



Hopes, Fears, & Reality

A BALANCED LOOK AT AMERICAN CHARTER SCHOOLS IN 2011

Robin J. Lake and Betheny Gross, Editors

Center on Reinventing Public Education
University of Washington Bothell

January 2012

Chapter 1

Assessing the Charter School Landscape

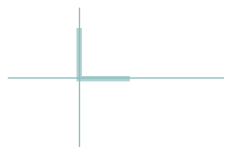
Betheny Gross, Melissa Bowen, and Katherine Martin

Starting with the first issue of *Hopes, Fears, & Reality* in 2005, the Center on Reinventing Public Education (CRPE) has tracked the growth of charter schools and noted the trends and facts most relevant to policymakers, researchers, and the public. Twenty years after the charter school movement began in Minnesota, the movement has spread to 41 states and the District of Columbia. Much else has changed as well. CRPE's new analysis reveals some recent trends:

- Charter schools continue on a path of steady growth, with increased room for expansion.
- Smaller states are proving to be more of an engine for growth than once thought.
- Charter schools serve an increasing number of students in small towns and rural areas.
- Charter schools serve an increasingly large share of low-income and Hispanic students.
- The number of freestanding charter schools is now growing faster than the number of charter schools run by management organizations.
- Partnerships have emerged between charter schools and school districts—these partnership structures could support the progress of charter schools for years to come.

FINDING 1: THE NUMBER OF CHARTER SCHOOLS HAS GROWN STEADILY, WITH ROOM FOR EXPANSION

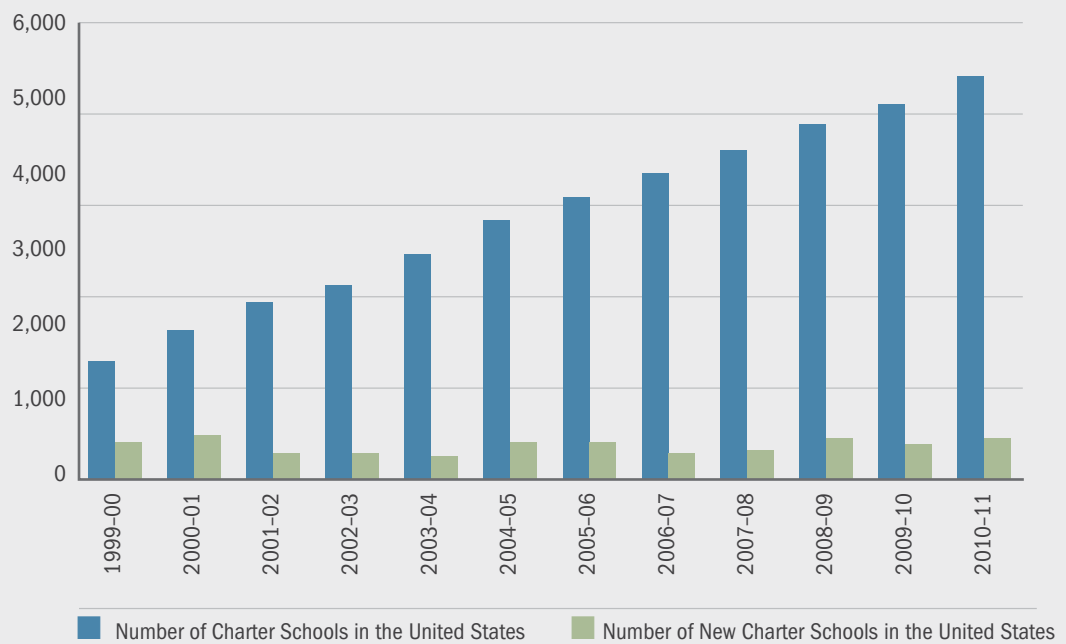
The upward trajectory of charter schools that started in the early 1990s has never abated. The growth rate for charter schools in the United States remains fairly constant; data gathered by the National Alliance for Public Charter Schools (2010, 2011) indicate that the number of charter schools grew by 7.2 percent between



