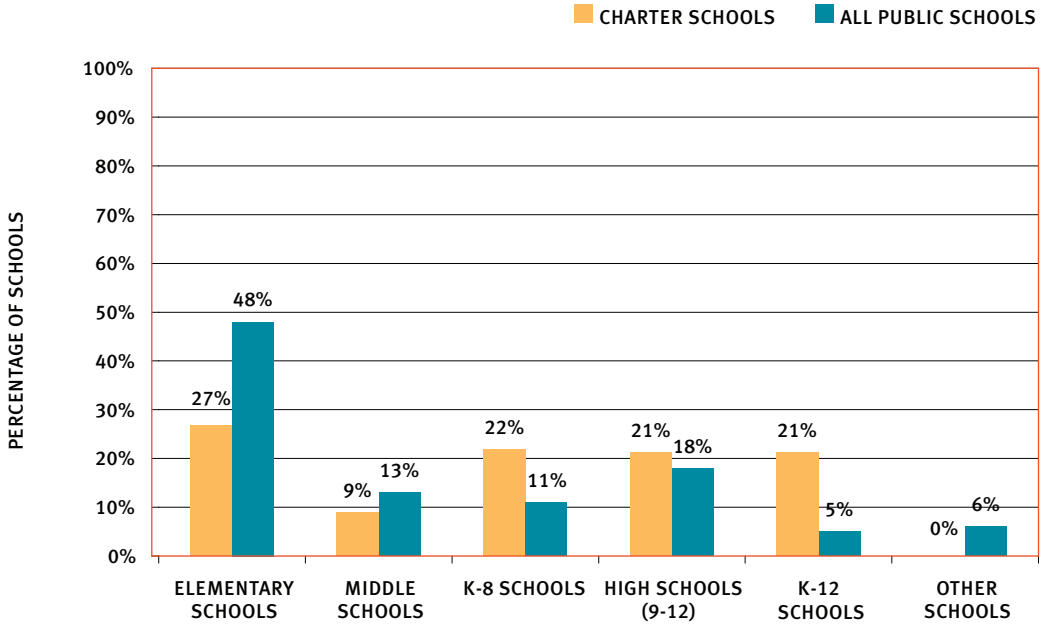
In 2004-2005, the average size of a charter school was 256 students—about half the average size of non-charter public schools. Charter schools were smaller than district-run public schools in every state but two.

Elementary schools are typically smaller than secondary schools. If charter schools were more likely to serve traditional elementary school grades than other public schools, that might explain the smaller school size, but that is not the case (see Figure 9). Slightly more than one quarter of charters are elementary schools, compared to nearly half of all public schools. Overall, 55% of charter schools served some combination of elementary and middle school grades only in 2004-2005, much lower than the 73% of all public schools that do so. A higher proportion of charter schools (25%) serve some combination of high school grades than do other public schools (19%).

Charter schools also offer unconventional grade spans.[12] Figure 9 shows that charter schools are much more likely to organize themselves as K-8 and K-12 schools than are traditional public schools. As shown below, 43% of charter schools served non-traditional combinations of grade levels, such as K-8 or K-12 schools, as compared to only 16% of all district-run public schools.

Charter schools' offering unusual grade configurations—especially ones that eliminate separate middle schools and reduce the numbers of times a child must transition between one school and another—creates options for parents.

FIGURE 9: GRADES SERVED BY CHARTER SCHOOLS AND OTHER PUBLIC SCHOOLS, 2005

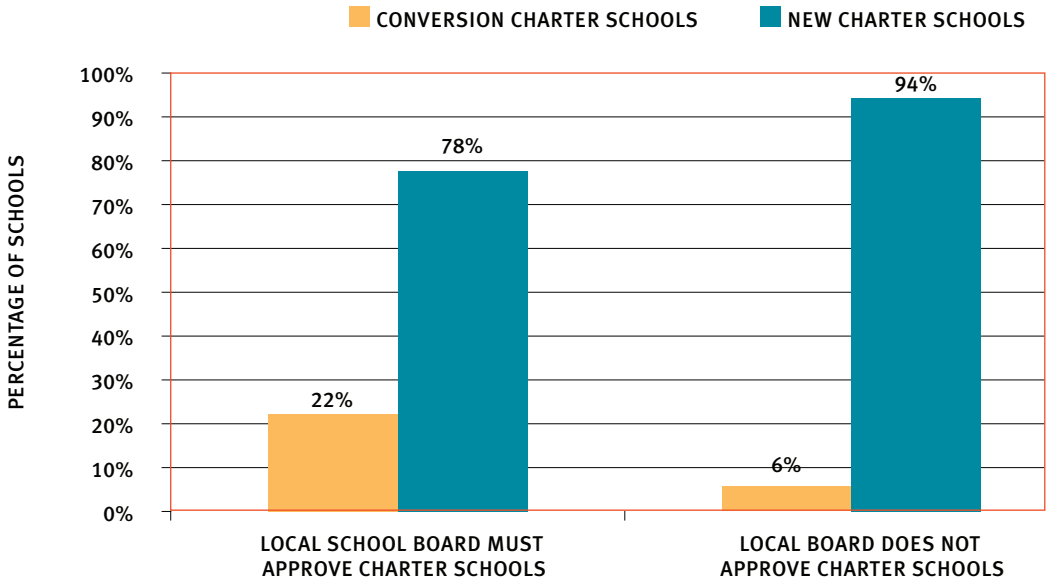


Source: *National Charter School Research Project, 2005*

FINDING #5: *School boards sponsor different mixes of charter schools than do other authorizers.*

Does it matter whether only school boards can authorize schools? There is an ongoing debate about whether other public entities should be allowed to charter schools, and whether they would sponsor different kinds of schools than do school districts. Figure 10 outlines an intriguing connection between the authorizer's identify and the type of school sponsored. In states that permit only local school districts to sponsor charter schools, nearly a quarter of all charter schools are converted from existing schools, most of which keep their teaching staffs intact (22%). The remainder (78%) is made up of new schools.[13] When states allow alternate sponsors, on the other hand, including universities, state agencies, and other non-profits, only 6% of charters are conversions and 94% of charter schools are started from scratch.

FIGURE 10: LOCAL SCHOOL BOARD APPROVAL AND CHARTER SCHOOL TYPE, 2005



Source: *National Charter School Research Project, 2005*

FINDING #6: *Few charters are operated by management organizations.*

Some charter school opponents warned that small, innovative schools would be driven out by large organizations capable of operating many schools. Some proponents hoped that educational management organizations (EMOs)—both for-profit and non-profit—would play a significant role in increasing the number of charter schools. Experience to date does not bear out the fears or the hopes about EMOs. Our survey indicates that just 10% of all charter schools are operated by EMOs (either for-profit or non-profit) in Washington, D. C., and the 26 states and that reported such data. In other words, the overwhelming majority of existing charters are operated as single enterprises by local groups, teacher cooperatives, and community-based organizations.

Here again, national numbers mask important state variations. Michigan and states such as Alaska and Minnesota are outliers. Fully 75% of the charters in Michigan are operated by EMOs, by far the highest percentage of any state. In Alaska and Minnesota, by contrast, no charters are operated by EMOs. In other states, the percentage of charters operated by management organizations varies from 33% in Ohio and 26% in New York to 4% in Arizona and 2% in Wisconsin.

FINDING #7: *Few states provide facilities funding, a fact that limits the number of charter schools that can be opened in a majority of states.*

Charter school access to facilities funding is frequently a bone of contention. (Chapter 6 provides greater detail on school finance issues related to charters, including accounting for facilities funding.) District-run public schools do not pay for facilities, but charter schools must buy, lease, or pay rent. Charter supporters often lobby states to provide facilities or subsidize the costs.

NCSRP's data indicate that few states currently provide such support. During the 2004-2005 school year, just 13 states and Washington, D.C., provided funds for charter school facilities. Ten of these states and Washington, D.C., provided such funds in the form of per-pupil payments to charter schools.

While most states ignore facilities needs or provide amounts much lower than the actual cost, some jurisdictions are more forthcoming with funds. In Washington, D.C., for example, the amount provided on a per-pupil basis is derived from a five-year moving average of capital funds available to the school system. Charter schools may use these funds to meet various facilities needs. Minnesota provides lease aid to charter schools in the amount of 90% of lease costs, up to $1,200 per-pupil.

Instead of providing facilities funds in the form of per-pupil payments, four states provide grants and loans for facilities. California, for example, operates a revolving loan fund that allows charter schools to receive loans of up to $250,000 for facilities, with up to five years for repayment. Charter schools authorized by the state board of education in Connecticut are eligible for a one-time grant of $500,000 to assist in the financing of school building projects, general building improvements in school buildings, and repayment of debt incurred for prior school building projects.

FINDING #8: *Above all, charter schools are creatures of state policy and therefore differ from one state to another and are as diverse as the states and the legislation that permit them.*

From the data presented here the charter school movement, sometimes thought of as a national crusade, looks a lot more like a combination of loosely connected state initiatives. During the past year, the public and policymakers have watched as various researchers have tried to make sense of national achievement data. It is small wonder they have had such a hard time. Charter schools are often more different than similar from state to state.

Why so much variation among states? Each state's charter school law is unique, representing that state's preferences on everything from the purpose of the law to how charter schools are to be held accountable and for what. In addition, a state's unique mix of history—with education reform, the interplay of state and local politics, and traditions of school governance—plays a role in determining who ends up starting schools and what the schools look like. In some respects, chartering is more of an opportunity for changing existing schools than an opportunity to create new schools that fit a certain mold.

[1] Martin Conroy, Rebecca Jacobsen, Lawrence Mishel, and Richard Rothstein, "Facts and Figures," in *Charter School Dust-up: Examining the Evidence on Enrollment and Achievement* (Washington, D.C.: Economic Policy Institute, 2005). The description of charter school enrollment comes from *America's Charter Schools: Results from the NAEP 2003 Pilot Study* (Washington, D.C.: U.S. Department of Education, Institute of Education Sciences, December 2004).

[2] U. S. Department of Education, *Evaluation of the Public Charter Schools Program: Final Report.* Conducted by SRI International, Washington, D.C., 2004. Data from this source provided the primary source for the report *State of the Charter Movement 2005: Trends, Issues, and Indicators,* by Gregg Vanourek (Charter School Leadership Council, May 2005).

[3] See Jean Johnson and Ann Duffett, *Where Are We Now: 12 Things You Need to Know About Public Opinion and Public Schools* (Washington, D.C.: Public Agenda, 2003). See also: Mark Schneider, Paul Teske, and Melissa Marschall, *Choosing Schools: Consumer Choice and the Quality of American Schools* (Princeton: Princeton University Press, 2000).

[4] The PCSP/SRI data that provide evidence of disproportionate minority/low-income enrollment in charter schools were collected from a sample of all charter schools, with the most recent data from the 2001-02 school year. The NAEP data, which provide the source for most claims that charter schools are not more likely than regular public schools to enroll minority/low-income students, were drawn from 4th grade students in 150 charter schools in the 2002-03 school year, and data on economic status were available for a smaller proportion of charter school than of regular public school students. Of special note is the fact that, although NAEP found that a larger percentage of charter schools 4th graders were black than was true of regular public school 4th graders, these black students were less likely than black students in regular public schools to be eligible for free/reduced-price lunches (the only available measure of family economic status). However, it should be noted in considering the NAEP charter school data that information on eligibility for free/reduced-price lunches was not reported for a larger proportion of charter school than of regular public school students in the sample. That is, while such information was unavailable for 4% of students in other public schools, it was not available for 9% of students in charter schools. Other studies have reported that charter schools are less likely than regular public schools to apply for some sources of federal assistance, including free/reduced-price lunches; this does not mean, however, that students for whom such information is not available are not members of low-income families, and drawing conclusions about the economic status of students based only on those providing such information is potentially misleading.

[5] The data presented in this paper, including results for states not highlighted, are available on the NCSRP website: www.crpe.org/ncsrp.

[6] The District of Columbia was created to house the nation's capital, Washington, D.C. It is unique among the locales surveyed: 100% urban; both a city and its own state education agency; and its prominence among charter school jurisdictions is as much a function of Congressional as of local action. Two other urban areas where charter schools serve a similarly large percentage of students are Dayton, OH, with 26% of students enrolled in charters, and Kansas City, MO, with 24% in charter schools.

[7] Note that because school-level data is not widely available, this figure is an average of state averages, weighted for student population. See Appendix B for more detail.

[8] Data are not available to permit a comparison of individual charter schools to their districts, but it is possible to compare the overall statewide statistics on charter schools to the relevant districts within the charter states that contain charter schools within their borders.

[9] We used the standard proxy to identify low-income students: students eligible for free/reduced-price lunch (FRL) are considered to be low-income.

[10] NCSRP was only able to obtain data on the percentage of special education students in charter and non-charter schools from 19 states and Washington, D.C. The other 20 states did not collect this information.

[11] RPP International, *The State of Charter Schools 2000—Fourth-Year Report* (Washington, D.C.: U.S. Department of Education, 2000).

[12] While NCSRP was able to gather data on grade spans of charter schools from every jurisdiction with charter schools open in the 2004-05 school year, NCSRP was only able to gather it for the non-charter schools in 31 states and Washington, D.C. Therefore, the numbers reported here are only for those 31 states and Washington, D.C.

[13] State laws can permit local education agencies, universities, non-profits, or other entities to authorize charter schools. Normally, statutes define very precisely which entities are permitted to authorize charters and under what circumstances. Charter school advocates normally want many potential entities authorized to offer charters; defenders of the status quo usually prefer to limit the number of entities, ideally to just local education agencies.

CHAPTER 2

Assessing Achievement in Charter Schools

Paul T. Hill

The average man or woman on the street trying to follow the dueling studies on charter school performance probably greatly overestimates the volume and quality of research available. There really is not a lot of reliable research on the topic. Although there are press reports about charter schools with very high or low student test scores, almost all of these reports suffer from serious shortcomings of data or methods. As part of the commitment of the National Charter School Research Project (NCSRP) to provide a balanced perspective on charter school research, it committed to analyzing every study on the link between charter school attendance and student academic achievement.