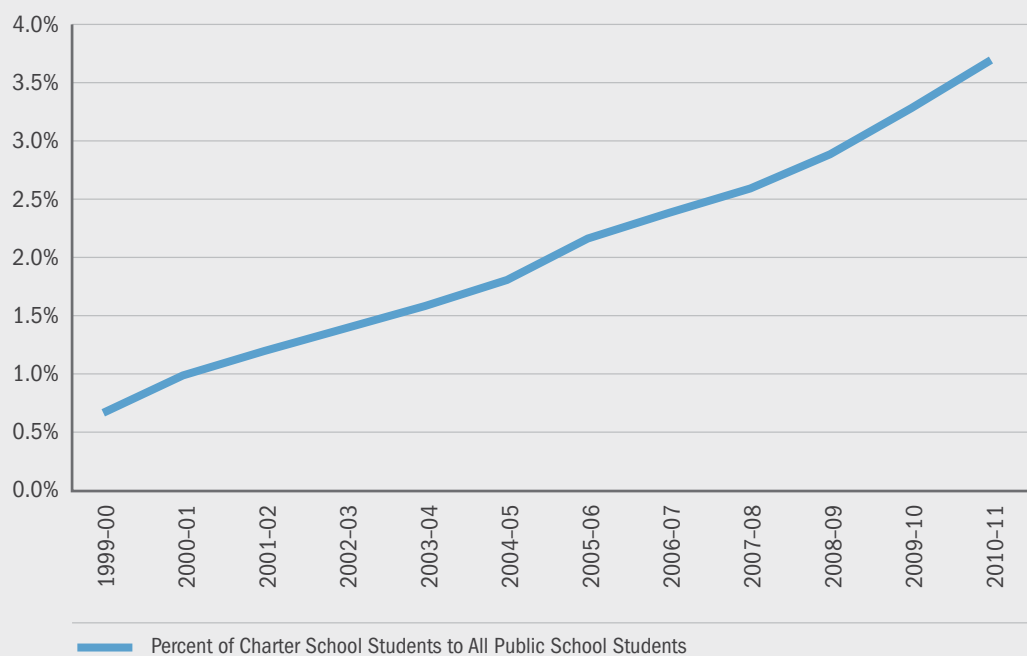
the 2009–10 and 2010–11 school years (see Figure 1). According to the most recent numbers available, 5,275 charter schools now enroll about 1.8 million students—about 4 percent of all public school students (see Figure 2).

In some cities, the percentage of students in charter schools is far larger. In New Orleans, charter schools serve nearly 70 percent of the city’s public school students, and in Washington, D.C., charter schools serve 40 percent. Charter schools enroll nearly 80,000 students in Los Angeles, nearly 12 percent of total student enrollment (National Alliance for Public Charter Schools, 2011).

Figure 1. A Steady Climb of Charter Schools



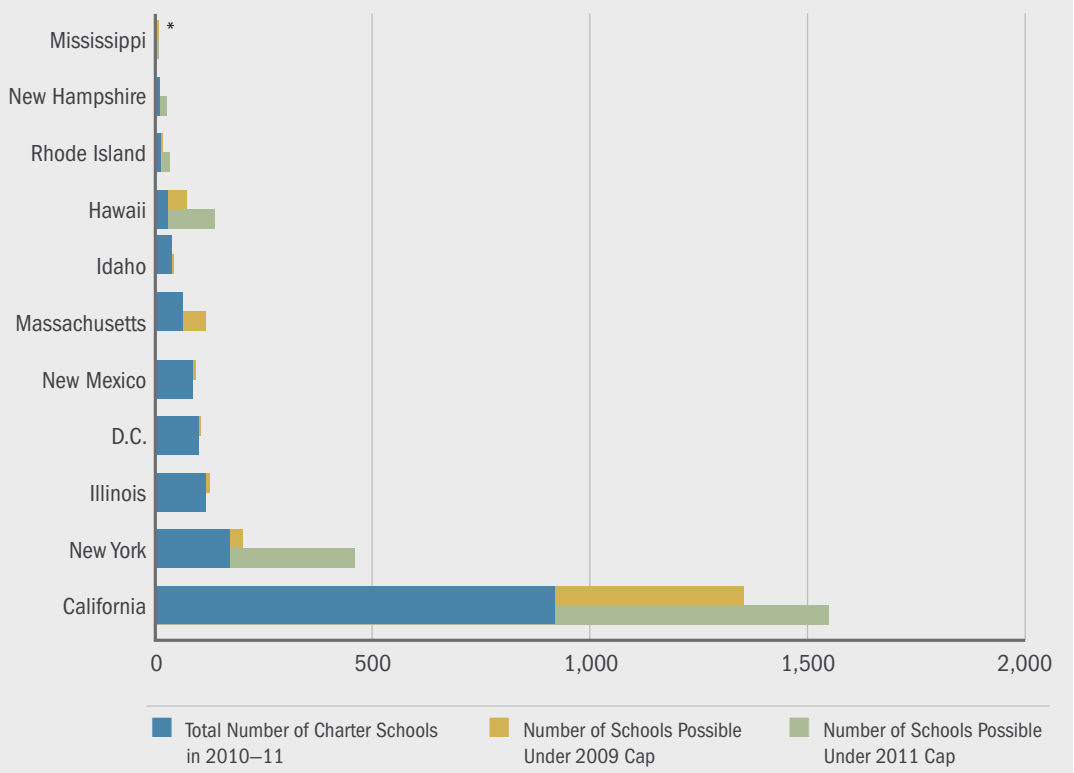
Source: National Alliance for Public Charter Schools (2011)

Figure 2. Charter Schools Increase Market Share

Source: National Alliance for Public Charter Schools (2011)

For most states, the rate of charter school growth during the past decade can be maintained—or even increased—for years to come. Currently, only ten states and D.C. restrict the number of charter schools permitted to operate. Of the states that cap charter schools, several, including California and New York, have steadily raised their caps throughout the years (see Figure 3). In the past year, three states lifted their caps entirely (Alaska, North Carolina, and Tennessee), likely in response to the federal Race to the Top grant competition, which rewarded charter-friendly policies. And for the first time in many years, a state that previously did not have charter schools—Maine—passed legislation to allow them.

Figure 3. Raising Caps Creates Room to Grow



* There was no data for Mississippi for 2010–11 on the NAPCS dashboard.

Source: CRPE analysis of data from National Alliance for Public Charter Schools (2011)

FINDING 2: SMALL STATES ARE PRODUCING NOTABLE GROWTH

For years, the bulk of charter school growth has been located in California, Arizona, Texas, and Florida. According to the National Alliance for Public Charter Schools (2011), those states continue to generate the most new schools, accounting for 49 percent of the 959 new charter schools that opened nationwide between 2009 and 2011. However, if the size of the student population is taken into account, as shown in Table 1, smaller jurisdictions, such as Washington, D.C., Oregon, New Mexico, and Idaho, are unrecognized engines of charter school growth. During the past two years, 32 new charter schools opened in Oregon, one for every 34,051 students in the state. Fifteen charter schools opened in New Mexico, one for every 44,118 students in the state. Washington, D.C., posted tremendous charter school growth, opening a new school for every 6,075 of the city’s students.

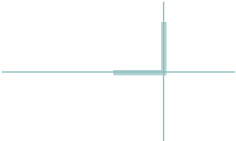


Table 1. Smaller States, Big Growth

State	Number of Public School Students per New Charter School Opened From 2009–2011
D.C.	6,075
Arizona	33,894
Oregon	34,051
New Mexico	44,118
Idaho	48,298
Louisiana	51,232
Florida	53,035
Colorado	56,922
California	57,520
Kansas	58,026

Source: CRPE analysis of data from National Alliance for Public Charter Schools (2011)

FINDING 3: CHARTER SCHOOLS SERVE AN INCREASING NUMBER OF STUDENTS IN SMALL TOWNS AND RURAL AREAS

Charter schools continue to be largely an urban phenomenon (see Figure 4), with more than half of all charter schools located in urban centers. However, recent data show that student enrollment in charter schools in rural areas and small towns is on the rise (National Alliance for Public Charter schools, 2010). Between 1999 and 2009, charter school enrollment in rural areas and small towns rose from around 12 percent to more than 20 percent. But as rural and small town charter schools show rising enrollment, relative enrollment in suburban charter schools is shrinking. This interesting, and until now undocumented, development deserves more research and policy attention.

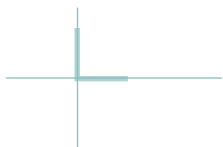
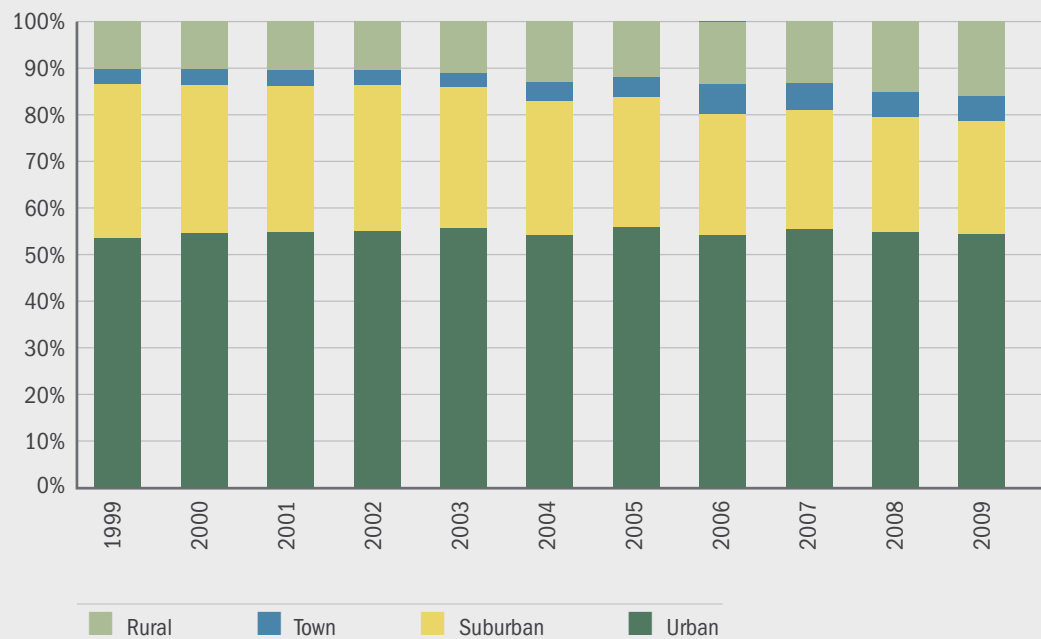