News coverage of this year's dueling publications reveals a mismatch between what the available research can tell us and what policymakers and concerned citizens want to know. Everyone wants to know whether children attending charter schools benefit or suffer harm. The answer to this question cannot be observed directly, since benefit or harm depends on what other opportunities the students had. Comparisons are necessary. Researchers inevitably reformulate the question in this way: "Do students in charter schools learn more than they would have learned in a conventional public school?" Even this question is hard to answer, since no student can be in two kinds of schools at once. To get at the question, researchers must make a number of imperfect comparisons and employ complicated statistical tools. The results often depend on the methods used, and the same numbers might support positive or negative conclusions, depending on how they are analyzed.[1]

THE NATIONAL "DUSTUP"

In August 2004, a study by the American Federation of Teachers (AFT) grabbed the headlines. The AFT report analyzed data from the National Assessment of Educational Progress (NAEP) and concluded that charter school students had lower achievement, both in fourth grade and eighth grade, than other public school students. They also looked at the achievement gap between students who were and were not eligible for free/reduced-price lunch, and found it was slightly larger in charter schools than in regular public schools on two tests, fourth grade reading and eighth grade math. These results were troubling, though the methods used did not fully account for differences in the student populations served by the two kinds of schools.

Ultimately, the U.S. Department of Education's Institute for Education Sciences issued its own analysis of the data used in the AFT report.[2] Based on fourth-grade reading and math performance of some 3,300 students, it reproduced many of the AFT's findings.

A third prominent study analyzed charter school student performance on state assessments.[3] Produced under the imposing banner of Harvard University, this study made much of the fact that it covered 99% of enrollments in charter schools, far more than the NAEP's 3% sample. It compared charter schools with the schools their students would most likely otherwise attend, and argued that charter school students were more likely than students in matched schools to be proficient in reading and math on state exams. Coverage of the Harvard study suggested it was developed as a sort of antidote to the AFT and U.S. Department of Education findings.

In the spring of 2005, two groups with opposing perspectives on charter schools published reviews of existing research. The review by the AFT-allied Economic Policy Institute concluded that the available findings on charter school effectiveness were neutral to negative.[4] The Charter School Leadership Council drew the opposite conclusion.[5] Though the two groups reviewed many of the same studies, they each excluded some studies from consideration for various reasons.

Dueling studies are not unique to charter schools. As a recent report in the *Journal of the American Medical Association* shows, many publicized reports on the effectiveness of drugs and other therapies are premature. Some research findings are later demonstrated to be inaccurate.[6] In medical research—a much more mature and infinitely better-

funded enterprise than educational research—big questions are settled only after many sophisticated studies using different methods reach the same conclusion.

STUDIES OF LOCALITIES AND INDIVIDUAL SCHOOLS

NCSRP began its review of smaller-scale studies by examining every report published since 2000. The review uncovered 41 studies that report on links between charter school attendance and student test scores.[7] None of them report on longer-term results like persistence in school success at the next level of education, graduation rates, or college attendance.

Of the 41 studies, 26 focus on charters in a single state. There are multiple studies of some states—five on California, four on Texas, and three on Florida—and no studies at all on 28 states. Because data on charter school performance is not always readily available, researchers have used what they could obtain. Frequently the data sets are almost primitive. Of the 26 studies, 12 make aggregate comparisons of charter and public school performance without specifying which grade levels are analyzed. None start with data that can be taken as representative of all the charter schools or students in the state. About a dozen studies seem to examine multiple grade levels, but do not say how many students there were in each grade.

Of the universe of 41 studies, NCSRP was unable to locate one, and five are meta-analyses that try to discern trends by combining studies done in single states. The meta-analyses only review the individual studies, so NCSRP has also excluded them from Table 1 (below), which covers 35 studies.

TABLE 1: RESULTS OF 35 CHARTER ACHIEVEMENT STUDIES DONE SINCE 2000

DIRECTION OF RESULTS	TYPE OF ANALYSIS			
	Mean-to-mean comparisons, no controls	Multivariable analysis	Regression analysis, randomization, multi-year student scores	Total
Positive	**4**	**3**	**8**	**15**
Neutral or mixed	**4**	**0**	**6**	**10**
Negative	**5**	**2**	**3**	**10**

Due to the low quality of many studies, it is hard to know what to make of the results or how to weight them against each other. Do several flawed studies pointing in the same direction tell us something worth knowing, despite the flaws? Or does one well-done study outweigh ten weak ones drawing different conclusions?

Table 1 summarizes the analysis. It compares the count of pro- and con-charter studies and distinguishes them by the methods employed in the studies. Table 1, to repeat, excludes the five meta-analyses that re-analyzed data published by others.

The results displayed in Table 1 are mixed. Out of the 35 studies, 15 produce generally positive findings, with the lion's share accounted for by studies employing relatively sophisticated approaches—multivariate analysis, regressions, randomization, and the like. But even studies employing these methods are about evenly divided between those finding positive results and those that are neutral, mixed, or negative. Of the studies, 20 (57% of the total) provide neutral, mixed or negative results—with nearly half of them (nine studies) relying on average comparisons, without controls. It seems that, regardless of the methods used, the results are variable. There are some positive and some negative results, whatever the methods employed.

It should also be noted that whether studies draw positive or negative conclusions about charter school effectiveness, the differences are not strong. This is so for two reasons. First, outcomes for many charter schools are virtually identical to the comparison groups. Second, although some charter schools have outstanding results, schools getting poor results statistically offset them. As with traditional public school results, averages conceal almost as much as they reveal.

Some of the newer studies are beginning to use superior methods. They are also much more careful about saying whether their results can be applied more broadly to charter schools or only to a limited set of schools. However, the most sophisticated studies focus on the three states where especially good data on student achievement are becoming available—Texas, Florida, and North Carolina. Only these studies can compare learning rates of individual students before and after they enter charter schools, but even the data from these states cannot be used to generalize about all charter school students.[8] Of the studies in these states, two report mixed results, and one reports negative findings. Differences, whether positive or negative, are also quite small. Moreover, results cannot be readily applied to the other 38 states. Every state has its own peculiar mix of regulations, barriers to entry, and funding provisions, all of which affect results.

Several new federally funded studies are in the field. Some attempt to examine a nationally representative set of charter schools. Others compare charter school students with students who applied to charter schools but were turned away for lack of classroom space. These "randomized" studies are a major step forward, but they too can provide only partial answers, since they represent only charter schools popular enough to have waiting lists.

WHAT'S SO HARD ABOUT THIS?

Everyone wants to know whether students in charter schools are learning more or less than they would have learned in conventional public schools. This is a reasonable question, but it is easier to ask than to answer for two reasons.

First, it is impossible to observe the same students simultaneously in both charter schools and the schools they would have attended if charter schools had not been available. Thus, it is necessary to create a "counterfactual" by comparing students in charter schools with other students who are similar in some ways but do not attend charter schools.

Second, there are many kinds of charter schools—some serving the poor and disadvantaged and others serving the advantaged; some receiving the same amount of money as nearby public schools and others much less; and some in supportive local environments and others constantly fighting off attacks from their local school districts and teachers unions. The results of studies focusing on one kind of charter school cannot be generalized to all charter schools.

Depending on the data they have available, researchers typically make one of five comparisons to estimate the difference between charter school students' measured achievement and the achievement levels they would have attained had they not attended a charter school. Charter school students are compared with:

- students in the public schools that charter school students had previously attended (similar to the approach used by Caroline Hoxby at Harvard University);
- students in public schools that are like, but not necessarily identical to, the public schools that the charter students would otherwise have attended (similar to the AFT and NAEP comparisons);
- students similar in age, race, and income level to charter school students, but not necessarily from the same or similar schools that the charter school students would have attended;

- students who applied to the charter schools but were not admitted because all the seats had been taken; or
- students' own rates of annual growth before and after entering charter schools.

Each of these comparisons has its advantages and disadvantages. For example, while it seems to be an advantage to compare charter school students with local ('matched') students in neighboring schools, students who leave particular public schools may not be at all like the students who remain behind. Students change schools for a reason—whether because their prior school was too easy for them, or because they were doing badly in it. A comparison with former classmates can be misleading. It makes sense to compare public school and charter school students from similar racial and income backgrounds, but there is no assurance that one group's attendance at charter schools is the only difference between them. There is nothing wrong with making such comparisons—sometimes they are the only ones feasible—but they have their limits.

The same is true of comparisons between charter school students and children who applied to the same schools but lost out in a lottery or were placed on a waiting list. This approach factors out any self-selection bias by holding it constant. Parents of all the children in the study will have sought admission to the same charter schools, so there should not be differences in motivation or other hard-to-measure attributes between students attending the charter schools and those who did not get in. But even these comparisons have their shortcomings. Children not admitted to a particular charter school often enroll in another—or in public school classrooms different from those they would have attended had their parents not sought admission to a charter school.

Comparing students' current rates of learning growth with their own past growth rates eliminates the inevitable differences between students who do and do not attend charter schools. However, this method is seldom feasible because of the absence of complete student records containing comparable test results for different grade levels. Even in states that are building identical test score files for all students, complete records are available for only a fraction of the students. Because this method requires that students establish score trajectories in public schools before entering charter schools, it ignores, by design even if not deliberately, children who enter charter schools in the earliest grades. Students entering charters at later grades may also pose very different educational challenges than children entering in kindergarten, first, or second grade. Thus, the studies that focus on students for whom many years of test scores are available are hardly likely to be representative of charter school students overall.

METHODOLOGY MATTERS: CHARTER SCHOOLS AND ADEQUATE YEARLY PROGRESS

Scott F. Abernathy

In a recent *Washington Post* story on the Washington, D.C., charter schools, only eight of the district's thirty-one charter schools achieved adequate yearly progress (AYP, as defined by *No Child Left Behind*) in 2005.[9] Many charter schools in other localities also failed to meet AYP.

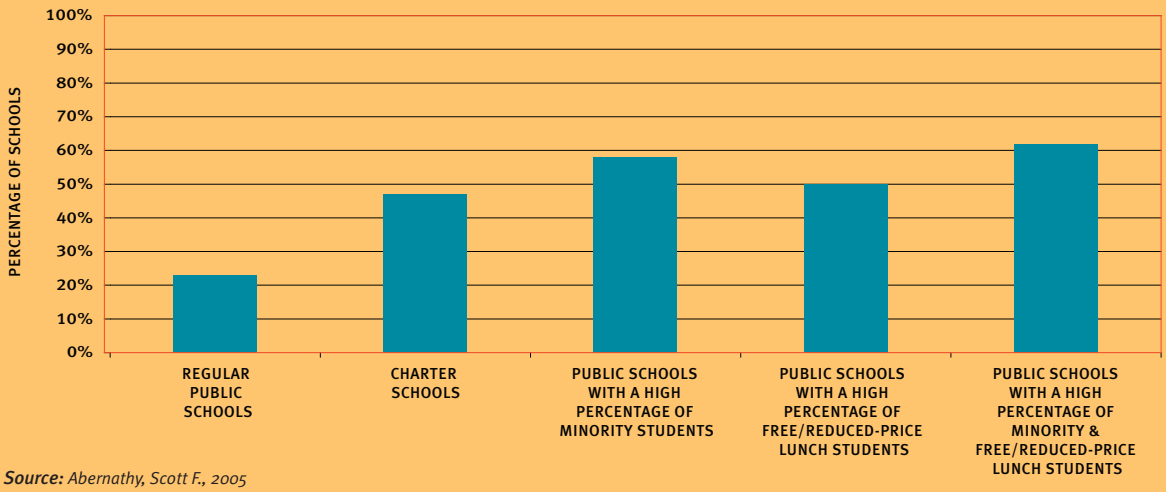
Does this mean that a majority of charter schools in Washington, D.C., and elsewhere are failing to educate their students? The answer is that NCSRP cannot know from the AYP data, for two reasons: First, thirteen Washington, D.C., charter schools failed to make AYP only because they served such diverse student populations that no subgroup was large enough to support calculation of AYP.[10] It is therefore impossible to judge them. Second, the ten charter schools that failed to make AYP were serving highly disadvantaged students who can seldom meet AYP, given the way it is calculated.

AYP calculations are based on a "status model" of educational achievement, which relies on a one-time snapshot of student proficiency.[11] Students who start at a very low level of achievement can fail to make AYP even if they are learning rapidly in school. The implications of the "status model" can be illustrated using test data from Minnesota, where, as in Washington, D.C., charter schools were more than twice as likely as regular public schools to fail to make AYP.

Figure 1 analyzes schools in Minnesota that failed to make AYP in 2004. It contrasts charter schools with public schools at different grade levels that serve the same high proportions of minority and low-income students.

As the figure shows, the 47% AYP failure rate of Minnesota's charter schools was lower than the 61% failure rates of regular public schools serving similar proportions of disadvantaged students. This does not prove that charter schools are doing better than regular public schools: some might have very small subgroups, and there might be unmeasured differences in student populations that make the challenges facing regular public schools even harder than those faced by charter schools. But the data do show that, even in states where many charters fail to meet AYP, it is inappropriate to say they are doing worse than comparable district-run schools. [12]

FIGURE 1: PERCENTAGE OF MINNESOTA'S SCHOOLS NOT MAKING AYP IN 2004



Source: *Abernathy, Scott F., 2005*

In general, studies that rely on small numbers of students—the few who lost out in an admissions lottery or the few for whom multiple years of test scores are available—are not terribly reliable. Critics of the "Adequate Yearly Progress" (AYP) requirement in *No Child Left Behind* have made a similar point: test results for small samples of students are highly unstable. What appear to be differences in school performance can be due to measurement error.[13] These errors are less important in large samples, but results based on small samples can be severely distorted. Scott Abernathy's sidebar shows additional ways that charter schools' AYP results can be misinterpreted.

The point here is not that such studies should be avoided, but that each method has its flaws. In an ideal world, all of these comparisons would be made, and if the results were similar on all of them, one could have greater confidence in the findings. In the real world, however, particular studies can make only one or two of the comparisons, and the results often differ. One is forced to find out why the results differ—tedious work, but the only way to answer a hard question.

Even if good comparisons could be made, so that one could say with confidence whether or not students in a particular school learned more than reasonably comparable students did elsewhere, it is often wrong to generalize those findings to all charter schools. Charter schools serve very different student populations and operate under very different circumstances. Positive student-achievement results for charter schools serving low-income students don't necessarily apply to schools serving less disadvantaged groups, and vice versa.

In the same manner, results for schools that are well financed and strongly supported by their authorizers—for example, charter schools in Chicago or Massachusetts—don't necessarily apply to schools that receive less funding or must cope with a hostile local environment. And it is highly unlikely that findings about traditional public schools that have been converted to charter status can be reliably generalized to newly formed charter schools.

In the short run, research on charter school performance is also limited by the outcome measures available. Test scores are one sort of outcome, of course, but there are others. It matters whether students attend school and persist until they complete a course of study, so it makes sense to ask what proportion of students persist to graduation. Other performance measures could include: the rate at which students pass key "gatekeeper" courses; whether or not they are able to pass core courses at the next level of education (if gradu-

ates of an elementary school, for example, take and pass algebra by the end of the ninth grade); and rates of completion of the next higher level of education.

Many of the scholars who have studied charter schools are skilled and imaginative, so why is the body of research available so weak? One answer is that charter schools are relatively new and evidence on their performance is just emerging. Another is that significant funding for charter school research is just becoming available. To this point researchers have had to take advantage of whatever data they could get and learn what they could even if the results were imperfect.

Here is the most important answer: until very recently education research has not focused on how to judge the performance of individual schools, charter or not. Most evaluations have focused on instructional programs in single subjects (e.g., reading) or on programs that cut across schools (e.g., Title I or class size reduction). Questions about whole school effectiveness were not generally taken up, perhaps because schools were assumed to be permanent or because researchers understood the complexities involved.

Research on the effectiveness of whole schools focused on marginal cases—for example, parochial schools, magnets, or voucher-redeeming private schools. These studies by James Coleman and others pioneered many of the methods now being used to assess charter school performance.[14] But they were not generally used to assess regular public schools. School effectiveness research became a core issue for public education only when states and localities considered accountability schemes that could lead to school closure and replacement. But assessment proved technically and politically difficult, and few of the 48 states committed to standards-based reform ever figured out how to judge whether a school was good enough to continue or bad enough to need replacement.

Now there is a sense of urgency about how to judge individual schools, due both to the rise of charter schools and the implementation of *No Child Left Behind*. Unfortunately, the perceived need has leapt beyond the evidence available.

NCSRP will soon publish a white paper on the most promising methods for obtaining national estimates of charter school performance. NCSRP hopes studies using these methods will start providing stronger evidence. However, the truth is that Americans are just now starting to ask tough questions about the effectiveness of particular schools, and to keep and analyze the kinds of hard data needed. The opportunistic and relatively

crude studies done to date are actually reasonably good for the early stages of a scientific inquiry, but they are not sound bases for policy.

THE RUSH TO JUDGMENT

There are two other possible explanations for the rush to draw conclusions about the effectiveness of charter schools. The first is the desire to distinguish the characteristics of more versus less effective charter schools, so that foundations and public agencies can favor charter applicants more likely to succeed. The second is the desire to limit the growth of the charter movement in order to protect (existing) non-chartered public schools and their employees from losses of money and jobs when students move from a district-run school to a charter school.

Both explanations fit some of the facts. Government agencies responsible for authorizing charter schools (e.g., the Chicago Charter Schools Office) have also drawn practical conclusions about what kinds of school providers are most likely to succeed, and foundations that sponsor charter schools have watched schools closely. Foundations often rely more on direct clinical observation than on scientific standards of evidence, and it is clear that they have changed their investment strategies, believing that schools started by independent groups with little education experience were less likely to be effective than schools founded by experienced groups with definite ideas about instruction. (See Chapter 3 for a discussion of bringing charter schools to "scale.")

On the second explanation, it is clear that some charter school studies are done by groups that simply want to promote the movement or slow it down. This motivation is even stronger now that *No Child Left Behind* identifies charter schools as possible remedies for children in consistently low-performing public schools. This could lead to significant increases in the amounts of formerly district-controlled funds transferred to charter schools. Positive findings might encourage legislatures to allow greater numbers of charter schools and to reduce regulation. Negative findings might lead to reductions in numbers of charter schools, greater regulation, and cuts in the amounts of money that follow children when they transfer from district-run schools to charters.

WHAT CAN NCSRP KNOW IN THE FUTURE?

Research on charter school effectiveness is getting better, and researchers' claims about the significance of their own results are becoming more disciplined. Future editions of this report should be able to report more meaningful results.

Though currently available research supports few firm conclusions, there are tantalizing hypotheses worth investigating and either proving or rejecting. For example:

- The policy environment in which charters operate limits the degree to which charter schools can differentiate their programs and results from surrounding public schools. State laws, funding policies, and rules about teacher qualifications and independence of collective bargaining agreements might all affect charter school success.
- Charter schools creating the most value for their students serve a student population whose public school alternatives are of very low quality.
- Charter schools struggle when they attract children whose previous school performance was much worse than average for children from the same neighborhood, income group, race, or ethnicity.
- The performance of new charter schools improves steadily over their first five years of operation.
- Affiliation with an experienced school provider can speed up the school maturation process.

In future years, our reports will provide more definitive evidence about these and other factors in charter school success and failure. If recent patterns continue, the charter movement itself will be far ahead of policymakers in using research results to emphasize the most promising kinds of schools and fix emerging problems. Thus, the research will probably always lag a bit behind charter school practices and their performance. Policymakers eager to judge the worth of charter schooling as a public policy will probably always find the hard evidence helpful but not definitive.

[1] See for example, Lynn Schaumberg, "Mixed Results Seen for Public School Choice in Michigan," *Education Week*, October 27, 1999; Caroline Hendrie, "Study Finds Charter School Achievement Near That of Regular Schools," *Education Week*, July 9, 2003; Darcia Harris Bowman, "Vast Majority of Charter School Studies Show Positive Findings, Report States," *Education Week*, November 8, 2000; Darcia Harris Bowman, "Charters, Vouchers Earn Mixed Report Card," *Education Week*, May 3, 2000; and V. Dion Haynes, "D.C. Charter School Data Show 8 Attain Benchmark," *The Washington Post*, August 9, 2005.

[2] National Center for Education Statistics, *America's Charter Schools: Results From the NAEP 2003 Pilot Study, NCES 2005–456* (Washington, D.C.: U.S. Department of Education, 2004).

[3] Caroline Hoxby, *Achievement in Charter Schools and Regular Public Schools in the United States: Understanding the Differences* (Cambridge: Harvard Graduate School of Education, 2004).

[4] Martin Carnoy, Rebecca Jacobsen, Lawrence Mishel, and Richard Rothstein, *The Charter School Dust-Up: Examining the Evidence on Enrollment and Achievement (*Washington, D.C.: Economic Policy Institute, 2005).

[5] Bryan Hassel, *Studying Achievement in Charter Schools: What Do We Know?* (Washington, D.C.: Charter School Leadership Council, 2005).

[6] John P. Ioannidis, "Contradicted and Initially Stronger Effects in Highly Cited Clinical Research," *Journal of the American Medical Association* 294 (2005): 218-228.

[7] Appendix C lists all 41 studies.

[8] Because these states are just starting to build their longitudinal student data bases, these studies are still unable to analyze the test score trends of all students attending charter schools. No one can tell whether results would be different if scores for all charter students were available.

[9] V. Dion Haynes, "D.C. Charter School Data Show 8 Attain Benchmark," *The Washington Post*, August 9, 2005, online edition.

[10] The proficiency triggers vary by state, but are typically 20 to 40 students per grade level.

[11] Eric A. Hanushek and Margaret E. Raymond, "Lessons about the Designs of State Accountability Systems," in *No Child Left Behind? The Politics and Practice of School Accountability*, ed. Paul E. Peterson and Martin R. West (Washington, D.C.: Brookings Institution Press, 2003).

[12] These analyses are taken from Scott F. Abernathy, *No Child Left Behind and the Public Schools* (under contract from the University of Michigan Press).

[13] Thomas J. Kane and Douglas O. Staiger, "Volatility in School Test Scores: Implications for Test-Based Accountability Systems," in *Brookings Papers on Education Policy 2002,* ed. Diane Ravitch (Washington, D.C.: Brookings Institution Press, 2002).

[14] See J. S. Coleman, T. Hoffer, and S. Kilgore, *High School Achievement: Public, Catholic and Private Schools Compared* (New York: Basic Books, 1982); J. S. Coleman, T. Hoffer, and S. Kilgore, "Cognitive Outcomes in Public and Private Schools," *Sociology of Education* 55 (1982): 65-76; and J. S. Coleman and T. Hoffer, *Public and Private High Schools: The Impact of Communities* (New York: Basic Books, 1987).

CHAPTER 3

Bringing Charters to Scale

Robin J. Lake

Most disputes about charter schools revolve around disagreements between charter supporters and opponents. Yet one controversy is lodged firmly in the charter school movement: How should charter schooling be taken "to scale"? That is to say, how should the number of charter schools be increased to reach dramatically more students with the highest quality of charter schools possible?

At some risk of oversimplification, it can be said that on one side of the debate there exists a national push toward replication of successful schools, investment in school management organizations, and expansion of state laws to allow for many more charter schools. On the other side are those who favor approaches that respect and foster the sometimes-messy grassroots or homegrown origins of the charter school movement. Despite this oversimplification of a complex set of people and ideas, events this past year demonstrated the charter school community quickly dividing along these lines. The outcome of this debate may determine the fundamental character of charter schools for years to come.

HOW MANY CHARTER SCHOOLS ARE ENOUGH?

When people refer to "scaling up" the charter school movement, they often mean different things. One way to think about the issue is that charter schools will be adequately "at scale" when there are enough high-quality charter schools to satisfy parental and government demand. Another view is that charter schools will not be "at scale" (regardless of parental demand) until they are able to deliver on their most important promise, which is that there will be enough of them competing with school districts to force traditional public schools to improve.

Whichever view advocates hold, most agree that the charter school movement, in 2005, is still, for most states and school districts, a small fish in a big pond of school reform strategies.[1] There are notable exceptions in some cities and school districts, such as Washington, D.C. These exceptions are the result of isolated state charter laws designed to encourage a lot of charter schools to open quickly to facilitate competition and choice. In other cases, concentrations of charter schools reflect strategic choices by school district superintendents or board members that are trying to use charter schools as a way to replace failing district schools or to increase options for parents. But in the end, the numbers show small percentages of students served and caps that limit the number of future charter schools.

Clearly, supporters of the movement hope it will mature into a more mainstream reform that improves academic life for a greater numbers of students. To that end, charter school funders, founders, policymakers, and critics of public schools and public services are increasingly calling for strategies to take successful schools "to scale," while working toward that aim through legislative lobbying and political activism. During the past two years, no charter school conference was complete without a session on "getting to scale," while big investors such as the Bill and Melinda Gates and Walton Family Foundations made significant grants to help speed charter school growth through technical assistance, replicable school designs, and other means.

There is a missionary tone to the message of charter school advocates, a belief that an expanded charter movement is urgently needed to overcome the odds on high drop-out rates, low levels of family satisfaction, and disappointing overall achievement. There are different theories on *how* to dramatically increase the number of American charter schools, but few charter supporters would be happy to see charter school growth stop where it is today.

At the same time, charter school opposition is alive and well, with teachers unions and other groups continuously working to slow charter school growth through legislative lobbying and political activism.

WHY CONSIDER NEW APPROACHES TO CHARTER SCHOOL GROWTH?

Advocates are eager to find new ways to speed charter school growth because creating new schools one-by-one has proven time-consuming and too often results in uneven quality. Schools started by groups of talented and innovative local teachers or community-based organizations are still necessary, in this view, but so is an effort to take working models and use their core ideas in additional places.

Increasing the numbers and average quality of charter schools is very important to localities such as New Orleans, Chicago, and New York City, which have concluded that their schools are not going to turn around quickly enough to avoid harm to children and sanctions under *No Child Left Behind*. (See Chapter 5 for a discussion of charters as a school "turnaround strategy.") Some communities are convinced they need to create many new schools, but they do not have access to local expertise or organizations capable of providing them quickly or reliably. In these communities, importing a successful, functioning model from elsewhere is a very attractive option.

Building many schools on one core plan is not a new idea. Montessori schools follow a template of sorts. So do parochial schools, and it is normally a template different in both subtle and significant ways from Jesuit schools, a particular type of Catholic school. With the exception of parochial schools, which blossomed practically overnight in Eastern cities after an 1870 Baltimore convention of Catholic leaders, the spread of most of these new schools has been pretty gradual. It was accomplished largely by experienced leaders moving on to launch another school, bringing with them the experience and lessons learned in establishing the last one. The charter movement's challenge is to replicate its best schools well and much faster than most older models.

Several active schools of thought exist on what will best encourage the spread of more high-quality charter schools. With the exception of for-profit or non-profit orientations, these ideas are far from mutually exclusive:

- Provide intensive technical assistance to individual school founders and charter authorizers.
- Replicate successful schools via non-profit "charter management organizations" (CMOs).
- Encourage for-profit education management organizations (EMOs) to run many schools in many locales.