Figure 4. Small-Town and Rural Enrollment on the Rise

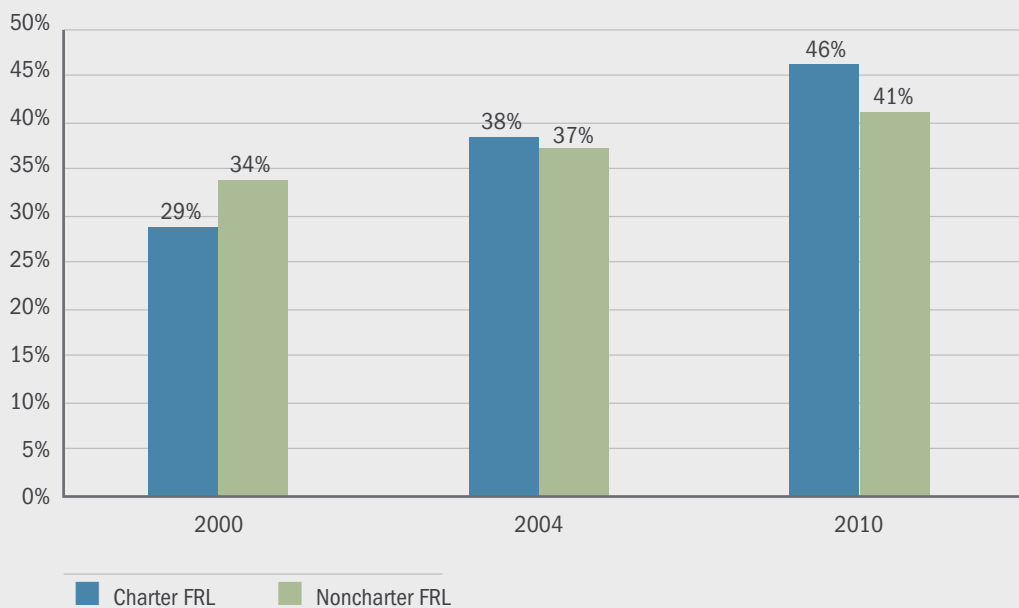
Source: National Alliance for Public Charter Schools (2010)

FINDING 4: CHARTER SCHOOLS ARE SERVING MORE LOW-INCOME AND HISPANIC STUDENTS

U.S. charter schools have always served higher percentages of low-income and minority students than have traditional public schools, largely because founders have chosen to locate charter schools in urban areas. Past analysis by CRPE (Christensen, Meijer-Irons, & Lake, 2010) has found that charter schools serve roughly the same percentage of low-income and minority students as do the school districts in which they are located.

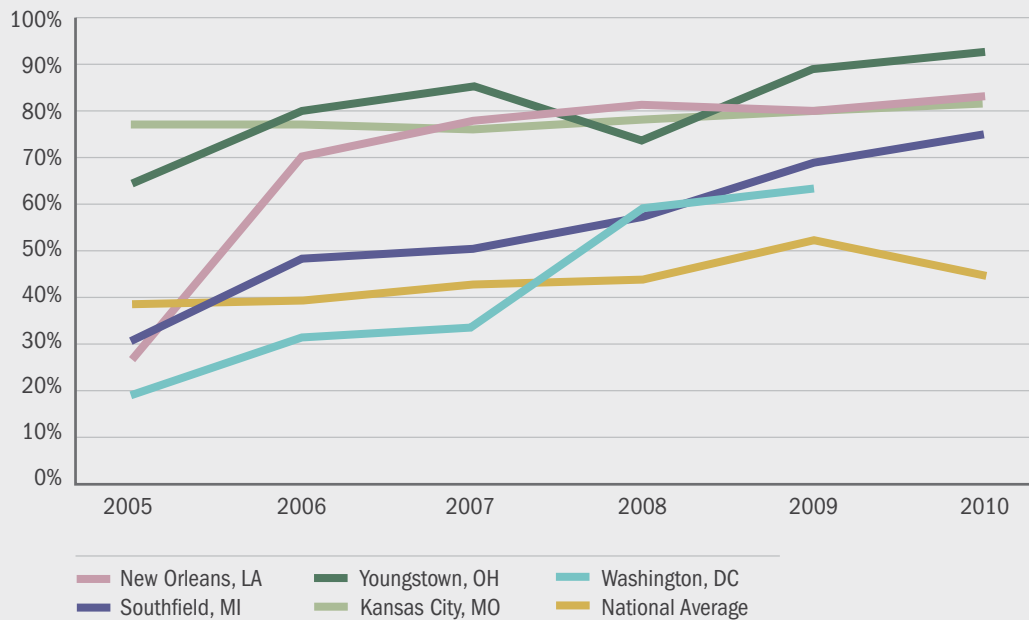
Throughout the past decade, the share of charter school students from low-income families has grown steadily. Today, 46 percent of all charter school students are eligible for free or reduced-price lunch, compared to 29 percent in 2000 (see Figure 5). This trend is particularly evident in four of the five cities with the largest market share of charter schools (see Figure 6). The share of D.C. charter school students living in poverty, for example, more than tripled between 2005 and 2009; and in Southfield, Michigan, the percentage doubled. Again, there is no way to know what factors are influencing this trend toward needier students. One possibility is that it may be a result of philanthropic support for the expansion and replication of schools that perform especially well with high-poverty, minority students.