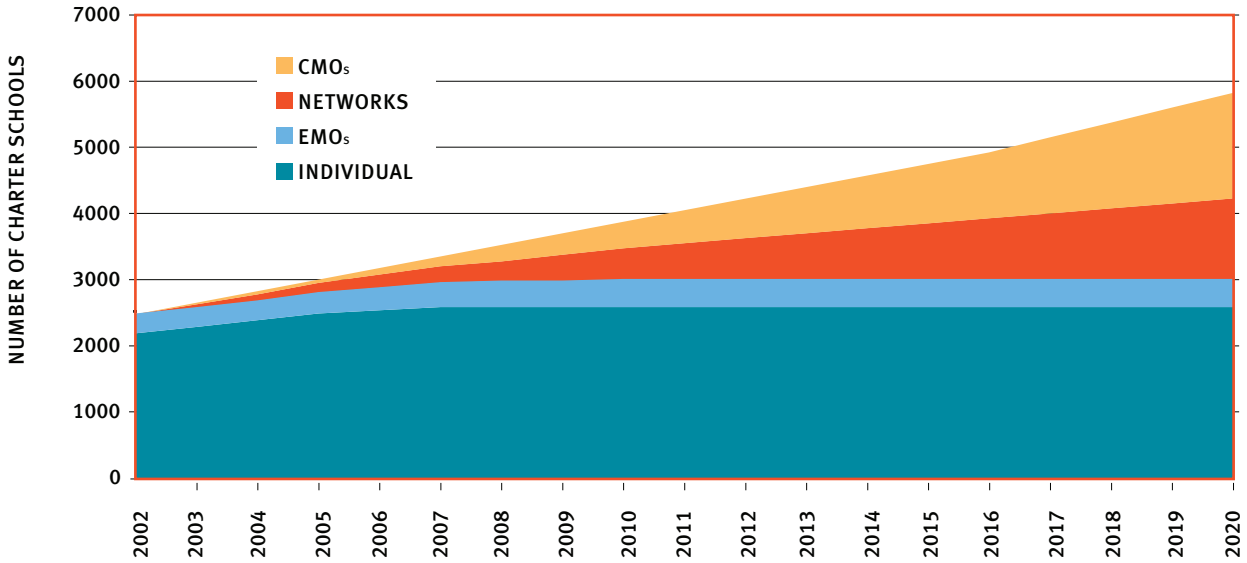
- Invest in local and national infrastructure (new facilities, back office support, and the like) to simplify the task of running a school and eliminate the need for school leaders to be business and education experts.
- Encourage new sources of school founders—religious organizations, community groups, and the like—to open and run charter schools.
- Remove structural or political barriers to entry such as legislative caps, lack of appropriate buildings, or low per-pupil funding in order to attract more providers.

Disagreements about which of these scale-up approaches merits the greatest investment is causing significant disagreement within the charter school movement. This year in Chicago, national and local foundations put significant financial resources behind creating and supporting networks of school designs capable of replication. In doing so, they largely turned a deaf ear on arguments for a more "grassroots" approach of supporting intensive technical assistance for people eager to launch individual schools. Similar investment decisions in California and other communities the previous year lead some to believe that the charter movement is moving away from its community-based origins, instead funding and promoting larger management organizations over "mom and pop" community-based schools. For example, in California a new organization, CharterVoice, was formed when the California Charter Schools Association took on a pro-growth orientation in order to "advocate on behalf of a diverse range of charter schools and the students they serve and . . . not support advocacy efforts that seek to limit the charter school movement to only specific types of charter schools."[2] Others are deeply skeptical that the "management company" strategy can be a financially viable approach to scale, as most CMOs rely heavily on foundation funding to run their schools and most EMOs have yet to turn a profit.[3, 4]

Reflecting this philosophical divide, several pioneering charter school support organizations have, in the past two years, lost funding support from the major foundations investing in charter schools. In most cases, these organizations are no longer in operation. Technical assistance organizations in California, Washington, D.C., and Chicago all lost foundation support. An effort to create a national advocacy organization for charter schools had a false start when a more decentralized, membership-oriented version had its funding pulled.

Taking their place are new entities, such as New Schools for Chicago, calling for faster growth and more consistent quality via "scalable" practices. Philanthropies supporting such organizations are placing a bet that the future of charter schools will look more like

FIGURE 1: NEWSCHOOLS VENTURE FUND'S CHARTER SCHOOL GROWTH PROJECTIONS BY PROVIDER TYPE , 2002–2020



Source: *Adapted from Kim Smith, "How do we grow the movement and bring charters from the margins of public education? How much is enough growth?" From Margins to Mainstream: Building a Stronger Charter School Movement (Washington D.C.: Progressive Policy Institute, 2003).*

the one envisioned by networks of related schools and CMOs than the one envisioned by grassroots and community-based organizations. The NewSchools Venture Fund's 2004 projections for charter school growth under various start-up mechanisms are based on the assumption that the lion's share of new charter growth between now and 2020 will come from networks and CMOs, not network groups or profit-oriented EMOs.

One consequence of this approach is that several major foundations investing in charters (e.g., the Bill and Melinda Gates, Pisces, and Walton Family Foundations) are increasingly offering replication grants to help "successful" schools expand the number of schools following their design or model. Foundation-funded efforts in 2003 and 2004 included a $40 million-plus charter school accelerator run by NewSchools Venture Fund to help start new non-profit networks of charter schools.[5] Another $5.7 million gift to Aspire Public Schools from the Bill and Melinda Gates Foundation was said to be an endorsement of charter management organizations. According to the executive director of the Gates Foundation's Educational Programs, Tom Vander Ark: "We have a better chance of seeing a much higher quality of school when schools are part of a network. You get a proven model."[6]

What has failed to emerge from the feuding within the charter community is a sensible plan for empirical research and development. It is likely that no single strategy is sufficient and that a more empirical approach might help reveal how various approaches

could complement each other to leverage knowledge without sacrificing the energy and appeal of grassroots charter school advocates.

REPLICATING GREAT SCHOOLS IS NOT EASY

To explore the potential for a more empirical research agenda, the National Charter School Research Project recently surveyed major profit and non-profit management organizations to document the lessons they are learning about replicating successful schools and the barriers they face. The survey revealed daunting challenges. Putting aside predictable complaints about unfriendly charter laws, unfair caps, and insufficient funding, the most serious barriers include:

- deciding if and when the central organization should allow sites to adapt the model school's culture and curriculum;
- dealing with unstable political support, including hostility from once-friendly school boards, or supportive superintendents being replaced by hostile ones;
- finding multiple sites in specific cities or neighborhoods to reach certain populations, take advantage of favorable politics, or reduce costs;
- developing or finding people skilled in network functions, not just running a successful school, who can create central technology infrastructure, recruiting and training systems, and provide real estate and other start-up services; and
- finding and training school leaders and staff who believe in the model and can implement it successfully.

The point is not that the replication strategy is flawed, but rather that every plausible scale-up strategy, including replication, faces significant barriers.

DIVERSE APPROACHES TO SCALE CAN COMPLEMENT EACH OTHER

Each of the theories of action to charter school scale described above has its own potential strengths and weaknesses. The intensive technical assistance approach tries to build capacity of local school founders, but relies heavily on the assumptions that school founders will be plentiful and that stringent charter school oversight will be the main quality control mechanism.

The CMO and EMO strategies attempt to spread effective school designs. They rely less on the independent inspired leader to invent a school design by providing the backbone of a program along with needed technical assistance and management support. However, these programs inevitably lack the tight connection to the local context that can be achieved through grassroots development, while the non-profit models operate at a high per-pupil cost and have yet to prove themselves financially sustainable without foundation support.

Strategies intended to build support infrastructure or remove barriers to entry aim to increase the supply of providers by lifting legislative caps, allowing more agencies to sponsor schools, and providing higher per-pupil funding and more facilities support. This approach makes it easier to start schools but provides no answer to provider supply or inside-the-school problems such as assuring quality instruction and finding capable leaders and staff. If uneven quality is the result, long-term political viability may be in jeopardy.

Finally, "good people" theories, such as seeking out capable community leaders or training new school leaders, can create new leaders, but perhaps not enough to meet large-scale needs.

Table 1 outlines the various current theories of action for scaling-up quality charter schools. All of these methods are probably needed because they compensate for one another's weaknesses.[7]

TABLE 1: POTENTIAL COMPLEMENTARITIES AMONG CHARTER SCHOOL SCALE EFFORTS

STRATEGY	THEORY OF ACTION	STRENGTHS	WEAKNESSES
Intensive technical assistance for aspiring school providers	Help individual schools build capacity	Taps support for local innovators; support for new ideas	Slow and resource intensive; relies on authorizers for quality control
EMOs, CMOs	Develop and replicate effective school designs	Private investment, scale economies, quality control, support networks	Not highly adapted to local needs; target for political attacks; high central costs
Back office and management support	Free school leaders to focus on instruction	Reduces financial and management problems, avoids scandal	Enables but does not create new schooling options
Pro-charter political advocacy	Lower barriers to entry; fight opposition	Buffers start-ups from hostile environment; lessens school leader burdens	Enables but does not create new schooling options
Charter-specific teacher recruitment and training	Ensure that schools can tap a high-quality labor pool	Reduces school start-up problems and need for early staff turnover	Difficult to adapt recruitment and training to needs of diverse schools

MUCH IS KNOWN ABOUT SCALE-UP . . .

Advocates of charter school replication can learn from past efforts to bring public educational programs or models to scale. A new book by the late Thomas Glennan and Susan Bodilly of RAND summarizes lessons from the world of education. They argue that there are no "silver bullets," that replication requires building capacity to implement and sustain reform, while fostering a sense of ownership at the local level. The process of building reform and going to scale in schools is complex and iterative, according to Glennan and Bodilly.

More relevant lessons for the charter movement may come from outside the public education experience, since charter schools operate outside the normal school district structure. The history of Catholic school networks shows how to construct limited, but effective, central office supports, design accountability systems appropriate to site-managed schools, and create strong mission-oriented school cultures.[8]

Efforts to replicate successful small businesses and non-profit entities demonstrate the need for realistic and sustainable business plans and strategies to ensure that the essential elements that made the original entity effective are, in fact, identified and imitated.[9] Catholic school admirers who focus on the practice of faith in these schools and the delegation of athletics to the Catholic Youth Organization are likely to miss central elements of what makes these schools work—top-down directives about curriculum, instruction, and the educational program allied with quite remarkable independence at the school level regarding finances, budget, tuition, and interaction with parents and community.

. . . BUT WE NEED TO KNOW MORE

Despite the existence of this information, scaling up of charter schools depends quite critically on improving our understanding of these processes. Better evidence on scale-up could help funders and policy makers understand how to:

- accurately evaluate the impact, strengths, and weaknesses of different scale strategies;
- strengthen various scale strategies so they result in the highest-quality schools;

- encourage cities and districts to create conditions to attract and support management organizations or develop other supply sources; and
- import lessons from successful management organizations to influence school district reform strategies.

Also needed is a comprehensive national evaluation of how various scale-up strategies affect school quality. Tantalizing preliminary data from the Brookings Institution indicates that charter schools operated by management companies seem to make greater gains in achievement than other charter schools.[10] But more evidence on this is required before policymakers can act on the findings. Similarly, a useful study could compare the value of different forms of technical assistance, depending on the nature of different problems experienced by start-ups, such as governing board turbulence, trouble finding facilities, and staff turnover.

There is no doubt that the growth of charter schools is at a tipping point today. Whether they continue to grow dramatically or not depends on many factors, including, of necessity, decisions within the charter school community about how to proceed. Should the movement continue to rely on the energy and innovation of local groups? Or should it increasingly rely on the muscle and organizational savvy of management organizations of one kind or another? For those who believe that the charter movement should find ways to provide enough quality schools to serve all students who want or need public school options, a serious new-schools strategy must include a hard look at questions such as these.

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1 Progressive Policy Institute, *From Margins to Mainstream: Building a Stronger Charter School Movement* (Washington, D.C.: Progressive Policy Institute, 2003). http://www.ppionline.org/ppi_ci.cfm?knlgAreaID=110&subsecID=134&contentID=252250.

2 For more information on Charter Voice, please visit: http://www.chartervoice.org/why.htm.

3 Caroline Hendrie, "Managers Team Up to Run Charters," *Education Week*, June 15, 2005.

4 Marc Dean Millot, "How do we grow the movement and bring charters from the margins of public education? How much growth is enough?" *From Margins to Mainstream: Building a Stronger Charter School Movement.* (Washington, D.C.: Progressive Policy Institute, 2003)

5 David Bank, "California Venture Group Seeks To Fund Charter School 'Brands'," *The Wall Street Journal*, April 10, 2002.

6 Joe Matthews, "Charter School Group Gets Gates Grant," *Los Angeles Times*, May 28, 2003.

7 Bryan Hassel describes the ways EMOs and CMOs can complement each other in "Friendly Competition," *Education Next* 3, no. 1 (Winter 2003). A recent report by Susan Colby, Kim Smith, and Jim Shelton and the Bridgespan group provides a useful mapping of the various approaches to new school development and their relative strengths and weaknesses.

[8] Mary Beth Celio, "Building and Maintaining Multischool Networks: Lessons to be Learned from the Catholic Schools," *Working Papers in Public Policy Analysis & Management,* 94-12, (Seattle: Graduate School of Public Affairs, University of Washington, 1994).

[9] G. Szulanski and S. Winter, "Getting It Right the Second Time," *Harvard Business Review* 80 (2002): 62-69.

[10] Brown Center on Education Policy, *Brown Center Report on American Education 2003*, (Washington, D.C.: The Brookings Institution, 2003).

CHAPTER 4

The Pros & Cons of Charter School Closures

Andrew Rotherham

What happens to children and families when a charter school suddenly closes? What happens, also, in surrounding schools and districts when a charter school closure suddenly forces them to enroll children who have no place else to go? Such questions went from abstract to urgent in late summer 2004, when the multi-site California Charter Academy (CCA), a for-profit education management company then undergoing several investigations into its finances and operations, closed more than 60 California campuses serving almost 10,000 students.[1]

The event crystallized real concerns about charter school oversight and accountability and lingering suspicions about the small percentage of charter schools that are under private sector management.[2] One did not have to be a charter opponent to be outraged by the plight of the students and parents whose lives were suddenly turned upside down because of obvious malfeasance. The story of how this failure came about (and how local school districts and charter schools coped with it) illuminates the question of how such failures might be prevented and, when they occur, their effects mitigated.