Figure 5. Charter Schools Serve Increasing Shares of Students Who Are Eligible for Free or Reduced-Price Lunch (FRL)



Source: National Alliance for Public Charter Schools (2011)

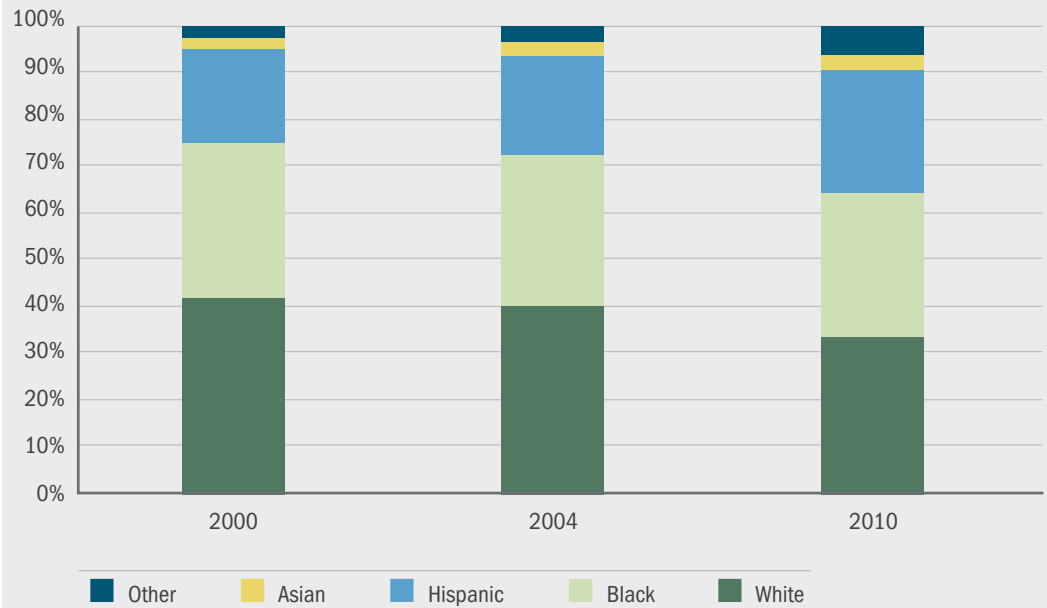
Figure 6. Top Five Charter School Cities Serve Increasing Shares of Students Who Are Eligible for Free or Reduced-Price Lunch



Source: National Alliance for Public Charter Schools (2011)

Nearly 30 percent of all charter school students are black, a proportion that has been consistent since 2000 (see Figure 7). Meanwhile, in the past five years, Hispanic students have made up a growing share of the charter school population. In the 2010–11 school year, Hispanic students accounted for almost 26 percent of charter school students, compared to 19 percent in 2000 (see Figure 8). During the same period, Hispanic student enrollment also rose at noncharter public schools, likely reflecting national immigration trends.

Figure 7. Charter Schools Are Reaching More Minority Students



Source: National Alliance for Public Charter Schools (2011)

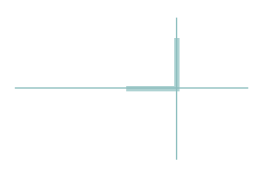
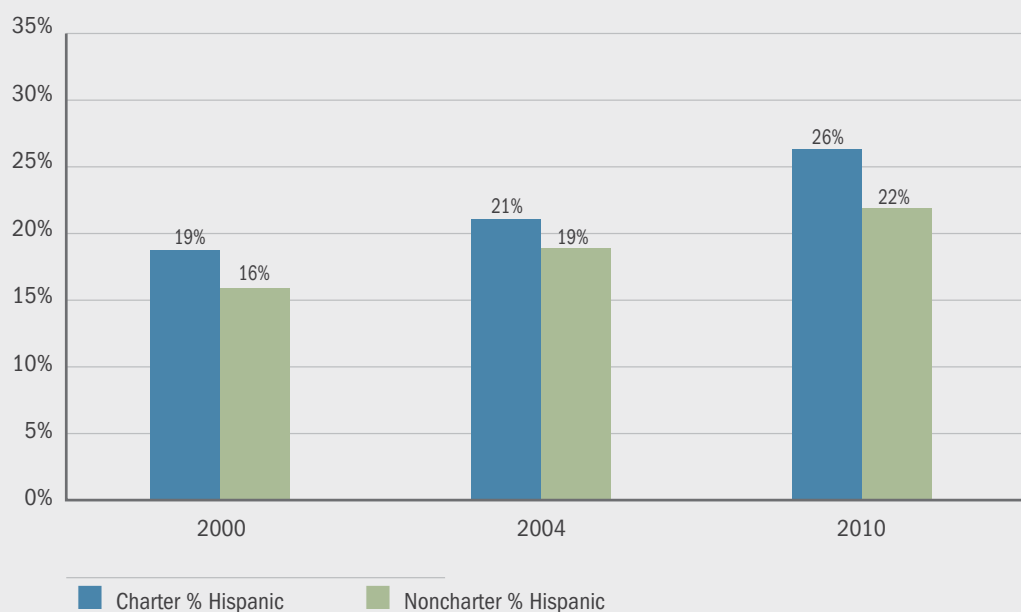