First, about the immediate results: In large part because of the efforts of the California Charter School Association, every student displaced by the CCA's failure found a new school without instructional disruption. Moreover, no school district was overwhelmed by CCA students. The 10,000 CCA students came from all over California, while the average size of a CCA school was small, with fewer than 170 students. In addition, most of the displaced students transferred to one or another of the state's 533 other charter schools, according to the Center for Education Reform.[3]

Second, about causes: The story is about an unscrupulous business enriching itself at public expense, but there is more. Most notably, some local school districts that had

entered into contracts with the California Charter Academy deserve a share of the blame, too.

While CCA was an administrative headache for districts, it could also act as an administrative solution. Focusing on hard-to-place students who could not succeed in traditional schools, CCA offered school administrators a device for moving some of their more challenging students elsewhere—in fact out of the district, if need be. Indeed, the complexities of charter school law in California create some incentives for districts, particularly small ones, to enter into charter arrangements to take advantage of state payments that can be used within the district, not the charter school. The 150-student Oro Grande Elementary School District in San Bernardino County, for example, hired a part-time reading specialist with the state money it earned for its role in overseeing the charter it granted to CCA.[4]

Commenting on an influential *New York Times* account of the Oro Grande Elementary School District's role in the episode, Bill Phillips, president of the New York Charter School Association, says, "The district was viewed as a victim when it was actually an accomplice."[5]

Meanwhile, the district paid little attention to what the CCA was doing. District leaders say they were surprised at how fast the CCA opened schools under the charter; there were 24 total, including some hundreds of miles away from the district.[6] It struggled to oversee them and even hired consultants to help, but ultimately took little action to address emerging problems. And, it was no secret that the CCA was a sub-par charter school operator. In fact, when the CCA's schools finally did close their doors, a spokesman for the California Charter School Association noted tersely, "It's about time."[7]

Despite the lurid headlines, this story had minor outcomes. The results might have been different if all the displaced students were from one district, but the effects of the collapse of CCA were spread among many districts, all over California.

However, students and surrounding districts might not be so lucky in the future. How can such problems be avoided and their consequences mitigated? The key to avoiding a repeat of this situation lies in the relationship between a charter school and the public agency that authorizes and oversees it. The key to mitigation is prudent problem anticipation by local districts, charter schools, and state charter school associations.

AUTHORIZING: THE KEY TO AVOIDING PROBLEMS

The deals between the California Charter Academy and the Oro Grande Elementary School District, with their perverse incentives and ineffective lines of accountability, illustrate the complexity of the charter school authorizing process. It also demonstrates why charter school authorizing is an ongoing process, not simply a gate-keeping function. Says Josephine Baker, executive director of the District of Columbia Public Charter School Board, the role of authorizers is to first "select applicants who appear able to do the job, and then provide oversight to ensure that the job is being done."[8]

But like Oro Grande, many charter school authorizers are unprepared for the challenges of this process. A recent analysis by the Charter School Leadership Council concluded that half of all charter authorizers have granted only a single charter and 71% have granted two or less.[9] So, between half and nearly three-quarters of all districts have very limited experience with the process. Often smaller authorizers, particularly single-school authorizers, are ill equipped for the intensive oversight responsibilities of charter authorizing.

In some cases such authorizers simply lack the staff to undertake their various responsibilities. Others are reluctant or "gunpoint" authorizers, only authorizing charter schools because state law requires districts to authorize them. Leaving school districts as the sole authorizer of charter schools in a state or community introduces other problems as well. At one extreme, some school boards are openly hostile to charters, thereby limiting public options in that community for parents who desire them. At the other, school districts face an obvious disincentive to close a charter school serving students—for instance, students with behavioral problems or with excessively demanding parents—who would then return to the traditional public schools.

THE SPECIAL PROBLEM OF SCHOOL CLOSURES

The most difficult challenge for a charter school authorizer is when to close a persistently low-performing charter school that is nonetheless popular with parents. As the data in Chapter 1 make clear, relatively few charter schools to date have been closed. In 15 states, according to NCSRP data, no charters were closed during 2004-2005. Nationally, the 65 charters that were closed in that year represent just 2% of the charter schools in states that reported school closure data. According to the Charter School

Leadership Council, as of January 2004 more than 300 charter schools had closed, or about 9% of all charters opened nationwide since 1991.[10]

These numbers and proportions, by themselves, tell us little about whether this is a desirable or undesirable state of affairs. Is it, for example, a healthy sign of the quality of charter schools in those 15 states that none of them had to be shut down? Or is it a troubling straw in the wind, perhaps indicating that schools, established so that their charters could be revoked for poor performance, continue to operate, regardless of performance?

Aside from high-profile incidents like the California Charter Academy, charter school closures have received little attention and have not been well studied. The discussion is mostly rhetorical. Charter school critics simultaneously argue that failing charters are not closed while pointing to forced closures that do occur as further evidence that the charter strategy is a failed one. Meanwhile, charter proponents are quick to cite closures as evidence of the success of the charter approach—real accountability—but too many advocates fail to realize that closures are disruptive for students and can, in some cases, be avoided through better quality charter school authorizing when schools are initially petitioning to open.

Charter schools are intended to combine market pressure through parental choice with public accountability through public oversight. By design, charter schools might be forced to close their doors for two quite distinct reasons. First, if an insufficient number of parents elect to enroll their children in the school, the school is likely to be forced to close at some point due to a lack of operating funds. Second, if the school fails to meet the terms of its charter (or its other financial and operational obligations as a public school), its authorizer can elect to close it.

It is the revocation issue that creates the greatest challenge for authorizers. That is because charter schools, even poor-performing ones, are proving wildly popular with parents, particularly in communities where the traditional public schools are inadequate. But unlike some choice schemes, in charter schooling, popularity is insufficient. Charter schools must also produce results. Yet closing schools, whether traditional public schools or charter schools, is always difficult. The old adage that closing a school is like moving a graveyard is as true of charter schools as it is of traditional neighborhood schools.

The highly charged politics of charter schooling further complicate matters. Speaking of charter schooling nationally, New York's Phillips says, "Where we get in trouble on closing bad charter schools is from the advocates. They have no problem clobbering district schools over poor performance, but the minute they have to turn around and look one of their own in the eye they too often flinch." [11]

While Phillips is correct as a general proposition, there are some exceptions to his statement. For instance, state charter school associations in Texas, California, Michigan, and New York have all taken pro-accountability stands on school closures or legislation aimed at improving charter school quality. The pro-accountability culture in parts of the charter sector is unmistakable and a valuable backdrop for quality-oriented authorizers.

Because closing a school is as much a political as a policy process, authorizers who decide to close a school do so by whatever means they can. This accounts for the relatively small percentage of charters that have been closed explicitly for academic reasons. "They got Al Capone on his taxes," notes Jim Goenner, who runs the charter school office at Central Michigan University (CMU). Goenner says that when an authorizer enters into a closure situation "you're looking for clear and quantifiable things and in America today you can debate school performance until the cows come home." In addition, as a rule, authorizers say schools that are failing academically are generally experiencing problems in other operational areas as well.

Not surprisingly, in the wake of the CCA debacle, many charter proponents are looking to authorizers to prevent similar episodes in the future. In response, the National Association of Charter School Authorizers (NACSA) has developed model legislation intended to strip negligent charter authorizers of their ability to charter schools. NACSA's *Principles and Standards* also addresses the importance of high-quality charter school authorizing to the success of charter schools. Both the model legislation and the models and standards are important steps. NACSA's efforts are clearly aimed at raising authorizing and accountability bars.

Nonetheless, many state policies and practices—such as a lack of funding for authorizers, minimal requirements for ongoing oversight, and the ability of authorizers to charter schools that are in some cases hundreds of miles away—still work at cross-purposes with these goals.

In theory, authorizers can take two approaches to become more active with regard to closures. They can choose to address closures by authorizing all plausible charter school applicants to open a school, while acting decisively and aggressively to close low-performing charter schools. Or, they can permit only proven programs or operators to obtain charters. In theory, either approach might work.

In practice, however, neither approach is entirely satisfactory. Since closing schools is so unpopular and contentious (particularly in communities where high-quality educational options are scarce), a policy predicated on simply shutting the doors of poorly performing schools is almost bound to generate heat and contention. Such an approach is also quite disruptive for students. The "charter everyone and close the bad ones" approach also creates unnecessary political problems. Good charters get lumped in with the bad.

The second approach is also unsatisfactory, in different ways. Insisting that only proven providers deserve charters may be an attractive political position, but it does little or nothing to encourage new ideas. By seeking the security of an error rate of zero (by trying to ensure that no charter school ever fails), an authorizer also limits the creation of educational options that might benefit particular students in the community. Innovation is supposed to be one of the benefits of chartering. The second approach stifles it.

In practice, therefore, high-quality authorizers find themselves between these two extremes. For example, in Indianapolis, Mayor Bart Peterson focuses on quality in the authorizing process while also accepting some degree of risk by chartering new schools that do not yet have a proven record of success elsewhere. Since he began chartering schools in 2002, the mayor's office has received more than 60 applications, but has approved only 13 schools. A recent Progressive Policy Institute analysis concluded that the mayor's approach to quality, transparent data, and accountability was a major factor in the success of charter schooling in Indianapolis so far.[12]

Similarly, Jim Goenner at Central Michigan University takes a differentiated approach. Goenner oversees 57 schools serving 27,000 students, making the CMU charter operation one of Michigan's largest districts. However, not every school has a charter of the same duration or experiences the same level of oversight. Only 43% of CMU's schools are on five-year contracts. The rest vary greatly. Just 2% are on one-year contracts, 8% are on two-year contracts, while 22%, 2%, 2%, and 21%, respectively, are on three-, four-, six-, and seven-year contracts. This differentiation allows CMU to manage risk while also ensuring a healthy supply of high-quality public options.

Goenner notes, however, that it is only because CMU has shut down under-performing charters that the system has credibility. Schools understand that the differentiated and performance-based contracts are not indefinite postponements of consequences.[13]

RELATIVELY GOOD, BUT NOT GOOD ENOUGH

Perhaps the most difficult dilemma for authorizers involves schools that have not lived up to the terms of their charter but are still demonstrably better than the schools students will return to if the charter school is closed. In New York City, the closure of the John A. Reisenbach Charter School illustrated this issue and attracted national attention. Test scores of students at Reisenbach were simply comparable to surrounding schools. They did not meet the more ambitious goals in the charter. However, according to parents, the school was much safer and much preferred to other public options in the community.[14] Parents vigorously protested and fought the proposed closure. Nonetheless, after much debate, the authorizer closed the school.

Many authorizers take a hard line on this quality question. Josephine Baker argues that national and state charter school laws "say nothing about doing as well as other poorly performing public schools. To just be better than a school that is awful is nothing."[15] Greg Richmond, president of NACSA and former head of the Chicago Public Schools' charter school authorizing office, also notes that "The charter movement has opened the door to tens of thousands of people who want to do a good job and help kids. But having your heart in the right place isn't enough, almost everyone in the traditional public system has their heart in the right place, too, but you have to be able to deliver results." According to Richmond, it is the role of authorizers to police quality in this environment.[16]

Others, however, caution that placing that burden mostly on authorizers is asking a great deal. While supporting the closure of underperforming charter schools, they draw another lesson from the Reisenbach episode. "Any time you're depending on the regulators to drive your movement you're in trouble," says Phillips, who argues that parental choice has a role to play as well. Phillips argues that ensuring parents have a variety of public schools from which to choose is essential. "We'll do better as a movement if we get the choice component really working, it's a natural complement," he says.[17] The Reisenbach episode and similar situations would doubtless be easier if the affected parents were not facing such a dismal set of educational choices.

PRUDENT PREPARATION TO ANTICIPATE PROBLEMS

Even the most diligent authorizer can be faced with the tough choice of closing a bad charter school—leading to displacement of students and burdens on neighboring schools—or allowing the school to continue providing inadequate instruction. School district authorizers should have a strong built-in incentive to preserve their options by thinking ahead about where students from a troubled charter school might transfer. Doing so not only looks after the interest of students, it helps preserve the reputation of charter schools in general.

Policymakers and advocates interested in mitigating the consequences of charter school closure have several options:

- First, they can work to strengthen a troubled school before it fails. This option entails making sure it gets promised funding, helping it find qualified staff, and insisting on instructional improvements. The CCA debacle might have been avoided if authorizers or others confronted its problems earlier.
- Second, they can keep track of vacancies in nearby district and charter schools. Educators should not need to scramble at the last minute to find seats for transferring students. It is not always clear that school districts do this well when faced with influxes of students (due to natural disasters or sudden waves of immigration), so they may need to improve here and add potential charter school closures to the mix. State charter school associations can also keep track of vacancies in accessible charter schools.
- Third, authorizers can demand management change in troubled charter schools. Meanwhile, charter associations should press for such approaches. Like federal regulators dealing with weak banks, responsible entities are likely to mitigate problems ahead of time if they demand a transfer of control from a weak organization to a stronger one instead of waiting for catastrophic failure. So bringing a nonprofit or for-profit school management organization, or a college or university or community institution with educational expertise, into the picture when problems first develop is likely to be helpful.
- Fourth, authorizers and charter associations can promote development of new charter schools to compete with troubled charter schools and possibly draw their students away. The Chicago school district has used this method to give families alternatives to consistently low-performing public high schools. Such an approach can work for charter schools as well.

Skeptics might remark on the irony of using more chartering to manage the risks of chartering. It is, however, a way that localities can create excess school capacity without hiring more staff members than student enrollment warrants, or developing new publicly owned school facilities. That is, in effect, how disaster was avoided in California. Charter schools' ability to expand rapidly by hiring staff and renting facilities as needed—and to contract when demand diminishes without forcing districts to keep unneeded staff and buildings on the books—can enable localities to respond to shifts in student population.

Authorizers should be careful, however, not to shift from applying pressure for improvement to demanding specific improvement steps and involving themselves in the operations of the schools they oversee. As soon as authorizers move from being referees to being players, they mortgage their regulatory authority.

CONCLUSION

As Greg Richmond of NACSA notes, charter school authorizers make the fundamental decisions about "who gets to enter and who gets to stay in the game."[18] This is a new frontier in public education, as previously there was little variety in its provision. Now, new entities are allowed to open schools and public authorities are charged with closing low-performing ones. There is still plenty of work to be done in developing effective policies and best practices on both counts, along with a growing awareness of the importance of getting it right. More broadly, the lessons learned on this frontier will pay dividends far beyond charter schooling. These lessons will help policymakers learn how to create school accountability systems with more texture and mechanisms for ensuring accountability for very small schools, new schools, and schools serving niche populations of students.

Perhaps most encouragingly, there is substantial and growing internal support within the charter school community for constantly developing options so the bar can be set high on quality. Considering how things too often play out in education, that is cause for cautious optimism.

[1] Erika Hayaski, "School Shuts Its Doors; Losing Inglewood Charter Campus is a Shock to Many," *The Los Angeles Times*, August 22, 2004.

[2] Estimates of the percentage of charter schools managed by Educational Management Organizations (EMOs) vary from 10%-14%. However, these figures include both for-profit and non-profit management organizations. Gregg Vanourek, *The State of the Charter Movement 2005: Trends, Issues, & Indicators* (Charter School Leadership Council, 2005).

[3] Center For Education Reform, *www.edreform.com*, retrieved June 14, 2005.

[4] Joetta Sack, "California Charter Failure Affects 10,000 Students," *Education Week*, September 1, 2004.

[5] Bill Phillips, in discussion with the author, May 31, 2005.

[6] Ibid.

[7] Howard Blume, "Sixty Charter Schools Fall, With a Little State Shove," *The Los Angeles Times*, August 29, 2004.

[8] Josephine Baker, in discussion with the author, May 31, 2005.

[9] Vanourek, *State of the Charter Movement 2005*.

[10] Ibid.

[11] Bill Phillips, in discussion with the author, May 31, 2005.

[12] Bryan C. Hassel, *Fast Break In Indianapolis: A New Approach To Charter Schooling* (Washington, D.C.: Progressive Policy Institute, 2004).

[13] Jim Goenner, in discussion with the author, May 31, 2005.

[14] Teresa Mendez, "Good Schools, Bad Scores," *Christian Science Monitor*, February 24, 2005.

[15] Baker, op. cit.

[16] Greg Richmond, in discussion with the author, May 23, 2005.

[17] Phillips, op. cit.

[18] Richmond, op. cit.

CHAPTER 5

Charters as a "School Turnaround" Strategy

Todd Ziebarth and Priscilla Wohlstetter

One of the most persistent and difficult questions in public education is how to turn around low-performing schools. In the early years of a school's struggles, a new teacher or two, a refined curriculum, and some focused professional development sometimes make a difference. What happens, though, when these efforts fail? What should political and education leaders do when a low-performing school does not turn around, even after several years of help?

In one of the provocative provisions of *No Child Left Behind* (NCLB), the federal government provides another possible answer to this question. According to NCLB, if a school does not make "adequate yearly progress" for five years in a row, then its district must restructure the school in one of five ways: reopen it as a charter school; replace its staff; contract with a private management company to operate it; allow the state to take it over; or implement another major governance change.

As of the 2004-2005 school year, about 400 schools in 14 states have reached the five-year mark. The number will likely grow in the future. As of 2004-2005, about 750 schools in 31 states were a year shy of the five-year benchmark, and more than 1,000 schools in 40 states were just two years away. How will districts restructure these schools? Perhaps a more important question is: will restructuring lead to better student results?

This essay examines the opportunities and pitfalls of the least understood and most controversial option under NCLB's restructuring policy—reopening troubled schools as charter schools. In addition, it looks at early experiences with this option in several states and districts, and outlines the steps that political and education leaders should take to increase the odds for success if they choose to implement this option.

OPPORTUNITIES AND PITFALLS

As a way to provide options for children in failing schools, chartering offers new opportunities to districts. First, districts can avoid forcing potentially overcrowded existing schools to enroll additional students. Second, district leaders can authorize charters targeted to the needs of a particular neighborhood or student group. Third, districts can encourage high-capacity institutions such as foundations, colleges, museums, and social service providers to run or contribute to the program mix in new schools.

In the past, districts have had few options for turning around chronically low-performing schools other than to reconstitute a school by closing it and opening jobs up to all current members of the district teaching force. This approach left the possibility of re-creating a new school very much like the one that it was supposed to replace. The chartering option opens up a new possibility: creating an entirely new school staffed with new people (including some not previously employed in the district) and organized around a new plan.

The autonomy provided by chartering can be a major advantage to new schools. Based upon the charter record so far, it is likely that schools reopened as charters will use their new autonomy to extend the school day and school year and will tailor their decisions about budget, personnel, and curriculum and instruction to the needs of specific student populations.[1] The reopen option does not change the challenges that students bring with them. It does, however, give the new school more flexibility to deal with complex needs.

At the same time, the chartering option can increase accountability—when a school reopens as a charter, it operates under a performance contract leading to a renewal process every three to five years. Reopened schools can be closed down if they fail to meet the performance goals set forth in their charters. In these circumstances, chartering is less of the "laissez-faire" experiment that some associate with it and more of a rigorous approach to creating new schools.

But the reopen option under NCLB is not without pitfalls. Because many districts are hesitant to give up their influence over a school's operations, districts might opt to charter a school in name only—that is, although the school becomes a charter school, it maintains the same staff and the same approach to teaching that existed in its previous struggling form. Further, while federal regulations require districts to continue to offer public school choice and supplemental education services to the school's students,

it is unclear if districts are allowed to restart the accountability clock when a school is reopened as a charter. If they are allowed to do so, the likelihood that some districts will charter the school in name only, without doing anything substantive to improve performance, is increased—a situation that would "game" the system without doing anything substantive to improve performance.

Finally, closing a school and reopening it as a charter school is fraught with politics and demands considerable resources. In a similar process, when schools were reconstituted in San Francisco in the 1990s, it inevitably presented problems.[2] Parents had lots of uncertainty: What would happen to their children? What kind of education would the new school offer? Teachers had similar anxieties: Would they be retained? Would their professional life change in the new school?

Aside from politics, it appears that reopening schools as charter schools will require considerable resources. District staff must undertake a number of activities, including disseminating the charter application, recruiting education providers to apply for charter status, organizing and managing community meetings, selecting a new school operator and negotiating a charter with it, overseeing preparations for opening the school, monitoring the reopened school against the performance benchmarks established in the charter, and periodically meeting with the new school operator to keep the effort on track. Only the last two are costs districts would incur with any school they oversaw; the others will require additional resources.

CURRENT STATE AND DISTRICT ACTIVITY

The discussion of the relative merits of charter schools as a restructuring strategy is no longer academic. A growing number of states and districts are implementing this option. There are also several states and districts that have implemented the similar option of contracting with a private management company to operate a school. While differences exist between the chartering and contracting options (e.g., a charter school has its own governing board, but a contract school does not), there are enough similarities between them (e.g., greater school accountability through a performance agreement) to make the contracting examples relevant to the chartering discussion. Further, even though almost all of the examples have been implemented within the parameters of their state or district accountability systems—not due to NCLB's restructuring requirements—they are

still worth reviewing for lessons about what and what not to do. It is no surprise that some of these experiences have been more positive than others.

On the more positive side are Maryland's intervention in three schools in Baltimore and Pennsylvania's takeover of Philadelphia and subsequent restructuring of 45 schools. In Baltimore, the state took over three schools in 2000 and contracted with Edison Schools, Inc., to operate them. According to a recent study of this intervention, these three schools have demonstrated overall progress in the state's accountability system.[3] Subsequent to the state's takeover in Philadelphia, the newly appointed school reform commission contracted with seven organizations to run 45 schools in 2002—three for-profits, two non-profits, and two universities. In the early years of the intervention, the schools have registered academic gains on both district and state tests.[4]

On the flip side, school restructuring in the Chester Upland School District in Pennsylvania is a good example of how not to go about it. After a state-appointed board of control took over the district in 2000, it contracted with Edison Schools, Inc., to operate nine of the ten schools in the district. While the state pressed the board to take this step, it did not follow through to ensure that the agreement that the board negotiated was tenable. For several reasons—most notably, blurred decision-making autonomy and accountability—this arrangement was unsatisfactory to all stakeholders.[5] The board ended its agreement with Edison at the end of the 2004-2005 school year.

Beyond these three efforts, a handful of other examples—two state-led and two district-led—are too new to have yielded any results yet. Still, they are worth keeping an eye on. In Colorado, if a school is rated "unsatisfactory" for three years in a row, it must become a charter school. In August, the state department of education announced that Cole Middle School in Denver would become the first charter school created as a result of this state accountability law. After releasing a request for proposals, the state received four applications. Three of the applications came from education management organizations—Edison Schools, Inc., Mosaica Education, Inc., and the Knowledge is Power Program (KIPP). The other application came from a parent group in partnership with Padres Unidos, a local community organization. This application proposed to replicate a charter school in Pueblo, Colorado—the Cesar Chavez Academy—that successfully serves a similar student population. At the end of a highly charged process, the state board selected KIPP based on its successful track record both nationally and locally.

As part of its accountability system, Louisiana created a statewide recovery school district in 2003. The state board of education may assume jurisdiction over a chronically low-performing school under certain conditions, including a situation in which the school has been labeled an academically unacceptable school for four consecutive years. Once the recovery school district has jurisdiction over a school, it may turn the school into a charter school. In July 2004, Pierre A. Capdau Middle School in Orleans Parish became the first school to be taken over by the state through this process. The state contracted with the University of New Orleans to operate it as a new charter school in the recovery school district. In 2005, the state took over four more schools. It contracted with two universities and two non-profit organizations to operate one school each—the University of New Orleans, Southern University at New Orleans, KIPP, and Middle School Advocates.

While these two state-led efforts have happened independent of NCLB, one of the district-led efforts is the first known attempt to implement the reopen option within NCLB. In San Diego, the district identified eight schools that had to write restructuring plans for the 2004-2005 school year. The district went to the parents, community members, and teachers at each school and presented them with the five restructuring options of NCLB. At four of these schools, the school communities chose to reopen the schools as charters—one in partnership with the University of California, San Diego, one in partnership with the University of San Diego, and one under the direction of a successful charter school in the city.

Even though the other district-led effort is not occurring as a direct result of NCLB, it is the most ambitious effort in the nation to close low-performing schools and reopen them as charter schools. In 2004, the Chicago school district announced a new initiative—Renaissance 2010—to close up to 20 high schools and 40 to 50 elementary schools and reopen them as 100 or more small schools within six years. One-third of the new schools will be charter schools, one-third will be contract schools, and one-third will be operated directly by the district. Under Renaissance 2010, 18 schools are opening as new small schools in the 2005-06 school year.

INCREASING THE ODDS FOR SUCCESS

Like most public policy proposals, the charter school reopen option does not guarantee failure or success. In certain situations—for example, where political and education leaders are not really serious about improvement and do not take appropriate steps to create a new charter—the approach will probably fail. However, it appears that certain conditions may increase political and education leaders' chances for success—assuming that they are serious about improvement.

STATE LAWS. Whether or not the reopen option is successfully implemented seems to depend to some degree on a state's charter school law. If a law contains adequate provisions for autonomy and accountability—such as waivers from most state and district rules and regulations, annual auditing and reporting requirements, and provisions encouraging authorizers to monitor and maintain oversight responsibility—then the reopened school should be more likely to succeed. Equally important, if a law ensures that the reopened school gets at least the same amount of money as it did before it became a charter—for both operating and facilities costs—then the school should be in a better position to meet its goals. States and districts should provide start-up resources to new school operators to plan and execute their approaches effectively.

In the context of state law, it is also important to consider the two major types of charter schools across the country—conversions and start-ups. In the conversion model, an existing public school converts itself to a charter school. In these cases, state law typically requires that a majority of a school's teachers and parents vote in favor of the conversion. For start-up charter schools, school operators—for instance, parents, teachers, or community organizations—essentially start the school from scratch.

Some political and education leaders have talked about implementing the reopen option through the processes already in place for conversion charter schools. While this approach might work in some situations, it is likely to create problems in others. If the leadership and significant proportions of the current staff at a low-performing school are part of the problem at that particular school, the district probably does not want them making the decision about whether to convert to a charter school. And the district probably does not want them as part of the new school. As the old saw has it: If we keep doing what we've always done, we'll keep getting what we've always got. Restructuring through charters probably makes more sense if approached through existing processes for start-up charter schools.

CHARTER APPLICATION PROCESS. One of the challenges within the charter school option is finding new, high-quality school operators. Instead of turning the school into a charter school in name only—keeping existing leadership, staff, and educational approaches in place—states and districts should cast a wide net for potential charter school operators.

Through the charter application, states and districts should specify the types of problems that need to be tackled at any school identified for restructuring, as well as the types of knowledge, resources, and skills that the state or district feels are necessary to address these problems. The selected operators must not only be familiar with the challenges within chronically low-performing schools, but also must have a track record of success in meeting such challenges.

To increase the odds of success, states and districts should choose charter school petitions that emphasize proven practices, whether it is a community-run school using a successful curriculum or a national management organization replicating an effective school. Although the charter school movement is also an opportunity for innovation, restructuring a clearly floundering school is not the place for experimentation. Students in a failing school deserve a new school with a good chance of improving upon the old one. Expert outside review panels can review the application to increase the odds of success.

States and districts with a successful track record of authorizing charter schools should already have a viable application process in place and should be in a better position to manage the charter option for restructuring.

PLANNING PROCESS. The chances for success are reduced when a school closes in June and opens in September as a charter school. While challenging for a variety of reasons, the more planning time that states and districts can give new school operators, the greater the chance that they will succeed. By doing so, they give new school operators more time to plan the reopening of the school; hire new leaders and staff; engage students, parents, and community members in the process; and make the necessary capital improvements to the school building.