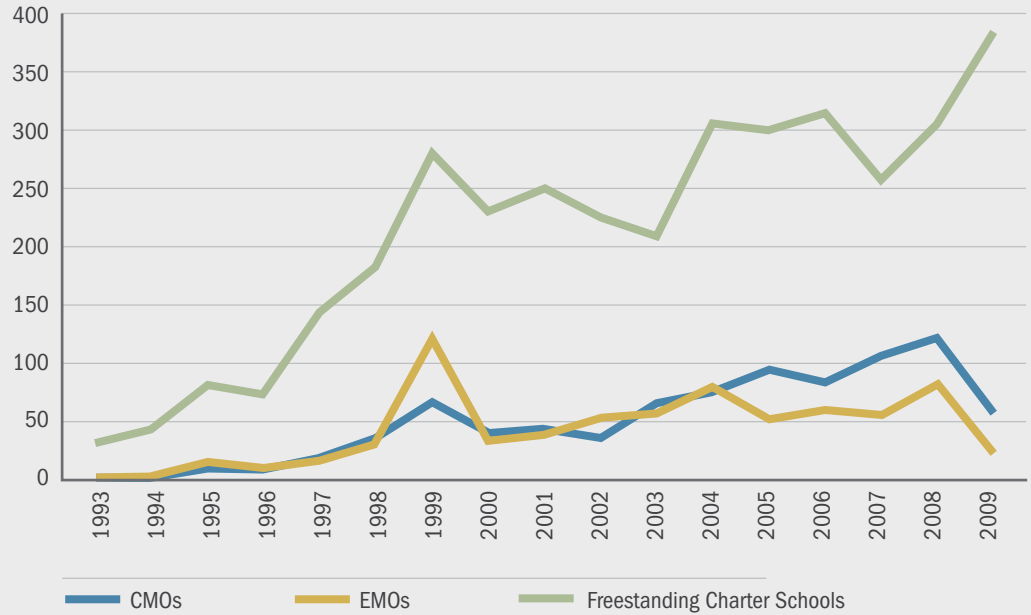
Figure 8. Charter Schools Are Reaching More Hispanic Students

Source: National Alliance for Public Charter Schools (2011)

FINDING 5: FREESTANDING CHARTER SCHOOLS ARE NOW EXPANDING FASTER THAN CHARTER SCHOOLS RUN BY MANAGEMENT ORGANIZATIONS

When charter school laws were first adopted, charter schools were mostly founded by groups of parents, teachers, or community-based organizations, such as the Urban League. Some for-profit organizations, such as Edison Schools and National Heritage Academies, ran education management organizations (EMOs), which in turn ran a number of charter schools, usually in partnership with local nonprofit boards. But the great majority of charter schools were stand-alone schools. In the early 2000s, nonprofit charter management organizations (CMOs), such as Achievement First, Aspire Public Schools, and Green Dot Public Schools, began to receive funding from foundations to replicate successful independent charter schools. As demonstrated in Figure 9, excepting the jump in 1999, both of these types of management organizations showed an overall upward trend until the mid-2000s. Since 2008, however, freestanding schools have regained momentum, and CMO and EMO school openings have declined.

Figure 9. Charter Management Organizations Grow in Number but Are Outpaced by Freestanding Charter Schools



Source: CRPE analysis of data from National Alliance for Public Charter Schools (2010)

Note: While EMO growth did decline significantly in 2009, part of the drop is accounted for by a number of charter schools that became unaffiliated with an EMO as of 2009.

CMOs are concentrated in a small number of states, particularly Texas, California, and Arizona (see Figure 10). This distribution is unlikely to change for some time, as only 7 percent of CMOs operate schools across state lines, according to CRPE analysis of data from the National Alliance for Public Charter Schools (2010).

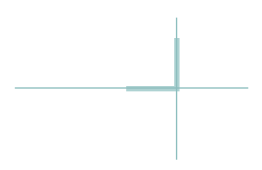
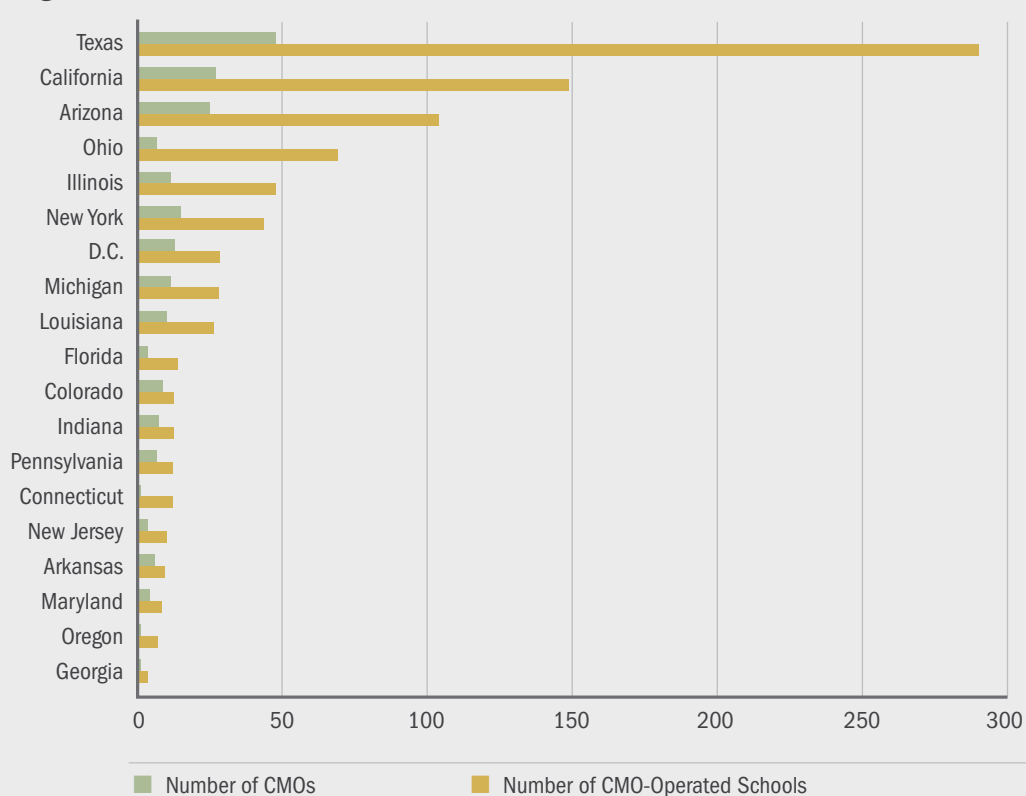
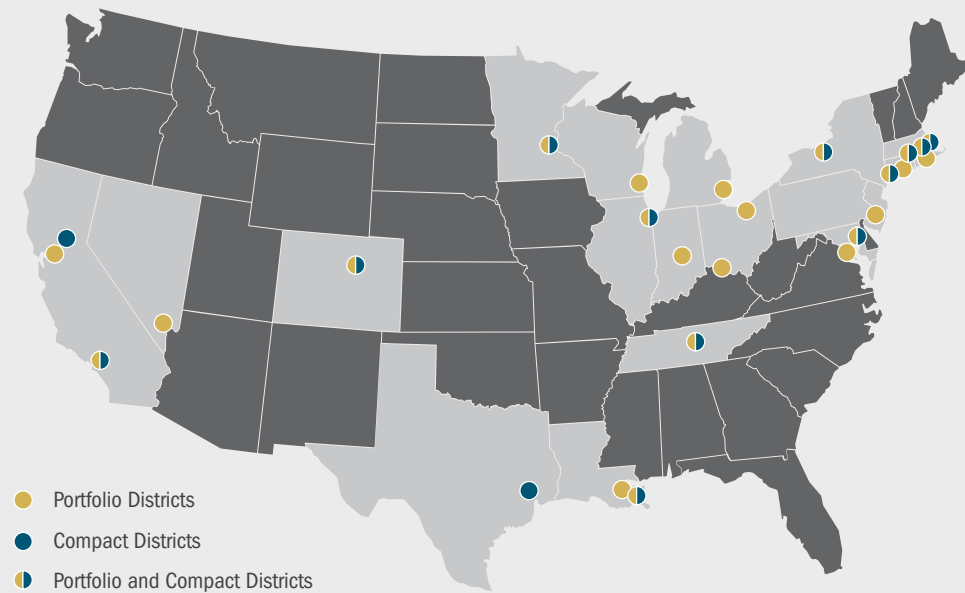


Figure 10. CMOs Concentrate in a Small Number of States

Source: CRPE analysis of data from National Alliance for Public Charter Schools (2010)

FINDING 6: PROMISING DISTRICT-CHARTER PARTNERSHIPS HAVE EMERGED

As charter schools broaden their presence in an increasing number of cities, districts are increasingly integrating charter schools into their own reform strategies. In cities such as New York, Baltimore, Denver, and Boston, a paradigm shift is under way from two decades of animosity and winner-take-all competition toward strategic collaboration and partnership. An example of this shift is the growth of portfolio school districts—districts that provide public education through multiple means. What began with only a handful of pioneers almost a decade ago has grown to include at least 24 portfolio school districts across the country, shown in Figure 11 (Hill & Campbell, 2011). Common among the portfolio school districts is a commitment to open the best possible schools for students and close low-performing schools, whether the schools are charter schools or traditional public schools (Lake & Hernandez, 2011; Lake & Hill, 2009).