In some cases, this might mean allowing a "lame duck" group of leaders and teachers to operate the school during the year of planning, which may create a number of problems and tensions between the old and new groups of school operators. Nonetheless, this

might be a risk worth taking. Even so, the option may not always be available. Under NCLB's provisions, the restructuring option arrives after five years of failure to meet "adequate yearly progress" goals. Who is going to tell the parents of the students in such a school that another year will have to go by before anything of significance changes?

COMMUNITY ENGAGEMENT. When a district closes a school that is under-enrolled, there is an outcry from the school's parents and students. Under the reopen option, not only are state or district leaders closing a school people have known, they also are opening up a charter school in its place. While charters are increasingly familiar to policymakers, they remain an unknown quantity to many parents and students, which may exacerbate the apprehension and confusion they feel.

It is thus incumbent upon the political and education leaders undertaking the reopen option to involve the school community in the process to a large degree. One of the district examples mentioned above is a vivid illustration of this recommendation in practice. In San Diego, district staff facilitated several meetings at each of the eight schools that were facing restructuring. These meetings generated tremendous parental and community support at the four schools that chose the charter route. For example, one school produced 700 parental signatures in support of the charter.[6] And, when the approval process became highly charged and controversial—pitting parents and community members against unsupportive school board members—these meetings paid off. In the end, the school board, under intense public pressure, voted to grant charter status to each of the four schools.[7]

To engage the community, we have also observed new charter schools partnering with community-based organizations. In situations where charter schools are facing hostility or local animosity, partnering with well-established and respected organizations, such as the Boys and Girls Clubs of America or the Urban League, can enhance the charter school's legitimacy and credibility within the community.[8]

MONITORING AND OVERSIGHT. There is growing recognition across the country about the important role of charter authorizers—not only in establishing a rigorous process for reviewing and selecting applications, but also in implementing appropriate mechanisms to ensure that charter schools meet their academic and financial accountability requirements. Chapter 4 reviews these issues in some detail. Given the stakes

involved with restructuring, it seems that creating a monitoring and oversight process for reopened schools is especially important.

Two of the lessons learned from the restructuring effort in Baltimore are germane. The first is that engaging external entities to operate public schools requires a significant time commitment on the front end—to both implement a selection process and negotiate a contract. The second is that hiring an external operator to manage a public school represents a delegation of authority but not a delegation of responsibility. The state or district is still responsible for ensuring that contractors fulfill their obligations.[9]

CONCLUSION

The option to reopen a low-performing school as a charter school is a bold idea. Even though there are some examples of the charter school option in practice, the fact that these examples are relatively few in number may suggest that the option is not sufficiently attractive to most districts. After all, many districts are wary of loosening their control over individual schools and are hesitant to give up their facilities to charter schools.

Still, there are no guarantees of improved performance with chartering. At the moment, however, proven solutions for turning around chronically low-performing schools are hard to find. Because educators and policymakers need a larger set of options for this difficult task, district leaders should take a more serious look at the opportunities and challenges inherent within the charter school option. The need to find solutions to improve our nation's lowest-performing schools clearly calls for them to consider such ideas. If districts fail to do so, state leaders may step in and play a stronger role in school restructuring, as they have in Colorado, Louisiana, Maryland, and Pennsylvania.

While restructuring or reopening schools as charters is a new option, researchers are slowly learning an increasing amount about how to increase the odds of success for the charter school approach—supportive state laws, viable charter application processes, adequate planning time for new school operators, deep community engagement, and appropriate monitoring and oversight. Based on past experience, it seems that when implemented selectively and wisely, the reopen option has the potential to be a powerful tool for school improvement. Conversely, if implemented in a haphazard way, it has the potential to lead nowhere fast. The trick for state and district leaders is to proceed, but

with caution. As a state legislator from Maryland put it, "School restructuring should be approached the same as carpentry: measure twice, cut once."[10] Once educators and policymakers decide to go down this road, though, school leaders should do everything possible to increase the chances for student success in these schools.

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CHAPTER 6

Apples-to-Apples Fiscal Comparisons

Marguerite Roza

In May 2005, *The Baltimore Sun* reported that while a local school district wanted to give charter schools $5,011 per pupil (in addition to district-specified services), charter school operators claimed that $7,500 was a fair and equitable share of the district's funds. Who to believe? In its review of the issue, Maryland's Board of Education subsequently declared that an equitable share—approximating the amount spent on district schools, including district-specified services—was closer to $11,000 per pupil. This disagreement over how to convert public education dollars to charter school funds points to a larger unresolved issue of how to compare district and charter school finances: how to obtain apples-to-apples comparisons of costs and expenditures between different schools.

The problem is also apparent in conflicting reports about expenditures, even in the same state. One study shows, for example, that Texas charter schools spend more than regular public schools, while another shows that they spend less.[1] As one might expect, different studies account for the resources differently. While most show charter schools receiving fewer dollars, some yield vastly different conclusions about cost comparisons of the same sets of schools.

These dollar figures have broad policy implications. Charter supporters argue that competent school providers are not likely to try competing for students if unequal funding tilts the playing field against them. Those concerned about questions of equity also worry that students attending charter schools may not be receiving their fair share of public school funding.

Charter opponents respond that some early charter school advocates claimed charter schools could produce better results with less money than traditional public schools.

What happened to these criticisms of overfunded public schools, they wonder. Current charter school educators argue that it is not realistic to expect charters to succeed if they have a lot less money than other public schools. They point out that their students should not be punished for advocacy claims made by others.

Where charter schools are already operating, analysts are trying to determine whether charter schools receive more or less funding than district-run public schools. Some ask a more difficult question: are charter schools more or less efficient than regular public schools? Answering this question requires attention to expenditures as well as revenues. Charter schools not only get different amounts of funding than regular public schools, they also pay for different services, particularly in the areas of transportation, facilities, oversight, and other non-comparable services.

These are important questions, but the current approaches to revenue and expenditure comparisons make it difficult to obtain reliable answers. What might seem like a straightforward question (what does a level playing field of revenues and costs look like?) is complicated enough to encourage slipshod and misleading comparisons. The most common mistakes, most but not all of which favor traditional schools, include:

- comparing charter school funding levels in one district to schools in other localities or to schools in the same district serving different student populations;
- excluding selected sources (e.g., federal funds) from revenue calculations;
- making no distinction between one-time start-up costs and continuing operating expenses;
- comparing spending without isolating costs for non-comparable functions (e.g., transportation, oversight, etc);
- ignoring the value of services provided to district-run schools but not to charters;
- taking for granted the value of district services provided free to charter schools; and
- ignoring differences in student characteristics, such as poverty and special needs, and their corresponding funding streams.

Efforts to take account of all these revenue and cost differences have just begun. Moreover, charter school income sources and costs vary dramatically among states and localities. We therefore cannot say exactly how charter school revenues and costs compare with those of district-run schools serving similar students, but instead frame the issues for continued research and policy debates.

KEY ELEMENTS OF A USEFUL COST COMPARISON

Any effort to compare charter school revenues and expenditures with those of traditional public schools should do six things:

COMPARE THE RIGHT MIX OF SCHOOLS. Since charter schools are generally considered an alternative to schools in the district in which the charter school is physically located, a natural comparison is with average expenditures of regular public schools in that district. Because most charter schools are in higher-spending metropolitan areas, it also defies common sense to compare average charter school spending with statewide average school expenditures. Further, because spending on schools varies tremendously within districts—some public schools get more than three times as much per pupil as other schools—it does not make sense to compare charter schools with just one regular public school.

ACKNOWLEDGE ALL FUNDS. Careful observers of school cost comparisons often dismiss comparisons because important sources of revenue (e.g., federal funds, construction funds, or costs for special education, leadership, or oversight) are ignored. For credible spending comparisons, it makes sense to start with revenues[2] from all sources (federal, state, and local, and where relevant, private) and subtract or isolate expenditures as necessary to get the right comparison (see below). Some studies count the costs of all salaries and equipment assigned to a school, and then add the costs of services the district provides directly to the school. While that seems reasonable, even these calculations do not cover total district expenditures on charter (or traditional) schools. There are also accounting, leadership, and other administrative expenses that the district incurs, and these too should be considered in financial comparisons—both because the district is incurring some of these costs, and because many charter schools are asked to perform these functions themselves, or pay someone else to do it.

USE LAYERED COSTS TO TELL THE WHOLE STORY. Apples-to-apples fiscal comparisons require just that—apples compared to apples, not apples compared to oranges. The problem arises when lumping all expenditures together means that dollars for different purposes are being compared. For instance, as has been widely documented, charter schools often have substantial construction, capital, or other one-time costs associated with initial start-up. When lumped together with the core per-pupil operating

expenses, start-up costs distort comparisons that consider only their first year of operation. In addition, charter schools must pay the entire costs of benefits like health care and teacher retirement, which are frequently subsidized for traditional public schools by state government—and hence not carried on districts' books. Another problem is that traditional public schools typically provide transportation and food services, functions which charter schools frequently do not provide and for which they do not incur costs.

Using a layered approach, a useful comparison isolates expenditures in several categories, listing each separately (see Figure 1), as applicable. Separating out expenditures by layers—such as core operating costs; facilities, capital, and debt; food and transportation; and other services—begins to provide an accurate picture of costs on both kinds of schools, a picture that can be relied on for useful comparisons. Those expenditures not listed separately serve as the core comparable operating costs. This sort of detail enhances the comparison and helps tell the whole story.

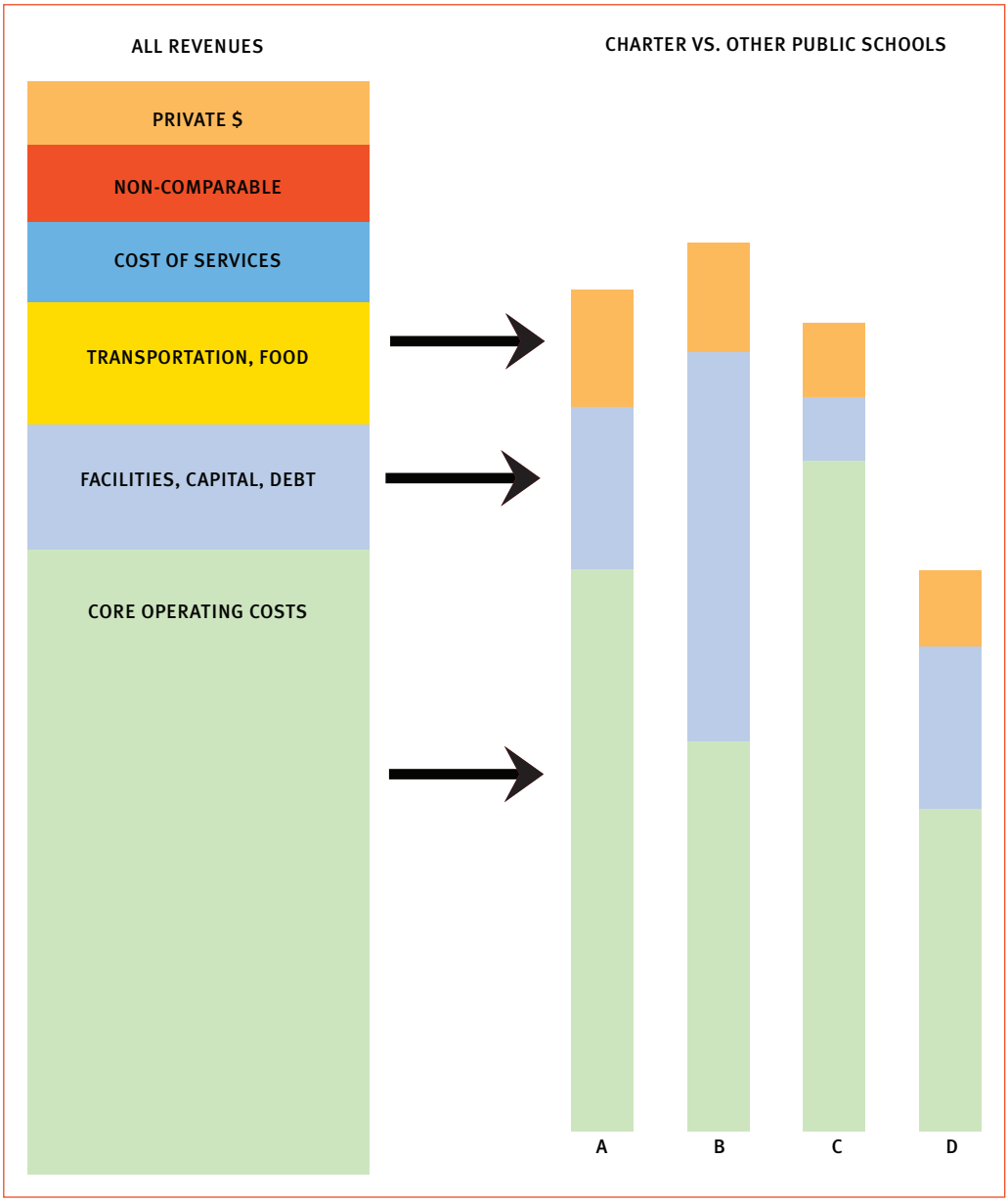
Layer by layer, the analysis allows for apples-to-apples cost comparisons, something not possible using the categories typically reported by districts (where expenditures are coded as objects or functions, or as direct and indirect support). While the core comparable expenditures serve as the basis of the comparison, the remaining categories provide additional details as necessary and can head off concerns that surface when some portion of the spending picture is missing (see Figure 1). Different figures can be pulled from the analysis depending on how the comparison is to be used.

EXCLUDE NON-COMPARABLE FUNCTIONS. For both the host district and the charter school, starting with all revenues necessitates subtracting costs associated with some non-comparable functions. Non-comparable functions for school districts include adult education, services for disabled preschoolers, and other functions that do not benefit the K-12 population but which regular public school districts are required to fund.

ACCOUNT FOR SERVICES PROVIDED TO CHARTERS BY THE HOST DISTRICT. In some cases, districts make services available for purchase by charters, or provide a portion of the charters' resources in the form of services. While there is ongoing debate on whether districts should control any of the resources for charter schools (since some claim that district control of funds inhibits the independent nature of charters), this practice does exist in many forms, and accounting for the costs of these services is important to the overall cost comparison.

Some of the services that may be provided include student evaluation (identifying level of disability or English language need), assessment, insurance, reporting, charter school oversight, legal services, and services for students with special needs. Since many districts do not compute the costs of their shared services in per-pupil or per-school terms, accurately accounting for these costs can be a challenge for districts. Milwaukee, a district with many charters and other schools of choice, has created new and more transparent cost accounting systems for district services.

FIGURE 1: LAYERS OF DETAIL



ADJUST FOR DIFFERENCES IN STUDENT CHARACTERISTICS. Analysis frequently reveals differences in the kinds of students attending charters versus regular public schools. In many cases, these differences have cost implications that are well documented in public school spending patterns. For example, state and federal governments provide targeted funding for low-income, handicapped, and non-English speaking students. Charter schools that serve large numbers of such students might be expected to receive extra funds. Do they? It follows that both cost and revenue comparisons are improved when they take into account the differing needs of students at each school and the differing costs (and revenue streams) associated with those needs.

While taking into account revenue streams by student need is fairly straightforward, accounting for differences in costs is more difficult (but important since many districts argue that they do not get enough in targeted funds to cover the real costs of their high-need students). One approach to adjust for the cost differences due to student need is to isolate the incremental expenditures in the host district for each type of student need and average those over all students identified with that need. Charter school spending on special needs students could then be compared to the school district's average incremental cost for such students, by need (e.g., limited English ability). With new tools published that can readily convert these figures into percentage indexes, the core cost of charters can be calculated as a percentage of what is spent on regular public schools, taking into account the differing needs of students at each school considered.[3]

Table 1 shows how the actual allocations for one charter school can be converted to a summary percentage to show that the charter school in this example receives 84% of the district average per pupil relative to its mix of student needs. In this example, while the charter receives more than its share of funds driven by poverty sources, it receives a smaller share of the non-categorical (or base) and other categorical allocations.

TABLE 1: CHARTER SCHOOL ALLOCATION BY STUDENT TYPE

CORE OPERATING COSTS	ENROLLMENT	ACTUAL CHARTER SCHOOL ALLOCATION	PREDICTED $ *(based on district average for each pupil type)*	RELATIVE TO DISTRICT AVERAGE
Non-categorical	576	$1,790,879	$2,068,992	87%
Poverty	543	58,071	43,440	134%
LEP	354	114,837	214,878	53%
Gifted	62	9,433	12,834	74%
Special Education (Level I)	19	11,815	14,616	81%
TOTAL		**$1,985,035**	**$2,354,760**	**84%**

TOWARD IMPROVING POLICY

It is to be expected that fiscal comparisons will often be motivated by different objectives. Before crunching numbers, analysts must be clear about their objectives. Policymakers also will want to understand exactly how the numbers were derived before using any comparisons to make or change policy.

As it stands, very few reports provide all the information detailed here, in large part because obtaining the basic data from school districts is at times nearly impossible. Most districts do not have very sophisticated data or accounting systems. As researchers get more sophisticated, new studies and reports will likely include more pieces of the puzzle to create a better picture of the funding situation. (A thorough new charter school finance study published by the Thomas B. Fordham Foundation is a case in point.)[4] Policymakers and educators can also expect that, as districts gain experience with charters, district accounting practices will improve to yield more accessible per-pupil costs. At the same time, it should be possible to develop costs detailed by student need and services provided, thus making comparisons that much more credible and even easy.

While tedious, the extra effort involved in getting the numbers right is critically important. Charter school operators need to be sure they are starting with a level playing field, and district leaders need to ensure that public funds intended for all students do indeed reach them. And of course, researchers cannot even begin to make performance comparisons without verifying equitable resource allocation.

[1] Texas Center for Educational Research, *Texas Open Enrollment Charter Schools, 2003-2004 Evaluation* (Austin: Texas Center for Educational Research, 2005); and the Resource Center for Charter Schools, *Frequently Asked Questions*, accessed July 2005. http://www.charterstexas.org/about_csrct.php.

[2] In the case of for-profit charters, cost comparisons using "expenditures" instead of "revenues" can miss the portion of public funds that become profit.

[3] For an online guide to student weighted cost analysis, see http://www.schoolcommunities.org/resources/APRD/NCSRPlcome.php.

[4] Chester E. Finn, Bryan C. Hassel, and Sheree Speakman, *Charter School Funding: Inequity's Next Frontier* (Washington, D.C.: Thomas B. Fordham Foundation, 2005).

CHAPTER 7

Challenges of a Maturing Reform

Paul T. Hill and James Harvey

As the charter school movement enters fully into its adolescence, it has a lot of successes to point to, as the essays in this volume demonstrate. It has survived the initial skepticism that it would amount to much of anything. It has grown into a pretty healthy 15-year-old, a survival term probably three times as long as most educational innovations, which run their course in three to five years. It can now count more than 3,300 schools and more than 900,000 students under the charter umbrella, a genuine benchmark of a considerable impact on the educational life of the United States.

Despite all that, this reform faces all the challenges adolescents everywhere face. It needs to watch its step carefully over the next five years. Chartering is like an adolescent in another way as well: it confounds observers. Whatever one says about a teenager might make sense today but be totally wrong tomorrow—and might even be both true and untrue on the same day.

As the essays in this report show, recent public discourse about charter schools seldom takes full account of the facts. For example:

- While chartering has advocates and detractors at the national level, it is less of a national movement than a reform implemented by states in vastly different ways.
- Despite what advocates on both sides of the question would have people believe, it is currently impossible to draw a national bottom-line conclusion about charter schools' academic performance.
- Published claims about whether charter schools get more or less money to educate their students are often founded on poor data and weak analysis, although the sophistication of financial analysis around schools is improving and can get better still.

- Closing bad charter schools can be tough on the students and districts involved, but on close examination the scare stories about closure of one big California school proved exaggerated and mislaid blame.
- Claims and counter-claims about charter schools' innovativeness are hard to resolve without a great deal more information. However, charter schools apparently offer grade-level options and intimate environments that many families feel are not otherwise available to them.

Many of the issues arising around charter schools are unprecedented. Policymakers and analysts are just starting to explore them. Scaling-up—creating new charter schools modeled on successful ones, and expanding the supply of charter schools as fast as demand from parents and big city officials permits—is a new issue. Foundations interested in charter schools are considering alternative ways to advance growth and scale-up.

The possibility of using charter schools as a replacement strategy for low-performing public schools is a new idea introduced by *No Child Left Behind*, and school districts like Chicago, Philadelphia, and New York are in the midst of ambitious efforts to take advantage of these provisions. Those districts' past efforts to reconstitute their own schools failed, and they are hoping to use the advantages of chartering—greater flexibility and the possibility of tapping the expertise of independent school providers—to increase the odds of success.

This report has tried to shed light on these issues, but holes in the database limit just how far the report can go. The National Charter School Research Project (NCSRP) plans to return to many of these issues in future years. Every future publication of this annual "year in review" will re-visit the student achievement question, since data and analysis are expected to improve steadily. NCSRP will also examine emerging questions about which there is now little evidence:

- If only to improve studies of test scores, educators and policymakers need to know much more about who attends charter schools and why.
- To understand charter school finances, they also need real evidence about the many ways the income and costs of charters differ from those of district-run schools.
- To understand the prospects for scaling-up charter schools, better information is required on whether charter schools can develop reliable and steady access to the kinds of principals and teachers they need.

- To improve understanding of problems associated with charter school closure, much more needs to be known about how government oversight agencies can protect children without regulating schools so closely that they lose the freedom of action necessary for innovation.

More generally, NCSRP expects to learn much more about an overarching issue that will largely determine the success or failure of the charter school movement in the years ahead. That issue is government's capacity to oversee schools—an aspect of the charter school phenomenon that both supporters and opponents initially overlooked. Chartering is a set of laws and policies that allows new kinds of schools to emerge, with new ways of using student and teacher time. It is also a way to attract new people into teaching and school leadership, and to let teachers and families sort themselves into schools that they trust and think will work for them. These attributes—public funding, performance-based oversight, openness to new ideas, free flow of people and money in search of better options, open labor markets, and choice for families—did not come together accidentally. Citizens want real options and public oversight of schools. Charter schools are a serious attempt to manage the tensions between these aspirations. The next few years will tell whether that aspiration is a pipe dream or a realistic possibility.

Appendix A

About the Authors

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Appendix B

Data Sources & Methods for Chapter 1

Between January and June 2005, the National Charter School Research Project (NCSRP) conducted telephone surveys of state charter school office officials from every state with a charter school law. All states responded to our survey, but no state was able to provide all the information requested. Table 1 shows the information NCSRP was able to collect from each state, by topic, as well as overall response rates.

As noted in the body of this report, the telephone survey produced so little information for some data categories (about either charter schools or all public schools) that NCSRP was not able to draw any conclusions.

Most states were unable to provide school-level or student-level data, so the analysis relies on state averages. To derive national averages, NCSRP weighted those state averages by student enrollment in charter schools so that states with higher or lower charter school student populations would be more accurately represented in the average.

The national averages reported in this document are consistent with other recent national studies (e.g., the 2004 Department of Education Evaluation of the Public Charter Schools Program and annual reports from the Center for Education Reform), so there is some reason to have confidence in them. They remain the only analysis possible based on the data collected and reported by states in response to the survey. Still, averaging averages is an imperfect approach, as averages can hide important variation within states. NCSRP hopes to be able to gather school- and student-specific data in future reports.

To compare charter school characteristics to students in similar geographic areas (Figures 6, 7 and 8 in Chapter 1), NCSRP used the following information:

1. Charters: Reports from 28 of 41 charter school states on distribution of charter school students within state by race and the 22 states that reported proportions of charter school students eligible for free/reduced-price lunch status.
2. Districts in charter states that contain within their borders one or more charter schools: NCES data on race and free/reduced-price lunch status for individual school districts that have been linked geographically to charter schools.

TABLE 1: *State Responses*

Dates in cells indicate that data was provided by state charter school offices for the school year indicated. Blank cells indicate no response.

State	ALASKA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	CONNECTICUT	DELAWARE	D.C.	FLORIDA	GEORGIA	HAWAII	IDAHO	ILLINOIS	INDIANA	IOWA	KANSAS	LOUISIANA	MASSACHUSETTS	MICHIGAN	MINNESOTA
# Of charter schools	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05
# Of charter school students	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2003-04	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05
Average charter school size	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2003-04	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05
Race & ethnicity enrollment	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05		2003-04	2004-05		2004-05		2004-05	2004-05	2004-05
Free & reduced price lunch enrollment	2004-05	2004-05	2004-05		2001-02	2004-05	2004-05	2004-05	2004-05	2004-05			2003-04	2004-05		2004-05		2004-05	2004-05	2004-05
Special education enrollment	2004-05	2003-04	2004-05		2001-02	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05		2003-04	2004-05		2004-05		2004-05	2004-05	2004-05
School grade level	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05
% Charter schools: conversions	2004-05		2004-05	2003-04	2001-02	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05		2004-05	2004-05		2004-05		2004-05	2003-04	2004-05
% Charter schools: start-ups	2004-05		2004-05	2003-04	2001-02	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05		2004-05	2004-05		2004-05		2004-05	2003-04	2004-05
# Of charter schools opened in 2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05
# Of charter schools closed in 2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05		2004-05	2004-05	2004-05	2004-05		2004-05	2004-05	2004-05
% Charters run by EMOs	2004-05	2004-05	2004-05		2004-05	2004-05	2004-05	2004-05*	2004-05	2004-05	2004-05	2004-05	2004-05			2004-05		2004-05	2004-05	2004-05
# Years charters open (average)	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05*	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05

**** signifies data is only for schools sponsored by the D.C. Public Charter School Board.***

MISSISSIPPI	MISSOURI	NEVADA	NEW HAMPSHIRE	NEW JERSEY	NEW MEXICO	NEW YORK	NORTH CAROLINA	OHIO	OKLAHOMA	OREGON	PENNSYLVANIA	RHODE ISLAND	SOUTH CAROLINA	TENNESSEE	TEXAS	UTAH	VIRGINIA	WISCONSIN	WYOMING	*Percentage of US charter school students represented by reponding states*
2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	100%
2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	100%
2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	100%
2002-03	2004-05	2004-05		2004-05	2003-04	2002-03	2004-05	2003-04			2004-05				2003-04			2004-05		96.5%
2002-03	2004-05				2003-04	2002-03		2003-04							2003-04					62.7%
					2003-04	2002-03		2003-04							2003-04					62.2%
2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	100.0%
2004-05		2004-05	2004-05	2004-05	2004-05	2004-05		2004-05			2004-05		2004-05	2004-05		2004-05	2004-05		2004-05	72.5%
2004-05		2004-05	2004-05	2004-05	2004-05	2004-05		2004-05			2004-05		2004-05	2004-05		2004-05	2004-05		2004-05	72.5%
2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	100.0%
2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05			2004-05			2004-05	2004-05	2004-05		2004-05	2004-05	97.5%
2004-05		2004-05	2004-05	2004-05	2004-05	2004-05		2004-05					2004-05	2004-05	2004-05			2004-05	2004-05	68.0%
2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	100.0%

Appendix C

Charter Schools & Student Achievement: List of Studies Reviewed

Many of these papers have not been published in journals. At the time of assembling this list, several could be found online. In such cases, the URL is provided. Others are not publicly available, but may be obtained by request to the author.

1) Bettinger, Eric P. 2005. "The Effect of Charter Schools on Charter Students and Public Schools." *Economics of Education Review*, Vol. 24, No. 2, 133-147.

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18) Hoxby, Caroline M. 2004. "A Straightforward Comparison of Charter Schools and Regular Public Schools in the United States." Harvard University and National Bureau of Economic Research. http://post.economics.harvard.edu/faculty/hoxby/papers/charters_040909.pdf

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