Figure 11. Portfolio and Compact School Districts in 2011

Source: CRPE (2011)

Note: As this publication goes to press, additional cities have signed district–charter compacts, and more are expected to sign soon.

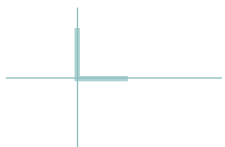
Building off the momentum of the portfolio districts, the Bill & Melinda Gates Foundation is supporting formal public agreements, district–charter collaboration compacts, crafted and signed by superintendents and charter leaders willing to commit to collaboration on difficult and often divisive issues. The 14 cities to date—Baltimore, MD; Boston, MA; Central Falls, RI; Chicago, IL; Denver, CO; Hartford, CT; Los Angeles, CA; Minneapolis, MN; Nashville, TN; New Orleans, LA; New York City, NY; Rochester, NY; Sacramento, CA; and Spring Branch, TX—have committed to five key principles (Phillips, 2011):

- District and charter schools have a collective obligation to all students.
- Charter schools need to support the success of district schools, and vice versa.
- Students should have access to equitable resources.
- District schools and public charter schools must be equally accountable for student performance.
- Leaders will expand or replicate high-performing schools.

On the ground, district and charter school leaders are tackling issues regarding access for all students, including students with special needs and English language learners, equitable school funding, and equitable access to public school facilities and other public resources. District and charter schools also are pursuing joint teacher and leadership training programs and universal enrollment systems. Though many questions remain about implementation, compacts provide an opportunity for both district and charter schools alike to realize the commonality of their goals and responsibilities and improve the system as a whole.

THE NEXT WAVE OF CHARTER SCHOOLING

If current trends hold, charter school growth will continue to be steady and strong. Expansion of management organizations and emerging partnerships with districts will continue to offer important backing for future growth, especially in urban areas. Such growth likely will mean that charter schools will educate increasing numbers of minority students and those from low-income families. However, whether charter schools will eventually expand beyond urban centers to take on a more significant role in education reform in suburban, small-town, and rural communities remains to be seen. In future years, CRPE will continue to follow these trends and will begin to track the role of charter schools in online learning, school turnarounds, and other emerging areas that could dramatically affect the influence and size of the charter school sector going forward.



References

- Center on Reinventing Public Education. (2011). *District-charter collaboration compacts*. Retrieved December 8, 2011, from <http://www.crpe.org/cs/crpe/view/topics/1?page=initiatives&initiative=36>
- Christensen, J., Meijer-Irons, J., & Lake, R. J. (2010). The charter landscape, 2004–2009. In R. J. Lake (Ed.), *Hopes, fears, & reality: A balanced look at American charter schools in 2009* (pp. 1–13). Seattle, WA: National Charter School Research Project, Center on Reinventing Public Education. Retrieved October 28, 2011, from http://www.crpe.org/cs/crpe/download/csr_files/pub_ncsrp_hfr09_jan10.pdf
- Hill, P., & Campbell, C. (2011). *Growing number of districts seek bold change with portfolio strategy*. Seattle, WA: Portfolio School Districts Project, Center on Reinventing Public Education. Retrieved October 28, 2011, from http://www.crpe.org/cs/crpe/download/csr_files/Brief_PSDP_SchoolDistricts_June11.pdf
- Lake, R., & Hernandez, A. (2011). *Eliminating the achievement gap: A white paper on how charter schools can help district leaders*. Seattle, WA: Center on Reinventing Public Education. Retrieved October 28, 2011, from http://www.crpe.org/cs/crpe/download/csr_files/WP_PSDP_AchieveGap_Jun11.pdf
- Lake, R., & Hill, P. (2009). *Performance management in portfolio school districts*. Seattle, WA: Center on Reinventing Public Education. Retrieved October 28, 2011, from http://www.crpe.org/cs/crpe/download/csr_files/pub_dscr_portfperf_aug09.pdf
- National Alliance for Public Charter Schools. (2010). *Public charter schools dashboard*. Washington, DC: Author. Retrieved October 28, 2011, from <http://dashboard.publiccharters.org/dashboard/home>
- National Alliance for Public Charter Schools. (2011). *Public charter schools dashboard*. Washington, DC: Author. Retrieved October 28, 2011, from <http://dashboard.publiccharters.org/dashboard/home>
- National Alliance for Public Charter Schools. (2011). *A growing movement: America's largest charter school communities*. Washington, DC: Author. Retrieved October 28, 2011, from http://publiccharters.org/data/files/Publication_docs/2011%20NAPCS%20Market%20Share%20Report_20111013T104601.pdf
- Phillips, V. (2011). *Learning from each other*. *The School Administrator*, 68(7), 10–14. Retrieved October 28, 2011, from <http://www.aasa.org/SchoolAdministratorArticle.aspx?id=19602>